



2023 ESG Report

ESG is integral to setting our vision in motion and embedded in our long-term strategy.

OTIS

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> 2023 ESG highlights



HEALTH & SAFETY

Launched a targeted safety campaign focused on global jobsite risk mitigation and subcontractor accountability

Hosted over **200,000 individual engagements** globally with colleagues and subcontractors through our **fourth annual Season of Safety**

Implemented a standard learning management system designed to make training materials more accessible

Raised more than **11,500 Stop Work Authority (SWA) events** in the field



ENVIRONMENT & IMPACT

Committed to science-based greenhouse gas (GHG) reduction targets for scope 1, 2 and 3 in line with the Science Based Target initiative (SBTi), for which near-term targets were approved by SBTi in April 2024

Named first LEED Platinum certified industrial factory in Spain

Certified nine Otis factories and implemented 72% of program elements necessary for zero-waste-to-landfill certification by the end of 2023, compared to 54% in 2022, keeping us on track for 100% factory eligibility by 2025

Launched Gen3 Core featuring ReGen technology for improved energy efficiency

Published six **Environmental Product Declarations (EPDs)**, bringing our total to **19* published EPDs**

Improved our CDP Score to A-, reaching Leadership recognition level

Received Gold sustainability rating from EcoVadis for the second year in a row



PEOPLE & COMMUNITIES

Joined the Inclusion Works program of **Disability:IN** to accelerate disability inclusion and accessibility

Expanded the reach of our Employee Resource Groups across Latin America, Europe, the Middle East and Africa (EMEA) and Asia Pacific

Introduced the **Otis Colleague Disaster Relief Fund** to directly support colleagues impacted by natural disasters or humanitarian crises

Continued to improve our score for the inclusive culture category in our 2023 **colleague engagement survey**

Received Noteworthy Company designation **by Fair360** (formerly DiversityInc) for the third year in a row

Mentored students from 15 countries and territories to develop inclusive mobility solutions to expand access to green space and advance well-being through our **Made to Move Communities program**

Launched 3 in '23 volunteering campaign, encouraging all Otis colleagues to record at least three hours of community service during the year



GOVERNANCE & ACCOUNTABILITY

Conducted regular reviews of our ESG programs and progress with the ESG Council composed of senior leaders, which reports to our CEO

Achieved goal by awarding over **20% of annual U.S. supplier spend to diverse suppliers**

Recognized as Top Company for Board of Directors diversity by Fair360

* Includes 3 EPDs that were completed in Q1 2024 with the EPD international library.



A message from our CEO

Judy Marks, Chair, Chief Executive Officer and President

At Otis, ESG has been part of our culture for decades, integral to setting our vision in motion and embedded in our long-term strategy. We are deeply committed to our identified ESG goals in the areas of Health & Safety, Environment & Impact, People & Communities and Governance & Accountability. As we progress on these goals, we are advancing our business and driving value for our key stakeholders, including our colleagues, customers, partners and shareholders.

Whether supporting the physical and mental well-being of our colleagues, developing more sustainable products and services for our customers, or fostering an inclusive culture where our colleagues feel safe to innovate and nurtured to rise to their true potential, we are keenly aware that the actions we take today will have a profound impact on future generations.

“As we progress on these goals, we are advancing our business and driving value for our key stakeholders, including our colleagues, customers, partners and shareholders.”

As we continue to make progress building upon our strong legacy, we are being recognized for our efforts.

We were named one of the World’s Most Trustworthy Companies and one of America’s Greenest Companies by Newsweek. Fortune recognized Otis as one of the World’s Most Admired Companies, while Seramount included Otis within its Global Inclusion Index for operations in nine countries around the world. USA Today identified Otis as one of America’s Climate Leaders for our efforts to reduce scope 1 and 2 greenhouse gas emissions. We also recently achieved Gold status from EcoVadis for the second year in a row – a metric closely watched by many of our European customers as they make procurement decisions. We know there is more work to be done, but acknowledgements like these demonstrate that we are on the right path.

Our 2023 ESG Report highlights critical programs and recent successes as we work to advance our business strategy in support of a more sustainable tomorrow. By transparently reporting on our ESG progress, we hold ourselves accountable – and invite our stakeholders to come on the journey with us. We look forward to building our future together, giving people freedom to connect and thrive in a taller, faster and smarter world.

With gratitude,

A handwritten signature in black ink, appearing to read 'Judy Marks'.

Judy Marks

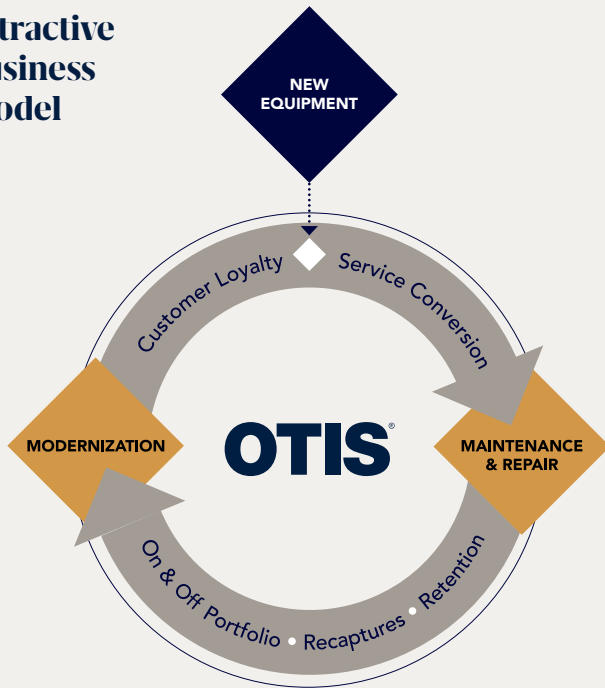
Chair, Chief Executive Officer and President

> About Otis

Otis is the world’s leading elevator and escalator manufacturing, installation and service company, a pioneer of elevator safety – and the industry – for more than 170 years. Today, with 71,000 Otis colleagues, we move 2.3 billion people a day around the world. We have a global scale and local focus, with over 1,400 branches and offices and a direct physical presence in more than 70 countries. And we maintain the world’s largest portfolio of elevators and escalators, with approximately 2.3 million customer units globally.

Growth of the vertical transportation industry is driven by increased urbanization, which in turn is led by economic growth and expansion of the middle class globally. At the

Attractive business model



same time, approximately 7 million of the more than 21.5 million installed elevator units globally are over 20 years old,* the typical time frame for full or partial elevator replacement. This leads to new strategic opportunities for Otis requiring innovative solutions. As customer needs and requirements increase, we are responding to the changes across a range of verticals and segments, leveraging technology for safer, more sustainable, more reliable rides, and improved customer service and passenger experiences. Our product innovations serve buildings of all sizes, from a few stories high to the tallest, most recognizable residential and commercial buildings and infrastructure in the world. We help build and transform modern cities – improving lives in the communities where we live and work.

Our business model

The Otis business model focuses on New Equipment share gain and Service portfolio growth. We grow our Service portfolio through the sale of New Equipment units and accompanying maintenance services and by converting existing installed units from other manufacturers to the portfolio. New Equipment makes vertical transportation within buildings and infrastructure possible, while Service ensures that equipment runs safely and reliably. Our business also focuses on addressing aging units from an equipment and service perspective. When we modernize elevators installed decades ago, we enhance equipment operation with the latest technology, improve reliability and overall building functionality, reduce environmental impact, and keep passengers moving comfortably and safely. Our digital tools help us work more efficiently and safely and mitigate our environmental impact. Read more about our business and products on our [website](#).

>170
years
since founding

71K
colleagues

2.3B
people
moved daily

>1,400
branches
and offices

>70
countries with a direct
physical presence

~2.3M
customer elevator
& escalator units

* Based on internal estimates.

Our strategic pillars

This business model is supported by our strategic pillars that guide our day-to-day operations. In 2023, we added a fifth strategic pillar, Deliver Modernization Value. We believe in the growth opportunity that modernization presents and are committed to making our operations repeatable, scalable and more proactive in this segment. We will utilize our successes in New Equipment to leverage synergies between these two segments and drive further acceleration through digital tools. This is an important addition to our existing strategic pillars of sustaining New Equipment growth, accelerating our maintenance portfolio growth, focusing and empowering our organization, while advancing digitalization. These five priorities – fully supported by our ESG pillars of Health & Safety, Environment & Impact, People & Communities and Governance & Accountability – are the basis that we drive and execute within the business.

In 2023, we delivered strong financial performance and continued to support the evolving needs of our colleagues, customers, passengers, shareholders and other stakeholders. Read more about Otis’ financial performance in our [2023 Annual Report](#).



SUSTAIN NEW EQUIPMENT GROWTH

New Equipment is the starting point of a full equipment lifecycle, positioning us well for future service and modernization contracts. To support our customers and grow our business, we strive to deliver products that meet our customers’ needs for a smarter, safer and/or more environmental-friendly world.



ACCELERATE SERVICE PORTFOLIO GROWTH

A key component for our Service portfolio growth is delivering a positive passenger experience and reducing equipment downtime. We continue to innovate on the safety and communication tools to keep our colleagues – including Otis field professionals and subcontractors – and the riding public safe and satisfied.



DELIVER MODERNIZATION VALUE

With approximately 7 million of the 21.5 million installed units now over 20 years old,* modernization is an essential part of our business, allowing us to leverage the latest technologies to enhance safety, improve energy efficiency and deliver better customer service and passenger experiences.



ADVANCE DIGITALIZATION

We combine the latest digital technologies with the expertise of our 42,000 field professionals to provide safer, more reliable rides, improve customer service and be more efficient. This includes using digital tools such as remote monitoring and troubleshooting to help reduce service calls and optimize routes, lowering emissions and keeping our mechanics safer.



FOCUS AND EMPOWER OUR ORGANIZATION

Otis colleagues are the source of our success. To ensure we build the next generation of Otis colleagues, we must access and recruit from broad and diverse talent pools and provide the training and technologies to help all colleagues develop professionally and personally.

* Based on internal estimates.

Environmental, Social and Governance (ESG) pillars and their alignment with our business strategy

The four pillars of our ESG strategy are intertwined with our guiding principles – The Otis Absolutes of Safety, Ethics and Quality – and our business strategy. Together, they drive value for all our stakeholders and the broader communities where we live and work.



Health & Safety: Safety is at the heart of our business. Every day we prioritize the health and safety of our passengers and colleagues, including 42,000 highly experienced field professionals who install and service equipment at jobsites around the world. We abide by the highest safety standards and educate our field professionals and field subcontractors on our Cardinal Rules to ensure Otis colleagues, subcontractors and passengers return home to their families safely every day. This helps us grow our Service portfolio and improves our workforce’s well-being.



Environment & Impact: As we help the world’s cities grow and people move, we are committed to managing our impact on the environment. We aim to develop innovative and environment-friendly solutions by advancing digitalization and other technologies – including through modernization – to provide equipment and services that respond to our customers’ and passengers’ needs. We reduce emissions by measuring and managing the environmental impact of our products and operations and by increasing our renewable energy use. We also focus on reducing waste generation and water consumption. We see these activities as essential to safeguarding the future of Otis.



People & Communities: Otis is committed to fostering an inclusive culture where every colleague feels safe, welcomed and heard, and where we celebrate and encourage growth and innovation. By creating an inclusive, equitable and accessible work environment and offering well-being programs to all Otis colleagues, we empower our people to succeed. And we are positioning ourselves to attract and retain the best talent on the market – fundamental to building our next-generation workforce. We interact meaningfully and create positive change through high-impact initiatives in the communities where we live and work.







Governance & Accountability: Our Otis Absolutes of Safety, Ethics and Quality uphold high standards of governance and integrity. These guiding principles govern how we make decisions and act every day, everywhere. Otis management is responsible for executing our business strategy, including our ESG strategy, and the Otis Board of Directors actively engages with management, providing strong oversight and guidance with a focus on long-term shareholder value creation. This strong governance helps us grow our business and build trust with our stakeholders.



Key performance indicators (KPIs) summary

In 2021, we established 13 ESG goals under our four pillars and aligned them with the United Nations (U.N.) Sustainable Development Goals (SDGs). In 2023, we continued to build on our ESG strategies to deliver long-term value to our stakeholders, as described below.






2023 Results

Goal	2023 results	Aligned SDGs
Health & Safety		
Commit to achieve a zero-harm workplace	3 fatal injuries TRIR = 0.60 LTIR = 0.19	 
Educate all field professionals and field subcontractors annually on life-saving Cardinal Rules	Educated field professionals and field subcontractors through safety training, safety events and other channels	
Expand availability of well-being and resilience services to all colleagues worldwide through an Employee Assistance Program by 2023	Goal achieved in 2022: 100% Otis colleagues covered	
Environment & Impact		
Near-term science-based GHG reduction targets:* <ul style="list-style-type: none"> Reduce absolute scope 1 and 2 GHG emissions 55% by 2033 from 2021 base year** Reduce absolute scope 3 GHG emissions from purchased goods and services, business travel, and use of sold products 33% by 2033 from 2021 base year 	<ul style="list-style-type: none"> 12% reduction in scope 1 and 2 GHG emissions from 2021 5% reduction in scope 3 GHG emissions from 2021 	
Source 100% of factory electricity from renewable energy by 2030***	33% of our factories' electricity comes from renewable sources	
Achieve 100% factory eligibility for zero-waste-to-landfill certification by 2025	72% program elements implemented compared to 54% in 2022, based on the Green Business Certification Inc. (GBCI) TRUE (Total Resource and Utilization Efficiency) program materials	
Complete ISO 14001 certification for all factories by 2025	Goal achieved in 2021: 100% of factories certified	

* In November 2023, we submitted our near-term science-based targets (SBTs) to the SBTi for validation. Our near-term targets were validated by SBTi in April 2024. Our new SBTs replace our GHG target of 50% reduction in scope 1 and 2 GHG emissions by 2030 from 2019 base year.

** The target boundary includes biogenic land-related emissions and removals from bioenergy feedstocks.

*** This goal was previously referred to as "Reach carbon neutrality for factory electricity by 2030."

Goal	2023 results (continued)	Aligned SDGs
People & Communities		
Achieve gender parity in our executive ranks by 2030	38.3% female executives (a 2.3-percentage-point increase from 2021)	   
Increase the score for the inclusive culture category in the company's colleague engagement survey by 4 points by 2025 (against a baseline score of 71)	73 (a 2-point increase from our baseline)	
Direct 50% of total global giving to science, technology, engineering and math (STEM) programs by 2025	>55% of giving directed to STEM organizations and initiatives	
Impact 15,000 students globally through STEM-focused programming across the learning and vocational training continuum to improve livelihoods and help build the workforce of tomorrow by 2030	>2,400 students impacted in 2023 >5,000 cumulative students impacted since 2021	
Dedicate 500,000 cumulative colleague volunteer hours in support of vibrant communities, STEM education and social equity efforts globally by 2030	>71,000 volunteer hours in 2023 >114,000 cumulative volunteer hours since 2022	
Governance & Accountability		
Award at least 20% of U.S. supplier spend annually to diverse suppliers*	More than 20% awarded	

ESG standards

We are a signatory of the United Nations Global Compact, and we report under the following frameworks: Global Reporting Initiative (GRI) Standards, Sustainability Accounting Standards Board (SASB) guidelines for the Resource Transformation sector (with Electrical and Electronic Equipment and Industrial Machinery and Goods as subsectors, when applicable), and the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. We engage third parties for limited assurance covering certain health & safety, environment & impact, and people & community metrics (see [pages 63-67](#) in the Appendix).

* Diverse supplier is defined as a supplier that is at least 51% owned and controlled by an individual or group that is underrepresented (i.e., minority-, women-, veteran-, LGBTQ+ or disability-owned), a small business and/or operating in an economically disadvantaged location based on the United States (U.S.) Small Business Administration definitions.

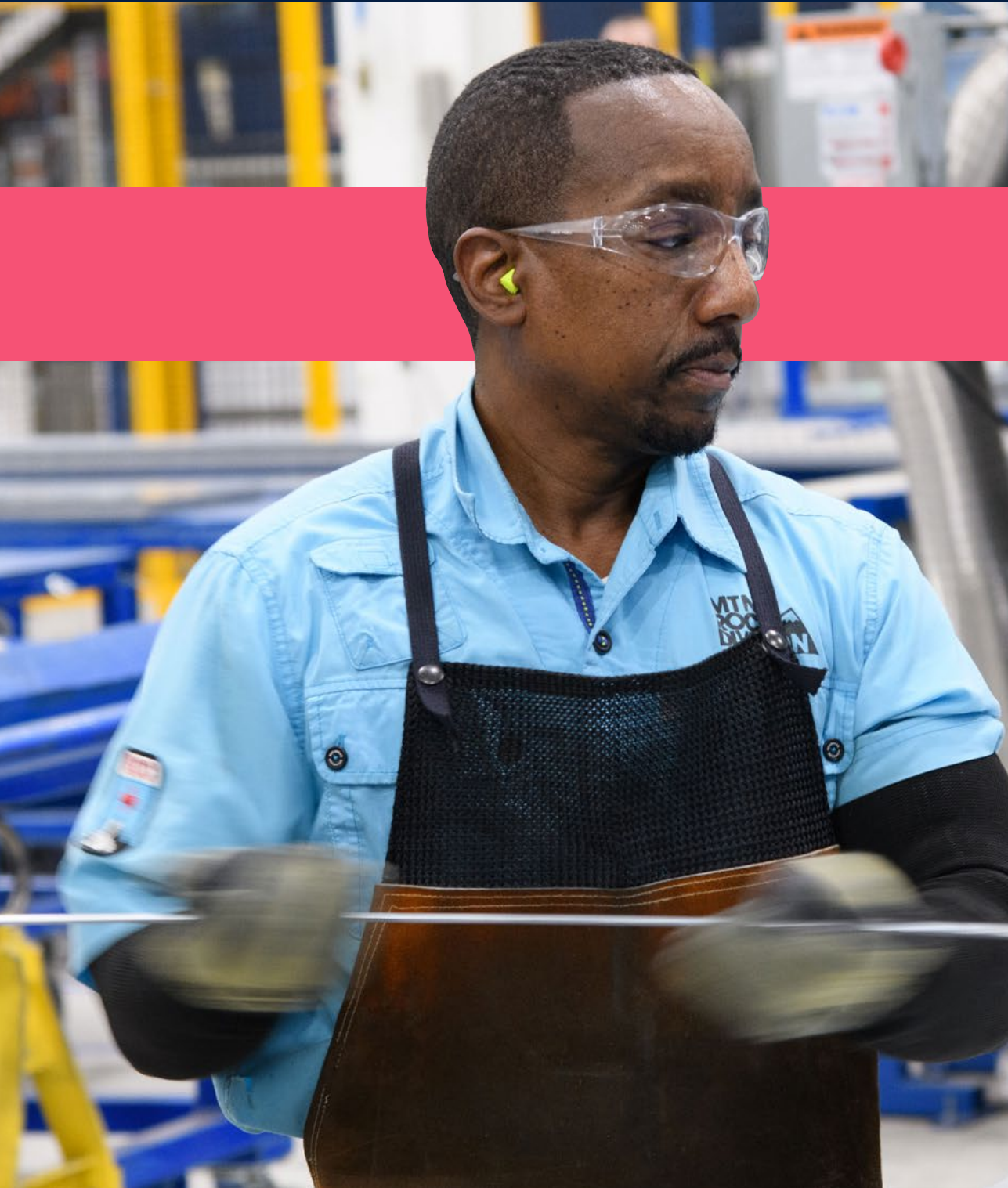
> 2023 and 2024 Otis awards and accolades*

- Best-managed Companies – Wall Street Journal, 2023
- America’s Most Responsible Company – Newsweek, 2023 and 2024
- World’s Most Trustworthy Companies – Newsweek, 2023
- Most Trustworthy Companies in America – Newsweek, 2023
- America’s Greenest Companies – Newsweek, 2023
- World’s Most Admired Companies – FORTUNE, 2023 and 2024
- Noteworthy Companies – Fair360 (formerly DiversityInc), 2023
- Top Companies for Board of Directors – Fair360 (formerly DiversityInc), 2023
- Global Inclusion Index (Australia, Brazil, Chile, China, Colombia, France, Mexico, Singapore and United Kingdom) – Seramont, 2023
- Inclusion Index (United States) – Seramont, 2023
- Japan PRIDE Index 2023 – work with Pride (wwP), 2023
- Top Diversity Company 2023 (Morocco, Portugal and Spain) – Intrama, 2023
- Gold Healthy Workplace Award 2023 (Otis Global Services Private Limited) – Arogya World, 2023
- The World’s Top Companies for Women – Forbes, 2023
- World’s Best Employers – Forbes, 2023
- America’s Climate Leaders – USA Today, 2023
- Corporate Strategy Well-being Award – WorkWell, 2023
- Award for Excellence in Governance, 2023 HACR Corporate Inclusion Index – Hispanic Association on Corporate Responsibility, 2023
- INNOSTAR – Korean Management Registration, 2023
- Project of the Year: Elizabeth Line, London – Elevator World, January 2024
- Project of the Year: Singapore MRT – Elevator World, January 2024
- Top 100 Global Innovators – Clarivate, 2023



Otis won a 2023 award for Excellence in Governance from the Hispanic Association on Corporate Responsibility. The award was part of the HACR Corporate Inclusion Index.

* Global and regional recognition received in 2023 and in Q1 of 2024, which was based off 2023 performance. This list is not inclusive of all global, regional and local awards received.



Health & Safety



Safety is an Otis Absolute, and we take pride in our position as a health and safety leader in an industry where these principles are essential. Our founder, Elisha Graves Otis, invented the first elevator safety brake in 1852, and we have continued to innovate and exemplify our dedication to safety practices for more than 170 years. We focus on keeping our workplaces free of hazards and empowering our colleagues and subcontractors to speak up and stop work if they have concerns about the safety of a task or jobsite. Equally important, we design our products and our service protocols with the highest safety standards for the riding public and anyone who interacts with Otis equipment.

> Goals and performance

Goal: Commit to achieve a zero-harm workplace

Every day our colleagues, customers, partners and passengers put their trust in us. One way we work toward our commitment to a zero-harm workplace is through our health and safety management program, which focuses on four key strategic elements:

- **Governance and systems** – cultivating a sustainable framework to ensure safe work practices and principles are applied consistently
- **Risk management** – developing error-resistant systems that identify, prevent and control significant risks on all jobsites
- **Culture** – growing a continuous learning culture that continuously evolves through technological and theoretical advancements
- **Education** – ensuring teams have the technical skills and ongoing instruction to perform their jobs safely and effectively

To assess our progress and the success of our health and safety programs, we track and report several lagging and leading indicators to senior leadership regularly:

- **Lagging indicators** include metrics such as Total Recordable Incident Rate (TRIR), Lost Time Incident Rate (LTIR) and fatal injuries. In 2023, the Otis TRIR of 0.60 and LTIR of 0.19 continued to demonstrate our focus and strength as a health and safety leader in the elevator and escalator industry. Despite these results, we work to do

better. In 2023, we were saddened by the loss of one Otis colleague and two subcontractor partners on jobsites due to work-related incidents. All three involved falls from heights, the leading cause of fatal incidents in our industry. Following each incident, a systematic root cause analysis was completed by the local leadership team and presented to senior leadership, including to our CEO and to the Otis Board of Directors. Robust corrective actions were then implemented locally and cascaded globally where appropriate. These tragedies remind us that we still have work to do so that all our colleagues and subcontractors return home to their families safely every day. We will not rest until our aspiration of a zero-harm workplace is fully realized.

- **Leading indicators** include key safety-training completion rates, operations and colleague audit scores, including Focused Field Audit and Fatality Prevention Audit scores and colleague survey scores. Focused Field Audits are designed to measure our field operations' compliance with our global field safety and management system requirements. Fatality Prevention Audits are used to evaluate the performance of field colleagues on high-risk activities related to working on elevators and escalators.



Goal: Educate all field professionals and field subcontractors* annually on life-saving Cardinal Rules

During 2023, we educated our field professionals and field subcontractors on our Cardinal Rules through safety training, safety events and other engagement channels.

Our fundamental work-safety principles are the Cardinal Rules. We require our field professionals and subcontractors to follow our Cardinal Rules to address hazards in our industry – from avoiding falls in the hoistway to controlling equipment movement during service and to adhering to electrical safe work practices. When these rules are not followed, the potential for tragic events increases significantly. Violations are fully investigated and may result in disciplinary action up to and including termination.

Field professionals and subcontractors are first introduced to our Cardinal Rules during the on-boarding process with Otis, and formal refresher training is conducted periodically. Other safety education includes specialized communications, colleague spotlights and global and regional events, such as our annual Season of Safety, which is discussed in more detail on [page 13](#).

Goal: Expand availability of well-being and resilience services to all colleagues worldwide through an Employee Assistance Program by 2023

Our colleagues’ mental well-being is just as important to us as their physical well-being. Proper mental health support allows for a better quality of life and more engaged and effective work. We are proud to have achieved our goal of offering Otis Care, an Employee Assistance Program (EAP), to all Otis colleagues globally starting in 2022, a year earlier than anticipated.

Cardinal Rules



OTIS

- Always ensure protection from falling where a fall hazard exists.
- Always follow lock and tag out procedures when power is not required.
- Always use Ground Fault Circuit Interrupters (GFCIs) on portable corded electric tools and devices, other than authorized uses in Otis facilities.
- Always identify confined spaces and follow written procedures for entry.
- Never work or position body parts in proximity to unguarded moving parts or electrical circuits.



ELEVATOR

- Always maintain control of the elevator when accessing/egressing the hoistway, working on the car top or in the pit.
- Always follow the operation’s authorized control processes when using jumpers and shunts.
- Always follow the operation’s authorized procedures for hoisting and rigging and mechanical blocking of elevator equipment.
- Always follow the operation’s authorized procedures for false cars/running platforms.
- Never ride the car top with the elevator in normal operation.



ESCALATOR

- Always use inspection controls to operate or move the step chain.
- Always verify the proper functioning of the escalator’s emergency stop switch prior to entering the machine room or the pit.
- Always use effective barriers and warnings, and block the unit electrically and mechanically, when leaving the escalator unattended with steps/pallets removed.
- Always secure the step chain from movement by two independent means when work is performed in the truss.
- Never walk on step axles.
- Never ride the escalator with steps/pallets removed unless there is only one opening, the opening is barricaded, the unit is on inspection, and there are clear modes of communication to ensure that all personnel are aware of when and how the unit will move.

* For this goal, the terms subcontractor and field subcontractor are used interchangeably. It is a type of supplier who performs installation, maintenance, modernization or associated services on behalf of Otis under a contractual agreement.

> The safety of our colleagues

Field professionals who install, modernize or service elevators and escalators make up the majority of our dedicated workforce, using a range of methods and tools. Variations can present risks, which we work to mitigate through global standard processes, such as minimum global safety and high-risk work activity standards.

Updates to our global health and safety standards are set and managed by cross-functional teams of subject matter experts at Otis, who form:

- **Field Safety Council:** Composed of global and regional leaders from Environment, Health & Safety (EH&S), field operations and engineering departments, the council develops standardized procedures and measures aimed at reducing improvisation, helping to reduce serious incidents in the field.
- **Factory EH&S Council:** Consisting of global, regional and factory EH&S managers and leaders, the council discusses common safety challenges and shares best practices. This council also provides a platform to discuss progress on global safety initiatives and program enhancements.

Safety governance

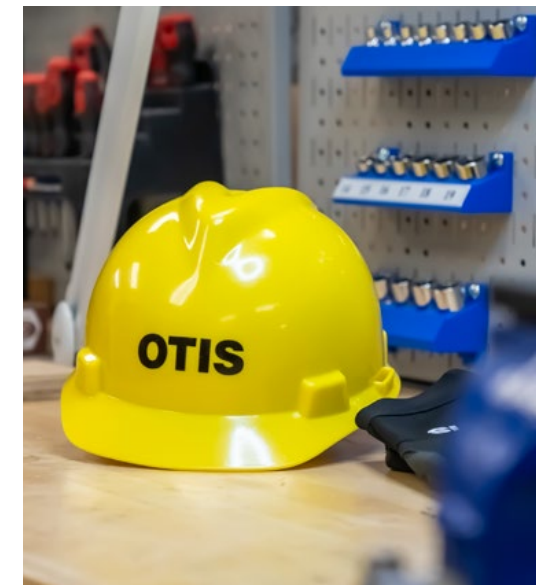
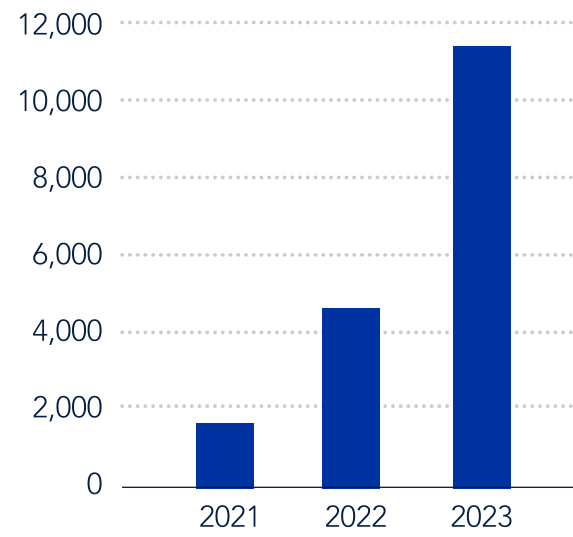
As part of Otis policy, colleagues must report all incidents of any severity or type to their supervisors. In turn, supervisors must formally report serious incidents – defined as injuries involving lost time or requiring medical treatment beyond first aid – in our safety data management system. Incident

investigations are then coordinated by the impacted operation. When fatal or serious events occur, we identify and implement immediate corrective actions and track these to closure. We also assess their applicability for global implementation. An example of a corrective action plan (CAP) for 2023 was the implementation of a targeted campaign focused on global jobsite risk mitigation and subcontractor accountability. This in turn led to an in-person assessment of over 400,000 units in our global portfolio, the integration of specialized chemical management programs and enhanced training of our subcontractor population to ensure Otis expectations are clearly understood and met. We plan to continue sharing local learnings across the enterprise where appropriate.

All colleagues and subcontractors are empowered with Stop Work Authority (SWA). Any colleague or subcontractor can stop work on any job, during any activity, at any time if they have a safety concern – and then raise the concern without risk of retaliation. In 2023, the number of SWA events submitted more than doubled from the prior year, demonstrating a strong safety culture and effective messaging that encourages colleagues to speak up when things do not seem quite right. We provide SWA training to our mechanics, supervisors and subcontractors around the world. We report SWA metrics to senior management, including our CEO and the Otis Board. We also recognize our colleagues and subcontractors for speaking up through awards and recognition programs to further encourage participation.

Can a single barricade make a difference? An Otis mechanic in Singapore faced a dilemma. While performing routine maintenance on an elevator at a local jobsite, he began placing a barricade in the lobby to alert the public of on-going work on the elevator, as our safety protocols require. But the customer told him he could not erect the barricade. Our mechanic did not want to fall behind on his work, but he also knew that he could not perform his job safely without the proper barricade. So he stopped work and immediately reported the situation to his Otis supervisor through the Stop Work Authority program. The supervisor immediately met with the customer to explain the importance of the barricade, and the work continued once the barricade was in place.

Stop Work Authority Events



Educating and engaging colleagues and field partners

In 2023, Otis field professionals and subcontractors participated in training and other educational activities to reinforce the importance of our Cardinal Rules through real-world examples and shared colleagues' past experiences.

We also held our fourth annual safety campaign – Season of Safety – for all Otis colleagues and subcontractor partners. Themed “Next Level Safety,” the campaign spanned approximately three months and focused on reinforcing our safety culture and practices, and, more specifically, enhancing hazard-recognition skills on jobsites. Topics included introduction to refreshed Otis Safety Standards and the sharing of fatality and serious injury prevention best practices. Overall, there were over 200,000 individual touchpoints with our colleagues and subcontractors throughout more than 20 global events and numerous regional and local events.

We have continued to improve our Field Training Center of Excellence (COE), which educates our colleagues and field partners on rules and procedures through global training programs available throughout the year. In 2023, we implemented a standard learning management system designed to make the COE's training materials more accessible and available in more languages.

We require our subcontractors to meet Otis requirements concerning the use of only trained and authorized personnel, adherence to Otis methods and safety requirements, and other critical elements. We have a detailed diligence process to ensure we are partnering only with companies that meet our rigorous expectations. We assess

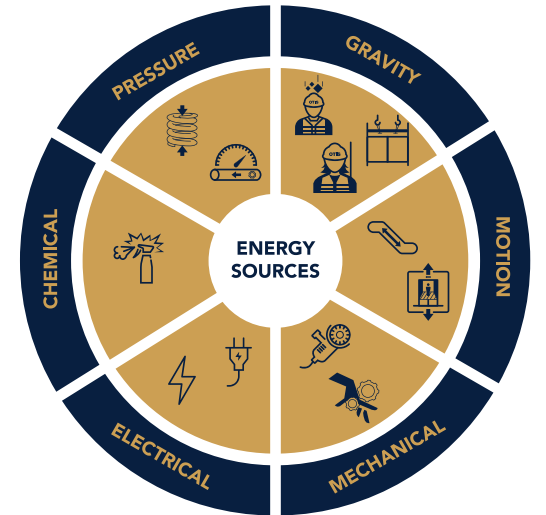
subcontractor risk on active jobsites through prestart inspections and Fatality Prevention Audits. In addition, we assess subcontractor company risk annually to identify higher-risk subcontractors, and we develop individualized subcontractor action plans that we track at local and regional levels and review at the global level.

2023 CEO Safety Award winner: Our CEO Safety Award is given annually to the operating unit or country that consistently demonstrates an exemplary commitment to a zero-harm culture. In 2023, the CEO Safety Award was awarded to Otis Poland. Thanks to the following efforts and initiatives: Otis Poland has experienced zero fatalities since we implemented our current global incident reporting requirements more than 20 years ago. The team has worked more than 12 million person-hours since its only recorded serious injury, which occurred in 2002. Otis Poland's track record on Stop Work Authority (SWA) events, which has seen a significant increase since 2021, demonstrates continued commitment to incident prevention with a robust speak-up culture. The team also promoted a culture of caring, including assisting colleagues and families with housing, transportation and relocation assistance during the ongoing humanitarian crisis in Ukraine.

Innovating safety processes and product features

Otis continuously pushes to innovate to help keep colleagues and subcontractors safe. As a founding member of both the Global Elevator Safety Forum (GESF) and the Construction Safety Research Alliance (CSRA), Otis collaborates with a community of industry leaders and academic experts to shape the health and safety landscape of both the elevator and construction industries. Through our partnership with the CSRA, we have revolutionized the recognition of hazards in the workplace.

CSRA research shows that 55% of hazards go unrecognized on jobsites because workers are not focused on what matters most. As a result, the CSRA developed the “Stuff That can Kill You” (STKY) framework, which identifies high-energy hazards in the workplace. These hazards have the greatest probability for resulting in fatal or life-altering incidents. STKY helps our colleagues identify, understand and control the sources of high energy using simple visual icons (pictograms) in the form of an energy wheel. This approach has been shown to increase hazard recognition by 30% when concentrating on hazards that have the potential to result in the most catastrophic outcomes. Otis has further refined these principles to identify the STKY energy categories that are most capable of causing fatal or life-altering incidents in the elevator and escalator industry (pictured at right). By using this simplified energy wheel, our colleagues are more likely to identify high-energy hazards and to plan and mitigate risk. In 2023, we began implementing STKY with our colleagues in EH&S and field management globally and plan to expand to all our field professionals in 2024.



We also have implemented innovative safety features in our products and tools that help keep colleagues, subcontractors and customers safe, including:

Otis ONE solution: With remote capabilities, the Otis ONE IoT digital-service platform lets our service mechanics perform diagnostics and, in some cases, put units back into service after a shutdown without having to visit the jobsite. This brings our customers greater peace of mind during emergency situations and can reduce the need for service mechanics to rush to a jobsite and risk potential injuries while repairing a unit. We also have deployed remote elevator inspection capabilities through Otis ONE, allowing us to perform frequent and recurring remote assessments of many safety-critical systems. For more information on Otis ONE and how it helps reduce our environmental impact, see [page 22](#).

Remote safety software: Our Gen360 platform includes cyber-secure safety software to seamlessly and remotely update elevator software to ensure compliance with internal and industry safety standards. We also can deploy new safety features using the same secure data link to improve the customer and passenger experience.

Colleagues' well-being

At times, our colleagues may experience situations that affect their well-being and personal and professional productivity. We are proud of our global Otis Care EAP offering, providing access to a broad range of mental health and well-being resources to support their unique needs. Our Otis Care EAP offers the following services:

- 24/7 live support in multiple languages
- Intake by master's-level clinicians
- Multiple modes of access: phone, email, chat feature, SMS
- Counseling visits by telephone, video or face to face
- Coaching modalities: mindfulness program and life coaching
- Work-life services: consultation, resources and referrals
- Manager Assist: specialist telephone consultation for HR/managers
- Member website in 27 languages
- On-site and/or live webinar orientations

Otis Asia Pacific is a founding member of WorkWell Leaders, a Singapore Asia Pacific organization that raises awareness of the importance of mental health in the workplace and provides training and resources to support business leaders promoting

mental wellness as a strategic priority. Our Asia Pacific team received the 2023 Corporate Strategy Wellbeing Award from WorkWell Leaders for our efforts to establish a standard in supporting mental health and well-being at Otis and fostering a culture of safety and inclusivity in the workplace. Also in 2023, Otis India received a Gold Healthy Workplace Award from Arogya World in recognition of our focus on workplace health and wellness. Additional wellness programs and related campaigns on our colleagues' well-being can be found on [pages 31-32](#) of this report.

> The safety of our passengers

We move 2.3 billion people around the world every day, and the safety of our passengers is of paramount importance. As part of our research and development (R&D) process, we test our products through every stage of life, ensuring the highest standard of safety. Our testing and quality assurance facilities located throughout the world evaluate critical product components for safety and durability. Before release to market, Otis products must pass rigorous lifecycle testing, including simulations of stressful environmental and operating conditions, such as construction-site dust, ocean fog, drastic temperature changes and power surges. Read more about our product safety features on our [website](#).

For more details about our product quality controls, see [page 40](#).





Environment & Impact



At Otis, we understand that promoting sustainability in our business benefits our customers and communities and strengthens our long-term resilience against environmental challenges. Serving more than 200 countries and territories, we are committed to designing, manufacturing, installing and servicing our equipment responsibly and effectively. Our efforts extend to our more than 1,400 branches and offices, 17 factories and a global fleet of approximately 22,000 vehicles, as we strive to reduce our environmental footprint while continuing to serve customers worldwide.

We continue to identify opportunities to manage our impact on the environment while aligning our products and services with our stakeholders' expectations and aspirations for sustainable buildings and infrastructure and preservation of the environment. Our sustainability goals drive our energy, emissions and waste-reduction initiatives within our direct operations and support our facilities' progress toward certification under best practice EH&S standards. We also continue our focus on managing and reducing our impact on critical resources both nonrenewable, such as fuels used in our operations, and renewable resources, such as water. Additionally, we prioritize responsible waste management practices and minimization strategies, actively seeking and implementing opportunities to reduce, reuse and recycle both nonhazardous and hazardous waste streams throughout our operations. In our sustainability efforts, we are committed to drive positive change within Otis and beyond, throughout our value chain to pave the way for a greener, more sustainable future.

> Climate

In November 2023, we submitted our near-term science-based targets (SBTs) to the SBTi for validation. These new targets are in alignment with the Paris Agreement objectives of limiting global warming to no more than 1.5 degrees Celsius above preindustrial levels. Our near-term targets, which were validated by SBTi in April 2024, are:

- Reduce absolute scope 1 and 2 GHG emissions 55% by 2033 from 2021 base year.*
- Reduce absolute scope 3 GHG emissions from purchased goods and services, business travel, and use of sold products 33% within the same timeframe.

Our new SBTs replace our GHG target of 50% reduction in scope 1 and 2 GHG emissions by 2030 from 2019 base year. Our pathway to achieving our SBTs will involve improving the energy efficiency of our products and in our operations, process electrification, transition to renewable electricity and supply chain engagement.

Our sustainability reporting follows the GRI Standards, and our emissions accounting conforms to the globally accepted GHG Protocol. We also do not use carbon offsets as part of our GHG emission accounting for our SBTs. All our scope 1, 2 and 3 GHG emissions calculations undergo third-party limited assurance review annually (see [pages 63-67](#) in the Appendix).

Goals and performance

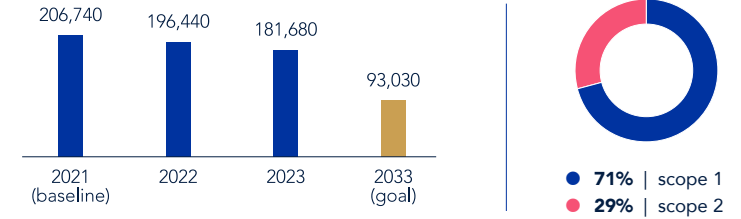
As our sustainability program evolves and matures, we remain committed to prioritizing the maintenance of high-quality data regarding our environmental performance. In 2023, we have implemented the following changes and made necessary adjustments to our historical performance:

- Transitioned to market-based accounting for scope 2 GHG emissions accounting to fully align with the GHG Protocol and to better reflect the actions we are taking to incorporate renewable energy.
- Closely aligned with the RE100, global corporate renewable energy initiative when tracking our factories' renewable energy target through implementation of the Energy Attribute Certificates (EACs) third-party document review and approval process, and made applicable adjustments (as explained in more detail in the Renewable energy strategy section on [page 20](#)).
- Captured GHG emissions from refrigerants used in our fleet vehicles and entire real estate portfolio, in addition to including GHG emissions associated with refrigerant use at our factories.

Goal: Reduce absolute scope 1 and 2 GHG emissions 55% by 2033 from 2021 base year*

12% reduction from 2021

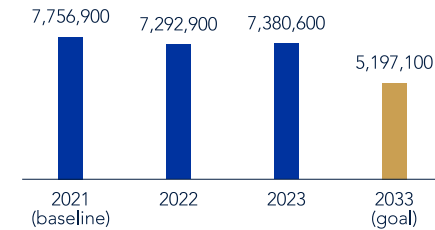
Scope 1 and 2 emissions (metric tons CO2e)



Goal: Reduce absolute scope 3 GHG emissions from purchased goods and services, business travel, and use of sold products 33% by 2033 from 2021 base year

5% reduction from 2021

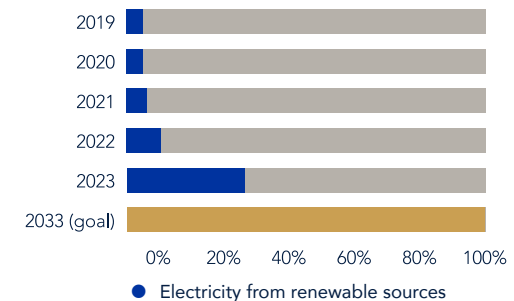
Scope 3 emissions (metric tons CO2e)



Goal: Source 100% of factory electricity from renewable energy by 2030

33% of our factories' electricity comes from renewable energy sources**

Factory electricity from renewable energy (%)***



* The target boundary includes biogenic land-related emissions and removals from bioenergy feedstocks.
 ** Our calculation methodology aligns with RE100 Technical Criteria.
 *** Under the prior calculation methodology, we reported that in 2022, 47% of our factories' electricity came from renewable energy sources.

In 2023, we reduced GHG emissions from our own operations (scope 1 and 2) by 12% from 2021 base year. Our reduction in GHG emissions is the direct result of major initiatives implemented over the past few years that focus on energy management and operational efficiency across our factories, real estate and fleet. This is discussed in more detail later in this section. For scope 3 GHG emissions, we track our performance for three categories: Category 1, Purchased Goods and Services (includes the

top 80% of our suppliers based on spend, encompassing approximately 1,500 individual suppliers for 2023), Category 6, Business Travel, and Category 11, Use of Sold Products. Although in 2023 our scope 3 GHG emissions increased by 1% compared to the previous year, we still saw an overall decrease of 5% from 2021 base year.

GHG EMISSIONS			
GHG emissions by scope (mtCO2e)	2021*	2022*	2023
Scope 1			
Buildings and processes	17,980	15,790	12,900
Fleet	117,010	115,820	113,090
Refrigerants	5,040	4,270	3,860
Scope 2			
Location-based	63,930	56,436	47,980
Market-based	66,710	60,560	51,830
Subtotal emissions (scope 1 and 2 market-based)	206,740	196,440	181,680
Scope 3**			
Category 1 – Purchased Goods & Services	1,621,600	1,593,100	1,430,800
Category 6 – Business Travel	4,000	6,800	7,000
Category 11 – Use of Sold Products	6,131,300	5,693,000	5,942,800
Subtotal emissions (scope 3 market-based)	7,756,900	7,292,900	7,380,600
Total emissions (scope 1, 2 market-based and 3)	7,963,640	7,489,340	7,562,280

ENERGY CONSUMPTION***			
MWh, except intensity	2021	2022	2023
Total energy consumed	692,600	683,900	638,100
Fuel consumed	526,140	528,780	499,510
Fleet (includes non-renewable fuels and biofuel blends)	427,700	442,140	428,990
Stationary	98,440	86,640	70,520
Natural gas	96,640	85,120	69,250
Propane	920	1,070	1,050
Other fuels (fuel oil, diesel, gasoline)	885	451	220
Electricity**** and steam	166,470	155,140	138,630
Renewable electricity (purchased, on-site generation and PPAs)	2,281	4,630	15,670
Other (brown) electricity	159,510	146,500	119,510
Steam	4,680	4,010	3,450
% Renewable electricity globally (all offices and factories)	1%	3%	12%
Energy intensity (MWh/\$M net sales)	49.3	50.4	44.9

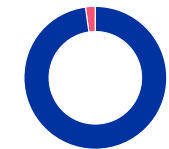
* 2021 and 2022 data has been adjusted from the prior years' disclosures to reflect the inclusion of GHG emissions from refrigerants used in our fleet vehicles and entire real estate portfolio, in addition to including GHG emissions associated with refrigerant use at our factories.
 ** Included in this target are scope 3 Category 1 (top 80% of suppliers based on spend), Category 6 and Category 11 GHG emissions. For Category 1, it includes all suppliers whose individual GHG emission contribution is more than 0.1% based on screening results.
 *** 2021 and 2022 energy consumption data has been adjusted from the prior years' disclosures to reflect refined methodologies used in capturing energy consumption.
 **** Includes purchased electricity for buildings and electric vehicles.

Scope	Definition	Impact in our Operations
1	Direct emissions	<p>Most of our scope 1 GHG emissions (87%) come from our fleet vehicles. Our two largest fleets are concentrated in the Americas and EMEA regions. They are used by Otis mechanics to travel to customer sites to install and/or service elevators, escalators and moving walkways. Our other source of scope 1 GHG emissions is fuel (i.e., natural gas, propane and fuel oil) used in industrial processes at our factories and for heating our offices and branches (natural gas).</p>
2	Indirect emissions	<p>Most of our scope 2 GHG emissions are associated with purchased electricity at our factories and other real estate (i.e., offices, branches and warehouses). A very small portion of our Scope 2 emissions comes from purchased steam.</p>
3	Indirect emissions throughout the value chain	<p>Scope 3 GHG emissions represent the majority of our GHG emissions footprint. Most of our scope 3 GHG emissions are associated with two categories – Category 1 (Purchased Goods and Services) and Category 11 (Use of Sold Products).</p>

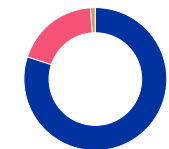
Otis contributors to scope 1 and 2 GHG emissions in 2023



Otis 2023 GHG footprint



2023 scope 3 GHG emissions (metric tons CO2e)



In 2023, we used the GHG Protocol Scope 3 Evaluator (Quantis) to complete the screening of our scope 3 emissions and assess the estimated impact of individual categories on our overall GHG footprint.

We completed our scope 3 screening inventory for 2021 and 2022 and determined that two categories – Category 1, Purchased Goods and Services, and Category 11, Use of Sold Products – constitute over 90% of our total scope 3 GHG emissions. We then developed internal methodologies aligned with the GHG Protocol to better estimate our GHG emissions for these two categories. For Purchased Goods and Services, we used a combination of spend-based and mass-based accounting. For the Use of Sold Products, we estimated scope 3 GHG emissions based on the energy used by our equipment over the course of its life expectancy.






We also identified our scope 3 emissions for Category 6, Business Travel, which constitute a small portion of our total scope 3 emissions and are based directly on the data provided to us by our travel partners.

We determined that several scope 3 categories were not applicable to our operations. They are Category 8, Upstream Leased Assets; Category 10, Processing of Sold Products; Category 13, Downstream Leased Assets; and Category 14, Franchises. For the remaining applicable categories, we have been evaluating options to estimate them as we transition to a new software. We also are continuing to refine our calculations to estimate the GHG emissions from our value chain.

See the Product stewardship and Supply chain sections on [pages 22](#) and [23](#), respectively, for more insights into our performance and ongoing initiatives.

Climate actions and opportunities – our roadmap



	2019	2026	2030 Factory renewable energy target for electricity	2033	2033 and beyond
	Near term	Transition		Long term	
 Factories	<ul style="list-style-type: none"> Focus on energy efficiency in process and operations Transition to low carbon fuels Advance process optimization and electrification Improve buildings' energy efficiency Expand on-site solar and Power Purchase Agreements (PPAs) 	Transition to renewable electricity through thoughtful strategies: <ul style="list-style-type: none"> Continue with on-site solar and PPAs Procure green energy procurement Invest strategically in renewable energy 		Scope 1 GHG emissions <ul style="list-style-type: none"> Focus on electrification throughout our operations 	
 Real estate	<ul style="list-style-type: none"> Focus on space optimization, consolidation and downsizing Refine energy and natural gas data accounting for office and warehouse spaces Develop strategy for renewable energy 	<ul style="list-style-type: none"> Focus on buildings' energy efficiency Prioritize leasing spaces in green buildings Refine renewable energy strategy and incorporate renewable energy at target locations 		Scope 2 GHG emissions <ul style="list-style-type: none"> Continue our journey toward transition to renewable energy 	
 Fleet	<ul style="list-style-type: none"> Focus on route optimization and improving fuel efficiency Rightsize fleet and introduce hybrid vehicles to the fleet Develop regional fleet electrification strategies Implement fleet electrification pilot programs in target locations 	<ul style="list-style-type: none"> Continue to focus on fuel efficiency and fleet rightsizing Scale transition to electric vehicles 		Scope 3 GHG emissions <ul style="list-style-type: none"> Expand and improve value chain engagement 	
 Supply chain	<ul style="list-style-type: none"> Refine GHG calculations Develop supplier engagement strategies Form partnerships with key suppliers 	<ul style="list-style-type: none"> Leverage supplier partnerships to drive decarbonization 			
 Product sustainability	<ul style="list-style-type: none"> Focus on identifying and quantifying sources of inefficiencies in our products 	<ul style="list-style-type: none"> Pursue improvements based on identified products' energy efficiency opportunities 			

Renewable energy strategy

Our current factory strategy is focused on using electricity generated from geothermal, solar, sustainably sourced biomass, including biogas, hydropower and wind energy as we progress towards our 2030 renewable energy goal.

Five of our 17 factories – one in Brazil, one in Germany and three in Spain – source 100% of their electricity from renewable sources through energy purchases. Our Vigo and San Sebastián, Spain, factories also generate energy from solar arrays.

Other factories are expanding their renewable energy footprint. For instance, our Bengaluru, India, factory added more on-site solar capacity to their already existing solar array. In places where owning on-site solar is not economically feasible, we evaluate other available opportunities through contractual agreements, such as renewable energy supply contracts through Green Retail and Green Tariffs and power purchase agreements (PPAs).

In 2023, our factories in Chongqing, China, and Shibayama, Japan, expanded their on-site renewable energy capacity through PPAs. The Chongqing factory's on-site rooftop solar installation is expected to generate about 235 megawatt hours (MWh) of renewable energy annually, representing nearly 16% of the site's total energy consumption. As of the end of 2023, nine of Otis' 17 factories had installed solar arrays either through direct ownership or PPAs. In addition, eight of our factories globally – in

China, Germany, Japan and Spain – procured at least some of their electricity through renewable energy supply contracts.

In 2023, to report more closely in line with RE100 when tracking renewable energy delivered to our factories passively in the grid, we calculated percent renewable energy based on EACs that were reviewed by a third party. Prior to this change, we relied on the renewable portions of utilities' energy mix to supplement the total. We determined that in 2023, 33% of electricity used at our factories globally came from renewable sources under the revised approach, an improvement of 24 percentage points from the updated 2022 value.*

FACTORY RENEWABLE ELECTRICITY CONSUMPTION			
MWh, except %	2021	2022	2023
Renewable electricity generated on-site (owned)	1,910	2,164	3,041
Renewable energy contractual agreements**	371	1,714	11,275
Total factory renewable electricity consumed	2,281	3,878	14,316
Total factory electricity consumed	44,835	42,329	43,047
% Renewable electricity	5%	9%	33%

Japan solar array supports site's energy reduction: Our factory in Shibayama Center, Japan, has seen significant reductions in GHG emissions from 2022 to 2023. The improvements came through a solar installation via a PPA and renewable energy supply contract at the site. The newly installed solar array covers 2,670 square meters of the factory's parking lot and, in addition to generating renewable energy for the site, provides protection for colleagues' vehicles against natural elements. In 2023, on-site solar arrays (both owned and via a PPA) generated 374 MWh of renewable power. Overall, 47% of the factory's electricity came from carbon-neutral sources. In addition, the factory upgraded its HVAC system, switched to LED lighting, shifted to flexible work opportunities to reduce office-space needs, and began using some hybrid vehicles and electricity-powered scooters to reduce its GHG emissions.



* Under the prior calculation methodology, we reported that in 2022, 47% of our factories' electricity came from renewable energy sources.

** Contractual instruments include applicable EACs, Renewable Energy Credits (RECs) and renewable energy guarantees of origin (REGOs) from long-term renewable energy procurement agreements such as Power Purchase Agreements, (PPAs) and renewable energy supply contracts.

Factory sustainability

A cornerstone of our factory GHG emission reduction program is the implementation of energy management best practices, including but not limited to:

- Upgrading lighting to high-efficiency LEDs
- Upgrading HVAC systems and boiler equipment
- Optimizing machinery use and shutdown time
- Transitioning to less carbon-intensive fuels and electrifying the processes
- Upgrading building material insulation and altering external airflow
- Adding building automation

By the end of 2023, we implemented over 75% of feasible energy management best practices at our factories globally. For example, our factory in San Sebastián, Spain, became the first factory in Spain to obtain LEED Platinum certification. The LEED Platinum certification is the most stringent category in the LEED green building program, exemplifying our efforts toward implementing energy management best practices. Our San Sebastián factory is built with sustainable materials and runs on 100% renewable energy. Additionally, water consumption is 45% less than in the factory it replaced. The facility maximizes energy and water savings while minimizing environmental impact. It includes features such as thermal insulation, the use of natural sunlight in addition to the installation of a solar array and waste-control processes.

Our efforts to move toward more efficient energy not only advance our ESG goals, but also save money. In 2023, electricity provided by the on-site solar array at our factory in Florence, South Carolina, U.S., saved the site over \$100,000 in operating costs.

We intend to fully implement all viable energy-efficient opportunities over the next few years and to maximize the use of electricity from renewable sources.

Hangzhou & Chongqing factories:

Two factories in China – Hangzhou and Chongqing – have made considerable progress toward our environmental sustainability. Examples include:

- Ultrasonic sensors were used to detect leaks in the compressed-air pipelines in the factory workshop. A total of 22 leak points were detected, with an annual leakage volume of more than 156,800 cubic meters. All have been reported and addressed, and it is estimated that the electricity usage was reduced by 14% following repairs.
- Optimized cooling capacity led to an estimated 27% energy savings based on office space occupancy and the use of centralized intelligent and timing temperature controls.

Real estate sustainability

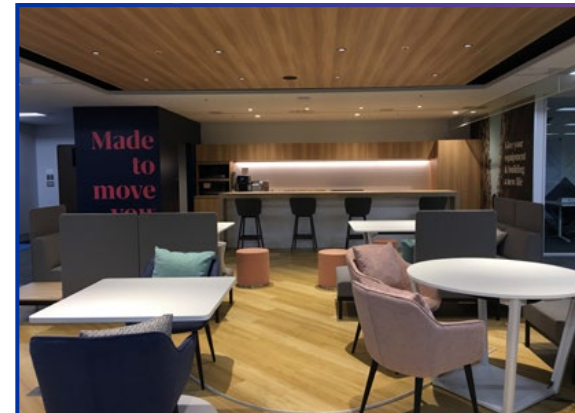
In 2023, we expanded our environmental real estate strategy to more sites and continue to embed our strategy into all our global real estate planning and decisions. To support Otis’ environmental goals and long-term business strategy, we published updated global workplace guidelines that embrace hybrid work, while promoting a more inclusive and collaborative work culture. Our efforts aim to balance footprint reduction with utility, and we are incorporating sustainable practices in design and construction to help reduce GHG emissions. Specifically, we prioritize environmentally conscious choices in the layout, furniture and material selection. We also consider sites’ footprint rationalization and relocation efforts, along with a robust colleague engagement process that includes accessibility.

Furthermore, we have developed a green lease checklist and a green lease language clause for our lease agreements to ensure key environmental factors are being considered, such as access to public transportation and electric vehicle (EV)

In Europe, we saw a total real estate footprint reduction of 4%. Significant examples include the downsizing and optimization of our occupied office space in Paris, France, by 32%, Madrid, Spain, by 26%, and Leicester, U.K., by 78%.

In Asia Pacific, we saw a total real estate footprint reduction of 3%. This included consolidation and renovation of our Asia Pacific headquarters in Singapore from two floors to a single floor, resulting in a 15% space reduction. In India, three of our office sites now procure green energy with 51% of their total energy coming from renewable sources.

charging station availability, with a preference toward selecting green or energy-efficient buildings. Our initial focus is on locations greater than 50,000 square feet.



Japan office and branch consolidation and refresh:

Two notable space optimization projects were in Japan. We completed a multisite consolidation in greater Tokyo, resulting in a 50% real estate footprint reduction. The new workplace is designed to promote more collaboration, informal discussions and brainstorming sessions. We relocated our Kanagawa and Yokohama locations to a smaller footprint, resulting in a 35% space downsizing. We are looking to expand the hybrid seating model to other branch locations.

Fleet sustainability

With over half of our scope 1 and 2 GHG emissions coming from our fleet of approximately 22,000 vehicles consuming about 12 million gallons of fuel per year, fleet composition and usage is a significant lever for Otis’ GHG reduction strategy. As of the end of 2023, we have deployed electric vehicles (EV) in 21 countries. Our EV strategy relies on assessing EV effectiveness and evaluating the right types of vehicles for our business. We are finding constraints due to vehicle range not always meeting the needs of our field professionals in all geographies, especially with the variability of charging infrastructure. In geographies where using EVs is challenging, we have focused on hybrid electric vehicles (HEVs). In addition to EVs and HEVs, we are actively evaluating other steps, such as fleet rationalization, fleet size assessment and enhanced route optimization.

Moving forward, we are focused on greater EV adoption as illustrated by Otis Spain, which initiated the first large-scale EV project within Otis. We expect to deploy a total of 200 EVs to field and sales colleagues in Spain, and several other countries will start similar EV deployment pilots in 2024.

We also are using route optimization software, combined with business processes in our service network, to group our units in the most efficient route structures to reduce travel times and increase productive time. In several countries, we are using telematics to enable our local fleet managers to collect and analyze information about mileage and driver habits. These insights provide opportunities for maintenance route optimization for our mechanics and to coach drivers in the efficient use of their vehicles, reducing mileage, vehicle wear and tear, and fuel.

In addition, since introducing our digital Otis ONE solution in 2018, we have seen how it benefits our customers and aligns with our environmental and business strategies. Otis ONE reduces unnecessary truck rolls and service calls and improves efficiency in our service business. Otis ONE’s internet of things (IoT) service platform automatically collects elevator data and transfers it to the cloud, helping to improve customer experience and reduce service disruptions. The data provides continuous visibility of the units in our maintenance portfolio and is leveraged to improve overall reliability and uptime for our customers. With approximately 900,000 units connected globally and Otis ONE deployed in 30 countries and territories, we have reduced

unnecessary service calls, resulting in lower travel-related emissions. For example, in our EMEA region, we avoided more than 31,000 unnecessary mechanic dispatches in 2023 thanks to Otis ONE. Globally, across units that have Otis ONE installed, nearly 10% of mechanic dispatches were avoided.

Read more about [Otis ONE](#) on our website.

Product stewardship

We are listening closely to our customers as we continue to innovate at the intersection of customer needs, sustainability and business strategy. Read more about our [products](#) on our website.

In 2023, we launched our Gen3 Core elevator, designed specifically for North America’s two-

to six-story building segment. Combined with our ReGen drive technology, this product helps minimize our customers’ energy consumption by up to 75% when compared to conventional hydraulic units. Our ReGen drive feeds electrical energy back into the building power grid during braking. This generated electricity can then be used to drive other elevators or for other equipment in the building, lowering net electricity consumption and enabling building cost savings.

Our ReGen drive is a substantial contributor to achieving the highest efficiency ranking according to ISO standards for many of our products around the world. The compact and modular design of our Gen3 Core elevator, combined with the ReGen drive, makes it suitable for modernization of old elevators, helping customers meet their sustainability targets.

Alternative fuel vehicles		
Count	2022	2023
Hybrid	235	374
Electric	189	340
Total alternative vehicles	424	714
Alternative vehicles as % of fleet	2%	3%

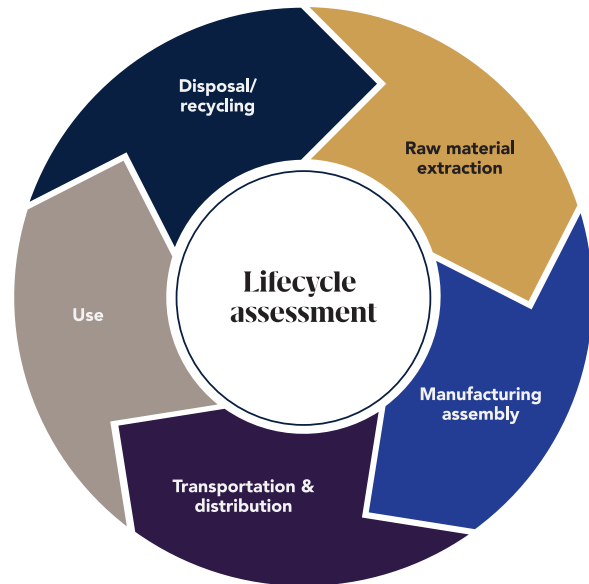
Égée Tower modernization project: In 2023, Otis completed the modernization of the Égée Tower in La Défense, France – a 39-floor, 155-meter-high building that carries 3,800 people on its elevators every day. We installed 14 SkyRise elevators and eight Gen2 elevators featuring regenerative and standby technologies, in combination with high-efficiency, low-voltage architecture. By removing all of the complex’s hydraulic machines, we were able to achieve a 30% reduction in the elevator systems’ energy consumption. Additionally, throughout the project, we worked to reuse as many existing materials as possible, including most of the elevator guides, cabins, counterweights, controllers and landing doors. As a result, approximately 350 tons of steel did not have to be manufactured, avoiding about 700 tons of CO2 emissions. All told, about 60% of waste from the project was optimized or recycled.



Environmental product declarations (EPDs)

Creating more efficient products is an important way to improve the health and sustainability of buildings and respond to the increasing demand of customers for environmental-friendly products. We publish information about the environmental impacts of our products through EPDs.

EPDs present transparent, verified and comparable information about the environmental impact of products and services throughout their lifecycle, which architects, designers and engineers find valuable. In addition, customers use EPDs to compare the impacts of various materials and products to help them select the most sustainable option. Click [here](#) for additional information and a full list of our EPDs.



Otis has published 19 EPDs so far, covering the majority of Otis products sold in EMEA and North America. This helps our customers make procurement decisions with a fuller understanding of the products' impact. In the future, we plan to publish EPDs for 100% of our next-generation elevator and escalator product platforms.

Supply chain

In 2023, we engaged with a third party to better understand GHG emissions from the goods and services we purchase – scope 3 Category 1, Purchased Goods and Services. Together we defined a way to calculate purchase spend and component attributes, such as weight, when available. We applied this methodology to estimate GHG emissions and build our first scope 3 Category 1 inventory. The output helped identify our most carbon-intensive purchase categories, including steel and steel fabrications and the primary suppliers in each.

We have over 50,000 individual suppliers. Yet the majority of our scope 3 Category 1 GHG emissions come from approximately 500 of our direct and indirect suppliers, including our key manufacturing suppliers. We also plan to advance our sustainable procurement program, engaging with our suppliers on a GHG reduction strategy and building collaborative partnerships with them to identify GHG reduction opportunities and implement best practices. Our initial focus will be on the most carbon intensive materials.

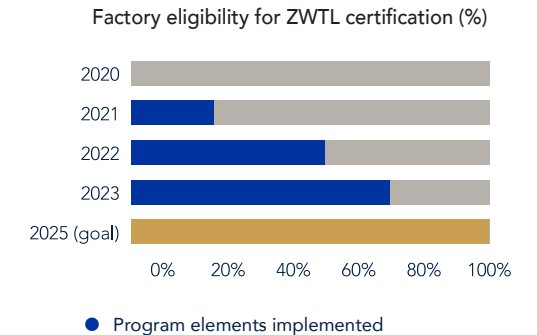
Waste and water

In 2023, we shifted to the metric system for reporting data for our waste and water performance. This aligns with how we report our GHG emissions and energy measurement and is more widely used globally.

Goal and performance

Goal: Achieve 100% factory eligibility for zero-waste-to-landfill (ZWTL) certification by 2025

Implemented 72% of program elements necessary for our factories to seek certification under the TRUE framework, administered by Green Business Certification Inc. (GBCI)



Nonhazardous waste

We aim to achieve 100% factory eligibility for zero-waste-to-landfill (ZWTL) certification by 2025. The TRUE (Total Resource Use and Efficiency) framework is a rating system from Green Business Certification Inc. (GBCI), which requires facilities to divert at least 90% of nonhazardous solid waste away from landfill, incineration (waste-to-energy) and the environment, through the adoption of sustainable waste management and reduction practices. A TRUE certification attests that the certified factory is

a leader in minimizing waste output, with resource efficient and environmentally responsible practices.

Our Florence facility in South Carolina, was the first in the elevator industry to be TRUE certified in 2022. In 2023, the factory continued to exceed the TRUE 90% threshold by keeping nearly 98% of all site-generated nonhazardous waste out of landfills and incinerators. Further, all our facilities in China received TRUE certification. By the end of 2023, nine of our 17 global factories were ZWTL certified.

We also achieved a milestone in this area with all three of our factories in Spain – Leganés (Madrid), San Sebastián and Vigo – obtaining the “Zero Waste” distinction from AENOR. This recognition certifies that more than 90% of the nonhazardous waste produced at these facilities is diverted from landfills.

All five Otis factory sites in China earn TRUE Gold certification for zero waste to landfill: To meet the global TRUE standard, factories in Hangzhou, Chongqing, Haining and two in Tianjin adopted industry-leading waste management practices and resource efficiency processes. They also developed closed-loop systems to recycle waste materials. Otis uses Environmentally Preferable Purchasing (EPP) strategies to improve waste management, such as eliminating nonrecyclable packaging, switching to paperless work practices, reusing material handling equipment and composting kitchen waste for onsite vegetable gardens.

Hazardous waste

In 2023, Otis generated 139 metric tons of hazardous waste from factories – a decrease of 2.8% from 2022. The amount represents less than 1% of our total industrial waste generated.

We define hazardous waste according to the environmental regulations of the facility’s location. Over the years, we have limited or eliminated the use of substances of concern during product development and manufacturing. Our approach includes minimizing the use of hazardous materials in products and reducing colleague chemical exposure to levels that do not require personal protective equipment (PPE) use in accordance with applicable law. Otis has had no significant halogenated solvents (more than 45 kilograms per year) used in the company’s operations since at least 2015.

Hazardous waste generated from production facilities					
Metric tons, except %	2019	2020	2021	2022	2023
Hazardous waste	109	94	119	143	139
Total industrial waste	19,590	14,010	15,080	19,130	18,380
% Hazardous	0.6%	0.7%	0.8%	0.7%	0.8%

Recycling

Over 98% of factory-generated industrial waste is recycled. This includes scrap metal, cardboard, paper and other wastes related to shop floor activities. On the sourcing side, we are focusing on sustainable raw material procurement, use and disposal, and expanding the use of reusable packaging.

Waste management is part of our EH&S Management System, discussed further on [page 25](#). When reuse or recycling options are not available, practical or technically feasible, we direct business locations to consider final treatment and disposal methods that minimize the impact on human health and the environment and that limit potential future liability.

Water use and conservation and wastewater treatment

We believe in being a good steward of water resources and minimizing water usage in our manufacturing process. We aim to maintain existing consumption levels, with primary water use for colleague sanitary purposes in our facilities and offices. In 2023, Otis consumed 153,900 thousand liters of water from municipal water and well sources, with 17,700 thousand liters withdrawn from well sources.

Total volume of water consumed					
Thousand liters	2019	2020	2021	2022	2023
Water consumed	168,500	162,600	153,300	160,200	153,900

Otis uses the World Wildlife Foundation Water Risk Filter to classify water use scarcity around the world in five areas of physical risk. Currently, we have one factory located in an extremely scarce water region, seven factories in scarce water regions and seven factories in stressed water regions. The remaining locations are in areas categorized as water abundant. Sites in high-stress regions, with more than 3.8 million liters of water consumption per year, must implement water management best practices. Locations in water-abundant regions or that use less than 3.8 million liters per year must implement a subset of management best practices. All sites, regardless of their size and location, have implemented water balance and leak-management planning, which Otis considers the minimum water management best practices.



Since 2019, our water consumption has decreased by 9%. Otis drives water-use optimization, applying water management best practices and has an implementation strategy aligned with the amount of water used and customized to the applicable location's water-scarcity regional assessment.

They include:

- Water balance
- Water leak management
- Elimination of once-through cooling
- Cooling tower management
- Flow meters
- Xeriscaping
- Rinse tank overflow
- Rainwater harvesting
- Recycle process water
- Low fixtures and flow restrictors

In 2023, we recycled approximately 4,600 cubic meters of water that had previously been used by Otis for non-drinkable reuse. We discharged only sanitary wastewater, which is treated at the municipal level.

Environmental management

Goal and performance

Goal: Complete ISO 14001 certification for all factories by 2025

100% of our factories are ISO 14001 certified several years ahead of schedule. We continue to meet this 100% certification goal through certification renewals.

Otis maintains management systems based on [ISO 14001](#), Environmental management systems, and [ISO 45001](#), Occupational health and safety management systems. The EH&S Management System helps support the following:

- Structure and responsibilities
- Environmental programs
- Targets and objectives
- Training and awareness
- Data compilation systems
- Auditing and annual program evaluations

All our factories – 17 in total – are ISO 14001 certified. Twelve of our factories are ISO 45001 certified, and 10 are [ISO 50001](#) certified, the global energy-management systems standard for establishing, implementing, maintaining and improving energy management.

EH&S audits and reviews

Both internal and external audits and reviews are routinely performed to ensure that our operations meet expectations and comply with applicable regulations. These reviews are critical as they continuously enhance knowledge of operating requirements. When gaps are revealed, corrective actions are developed and then tracked to resolution. Certain Otis locations in Europe also are subject to the EU Energy Directive and file submissions to regulatory agencies. Examples of audits and reviews are:

- Fatality Prevention Audits conducted twice annually with each field colleague
- Corporate energy assessments at least every three years, as required by our EH&S management system
- Compliance, Focused Field Audits and Factory Risk Audits are part of our internal EH&S audit program performed at least once every four years
- External third-party data verification as part of the CDP and ESG reporting process
- Additional third-party audits provided for facilities that maintain ISO 14001, ISO 45001 and ISO 50001 certifications



People & Communities



Otis is 71,000 colleagues strong – including 42,000 field professionals – committed to delivering excellence. We deem it mission critical to cultivate a safe, inclusive, equitable, accessible and innovative workplace. Our fundamental strength and ability to execute our business strategy stems from the multiple cultures, individual skillsets and diverse experiences of our team members.

In 2023, we continued to build on our inclusion strategies grounded in Our Commitment to Change framework,* which was established in 2020 to foster an environment where innovation and continuous improvement are rewarded, and all Otis colleagues feel safe, welcomed and heard. We strive to provide equal opportunities for everyone to grow and contribute at Otis. We also amplified our commitment to disability inclusion and accessibility in 2023 as demonstrated by the work highlighted in this section. And we continued our social impact work to engage and give back to the communities where we work and live.

* Our Commitment to Change, a six-point framework adopted in July 2020, identified and prioritized the actions we needed to take as a newly independent company to ensure we live up to these ideals – and how we would measure our progress and hold ourselves accountable. These commitments also required us to look and reach beyond our company to help make positive and lasting change more broadly. Read more about our Commitment to Change framework [here](#).

Goals and performance

Goal: Achieve gender parity in our executive ranks by 2030

Attracting, developing and retaining the best talent is essential – after all, our people are our most prized asset, critical to moving our business forward and unlocking future opportunities. We ended 2023 with a 38.3% female executive representation, a 2.3 percentage point increase from 2021. We continue to prioritize matching the best talent to open roles, and we remain confident that our talent pipeline and recruitment and retention practices will allow us to meet our goal of closing the executive gender gap by 2030.

Goal: Increase the score for the inclusive culture category in the company’s colleague engagement survey by 4 points by 2025

In 2023, our average score was 73 on the global survey statement, “Our team has a climate in which diverse perspectives are valued,” representing a 2-point improvement from our baseline score of 71 and a year-over-year increase of 1 point. We remain committed to increasing inclusion and belonging across the organization, and to continuing to offer new or enhance existing programming to support our efforts toward reaching our goal.

Goal: Impact 15,000 students globally through STEM-focused programming across the learning and vocational training continuum to improve livelihoods and help build the workforce of tomorrow by 2030

In 2023, more than 2,400 students benefited from Otis-sponsored STEM and/or vocational education and training programs. Over 5,000 students have been impacted cumulatively since we set our goal in 2021.

Goal: Direct 50% of total global giving to STEM programs by 2025

In 2023, we continued to prioritize and direct our charitable giving – globally, regionally and locally – toward Otis-specific focus areas of STEM learning and vibrant communities. The result was more than 55% of all charitable giving went to STEM programs.

Goal: Dedicate 500,000 cumulative colleague volunteer hours in support of vibrant communities, STEM education and social equity efforts globally by 2030

As a key component of our social impact strategy, we encourage and empower our colleagues to dedicate time to their communities and the local causes that matter most to them. In 2023, colleagues volunteered more than 71,000 hours, driven in part by our successful “3 in ‘23” campaign, for an accumulated total of over 114,000 hours since 2022.



Workforce composition, talent hiring, development and retention

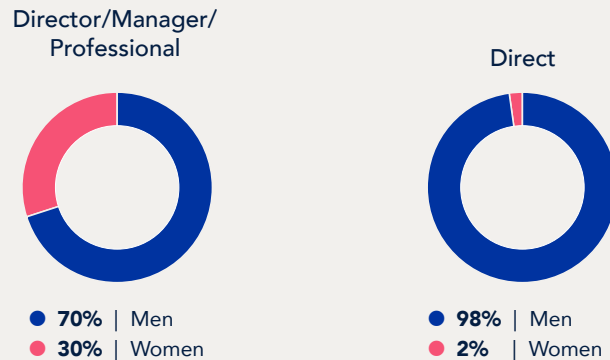
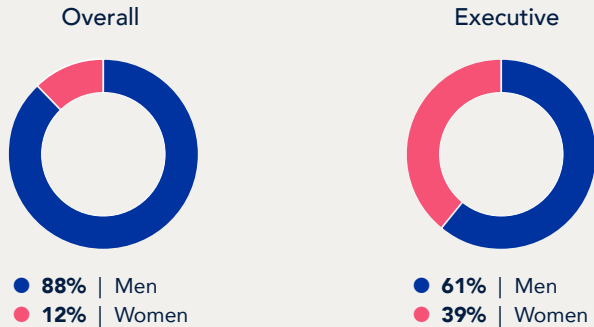
At Otis, we focus on attracting, developing and retaining the best talent on the market. Through a variety of initiatives – from implementing inclusive recruiting practices to offering training, coaching, sponsorship and mentorship programs to promoting a workplace culture that recognizes our differences and embraces them as the vibrant tapestry that makes us unique – we are fostering an inclusive environment where every voice is heard and valued. And in the context of the structural and historical workforce composition challenges typical of our industry – particularly as they relate to our field-based colleagues – we are reaching beyond the industry’s usual talent pools to ensure access to candidates from all backgrounds. This allows us to reflect a plurality of voices, mindsets and experiences, which in turn inspires innovation and helps drive execution of our business strategy. Our greatest asset is our people, and we see a broad talent pipeline as critical to our success.

At the end of 2023, our workforce consists of 71,000 colleagues spread across the globe with 44% in Asia, 33% in EMEA and 23% in the Americas. Our dedicated field professionals make up 42,000 of these colleagues. Additional data on global gender and U.S. racial/ethnicity can be found on this page. We also are committed to sharing our U.S. workforce demographics in the Equal Opportunity Report (EEO-1) submitted annually to the U.S. Equal Employment Opportunity Commission. Copies of our EEO-1 reports can be found on our [website](#) (with our 2020 and 2021 EEO-1 reports appended to our 2021 and 2022 ESG reports, respectively).

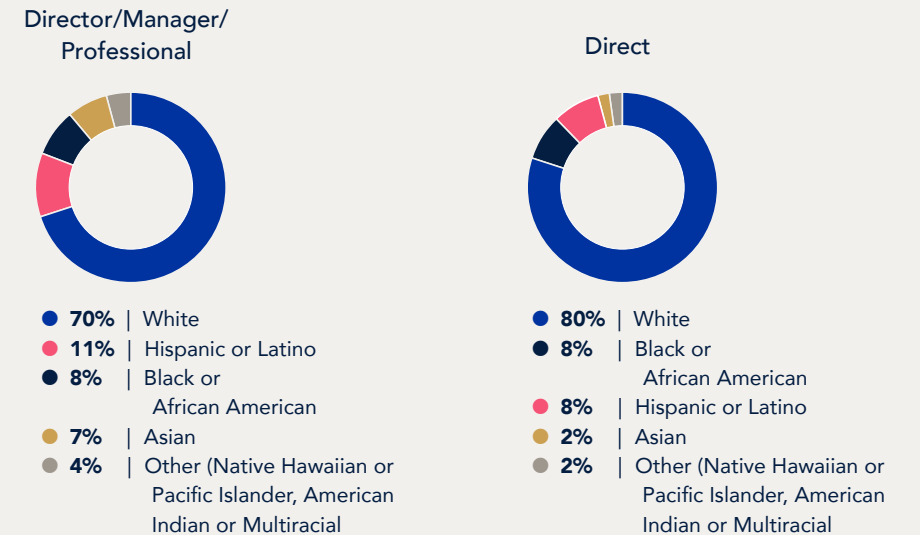
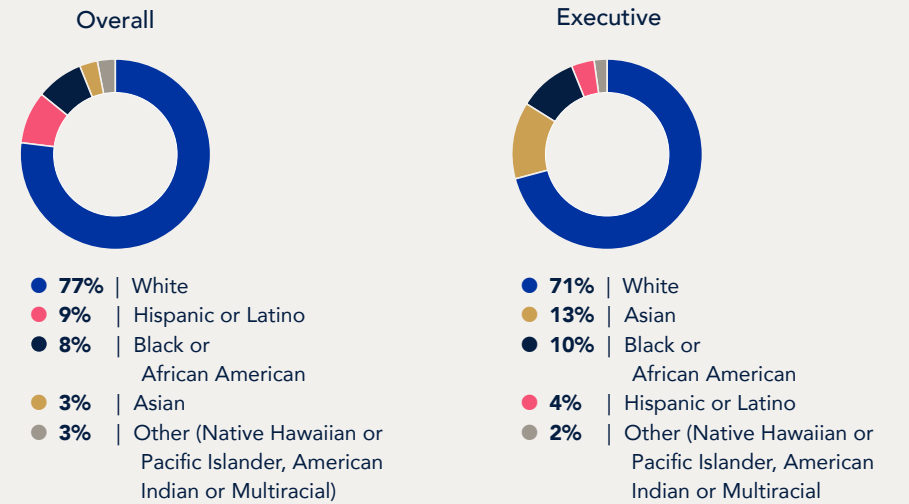
* Based on rounded data, and as of December 1, 2023, for consistency with our EEO-1 reporting period. Our workforce data includes all U.S. colleagues, including colleagues in Puerto Rico, Guam and the Virgin Islands.

Workforce composition

Global breakdown*



U.S. racial/ethnicity breakdown*



Hiring

We have global hiring guidelines in place for our salaried and non-salaried workforce (i.e., factory and field operations) that promote broad outreach and inclusive applicant slates. We partner with universities and nonprofit organizations and use our Employee Resource Groups (ERGs) to broaden our hiring pool. By increasing access to broader talent pools, we can identify and hire more diverse candidates, help acknowledge and confront industry bias, and contribute to cultural change. Our efforts are global as illustrated by the initiatives undertaken in the past year, which include:



Key partnerships: We continued to collaborate with organizations such as the Urban League in the U.S., to raise awareness for our industry and provide counsel to prospective recruits for the National Elevator Industry Educational Program (NEIEP), our industry’s registered apprenticeship program. We also partnered with Howard University’s 21 CAP Program, where, as a corporate sponsor, we provided students with exposure to corporate environments, team building and personal character development opportunities. In France, we continued to work with la préparation opérationnelle à l’emploi individuelle (POEI), an external training program funded by the French unemployment agency, to hire over 60 qualified mechanics from diverse and disadvantaged backgrounds. And we joined “Elles bougent,” a French nonprofit organization operating in Belgium, Morocco and other countries to promote technical jobs among young female students. Otis France colleagues mentored these students at Otis sites in Argenteuil and Gien in France, helping them learn about technical and engineering job opportunities at Otis.



Education and training offerings for talent hiring: We offered education and training programs to bridge gaps in skills and training and to address our business needs. This is enabling us to expand our mechanical and electrical engineering talent pool in support of our growing Service segment. One such program is the Otis Technical Academy (OTA) in China, offered for the seventh year in a row. The OTA has graduated 4,350 individuals – 850 in 2023 alone – many of whom go on to serve in over 80 Otis branches across China. In Spain, we launched a referral program for women and created training in partnership with professional schools and nongovernmental organizations to help them achieve professional certification for elevator maintenance mechanics. In our Asia Pacific region, we launched a Diversity Field Apprentice program that provides interview opportunities for open field mechanic positions upon successful completion of the program.



Disability and inclusion hiring efforts: We also furthered our accessibility and disability inclusion hiring efforts. For example, we worked with CareER, a Hong Kong-based charity, to offer internships to people with disabilities and hired several students with special education needs for summer intern positions. And we worked closely in China with universities, Disabled Persons’ Federation (DPF) and local associations of Persons with Disability to improve accessibility in local communities and hired several individuals from this initiative.

Learning and development

We continually expand and reshape development programs to attract and retain key talent. We also empower our colleagues to share ideas, develop new skills and be lifelong learners.

Our Employee Scholar Program (ESP) encourages eligible colleagues to develop additional skills and engage in lifelong learning. Through this program, Otis invests in the education of our colleagues by providing tuition assistance to pursue degrees or approved certificate programs related to Otis’ business. This comprehensive program offers reimbursement of eligible fees and courses as well as paid time off for related academic work. Since the program inception, approximately 5,600 degrees were earned by our colleagues in more than 60 countries.

For a broader reach within our workforce, we are expanding learning through internal and external offerings and are redesigning Leading at Otis leadership programs by increasing its eligibility and breadth of classes. We also provide performance reviews to our colleagues for feedback and development opportunities.

Women on the Rise awards: In 2023, two Otis colleagues were recognized with Women on the Rise awards by Paradigm for Parity. This annual award – released on Women’s Equality Day – celebrates women who are breaking barriers in corporate leadership and promoting gender parity and racial equality in the workforce. The nominees “not only excel in their day jobs,” said Paradigm for Parity CEO Sandra Quince, “but also, by example, promote diversity and inclusion and support a culture where all employees can show up, bring their authentic selves, and thrive.” The 2023 Women on the Rise class included about 25 women from various companies, who were nominated by their sponsors, mentors or colleagues for their influential achievements.



Our Women on the Rise award recipients, Magnolia Ochoa, Commercial Director, Mexico & Central America and Courtney Dornell, Executive Director, Americas Marketing & Sales.

Retention

Recognizing good work is key to retaining talent. Through Otis RISE (Recognize, Impact, Success, Excellence), a service and recognition awards program in the United States and Canada, managers and colleagues can recognize team members for their personal excellence or team efforts with financial and nonfinancial means. It includes four key elements:

- **Kudos:** A nonmonetary way to recognize a colleague with a note of appreciation for an accomplishment, contribution or support.
- **Milestones:** A nonmonetary way to congratulate a colleague for an anniversary, birthday or other special event in their work or personal life.
- **Reward:** A monetary way to recognize a non-executive colleague with points redeemable for merchandise or gift cards. Colleagues are eligible for a maximum of 600 points per year.
- **Service awards:** A monetary award provided by the company to recognize a colleague's work anniversary. These monetary awards start on the first anniversary, then on the fifth anniversary and every five years afterward through their length of service.

Tracking colleagues' voluntary attrition rate helps us assess our workplace initiatives. In 2023, our global voluntary attrition remained in the mid-single digits (as shown on this page), as in the past few years.* This continued low rate is a direct outcome of several initiatives and programs we implemented over the past several years and, in 2023, included:

- Sponsoring key talent for external development programs

- Providing career coaching to high-potential colleagues and early-watch talent, especially in a high-retention-risk category
- Launching the Leading at Otis framework to help cultivate and reinforce the leadership skills and behaviors needed to drive success. These behaviors are part of performance discussions and development programs to enhance the skills associated with each behavior
- Addressing colleagues' feedback to create a roadmap for career progression and development
- Continuing to invest in developing effective managers through a global Manager Development Program
- Launching our Colleague Value Proposition, which captures the shared purpose between Otis and our colleagues, our work environment and ultimately what it means to be an Otis colleague
- Promoting the well-being of our colleagues and families through our ERGs, our Employee Assistance Program and Global Days of Awareness (e.g., World Mental Health Day)

Our colleague engagement survey also provides a benchmark for Otis colleague satisfaction. In 2023, our satisfaction rating in response to the question "How happy are you working at our company?" scored 75 – a 1 point increase from the prior year.

Otis 2023 voluntary attrition* Overall including hourly

OTIS
global



5.9%

WOMEN
global



6.6%

MEN
global



5.9%



* Voluntary attrition is defined as all departures from the company for reasons deemed controllable.

➤ Employment policies, conditions and labor relations

We prioritize our colleagues' well-being and offer fair employment conditions. We follow local labor laws that address working hours, minimum wages, insurance coverage of work-related accidents, severance pay and other employment provisions, including overtime and sick pay. We also offer flexible work arrangements to eligible salaried colleagues. We conduct global pay analyses to ensure that our nonunion colleagues are paid according to their abilities, responsibilities, qualifications, work location and experience. In addition to base pay, a portion of our nonunion workforce is eligible for short-term incentive bonuses and long-term incentive pay in the form of stock awards.

We offer a wide range of benefits that include, depending on colleague eligibility and geography:

- Medical, prescription, dental and vision coverage
- Tax-advantaged accounts
- Short-term and long-term disability coverage
- Life insurance, accidental death and dismemberment, and business travel accident coverage
- Retirement programs, including defined benefit pension plans and defined contribution plans, such as a 401(k) plan
- Employee Assistance Program and wellness program
- Paid sick, bereavement, vacation, family and parental leaves

- Adoption assistance
- Certain voluntary benefits, such as accident and critical illness insurance

We also provide financial assistance to eligible colleagues who are severely affected by natural disasters and humanitarian crises (e.g., civil unrest or terrorist actions), through the Otis Colleague Disaster Relief Fund (detailed further on [page 34](#)).

We support Otis colleagues' rights and commit to adhering to local laws regarding freedom of association and collective bargaining. We have relationships with trade unions and works councils in the regions where we operate. Approximately 63% of our workforce in the U.S. is covered by collective bargaining agreements. Outside the U.S., our colleagues may be represented by works councils, trade unions or statutory labor unions as may be customary or required. We comply with disability laws around the world and have established a global framework and policy for providing workplace adjustments and reasonable accommodations, as discussed in more detail in the Focusing on accessibility section on [page 32](#).

We also follow a strict harassment-free workplace policy and expect the same from our business partners. We require mandatory training on anti-harassment and anti-discrimination for our salaried workforce. Read more about our online risk-based compliance training for our salaried workforce on [pages 42-43](#).



➤ Workforce inclusion

We aim to be a company that provides equitable opportunities for all people to grow and contribute. When colleagues feel included and heard, everyone feels empowered to bring new ideas forward and together build the Otis of the future.

Key initiatives

Throughout 2023, we advanced several key initiatives to help drive inclusion across our workforce.

Inclusion Advisory Group: This group has been instrumental in furthering our inclusion priorities. In 2023, it helped to create inclusive-slate guidelines and aspirational gender-representation goals, and advocated for global accelerated disability inclusion and accessibility programming. The group also helped reinforce accountability among our leaders to embed inclusion in our talent recruiting and succession planning to realize our aspirations. See more on the Inclusion Advisory Group on [page 39](#).

Global learning and development: We continue to support learning and development opportunities through external and internal programming offered to a broad spectrum of our workforce. We are proud to offer robust development programs and conferences, which have helped foster greater workforce engagement and retention.

'Free to Be Me' campaign: We expanded our voluntary self-ID campaign, Free to Be Me, from 33 countries in 2022 to 40 countries by the end of 2023. Through this campaign, Otis colleagues can voluntarily self-report their demographic data – race and ethnicity, disability status, gender identity, sexual orientation and/or military service, as applicable per country laws. This allows us to benchmark our workforce, gain more robust equity and inclusion insights, and further develop inclusion programs.



Focusing on accessibility

Our CEO is a signatory of the CEO Letter on Disability Inclusion with Disability:IN, an organization committed to accelerating corporate disability inclusion.

In 2023, in line with this commitment, we continued to expand our focus on accessibility and disability inclusion.

- We launched a disability etiquette learning program with participation from more than 350 Otis colleagues.
- We established a global framework that simplifies and unifies our process for providing workplace adjustments and reasonable accommodations.
- We continued to offer regularly scheduled meditation meetings and focused mental well-being initiatives for all our colleagues.

Customer and product accessibility: In addition to improving accessibility and disability inclusion for our colleagues, Otis focuses on meeting the accessibility needs of our customers and the riding public. For example, we secured a project with the Marriott Magnificent Mile hotel in Chicago, Illinois, U.S., to install an audio solution in six elevators. Based on feedback from the Foundation Fighting Blindness, which will be holding its 2024 biennial conference at the property, hearing floor numbers enables blind and low-vision riders to better navigate the property. Otis was delighted to serve its customers’ needs and contribute to greater disability inclusion for the hotel’s guests through collaboration with the hotel’s management and ownership.

- We have engaged an external vendor for ongoing accessibility reviews of our external-facing websites against Level AA of the Web Content Accessibility Guidelines (WCAG), the global standard for web accessibility. Our Digital Technology Field Mobility Apps team also uses the WCAG standards to guide their efforts to strengthen accessibility of internal-facing mobile applications used by field mechanics to improve readability, usability and efficiency.

Also, as part of our commitment to Disability:IN, we completed the Disability Equality Index survey for the first time to benchmark our efforts on accessibility. To inform our accessibility roadmap, we are using survey learnings – like making reasonable accommodations more clearly available to job candidates and highlighting our commitment to disability more prominently on our public website.

Product innovation: In 2023, 10 Otis leaders and members of our Engineering Innovation team, attended the Disability:IN conference. We conducted over 60 immersion interviews with people with disabilities about their experience using vertical transportation. Based on their feedback, we developed an internal engineering innovation campaign to collect ideas for the accessibility of elevator operating panels. Colleagues from around the world suggested over 120 ideas, and we selected winners for further evaluation and possible use in future products.

Collaborating with industry peers

In an industrywide effort, we partnered with Turner Construction and peer companies for the second year in a row on Construction Inclusion Week. In 2023, the initiative focused on topics that resonate among our industry peers: commitment and accountability, workplace culture and community engagement. Otis is also a member of Architecture, Engineering and Construction (AEC) Unites, a group working to advance hiring Black talent and to facilitate opportunities for Black-owned businesses in these industries. Read more about our efforts to increase U.S. supplier diversity on [page 37](#).

Employee resource groups (ERGs)

More than 3,000 Otis colleagues participate in over 20 ERGs worldwide – each dedicated to fostering a diverse and inclusive work environment through engagement that positively impacts business outcomes. These colleague-led groups provide mentoring, career guidance and mutual support for those who share affinities or concerns of a common race, ethnicity, gender, gender identity, sexual orientation, disability, generation, veteran status and more. We support ERGs with executive participation and funding, and empower ERG leaders to set internal goals and develop business proposals. Otis ERGs play a vital role in helping people outside our organization – especially prospective colleagues – understand what we stand for and who we aspire to be.

In 2023, we continued to expand our ERG offerings geographically. We recently launched chapters of the Otis Thrive ERG in several Latin American countries and in the U.K., EMBRACE in EMEA, and the Otis Women’s Network (OWN) in French-, Italian- and German-speaking countries. We also strengthened our ERGs by appointing six new executive sponsors, launching neurodiversity and well-being circles, and expanding the impact of our ERGs with new program offerings:

- Forward, our ERG focused on women in field operations roles, developed a mentorship program in Latin America.
- OWN, our women’s network ERG, launched in the EMEA a successful LinkedIn campaign to attract potential job candidates.
- EleVets, our veterans ERG, led a community outreach activity to support homeless veterans in partnership with Soldiers’ Angels. Over 30 Otis

colleagues participated and served more than 700 meals to homeless veterans.

- Momentum, our Black/African American ERG, continued its long-standing mentorship program for summer interns, and in 2023, it extended this program to Executive Leadership Council (ELC) scholarship recipients.
- Pride, our LGBTQIA+ ERG, conducted fireside chats with internal leaders on what inclusion and allyship mean to them.
- GEN4 ERG, our generational ERG, launched in Latin America the Otis Generation: Social Service Program, which focuses on hiring qualified candidates from pools comprising several generations.

Read more about our ERGs on our [website](#).

Thrive ERG: Focused on colleagues with non-visible and physical disabilities, the Otis Thrive ERG implemented significant projects in 2023 and expanded in more countries and regions. Thrive actions in 2023 included: advocating for product accessibility innovation; creating affinity spaces for safe conversations on well-being and neurodiversity; and delivering a disability awareness campaign.

New hire mentorships: EleMates, an informal coaching and mentoring program in the U.S., pairs newly hired individuals (0-12 months) with experienced colleagues. The program was developed by the New Talent Network (NTN) ERG during the COVID-19 pandemic. The mentor Mate acts as a sounding board, and both parties benefit from the increased networking. This initiative also is connected to the Otis leadership behaviors and core values, which help new hires assimilate in the Otis culture. The program began with 28 pairings (56 colleagues) and has doubled in size since. It is being considered for an ERG Impact Award by Seramount.

➤ Furthering STEM learning and charitable giving in our communities

Our community engagement efforts aim to inspire youth to become part of a dynamic industry as we look toward the next generation of mechanics, engineers, managers and executives.

Our signature STEM education program, Made to Move Communities, is a high-touch, high-impact mentorship program delivering quality STEM learning for high school students around the world and university students in China. Each year students take on the role of product engineers, and, with support from Otis mentors, identify and develop solutions to eliminate mobility barriers in their communities. The 2022-2023 program engaged over 230 students, including 32 teams from 18 schools across 15 countries and territories. They spent six to eight weeks developing inclusive mobility solutions to address impacts of climate change. Winning solutions ranged from a mapping application for people to select the best route and mode of transportation to minimize carbon emissions, to a website that shows real-time flood data, with push alerts to help drivers avoid dangerous, obstructed areas. The 2023-2024 challenge is underway with 30 student-teams from 20 schools representing 15 countries and territories working on inclusive mobility solutions to increase access to green space for community well-being. Since the program’s launch in 2020, we have awarded nearly \$1 million in grants to participating schools to further advance their STEM programming.

In addition to the continued success of our Made to Move Communities program, we have implemented programs to support students at other points on the learning continuum. And, we continue to strengthen



We are sincerely grateful for Otis’ financial support to further STEM learning, and we plan to upgrade our school laboratory with it. Our students will be able to conduct their experiments in an even better environment and further their research and development skills. Through this, we hope to ignite a greater passion for STEM and pave the way for our students to pursue a STEM career in the future.”

Dr. Boonchoat Paosawatyanong, Principal of Kamnoetvidya Science Academy (KVIS) in Wangchan Valley, Thailand. KVIS won first place in the Asia Pacific regional competition for the 2022-2023 academic year.

our relationships with STEM-driven organizations to help amplify our impact:

- In China, we forged a new partnership with the China Soong Ching Ling Foundation, a nongovernmental organization with a 40-year history supporting youth and women, to offer more scholarships to outstanding female STEM-focused university students and STEM innovation programs for youth. Some of these programs will be led by Otis experts as volunteers.



- In the U.S., we hosted our first-ever Digital Technology Hackathon with 50 students from the University of Connecticut teaming with 27 volunteer Otis mentors over two-and-a-half-days to tackle tough, real-world business issues. The three winning teams were awarded \$10,000 in scholarship funding to learn about emerging technologies.
- In Hong Kong and Thailand, we introduced young students to STEM learning through the Little Engineer program. This program gives colleagues an opportunity to spend a few hours in a classroom introducing students ages 8-12 to the vertical transportation industry via interactive discussion, lectures and building elevator models. In 2023, we expanded our full-school-year offering in Hong Kong to the Lam Tsuen Public and Wong Fook Luen Memorial School, where Otis volunteers taught crucial escalator and elevator safety tips and helped build model elevators. In Thailand, Otis colleagues volunteered to read STEM-themed books to Bankwangkran Elementary School students during International Reading Day.

In addition to Otis STEM learning programs, we have extended successful STEM collaborations, offering scholarships and other opportunities to underserved and underrepresented populations to broaden access to STEM education and resources. Examples include: the Architecture, Construction and Engineering (ACE) Mentorship program; the Emerging Leaders Council – ELC Scholars scholarships; workforce development of U.S. Urban League chapters of Palm Beach County, Florida, Greater Hartford, Connecticut, and Chicago, Illinois; the FIRST Robotics LEGO League programming in Bristol, Connecticut, public primary schools; and the creation of several STEM centers through the Samarthanam Trust for the Disabled in India.

We also support non-STEM-related programs that help promote inclusion and/or serve underserved and underrepresented communities. Through our matching donation program, Otis colleagues in 14 countries can donate to eligible charitable organizations and have their impact doubled. Otis matches one-to-one for up to \$25,000 per calendar year.

Otis Women Initiative Network (WIN) ERG: WIN sponsors an initiative with SOLES4SOULS, which collects and donates work shoes and clothing to underserved communities for job applicants. These shoes and clothes would otherwise go to landfills. In 2023, the Otis team donated 1,031 pairs of shoes, pieces of clothing and/or accessories valued at over \$9,000, diverting around 1,288 pounds/584 kilos from local landfills and supporting opportunities for those who need it most.

Otis colleague disaster relief fund: With a focus on supporting our colleagues, in 2023, we launched the Otis Colleague Disaster Relief Fund, which provides financial assistance to eligible Otis colleagues affected by a qualifying natural disaster or humanitarian crisis (e.g., a civil unrest or a terrorist action). All Otis colleagues can make financial contributions to help seed the fund, and we are proud to match all colleague donations one-to-one. Since its inception in February 2023, the fund has helped colleagues affected by disasters and crises in Guam; Mexico; South Carolina, U.S.; Ukraine and Turkey.

> Otis colleagues giving back – volunteering at Otis

Since we began recording volunteer hours in 2022, our colleagues have contributed over 114,000 volunteer hours. In 2023, we spurred more volunteering with the following examples:

- We expanded our 2 in '22 volunteer campaign to a 3 in '23 campaign, encouraging colleagues to volunteer and record at least three volunteer hours during the year.
- We deployed a volunteer playbook in partnership with the international nonprofit organization Points of Light for colleagues to plan and execute a volunteer project anywhere in the world.
- We continued to support longstanding relationships with community organizations such as India's Samarthanam Trust for the Disabled, *FIRST* Robotics and several local chapters of the Special Olympics. In summer 2023, 60 of our EMEA colleagues volunteered at the Special Olympics World Games in Berlin.

Otis India colleagues plant trees in India: More than 100 Otis colleagues planted 2,000 trees and rare herbal plants in Bengaluru. Otis later expanded the project to plant 2,000 more trees in Kolkata and has plans to do the same in other metropolitan cities in India in 2024. This project will maintain the trees for one year to ensure that they get a healthy start and help to create more vibrant communities across major cities in India. The Bengaluru project was done in collaboration with the Samarthanam Trust, which supports people with disabilities, and is an extension of Otis' broader commitment to Samarthanam Trust and the communities it serves.

Otis Executive Leadership Team volunteers at Boys & Girls Clubs: In November 2023, more than 100 students at the Boys & Girls Clubs of Hartford, Connecticut, U.S., took part in hands-on activities and collaborated with members of our Executive Leadership Team to build circuitry and robot kits that we then donated for continued learning. During the visit, we also committed to an additional \$50,000 to expand STEM programming to more Boys & Girls Clubs.

Otis ERG sponsors initiative with Girls for Technology: Our Women in Technology ERG teamed with the nonprofit Girls for Technology, Inc. in Hartford, Connecticut, U.S., for the Building Dreams: Girls Mastering Elevator Engineering event. It included hands-on activities to help students learn about elevator design and operations. The Otis team also provided insights on emerging trends in technology and mechanics. Twenty-eight students participated, furthering our commitment to inspire the next generation of engineers.





Governance & Accountability



At Otis, our Absolutes of Safety, Ethics and Quality guide us in our decision-making. They are fundamental to who we are and what we strive to achieve. They define us, unite us, shape how we work and set us apart. Customers, passengers, shareholders and Otis colleagues trust us because they know we do business the right way – relying on our Absolutes.

We are each accountable to deliver excellence in what we do, across our production, installation, maintenance and repair processes, as well as in sales, marketing and financial reporting. To ensure accountability, we uphold high standards of governance, ethics and integrity implemented through strong internal controls, consistent training and colleague engagement. Strong governance leads to superior business outcomes and the Otis Board of Directors is regularly engaged on a wide range of matters spanning business strategy and ESG-related topics.

We have codified our Absolutes of Safety, Ethics and Quality in The Otis Absolutes, a code of ethics applicable to all Otis colleagues globally and the Otis Board. Additionally, we have adopted company policies, practices and procedures to further implement the Absolutes. To learn more about corporate governance at Otis, visit the Otis investors website to access:

- [Governance Documents](#),
- [SEC Filings](#), including our latest [Form 10-K](#) and [Proxy Statement](#)
- [Committee Charters](#)
- [The Otis Absolutes](#)

Goals and performance

Goal: Award at least 20% of U.S. supplier spend annually to diverse suppliers

We work to prioritize diversity within our organization, recognizing the fundamental strength that multiple cultures, skillsets and experiences bring to our business – and that extends to our suppliers. To ensure a competitive, reliable and resilient supplier pipeline, we must ensure access to a broad array of suppliers, and we see our commitment to allocating a minimum spend to diverse U.S. suppliers as fundamental to our future success.

We define diverse suppliers as those that are at least 51% owned and controlled by an individual or group that is underrepresented – minority-, women-, veteran-, LGBTQ+, or disability-owned – a small business, and/or operating in an economically disadvantaged location based on U.S. Small Business Administration definitions.

In 2023, we surpassed our goal of 20% spend with diverse U.S. suppliers for the third year in a row. We reached this goal by increasing the number of net new diverse suppliers in our U.S. supplier pool by 17% compared to 2022. This brings the total increase in diverse supplier spend to 12% since 2021. To support these objectives, we established a Head of Supplier Diversity to lead efforts globally.

We strive to continue this trend in 2024 and beyond, and will advance our diverse supplier spend goal by:

- Raising awareness of the value of supplier diversity and strengthening our supply chain through internal communication sessions
- Adding more qualified suppliers to our supplier database
- Including qualified diverse suppliers in our bid processes in the U.S.

We are also helping develop and advance diverse businesses through active membership in organizations such as the National Minority Supplier Development Council; Architecture, Engineering and Construction (AEC) Unites; the Women’s Business Enterprise National Council; and Disability:IN.

Corporate and ESG governance

Like our colleagues, our Board is guided by The Otis Absolutes and sets the tone for good governance practices. Our Board is composed of experienced global corporate executives and professionals with broad and deep multi-industrial and consumer industry knowledge, and with expertise in financial, risk and human capital management. These specific skills and attributes reflect the criteria that the Otis Board has identified as most relevant and desirable to support and guide Otis in excelling now and into the future.

Diversity in skills, background and experience among our Board members is critical to our business. The Nominations and Governance Committee of the Otis Board actively considers diversity during its recruitment and nomination process, and our current Board composition reflects such efforts. In October 2023, we expanded our Board, naming two new members with leadership expertise in technology and infrastructure sectors, broadening the Otis Board’s knowledge beyond fields already represented. Our Board composition is:



64% of the Otis Board members are diverse: **45%** are women, **37%** are ethnically/racially diverse and **40%** of Board leadership roles* are held by women, including the Board Chair. The Nominations and Governance Committee is **100%** diverse, with all the members – including the Committee Chair – being women, ethnically/racially diverse or both.

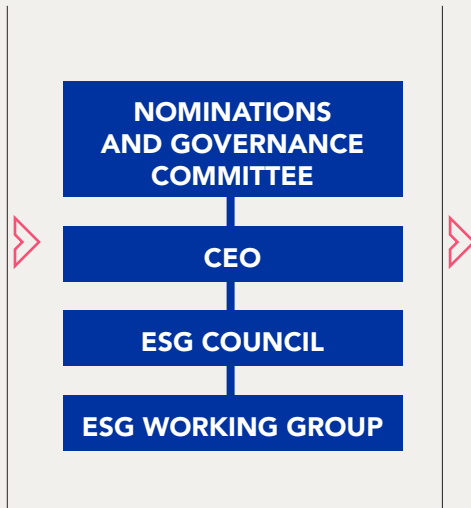
Our governance structure reflects processes from across industries, providing the basis for effective Board oversight. Through our corporate governance structure, we exemplify strong, shareholder-friendly governance practices:

- Annual election of directors
- Robust independent Lead Director role
- Proxy access
- Shareholders can call special meeting (15% threshold) and act by written consent
- Majority voting for directors
- No supermajority voting provisions
- No shareholder rights plan or poison pill plan

* Leadership roles are defined as the Chair of the Otis Board, Lead Director and chairs of each committee.

ESG governance model

- Integrated, cross-functional initiative
- ESG strategy aligned with Otis’ culture, values and business strategies and objectives
- Objectives established in key areas, with continued discussion around longer-term approach
- The ESG Council and ESG Working Group meet frequently, a demonstration of Otis’ commitment to developing and maintaining a successful ESG program



Areas of oversight include, but are not limited to:

- Community giving, volunteerism and community engagement
- Corporate governance
- Ethics and compliance
- Health and safety
- Inclusion
- Investor Relations
- Supply chain
- Sustainability and climate-related risks and opportunities

ESG governance model

The Board’s Nominations and Governance Committee has primary oversight of most ESG topics. In 2023, this committee received reports from management at every meeting concerning progress on key ESG objectives. The committee engaged in reviews of issues regarding climate-related risks and opportunities, colleague health and safety, corporate social responsibility and giving, human capital management, inclusion, shareholder engagement on ESG topics, and supplier diversity.

The Compensation Committee also oversees certain ESG aspects assigned by the Board, including human capital management, pay equity, major benefit changes and workforce talent. The Audit Committee oversees our ERM policies, which include ESG and cybersecurity risks. In addition, the Audit Committee reviews and discusses with management and our independent auditor the content, preparation, integrity and independent auditor review of our financial statements filed with the Securities and Exchange Commission. This includes significant financial reporting issues and judgments, and the adequacy and effectiveness of our internal controls over financial and ESG reporting and disclosures.

The full Board retains oversight of business objectives and strategies, including those related to ESG topics, significant risks and public policy issues, key talent succession planning, culture and engagement, and investor relations. In addition, the Otis Board, through the Audit Committee, receives reports from management, our Chief Compliance Officer and our internal auditor on any significant issues regarding compliance with The Otis Absolutes, our code of ethics.

Starting in 2023, our EH&S and Quality functions report to our Executive Vice President and General Counsel. Together with Ethics, these functions are the stewards of our Absolutes – the core values and standards of conduct that guide each of us in our day-to-day decisions. Bringing them together under a single leader helps drive our commitments in all three areas and provides a degree of independence from business operations.

Executive compensation

We are committed to executive compensation practices that drive performance, mitigate risk and align the interests of our executives with those of our shareholders. We have designed our executive compensation program to ensure that a significant portion of pay is variable and based on a mix of company and individual performance.

We provide a short-term incentive (STI) program that rewards our executives based on annual financial results and individual performance. The amount payable under our annual executive STI program can range from 0% to 200% of an executive’s target incentive, which is a percentage of their annual salary. Among the STI metrics is an ESG performance multiplier. It is designed to encourage accountability toward meeting our ESG goals while maintaining the primary focus on achieving the underlying financial performance metrics these ESG commitments support. The performance multiplier can increase or decrease STI payouts up to 10%, subject to the 200% cap.

Under our long-term incentive plan, we provide a mix of performance vesting and time vesting awards to our executives. We grant performance share units (PSUs) to drive achievement of the underlying performance goals that are important to our success.

ESG oversight

Underscoring the importance of good corporate citizenship, our Board and its committees engage in extensive review and oversight of ESG-related topics. Otis has developed an ESG governance model that supports our commitment to doing good in line with our business strategy. ESG matters impact every part of the business, and, accordingly, ESG governance is cross-functional. The ESG Council – composed of senior leaders representing key functions including Communications, EH&S, Human Resources, Investor Relations, Legal and Growth & Strategy – works closely with the ESG Working Group. The ESG Working Group, composed of subject matter experts across ESG issues material to our business, assists the ESG Council in developing and implementing the company’s ESG strategy. Both the ESG Council and ESG Working Group meet frequently, with the ESG Council reporting regularly to the CEO.

ESG risks

Otis expressly considers a number of ESG risks in the enterprise risk management (ERM) identification and assessment process. These include climate-related risks; meeting stakeholder ESG expectations; ESG reporting in accordance with the Global Reporting Initiative (GRI) Standards and in alignment with the Sustainability Accounting Standards Board (SASB) guidelines for the Resource Transformation sector and the Task Force on Climate-related Financial Disclosures (TCFD); inclusion; ethical culture; and colleague and public safety. ESG risks and corresponding mitigation actions that do not make the list of top ERM risks are managed by the ESG Council and ESG Working Group using a modified version of the ERM process.

We also grant stock appreciation rights (SARs) and restricted stock units (RSUs) to drive retention and alignment with shareholders. The number of shares that an executive can earn under our PSUs depends upon the recipient's continued employment, our achievement of three-year performance goals and our relative total shareholder return, never exceeding 200% of the target PSUs awarded plus accumulated dividend equivalents. RSUs and SARs vest one-third per year, subject to continued employment.

For more information on our executive compensation practices and policies, see our [2024 Proxy Statement](#).

> Inclusion accountability

To advance accountability and transparency of our inclusion progress, we have in place an internal committee, the Inclusion Advisory Group, which is responsible for:

- Setting Otis' equity and inclusion strategy and priorities in line with business objectives
- Challenging Otis and our leaders to achieve strategic aspirations
- Advocating for strategic initiatives and monitoring their progress
- Driving accountability for outcomes across regions and functions
- Bringing in outside perspectives and reviewing regional/functional progress

The group, which meets three times per year, is composed of four permanent members (our

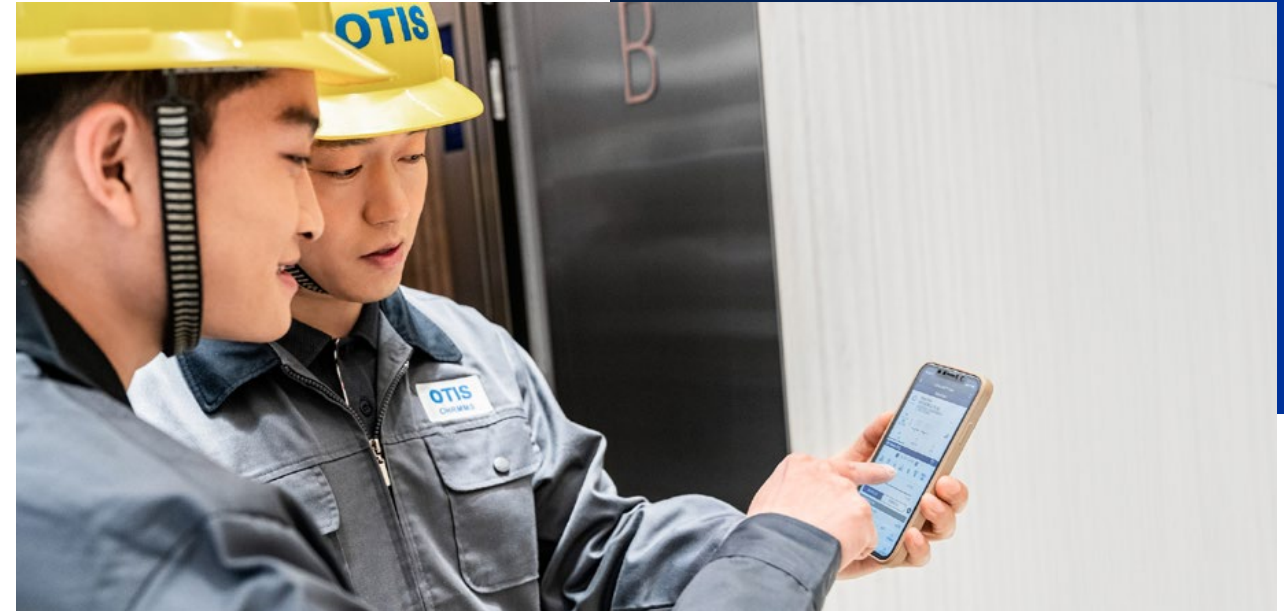
CEO; EVP, Chief People Officer; SVP, Chief Communications Officer; and SVP, Global Talent), three to four members who rotate annually, representing cross-functional and cross-regional areas, and one Board member. The group is assisted by inclusion councils at the regional and local level.

> Cybersecurity, data privacy and intellectual property

We take cybersecurity, data privacy and protecting our intellectual property very seriously at Otis. Below are highlights of our commitments and policies. For more information on our cybersecurity, data privacy and intellectual property governance, controls and investments, refer to our latest [Form 10-K](#).

Cybersecurity

The security of our products, services and corporate network is a key priority both for the growth of our business and our responsibilities as a leader in our industry. Otis has taken a risk-based approach to cybersecurity. We have implemented cybersecurity policies throughout our operations as part of our important digital transformation activities, including designing and incorporating cybersecurity into our products and services while they are being developed. We have a three-level governance model for managing cybersecurity risks, and we provide cybersecurity training and diligently monitor the threat landscape to protect against cyberattacks. The Audit Committee and other



members of the Board are regularly briefed on the Otis cybersecurity program and cyber-threat landscape. In addition, several Board members hold a CERT Certificate in Cybersecurity Oversight issued by the CERT Division of the Software Engineering Institute at Carnegie Mellon University.

Data privacy

As a global company, we process personally identifiable information from the many countries and territories where we do business, taking the utmost care in the way we handle and protect personal data. Our global privacy department regularly evaluates our processing activities to ensure that we apply privacy principles. For this, we rely on recognized transfer mechanisms, such as Standard Contractual Clauses (i.e., model contract clauses that have been preapproved by the European Commission) and Binding Corporate Rules (BCRs). We follow the same strict standards

for privacy compliance throughout our global operations, helping us to comply with local legal obligations more easily and adapt quickly when new laws come into effect around the world.

Intellectual property

Innovation is a fundamental characteristic of our history and central to our strategy, as we value investment in R&D and in our strategic initiatives. To address the demands of our business, our engineers across the globe increasingly focus their efforts on digital initiatives, software, user interface design and user experience. As the Otis brand is recognized around the world for quality products and services, we protect our investment in technology and our brand through a combination of patents, trademarks, trade secrets, confidentiality policies and active monitoring programs. We also provide regular training to our colleagues on the importance of protecting our trade secrets.



> Quality

Quality is one of The Otis Absolutes, enabling safe, reliable products and installations, and earning us trust from our stakeholders. We take full responsibility for the workmanship and service we provide, act thoroughly to eliminate quality issues at their source, and respond quickly to resolve any problems and satisfy our customers.

Our quality strategy is tailored to every level and across all functions, looking at Otis in a holistic way to determine how to operate more effectively, efficiently and sustainably. Key elements of this strategy include:

- **Design quality:** Ensuring quality at each stage of product development through comprehensive multifunctional governance oversight.
- **Internal quality:** Having strong key performance indicators (KPIs) and quality measurement systems to track performance against internal targets at each manufacturing site or core functional group and to strive to identify and resolve issues before our customers experience them – all of which helps to drive customer loyalty and a positive perception of Otis.
- **Supplier quality:** Selecting suppliers that have an equal focus on quality through careful vetting and qualification. We partner with them on part and process qualification and performance improvement through our Supplier Premier Program. It is a system tailored to meet the needs of our business and customers by providing timely, actionable information about supplier performance.

- **Field service/aftermarket quality:** Closely monitoring and responding to feedback from our field technicians and customers, determining field service concerns and providing rapid resolutions that address the issues and mitigate the risk of recurrence, such as field process improvements and product upgrades.
- **Organizational focus:** Maximizing our quality impact and effectiveness through global centers of excellence that define best practices, strategy and initiatives, and provide rapid deployment oversight through matrixed regional leadership.
- **Quality management system:** Providing, through our quality dashboard a core set of KPIs focused on process and product quality, to allow teams to measure and react to those KPIs and determine required infrastructure to improve process or product quality.
- **Otis Performance Excellence (OPXL):** Building a strong enterprisewide quality culture through continuous improvement and empowering each Otis colleague to lead with innovation and everyday problem solving to deliver a world-class experience for our customers.

indirect services, such as logistics; fleet vehicles, professional services and subcontractors that assist with elevator and/or escalator installations.

Supplier Code of Conduct

We require adherence to our Supplier Code of Conduct. Available in 31 languages on our [website](#), the code holds our suppliers accountable to the same standards we establish for ourselves, starting with our Absolutes of Safety, Ethics and Quality. We require our suppliers to:

Specific to **Safety:**

- Ensure a safe and healthy work environment, including reasonable work hours and conditions for suppliers’ employees and visitors to their sites
- Comply with all applicable EH&S rules and regulations
- Provide products and services with safety as a key guiding principle
- Conduct end-to-end operations in an environmentally friendly manner

Specific to **Ethics:**

- Respect the fundamental rights and freedoms of all persons who touch their business operations, treat all persons fairly with dignity and respect, and abide by all fair labor practices including:
 - Ensure all work is performed voluntarily with no forced labor
 - Abide by the U.N. Convention No. 138 on the Rights of the Child and the International Labour Organization (ILO) Convention No. 182 on the Worst Forms of Child Labour, with stricter national laws always prevailing

> Responsible supply chain

Suppliers are critical to our success. They provide direct materials, such as raw materials and components for new equipment and service;

- Pay all workers a living wage and benefits that meet or exceed the applicable minimum wage and provide equal pay for equal work
- Ensure that work hours are reasonable and do not exceed the maximum work hours established by law
- Respect anti-corruption (including anti-bribery), fair competition and antitrust rules
- Respect the legitimate proprietary rights and intellectual property (IP) rights of Otis and others

Specific to **Quality:**

- Have quality assurance processes and controls to identify defects, notify Otis and correct them to ensure delivery of products and services that meet all contractual, legal and regulatory requirements
- Properly complete all inspection and testing requirements performed by appropriately authorized and qualified individuals
- Complete required certifications accurately

We also require our suppliers to:

- Provide regular training to their employees and conduct reasonable due diligence to ensure compliance with the Supplier Code of Conduct
- Ensure timely reporting of both actual and suspected violations of the Supplier Code of Conduct
- Promote an environment where legal and ethical issues can be raised without fear of retaliation, including making reporting channels available to colleagues and business partners
- Cooperate with our requests for information and support when subject to an investigation

Lastly, we require our suppliers to comply with the principles described in the Otis Human Rights Position Statement and all applicable laws where they operate. Additionally, we prohibit them from asking their workers to pay employers’ agent recruitment fees or other related fees for their employment.

Human rights and anti-human trafficking in the supply chain

We are committed to protecting human rights and reducing the risk of human trafficking at Otis and in our global supply chain, and we demand the same from our suppliers. Our Otis Human Rights Position Statement, published on our website, encapsulates our commitment to human rights. We require our business partners to abide by these same principles through the Supplier Code of Conduct. We expect our business partners to conduct training, undergo compliance assessments and remediate non-compliance with these principles as a condition of their business relationship with Otis.

We have a program in place designed to detect, mitigate and deter human trafficking and forced labor in our supply chain. The program includes risk identification, assessment, mitigation and due diligence activities. This year we expanded the program scope beyond human trafficking to include the detection, mitigation and deterrence of broader human rights violations, such as a disregard for occupational health and safety, unequal treatment in employment conditions and withholding of reasonable wages.

As in prior years, in 2023, we submitted our U.K. and Australia Modern Slavery Statements to the applicable regulatory agencies and, for the first time, we submitted our Norway Transparency Act statement. We continued to conduct due diligence on our

suppliers through surveys and introduced third-party supplier mapping tools and services to strengthen the process. We also continued to actively leverage our membership with the Responsible Business Alliance (RBA) through its Responsible Labor Initiative (RLI) forum. We respect the value of raising awareness as a critical lever to mitigating risk of human right violations and, as such, we continue our initiatives on compliance training and awareness. Looking forward, we will continue to monitor the emerging regulatory landscape to ensure that we are well positioned to detect, mitigate and deter human rights violations. For more information on our policies and statements that we follow, click on the links below:

- [Otis Human Rights Position Statement](#)
- [Anti-Human Trafficking Policy Governing the Otis Supply Chain](#)
- [Otis UK Modern Slavery Statement](#)
- [Otis Australia Modern Slavery Statement](#)
- [Norway Transparency Act Statement](#)
- German Supply Chain Act (click [here](#) and [here](#))

Conflict minerals in the supply chain

Otis is committed to contributing to the elimination of human rights violations associated with conflict minerals and, as such, has adopted a Conflict Minerals Program developed to comply with Dodd-Frank Act specifications. We also adopted the Responsible Business Alliance’s Responsible Minerals Initiative (RMI) recommended approach to determine the Reasonable Country of Origin Inquiry (RCOI) through Chain of Custody by focusing on smelters. RMI’s flagship program, the Responsible Minerals Assurance Process (RMAP), validates that smelter facilities have due diligence procedures around conflict minerals and are using their best efforts to source from certified mines.

Through our Conflict Minerals Program, we are committed to:

- Direct suppliers to our position on conflict minerals
- Encourage our suppliers to join us in our commitment and source from conflict-free smelters
- Identify suppliers at risk of sourcing violations specific to tantalum, tin, tungsten and gold (3TG), and encourage corrective actions if needed
- Participate in industrywide initiatives, such as RMI, which provide standards and useful tools for identifying conflict minerals

In addition, we file an annual Conflict Minerals report with the U.S. Securities and Exchange Commission (SEC), which details our due diligence efforts including supplier surveys. We provide a description of this detailed process in our [annual Conflict Minerals Disclosure](#) and in our [Conflict Minerals policy governing the Otis Supply Chain](#).

Diversity in the supply chain

Read more about our efforts to increase U.S. supplier diversity on [page 37](#).

Environment in the supply chain

For more information on the actions we take in our supply chain to decrease our environmental impact, see [page 23](#).

Investigation and remediation in the supply chain

Per The Otis Absolutes and our Supplier Code of Conduct, we require all Otis colleagues and suppliers to report actual or suspected violations of applicable laws, regulations and policies, using any one of the many reporting channels discussed further on this page. We require our suppliers to facilitate the timely discovery, investigation and reporting of actual or suspected misconduct, and to implement appropriate corrective actions. We hold them accountable to cooperate in comprehensive and fair investigations with the participation of their own suppliers, as necessary. If an investigation concludes that a violation has occurred, appropriate corrective or disciplinary actions must be taken. Otis may at any time choose to terminate our relationship with any supplier that fails to meet our expectations or does not correct violations in a timely or proper manner.

➤ Ethics and integrity

Ethics, one of our Otis Absolutes, is embedded in our culture, guiding us to do the right thing and helping to ensure our colleagues understand our expectations. Doing business the right, ethical way is simply who we are. We have a dedicated team of colleagues around the world developing and implementing Otis' global compliance program, which includes the following:

Due diligence and screening






We conduct appropriate due diligence and screening of third parties with whom we do business, leveraging independently provided data to help identify and resolve potential risks and to ensure compliance with applicable laws and regulations.

Speaking up

We empower our colleagues and other stakeholders to speak up if they suspect wrongdoing. Otis colleagues can report concerns directly to a supervisor or manager, our Legal or Human Resources departments, or one of our over 100 Ethics and Compliance Officers and professionals, over 90 of whom were locally based at the end of 2023. Other stakeholders can report their concerns using our reporting channels described to the right. All reported concerns are investigated via the same confidential, thorough investigative process, irrespective of reporting method or reporter's identity.

We maintain third-party managed, public-facing platforms for those who wish to report indirectly or anonymously, including a 24/7 hotline with translators available or with a web-based form. Otis colleagues can access these channels both internally and externally. These anonymous reporting channels also are available via our website to other stakeholders, such as our suppliers, subcontractors, customers and the general public.

These channels are described fully in the [Reporting Channels](#) section of our website.

 <p>By phone (hotline)</p> <p>+1-833-833-3001 in the United States, Canada and Puerto Rico, or from outside these areas with an AT&T access code</p>	 <p>By online submittal (webline)</p> <p>otis.webline.ethicspoint.com (available via otis.com)</p>	 <p>By mobile</p> <p>otismobile.ethicspoint.com</p>	 <p>By email</p> <p>ethics@otis.com</p>	 <p>By mail</p> <p>Otis World Headquarters 1 Carrier Place Farmington, CT 06032 USA Attn: Global Ethics and Compliance Office</p>
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Independent and thorough investigations

We conduct an independent and thorough investigation into any specific and credible allegation of a violation of law, policy or our Otis Absolutes in a timely manner. The overarching intent of our investigation process is to understand the facts; to gain insights needed to apply corrective actions, such as new controls, awareness training or additional process steps for prevention; and to hold one another accountable for misconduct. Senior management monitors investigations to ensure that disciplinary actions are fairly and consistently applied across Otis and that significant matters are reviewed with the Otis Board. We ensure that anyone who raises concerns or reports wrongdoings can do so without fear of retaliation. Otis vigorously investigates any allegations of retaliation, and if any colleagues are found to have engaged in retaliatory conduct, we subject them to disciplinary action up to termination.

Focus on compliance training and awareness

Leaders play a vital role in the growth of our ethics culture at Otis. They set the tone from the top by role modeling ethical behavior and through their communications and conversations on ethics topics.

Ethics Talk: Ethics Talk is an annual initiative at Otis. It is designed to give supervisors the tools to lead a thoughtful ethics conversation with their teams about The Otis Absolutes and how our Otis values guide decision-making when faced with ethical dilemmas. Ethics Talk involves scenario-based training, customized for relevance to each team's area of work. In 2023, the completion rate for Ethics Talk was over 98%. The visible presence of leaders engaged in Ethics Talk sends a powerful message about our commitment to ethics internally, and in our dealings with customers, third parties and other stakeholders externally. Ethics Talk is also an essential component of our ethics messaging to field professionals, who represent more than 60% of Otis' workforce.

Compliance training: Otis adopts a risk-based approach for our compliance training program. We provide online training quarterly on topics such as human rights, modern slavery, anti-human trafficking, antitrust, conflicts of interest, protecting company data, cybersecurity, data protection, anti-harassment and anti-discrimination, and anti-corruption and anti-bribery. Completion rate for our quarterly online modules for salaried colleagues was more than 97% in 2023. In addition, approximately 97% of our salaried colleagues have attested, through an annual certification in 2023, that they have read, understood and are committed to complying with The Otis Absolutes and Otis policies.

New hire training: We assign newly hired salaried colleagues a suite of online courses geared to key compliance risk areas that we require them to complete within the first 30 days of employment. In addition, we assign these colleagues a custom-built course called *Living our Absolutes, Today and Every Day* that introduces our company's values and commitments to ethical practices. In 2023, over 90% of new hires completed the recommended suite of ethics and compliance training.

Global Ethics Day and Global Ethics Week: Otis organizes Global Ethics Week annually during the third week of October, coinciding with Global Ethics Day. While our commitment to ethics is year-round, Ethics Week offers the opportunity for greater engagement in specific ethics programming, encouraging colleagues to do the right thing when ethical challenges arise. The programming involves a combination of live, interactive, and print-based initiatives and training. Among other things, through Ethics Week, we increase the visibility of our ethics and compliance officers around the globe and positively highlight colleagues who have taken courageous action to speak up when things did not seem quite right.

Audits

To maintain our culture of integrity and trust and drive compliance with our Absolutes and company policies, we conduct several ethics and compliance directed internal audits, including on business processes, compliance with policies and regulations and management of third-party business partners each year. Additionally, we conduct audits focused on anti-bribery, anti-corruption, trade compliance and antitrust.

Stakeholder engagement

We are committed to working for the global good of our colleagues, customers, passengers and society. That means we take necessary steps to understand stakeholder concerns. We regularly consult with our stakeholders on ESG topics to learn from one another.

Colleagues: We believe that engaged colleagues deliver better service to our customers. We measure engagement by conducting colleague surveys. The results, which are reported to our Board and management, help us assess how colleagues feel about working for Otis. We use the survey results to develop action plans to address areas of concern. Engagement surveys, which anonymize the data, cover topics such as safety, ethics, belonging, quality, company prospects, inclusion, empowerment, accountability and managerial effectiveness. Colleague/direct management communications occur on a regular

basis sharing business information, resource management, customer activities, Absolutes discussions and expectations, and human resource topic engagement and development.

Communities: We see corporate citizenship as an ethical responsibility and a business imperative – and embrace the idea that to do well, we also must do good. It is why we invest in our local communities and encourage colleague volunteerism.

Customers: We are in near-constant contact with our customers, monitoring their changing needs and keeping a pulse on their priorities to support their progress. We capture the voice of our customers through our Customer Advisory Board (CAB) and our annual customer survey. The CAB consists of key clients from around the globe and meets three times per year. We use these meetings to collect feedback, answer questions and share important business updates.

Government and Political Action Committee

(PAC): Our government relations initiatives educate and inform officials on a range of public policy issues important to our business. Information about the Otis Worldwide Corporation PAC is available through a website maintained by the Federal Election Commission. To see this information, visit www.fec.gov and search the appropriate disclosure database for Otis Worldwide Corporation. The PAC is funded with voluntary contributions made by Otis colleagues. No company funds are contributed to the PAC for the purpose of making political contributions, and Otis does not control the decision-making process for contributions made with Otis PAC funds.

Industry: As a leader in the industry, it is important to collaborate and support others in our sector and beyond when implementing our ESG priorities. One of the ways we accomplish this is by participating

in the Responsible Business Alliance, the world's largest industry coalition dedicated to responsible business conduct in global supply chains. We also are a member of the National Elevator Industry Inc., National Foreign Trade Council, Connecticut Business Industry Association and Alliance for Competitive Taxation. Our CEO is a member of the Business Roundtable (and of its board) and Chair of its Trade & International Committee and Co-Chair of its China Working Group. She also is a member of the U.S.-India CEO Forum.

Investors: Investor Relations fields inquiries from Otis shareholders on our ESG objectives and performance, and the Corporate Secretary organizes annual shareholder calls focused on ESG. In 2023, these calls were led by our CEO and Board Lead Director or Chair of the Nominations and Governance Committee. We also held one-on-one meetings with investors throughout the year, offering multiple opportunities to share perspectives on topics of mutual interest, including ESG. In 2023, investors representing approximately 30% of shares outstanding were invited to participate in these ESG-related conversations. In addition, our ESG information is readily accessible on our [investors website](#).

Suppliers: Suppliers are an integral part of our business and sustainability journey. We engage with them to help protect human rights in the supply chain and look forward to expanding our collaboration to include a GHG emission reduction strategy. The reduction strategy will initially focus on the most carbon-intensive materials.



Appendix

> Global Reporting Initiative (GRI)

Otis Worldwide Corporation has reported the information cited in this GRI content index for the period 1/1/2023 to 12/31/23 with reference to the GRI Standards (GRI 1: Foundation 2021).

GRI STANDARD	DISCLOSURE	LOCATION/RESPONSE
GRI 2: General Disclosures 2021		
The Organization and Its Reporting		
2-1	Organizational details: Legal name and location of headquarters	Otis Worldwide Corporation Farmington, CT 06032, USA
2-2	Entities included in the organization’s sustainability reporting: List all its entities discussed in sustainability reporting	2023 Form 10-K > Exhibit 21
2-3	Reporting period, frequency and contact point: Specify the reporting period for its financial reporting, if it does not align with the period explain reason and add a point of contact	Annual calendar year investorrelations@otis.com
2-4	Restatements of information: Reason and effect of restatements, restatement of information when it has learned that the previously reported information needs to be revised	In 2023, to report more closely in line with RE100 – when tracking renewable energy delivered to our factories passively in the grid – we calculated percent renewable energy based on Energy Attribute Certificates (EACs) that were reviewed by a third party. Prior to this change, we relied on the renewable portions of utilities’ energy mix to supplement the total. We determined that in 2023, 33% of electricity used at our factories globally came from renewable sources under the revised approach, an improvement of 24 percentage points from the updated 2022 value. Under the prior calculation methodology, we reported that in 2022 47% of our factories’ electricity came from renewable energy sources. In addition, our 2021 and 2022 GHG emission data has been adjusted from the prior years’ disclosures to reflect the inclusion of GHG emissions from refrigerants used in our fleet vehicles and entire real estate portfolio, in addition to including GHG emissions associated with refrigerant use at our factories. Also, 2021 and 2022 energy consumption data has been adjusted from the prior years’ disclosures to reflect refined methodologies used in capturing energy consumption.
2-5	External assurance: Describe its policy and practice for seeking external assurance, including whether and how the highest governance body and senior executives are involved	2023 ESG Report > Appendix > Third-party Assurance

> Global Reporting Initiative (GRI)

GRI STANDARD	DISCLOSURE	LOCATION/RESPONSE
Activities and Workers		
2-6	Activities, value chain and other business relationships: Describe value chain	2023 Form 10-K , pgs. 1-8
2-7	Employees: Total number of employees, and a breakdown of this total by gender and by region	2023 ESG Report > People & Communities > Workforce composition, talent hiring, development and retention 2023 Form 10-K , pg. 7 2023 EEO-1 Report
2-8	Workers who are not employees: Total number of workers who are not employees and whose work is controlled by the organization	Not reported
Governance		
2-9	Governance structure and composition: Describe the governance structure, list the committees of the highest governance body that are responsible for decision-making on and overseeing the management of the organization's impacts on the economy, environment, and people	2024 Proxy Statement , pgs. 11-39
2-10	Nomination and selection of the highest governance body: Describe the criteria used for nominating and selecting highest governance body members, views of stakeholders, diversity, independence and competencies relevant to the impacts of the organization	2024 Proxy Statement , pgs. 11-37
2-11	Chair of the highest governance body: Report whether the chair of the highest governance body is also a senior executive in the organization, explain their function within the organization's management, the reasons for this arrangement, and how conflicts of interest are prevented and mitigated	2024 Proxy Statement , pgs. 16-17
2-12	Role of the highest governance body in overseeing the management of impacts: Describe the role of the highest governance body and of senior executives in developing, approving, and updating the organization's purpose, value or mission statements, strategies, policies, and goals related to sustainable development	2024 Proxy Statement , pgs. 18-29 2023 Form 10-K , pg. 6
2-13	Delegation of responsibility for managing impacts: Describe how the highest governance body delegates responsibility for managing the organization's impacts on the economy, environment, and people	2024 Proxy Statement , pgs. 18-20 2023 Form 10-K , pg. 6
2-14	Role of the highest governance body in sustainability reporting: Responsible for reviewing and approving the reported information, including the organization's material topics. Describe the process for reviewing and approving	2024 Proxy Statement , pgs. 18-20

> Global Reporting Initiative (GRI)

GRI STANDARD	DISCLOSURE	LOCATION/RESPONSE
2-15	Conflicts of interest: Processes to ensure that conflicts of interest are prevented and mitigated	2024 Proxy Statement , pgs. 26; 89-90 Related Person Transactions Policy The Otis Absolutes
2-16	Communication of critical concerns: How concerns are communicated to the highest governance body, report the total number and the nature of critical concerns during the reporting period	2024 Proxy Statement , pgs. 18-20; 38-39
2-17	Collective knowledge of the highest governance body: Measures taken to advance collective knowledge and skills for the highest governance body on sustainable development	2024 Proxy Statement , pgs. 12-14; 18-20; 25-36
2-18	Evaluation of the performance of the highest governance body: Overseeing the management of the organization’s impacts on the economy, environment, and people	2024 Proxy Statement , pgs. 18-20
2-19	Remuneration policies: Describe how the remuneration policies for members of the highest governance body and senior executives relate to their objectives and performance in relation to the management of the organization’s impacts on the economy, environment, and people	2023 ESG Report > Governance & Accountability > Corporate and ESG governance > Executive compensation 2024 Proxy Statement , pgs. 40-41; 49-65
2-20	Process to determine remuneration: Process for designing its remuneration policies and for determining remuneration	2024 Proxy Statement , pgs. 40-41; 43-65
2-21	Annual total compensation ratio: Ratio of the annual total compensation for the organization’s highest-paid individual to the median annual total compensation for all employees, ratio of the percentage increase	2024 Proxy Statement , pg. 78

> Global Reporting Initiative (GRI)

GRI STANDARD	DISCLOSURE	LOCATION/RESPONSE
Strategy, Policies and Practices		
2-22	Statement on sustainable development strategy: CEO Letter or message	2023 ESG Report > A message from our CEO
2-23	Policy commitments: List of all policy commitments for business conduct	The Otis Absolutes Supplier Code of Conduct Otis Human Rights Position Statement UK Modern Slavery Statement Australia Modern Slavery Statement Anti-Human Trafficking Governing the Otis Supply Chain Policy Anti-Corruption Policy Conflicts Mineral Policy governing the Otis Supply Chain Privacy Policy Norway Transparency Act statement German Supply Chain Act (click here and here).
2-24	Embedding policy commitments	2023 ESG Report > Environmental, Social and Governance (ESG) pillars and their alignment with our business strategy 2023 ESG Report > Governance & Accountability > Responsible supply chain; Ethics and integrity 2024 Proxy Statement , pgs. 18-20
2-25	Processes to remediate negative impacts: Identify and address grievances	2023 ESG Report > Governance & Accountability > Responsible supply chain; Ethics and integrity
2-26	Mechanisms for seeking advice and raising concerns: Process in raising concerns about the organization's code of conduct	2023 ESG Report > Governance & Accountability > Ethics and integrity Reporting Channels
2-27	Compliance with laws and regulations: Report the total number of non-compliance instances with laws and regulations	2023 Form 10-K , Note 21: Contingent Liabilities

> Global Reporting Initiative (GRI)

GRI STANDARD	DISCLOSURE	LOCATION/RESPONSE
2-28	Membership associations: List of membership associations	2023 ESG Report > Governance & Accountability > Stakeholder engagement We are a member of Responsible Business Alliance, the National Elevator Industry Inc. (NEII), National Foreign Trade Council (NFTC), Connecticut Business Industry Association (CBIA) and Alliance for Competitive Taxation. Our CEO is a member of the Business Roundtable (and of its board) and Chair of its Trade & International Committee and Co-Chair of its China Working Group. She also is a member of the U.S.-India CEO Forum.
Stakeholder Engagement		
2-29	Approach to stakeholder engagement: Describe how to engage and identify stakeholders	2023 ESG Report > Governance & Accountability > Stakeholder engagement 2024 Proxy Statement , pgs. 38-39
2-30	Collective bargaining agreements: How the organization engages in collective bargaining with its employees	2023 ESG Report > People & Communities > Employment policies, conditions and labor relations 2023 Form 10-K , pg. 7
Material topics		
GRI 3: Material Topics 2021		
3-1	Process to determine material topics: Process in how to determine material topics	2023 ESG Report > Environmental, Social and Governance (ESG) pillars and their alignment with our business strategy 2021 ESG Report , pg.17
3-2	List of material topics: List of organization's material topics, i.e. Materiality Matrix	2023 ESG Report > Environmental, Social and Governance (ESG) pillars and their alignment with our business strategy 2021 ESG Report , pg. 17

> Global Reporting Initiative (GRI)

GRI STANDARD		DISCLOSURE	LOCATION/RESPONSE
GRI 200: Economic			
GRI 205: Anti-corruption			
3-3		Management of material topic	2023 ESG Report > Governance & Accountability > Responsible supply chain; Ethics and integrity
205-1		Operations assessed for risks related to corruption: Measures the extent of the risk assessment's implementation across an organization	2023 ESG Report > Governance & Accountability > Ethics and integrity
205-2		Communication and training about anti-corruption policies and procedures: Total number and percentage of anti-corruption training	2023 ESG Report > Governance & Accountability > Ethics and integrity
205-3		Confirmed incidents of corruption and actions taken: Total number and nature of confirmed incidents of corruption	2023 ESG Report > Governance & Accountability > Ethics and integrity > Independent and thorough investigations
GRI 300: Environmental			
GRI 302: Energy			
3-3		Management of material topic	2023 ESG Report > Environment & Impact > Climate > Renewable energy strategy
302-1		Energy consumption within the organization: Total fuel consumption within the organization from non-renewable and renewable sources	2023 ESG Report > Environment & Impact > Climate > Renewable energy strategy
302-2		Energy consumption outside of the organization: Upstream and downstream categories and activities from the GHG Protocol Corporate Value Chain (scope 3)	2023 ESG Report > Environment & Impact > Climate
302-3		Energy intensity: Types of energy included in the intensity ratio; whether fuel, electricity, heating, cooling, steam, or all	2023 ESG Report > Environment & Impact > Climate
302-4		Reduction of energy consumption: Reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives	2023 ESG Report > Environment & Impact > Climate
302-5		Reductions in energy requirements of products and services: Example, the energy requirements of a car or a computer	2023 ESG Report > Environment & Impact > Climate > Product stewardship

> Global Reporting Initiative (GRI)

GRI STANDARD	DISCLOSURE	LOCATION/RESPONSE
GRI 303: Water and Effluents		
3-3	Management of material topic	2023 ESG Report > Environment & Impact > Waste and water > Water use and conservation and wastewater treatment
303-1	Interactions with water as a shared resource: Interactions with water, how and where water is withdrawn, consumed, and discharged, and the water-related impacts	2023 ESG Report > Environment & Impact > Waste and water > Water use and conservation and wastewater treatment
303-2	Management of water discharge-related impacts: Controlling the quality of effluent discharge refers to the physical, chemical, biological, and taste-related characteristics of water	2023 ESG Report > Environment & Impact > Waste and water > Water use and conservation and wastewater treatment
303-3	Water withdrawal: Surface water; Groundwater; Seawater; Produced water; Third-party water	2023 ESG Report > Environment & Impact > Waste and water > Water use and conservation and wastewater treatment
303-4	Water discharge: Surface water; Groundwater; Seawater; Produced water; Third-party water	2023 ESG Report > Environment & Impact > Waste and water > Water use and conservation and wastewater treatment
303-5	Water consumption: Water consumption measures water used by an organization such that it is no longer available for use by the ecosystem or local community	2023 ESG Report > Environment & Impact > Waste and water > Water use and conservation and wastewater treatment
GRI 305: Emissions		
3-3	Management of material topic	2023 ESG Report > Environment & Impact > Climate
305-1	Direct (scope 1) GHG emissions	2023 ESG Report > Environment & Impact > Climate
305-2	Energy indirect (scope 2) GHG emissions	2023 ESG Report > Environment & Impact > Climate
305-3	Other indirect (scope 3) GHG emissions	2023 ESG Report > Environment & Impact > Climate
305-4	GHG emissions intensity: Types of GHG emissions included in the intensity ratio; whether direct (scope 1), energy indirect (scope 2), and/or other indirect (scope 3)	2023 ESG Report > Environment & Impact > Climate
305-5	Reduction of GHG emissions: Scopes in which reductions took place; whether direct (Scope 1), energy indirect (Scope 2), and/or other indirect (scope 3)	2023 ESG Report > Environment & Impact > Climate

> Global Reporting Initiative (GRI)

GRI STANDARD	DISCLOSURE	LOCATION/RESPONSE
305-6	Emissions of ozone-depleting substances (ODS): Production, imports, and exports of ODS	2023 ESG Report > Environment & Impact > Climate
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions: Significant air emissions, NOX, SOX, POP, VOC, HAP, PM	2023 ESG Report > Environment & Impact > Climate
GRI 306: Waste		
3-3	Management of material topic	2023 ESG Report > Environment & Impact > Waste and water
306-1	Waste generation and significant waste-related impacts: Impacts relate to waste generated in the organization's own activities or to waste generated upstream or downstream in its value chain; types of inputs and outputs can include raw materials, process and manufacturing materials, leaks and losses, waste, by-products, products, or packaging	2023 ESG Report > Environment & Impact > Waste and water
306-2	Management of significant waste-related impacts: Circularity measures taken to prevent waste generation in the organization's own activities and upstream and downstream in its value chain	2023 ESG Report > Environment & Impact > Environmental management
306-3	Waste generated	2023 ESG Report > Environment & Impact > Waste and water > Hazardous waste
306-4	Waste diverted from disposal	2023 ESG Report > Environment & Impact > Waste and water > Water use and conservation and wastewater treatment
306-5	Waste directed to disposal	2023 ESG Report > Environment & Impact > Waste and water > Water use and conservation and wastewater treatment
GRI 308: Supplier Environmental Assessment		
3-3	Management of material topic	2023 ESG Report > Governance & Accountability > Responsible supply chain
308-1	New suppliers that were screened using environmental criteria: Percentage of suppliers selected or contracted subject to due diligence processes for environmental impacts	2023 ESG Report > Governance & Accountability > Responsible supply chain
308-2	Disclosure: Negative environmental impacts in the supply chain and actions taken: Percentage of suppliers identified as having significant actual and potential negative environmental impacts	2023 ESG Report > Governance & Accountability > Responsible supply chain > Investigation and remediation in the supply chain

> Global Reporting Initiative (GRI)

GRI STANDARD		DISCLOSURE	LOCATION/RESPONSE
GRI 400: Social			
GRI 401: Employment			
3-3		Management of material topic	2023 ESG Report > People & Communities > Employment policies, conditions and labor relations
401-1		New employee hires and employee turnover	2023 ESG Report > People & Communities > Workforce composition, talent hiring, development and retention
401-2		Benefits provided to full-time employees that are not provided to temporary or part-time employees	2023 ESG Report > People & Communities > Employment policies, conditions and labor relations
401-3		Parental leave	2023 ESG Report > People & Communities > Employment policies, conditions and labor relations
GRI 403: Occupational Health and Safety			
3-3		Management of material topic	2023 ESG Report > Health & Safety
403-1		Occupational health and safety management system: A description of the scope of workers, activities, and workplaces covered by the occupational health and safety management system, and an explanation of whether and, if so, why any workers, activities, or workplaces are not covered	2023 ESG Report > Health & Safety > The safety of our colleagues
403-2		Hazard identification, risk assessment, and incident investigation: A description of the processes for workers to report work-related hazards and hazardous situations, and an explanation of how workers are protected against reprisals	2023 ESG Report > Health & Safety > The safety of our colleagues; The safety of our passengers
403-3		Occupational health services: A description of the occupational health services' functions that contribute to the identification and elimination of hazards and minimization of risks	2023 ESG Report > Health & Safety > Goals and performance
403-4		Worker participation, consultation, and communication on occupational health and safety: Participation in the occupational health and safety management system	2023 ESG Report > Health & Safety > The safety of our colleagues
403-5		Worker training on occupational health and safety: Occupational health and safety training provided to workers	2023 ESG Report > Health & Safety > The safety of our colleagues
403-6		Promotion of worker health: How the organization maintains the confidentiality of workers' personal health related information	2023 ESG report > Governance & Accountability > Cybersecurity, data privacy and intellectual property

> Global Reporting Initiative (GRI)

GRI STANDARD	DISCLOSURE	LOCATION/RESPONSE
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships: A description of the organization's approach to preventing or mitigating significant negative occupational health and safety impacts that are directly linked to its operations, products, or services	2023 ESG Report > Health & Safety > The safety of our colleagues ; The safety of our passengers
403-8	Workers covered by an occupational health and safety management system: The number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by such a system	Our health and safety management system applies to all of our Otis colleagues. 2023 ESG Report > Health & Safety > The safety of our colleagues
403-9	Work-related injuries	2023 ESG Report > Key performance indicators (KPIs) summary
403-10	Work-related ill health	Not reported
GRI 404: Training and Education		
3-3	Management of material topic	2023 ESG Report > People & Communities > Workforce composition, talent hiring, development and retention
404-1	Average hours of training per year per employee: Average hours of training gender and employee category	2023 ESG Report > People & Communities > Workforce composition, talent hiring, development and retention ; Ethics and integrity Otis does not collect this data to this degree.
404-2	Programs for upgrading employee skills and transition assistance programs: Programs implemented and assistance provided to upgrade employee skills	2023 ESG Report > People & Communities > Workforce composition, talent hiring, development and retention
404-3	Percentage of employees receiving regular performance and career development reviews: Percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period	2023 ESG Report > People & Communities > Workforce composition, talent hiring, development and retention
GRI 405: Diversity and Equal Opportunity		
3-3	Management of material topic	2023 ESG Report > People & Communities > Workforce composition, talent hiring, development and retention
405-1	Diversity of governance bodies and employees: Percentage of individuals within the organization, gender, age group and other indicators of diversity	2023 ESG Report > People & Communities > Workforce composition, talent hiring, development and retention 2023 EEO-1 Report
405-2	Ratio of basic salary and remuneration of women to men: Average pay of each gender grouping within each employee category	2023 ESG Report > People & Communities > Employment policies, conditions and labor relations

> Global Reporting Initiative (GRI)

GRI STANDARD		DISCLOSURE	LOCATION/RESPONSE
GRI 413: Local Communities			
3-3		Management of material topic	2023 ESG Report > People & Communities
413-1		Operations with local community engagement, impact assessments, and development programs: Percentage of operations with implemented local community engagement, impact assessments, and/or development programs	2023 ESG Report > People & Communities > Goals and performance
413-2		Operations with significant actual and potential negative impacts on local communities: Focus on significant actual and potential negative impacts related to an organization's operations	2023 ESG Report > Governance & Accountability > Responsible supply chain
GRI 414: Supplier Social Assessment			
3-3		Management of material topic	2023 ESG Report > Governance & Accountability > Responsible supply chain
414-1		New suppliers that were screened using social criteria: Percentage of suppliers selected or contracted subject to due diligence processes for social impacts	2023 ESG Report > Governance & Accountability > Responsible supply chain > Supplier code of conduct
414-2		Negative social impacts in the supply chain and actions taken: Organization's awareness of significant actual and potential negative social impacts in the supply chain	2023 ESG Report > Governance & Accountability > Responsible supply chain > Investigation and remediation in the supply chain
GRI 418: Customer Privacy			
3-3		Management of material topic	2023 ESG Report > Governance & Accountability > Cybersecurity, data privacy and intellectual property 2023 Form 10-K , pgs. 16; 21-22
418-1		Substantiated complaints concerning breaches of customer privacy and losses of customer data: Total number of substantiated complaints received concerning breaches of customer privacy	Otis did not incur any material breaches of customer data. 2023 Form 10-K , pg. 16

> Sustainability Accounting Standards Board (SASB)

This index was prepared with reference to the Resource Transformation industry SASB standard with accounting metrics from the Industrial Machinery & Goods industry standard included where deemed applicable to Otis' operations.

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE/REFERENCE
Energy Management	(1) Total energy consumed, (2) percentage grid electricity and (3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	RT-EE-130a.1	(1) Total energy consumed: 638.1 GWh (2) Percentage grid electricity: 21% (3) Renewable energy: 2% Percentage renewable is based on the documented renewable energy used over the total energy consumed. Substantial portions of the total energy energy used stem from the Otis fleet (67%) and from estimates from our small non-reporting locations.
Hazardous Waste Management	(1) Amount of hazardous waste generated, (2) percentage recycled	Quantitative	Metric tonnes (t), Percentage (%)	RT-EE-150a.1	(1) 139 Mt (2) Over 98% of factory-related industrial process waste was recycled.
	(1) Number and aggregate quantity of reportable spills, (2) quantity recovered	Quantitative	Number, Kilogrammes (kg)	RT-EE-150a.2	1) In May 2023, a transporter incurred a diesel spill of around 50 gallons, off-site of the Florence, South Carolina, U.S., facility. We promptly contacted the South Carolina Department of Health and Environmental Control and cleaned up the spill using absorbent material. 2) 100% was recovered.
Product Safety	(1) Number of recalls issued, (2) total units recalled	Quantitative	Number	RT-EE-250a.1	Not generally applicable to our business, as there are not recalls issued in the traditional sense for our products. We closely monitor and respond to feedback from our field technicians and customers, determine field service concerns, and provide rapid resolutions that address the issues and mitigate the risk of recurrence, such as through the use of field process improvements and product upgrades. For a more detailed discussion on quality, refer to the Quality section of our ESG report, linked below. 2023 ESG Report > Governance & Accountability > Quality
	Total amount of monetary losses as a result of legal proceedings associated with product safety	Quantitative	Presentation currency	RT-EE-250a.2	There is nothing more important to Otis than the safety of our colleagues, customers and passengers. We move 2.3 billion people every day, so infrequent accidents can happen, and claims for compensation can be brought. Otis has not disclosed the figure associated with these claims.

> Sustainability Accounting Standards Board (SASB)

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE/REFERENCE
Product Lifecycle Management	Percentage of products by revenue that contain IEC 62474 declarable substances	Quantitative	Percentage (%) by revenue	RT-EE-410a.1	Over the years, we have limited or eliminated the use of substances of concern during product development and manufacturing. Our approach includes minimizing the use of hazardous materials in products and reducing colleague chemical exposure to levels that do not require personal protective equipment (PPE) use in accordance with applicable law. The majority of our products may contain small amounts of IEC 62474 declarable substances. The IEC declarable substances (e.g., lead) may be contained in permitted applications and/or uses by regulations.
	Percentage of eligible products, by revenue, certified to an energy efficiency certification	Quantitative	Percentage (%) by revenue	RT-EE-410a.2	Elevators and escalators are not eligible for energy ratings certification (such as ENERGYSTAR). However, we publish the environmental impacts of our products throughout their lifecycle, including their energy consumption, through Environmental Product Declarations. To date, Otis has published a total of 19 EPDs, covering the majority of Otis products sold in EMEA and North America. We also have products such as the Gen3 Core elevator and ReGen drive that can help minimize our customers' energy consumption. For more information on these products and our EPDs, refer to the Environmental product declarations (EPDs) and the Product stewardship sections of our ESG report, linked below. 2023 ESG Report > Environment & Impact > Climate > Environmental product declarations (EPDs); Product stewardship
	Revenue from renewable energy-related and energy efficiency-related products	Quantitative	Presentation currency	RT-EE-410a.3	Combined with our ReGen drive technology, our Gen3 Core elevator helps minimize our customers' energy consumption by up to 75% when compared to conventional hydraulic units. Our ReGen drive feeds electrical energy back into the building power grid during braking. This generated electricity can then be used to drive other elevators or for other equipment in the building, lowering net electricity consumption and enabling building cost savings. For more information on these products, see the section Product stewardship of our ESG report, linked below. 2023 ESG Report > Environment & Impact > Climate > Product stewardship
Materials Sourcing	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	n/a	RT-EE-440a.1	2023 Form 10-K , pgs. 5-6, 11 2023 Conflict Minerals Disclosure Conflict Minerals policy governing the Otis Supply Chain 2023 ESG Report > Governance & Accountability > Responsible supply chain

> Sustainability Accounting Standards Board (SASB)

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE/REFERENCE
Business Ethics	Description of policies and practices for prevention of: (1) corruption and bribery and (2) anti-competitive behaviour	Discussion and Analysis	n/a	RT-EE-510a.1	2023 ESG Report > Governance & Accountability > Ethics and integrity ; Responsible supply chain Otis Anti-Corruption Policy
	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Quantitative	Presentation currency	RT-EE-510a.2	Not reported
	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behaviour regulations	Quantitative	Presentation currency	RT-EE-510a.3	Not reported
Workforce Health and Safety*	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) direct employees and (b) contract employees	Quantitative	Rate	RT-IG-320a.1	(1) 0.60 TRIR (2) 3 fatal injuries (3) Not reported

ACTIVITY METRICS		UNIT OF MEASURE	CODE	RESPONSE/REFERENCE
Number of Units Produced by Product Category	Quantitative	Number	RT-EE-000.A	We do not report the number of units produced for competitive reasons, but we disclose our net sales by New Equipment and Service. For more information, see pages 33-35 of our 2023 Form 10-K .
Number of Employees	Quantitative	Number	RT-EE-000.B	71,000

* In this report we are including the employee health and safety disclosures from the Industrial Machinery and Goods standard because we deem this to be a material topic.

Task Force on Climate-related Financial Disclosures (TCFD)

DISCLOSURE FOCUS AREA	RECOMMENDED DISCLOSURE	COMMENTS	REFERENCE
Governance			
Disclose the organization’s governance around climate-related risks and opportunities.	a) Describe the board’s oversight of climate-related risks and opportunities.	Otis’ Board and its committees engage in extensive review and oversight of ESG-related topics, including climate-related risk and opportunities. The Nominations and Governance Committee has primary oversight over most ESG topics, including the Otis ESG strategy and climate-related risks and opportunities. It also pursues its ESG oversight through the integration of governance best practices into the boardroom and with shareholder engagement.	2024 Proxy Statement , pgs.18-20 2023 ESG Report > Governance & Accountability > Corporate and ESG governance
	b) Describe management’s role in assessing and managing climate-related risks and opportunities.	Otis has developed an ESG Governance Model that supports its ESG efforts in line with its business strategy. Climate-related issues are a core component of our ESG program. As ESG matters impact every corner of the business, our ESG governance is cross-functional, involving team members from multiple functional and business areas. The ESG Council – representing key functions, including Communications, EH&S, Human Resources, Investor Relations, Legal, and Growth & Strategy – works closely with an ESG Working Group. Both the ESG Council and the ESG Working Group meet frequently, with the ESG Council reporting regularly to the CEO. Through our ESG Council and ESG Working Group, Otis regularly discusses our longer-term ESG approach and progress toward our climate transition plan and our published ESG goals. The CEO’s responsibilities include assessing and monitoring climate-related issues as an element of her role managing the operations of the company. The CEO also oversees the execution of any climate-related strategies. Furthermore, in 2023, the Nominations and Governance Committee engaged in reviews of climate-related risks and opportunities.	2024 Proxy Statement , pgs.18-20 2023 ESG Report > Governance & Accountability > Corporate and ESG governance 2023 CDP Climate Change Report C1.1a, C1.1b

Task Force on Climate-related Financial Disclosures (TCFD)

DISCLOSURE FOCUS AREA	RECOMMENDED DISCLOSURE	COMMENTS	REFERENCE
Strategy			
<p>Disclose the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy and financial planning.</p>	<p>a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.</p> <p>b) Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.</p> <p>c) Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</p>	<p>In 2021, Otis engaged a leading third party to conduct a Climate Risks and Opportunities scenario analysis, which identified the risks and opportunities most relevant to Otis through a combination of data analysis, stakeholder interviews and third-party expertise. Risks and opportunities were evaluated over the short-term (five years), mid-term (2030) and long-term (2050+) time horizons. The impact and likelihood of each risk or opportunity was considered under two scenarios: a 2°C or lower scenario and a “business-as-usual” scenario. The scenarios followed well-defined international models based on the Intergovernmental Panel on Climate Change’s Representative Concentration Pathways (RCP), the Shared Socioeconomic Pathways (SSP) and the International Energy Agency (IEA). The RCP focuses on climate data; the SSP integrates social and economic outputs; and the IEA estimates energy and fuel supply transitions. Through this exercise, four risks and two opportunities were prioritized for further discussion regarding both disclosure and business strategy.</p> <p>Risks:</p> <p><i>Risk 1:</i> Disruptions to critical suppliers/supply infrastructure due to climate-related changes (e.g., sea level rise). <i>Impact:</i> Chronic changes, such as sea level rise, impact suppliers and shipping due to flooding in critical regions where Otis operates. <i>Resilience:</i> Otis is looking to expand its sourcing beyond current suppliers to boost resilience and reduce exposure.</p> <p><i>Risk 2:</i> Increased costs due to changing input prices (e.g., energy, water) and output requirements (e.g., carbon pricing and waste treatment) <i>Impact:</i> Changing energy markets increase input costs; waste disposal requirements increase costs of product end-of-life management; and carbon pricing will require payment for emissions. <i>Resilience:</i> Otis has set a GHG emissions reduction goal, which could lead to cost savings associated with carbon pricing, and there are processes in place to monitor regulatory trends.</p> <p><i>Risk 3:</i> Extreme heat impacting productivity and availability of employees and production portfolio (shutdowns, increased cooling costs). <i>Impact:</i> Extreme heat lowers employee productivity in the field, damages machinery, increases costs to cool machines and shortens part lifetimes. <i>Resilience:</i> Otis has deployed IoT connectivity and remote servicing, along with existing safety procedures, and has put in place business continuity practices.</p> <p><i>Risk 4:</i> Increased frequency and severity of coastal flooding and extreme weather events causing business disruptions. <i>Impact:</i> Supply chain and operations disruptions from more frequent and severe extreme weather could cause damage to Otis’ facilities. <i>Resilience:</i> Otis has begun to invest in climate-impact data to support decisions on long-term locations and real estate strategy.</p> <p>Opportunities:</p> <p><i>Opportunity 1:</i> Increased demand for Otis products and services due to growing populations in urban areas and extreme weather events. <i>Impact:</i> Increased revenue through demand for Otis products to accommodate growth in urban populations and land constraints. <i>Resilience:</i> Planning for long-term investment to scale services and new products most appropriate for the type of new building demand.</p> <p><i>Opportunity 2:</i> Increased market demand for revitalization and Otis energy efficient equipment, due to increases in climate pressures, consumer demand, and in response to current and emerging mandates and regulations. <i>Impact:</i> Increased revenue through demand for energy efficient products and modernization of existing products. <i>Resilience:</i> Striving for 60% of our portfolio units to be connected over the medium-term.</p>	<p>2023 ESG Report > Environment > Climate</p> <p>2023 CDP Climate Change Report C2.3a</p>

Task Force on Climate-related Financial Disclosures (TCFD)

DISCLOSURE FOCUS AREA	RECOMMENDED DISCLOSURE	COMMENTS	REFERENCE
Risk Management			
<p>Disclose how the organization identifies, assesses and manages climate-related risks.</p>	<p>a) Describe the organization's processes for identifying and assessing climate-related risks.</p> <p>b) Describe the organization's processes for managing climate-related risks.</p> <p>c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.</p>	<p>The ERM process at Otis is focused on identifying and reporting of risks with reference to three criteria: 1) the severity of impact with respect to a variety of factors, including financial damages, settlements or fines; reputation; or operational impacts; 2) likelihood of impact; and 3) the status of mitigation efforts. Risk mitigation actions and monitoring related to ERM top risks are continuous over the course of the year.</p> <p>The ERM process involves both a bottom-up and top-down approach to identify and report risks. Bottom-up approach involves Otis regional management identifying sites that will conduct formal business and compliance risk assessments based on operational data and other information sources, e.g., number of safety incidents, verified compliance events, new or changing local regulations or laws, order backlog, market conditions, and the availability of talent. These considerations could include both physical and transition risks and are typically short-term and medium-term risks. Physical risks (both acute and chronic) could be identified at the local level through the ERM process or through an Asset Protection Process (APP), which is separate from the ERM process. The APP includes but is not limited to physical inspections of key Otis locations, guidelines for natural hazard protections, emergency planning procedures, self-inspection programs and property construction specifications. An example of a risk to physical assets would be the localized impact from a wind event at the Otis Florence factory in South Carolina, U.S. Transition risks include those that may occur through enactment of climate-change legislation, which are tracked at the global and local levels.</p> <p>Top-down approach takes a strategic view of the business and considers the input from the regional ERMs and Otis WHQ functions, which focus on global enterprise risks, including climate. All top risks identified during the ERM risk assessment process have a mitigation plan that is monitored by the regions and, for top global risks, by the Otis ERM Council, chaired by the SVP, Global Ethics & Compliance, and SVP, Internal Audit. Each top risk identified at the WHQ level and confirmed by the Board is assigned a risk owner. The ERM Council meets regularly over the course of the year to review specific risks and the status of related mitigation actions.</p> <p>Regardless of whether or not climate-related risks are identified as top enterprisewide ERM risks, Otis recognizes the need to closely monitor and manage these critical and emerging programs. As such, Otis continually addresses those risks and opportunities related to climate change, as well as those related to all other ESG programs, at the enterprise level through its ESG Council. The ESG Council is focused on short- and medium-, as well as long-term risks. The ESG Council – composed of senior leaders – works closely with an internal ESG Working Group. Both the ESG Council and the ESG Working Group meet frequently, with the ESG Council reporting regularly to the CEO.</p>	<p>2024 Proxy Statement, pgs. 18-20</p> <p>2023 ESG Report > Governance & Accountability > Corporate and ESG governance > ESG risks</p> <p>2023 CDP Climate Change Report C2.2</p>

> Task Force on Climate-related Financial Disclosures (TCFD)

DISCLOSURE FOCUS AREA	RECOMMENDED DISCLOSURE	COMMENTS	REFERENCE
Metrics and Targets			
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities.	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Otis monitors several metrics to measure progress toward achieving our environmental targets, including emissions generated, energy consumption and management, and waste disposal.	2023 ESG Report > Environment > Climate ; Waste and water
	b) Disclose scope 1, scope 2, and, if appropriate, scope 3 greenhouse gas (GHG) emissions, and the related risks.	Subtotal emissions (scope 1 & 2 market-based): 181,680 MtCO ₂ e Subtotal emissions (scope 3): 7,380,600 MtCO ₂ e	
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Reduce absolute scope 1 and 2 GHG emissions 55% by 2033 from 2021 base year* Reduce absolute scope 3 GHG emissions 33% by 2033 from 2021 base year Achieve 100% factory eligibility for zero-waste-to-landfill (ZWTL) certification by 2025 Source 100% of factory electricity from renewable energy by 2030 Complete ISO 14001 certification for all factories by 2025	

* The target boundary includes biogenic land-related emissions and removals from bioenergy feedstocks.

> Third-party assurance



INDEPENDENT LIMITED ASSURANCE STATEMENT

To: The Stakeholders of Otis Worldwide Corporation

Introduction and objectives of work

Apex Companies, LLC (Apex) has been engaged by Otis Worldwide Corporation (Otis) to provide limited assurance of its “select sustainability metrics including Scope 1 and Scope 2 (location-based and market-based) and select Scope 3 greenhouse gas (GHGs) emissions, percentage of renewable electricity consumed, hazardous waste generated, industrial process waste generated, recycled industrial process waste, industrial waste recycling rate, water consumption, total recordable incident rate (TRIR), lost time incident rate (LTIR), and percent female representation in executive management (global). This assurance statement applies to the Subject Matter included within the scope of work described below.

This information and its presentation are the sole responsibility of the management of Otis. Apex was not involved in the drafting of the Subject Matter. Our sole responsibility was to provide independent assurance on the accuracy of the Subject Matter. This is the 3rd year in which we have provided assurance over Otis’ water, waste and safety metrics and the fourth year of providing assurance of the GHG emissions.

Scope of work

The scope of our work was limited to assurance over reported Scope 1 and scope 2 (location based and market-based) GHG emissions, percentage of renewable electricity consumed, hazardous waste generated, industrial process waste generated, recycled industrial process waste, industrial waste recycling rate, water consumption for the period December 1, 2022 to November 30, 2023 and for the TRIR, LTIR, and percent female representation in management (global) for the period January 1, 2023 to December 31, 2023 (the ‘Subject Matter’). In addition, Category 1 Purchased Goods & Services, Category 6 Business Travel, and Category 11 Use of Sold Products (Calendar Year 2023).

Our assurance does not extend to any other information reported by Otis.

Reporting Boundaries

The following are the boundaries used by Otis for reporting sustainability data:

- Operational Control
- Worldwide (GHG, TRIR, LTIR, percent female representation in management; TRIR and LTIR)
- Manufacturing facilities (Renewable electricity consumed, recycled waste percentage, and water consumption)

> Third-party assurance

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Reporting Criteria

The Subject Matter needs to be read and understood together with the WRI/ WBCSD Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (GHG Protocol) revised edition (Scope 1 and Scope 2), WRI/WBCSD Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (Scope 3) and Otis' internal reporting requirements for facility environmental, health, safety and sustainability information.

Limitations and Exclusions

Excluded from the scope of our work is any assurance of information relating to:

- Activities outside the defined assurance period;
- Positional statements (expressions of opinion, belief, aim or future intention by Otis and statements of future commitment; and
- Other data and information reported that is not listed in the scope of work above.

This limited assurance engagement relies on a risk based selected sample of sustainability data and the associated limitations that this entails. The reliability of the reported data is dependent on the accuracy of metering and other production measurement arrangements employed at the site and operating unit reporting level, not addressed as part of this assurance. This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist.

Responsibilities

This preparation and presentation of the Subject Matter in the Report are the sole responsibility of the management of Otis.

Apex was not involved in the drafting of the Report or of the Reporting Criteria. Our responsibilities were to:

- Obtain limited assurance about whether the Subject Matter has been prepared in accordance with the Reporting Criteria;
- Form an independent conclusion based on the assurance procedures performed and evidence obtained; and
- Report our conclusions to the Stakeholders of Otis.

Assessment Standards

- We performed our work in accordance with Apex's standard procedures and guidelines for external Assurance of Sustainability Reports and International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information (effective for assurance reports dated on or after Dec. 15, 2015), issued by the International Auditing and Assurance Standards Board. A materiality threshold of ± 5 -percent was set for the assurance process.

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Summary of Work Performed

As part of our independent assurance, our work included:

1. Assessing the appropriateness of the Reporting Criteria for the Subject Matter;
2. Conducting interviews with relevant personnel of Otis;
3. Reviewing the data collection and consolidation processes used to compile the Subject Matter, including assessing assumptions made, and the data scope and reporting boundaries;
4. Reviewing documentary evidence provided by Otis;
5. Agreeing to a selection of the Subject Matter to the corresponding source documentation;
6. Reviewing Otis' systems for quantitative data aggregation and analysis;
7. Assessing the disclosure and presentation of the Subject Matter to ensure consistency with assured information;
8. Carrying out virtual site assessments of seven manufacturing and other non- manufacturing business units located in Australia, Brazil, France, India, New Zealand, and the United States, selected on a risk-based basis.
9. Reperforming a selection of aggregation calculations of the Subject Matter;
10. Reperforming greenhouse gas emissions conversions calculations;
11. Comparing the Subject Matter to the prior year amounts taking into consideration changes in business activities, acquisitions, and disposals; and
12. Evaluating the design of internal systems, processes and controls to collect and report the Subject Matter.

Data Assured:

Metric	Value	Units
Scope 1 GHG Emissions	129,850	Metric Tons CO2e
Scope 2 GHG Emissions (Location-Based)	47,980	Metric Tons CO2e

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Metric	Value	Units
Scope 2 GHG Emissions (Market-Based)	51,830	Metric Tons CO2e
Scope 3 Purchased Goods and Services 2023 ¹	1,430,800	Metric Tons CO2e
Scope 3 Business Travel 2023	7,000	Metric Tons CO2e
Scope 3 Use of Sold Products 2023	5,942,800	Metric Tons CO2e
Percentage of Renewable Electricity Consumed	33	Percent
Hazardous Waste Generated	139	Metric Tons
Total Industrial Process Waste	18,380	Metric Tons
Total Recycled Industrial Process Waste	18,000	Metric Tons
Industrial Waste Recycling Rate	98	Percent
Water Consumption	153,900	Thousand Liters
TRIR	0.60	N/A
LTIR	0.19	N/A
Percent female representation in executive management (global)	38.3	Percent

¹Scope 3 Category 1 reported includes approximately 80 percent of spend and approximately 88% of GHG emissions for the category.

Conclusion

On the basis of our methodology and the activities described above:

- Nothing has come to our attention to indicate that the Subject Matter has not been properly prepared, in all material respects, in accordance with the Reporting Criteria; and
- It is our opinion that Otis has established appropriate systems for the collection, aggregation, and analysis of the Subject Matter.

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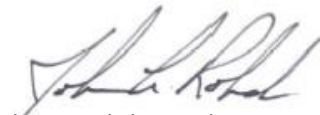
Statement of Independence, Integrity and Competence

Apex is an independent professional services company that specializes in Health, Safety, Social and Environmental management services including assurance with over 30 years history in providing these services.

Apex has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities.

No member of the assurance team has a business relationship with Otis, its Directors, or Managers beyond that required of this assignment. We have conducted this verification independently and there has been no conflict of interest.

The assurance team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes, has over 20 years combined experience in this field and an excellent understanding of Apex’s standard methodology for the verification of greenhouse gas emissions data.



John A. Rohde, Lead Assuror
Apex Companies, LLC
Lakewood, Colorado



Trevor Donaghu, Technical Reviewer
Apex Companies, LLC
Pleasant Hill, California

April 18, 2024

This assurance statement, including the opinion expressed herein, is provided to Otis and is solely for the benefit of Otis in accordance with the terms of our agreement. We consent to the release of this assurance statement by you to the public or other organizations but without accepting or assuming any responsibility or liability on our part to any other party who may have access to this assurance statement.

Company names, trademarks and trade names

Otis and its subsidiaries' names, abbreviations thereof, logos, and product and service designators are either the registered or unregistered trademarks or trade names of Otis and its subsidiaries. Names of other companies and organizations, abbreviations thereof, logos of other companies and organizations, and product and service designators of other companies are either the registered or unregistered trademarks or trade names of their respective owners.

Cautionary Statement

This report contains forward-looking statements (including statements that constitute forward-looking statements under the securities laws), including, but not limited to, statements that relate to climate change and our intent to achieve certain environmental, social and governance plans, targets or goals, including operational impacts and costs associated therewith, and other statements that are not historical facts. These forward-looking statements are intended to provide management's current expectations or plans for our future operating performance, based on assumptions currently believed to be valid. All such forward-looking statements are subject to risks and uncertainties, and our future results of operations could differ materially from our historical results or current expectations reflected by such forward-looking statements. The forward-looking statements are subject to future events, risks, uncertainties and other factors, many of which are beyond the control of the company, that could cause actual results to differ materially from our historical results or current expectations, including, but not limited to (1) the availability and cost of low- or non-carbon-based energy sources and technologies, (2) third-party coordination and alignment over which we do not have control and may be unpredictable, (3) evolving regulatory requirements affecting ESG standards or disclosures, (4) the availability of suppliers that can meet our sustainability, diversity and other standards, and (5) our ability to recruit, develop and retain diverse talent in our labor markets. In addition, standards for tracking and reporting on ESG matters have not been harmonized and continue to evolve. Our processes and controls for reporting of ESG matters may not always comply with evolving and disparate standards for identifying, measuring, and reporting ESG metrics globally, our interpretation of reporting standards may differ from those of others, and such standards may change over time, any of which could result in significant revisions to our performance metrics, goals or reported progress in achieving such goals and increased compliance costs and risks. The forward-looking statements speak only as of this date. 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 most recent Form 10-K, Form 10-Q and in other filings with the Securities and Exchange Commission.

OTIS

Otis Worldwide Corporation
1 Carrier Place, Farmington, CT 06032 USA
otis.com

