



## **STOCK OWNERSHIP REQUIREMENTS**

**April 30, 2018**

To further encourage the alignment of management and shareowner interests, UTC's Board of Directors has adopted stock ownership requirements for non-employee directors, the CEO, CFO, business unit presidents, and other members of UTC's Executive Leadership Group ("ELG").

Non-employee directors are required to own shares of UTC Common Stock – including deferred stock units – that are equal in value to at least five times the then applicable base annual cash retainer within five years of joining the Board.

The CEO is required to own shares of UTC Common Stock – including Restricted Stock Units ("RSUs") and share equivalents held in the Employee Savings Plan, but excluding stock options, Stock Appreciation Rights ("SARs") and Performance Share Units ("PSUs") – that are equal in value to at least six times base salary within five years of attaining that position.

The Executive Vice President & Chief Financial Officer and the business unit presidents are required to own shares of UTC Common Stock – including RSUs and share equivalents held in the Employee Savings Plan, but excluding stock options, SARs and PSUs – that are equal in value to at least four times their base salary within five years of joining the ELG.

The other members of the ELG are required to own shares of UTC Common Stock – including RSUs and share equivalents held in the Employee Savings Plan, but excluding stock options, SARs and PSUs – that are equal in value to at least three times their base salary within five years of joining the ELG.

UTC policy prohibits directors, executive officers, ELG members as well as other employees from pledging, hedging, or engaging in short sales of the Company's stock.