

ESG At A Glance

Connect & Thrive

We’re setting our vision in motion, focusing on what matters most for our passengers, customers, colleagues and society. With foresight and purpose, we connect at a human level and allow people to thrive in a more sustainable and hopeful world that we build together.

Did You Know?

We became a signatory to the U.N. Global Compact in March 2021

Our ESG Goals & Alignment to U.N. Sustainable Development Goals

Health & Safety

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GOOD HEALTH AND WELL-BEING

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DECENT WORK AND ECONOMIC GROWTH

- Commit to achieve a zero-harm workplace
- Expand availability of well-being and resilience services to all colleagues worldwide through an Employee Assistance Program by 2023
- Educate all field professionals and subcontractors annually on life-saving Cardinal Rules

People & Communities

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QUALITY EDUCATION

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GENDER EQUALITY

8

DECENT WORK AND ECONOMIC GROWTH

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SUSTAINABLE CITIES AND COMMUNITIES

- Achieve gender parity in our executive ranks by 2030
- Increase colleague favorability for the inclusive culture category in the company’s engagement survey by 4 percentage points by 2025
- Direct 50% of total global giving to STEM programs by 2025
- 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
- Dedicate 500,000 colleague volunteer hours in support of vibrant communities, STEM education and social equity efforts globally by 2030

Environment & Impact

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INDUSTRY, INNOVATION AND INFRASTRUCTURE

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SUSTAINABLE CITIES AND COMMUNITIES

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RESPONSIBLE CONSUMPTION AND PRODUCTION

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CLIMATE ACTION

- Achieve a 50% reduction of Scope 1 and Scope 2 emissions by 2030
- Reach carbon neutrality for factory electricity by 2030
- Achieve 100% factory eligibility for zero-waste-to-landfill certification by 2025
- Complete ISO 14001 certification for all factories by 2025

Governance & Accountability

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PEACE, JUSTICE AND STRONG INSTITUTIONS

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

A Robust Materiality Assessment

At Otis, we are committed to understanding stakeholder concerns and working for the global good of our passengers, customers, colleagues and society. To this end, we recently completed a robust materiality assessment in line with best practices to determine our most critical ESG topics for management, goal-setting and reporting. This effort ensures our ESG strategy is focused and aligned on the topics most important to our business. These topics will inform our ESG reporting moving forward and form the basis for our GRI (Global Reporting Initiative) and SASB (Sustainability Accounting Standards Board) disclosures on the following pages.

Materiality Matrix				
Importance to External Stakeholders	High	<ul style="list-style-type: none">• Public health, safety & accessibility• Product design & sustainable innovation• Community engagement	<ul style="list-style-type: none">• Workforce well-being, health & safety• Product quality & reliability• Emissions, energy & climate change• Diversity, equity & inclusion• Regulatory, compliance & anti-corruption• Ethics & integrity• Sustainable supply chain• Cybersecurity, data privacy & intellectual property	
	Medium	<ul style="list-style-type: none">• Waste <ul style="list-style-type: none">• Colleague development engagement & retention		
	Low			
		Low	Medium	High
Business Impact				
<div><div>•</div>Health & Safety</div> <div><div>•</div>Environment & Impact</div> <div><div>•</div>People & Communities</div> <div><div>•</div>Governance & Accountability</div>				

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Health & Safety

Metric	2019	2020	Comments
Total Recordable Incident Rate (TRIR)	0.72	0.54	Rates based on 200,000 colleague work hours
Lost Time Incident Rate (LTIR)	0.17	0.13	

Environment & Impact

Metric	2019	2020	Comments
Energy Consumption within the Organization			
Total electricity consumed (GWh)	185.7	165.4	
Total natural gas consumed (GWh)	101.8	90.9	
Total vehicle fuel consumed (GWh)	458.4	426.9	
Total energy consumed (GWh)	754.4	691.7	Includes electricity, natural gas, steam, propane, diesel and gasoline
Energy intensity (MWh/\$M net sales)	57.5	54.2	
Greenhouse Gas (GHG) Emissions			
Direct (Scope 1) GHG Emissions (000's Metric Tons CO ₂ e)	144.5	133.8	
Indirect (Scope 2) GHG Emissions (000's Metric Tons CO ₂ e)	84.7	75.2	
GHG Emissions Intensity (Metric Tons CO ₂ e/\$M net sales)	17.5	16.4	Includes Scope 1 and Scope 2 emissions only
Water Consumption			
Total volume of water consumed (M gallons)	45.4	45.0	Includes production facilities only
Waste Generation			
Hazardous waste generated (000's lbs.)	236.5	207.9	Includes production facilities only
Industrial waste recycling rate (%)	>99	>99	Includes production facilities only

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People & Communities

Metric	2020	Comments
Workforce		
Total Colleagues	69,000	
Field Professionals	40,000	
Geographical Colleague Distribution	EMEA: 37% AMER/HQ: 22% China: 22% APAC: 19%	
Voluntary Attrition	Mid-single digit 4 percentage point reduction over the last five years	
Diversity, Equity and Inclusion (DEI)		
Women Executives	34% 7 percentage point 3-year improvement	
Executives who are ethnically/racially diverse	26%	Reported for U.S.-based executives only
Board Diversity Women, ethnically/racially diverse or both	56%	
Colleague Engagement	Otis success score at benchmark; 5 point 3-year improvement Inclusive culture category score 4 points above benchmark	Measures ‘How happy are you working at the company?’
Employee Resource Groups (ERGs)	20+ ERGs 2,000+ participants	
Equal Opportunity Policy	Otis.com > Careers	
Colleague Development and Benefits		
Spend for Employee Scholar Degree Programs or Certifications	\$90M cumulative since launching in 1996	
Degrees earned through Employee Scholar Program	Over 5,500 across 60 countries since inception	

Governance & Accountability

Ethics & Compliance Learning	Completion
Annual live ethics training (“Ethics Talk”) for all Otis colleagues	2021 campaign underway
Targeted online ethics training courses for office professionals based on compliance risk	2020 completion rate: 95%
Annual certification for office professionals attesting that they have read, understand and will comply with the Otis Absolutes, our code of conduct	2020 completion rate: 94%

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GRI Content Index

Disclosure	Material Topic	Reference	Page Numbers
General Disclosures			
102-1	Name of the organization	Form 10K	1
102-2	Activities, brands, products and services	Form 10K	4–7
102-3	Location of headquarters	Form 10K	1
102-4	Location of operations	Form 10K	24
102-5	Ownership and legal form	Form 10K	1
102-6	Markets served	Form 10K	4–8
102-7	Scale of the organization	Form 10K	4–8
102-8	Information on employees and other workers	Form 10K	9–10
102-9	Supply Chain	Form 10K Supplier Code of Conduct Anti-Human Trafficking in the Supply Chain Policy	9
102-10	Significant changes to the organization and its supply chain	Form 10K	9
102-12	External initiatives	UN Global Compact (2021), Paradigm for Parity (2020), 50/50 Women on Boards (2021)	
102-13	Memberships of associations	National Foreign Trade Council (NFTC), Connecticut Business Industry Association (CBIA)	
Strategy			
102-14	Statement from senior decision-maker	Annual Report	2–4
102-15	Key impacts, risk and opportunities	Form 10K	12–24
Ethics & Integrity			
102-16	Values, principles, standards and norms of behavior such as code of conduct and code of ethics	Otis Absolutes	
102-17	Mechanisms for advice and concerns about ethics	Otis.com>Our Company>Ethics & Compliance>Reporting Channels	
Governance			
102-18	Governance structure	2021 Proxy Statement Governance Guidelines	16–33
102-19	Delegating authority	2021 Proxy Statement Nominations and Governance Committee Charter	17–18, 30–33

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Disclosure	Material Topic	Reference	Page Numbers
102-20	Executive-level responsibility for economic, environmental and social topics	2021 Proxy Statement Nominations and Governance Committee Charter	17–18, 30–33
102-21	Consulting stakeholders on economic, environmental and social topics	2021 Proxy Statement ESG At A Glance	30–35 1
102-22	Composition of the highest governance body and its committee	2021 Proxy Statement	16–35
102-23	Chair of the highest governance body	2021 Proxy Statement	29–30
102-24	Nominating and selecting the highest governance body	2021 Proxy Statement	19–21
102-26	Role of highest governance body in setting purpose, values, and strategy	2021 Proxy Statement	16–35
102-27	Collective knowledge of highest governance body	2021 Proxy Statement	24–28
102-28	Evaluating the highest governance body’s performance	2021 Proxy Statement	22
102-29	Identifying and managing economic, environmental and social impacts	ESG At A Glance ESG Presentation	1–3 5
102-30	Effectiveness of risk management processes	2021 Proxy Statement Nominations and Governance Committee Charter Audit Committee Charter	17–18
102-31	Review of economic, environmental and social topics	2021 Proxy Statement Nominations and Governance Committee Charter	17–18, 30–33
102-32	Highest governance body’s role in sustainability reporting	2021 Proxy Statement Nominations and Governance Committee Charter	18, 35
102-33	Communicating critical concerns	2021 Proxy Statement Governance Guidelines Contact the Otis Board	18, 34
102-35	Remuneration policies	2021 Proxy Statement	38–66
102-36	Process for determining remuneration	2021 Proxy Statement	40–43
102-37	Stakeholders’ involvement in remuneration	2021 Proxy Statement	49
Stakeholder Engagement			
102-40	List of stakeholder groups	Associations, customers, colleagues, government authorities, investors and passengers	
102-42	Identifying and selecting stakeholders	ESG At A Glance	1
102-43	Approach to Stakeholder Engagement	2021 Proxy Statement ESG At A Glance	34–35 1

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Disclosure	Material Topic	Reference	Page Numbers
102-44	Key topics and concerns raised	2021 Proxy Statement ESG At A Glance	34–35 1
Reporting Practice			
102-45	Entities included in the consolidated financial statements	Form 10K	Exhibit 21 lists Otis’ significant subsidiaries
102-46	Defining report content and topic boundaries	ESG At A Glance	1
102-47	List of material topics	ESG At A Glance	1
102-48	Restatements of information	None	
102-49	Change in reporting	Form 10K	28
102-50	Reporting period	January 1–December 31	
102-51	Date of most recent report	May 2021	
102-52	Reporting cycle	January 1–December 31	
102-53	Contact point for questions regarding the report	communications@otis.com	
102-54	Claims of reporting in accordance with the GRI Standards	ESG At A Glance	1, 4–7
102-55	GRI context index	ESG At A Glance	4–7
Management Approach			
103-1	Explanation of the material topic and its boundary	ESG Presentation ESG At A Glance	5 1
103-2	The management approach and its components	ESG Presentation Sustainability at Otis	1–14 1–12
Economic			
201-1	Direct economic value generated and distributed	Annual Report	48
Environmental			
Energy			
302-1	Energy consumption within the organization	ESG At A Glance	2
302-3	Energy intensity	ESG At A Glance	2
Water & Effluents			
303-5	Water consumption	ESG At A Glance	2
Emissions			
305-1	Direct (Scope 1) GHG emissions	ESG At A Glance	2

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Disclosure	Material Topic	Reference	Page Numbers
305-2	Energy indirect (Scope 2) GHG emissions	ESG At A Glance	2
305-4	GHG emissions intensity	ESG At A Glance	2
Waste			
306-3	Waste generated	ESG At A Glance	2
Social			
Employment			
401-1	New employee hires and employee turnover	ESG At A Glance	3
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Most Otis colleagues at U.S. locations as a salaried or hourly management represented, non-bargained colleagues, are given similar benefits. Colleagues working part time under 20 hours will see reduced benefits.	
Occupational Health & Safety			
403-1	Occupational health and safety management system	Sustainability at Otis	5–6
403-2	Hazard identification, risk assessment and incident investigation	Sustainability at Otis	5–6
403-3	Occupational health services	Sustainability at Otis	5–6
403-4	Worker participation, consultation and communication on occupational health and safety	Otis colleagues have the opportunity to participate in numerous committees and teams to provide feedback on company systems and processes, as outlined in the Otis health and safety management system, applicable collective labor agreements and/or agreements with employee representatives.	
403-6	Promotion of worker health	Otis colleagues in the U.S. are given access to EAP through Beacon Health.	
403-9	Work-related injuries	ESG At A Glance	2
Diversity & Equal Opportunity			
405-1	Diversity of governance bodies and employees	2021 Proxy Statement Annual Report ESG Presentation ESG At A Glance	15 15–16 13 3
Local Communities			
414-1	Operations with local community engagement, impact assessments and development programs	Annual Report Otis.com > Our Company > Social Impact	16–18
Public Policy			
415-1	Political contributions	We maintain the Otis PAC. Otis PAC made 10 political contributions in 2020, which were disclosed in the Federal Elections Commission report.	

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SASB Index

Electrical & Electronic Equipment Sustainability Accounting Standard

Topic	Accounting Metric	Unit of Measure	Code	Reference	Page Numbers
Energy Management	Total energy consumed	Gigajoules (GJ)	RT-IG-130a.1	ESG At A Glance	2
Hazardous Waste Management	Amount of hazardous waste generated	Metric tons (t)	RT-EE-150a.1	ESG At A Glance	2
	Number and aggregate quantity of reportable spills, quantity recovered	Number, Kilograms (kg)	RT-EE-150a.2	Do not report.	
Product Safety	Number of recalls issued, total units recalled	Number	RT-EE-250a.1	Not generally applicable to business, as there are not recalls issued in the transitional sense for our products.	
	Total amount of monetary losses as a result of legal proceedings associated with product safety	Reporting currency	RT-EE-250a.2	There is nothing more important to Otis than the safety of our colleagues, customers and the people who ride our products. We move 2 billion people every day and infrequently accidents can happen and claims for compensation are brought. Otis has not disclosed the figure associated with these claims.	
Product Lifecycle Management	Percentage of products by revenue that contain IEC 62474 declarable substances	Percentage (%) by revenue	RT-EE-410a.1	Do not report.	
	Percentage of eligible products, by revenue, that meet ENERGY STAR® criteria	Percentage (%) by revenue	RT-EE-410a.2	Do not report.	
	Revenue from renewable energy-related and energy efficiency-related products	Reporting currency	RT-EE-410a.3	Do not report.	
Materials Sourcing	Description of management of risks associated with the use of critical materials	Discussion and Analysis	RT-EE-440a.1	Do not report.	
Business Ethics	Description of policies and practices for prevention of: corruption and bribery and anti-competitive behavior	Discussion and Analysis	RT-EE-510a.1	The Otis Absolutes , our foundational code document, states our commitments to anti-corruption, performance with integrity, and competing on our merits. Our policy on anti-corruption defines the commitment and prevention practices.	
	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Reporting currency	RT-EE-510a.2	Do not report.	
	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	Reporting currency	RT-EE-510a.3	Data not available.	

Activity Metric	Unit of Measure	Code	Reference	Page Numbers
Number of units produced by product company	Number	RT-EE-000.A	Proprietary	
Number of employees	Number	RT-EE-000.B	ESG At A Glance	3

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Cautionary Statement

This document contains forward-looking statements (including statements that constitute forward-looking statements under the securities laws), including but not limited to, statements that relate to our intent to achieve certain environmental, social and governance targets or goals. These forward-looking statements are intended to provide management's current expectations or plans for our future operating and financial performance, based on assumptions currently believed to be valid. 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, changes in regulations and laws in the U.S. and globally, development, production, performance and realization of the anticipated benefits of advanced technologies, including our products and those of our suppliers or other third parties; severe weather events or the effects of climate change, as well as other economic and global market conditions and other risks and uncertainties described in detail in the Company's most recent Form 10-K, most recent Form 10-Q, and in similar sections of other filings made by the Company with the Securities and Exchange Commission from time to time. 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.