

ENVIRONMENT

UTC's commitment is to maintain the highest environmental and safety standards everywhere we do business. Environmental sustainability is an important part of both our operations and our products as they perform in service.

**Using co-generation to conserve energy at UTC***UTC invests in environmentally friendly technology for our facilities*

Capturing and reusing heat from electricity production is a smart and effective way to conserve resources and reduce greenhouse gas emissions. That is the logic behind the super-efficient combined heat and power (CHP) systems which reuse heat that would otherwise be wasted.

By the end of 2010 we plan to invest \$100 million in energy conservation projects at UTC business unit facilities worldwide.

Projects are identified by over 200 employees worldwide who have been trained to conduct energy audits that identify those areas where conservation projects will be the most cost-effective and create the biggest savings in energy consumption.

In 2008, we invested \$62.8 million in co-generation systems across all of our business units. This includes Pratt & Whitney's Middletown, Connecticut facility, as well as our data center in Newington, Connecticut. Data centers require high quality, reliable power to operate computer equipment 24 hours a day. The Newington facility is using a PureComfort system from UTC Power to displace grid power thereby improving power quality and reliability while reducing greenhouse gas emissions at the same time. In addition to generating electricity the PureComfort system offers both heating and cooling, using technology from Carrier.

Sikorsky's Stratford facility and Hamilton Sundstrand's Windsor Locks facility, both in Connecticut, are planned to be on line in 2010. Once running, the Sikorsky project will further reduce carbon dioxide emissions from that facility by about 9,000 metric tons a year.