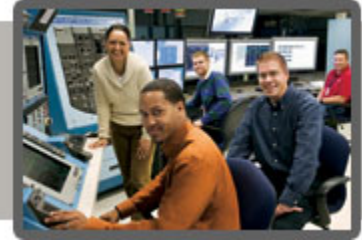


**PEOPLE**

*UTC is committed to treating employees fairly respecting their interests and providing safe working conditions and open communications.*

**Employee Survey Results Reveal Strengths and Opportunities***Overall Goals Met in Management Communications and Ethics*

For our latest survey, in 2007, more than 173,000 UTC employees, or 81 percent, participated in the biennial employee survey that seeks to gauge employee attitudes and engagement in a variety of areas. Overall results were 58 percent favorable, compared with a 55 percent favorability rating in the 2004-2005 survey and 53 percent in 2002; participants in those surveys numbered 129,506 and 100,113, respectively.

All 12 recurring category scores increased from our previous survey, with the increases in six categories judged to be statistically significant: ethics increased 10 percentage points; competitive strategies increased 5 percentage points; teamwork, management practices and job satisfaction each increased 4 percentage points; and management communications increased 6 percentage points. While continuing our focus on improving management communications, we will add ACE as a focus area since it is essential to our continuous improvement efforts.