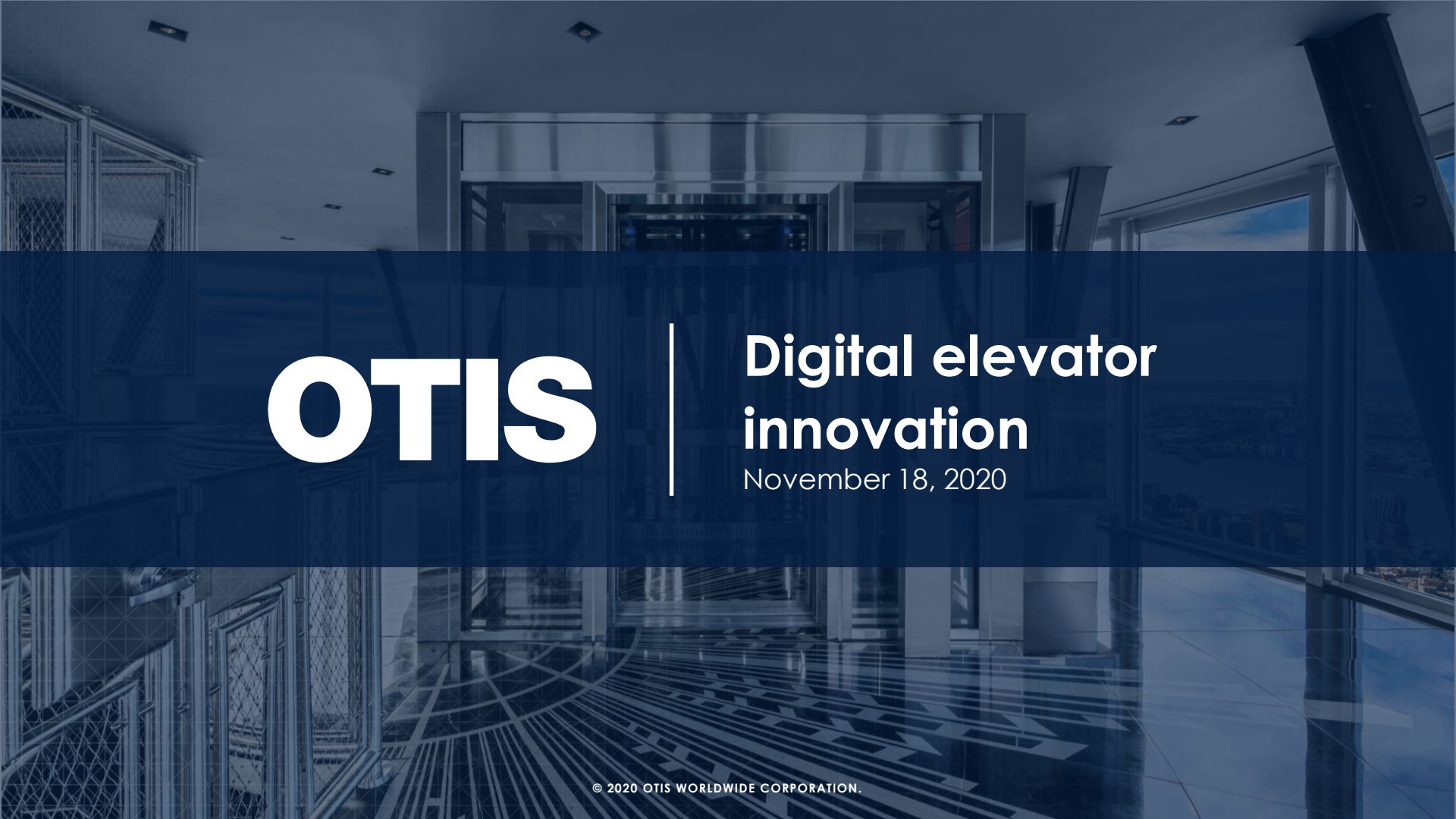

OTIS

Digital elevator innovation

November 18, 2020

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Forward-Looking Statements

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

This communication contains statements which, to the extent they are not statements of historical or present fact, constitute "forward-looking statements" under the securities laws. From time to time, oral or written forward-looking statements may also be included in other information released to the public. These forward-looking statements are intended to provide management's current expectations or plans for Otis' future operating and financial performance, based on assumptions currently believed to be valid. Forward-looking statements can be identified by the use of words such as "believe," "expect," "expectations," "plans," "strategy," "prospects," "estimate," "project," "target," "anticipate," "will," "should," "see," "guidance," "outlook," "confident" and other words of similar meaning in connection with a discussion of future operating or financial performance or the separation and distribution. Forward-looking statements may include, among other things, statements relating to future sales, earnings, cash flow, results of operations, uses of cash, dividends, share repurchases, tax rates and other measures of financial performance or potential future plans, strategies or transactions of Otis following its separation from United Technologies Corporation, including the estimated costs associated with the separation and distribution and other statements that are not historical facts. All forward-looking statements involve risks, uncertainties and other factors that may cause actual results to differ materially from those expressed or implied in the forward-looking statements. For those statements, Otis claims the protection of the safe harbor for forward-looking statements contained in the U.S. Private Securities Litigation Reform Act of 1995. Such risks, uncertainties and other factors include, without limitation: (1) the effect of economic conditions in the industries and markets in which Otis and its businesses operate in the U.S. and globally and any changes therein, including financial market conditions, fluctuations in commodity prices, interest rates and foreign currency exchange rates, levels of end market demand in construction, the impact of weather conditions, pandemic health issues (including COVID-19 and its effects, among other things, on global supply, demand, and distribution disruptions as the outbreak continues and results in an increasingly prolonged period of travel, commercial and/or other similar restrictions and limitations), natural disasters and the financial condition of Otis' customers and suppliers; (2) challenges in the development, production, delivery, support, performance and realization of the anticipated benefits of advanced technologies and new products and services; (3) future levels of indebtedness, and capital spending and research and development spending; (4) future availability of credit and factors that may affect such availability, including credit market conditions and Otis' capital structure; (5) the timing and scope of future repurchases of Otis' common stock, which may be suspended at any time due to various factors, including market conditions and the level of other investing activities and uses of cash; (6) delays and disruption in delivery of materials and services from suppliers; (7) cost reduction efforts and restructuring costs and savings and other consequences thereof; (8) new business and investment opportunities; (9) the anticipated benefits of moving away from diversification and balance of operations across product lines, regions and industries; (10) the outcome of legal proceedings, investigations and other contingencies; (11) pension plan assumptions and future contributions; (12) the impact of the negotiation of collective bargaining agreements and labor disputes; (13) the effect of changes in political conditions in the U.S. and other countries in which Otis and its businesses operate, including the effect of changes in U.S. trade policies or the United Kingdom's withdrawal from the European Union, on general market conditions, global trade policies and currency exchange rates in the near term and beyond; (14) the effect of changes in tax, environmental, regulatory (including among other things import/export) and other laws and regulations in the U.S. and other countries in which Otis and its businesses operate; (15) the ability of Otis to retain and hire key personnel; (16) the scope, nature, impact or timing of acquisition and divestiture activity, including among other things integration of acquired businesses into existing businesses and realization of synergies and opportunities for growth and innovation and incurrence of related costs; (17) the expected benefits of the separation and distribution; (18) a determination by the Internal Revenue Service and other tax authorities that the distribution or certain related transactions should be treated as taxable transactions; (19) risks associated with indebtedness incurred as a result of financing transactions undertaken in connection with the separation; (20) the risk that dis-synergy costs, costs of restructuring transactions and other costs incurred in connection with the separation will exceed Otis' estimates; and (21) the impact of the separation on Otis' businesses and Otis' resources, systems, procedures and controls, diversion of management's attention and the impact on relationships with customers, suppliers, employees and other business counterparties. The above list of factors is not exhaustive or necessarily in order of importance. For additional information on identifying factors that may cause actual results to vary from those stated in forward-looking statements, see Otis' registration statements on Form 10 and Form S-3 and the reports of Otis on Forms 10-K, 10-Q and 8-K filed with or furnished to the SEC from time to time. Any forward-looking statement speaks only as of the date on which it is made, and Otis assumes no obligation to update or revise such statement, whether as a result of new information, future events or otherwise, except as required by applicable law.

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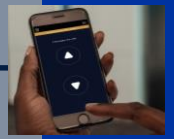
30+ Years of digital elevator innovation

DIGITALIZATION

Field mobility tools
Suite of 12 iPhone apps to empower technicians and improve productivity



Compass 360™
Destination dispatching system
16th generation algorithm



eCall®
App for faster, touchless travel & simple access management

+ CONNECTIVITY



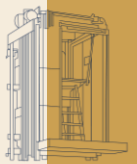
Remote Elevator Monitoring (REM®)
Remote connectivity & intervention via landline/cellular



Otis ONE®
IoT solution offering real-time transparent, proactive, predictive cloud-based data analytics



eView®
Customized passenger content & in-car communications



Gen 360™
Innovative control architecture, connected passenger displays, online tools and communication

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Connectivity case studies

REM
in Japan

~50% of maintenance units are connected

~5 pt. higher retention rate[1]

~70% reduction in number of visits with remote inspection

~5-10% incremental sales per unit

eView
in Europe

~85K eView units deployed

~6 pt. higher retention rate[2]

~8 pt. improvement in conversion rate[3]

~20% incremental sales per unit

[1] 2019 Japan overall rate relative to Otis global average
[2] 2019 Spain units with eView relative to Otis global average
[3] 2019 units with eView relative to Otis ex. China & Russia average

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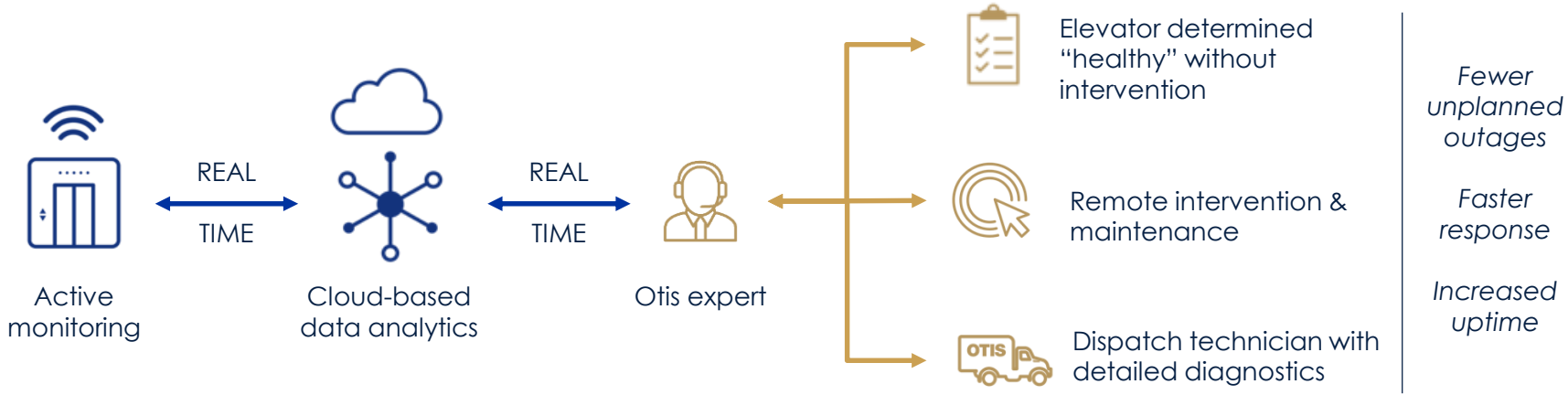
Otis ONE: improving the service experience



Transparent
Real-time visibility of entire portfolio

Proactive
Informed repairs & quicker resolution

Predictive
Pre-emptive maintenance minimizing disruption

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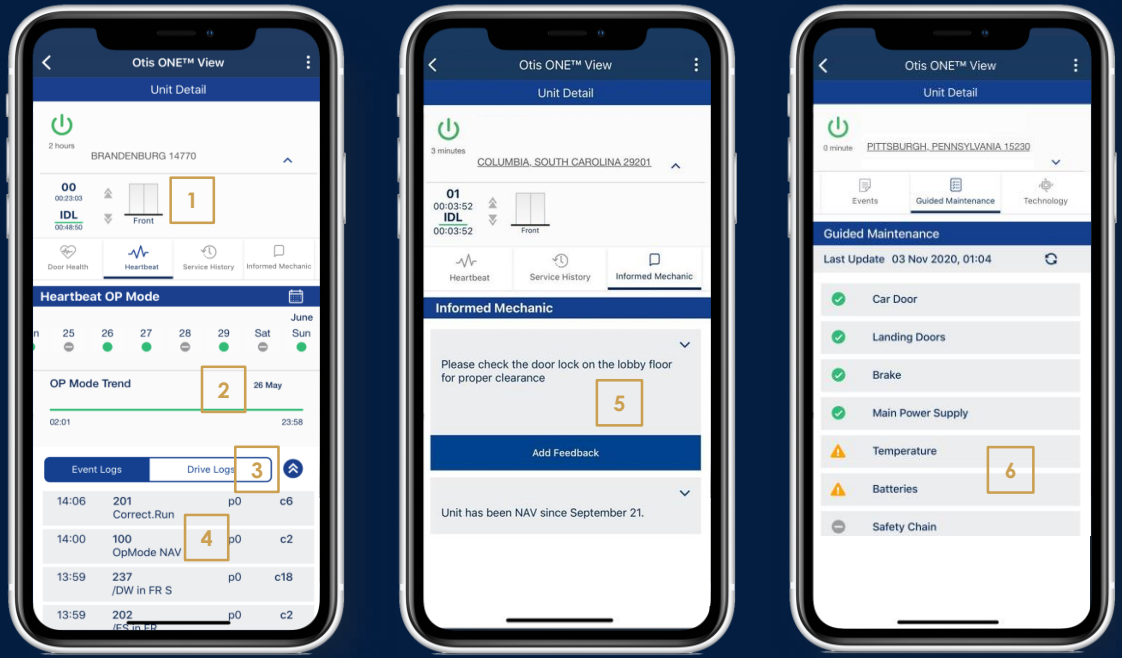
Otis expertise in the technician's hands

TURNING DATA INTO ACTION

1. Actual status
2. History of status
3. Drive event log
4. Controller event log
5. Advice from experts
6. Automated guided maintenance



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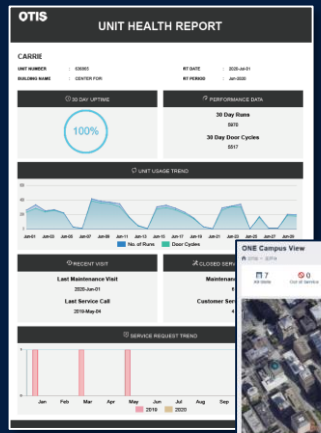
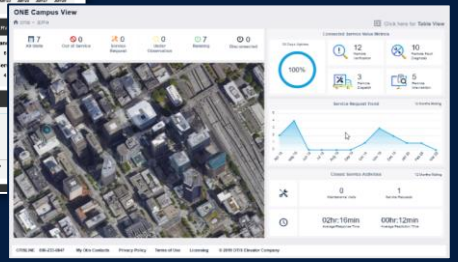
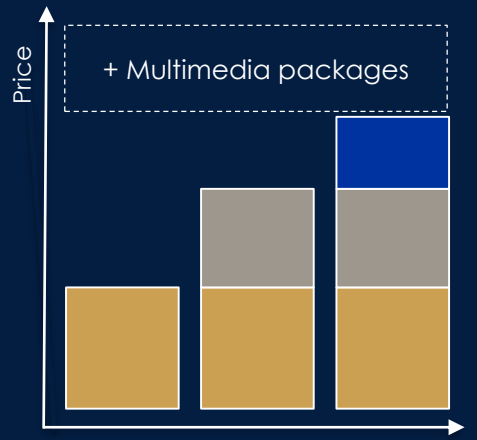
Customer value driving Otis results

IoT adding value for customers and contribution to Otis top-line



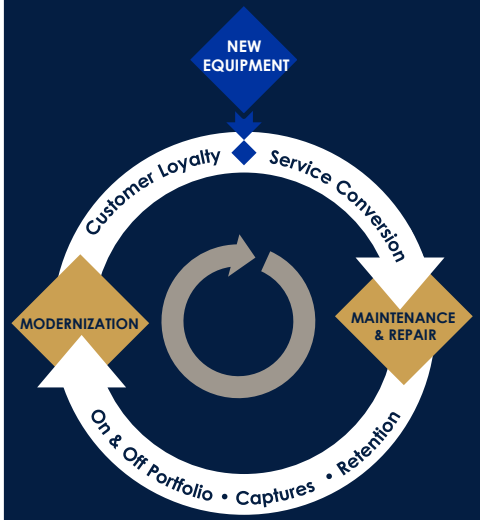






Improved retention, conversion & recaptures
Multimedia add-ons, including digitalization of phone lines
Expanded subscription sales

Otis business model



Portfolio growth & modernization opportunities

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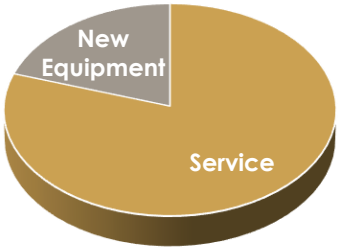
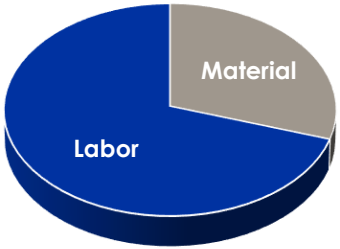
Productivity benefits

~80% of Otis adjusted operating profit comes from the Service segment…



…and **~70%** of Service cost structure is from labor



Significant opportunity to improve productivity

China guided maintenance



~10 – 15%

Reduction in service hours

France inbound service requests



Technician dispatched during pilot

~14%

Fewer avoidable service requests

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Deployment progress

TARGETED DEPLOYMENT STRATEGY BUILDING MOMENTUM



~25% of global units expected to be connected by the end of 2020…
plan to accelerate connectivity to 60%+ of units over the medium term

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Future of the connected elevator

Creating value for customers

Growing the service portfolio

Enhancing Otis productivity

Increasing monetization opportunities

Creating a smarter building ecosystem

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