

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

**FORM 10-Q**

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2026

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 001-39221

**OTIS**

**OTIS WORLDWIDE CORPORATION**

(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of incorporation)

83-3789412  
(I.R.S. Employer Identification No.)

One Carrier Place, Farmington, Connecticut 06032  
(Address of principal executive offices, including zip code)

(860) 674-3000  
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock (\$0.01 par value)	OTIS	New York Stock Exchange
0.318% Notes due 2026	OTIS/26	New York Stock Exchange
2.875% Notes due 2027	OTIS/27	New York Stock Exchange
0.934% Notes due 2031	OTIS/31	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	<input checked="" type="checkbox"/>	Accelerated Filer	<input type="checkbox"/>
Non-accelerated Filer	<input type="checkbox"/>	Smaller Reporting Company	<input type="checkbox"/>
		Emerging Growth Company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No .

As of April 15, 2026 there were 383,716,076 shares of Common Stock outstanding.

**OTIS WORLDWIDE CORPORATION**  
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**Quarter Ended March 31, 2026**

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Otis Worldwide Corporation's and its subsidiaries' names, abbreviations thereof, logos, and product and service designators are all either the registered or unregistered trademarks or tradenames of Otis Worldwide Corporation and its subsidiaries. Names, abbreviations of names, logos, and products and service designators of other companies are either the registered or unregistered trademarks or tradenames of their respective owners. As used herein, the terms "we," "us," "our," "the Company" or "Otis," unless the context otherwise requires, mean Otis Worldwide Corporation and its subsidiaries. References to Internet websites in this Form 10-Q are provided for convenience only. Information available through these websites is not incorporated by reference into this Form 10-Q.

**PART I – FINANCIAL INFORMATION**

**Item 1. Financial Statements**

**OTIS WORLDWIDE CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
**(Unaudited)**

<i>(dollars in millions, except per share amounts; shares in millions)</i>	Quarter Ended March 31,	
	2026	2025
Net sales:		
Product sales	\$ 1,149	\$ 1,163
Service sales	2,417	2,187
	<u>3,566</u>	<u>3,350</u>
Costs and expenses:		
Cost of products sold	958	976
Cost of services sold	1,526	1,373
Research and development	38	37
Selling, general and administrative	510	464
	<u>3,032</u>	<u>2,850</u>
Other income (expense), net	5	(89)
Operating profit	<u>539</u>	<u>411</u>
Non-service pension cost (benefit)	—	—
Interest expense (income), net	59	45
Net income before income taxes	<u>480</u>	<u>366</u>
Income tax expense (benefit)	127	110
Net income	<u>353</u>	<u>256</u>
Less: Noncontrolling interest in subsidiaries' earnings	13	13
Net income attributable to Otis Worldwide Corporation	<u>\$ 340</u>	<u>\$ 243</u>
Earnings per share (Note 2):		
Basic	\$ 0.88	\$ 0.61
Diluted	\$ 0.87	\$ 0.61
Weighted average number of shares outstanding:		
Basic shares	388.1	396.6
Diluted shares	389.6	399.1

See accompanying Notes to Condensed Consolidated Financial Statements.

**OTIS WORLDWIDE CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**(Unaudited)**

<i>(dollars in millions)</i>	Quarter Ended March 31,	
	2026	2025
Net income	\$ 353	\$ 256
Other comprehensive income (loss), net of tax:		
Foreign currency translation adjustments	52	(123)
Pension and postretirement benefit plan adjustments	—	1
Change in unrealized cash flow hedging	2	—
Other comprehensive income (loss), net of tax	54	(122)
Comprehensive income (loss), net of tax	407	134
Less: Comprehensive (income) loss attributable to noncontrolling interest	(13)	(17)
Comprehensive income attributable to Otis Worldwide Corporation	\$ 394	\$ 117

See accompanying Notes to Condensed Consolidated Financial Statements.

**OTIS WORLDWIDE CORPORATION**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(Unaudited)

<i>(dollars in millions)</i>	March 31, 2026	December 31, 2025
<b>Assets</b>		
Cash and cash equivalents	\$ 834	\$ 1,096
Accounts receivable (net of allowance for expected credit losses of \$125 and \$125)	3,920	3,688
Contract assets	751	699
Inventories	669	613
Other current assets	290	405
Total Current Assets	6,464	6,501
Future income tax benefits	400	407
Fixed assets (net of accumulated depreciation of \$1,276 and \$1,261)	744	743
Operating lease right-of-use assets	552	554
Intangible assets, net	333	343
Goodwill	1,682	1,695
Other assets	367	410
Total Assets	\$ 10,542	\$ 10,653
<b>Liabilities and Equity (Deficit)</b>		
Short-term borrowings and current portion of long-term debt	\$ 939	\$ 1,056
Accounts payable	1,975	2,142
Accrued liabilities	1,710	1,847
Contract liabilities	3,100	2,611
Total Current Liabilities	7,724	7,656
Long-term debt	6,879	6,900
Future pension and postretirement benefit obligations	416	419
Operating lease liabilities	400	397
Future income tax obligations	225	223
Other long-term liabilities	333	329
Total Liabilities	15,977	15,924
Commitments and contingent liabilities (Note 15)		
Redeemable noncontrolling interest	74	75
Shareholders' Equity (Deficit):		
Common Stock and additional paid-in capital	332	333
Treasury Stock	(4,601)	(4,198)
Accumulated deficit	(378)	(440)
Accumulated other comprehensive income (loss)	(1,033)	(1,087)
Total Shareholders' Equity (Deficit)	(5,680)	(5,392)
Noncontrolling interest	171	46
Total Equity (Deficit)	(5,509)	(5,346)
Total Liabilities and Equity (Deficit)	\$ 10,542	\$ 10,653

See accompanying Notes to Condensed Consolidated Financial Statements.

**OTIS WORLDWIDE CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
(Unaudited)

<i>(dollars in millions, except per share amounts)</i>	Common Stock and Additional Paid-In Capital	Treasury Stock	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity (Deficit)	Noncontrolling Interest	Total Equity (Deficit)	Redeemable Noncontrolling Interest
<b>Quarter Ended March 31, 2026</b>								
Balance as of December 31, 2025	\$ 333	\$(4,198)	\$ (440)	\$ (1,087)	\$ (5,392)	\$ 46	\$(5,346)	\$ 75
Net income	—	—	340	—	340	13	353	—
Other comprehensive income (loss), net of tax	—	—	—	54	54	1	55	(1)
Stock-based compensation and Common Stock issued under employee plans	8	—	—	—	8	—	8	—
Cash dividends declared (\$0.42 per common share)	—	—	(163)	—	(163)	—	(163)	—
Repurchase of Common Shares	—	(403)	—	—	(403)	—	(403)	—
Dividends attributable to noncontrolling interest	—	—	—	—	—	(3)	(3)	—
Acquisitions, disposals and other changes	(9)	—	(1)	—	(10)	—	(10)	—
Noncontrolling interest adjustment (Note 1)	—	—	(114)	—	(114)	114	—	—
Balance as of March 31, 2026	<u>\$ 332</u>	<u>\$(4,601)</u>	<u>\$ (378)</u>	<u>\$ (1,033)</u>	<u>\$ (5,680)</u>	<u>\$ 171</u>	<u>\$(5,509)</u>	<u>\$ 74</u>
<b>Quarter Ended March 31, 2025</b>								
Balance as of December 31, 2024	\$ 265	\$(3,390)	\$ (978)	\$ (745)	\$ (4,848)	\$ 63	\$(4,785)	\$ 57
Net income	—	—	243	—	243	13	256	—
Other comprehensive income (loss), net of tax	—	—	—	(126)	(126)	2	(124)	2
Stock-based compensation and Common Stock issued under employee plans	13	—	—	—	13	—	13	—
Cash dividends declared (\$0.39 per common share)	—	—	(155)	—	(155)	—	(155)	—
Repurchase of Common Shares	—	(256)	—	—	(256)	—	(256)	—
Dividends attributable to noncontrolling interest	—	—	—	—	—	(2)	(2)	—
Acquisitions, disposals and other changes	—	—	1	—	1	(1)	—	3
Balance as of March 31, 2025	<u>\$ 278</u>	<u>\$(3,646)</u>	<u>\$ (889)</u>	<u>\$ (871)</u>	<u>\$ (5,128)</u>	<u>\$ 75</u>	<u>\$(5,053)</u>	<u>\$ 62</u>

See accompanying Notes to Condensed Consolidated Financial Statements.

**OTIS WORLDWIDE CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited)

<i>(dollars in millions)</i>	Quarter Ended March 31,	
	2026	2025
<b>Operating Activities:</b>		
Net income	\$ 353	\$ 256
Adjustments to reconcile net income to net cash flows provided by operating activities:		
Depreciation and amortization	41	42
Deferred income tax expense (benefit)	4	—
Stock compensation cost	19	21
Change in operating assets and liabilities:		
Accounts receivable, net	(229)	(104)
Contract assets and liabilities, current	432	260
Inventories	(58)	(18)
Other current assets	137	(2)
Accounts payable	(176)	(281)
Accrued liabilities	(117)	12
Pension contributions	(11)	(18)
Other operating activities, net	18	22
Net cash flows provided by (used in) operating activities	413	190
<b>Investing Activities:</b>		
Capital expenditures	(33)	(34)
Acquisitions of businesses and intangible assets, net of cash (Note 5)	(3)	(36)
Receipts (payments) on settlements of derivative contracts	49	(93)
Other investing activities, net	2	2
Net cash flows provided by (used in) investing activities	15	(161)
<b>Financing Activities:</b>		
Net proceeds from (repayments of) borrowings (maturities of 90 days or less)	29	(11)
Repayment of long-term debt	(135)	—
Dividends paid on Common Stock	(163)	(155)
Repurchases of Common Stock	(400)	(253)
Acquisition of noncontrolling interest shares	(10)	—
Dividends paid to noncontrolling interest	(3)	(2)
Other financing activities, net	(12)	(7)
Net cash flows provided by (used in) financing activities	(694)	(428)
Effect of exchange rate changes on cash and cash equivalents	5	7
Net increase (decrease) in cash, cash equivalents and restricted cash	(261)	(392)
Cash, cash equivalents and restricted cash, beginning of year	1,105	2,321
Cash, cash equivalents and restricted cash, end of period	844	1,929
Less: Restricted cash	10	11
Cash and cash equivalents, end of period	\$ 834	\$ 1,918

See accompanying Notes to Condensed Consolidated Financial Statements.

**OTIS WORLDWIDE CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(Unaudited)**

**Note 1: General**

The Condensed Consolidated Financial Statements as of March 31, 2026 and for the quarters ended March 31, 2026 and 2025 are unaudited, but in the opinion of management include all adjustments (consisting only of normal recurring adjustments) necessary for a fair statement of the results for the interim periods. The Condensed Consolidated Balance Sheet as of December 31, 2025 was derived from audited financial statements, but does not include all disclosures required by generally accepted accounting principles ("GAAP") in the United States ("U.S."). The results reported in these Condensed Consolidated Financial Statements should not necessarily be taken as indicative of results that may be expected for the entire year. The financial information included herein should be read in conjunction with the Company's annual consolidated financial statements and accompanying notes included in our Annual Report on [Form 10-K](#) for fiscal year 2025 ("2025 Form 10-K" or "Form 10-K").

Unless the context otherwise requires, references to "Otis," "we," "us," "our" and "the Company" refer to Otis Worldwide Corporation and its subsidiaries.

There have been no changes to the Company's significant accounting policies described in the Company's 2025 Form 10-K that have a material impact on the Company's Condensed Consolidated Financial Statements and the related notes.

**Noncontrolling Interest Adjustment.** In the quarter ended March 31, 2026, the Company recorded an out of period adjustment to correct an immaterial error within Equity, recognizing \$114 million in Noncontrolling interest and Accumulated deficit resulting from previous step acquisitions. This misstatement did not have an impact on previous results of operations or cash flows.

**Use of Estimates.** The preparation of these Condensed Consolidated Financial Statements and accompanying notes in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported. Actual results could differ materially from those estimates.

We assessed certain accounting matters that generally require consideration of forecasted financial information in the context of the information reasonably available to us and the unknown future impacts of macroeconomic developments, including geopolitical conflicts, inflationary pressures, higher interest rates, tighter credit conditions and changes in global trade policies including higher tariffs in the U.S. and other countries, as of March 31, 2026 and through the date of this report. The accounting matters assessed included, but were not limited to, our allowance for credit losses, the carrying value of our goodwill and other long-lived assets, financial assets and revenue recognition. While there was not a material impact to our Condensed Consolidated Financial Statements as of March 31, 2026 and for the quarters ended March 31, 2026 and 2025 resulting from our assessments of these matters, future assessment of our expectations of the magnitude and duration of these macroeconomic developments, as well as other factors, could result in material impacts to our Condensed Consolidated Financial Statements in future reporting periods.

New import tariffs implemented in 2025 and 2026 by the U.S. and other countries, as currently in effect, could have a material impact on our results in 2026 and future years. The impact of tariffs is dependent upon negotiations with customers and suppliers, potential refunds of previously paid tariffs, and other mitigation efforts and potential further changes in global trade policies, including higher tariffs in the U.S. or other countries.

We also assessed certain accounting matters as they relate to the ongoing conflict between Russia and Ukraine and the conflicts in the Middle East, including, but not limited to, our allowance for credit losses, the carrying value of long-lived assets, revenue recognition and the classification of assets. There was not a material impact to our Condensed Consolidated Financial Statements as of March 31, 2026 and for the quarters ended March 31, 2026 and 2025 resulting from our assessment of these matters. We continue to assess the impact on our results of operations, financial position and overall performance as the situations develop and any broader implications they may have on the global economy.

**German Tax Litigation.** In August 2024, we received a favorable ruling regarding a tax litigation in Germany. The Company began receiving refunds during 2025 and anticipates the refund process to continue through 2026. As a result, our Condensed Consolidated Balance Sheets as of March 31, 2026 and December 31, 2025 include an income tax receivable of approximately \$40 million and \$75 million, respectively, and an interest receivable of approximately \$15 million and \$65 million, respectively.

Pursuant to the Tax Matters Agreement ("TMA") with United Technologies Corporation ("UTC"), our former parent, subsequently renamed RTX Corporation ("RTX"), and based on the facts and contractual provisions, additional information received from RTX and indemnity payments during 2025, the Company estimated the amount payable to RTX as a result of the outcome of the German tax litigation to be \$56 million as of December 31, 2025. Based on indemnity payments made to RTX and adjustments to the indemnity payable in the quarter ended March 31, 2026, the Company now estimates the remaining amount payable to RTX to be \$55 million. The adjustments to the indemnity payable resulted in indemnification expense of \$5 million and \$52 million for the quarters ended March 31, 2026 and 2025, respectively. This indemnification expense is included in Other income (expense), net in the Condensed Consolidated Statements of Operations for the quarters ended March 31, 2026 and 2025, respectively. This estimate could further change due to the parties' continuing dispute concerning the scope of the final indemnity amount, which will be resolved pursuant to the procedures set forth in the TMA.

See Note 10, "Income Taxes" and Note 15, "Contingent Liabilities" for additional information.

**Supplier Finance Programs.** Certain Otis subsidiaries participate in supplier finance programs, under which we agree to pay third-party financial institutions the stated amounts of confirmed invoices from suppliers on the original due dates of the invoices, while the participating suppliers generally have the ability to sell, or otherwise pledge as collateral, their receivables from the Company to the participating financial institutions. The outstanding obligations confirmed by the Company as valid to the financial institutions under our supplier finance programs were \$642 million and \$831 million as of March 31, 2026 and December 31, 2025, respectively, including \$104 million and \$80 million as of March 31, 2026 and December 31, 2025, respectively, related to programs with payment terms of 240 days from the invoice date. These obligations are included in Accounts payable in the Condensed Consolidated Balance Sheets, and all activity related to the obligations is presented within operating activities in the Condensed Consolidated Statements of Cash Flows.

## Note 2: Earnings per Share

<i>(dollars in millions, except per share amounts; shares in millions)</i>	Quarter Ended March 31,	
	2026	2025
Net income attributable to common shareholders	\$ 340	\$ 243
Basic weighted average number of shares outstanding	388.1	396.6
Stock awards and equity units (share equivalent)	1.5	2.5
Diluted weighted average number of shares outstanding	389.6	399.1
Earnings Per Share of Common Stock:		
Basic	\$ 0.88	\$ 0.61
Diluted	\$ 0.87	\$ 0.61

The computation of diluted earnings per share excludes the effect of the potential exercise of stock awards, including stock appreciation rights and stock options, when the average market price of Otis' common stock ("Common Stock") is lower than the exercise price of the related stock awards during the period because the effect would be anti-dilutive. In addition, the computation of diluted earnings per share excludes the effect of the potential exercise of stock awards when the awards' assumed proceeds exceed the average market price of the common shares during the period. Lastly, the computations of diluted earnings per share include outstanding awards granted prior to the separation and distribution ("Separation") of each of Otis and Carrier Global Corporation from UTC, our former parent, subsequently renamed RTX Corporation, and converted upon the Separation, in accordance with the Employee Matters Agreement, dated as of April 2, 2020, by and among UTC, Otis and Carrier Global Corporation. There were 0.9 million of anti-dilutive stock awards excluded from the computation for the quarter ended March 31, 2026, compared to 0.5 million for the same period in 2025.

The impact of redeemable noncontrolling interest to Net income attributable to common shareholders was immaterial in the quarters ended March 31, 2026 and 2025.

**Note 3: Revenue Recognition**

We account for revenue in accordance with Accounting Standards Codification ("ASC") Topic 606: *Revenue from Contracts with Customers*.

**Contract Assets and Liabilities.** Contract assets reflect revenue recognized in advance of customer billing. Contract liabilities are recognized when a customer pays consideration, or we have an unconditional right to receive consideration, in advance of the satisfaction of performance obligations under the contract. We receive payments from customers based on the terms established in our contracts, which are payments in advance of performing work, progress payments as we perform contract work over time, or in some cases, payments upon completion of work.

Total Contract assets and Contract liabilities as of March 31, 2026 and December 31, 2025 are as follows:

<i>(dollars in millions)</i>	March 31, 2026	December 31, 2025
Contract assets, current	\$ 751	\$ 699
Total contract assets	751	699
Contract liabilities, current	(3,100)	(2,611)
Contract liabilities, non-current (included within Other long-term liabilities)	(30)	(29)
Total contract liabilities	(3,130)	(2,640)
Net contract liabilities	\$ (2,379)	\$ (1,941)

Contract assets increased by \$52 million during the quarter ended March 31, 2026, as a result of the progression of current contracts and timing of billing on customer contracts. Contract liabilities increased by \$490 million during the quarter ended March 31, 2026 primarily due to billings on contracts in excess of revenue earned.

In the quarters ended March 31, 2026 and 2025, we recognized revenue of approximately \$1.0 billion in each period related to contract liabilities as of January 1, 2026 and 2025.

**Remaining Performance Obligations ("RPO").** RPO represents the aggregate amount of total contract transaction price that is unsatisfied or partially unsatisfied. As of March 31, 2026, our total RPO was approximately \$19.8 billion. Of the total RPO as of March 31, 2026, we expect approximately 75% will be recognized as sales over the following 24 months.

**Note 4: Inventories**

Inventories consisted of the following as of March 31, 2026 and December 31, 2025:

<i>(dollars in millions)</i>	March 31, 2026	December 31, 2025
Raw materials and work-in-process	\$ 143	\$ 139
Finished goods	526	474
Total	\$ 669	\$ 613

Raw materials, work-in-process and finished goods are net of valuation write-downs of \$78 million and \$84 million as of March 31, 2026 and December 31, 2025, respectively.

**Note 5: Business Acquisitions, Dispositions, Goodwill and Intangible Assets**

**Business Acquisitions.** Our acquisitions of businesses and intangible assets, net of cash, totaled \$3 million and \$36 million in the quarters ended March 31, 2026 and 2025, respectively, and were primarily in our Service segment. Transaction costs incurred were not considered significant.

**Goodwill.** Changes in our Goodwill balance during the quarter ended March 31, 2026 were as follows:

<i>(dollars in millions)</i>	Balance as of December 31, 2025	Goodwill Resulting from Business Combinations	Foreign Currency Translation and Other	Balance as of March 31, 2026
New Equipment	\$ 294	\$ —	\$ (3)	\$ 291
Service	1,401	3	(13)	1,391
Total	\$ 1,695	\$ 3	\$ (16)	\$ 1,682

**Intangible Assets.** Intangible assets cost and accumulated amortization were \$2,215 million and \$1,882 million, respectively, as of March 31, 2026, and \$2,220 million and \$1,877 million, respectively, as of December 31, 2025.

Amortization of intangible assets was \$14 million and \$15 million for the quarters ended March 31, 2026 and 2025, respectively. Excluding the impact of acquisitions and currency translation adjustments, there were no other significant changes in our Intangible assets during the quarters ended March 31, 2026 and 2025.

**Held For Sale Assets and Liabilities.** Assets held for sale were \$4 million and \$5 million as of March 31, 2026 and December 31, 2025, respectively. There were no liabilities held for sale as of March 31, 2026 and December 31, 2025. These balances are included in Other current assets and Accrued liabilities in the Condensed Consolidated Balance Sheets, respectively.

During 2025, we sold one of our non-U.S. subsidiaries, primarily related to the Service segment. The Company recorded an impairment loss of \$10 million related to the sale in Other income (expenses), net in the Condensed Consolidated Statements of Operations in the quarter ended March 31, 2025.

#### Note 6: Borrowings and Lines of Credit

Short-term borrowings consisted of the following:

<i>(dollars in millions)</i>	March 31, 2026	December 31, 2025
Commercial paper	\$ 35	\$ —
Other borrowings	209	215
Total short-term borrowings	\$ 244	\$ 215

**Commercial Paper and Other Borrowings.** As of March 31, 2026, there was \$35 million in borrowings outstanding under the Company's \$1.5 billion commercial paper programs, consisting of €30 million of Euro denominated commercial paper. We use our commercial paper borrowings for general corporate purposes including to finance acquisitions, pay dividends, repurchase shares and for debt refinancing. The need for commercial paper borrowings may arise if the use of domestic cash for general corporate purposes exceeds the sum of domestic cash generation and foreign cash repatriated to the U.S. Other borrowings primarily consist of borrowings for the purchase of the outstanding shares of Otis Electric Elevator Company Limited from the non-controlling shareholder in 2025.

**Long-term debt.** As of March 31, 2026, we had a revolving credit agreement with various banks providing for a \$1.5 billion unsecured, unsubordinated five-year revolving credit facility, maturing August 8, 2030. As of March 31, 2026, there were no borrowings under the revolving credit agreement.

On March 16, 2026, the Company repaid the Japanese Yen denominated 0.370% notes due in 2026, upon maturity, using cash on hand.

As of March 31, 2026, the Company is in compliance with all covenants in the revolving credit agreement and the indentures governing all outstanding long-term debt. Long-term debt, including the current portion, consisted of the following:

<i>(dollars in millions)</i>	March 31, 2026	December 31, 2025
0.370% notes due 2026 (¥21.5 billion principal value)	\$ —	\$ 137
0.318% notes due 2026 (€600 million principal value)	695	705
2.293% notes due 2027	500	500
2.875% notes due 2027 (€850 million principal value)	985	999
5.250% notes due 2028	750	750
2.565% notes due 2030	1,500	1,500
5.125% notes due 2031	600	600
0.934% notes due 2031 (€500 million principal value)	580	588
5.131% notes due 2035	500	500
3.112% notes due 2040	750	750
3.362% notes due 2050	750	750
Other (including finance leases)	6	6
<b>Total principal long-term debt</b>	<b>7,616</b>	<b>7,785</b>
Other (discounts and debt issuance costs)	(42)	(44)
<b>Total long-term debt</b>	<b>7,574</b>	<b>7,741</b>
Less: current portion	695	841
<b>Long-term debt, net of current portion</b>	<b>\$ 6,879</b>	<b>\$ 6,900</b>

We may redeem any series of notes at our option pursuant to certain terms.

Debt discounts and debt issuance costs are presented as a reduction of debt on the Condensed Consolidated Balance Sheets and are amortized as a component of interest expense over the term of the related debt using the effective interest method. The Condensed Consolidated Statements of Operations for the quarters ended March 31, 2026 and 2025 reflect the following:

<i>(dollars in millions)</i>	Quarter Ended March 31,	
	2026	2025
Debt issuance costs amortization	\$ 2	\$ 3
Total interest expense on external debt	58	57

The unamortized debt issuance costs as of March 31, 2026 and December 31, 2025 were \$39 million and \$41 million, respectively.

The weighted average maturity of our long-term debt as of March 31, 2026 is approximately 6.6 years. The weighted average interest expense rate on our borrowings outstanding as of March 31, 2026 and December 31, 2025 was as follows:

	March 31, 2026	December 31, 2025
Short-term commercial paper	2.1%	—%
Total long-term debt	3.0%	3.0%

The weighted average interest expense rate on our borrowings during the quarters ended March 31, 2026 and 2025 was as follows:

	Quarter Ended March 31,	
	2026	2025
Short-term commercial paper	3.2%	—%
Total long-term debt	3.0%	2.7%

#### Note 7: Employee Benefit Plans

**Pension and Postretirement Plans.** The Company sponsors both funded and unfunded domestic and foreign defined benefit pension and other postretirement benefit plans, and defined contribution plans. Contributions to our plans were as follows:

<i>(dollars in millions)</i>	Quarter Ended March 31,	
	2026	2025
Defined benefit plans	\$ 11	\$ 18
Defined contribution plans	22	21
Multi-employer pension and postretirement plans	39	39

The following table illustrates the components of net periodic benefit cost for the Company's defined benefit pension plans:

<i>(dollars in millions)</i>	Quarter Ended March 31,	
	2026	2025
Service cost	\$ 9	\$ 8
Interest cost	9	8
Expected return on plan assets	(9)	(9)
Recognized actuarial net loss	—	1
Total net periodic benefit cost	\$ 9	\$ 8

**Postretirement Benefit Plans.** The Company sponsors postretirement benefit plans that provide health benefits to eligible retirees. The postretirement plans are unfunded. The net periodic benefit cost was less than \$1 million for the quarters ended March 31, 2026 and 2025.

**Stock-based Compensation.** The Company adopted the 2020 Long-Term Incentive Plan (the "Plan") effective April 3, 2020. As of March 31, 2026, approximately 17 million shares remain available for awards under the Plan.

The Company measures the cost of all share-based awards, including stock options, at fair value on the grant date and recognizes this cost in the Condensed Consolidated Statements of Operations over the award's applicable vesting period. A forfeiture rate assumption is applied on grant date to adjust the expense recognition for awards that are not expected to vest.

Stock-based compensation expense and the resulting tax benefits were as follows:

<i>(dollars in millions)</i>	Quarter Ended March 31,	
	2026	2025
Stock-based compensation expense (Share Based)	\$ 19	\$ 21
Less: future tax benefit	(1)	(2)
Stock-based compensation expense, net of tax	\$ 18	\$ 19

As of March 31, 2026, following our annual equity award grant issuance on February 3, 2026, there was approximately \$125 million of total unrecognized compensation cost related to non-vested equity awards granted under the Plan. This cost is expected to be recognized ratably over a weighted-average period of 1.9 years.

**Note 8: Stock**

**Preferred Stock.** There are 125 million shares of \$0.01 par value Preferred Stock authorized, of which none were issued as of March 31, 2026 and December 31, 2025.

**Common Stock.** There are 2.0 billion shares of \$0.01 par value Common Stock authorized. As of March 31, 2026 and December 31, 2025, 439.8 million and 439.4 million shares of Common Stock were issued, respectively, which includes 54.1 million and 49.6 million shares of treasury stock, respectively.

**Treasury Stock.** As of March 31, 2026, the Company was authorized by the Board of Directors of Otis to purchase up to \$2.0 billion of Common Stock under a share repurchase program, of which \$900 million was remaining at such time.

During the quarters ended March 31, 2026 and 2025, the Company repurchased 4.5 million and 2.6 million shares, respectively, for \$400 million and \$253 million, respectively. Share repurchases in excess of issuances are subject to a 1% excise tax, which is included as part of the cost basis of the shares acquired in Treasury Stock on the Condensed Consolidated Balance Sheets, as well as within financing activities in the Condensed Consolidated Statements of Cash Flows when paid.

The Company's share repurchase program does not obligate it to acquire any specific number of shares. Under this program, shares may be purchased in the open market, in privately negotiated transactions, under accelerated share repurchase programs or under plans complying with Rules 10b5-1 and 10b-18 under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

**Note 9: Accumulated Other Comprehensive Income (Loss)**

A summary of the changes in each component of Accumulated other comprehensive income (loss), net of tax, for the quarters ended March 31, 2026 and 2025 is provided below:

<i>(dollars in millions)</i>	Foreign Currency Translation	Defined Benefit Pension and Postretirement Plans	Unrealized Hedging Gains (Losses)	Accumulated Other Comprehensive Income (Loss)
<b>Quarter Ended March 31, 2026</b>				
Balance as of December 31, 2025	\$ (1,053)	\$ (35)	\$ 1	\$ (1,087)
Other comprehensive income (loss) before reclassifications, net	52	—	3	55
Amounts reclassified, pre-tax	—	—	(1)	(1)
Tax benefit reclassified	—	—	—	—
Balance as of March 31, 2026	<u>\$ (1,001)</u>	<u>\$ (35)</u>	<u>\$ 3</u>	<u>\$ (1,033)</u>

<i>(dollars in millions)</i>	Foreign Currency Translation	Defined Benefit Pension and Postretirement Plans	Unrealized Hedging Gains (Losses)	Accumulated Other Comprehensive Income (Loss)
<b>Quarter Ended March 31, 2025</b>				
Balance as of December 31, 2024	\$ (672)	\$ (76)	\$ 3	\$ (745)
Other comprehensive income (loss) before reclassifications, net	(127)	—	(1)	(128)
Amounts reclassified, pre-tax	—	1	1	2
Tax benefit reclassified	—	—	—	—
Balance as of March 31, 2025	<u>\$ (799)</u>	<u>\$ (75)</u>	<u>\$ 3</u>	<u>\$ (871)</u>

Amounts reclassified that relate to defined benefit pension and postretirement plans include amortization of prior service costs and actuarial net losses recognized during each period presented. These costs are recorded as components of net periodic pension cost for each period presented. See Note 7, "Employee Benefit Plans" for additional information.

**Note 10: Income Taxes**

The decrease in the effective tax rate for the quarter ended March 31, 2026, is primarily due to the absence of the impact of the increase in our estimated nondeductible TMA indemnity obligation payable to RTX recorded in the quarter ended March 31, 2025.

Otis conducts business globally and, as a result, Otis or one or more of its subsidiaries files income tax returns in the U.S. federal jurisdiction and various state and foreign jurisdictions. In the ordinary course of business, Otis could be subject to examination by taxing authorities throughout the world, including such major jurisdictions as Austria, Belgium, Brazil, Canada, China, France, Germany, Hong Kong, India, Italy, Japan, Mexico, Netherlands, Portugal, South Korea, Spain, Switzerland, the United Kingdom and the U.S. With a few exceptions, Otis is no longer subject to U.S. federal, state and local, or non-U.S. income tax examinations for years before 2016.

A subsidiary of Otis lost a tax litigation case in Belgium in 2023 and decided not to appeal. Otis may receive the assessment for tax and interest within the next 12 months. The associated tax and interest have been fully reserved.

See Note 15, "Contingent Liabilities" for discussion regarding the German tax litigation.

**Note 11: Restructuring and Transformation Costs**

We initiate restructuring actions to keep our cost structure competitive. Charges generally arise from severance related to workforce reductions, and to a lesser degree, facility exit and lease termination costs associated with the consolidation of office and manufacturing operations. Due to the size, nature and frequency of these discrete actions, they are fundamentally different from the Company's ongoing productivity initiatives.

During the quarters ended March 31, 2026 and 2025, we recorded restructuring costs for new and ongoing restructuring actions, including UpLift actions, as follows:

<i>(dollars in millions)</i>	Quarter Ended March 31, 2026			Quarter Ended March 31, 2025		
	UpLift	Other	Total	UpLift	Other	Total
Cost of products and services sold	\$ —	\$ 3	\$ 3	\$ 9	\$ 15	\$ 24
Selling, general and administrative	—	4	4	11	8	19
<b>Total</b>	<b>\$ —</b>	<b>\$ 7</b>	<b>\$ 7</b>	<b>\$ 20</b>	<b>\$ 23</b>	<b>\$ 43</b>

Restructuring costs incurred and expected, unless otherwise indicated, are related approximately 30% to New Equipment and 70% to Service.

**UpLift Restructuring Actions and Transformation Costs.** In 2023, we announced UpLift to transform our operating model. UpLift includes, among other aspects, the standardization of our processes and improvement of our supply chain procurement, as well as organizational changes which result in restructuring actions.

UpLift restructuring actions were approved in the years ended December 31, 2025, 2024 and 2023. These costs are primarily severance related costs. These actions initiated during 2025, 2024 and 2023 were substantially completed as of December 31, 2025. Expected total costs and remaining costs to incur for the actions initiated are approximately \$150 million and \$18 million, respectively. Following completion of the program, the Company does not expect to incur restructuring or transformation costs of a similar nature. Ongoing costs related to continuous improvement initiatives are expected to be consistent with historical operating expenses.

In the quarter ended March 31, 2025, we incurred \$23 million of incremental, non-restructuring costs associated with transforming our operating model as a part of UpLift ("UpLift transformation costs"), which are recorded in Other income (expense), net in the Condensed Consolidated Statements of Operations. The UpLift transformation costs are primarily for consultants, third-party service providers and personnel focused on designing and implementing a centralized service delivery model that supports our new organizational structure, including the standardization of our supply chain and digital technology procurement.

**Other Restructuring Actions.** The Other restructuring expenses incurred during the quarters ended March 31, 2026 and 2025, were primarily the result of restructuring programs initiated during 2026 and 2025 related to severance and facility exit costs. We are targeting to complete in 2026 the majority of the remaining restructuring actions initiated in the quarter ended March 31, 2026 and the full year 2025, with certain utilization beyond 2026 due to contractual obligations or legal requirements in the applicable jurisdictions. Expected total costs and remaining costs to incur for the other restructuring actions initiated are \$54 million and \$11 million, respectively. Expected total and remaining costs are related to approximately 30% to New Equipment and 70% to Service.

*Reorganization of Operations in China*

In January 2025, we announced the reorganization of our operations in China. Among other aspects, this reorganization resulted in restructuring actions of approximately \$30 million. These actions included severance related costs, and these actions were substantially completed as of December 31, 2025. Amounts related to the reorganization of operations in China are included within Other restructuring.

**Restructuring Accruals.** The following table summarizes the accrual balance and utilization for restructuring actions, which are primarily for severance costs:

<i>(dollars in millions)</i>	UpLift Actions	Other Actions	Total Restructuring Actions
Restructuring accruals as of December 31, 2025	\$ 50	\$ 24	\$ 74
Net restructuring costs	—	7	7
Utilization, foreign exchange and other costs	<b>(10)</b>	<b>(17)</b>	<b>(27)</b>
Restructuring accruals as of March 31, 2026	<b>\$ 40</b>	<b>\$ 14</b>	<b>\$ 54</b>

**Note 12: Financial Instruments**

We enter into derivative instruments primarily for risk management purposes, including derivatives designated as hedging instruments under ASC 815, *Derivatives and Hedging*. We operate internationally and, in the normal course of business, are exposed to fluctuations in interest rates, commodity prices and foreign exchange rates. These fluctuations can increase the costs of financing, investing in and operating the business. We may use derivative instruments, including swaps, forward contracts and options, to manage certain foreign currency, commodity price and interest rate exposures.

The four-quarter average of the notional amount of foreign exchange contracts hedging foreign currency transactions was approximately \$5.8 billion and \$5.6 billion as of March 31, 2026 and December 31, 2025, respectively. The four-quarter average of the notional amount of contracts hedging commodity purchases was \$11 million and \$12 million as of March 31, 2026 and December 31, 2025, respectively.

The following table summarizes the fair value and presentation on the Condensed Consolidated Balance Sheets for derivative instruments as of March 31, 2026 and December 31, 2025:

<i>(dollars in millions)</i>	Balance Sheet Classification	March 31, 2026	December 31, 2025
<b>Derivatives designated as Cash flow hedging instruments:</b>			
	<u>Asset Derivatives:</u>		
Foreign exchange contracts	Other current assets	\$ 6	\$ 4
Foreign exchange contracts	Other assets	3	2
	Total asset derivatives	<u>\$ 9</u>	<u>\$ 6</u>
	<u>Liability Derivatives:</u>		
Foreign exchange contracts	Accrued liabilities	\$ (4)	\$ (3)
Foreign exchange contracts	Other long-term liabilities	(2)	(2)
	Total liability derivatives	<u>\$ (6)</u>	<u>\$ (5)</u>
<b>Derivatives not designated as Cash flow hedging instruments:</b>			
	<u>Asset Derivatives:</u>		
Foreign exchange contracts	Other current assets	\$ 18	\$ 11
Commodity contracts	Other current assets	—	1
Foreign exchange contracts	Other assets	4	2
	Total asset derivatives	<u>\$ 22</u>	<u>\$ 14</u>
	<u>Liability Derivatives:</u>		
Foreign exchange contracts	Accrued liabilities	\$ (32)	\$ (25)
Foreign exchange contracts	Other long-term liabilities	(2)	(2)
	Total liability derivatives	<u>\$ (34)</u>	<u>\$ (27)</u>

**Derivatives designated as Cash flow hedging instruments.** The amount of gain or (loss) attributable to foreign exchange and commodity contract activity reclassified from Accumulated other comprehensive income (loss) for the quarters ended March 31, 2026 and 2025 was immaterial, and is presented in Note 9, "Accumulated Other Comprehensive Income (Loss)".

The pre-tax effect of cash flow hedging relationships on Accumulated other comprehensive income (loss) as of March 31, 2026 and December 31, 2025 are presented in the table below:

<i>(dollars in millions)</i>	March 31, 2026	December 31, 2025
Gain (loss) recorded in Accumulated other comprehensive income (loss)	\$ 3	\$ 1

The Company utilizes the critical terms match method in assessing firm commitment derivatives and regression testing in assessing commodity derivatives for hedge effectiveness. Accordingly, the hedged items and derivatives designated as hedging instruments are highly effective.

Assuming current market conditions continue, pre-tax gains of \$2 million are expected to be reclassified from Accumulated other comprehensive income (loss) into Cost of products sold to reflect the fixed prices obtained from foreign exchange and commodity hedging within the next 12 months. All derivative contracts accounted for as cash flow hedges as of March 31, 2026 will mature by December 2030.

**Net Investment Hedges.** We may use non-derivative instruments (foreign currency denominated borrowings) and derivative instruments (foreign exchange forward contracts) to hedge portions of the Company's investments in foreign subsidiaries and manage foreign exchange risk. For instruments that are designated and qualify as a hedge of net investment in foreign operations and that meet the effectiveness requirements, the net gains or losses attributable to changes in spot exchange rates are recorded in foreign currency translation within Other comprehensive income (loss) on the Condensed Consolidated Statements of Comprehensive Income, and will remain in Accumulated other comprehensive income (loss) until the hedged investment is sold or substantially liquidated. The remainder of the change in value of such instruments is recorded in earnings, including to the extent foreign currency denominated borrowings are not designated in, or are de-designated from, a net investment hedge relationship.

Our use of derivative instruments designated as hedges of the Company's net investment in foreign subsidiaries can vary depending on the Company's desired foreign exchange risk coverage.

We have derivative instruments that qualify as net investment hedges against our investments in certain European businesses (notional amount of €160 million) and Asian businesses (notional amount of HK\$2.2 billion and ¥16 billion). The net investment hedges are deemed to be effective. The maturity dates of the current derivative instruments designated in net investment hedges range from 2026 to 2027.

During the quarter ended March 31, 2026, we de-designated derivative and non-derivative instruments that qualified as net investment hedges in certain European and Asian businesses with notional amounts of €139 million and ¥21.5 billion respectively. These de-designated instruments were deemed to be effective until de-designation.

The following table summarizes the amounts of gains (losses) recognized in other comprehensive income (loss) related to non-derivative and derivative instruments designated as net investment hedges:

<i>(dollars in millions)</i>	Quarter Ended March 31,	
	2026	2025
Foreign currency denominated long-term debt	\$ 2	\$ (6)
Foreign currency forward contracts	7	5
<b>Total</b>	<b>\$ 9</b>	<b>\$ (1)</b>

**Derivatives not designated as Cash flow hedging instruments.** The net effect of derivatives not designated as Cash flow hedging instruments within Other income (expense) net, on the Condensed Consolidated Statements of Operations was as follows:

<i>(dollars in millions)</i>	Quarter Ended March 31,	
	2026	2025
Foreign exchange contracts	\$ 7	\$ 6

The effects of gains (losses) from derivatives not designated as Cash flow hedge instruments within Cost of products sold on the Condensed Consolidated Statements of Operations were as follows:

<i>(dollars in millions)</i>	Quarter Ended March 31,	
	2026	2025
Commodity and foreign exchange contracts	\$ 2	\$ 2

### Note 13: Fair Value Measurements

**Valuation Techniques.** Our marketable securities include investments that are traded in active markets, either domestically or internationally, and are measured at fair value using closing stock prices from active markets. The fair value gains or losses related to our marketable securities are recorded through net income. Our derivative assets and liabilities include foreign exchange and commodity contracts that are measured at fair value using internal and third party models based on observable market inputs such as forward rates, interest rates, our own credit risk and our counterparties' credit risks.

As of March 31, 2026, there has not been any significant impact to the fair value of our derivative liabilities due to our own credit risk. Similarly, there has not been any significant adverse impact to our derivative assets based on our evaluation of our counterparties' credit risks.

Due to their short-term nature, the carrying value approximated fair value for the current portion of the Company's financial instruments not carried at fair value. The fair value of receivables, including customer financing notes receivable, net, that were issued long-term are based on the discounted values of their related cash flows at interest rates reflecting the attributes of the counterparties, including geographic location. Customer-specific risk, including credit risk, is already considered in the carrying value of those receivables. Our long-term debt, as described in Note 6, "Borrowings and Lines of Credit", is measured at fair value using closing bond prices from active markets.

**Recurring Fair Value Measurements.** In accordance with the provisions of ASC 820: *Fair Value Measurements*, the following tables provide the valuation hierarchy classification of assets and liabilities that are carried at fair value and measured on a recurring and non-recurring basis in our Condensed Consolidated Balance Sheets as of March 31, 2026 and December 31, 2025:

<i>(dollars in millions)</i>	March 31, 2026			
	Total	Level 1	Level 2	Level 3
<b>Recurring fair value measurements:</b>				
Marketable securities	\$ 56	\$ 56	\$ —	\$ —
Derivative assets	31	—	31	—
Derivative liabilities	(40)	—	(40)	—

<i>(dollars in millions)</i>	December 31, 2025			
	Total	Level 1	Level 2	Level 3
<b>Recurring fair value measurements:</b>				
Marketable securities	\$ 55	\$ 55	\$ —	\$ —
Derivative assets	20	—	20	—
Derivative liabilities	(32)	—	(32)	—

**Fair Value of Financial Instruments.** The following table provides carrying amounts and fair values of financial instruments that are not carried at fair value as of March 31, 2026 and December 31, 2025:

<i>(dollars in millions)</i>	March 31, 2026		December 31, 2025	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Long-term receivables, net	\$ 50	\$ 49	\$ 49	\$ 48
Customer financing notes receivable, net	15	12	16	14
Short-term borrowings	(244)	(244)	(214)	(214)
Long-term debt, including current portion (excluding leases and other)	(7,610)	(7,001)	(7,779)	(7,269)
Long-term liabilities, including current portion	(84)	(81)	(84)	(81)

The following tables provide the valuation hierarchy classification of assets and liabilities that are not carried at fair value in the Condensed Consolidated Balance Sheets as of March 31, 2026 and December 31, 2025:

<i>(dollars in millions)</i>	March 31, 2026			
	Total	Level 1	Level 2	Level 3
Long-term receivables, net	\$ 49	\$ —	\$ 49	\$ —
Customer financing notes receivable, net	12	—	12	—
Short-term borrowings	(244)	—	(244)	—
Long-term debt, including current portion (excluding leases and other)	(7,001)	—	(7,001)	—
Long-term liabilities, including current portion	(81)	—	(81)	—

  

<i>(dollars in millions)</i>	December 31, 2025			
	Total	Level 1	Level 2	Level 3
Long-term receivables, net	\$ 48	\$ —	\$ 48	\$ —
Customer financing notes receivable, net	14	—	14	—
Short-term borrowings	(214)	—	(214)	—
Long-term debt, including current portion (excluding leases and other)	(7,269)	—	(7,269)	—
Long-term liabilities, including current portion	(81)	—	(81)	—

#### Note 14: Guarantees

The Company provides service and warranty on its products beyond normal service and warranty policies. The carrying amount of service and product guarantees were \$9 million and \$10 million as of March 31, 2026 and December 31, 2025, respectively.

The Company provides certain financial guarantees to third parties. As of March 31, 2026, Otis has stand-by letters of credit with maximum potential payment totaling \$165 million. We accrue costs associated with guarantees when it is probable that a liability has been incurred and the amount can be reasonably estimated. The most likely cost to be incurred is accrued based on an evaluation of currently available facts, and where no amount within a range of estimates is more likely, the minimum is accrued. In accordance with ASC Topic 460: *Guarantees*, we record these liabilities at fair value. As of March 31, 2026, Otis has determined there are no estimated costs probable under these guarantees.

#### Note 15: Contingent Liabilities

Except as otherwise noted, while we are unable to predict the final outcome, based on information currently available, we do not believe that resolution of any of the following matters will have a material adverse effect upon our competitive position, results of operations, cash flows or financial condition. In addition to the specific amounts noted below, where we have recorded loss contingency accruals for the below and other matters, the amounts in aggregate are not material. Legal costs generally are expensed when incurred.

#### Legal Proceedings.

##### *German Tax Litigation*

In the third quarter of 2024, Otis prevailed in a German tax litigation case stemming from the 1998 reorganization of the Company's operations in Germany. As a result of winning the case, the Company expects to receive total refunds of prepaid tax, prepaid interest, overpayment interest, and court fees of approximately €309 million net of tax (approximately \$358 million) as of March 31, 2026. The Company began receiving refunds during 2025 and anticipates the refund process to continue through 2026.

The recoveries related to this matter are allocated between RTX and the Company pursuant to the terms of the TMA with our former parent, UTC, by way of indemnification payments. The Company has established an indemnity payable to RTX, which is intended to cover RTX's tax and interest payable to the Internal Revenue Service ("IRS"). Interest on RTX's liability to the IRS will continue to accrue until RTX's tax liability is paid. The Company and RTX disagree about both the scope of the indemnity payable to RTX and the Company's liability for interest accruing on amounts already paid to RTX. This dispute will be resolved pursuant to the procedures set forth in the TMA.

<i>(dollars in millions)</i>	March 31, 2026	December 31, 2025
Indemnity Payable (in Accrued liabilities)	\$ 55	\$ 56

This estimate could further change due to the parties' continuing dispute concerning the scope of the final indemnity amount, which will be resolved pursuant to the procedures set forth in the TMA.

See Note 1, "General" for additional information on the impacts of the TMA activity to the Condensed Consolidated Financial Statements as of and for the quarter ended March 31, 2026.

#### *Asbestos Matters*

We have been named as defendants in lawsuits alleging personal injury as a result of exposure to asbestos. While we have never manufactured any asbestos-containing component parts, and no longer incorporate asbestos in any current products, certain of our historical products have contained components manufactured by third parties incorporating asbestos. A substantial majority of these asbestos-related claims have been dismissed without payment or were covered in full or in part by insurance or other forms of indemnity. Additional cases were litigated and settled without any insurance reimbursement. The amounts involved in asbestos-related claims were not material individually or in the aggregate as of and for the periods ended March 31, 2026 and December 31, 2025.

The estimated range of total liabilities to resolve all pending and unasserted potential future asbestos claims through 2059 is approximately \$11 million to \$31 million as of March 31, 2026 and December 31, 2025. Since no amount within the range of estimates is more likely to occur than any other, we have recorded the minimum amount of \$11 million as of March 31, 2026 and December 31, 2025, which is principally recorded in Other long-term liabilities on our Condensed Consolidated Balance Sheets. Amounts are on a pre-tax basis, not discounted, and exclude the Company's legal fees to defend the asbestos claims (which will continue to be expensed as they are incurred). In addition, the Company has an insurance recovery receivable for probable asbestos-related recoveries of approximately \$3 million as of March 31, 2026 and December 31, 2025, which is principally included in Other assets on our Condensed Consolidated Balance Sheets.

**Other.** We have commitments and contingent liabilities related to legal proceedings, self-insurance programs and matters arising out of the normal course of business. We accrue contingencies based on a range of possible outcomes. If no amount within this range is a better estimate than any other, we accrue the minimum amount. While it is not possible to determine the ultimate disposition of each of these claims and whether they will be resolved consistent with our beliefs, we expect that the outcome of such claims, individually or in the aggregate, will not have a material adverse effect on our business, financial condition, cash flows or results of operations.

In certain European countries, claims for overcharges on elevators and escalators related to civil cartel cases have been made, which we have accrued for based on our evaluation of the claims. While it is not possible to determine the ultimate disposition of each of these claims and whether they will be resolved consistent with our beliefs, historical settlement experiences of these claims have not been material to the business, financial condition, cash flows or results of operations. However, the future outcome of these cases cannot be determined.

In the ordinary course of business, the Company is also routinely a defendant in, party to or otherwise subject to many pending and threatened legal actions, claims, disputes and proceedings. These matters are often based on alleged violations of contract, product liability, warranty, regulatory, environmental, health and safety, employment, intellectual property, tax and other laws. In some of these proceedings, claims for substantial monetary damages are asserted against the Company and its subsidiaries and could result in fines, penalties, compensatory or treble damages or non-monetary relief. We do not believe that these matters will have a material adverse effect upon our competitive position, results of operations, cash flows or financial condition.

Refer to Note 16, "Segment Financial Data" for information about litigation-related settlement costs recognized in the quarter ended March 31, 2025 for certain legal matters that are outside of the ordinary course of business.

### Note 16: Segment Financial Data

Our operations are classified into two operating segments: New Equipment and Service. Through the New Equipment segment, we design, manufacture, sell and install a wide range of passenger and freight elevators as well as escalators and moving walkways to customers in the residential, commercial and infrastructure projects. The Service segment provides maintenance and repair services for both our products and those of other manufacturers, and provides modernization services to upgrade elevators and escalators. The operating segments are generally based on the management structure of the Company, as well as how management allocates resources, assesses performance and makes strategic and operational decisions.

**Segment Information.** Otis discloses segment operating profit as its measure of segment performance, reconciled to Net income before income taxes. Segment operating profit excludes certain expenses and income that are not allocated to segments (as described below in "Corporate and Unallocated").

Otis' Chief Operating Decision Maker ("CODM") is the Company's Chief Executive Officer. The CODM assesses the performance of each operating segment and allocates resources to those segments based on net sales and segment operating profit. The CODM compares segment operating profit results to prior periods and forecasted amounts to assess performance and to make decisions regarding the allocation of capital and other investments. Discrete asset information for each segment is not presented to, or reviewed by, the CODM.

Segment information for the quarters ended March 31, 2026 and 2025 is as follows:

<i>(dollars in millions)</i>	Quarter Ended March 31, 2026			Quarter Ended March 31, 2025		
	New Equipment	Service	Total	New Equipment	Service	Total
Net sales	\$ 1,149	\$ 2,417	\$ 3,566	\$ 1,163	\$ 2,187	\$ 3,350
Costs and expenses:						
Cost of sales	956	1,525	2,481	962	1,363	2,325
Selling, general and administrative	129	324	453	110	282	392
Other including research and development	26	12	38	25	5	30
Total segment operating profit	\$ 38	\$ 556	594	\$ 66	\$ 537	603
Corporate and Unallocated						
General corporate expenses and other			44			43
UpLift restructuring			—			20
Other restructuring			7			23
UpLift transformation costs			—			23
Separation-related adjustments			5			52
Litigation-related settlement costs			—			21
Held for sale impairment			—			10
Other, net			(1)			—
Total company operating profit			539			411
Non-service pension cost (benefit)			—			—
Interest expense (income), net			59			45
Net income before income taxes			\$ 480			\$ 366

Corporate and Unallocated includes adjustments related to the Separation, litigation-related settlement costs, impairment loss related to net assets held for sale, restructuring costs and UpLift transformation costs.

Separation-related adjustments, represent net adjustments of amounts due to and from RTX in accordance with the TMA, including amounts due to RTX related to a favorable ruling received in August 2024 regarding the German tax litigation. These adjustments are recorded in Other income (expense), net in our Condensed Consolidated Statements of Operations during the quarters ended March 31, 2026 and 2025, respectively. See Note 10, "Income Taxes" and Note 15, "Contingent Liabilities" for additional information about the German tax litigation.

Litigation-related settlement costs in the quarter ended March 31, 2025 represent the aggregate amount of settlement costs and increase in loss contingency accruals, excluding legal costs, for certain legal matters that are outside of the ordinary course of business due to the size, complexity and/or unique facts of these matters.

Impairment loss related to net assets held for sale is recorded in Other income (expense), net in the Condensed Consolidated Statements of Operations in the quarter ended March 31, 2025. See Note 5, "Business Acquisitions, Dispositions, Goodwill and Intangible Assets" for additional information about the held for sale assets and liabilities.

Refer to Note 11, "Restructuring and Transformation Costs" for more information about restructuring and UpLift transformation costs.

#### **Note 17: Accounting Pronouncements**

In July 2025, the FASB issued Accounting Standards Update ("ASU") 2025-05, Financial Instruments—Credit Losses (Topic 326): *Measurement of Credit Losses for Accounts Receivable and Contract Assets*. The amendments in this update provide a practical expedient when developing reasonable and supportable forecasts as part of estimating expected credit losses, allowing entities to assume that current conditions as of the balance sheet date do not change for the remaining life of the asset. The amendments in ASU 2025-05 are effective for fiscal years beginning after December 15, 2025, and interim reporting periods within those annual reporting periods. We adopted this ASU on January 1, 2026 and elected to utilize the practical expedient. The adoption of the ASU and the election of the practical expedient did not have a material impact on our Condensed Consolidated Financial Statements.

In November 2024, the FASB issued ASU 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): *Disaggregation of Income Statement Expenses*. The amendments in this update require disclosure, in the notes to financial statements, on disaggregated information about specific categories underlying certain income statement expense line items that are considered relevant, including the purchase of inventory, employee compensation, depreciation, and intangible asset amortization. The amendments in ASU 2024-03 are effective for fiscal years beginning after December 15, 2026. Early adoption is permitted. Adoption of this ASU will result in additional disclosure, but will not impact our condensed consolidated financial position, results of operations, or cash flows.

In May 2025, the FASB issued ASU 2025-03, Business Combinations (Topic 805) and Consolidation (Topic 810): *Determining the Accounting Acquirer in the Acquisition of a Variable Interest Entity*. The amendments in this update require an entity involved in an acquisition transaction effected primarily by exchanging equity interests when the legal acquiree is a VIE that meets the definition of a business to consider the factors in the ASU to determine which entity is the accounting acquirer. The amendments in ASU 2025-03 are effective for fiscal years beginning after December 15, 2026. Early adoption is permitted. We are currently evaluating the impact of this standard, however; we do not expect it to have a material impact on our Condensed Consolidated Financial Statements.

In September 2025, the FASB issued ASU 2025-06, Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): *Targeted Improvements to the Accounting for Internal-Use Software*. The amendments in this update remove all references to prescriptive and sequential software development stages (referred to as "project stages") throughout Subtopic 350-40. The amendments in this update specify that the disclosures in Subtopic 360-10, Property, Plant, and Equipment—Overall, are required for all capitalized internal-use software costs, regardless of how those costs are presented in the financial statements. Additionally, the amendments clarify that the intangibles disclosures in paragraphs 350-30-50-1 through 50-3 are not required for capitalized internal-use software costs. The amendments in ASU 2025-06 are effective for fiscal years beginning after December 15, 2027, and interim reporting periods within those annual reporting periods. Early adoption is permitted. We are currently evaluating the impact of this standard.

In September 2025, the FASB issued ASU 2025-07, Derivatives and Hedging (Topic 815) and Revenue from Contracts with Customers (Topic 606): *Derivatives Scope Refinements and Scope Clarification for Share-Based Noncash Consideration from a Customer in a Revenue Contract*. The amendments in this update exclude from derivative accounting nonexchange-traded contracts with underlyings that are based on operations or activities specific to one of the parties to the contract. The amendments in ASU 2025-07 are effective for fiscal years beginning after December 15, 2026, and interim reporting periods within those annual reporting periods. Early adoption is permitted. We are currently evaluating the impact of this standard.

In November 2025, the FASB issued ASU 2025-09, Derivatives and Hedging (Topic 815): *Hedge Accounting Improvements*. Consistent with the original objective of ASU 2017-12, the objective of this update is to more closely align hedge accounting with the economics of an entity's risk management activities and better reflect those strategies in financial reporting by enabling entities to achieve and maintain hedge accounting for highly effective economic hedges of forecasted transactions. The amendments in ASU 2025-09 apply to any entity that elects to apply hedge accounting in accordance with Topic 815 and are effective for fiscal years beginning after December 15, 2026, and interim reporting periods within those annual reporting periods. Early adoption is permitted. We are currently evaluating the impact of this standard.

Other new accounting pronouncements issued but not effective until after March 31, 2026 are not expected to have a material impact on our financial position, results of operations or liquidity.

#### **Note 18: Subsequent Events**

In April 2026, we acquired the majority of ownership of a French company, for approximately \$170 million funded by cash on hand and commercial paper borrowings. We will account for this acquisition in accordance with ASC 805, Business Combinations, which requires the assets acquired and the liabilities assumed to be measured at fair value at the date of the acquisition. Management is in the process of finalizing the accounting for the acquisition and expects to be complete by the time of filing our Q2 2026 10-Q.

With respect to the unaudited condensed consolidated financial information of Otis Worldwide Corporation for the quarters ended March 31, 2026 and 2025, PricewaterhouseCoopers LLP ("PricewaterhouseCoopers") reported that it has applied limited procedures in accordance with professional standards for a review of such information. However, its report dated April 23, 2026, appearing below, states that the firm did not audit and does not express an opinion on that unaudited condensed consolidated financial information. PricewaterhouseCoopers has not carried out any significant or additional review procedures beyond those that would have been necessary if their report had not been included. Accordingly, the degree of reliance on its report on such information should be restricted in light of the limited nature of the review procedures applied. PricewaterhouseCoopers is not subject to the liability provisions of Section 11 of the Securities Act of 1933, as amended ("the Act") for its report on the unaudited condensed consolidated financial information because that report is not a "report" or a "part" of a registration statement prepared or certified by PricewaterhouseCoopers within the meaning of Sections 7 and 11 of the Act.

### **Report of Independent Registered Public Accounting Firm**

To the Board of Directors and Shareholders of Otis Worldwide Corporation

#### ***Results of Review of Interim Financial Information***

We have reviewed the accompanying condensed consolidated balance sheet of Otis Worldwide Corporation and its subsidiaries (the "Company") as of March 31, 2026, and the related condensed consolidated statements of operations, of comprehensive income, of changes in equity and of cash flows for the three-month periods ended March 31, 2026 and 2025, including the related notes (collectively referred to as the "interim financial information"). Based on our reviews, we are not aware of any material modifications that should be made to the accompanying interim financial information for it to be in conformity with accounting principles generally accepted in the United States of America.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheet of the Company as of December 31, 2025, and the related consolidated statements of operations, of comprehensive income, of changes in equity and of cash flows for the year then ended (not presented herein), and in our report dated February 5, 2026, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of December 31, 2025, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

#### ***Basis for Review Results***

This interim financial information is the responsibility of the Company's management. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB. We conducted our review in accordance with the standards of the PCAOB. A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the PCAOB, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

/s/ PricewaterhouseCoopers LLP

Hartford, Connecticut  
April 23, 2026

## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

### BUSINESS OVERVIEW

#### Business Summary

We are the world's leading elevator and escalator manufacturing, installation, service and modernization company. Our Company is organized into two segments, New Equipment and Service. Through our New Equipment segment, we design, manufacture, sell and install a wide range of passenger and freight elevators, as well as escalators and moving walkways for residential and commercial buildings and infrastructure projects. Our New Equipment customers include real-estate and building developers and general contractors who develop and/or design buildings for residential, commercial, retail or mixed-use activity. We sell our New Equipment directly to customers, as well as through agents and distributors.

Through our Service segment, we perform maintenance and repair services for both our own products and those of other manufacturers and provide modernization services to upgrade elevators and escalators. Maintenance services include inspections to ensure code compliance, preventive maintenance offerings and other customized maintenance offerings tailored to meet customer needs, as well as repair services to address equipment and component wear and tear and breakdowns. Modernization services enhance equipment operation and improve building functionality. Modernization offerings can range from relatively simple upgrades of interior finishes and aesthetics to complex upgrades of larger components and sub-systems, including the machine, ropes or belts, safety systems and the entire car or escalator. Our typical Service customers include building owners, facility managers, housing associations and government agencies that operate buildings where elevators and escalators are installed.

We serve our customers through a global network of employees. These include sales personnel, field technicians with separate skills in performing installation and service, as well as engineers driving our continued product development and innovation. We function under a centralized operating model whereby we pursue a global strategy set around New Equipment and Service because we seek to grow our maintenance portfolio, in part, through the conversion of new elevator and escalator installations into service contracts. Accordingly, we benefit from an integrated global strategy, which sets priorities and establishes accountability across the full product lifecycle.

The current status of significant factors affecting our business environment in 2026 is discussed below. For additional discussion, refer to the "Business Overview" section in Management's Discussion and Analysis of Financial Condition and Results of Operations in our 2025 [Form 10-K](#).

#### *UpLift*

Announced in July 2023, UpLift is a program to transform our operating model. As of December 31, 2025, total restructuring and other incremental costs to complete the transformation ("UpLift transformation costs") were approximately \$300 million, including trailing restructuring costs expected in 2026 of \$18 million. The Company generated run-rate savings of approximately \$200 million.

For further details, refer to the discussion on restructuring costs in the "Results of Operations," as well as Note 11 to the Condensed Consolidated Financial Statements.

### **German Tax Litigation**

In August 2024, we received a favorable ruling regarding a German tax litigation. Pursuant to the Tax Matters Agreement ("TMA") with United Technologies Corporation ("UTC"), our former parent, subsequently renamed RTX Corporation ("RTX"), and based on the facts and contractual provisions, additional information received from RTX and indemnity payments during 2025, the Company estimated the amount payable to RTX as a result of the outcome of the German tax litigation to be \$56 million as of December 31, 2025. Based on indemnity payments made to RTX and adjustments to the indemnity payable in the quarter ended March 31, 2026, the Company now estimates the remaining amount payable to RTX to be \$55 million, resulting in indemnification expense of \$5 million and \$52 million for the quarters ended March 31, 2026 and 2025, respectively. This indemnification expense is included in Other income (expense), net in the Condensed Consolidated Statements of Operations for the quarters ended March 31, 2026 and 2025. This estimate could further change due to the parties' continuing dispute concerning the scope of the final indemnity amount, which will be resolved pursuant to the procedures set forth in the TMA.

For further details, refer to Note 10 and Note 15 to the Condensed Consolidated Financial Statements, as well as our Consolidated Financial Statements in the 2025 [Form 10-K](#).

### **Impact of Global Macroeconomic Conditions on Our Company**

Global macroeconomic conditions have impacted, and continue to impact, aspects of the Company's operations and overall financial performance during the quarters ended March 31, 2026 and 2025. These macroeconomic conditions include, among others, geopolitical conflicts, inflationary pressures, high interest rates, tighter credit conditions and changes in global trade policies including higher tariffs in the U.S. and other countries. These macroeconomic trends could continue to impact our business, including impacts to overall financial performance during the remainder of 2026, as a result of the following, among other things:

- Higher costs of products and services due to tariffs;
- Customer demand impacting our new equipment, maintenance and repair, and modernization businesses;
- Customer liquidity constraints and related credit reserve;
- Cancellations or delays of customer orders; and
- Supplier liquidity, as well as supplier and raw material capacity constraints, delays and related costs.

We currently do not expect any significant impact to our capital and financial resources from these macroeconomic conditions, including to our overall liquidity position based on our available cash and cash equivalents and our access to credit facilities and the capital markets.

See the "Liquidity and Financial Condition" section in this Form 10-Q for further detail and Item 1A. "Risk Factors" in our 2025 [Form 10-K](#) for macroeconomic risks related to our business.

### **Risks Associated with Ongoing Conflicts**

The ongoing conflicts in the Middle East, as well as between Russia and Ukraine have resulted in worldwide geopolitical and macroeconomic uncertainty, including volatile commodity markets, foreign exchange fluctuations, supply chain disruptions, increased risk of cybersecurity incidents, reputational risk, increased operating costs (including fuel and other input costs), environmental, health and safety risks related to securing and maintaining facilities, additional sanctions and other regulations (including restrictions on the transfer of funds to and from Russia). We do not have operations in Russia or Iran. Additionally, we do not have operations or material net sales in Israel, Gaza or Lebanon.

Although we have operations in the Middle East and transport products through the Middle East, we currently do not expect the recent conflicts in that region to have a material impact on our business.

To the extent possible, we continue to operate our business in Ukraine. We do not have material revenue or operating profit in Ukraine.

We cannot predict how the events described above will evolve. Depending on the ultimate outcomes of these conflicts, which remain uncertain, they could heighten certain risks disclosed in Item 1A. "Risk Factors" in our 2025 [Form 10-K](#), including but not limited to, adverse effects on macroeconomic conditions, including increased inflation, constraints on the availability of commodities, supply chain disruption and decreased business spending; cyber-incidents; disruptions to our or our business partners' global technology infrastructure, including through cyber-attack or cyber-intrusion; adverse changes in international trade policies and relations; claims, litigation and regulatory enforcement; our ability to implement and execute our business strategy; terrorist activities; our exposure to foreign currency fluctuations; reputational risk; and constraints, volatility, or disruption in the capital markets, any of which could have a material adverse effect on our business, results of operations, cash flows and financial condition.

### CRITICAL ACCOUNTING ESTIMATES

Preparation of our Condensed Consolidated Financial Statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. The accounting policies that involve the most significant estimates, assumptions and management judgments used in preparation of the Condensed Consolidated Financial Statements, or are the most sensitive to change due to outside factors, are discussed in the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations – Critical Accounting Estimates" included in our 2025 [Form 10-K](#). Except as disclosed in Note 17 to our Condensed Consolidated Financial Statements in this Form 10-Q, pertaining to adoption of new accounting pronouncements, there have been no material changes in these policies.

### RESULTS OF OPERATIONS

#### Net Sales

<i>(dollars in millions)</i>	Quarter Ended March 31,	
	2026	2025
Net sales	\$ 3,566	\$ 3,350
Percentage change year-over-year	6 %	

The factors contributing to the total percentage change year-over-year in total Net sales for the quarter ended March 31, 2026 are as follows:

Components of Net sales change:	Quarter Ended March 31, 2026
Organic volume	1 %
Foreign currency translation	5 %
Acquisitions and divestitures, net and other	— %
Total % change	6 %

The Organic volume increase of 1% for the quarter ended March 31, 2026 was driven by an increase of 5% in Service, partially offset by a decrease of (5)% in New Equipment.

See the "Segment Review" section for a discussion of Net sales by segment.

## Cost of Products and Services Sold

<i>(dollars in millions)</i>	Quarter Ended March 31,	
	2026	2025
Total cost of products and services sold	\$ 2,484	\$ 2,349
Percentage change year-over-year	6 %	

The factors contributing to the percentage change year-over-year for the quarter ended March 31, 2026 in total cost of products and services sold are as follows:

Components of Cost of Products and Services Sold change:	Quarter Ended March 31, 2026
Organic volume	2 %
Foreign currency translation	4 %
Acquisitions and divestitures, net and other	— %
Total % change	6 %

The Organic volume for total cost of products and services sold increased 2% for the quarter ended March 31, 2026, primarily driven by the organic sales changes noted above and the impacts of higher labor and material costs, partially offset by productivity.

## Gross Margin

<i>(dollars in millions)</i>	Quarter Ended March 31,	
	2026	2025
Gross margin	\$ 1,082	\$ 1,001
Gross margin percentage	30.3 %	29.9 %

Gross margin percentage increased 40 basis points for the quarter ended March 31, 2026, when compared to the same period in 2025, due to the increase in Service sales and decrease in New Equipment sales and the benefits from productivity, partially offset by the cost increases described above.

See the "Segment Review" section below for discussion of operating results by segment.

## Research and Development

<i>(dollars in millions)</i>	Quarter Ended March 31,	
	2026	2025
Research and development	\$ 38	\$ 37
Percentage of Net sales	1.1 %	1.1 %

Research and development was relatively flat for the quarter ended March 31, 2026, when compared to the same period in 2025.

## Selling, General and Administrative

<i>(dollars in millions)</i>	Quarter Ended March 31,	
	2026	2025
Selling, general and administrative	\$ 510	\$ 464
Percentage of Net sales	14.3 %	13.9 %

Selling, general and administrative expenses increased \$46 million for the quarter ended March 31, 2026, when compared to the same period in 2025, driven by annual wage increases, higher costs resulting from organizational initiatives, costs to support ongoing operational execution and the impacts from foreign exchange, partially offset by savings resulting from restructuring actions and lower restructuring costs.

Selling, general and administrative expenses as a percentage of Net sales increased 40 basis points for the quarter ended March 31, 2026, when compared to the same period in 2025.

### Restructuring Costs

<i>(dollars in millions)</i>	Quarter Ended March 31,	
	2026	2025
UpLift restructuring	\$ —	\$ 20
Other restructuring	7	23
Total restructuring costs	\$ 7	\$ 43

We initiate restructuring actions to keep our cost structure competitive. Charges generally arise from severance related to workforce reductions and, to a lesser degree, facility exit and lease termination costs associated with the consolidation of office and manufacturing operations. We continue to closely monitor the economic environment and may undertake further restructuring actions to keep our cost structure aligned with the demands of the prevailing market conditions.

Transformation costs were \$23 million in the quarter ended March 31, 2025, which are primarily for consultants, third-party service providers and personnel focused on designing and implementing a centralized service delivery model that supports our new organizational structure, including the standardization of our supply chain and digital technology procurement. These UpLift transformation costs are recorded in Other income (expense), net in the Condensed Consolidated Statements of Operations.

Other restructuring costs were \$7 million for the quarter ended March 31, 2026 and included \$4 million of costs related to 2026 actions and \$3 million of costs related to 2025 actions.

Most of the expected charges will require cash payments, which we have funded and expect to continue to fund with cash generated from operations. The table below presents approximate cash outflows related to the restructuring actions during the quarter ended March 31, 2026, and the expected cash payments to complete the actions announced:

<i>(dollars in millions)</i>	UpLift Actions	Other Actions	Total Restructuring
Cash outflows during the quarter ended March 31, 2026	\$ 8	\$ 6	\$ 14
Expected cash payments remaining to complete actions announced	58	26	84

The approved UpLift restructuring actions generated approximately \$103 million in annual recurring savings at the end of 2025, primarily in Selling, general and administrative expenses, and of which approximately \$25 million was realized during the quarter ended March 31, 2026, including \$6 million of incremental savings compared to the same period in 2025.

For other restructuring actions, we generally expect to achieve annual recurring savings within the two-year period subsequent to initiating the actions, including \$7 million for the 2026 actions and \$38 million for the 2025 actions, of which approximately 25% relates to Cost of products and services sold and 75% relates to Selling, general and administrative expenses. Approximately \$9 million of savings was realized for the 2026 and 2025 actions during the quarter ended March 31, 2026.

#### *Reorganization of Operations in China*

In January 2025, we announced the reorganization of our operations in China. Among other aspects, this reorganization will result in restructuring actions of approximately \$30 million. These actions primarily included severance-related costs, and these actions were substantially completed as of December 31, 2025. Amounts related to the reorganization of operations in China are included within Other restructuring.

For additional discussion of restructuring, see Note 11 to the Condensed Consolidated Financial Statements.

**Other Income (Expense), Net**

<i>(dollars in millions)</i>	Quarter Ended March 31,	
	2026	2025
Other income (expense), net	\$ 5	\$ (89)

The change in Other income (expense), net of \$94 million for the quarter ended March 31, 2026 compared to the same period in 2025, was partially driven by lower Separation-related adjustments of \$47 million. The change is also impacted by the absence of prior period items including, \$23 million of UpLift transformation costs, \$21 million of non-recurring litigation-related settlement costs, \$10 million of impairment loss related to net assets held for sale, and the gain on sale of fixed assets.

For additional discussion of the Separation-related adjustments, litigation-related settlement costs and held for sale impairment, see Note 16 to the Condensed Consolidated Financial Statements. For additional discussion of the restructuring and UpLift transformation costs, see Note 11 to the Condensed Consolidated Financial Statements.

**Interest Expense (Income), Net**

<i>(dollars in millions)</i>	Quarter Ended March 31,	
	2026	2025
Interest expense (income), net	\$ 59	\$ 45

The changes in Interest expense (income), net of \$14 million for the quarter ended March 31, 2026, compared to the same period in 2025, were primarily driven by lower interest income and higher interest expense related to the \$500 million unsecured, unsubordinated debt issued in September 2025, partially offset by lower interest expense related to the repayment of the \$1.3 billion unsecured, unsubordinated debt in April 2025.

The average interest rate on our long-term debt for the quarters ended March 31, 2026 and 2025 was 3.0% and 2.7%, respectively. For additional discussion of borrowings, see Note 6 to the Condensed Consolidated Financial Statements.

**Income Taxes**

	Quarter Ended March 31,	
	2026	2025
Effective tax rate	26.5 %	30.1 %

The decrease in the effective tax rate for the quarter ended March 31, 2026, compared to the same period in 2025, is primarily due to the absence of the impact of the increase in our estimated nondeductible TMA indemnity obligation payable to RTX recorded in the quarter ended March 31, 2025.

We anticipate some variability in the tax rate quarter to quarter from potential discrete items.

For additional discussion of income taxes and the effective income tax rate, see Note 10 to the Condensed Consolidated Financial Statements.

**Noncontrolling Interest in Subsidiaries' Earnings and Net Income Attributable to Otis Worldwide Corporation**

<i>(dollars in millions)</i>	Quarter Ended March 31,	
	2026	2025
Noncontrolling interest in subsidiaries' earnings	\$ 13	\$ 13
Net income attributable to Otis Worldwide Corporation	\$ 340	\$ 243

Noncontrolling interest in subsidiaries' earnings was flat for the quarter ended March 31, 2026 compared to the same period in 2025. Other than our acquisition of the noncontrolling shares of Otis Electric Elevator Company Limited during the fourth quarter of 2025, ownership interest in the underlying non-wholly owned subsidiaries has remained generally consistent year-over-year.

Net income attributable to Otis Worldwide Corporation increased for the quarter ended March 31, 2026, compared to the same period in 2025, due to higher operating profit (including the impact of foreign exchange rates) and a lower effective tax rate, partially offset by higher interest expense.

## Segment Review

Summary performance for our operating segments, reconciled to total operating profit, for the quarters ended March 31, 2026 and 2025 was as follows:

<i>(dollars in millions)</i>	Net Sales		Operating Profit		Operating Profit Margin	
	2026	2025	2026	2025	2026	2025
New Equipment	\$ 1,149	\$ 1,163	\$ 38	\$ 66	3.3%	5.7%
Service	2,417	2,187	556	537	23.0%	24.6%
Total segment	<u>\$ 3,566</u>	<u>\$ 3,350</u>	<u>594</u>	<u>603</u>	<u>16.7%</u>	<u>18.0%</u>
Corporate and Unallocated						
General corporate expenses and other			44	43		
UpLift restructuring			—	20		
Other restructuring			7	23		
UpLift transformation costs			—	23		
Separation-related adjustments			5	52		
Litigation-related settlement costs			—	21		
Held for sale impairment			—	10		
Other, net			(1)	—		
Consolidated Operating Profit			<u>\$ 539</u>	<u>\$ 411</u>	<u>15.1%</u>	<u>12.3%</u>

## New Equipment

The New Equipment segment designs, manufactures, sells and installs a wide range of passenger and freight elevators, as well as escalators and moving walkways in residential and commercial buildings and infrastructure projects. Our New Equipment customers include real-estate and building developers and general contractors who develop and/or design buildings for residential, infrastructure, commercial, retail or mixed-use activity. We sell directly to customers as well as through agents and distributors. We also sell New Equipment to government agencies to support infrastructure projects, such as airports, railways or metros.

Summary performance for New Equipment for the quarters ended March 31, 2026 and 2025 was as follows:

<i>(dollars in millions)</i>	Quarter Ended March 31,			
	2026	2025	Change	Change
Net sales	\$ 1,149	\$ 1,163	\$ (14)	(1)%
Cost of sales	956	962	(6)	(1)%
	193	201	(8)	(4)%
Operating expenses	155	135	20	15%
Operating profit	<u>\$ 38</u>	<u>\$ 66</u>	<u>\$ (28)</u>	<u>(42)%</u>
Operating profit margin	<u>3.3 %</u>	<u>5.7 %</u>		

Summary analysis of the Net sales change for New Equipment for the quarter ended March 31, 2026 compared with the same period in 2025 was as follows:

Components of Net sales change:	Quarter Ended March 31, 2026
Organic volume	(5)%
Foreign currency translation	4 %
Acquisitions and divestitures, net and other	— %
Total % change	(1)%

### ***Quarter Ended March 31, 2026***

#### *Net sales*

The organic sales decrease of (5)% was primarily driven by a greater than (20)% decline in China, mid single-digit decline in Asia Pacific and low single-digit decline in Americas, partially offset by low single-digit growth in EMEA.

#### *Operating profit*

New Equipment operating profit decreased \$(28) million. The impacts of lower volume, unfavorable price, regional and product mix and higher costs resulting from organizational initiatives were partially offset by productivity. Operating margin decreased (240) basis points.

#### **Service**

The Service segment performs maintenance and repair services for both our products, and those of other manufacturers, and provides modernization services to upgrade elevators and escalators. Maintenance services include inspections to ensure code compliance, preventive maintenance offerings and other customized maintenance offerings tailored to meet customer needs, as well as repair services that address equipment and component wear and tear, and breakdowns. Modernization services enhance equipment operation and improve building functionality. Modernization offerings can range from relatively simple upgrades of interior finishes and aesthetics, to complex upgrades of larger components and sub-systems, including the machine, ropes or belts, safety systems and the entire car or escalator. Our typical Service customers include building owners, facility managers, housing associations and government agencies that operate buildings where elevators and escalators are installed.

Summary performance for Service for the quarters ended March 31, 2026 and 2025 was as follows:

<i>(dollars in millions)</i>	Quarter Ended March 31,			
	2026	2025	Change	Change
Net sales	\$ 2,417	\$ 2,187	\$ 230	11 %
Cost of sales	1,525	1,363	162	12 %
	892	824	68	8 %
Operating expenses	336	287	49	17 %
Operating profit	\$ 556	\$ 537	\$ 19	4 %
Operating profit margin	23.0 %	24.6 %		

Summary analysis of Service Net sales change for the quarter ended March 31, 2026 compared with the same period in 2025 was as follows:

Components of Net sales change:	Quarter Ended March 31, 2026
Organic volume	5 %
Foreign currency translation	5 %
Acquisitions and divestitures, net and other	1 %
Total % change	<u>11 %</u>

### ***Quarter Ended March 31, 2026***

#### *Net sales*

The organic sales increase of 5% is due to increases in maintenance and repair of 4% and in modernization of 6%.

Components of Net sales change:	Maintenance and Repair	Modernization
Organic volume	4 %	6 %
Foreign currency translation	5 %	3 %
Acquisitions and divestitures, net and other	2 %	1 %
Total % change	<u>11 %</u>	<u>10 %</u>

#### *Operating profit*

Service operating profit increased \$19 million including foreign exchange tailwinds of \$29 million. Higher volume and improved pricing were more than offset by higher costs resulting from organizational initiatives, costs to support ongoing operational execution, higher labor and material costs, and mix. Operating margin decreased (160) basis points.

### **Corporate and Unallocated**

<i>(dollars in millions)</i>	Quarter Ended March 31,	
	2026	2025
General corporate expenses and other	\$ 44	\$ 43
UpLift restructuring	—	20
Other restructuring	7	23
UpLift transformation costs	—	23
Separation-related adjustments	5	52
Litigation-related settlement costs	—	21
Held for sale impairment	—	10
Other, net	(1)	—
Total Corporate and Unallocated	<u>\$ 55</u>	<u>\$ 192</u>

General corporate expenses and other was relatively flat for the quarter ended March 31, 2026 compared to the same period in 2025.

For additional discussion of the Separation-related adjustments, litigation-related settlement costs and held for sale impairment, see Note 16 to the Condensed Consolidated Financial Statements. For additional discussion of the restructuring and UpLift transformation costs, see Note 11 to the Condensed Consolidated Financial Statements.

## LIQUIDITY AND FINANCIAL CONDITION

We expect to fund our ongoing operating, investing and financing requirements mainly through cash flows from operations, available liquidity through cash on hand, available bank lines of credit and access to capital markets.

As of March 31, 2026, we had cash and cash equivalents of \$834 million, of which approximately 83% was held by the Company's foreign subsidiaries. We manage our worldwide cash requirements by reviewing available funds among the many subsidiaries through which we conduct our business and the cost-effectiveness with which those funds can be accessed. On occasion, we are required to maintain cash deposits with certain banks with respect to contractual obligations related to acquisitions and divestitures or other legal obligations. As of March 31, 2026 and December 31, 2025, the amount of such restricted cash was \$10 million and \$9 million, respectively.

From time-to-time we may need to access the capital markets to obtain financing. We may incur indebtedness or issue equity as needed. Although we believe that the arrangements in place as of March 31, 2026 permit us to finance our operations on acceptable terms and conditions, our access to, and the availability of, financing on acceptable terms and conditions in the future could be impacted by many factors, including (1) our credit ratings or absence of a credit rating, (2) the liquidity of the overall capital markets and (3) the current state of the economy, including tighter credit conditions. There can be no assurance that we will continue to have access to the capital markets on terms acceptable to us.

The following table contains several key measures of our financial condition and liquidity:

<i>(dollars in millions)</i>	March 31, 2026	December 31, 2025
Cash and cash equivalents	\$ 834	\$ 1,096
Total debt	7,818	7,956
Net debt (total debt less cash and cash equivalents)	6,984	6,860
Total equity	(5,509)	(5,346)
Total capitalization (total debt plus total equity)	2,309	2,610
Net capitalization (total debt plus total equity less cash and cash equivalents)	1,475	1,514
Total debt to total capitalization	339 %	305 %
Net debt to net capitalization	473 %	453 %

The Company does not intend to reinvest certain undistributed earnings of our international subsidiaries that have been previously taxed in the U.S. For the remainder of the Company's undistributed international earnings, unless tax effective to repatriate, we will continue to permanently reinvest these earnings.

### Borrowings and Lines of Credit

As of March 31, 2026, we had a revolving credit agreement with various banks providing for a \$1.5 billion unsecured, unsubordinated five-year revolving credit facility. As of March 31, 2026, there were no borrowings under the revolving credit agreement. The undrawn portion of the revolving credit agreement serves as a backstop for the issuance of commercial paper.

As of March 31, 2026, there was \$35 million in borrowings outstanding under the Company's \$1.5 billion commercial paper program, consisting of €30 million of Euro denominated commercial paper. For additional discussion of borrowings, see Note 6 to the Condensed Consolidated Financial Statements.

On March 16, 2026, the Company repaid the Japanese Yen denominated 0.370% notes due in 2026, upon maturity, using cash on hand.

### Share Repurchase Program

On January 16, 2025, our Board of Directors approved a share repurchase program for up to \$2.0 billion of Common Stock, of which approximately \$900 million was remaining as of March 31, 2026.

Under this program, shares may be purchased on the open market, in privately negotiated transactions, under accelerated share repurchase programs or under plans complying with rules 10b5-1 and 10b-18 under the Securities Exchange Act of 1934, as amended.

## Discussion of Cash Flows

The following table reflects the major categories of cash flows. For additional details, see the Condensed Consolidated Statements of Cash Flows.

<i>(dollars in millions)</i>	Quarter Ended March 31,	
	2026	2025
<b>Net cash flows provided by (used in):</b>		
Operating activities	\$ 413	\$ 190
Investing activities	15	(161)
Financing activities	(694)	(428)
Effect of exchange rate changes on cash and cash equivalents	5	7
Net increase (decrease) in cash and cash equivalents and restricted cash	<u>\$ (261)</u>	<u>\$ (392)</u>

### *Operating activities*

Cash flows from operating activities primarily represent inflows and outflows associated with our operations. Primary activities include net income from operations adjusted for non-cash transactions, working capital changes and changes in other assets and liabilities.

The year-over-year increase in net cash provided by operating activities was primarily driven by working capital balances during the periods, including a larger inflow in Contract assets and liabilities, current, in the quarter ended March 31, 2026 compared to the same period in 2025, due to the timing of billings on contracts compared to the progression on current contracts, a decrease in Other current assets in the quarter ended March 31, 2026 compared to an increase in the same period in 2025, due to the refunds received in 2026 from the German tax litigation, and a smaller decrease in Accounts payable in the quarter ended March 31, 2026 compared to the same period in 2025, due to the timing of payments to suppliers, partially offset by a decrease in Accrued Liabilities in the quarter ended March 31, 2026 compared to an increase in the same period in 2025, due to payments on the indemnity obligation to RTX and restructuring liabilities, and a larger increase in Accounts receivable, net, in the quarter ended March 31, 2026 compared to the same period in 2025, due to timing of billings and collections.

Additionally, UpLift-related net payments were approximately \$12 million in the quarter ended March 31, 2026, compared to \$30 million in the quarter ended March 31, 2025. Separation-related payments were approximately \$6 million in the quarter ended March 31, 2026. There were no Separation-related payments in the quarter ended March 31, 2025.

During the quarter ended March 31, 2026, net cash provided by operating activities was \$413 million. The primary drivers of the inflow related to \$353 million of net income, changes in Contract assets and liabilities, net, due to the timing of billings on contracts compared to the progression on current contracts, and a decrease in Other current assets due to refunds received in 2026 from the German tax litigation were partially offset by an increase in Accounts receivable, net, due to the timing of billings and collections, a decrease in Accounts payable due to timing of payments to suppliers and a decrease in Accrued liabilities due to timing of payments, including employee-related benefits, interest and income taxes. For additional discussion of the German tax litigation, see Note 1 and Note 15 to the Condensed Consolidated Financial Statements.

During the quarter ended March 31, 2025, net cash provided by operating activities was \$190 million. Net income of \$256 million includes \$52 million of indemnification expense resulting from the outcome of the German tax litigation, \$21 million of litigation-related settlement costs and \$10 million of impairment loss related to net assets held for sale, none of which resulted in cash flow activity during the quarter ended March 31, 2025. Net income and the change in Contract assets and liabilities, net, due to timing of billings on contracts compared to the progression on current contracts, were also partially offset by a decrease in Accounts payable due to the timing of payments to suppliers and an increase in Accounts receivable, net, due to the timing of billings and collections. For additional discussions of the German tax litigation, see Note 1 and Note 15 to the Condensed Consolidated Financial Statements.

### *Investing activities*

Cash flows from investing activities primarily represent inflows and outflows associated with long-term assets, including capital expenditures, investments in businesses and securities, proceeds from the sale of fixed assets and the settlement of derivative contracts.

During the quarter ended March 31, 2026, net cash provided by investing activities was \$15 million. The primary driver of the inflow related to \$49 million of net cash receipts from the settlement of derivative instruments, which was partially offset by \$33 million of capital expenditures.

During the quarter ended March 31, 2025, net cash used in investing activities was \$161 million. The primary drivers of the outflow related to \$34 million of capital expenditures, \$36 million of acquisitions of businesses and intangible assets and \$93 million of net cash payments from the settlement of derivative instruments.

As discussed in Note 12 to the Condensed Consolidated Financial Statements, we enter into derivative instruments for risk management purposes. We operate internationally and, in the normal course of business, are exposed to fluctuations in interest rates, foreign exchange rates and commodity prices. These fluctuations can increase the costs of financing, investing and operating the business. We use derivative instruments, including forward contracts and options to manage certain foreign currency and commodity price exposures.

### *Financing activities*

Cash flows from financing activities primarily represent inflows and outflows associated with equity and borrowings. Primary activities include short-term and long-term borrowing activity, paying dividends to shareholders, the repurchase of our Common Stock and dividends or other payments to noncontrolling interests.

During the quarter ended March 31, 2026, net cash used in financing activities was \$694 million. The primary drivers of the outflow were repurchases of our Common Stock of \$400 million, dividends paid on our Common Stock of \$163 million and repayments of long-term debt of \$135 million. These were partially offset by the net proceeds from short-term borrowings of \$29 million.

During the quarter ended March 31, 2025, net cash used in financing activities was \$428 million. The primary drivers of the outflow were repurchases of our Common Stock of \$253 million and dividends paid on our Common Stock of \$155 million.

**Guaranteed Securities: Summarized Financial Information**

The following information is provided in compliance with Rule 13-01 of Regulation S-X under the Securities Exchange Act of 1934, as amended, with respect to the 2026 Euro Notes, the 2027 Euro Notes and the 2031 Euro Notes (together the "Euro Notes"), in each case issued by Highland Holdings S.à r.l. ("Highland"), a private limited liability company (*société à responsabilité limitée*) incorporated and existing under the laws of the Grand Duchy of Luxembourg ("Luxembourg"). The Euro Notes are fully and unconditionally guaranteed by Otis Worldwide Corporation ("OWC") on an unsecured, unsubordinated basis. Refer to "Note 8: Borrowings and Lines of Credit" in Item 8 in our 2025 [Form 10-K](#), for additional information.

Highland is a wholly-owned, indirect consolidated subsidiary of OWC. OWC is incorporated under the laws of Delaware. As a company incorporated and existing under the laws of Luxembourg, and with its registered office in Luxembourg, Highland is subject to Luxembourg insolvency and bankruptcy laws in the event any insolvency proceedings are initiated against it. Luxembourg bankruptcy law is significantly different from, and may be less favorable to creditors than, the bankruptcy law in effect in the United States and may make it more difficult for creditors to recover the amount they could expect to recover in liquidation under U.S. insolvency and bankruptcy rules.

The Euro Notes are not guaranteed by any of OWC's or Highland's subsidiaries (all OWC subsidiaries other than Highland are referred to herein as "non-guarantor subsidiaries"). Holders of the Euro Notes will have a direct claim only against Highland, as issuer, and OWC, as guarantor.

The following tables set forth the summarized financial information as of and for the quarter ended March 31, 2026 and as of December 31, 2025 of each of OWC and Highland on a standalone basis, which does not include the consolidated impact of the assets, liabilities, and financial results of their subsidiaries except as noted on the tables below, nor does it include any impact of intercompany eliminations as there were no intercompany transactions between OWC and Highland. This summarized financial information is not intended to present the financial position or results of operations of OWC or Highland in accordance with U.S. GAAP.

<i>(dollars in millions)</i>	<b>Quarter Ended March 31, 2026</b>
<b><i>OWC Statement of Operations - Standalone and Unconsolidated</i></b>	
Revenue	\$ —
Cost of revenue	—
Operating expenses	<b>(1)</b>
Income from consolidated subsidiaries	—
Income (loss) from operations excluding income from consolidated subsidiaries	<b>(3)</b>
Net income (loss) excluding income from consolidated subsidiaries	<b>(44)</b>

<i>(dollars in millions)</i>	<b>March 31, 2026</b>	<b>December 31, 2025</b>
<b><i>OWC Balance Sheet - Standalone and Unconsolidated</i></b>		
Current assets (intercompany receivables from non-guarantor subsidiaries)	\$ —	\$ —
Current assets (excluding intercompany receivables from non-guarantor subsidiaries)	<b>171</b>	188
Noncurrent assets (investments in consolidated subsidiaries)	<b>1,031</b>	1,031
Noncurrent assets (excluding investments in consolidated subsidiaries)	<b>37</b>	39
Current liabilities (intercompany payables to non-guarantor subsidiaries)	<b>8,228</b>	7,508
Current liabilities (excluding intercompany payables to non-guarantor subsidiaries)	<b>210</b>	333
Noncurrent liabilities (intercompany payables to non-guarantor subsidiaries)	—	—
Noncurrent liabilities (excluding intercompany payables to non-guarantor subsidiaries)	<b>5,398</b>	5,412

<i>(dollars in millions)</i>	<b>Quarter Ended March 31, 2026</b>
<b><i>Highland Statement of Operations - Standalone and Unconsolidated</i></b>	
Revenue	\$ —
Cost of revenue	—
Operating expenses	—
Income from consolidated subsidiaries	—
Income (loss) from operations excluding income from consolidated subsidiaries	—
Net income (loss) excluding income from consolidated subsidiaries	<b>(63)</b>

<i>(dollars in millions)</i>	<b>March 31, 2026</b>	<b>December 31, 2025</b>
<b><i>Highland Balance Sheet - Standalone and Unconsolidated</i></b>		
Current assets (intercompany receivables from non-guarantor subsidiaries)	\$ —	\$ —
Current assets (excluding intercompany receivables from non-guarantor subsidiaries)	—	—
Noncurrent assets (investments in consolidated subsidiaries)	<b>15,711</b>	15,711
Noncurrent assets (intercompany receivables from non-guarantor subsidiaries)	<b>464</b>	470
Noncurrent assets (excluding investments in consolidated subsidiaries)	—	—
Current liabilities (intercompany payables to non-guarantor subsidiaries)	<b>370</b>	20
Current liabilities (excluding intercompany payables to non-guarantor subsidiaries)	<b>707</b>	708
Noncurrent liabilities (intercompany payables to non-guarantor subsidiaries)	<b>4,168</b>	4,174
Noncurrent liabilities (excluding intercompany payables to non-guarantor subsidiaries)	<b>1,557</b>	1,577

### **Off-Balance Sheet Arrangements and Contractual Obligations**

Item 5 "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our 2025 [Form 10-K](#) discloses our off-balance sheet arrangements and contractual obligations. As of March 31, 2026, there have been no material changes to these off-balance sheet arrangements and contractual obligations, outside the ordinary course of business except for those disclosed in "Note 6, Borrowings and Lines of Credit" within Item 1 of this Form 10-Q.

### **Item 3. Quantitative and Qualitative Disclosures About Market Risk**

There have been no material changes to the Company's market risk during the quarter ended March 31, 2026. For a discussion of the Company's exposure to market risk, refer to the Company's market risk disclosures set forth in Item 7A "Quantitative and Qualitative Disclosures About Market Risk" in our 2025 [Form 10-K](#).

### **Item 4. Controls and Procedures**

As required by Rule 13a-15 under the Exchange Act, we carried out an evaluation under the supervision and with the participation of our management, including the President and Chief Executive Officer ("CEO"), the Executive Vice President and Chief Financial Officer ("CFO") and the Senior Vice President and Chief Accounting Officer ("CAO"), of the effectiveness of the design and operation of our disclosure controls and procedures as of March 31, 2026. There are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their control objectives. Based upon our evaluation, our CEO, our CFO and our CAO have concluded that, as of March 31, 2026, our disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the applicable rules and forms, and that it is accumulated and communicated to our management, including our CEO, our CFO and our CAO, as appropriate, to allow timely decisions regarding required disclosure.

There have been no changes in our internal control over financial reporting during the quarter ended March 31, 2026, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## Cautionary Note Concerning Factors That May Affect Future Results

This Form 10-Q 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," "medium-term," "near-term," "confident," "goals" and other words of similar meaning in connection with a discussion of future operating or financial performance. 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, R&D spend, restructuring or transformation actions (including UpLift and related reorganization and outsourcing activities and such actions with respect to our business in China), credit ratings, net indebtedness and other measures of financial performance or potential future plans, strategies or transactions, or statements that relate to climate change and our intent to achieve certain sustainability targets or other corporate responsibility initiatives, including operational impacts and costs associated therewith, 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:

- the effect of economic conditions in the industries and markets in which Otis and its businesses operate and any changes therein, including financial market conditions, fluctuations in commodity prices, and other inflationary pressures, interest rates and foreign currency exchange rates, levels of end market demand in construction, pandemic health issues, natural disasters, whether as a result of climate change or otherwise, and the financial condition of Otis' customers and suppliers;
- the effect of changes in political conditions in the U.S. and in other countries in which Otis and its businesses operate, including tensions between the U.S. and China and geopolitical conflicts, including the ongoing conflicts and instability in the Middle East and the conflict between Russia and Ukraine on general market conditions, commodity costs, global trade policies and related sanctions, export controls and tariffs, and currency exchange rates in the near term and beyond;
- challenges in the development, production, delivery, support, employee adoption, performance and realization of the anticipated benefits of advanced technologies and new products and services;
- future levels of indebtedness, capital spending and research and development spending;
- future availability of credit and factors that may affect such availability or costs thereof, including credit market conditions and Otis' capital structure;
- the timing and scope of future repurchases of 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;
- fluctuations in prices and delays and disruptions in delivery of materials and services from suppliers, whether as a result of changes in general economic conditions, geopolitical conflicts or otherwise;
- cost reduction or containment actions, restructuring or transformation costs and related savings and other consequences thereof, including with respect to UpLift and our China business and related impacts of reorganization, change management and outsourcing activities, as applicable;
- new business and investment opportunities and the realization of anticipated benefits, including meeting customer expectations and maintaining our competitiveness;
- the outcome of legal proceedings, investigations and other contingencies;
- pension plan assumptions and future contributions;
- the impact of the negotiation of collective bargaining agreements and labor disputes, labor actions, including strikes or work stoppages, and labor inflation in the markets in which Otis and its businesses operate globally;
- the effect of changes in laws, regulations and enforcement priorities in the U.S. and other countries in which Otis and its businesses operate;
- the ability of Otis to retain and hire key personnel;
- the scope, nature, impact or timing of acquisition and divestiture activity, the integration of acquired businesses into existing businesses and realization of synergies and opportunities for growth and innovation and incurrence of related costs;
- the determination by the Internal Revenue Service (the "IRS") and other tax authorities that the distribution or certain related transactions in connection with the Separation should be treated as taxable transactions; and

- our obligations and disputes that have or may hereafter arise under the agreements we entered into with RTX and Carrier in connection with the Separation.

These and other factors are more fully discussed in the "Notes to Condensed Consolidated Financial Statements" under the headings "Note 1: General" and "Note 15: Contingent Liabilities" and in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in this Form 10-Q and in our 2025 [Form 10-K](#) under the headings "Item 1. Business," "Item 1A. Risk Factors," "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Item 8. Financial Statements and Supplementary Data" under the headings "Note 1: Business Overview" and "Note 20: Contingent Liabilities" and elsewhere in each of these filings. The forward-looking statements speak only as of the date of this report or, in the case of any document incorporated by reference, the date of that document. 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. Additional information as to factors that may cause actual results to differ materially from those expressed or implied in the forward-looking statements is disclosed from time to time in our other filings with the SEC.

## PART II – OTHER INFORMATION

### Item 1. Legal Proceedings

For a discussion regarding material legal proceedings, see "Note 15: Contingent Liabilities" to the Condensed Consolidated Financial Statements.

Except as otherwise noted above, there have been no material developments in legal proceedings. For previously reported information about legal proceedings refer to Item 3 "Legal Proceedings" in our 2025 [Form 10-K](#).

### Item 1A. Risk Factors

Additional information regarding risk factors can be found under "Recent Developments" in the "Business Overview" and "Cautionary Note Concerning Factors That May Affect Future Results" sections of Management's Discussion and Analysis of Financial Condition and Results of Operations in this Form 10-Q.

Except as otherwise noted above, there have been no material changes in the Company's risk factors from those disclosed in Item 1A "Risk Factors," in our 2025 [Form 10-K](#).

### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

#### Issuer Purchases of Equity Securities

The following table provides information about our purchases during the quarter ended March 31, 2026 of equity securities that are registered by us pursuant to Section 12 of the Exchange Act.

2026	Total Number of Shares Purchased (thousands)	Average Price Paid per Share	Total Number of Shares Purchased as Part of a Publicly Announced Program (thousands)	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Program (dollars in millions)
January 1 - January 31	1,296	\$ 88.74	1,296	\$ 1,185
February 1 - February 28	1,862	90.11	1,862	\$ 1,017
March 1 - March 31	1,361	86.17	1,361	\$ 900
Total	4,519	\$ 88.53	4,519	

<sup>(1)</sup> Average price paid per share includes any broker commissions associated with the repurchases.

On January 16, 2025, our Board of Directors approved a share repurchase program for up to \$2.0 billion of Common Stock. As of March 31, 2026, the maximum dollar value of shares that may yet be purchased under this current program was approximately \$900 million.

Under this program, shares may be purchased on the open market, in privately negotiated transactions, under accelerated share repurchase programs or under plans complying with Rules 10b5-1 and 10b-18 under the Exchange Act.

### Item 5. Other Information

None.

**Item 6. Exhibits**

<b>Exhibit Number</b>	<b>Exhibit Description</b>
10.1	<a href="#">Offer Letter, dated January 14, 2026, between Enrique Miñarro Viseras and Otis Worldwide Corporation, incorporated by reference to Exhibit 10.1 of Otis' Current Report on Form 8-K (Commission File No. 001-39221) filed with the SEC on January 20, 2026.</a>
10.2	<a href="#">Indefinite Term Employment Contract for Thibault Lefebure, effective September 1, 2024.*</a>
10.3	<a href="#">Amendment to the Indefinite Term Employment Contract for Thibault Lefebure, effective January 16, 2026.*</a>
10.4	<a href="#">Corporate Mandate Letter Managing Director Otis SCS for Thibault Lefebure, effective January 16, 2026.*</a>
10.5	<a href="#">Offer Letter between Otis Worldwide Corporation and Thibault Lefebure, dated January 16, 2026.*</a>
10.6	<a href="#">Employment Contract for Nicolas Lopez, effective May 1, 2016.*</a>
10.7	<a href="#">Offer Letter between Otis Worldwide Corporation and Nicolas Lopez, dated January 16, 2026.*</a>
10.8	<a href="#">Letter of Assignment for Nicolas Lopez, effective August 1, 2021.*</a>
10.9	<a href="#">Extension of Letter of Assignment for Nicolas Lopez, effective April 25, 2025.*</a>
15	<a href="#">Letter re: unaudited interim financial information.*</a>
31.1	<a href="#">Rule 13a-14(a)/15d-14(a) Certification.*</a>
31.2	<a href="#">Rule 13a-14(a)/15d-14(a) Certification.*</a>
31.3	<a href="#">Rule 13a-14(a)/15d-14(a) Certification.*</a>
32	<a href="#">Section 1350 Certifications.*</a>
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.*
101.SCH	XBRL Taxonomy Extension Schema Document.*
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.*
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.*
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.*
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.*
104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document.

**Notes to Exhibits List:**

\* Submitted electronically herewith.

Attached as Exhibit 101 to this report are the following formatted in XBRL (Extensible Business Reporting Language): (i) Condensed Consolidated Statements of Operations for the quarters ended March 31, 2026 and 2025, (ii) Condensed Consolidated Statements of Comprehensive Income for the quarters ended March 31, 2026 and 2025, (iii) Condensed Consolidated Balance Sheets as of March 31, 2026 and December 31, 2025, (iv) Condensed Consolidated Statements of Changes in Equity for the quarters ended March 31, 2026 and 2025, (v) Condensed Consolidated Statements of Cash Flows for the quarters ended March 31, 2026 and 2025 and (vi) Notes to Condensed Consolidated Financial Statements.



**OTIS Siège Social**

Tour Défense Plazaa  
 23-27 rue Delarivière  
 Lefoullon 92800 PUTEAUX

<p><b>CONTRAT DE TRAVAIL A DUREE INDETERMINEE</b></p>	<p><b>INDEFINITE TERM EMPLOYMENT CONTRACT</b></p>
<p><b>ENTRE :</b></p> <p><b>OTIS,</b></p> <p>Société en commandite simple au capital de 6.202.305€, ayant son siège social 23-27, Rue Delarivière-Lefoullon - 92800 Puteaux, immatriculée au Registre du Commerce et des Sociétés de Nanterre sous le numéro 542 107 800 03943, dûment représentée par Madame Birgit Magnin en sa qualité de Directrice des Ressources Humaines, OTIS France</p> <p>Ci-après désignée, la « Société »,</p>	<p><b>BETWEEN:</b></p> <p><b>OTIS,</b></p> <p>a French SCS, with a registered share capital of €6,202,305, whose registered office is located 23-27, Rue Delarivière-Lefoullon - 92800 Puteaux, registered to the Trade &amp; Companies Register of Nanterre under the number 542 107 800 03943, duly represented by Ms Birgit Magnin in capacity as Director, Human Resources, OTIS France</p> <p>Hereinafter referred to as the "Company",</p>
<p><b>D'UNE PART,</b></p>	<p><b>OF THE ONE PART,</b></p>
<p><b>ET :</b></p> <p><b>M. Thibault LEFEBURE</b></p> <p>Ci-après désigné, le « Salarié » ;</p>	<p><b>AND:</b></p> <p><b>M. Thibault LEFEBURE</b></p> <p>Hereinafter referred to as the "Employee",</p>
<p><b>D'AUTRE PART,</b></p>	<p><b>OF THE OTHER PART,</b></p>
<p>Ci-après désignés ensemble, les « Parties ».</p> <p>IL A ETE CONVENU ET ARRETE CE QUI SUIVRA :</p>	<p>Hereinafter referred together as the "Parties",</p> <p>IT HAS BEEN AGREED AND DECIDED AS FOLLOWS:</p>
<p><b><u>ARTICLE 1 - ENGAGEMENT</u></b></p> <p>La Société engage le Salarié, en qualité de Senior Vice President &amp; General Manager, Western Europe conformément aux dispositions de la convention collective de la Métallurgie (ci-après « la convention Collective ») actuellement applicable au sein de l'entreprise, selon les termes et conditions ci-après exposés.</p> <p><b>M. Thibault LEFEBURE</b> sera basé au 23-27, Rue Delarivière-Lefoullon - 92800 Puteaux.</p>	<p><b><u>ARTICLE 1 - EMPLOYMENT</u></b></p> <p>The Company shall employ the Senior Vice President &amp; General Manager, Western Europe pursuant to the provisions of the collective bargaining agreement of the Steel Industries (hereafter the "Collective Bargaining Agreement") which currently applies to the Company, pursuant to the terms and conditions set forth hereunder.</p> <p><b>M. Thibault LEFEBURE</b> will be located 23-27 Rue Delarivière-Lefoullon - 92800 Puteaux.</p>

<p>Les attributions de Senior Vice President &amp; General Manager, Western Europe, seront exercées par le Salarié, sous l'autorité et dans le cadre des instructions et directives données à tout moment par le President, Otis EMEA, ou toute autre personne désignée par la Société à laquelle il rendra compte de son activité et des missions qui lui sont confiées</p>	<p>In connection with his duties Senior Vice President &amp; General Manager, Western Europe shall be placed under the direct authority of the President, Otis EMEA, or any other person designated by the Company, from whom he will receive his instructions and to whom he will report.</p>
<p><b>Déclaration nominative préalable à l'embauche</b></p>	<p><b>Employment declaration prior to hiring</b></p>
<p>L'organisme destinataire de la déclaration préalable à l'embauche de <b>M. Thibault LEFEBURE</b> est l'URSSAF de Montreuil.</p>	<p>The receiving agency of the employment declaration established prior to the hiring of <b>M. Thibault LEFEBURE</b> the URSSAF of Montreuil.</p>
<p>Conformément à la loi n° 78-17 du 6 janvier 1978 relative à l'informatique, aux fichiers et aux libertés <b>M. Thibault LEFEBURE</b> peut interroger ladite URSSAF sur les informations nominatives le concernant contenues dans le fichier relatif aux déclarations nominatives préalables à l'embauche et, le cas échéant, en obtenir communication. Il peut également exiger de cet organisme que soient rectifiées les informations qui seraient inexactes ou incomplètes.</p>	<p>In accordance with law n° 78-17 dated January 6, 1978 on Computers, Files and Freedoms <b>M. Thibault LEFEBURE</b> can ask said URSSAF on any personal data about his stored in the file relating to the employment declaration prior to hiring and, if necessary, obtain communication. He may also ask this organization to rectify information that may be incorrect or incomplete.</p>
<p><b>ARTICLE 2 - DATE DU CONTRAT</b></p>	<p><b>ARTICLE 2 – TERM</b></p>
<p>Le présent contrat est conclu pour une durée indéterminée au <b>1er septembre 2024</b>.</p>	<p>This Contract is made for an indefinite term starting on <b>September 1st, 2024</b>.</p>
<p>Votre ancienneté acquise au sein d'Otis sera conservée .</p>	<p>Your seniority of service with Otis will be retained, with Commencement of Continuous Service within Otis.</p>
<p><b>ARTICLE 3 - DUREE DU TRAVAIL</b></p>	<p><b>ARTICLE 3 - WORKING TIME</b></p>
<p>Compte tenu de la nature des missions et de l'importance des responsabilités conduisant à un haut niveau d'autonomie et impliquant une grande indépendance dans l'organisation de l'emploi du temps, nous sommes convenus d'un forfait tous horaires conformément aux dispositions de l'accord d'entreprise relatif à la durée, à l'aménagement du temps de travail et aux déplacements (hors DOM) du 1er octobre 2020.Ce forfait correspond à une année complète d'activité et tient compte d'un droit intégral à congés payés.</p>	<p>Considering functions, with respect to the nature of duties that are assigned, by the flexibility and autonomy with which you perform missions, including in the organization of schedule. The parties have agreed on an all hour's flat rate in accordance with the provisions of the company agreement relating to duration, organization of working time and travail (excluding overseas department) of October 1st, 2020. This flat rate corresponds to a full year of activity and considers a full right to paid vacation.</p>

ARTICLE 4 – REMUNERATION	ARTICLE 4 – COMPENSATION
<ul style="list-style-type: none"> <li>• Le Salarié percevra un salaire brut forfaitaire annuel de base de <b>310 000 €</b>, versé en douze échéances mensuelles égales à la fin de chaque mois soit 23 846.15 € et un 13ème mois versé en 2 fois sous la forme d’une prime semestrielle, en juin et en novembre.</li> <li>• Participation à notre programme <b>Short-Term Incentive (STI)</b> avec une opportunité annuelle cible de STI de <b>50%</b> de votre salaire de base. Les récompenses STI sont basées sur les performances individuelles et d’Otis, mesurées par rapport aux objectifs et mesures annuels précédemment établis.</li> <li>• Participation à notre programme <b>long terme incentive (LTI)</b>. Le programme LTI est conçu pour offrir une opportunité de récompenses financières aux principaux dirigeants dont les efforts et les réalisations contribuent à notre succès à long terme. Les attributions LTI sont généralement émises au cours du premier trimestre de l’année et consistent actuellement en une combinaison d’unités d’actions au rendement (PSU), d’unités d’actions restreintes (RSU) et de droits à l’appréciation des actions (SAR). Les RSU et les SAR s’acquièrent proportionnellement sur une période de trois ans et les PSU s’acquièrent en bloc à la fin d’une période de rendement de trois ans. Les récompenses LTI sont soumises aux conditions générales applicables. Les valeurs des subventions annuelles peuvent varier d’une année à l’autre, en fonction des performances individuelles et d’Otis.</li> <li>• <b>Véhicule de fonction</b></li> </ul> <p>Dans le cadre de vos fonctions, vous bénéficierez d’un véhicule de fonction. Une valeur d’avantage en nature figurera sur votre bulletin de paie, en contrepartie de l’utilisation personnelle du véhicule. Vous devrez payer les charges sociales et l’impôt sur le revenu sur le montant de l’avantage en nature. Nous vous précisons également que le changement de poste peut impliquer la perte du bénéfice de la voiture de fonction, si le nouveau poste n’entre pas dans les règles d’attribution d’un véhicule.</p>	<ul style="list-style-type: none"> <li>• The Company shall pay to the Employee, a gross base annual salary of <b>€310 000</b>, paid in twelve equal monthly installments at the end of each month, i.e., €23 846.15 gross per month and a thirteenth month split in 2 parts and paid as a biannual bonus in June and November.</li> <li>• Participation in our <b>Short-Term Incentive (STI)</b> program, with a target annual STI opportunity of <b>50%</b> of your base salary. STI awards are based on individual and Otis performance, measured against previously established annual objectives and metrics.</li> <li>• Participation in our Long-Term <b>Incentive (LTI) program</b>. The LTI program is designed to provide an opportunity for financial awards to key leaders whose efforts and achievements contribute to our long-term success. LTI awards are typically issued in the first quarter of the year and currently consist of a combination of Performance Share Units (PSUs), Restricted Stock Units (RSUs) and Stock Appreciation Rights (SARs). RSUs and SARs vest ratably over a three-year period and PSUs cliff vest at the end of a three-year performance period. LTI awards are subject to the applicable award terms and conditions. Annual grant values may vary from year-to-year, based on individual and Otis performance being in the new role.</li> <li>• <b>Company Car</b></li> </ul> <p>In the performance of your duties, you will benefit a company car. A mention of “benefits in kind” will appear on your pay slip, in consideration for the personal use of the vehicle. You will have to pay social security contribution and income taxes on the amount of the “benefit in kind”. We also specify that a change of position may lead to the loss of the benefit of the company car, if the new position is not within the rules of attribution of a vehicle</p>

<p><b><u>ARTICLE 5 – CONGES PAYES</u></b></p> <p><b>M. Thibault LEFEBURE</b> bénéficiera de 2.08 jours Ouvrables de congés payés par mois conformément aux dispositions légales ainsi que, le cas échéant, les congés accordés par ailleurs au titre de la Convention Collective. La période de prise de ces congés sera déterminée en accord avec la Direction de la Société Otis France en tenant compte des nécessités opérationnelles et relevant de l’organisation de la Société Otis France.</p>	<p><b><u>ARTICLE 5 – PAID LEAVE</u></b></p> <p><b>M. Thibault LEFEBURE</b> shall benefit from 2.08 working days of paid leave per month in accordance with statutory provisions as well as any leave granted otherwise pursuant to the Collective Agreement. The period in which this leave shall be taken must be agreed with the Management of the Company taking into account the operational and organizational requirements of the Company.</p>
<p><b><u>ARTICLE 6 – AVANTAGES SOCIAUX</u></b></p> <p>Le salarié est éligible à la participation et à l’intéressement conformément aux règles en vigueur</p>	<p><b><u>ARTICLE 6 – BENEFITS</u></b></p> <p>The Employee is eligible to the Otis France Profit Sharing scheme so called “participation et intéressement” according to the legal requirements</p>
<p><b><u>ARTICLE 7 – OBLIGATIONS PROFESSIONNELLES</u></b></p> <p style="text-align: center;"><b>Obligation de confidentialité</b></p> <p>Vous vous interdisez de vous livrer, pendant la durée du présent contrat, à un quelconque acte de concurrence directe ou indirecte au détriment de la Société Otis.</p> <p>Vous vous engagez à conserver, de la façon la plus stricte, la discrétion la plus absolue sur tout ce qui a trait aux secrets et procédés concernant les fabrications ou le commerce de la Société Otis et plus généralement sur l’ensemble des renseignements que vous pourrez recueillir à l’occasion de vos fonctions ou du fait de votre présence dans l’entreprise. Cette obligation de discrétion demeurera même après la fin du présent contrat quelle qu’en soit la cause.</p>	<p><b><u>ARTICLE 7 - PROFESSIONAL OBLIGATIONS</u></b></p> <p style="text-align: center;"><b>Confidentiality</b></p> <p>You may not engage, during the term of this employment contract, into any act of direct or indirect competition against the Otis Company.</p> <p>You undertake to keep strictly confidential any information regarding the secrets and manufacturing processes or the business of the Otis Company and more generally any information that you can access in the performance of your duties or because of your presence in the Company.</p> <p>This duty of confidence will remain after the end of this Contract for whatever reason.</p>

<b>Invention des salariés</b>	<b>Inventions of the employees</b>
<p>En application de la loi du 13 Juillet 1978 relative aux brevets d'invention qui fixe les règles d'attribution de la propriété des inventions réalisées par les salariés selon les dispositions suivantes :</p> <p>Les inventions de service appartiennent à la Société Otis. Il s'agit des inventions faites par le salarié dans le cadre d'une mission inventive prévue par le contrat de travail.</p> <p>Les autres inventions appartiennent au salarié sauf dans le cas où l'invention est faite au cours de l'exécution des fonctions du salarié dans le domaine de l'activité de la Société Otis ou avec le concours des moyens techniques de la Société.</p> <p>Dans ce cas, cette dernière a le droit de se faire attribuer la propriété ou la jouissance de tout ou partie du brevet protégeant l'invention, mais le salarié doit en obtenir un juste prix.</p>	<p>In accordance with the French law of 13 July 1978 concerning patents which fix the rules of allocation of ownership of inventions made by employees in the following ways:</p> <p>Service inventions belong to the Otis Company. It includes any invention made by the employee as part of an inventive mission in the exercise of your duties.</p> <p>Other inventions belong to the employee except when the invention is made during the execution of the duties of the employee in the scope of the Company's businesses or with the help of the technical means of the Company.</p> <p>In this case, the latter has the right to be assigned ownership or enjoyment of all or part of the patent for the invention, but the employee must obtain a fair price.</p>
<p><b>ARTICLE 8 – CLAUSE DE MOBILITE GEOGRAPHIQUE</b></p>	<p><b>ARTICLE 8 – GEOGRAPHIC MOBILITY CLAUSE</b></p>
<p>La carrière d'un cadre implique une mobilité géographique qui est fonction de la nature de l'activité professionnelle et des postes qui se trouvent à pourvoir et représente un facteur d'évolution professionnelle.</p>	<p>A Senior management position involves a geographical mobility, which depends on the nature of the work and positions that are vacant and is a factor of professional development.</p>
<p>Vous acceptez que l'évolution de votre situation professionnelle ou des besoins liés à l'organisation et à la bonne marche de l'entreprise puisse conduire à la modification de votre lieu de travail.</p>	<p>You agree that a change of your work situation or of the organization-related needs and the running of the company may lead to an evolution of the location of your workplace.</p>
<p>En conséquence, vous acceptez d'être mobile sur l'ensemble du territoire français métropolitain mais il est expressément convenu que vous serez amené à voyager régulièrement en Europe.</p>	<p>Accordingly, you accept any change of your workplace over the French metropolitan territory however frequent travelling within Europe may be required.</p>
<p>Cette mutation s'effectuera selon les modalités conventionnelles en vigueur et les règles financières fixées par la Société concernant la prise en charge des frais entraînés par les transferts géographiques. Afin de pouvoir remplir les missions qui vous sont confiées, vous vous engagez à exécuter tous les déplacements temporaires qui pourront vous être demandés, dans le cadre de l'exercice de vos fonctions. Il est précisé que ces déplacements pourront se dérouler sur plusieurs jours au Moyen Orient, en Europe ainsi qu'en Afrique.</p>	<p>This change would be achieved with respect of the provisions of the conventional rules in force and the financial rules set by the Company regarding the coverage of management expenses related to geographical transfers.</p> <p>In order to fulfill the mission entrusted to you, you undertake to execute any temporary movements that can be requested, as part of your duties. It is specified that these trips could take place over several days over South East Europe.</p>

<p><b>ARTICLE 9 – CLAUSE DE NON-SOLLICITATION</b></p> <p>Vous vous interdisez pendant une durée d'un an à compter de la date de votre départ effectif de la Société Otis de :</p> <p>Proposer un emploi aux personnes sous contrat à durée indéterminée qui était, au moment de ce départ effectif, un salarié de la Société Otis ou de tenter, par quelque moyen que ce soit, directement ou indirectement, de persuader ou d'inciter cette personne à accepter un autre emploi ou à quitter la Société Otis.</p> <p>D'embaucher et/ou de faire embaucher par un tiers avec lequel vous êtes en relations d'affaires, une personne sous contrat à durée indéterminée qui était, au moment de ce départ effectif, un salarié de la Société Otis.</p>	<p><b>ARTICLE 9 – NON-SOLICIT CLAUSE</b></p> <p>You hereby undertake, for a one-year duration, starting from the date of your effective termination from the Otis Company:</p> <p>not to offer any job-position to any persons who are employed by the Otis Company pursuant to an indefinite duration employment contract on the date of your effective termination, and not to try to convince, by any means whatsoever, directly or indirectly, such persons to accept any other job-position or to leave the Otis Company.</p> <p>Not to hire and/or make hired by a third party whom you would be engaged into business relationships with, any persons who are employed by the Otis Company pursuant to an indefinite duration employment contract on the date of your effective termination.</p>
<p><b>ARTICLE 10 - CLAUSE DE NON-CONCURRENCE</b></p> <p>Compte tenu de la nature de vos fonctions et afin de préserver les intérêts légitimes de la Société, en cas de cessation de votre contrat de travail pour quelque cause que ce soit, vous vous interdisez à dater de la rupture juridique de votre contrat de travail, de créer, d'acquérir ou d'entrer au service d'une entreprise concurrente. Vous vous interdisez également de vous intéresser directement ou indirectement à toute fabrication et à tout commerce pouvant concurrencer les matériels, produits, services ou articles fabriqués ou vendus par la Société Otis, pendant une période d'un an renouvelable une fois.</p> <p>Cette interdiction couvre toute la France et ne s'applique pas en cas de rupture du contrat de travail pendant la période d'essai.</p> <p>En contrepartie de cette obligation de non-concurrence, vous percevrez, pendant la durée de l'interdiction, une indemnité mensuelle spéciale</p>	<p><b>ARTICLE 10 - NON-COMPETE CLAUSE</b></p> <p>Given the nature of your functions and in order to preserve the legitimate interests of the Company, you undertake for a period of twelve (12) months, which could be subject to one renewal, as from the termination of your employment contract, for any reason whatsoever, not to create, acquire or provide services to any company the business of which would be competitive to that of the Otis Company. You also undertake to take any interest to any manufacturing or business that could be competitive to the products, services or gears manufactured or sold by the Otis Company.</p> <p>This prohibition applies throughout France and does not apply in case of termination during the notice period of the employment contract.</p> <p>In compensation for this non-compete</p>

<p>prévue à ce titre par la convention collective nationale des Ingénieurs &amp; Cadres de la Métallurgie. Elle est actuellement égale à 5/10ème de la moyenne des appointements, avantages et gratifications contractuels dont vous aurez bénéficiés au cours des 12 derniers mois de présence dans l'entreprise.</p> <p>Toutefois, en cas de licenciement, cette indemnité sera portée à 6/10ème de cette moyenne tant que vous n'aurez pas retrouvé un nouvel emploi et dans la limite de la durée de non-concurrence</p> <p>Vous vous engagez donc à informer la Société Otis de votre situation professionnelle dès que vous aurez retrouvé un emploi.</p> <p>La Société Otis pourra renoncer à l'interdiction de concurrence et se décharger de l'indemnité prévue ci-dessus, sous condition de vous en avertir par écrit dans les 8 jours suivant la notification de la rupture de votre contrat de travail.</p> <p>L'indemnité mensuelle prévue par la convention collective étant la contrepartie du respect de la clause de non-concurrence, elle cesse d'être due en cas de violation, sans préjudice pour la Société Otis de vous réclamer à titre de dommages et intérêts une somme correspondant aux appointements que vous aurez perçus de la Société Otis au cours des 12 derniers mois de présence et la possibilité de faire cesser par tout moyen de droit l'activité exercée en contravention de la présente clause.</p> <p><b><u>ARTICLE 11 – ETHIQUE ET DEONTOLOGIE</u></b></p> <p>Vous vous engagez à respecter le code de déontologie ainsi que toutes les règles et politiques d'Otis en matière d'éthique.</p> <p>Vous avez la possibilité de consulter toutes les informations relatives à l'éthique et à la déontologie sur le site Planet Otis, rubrique Ethique.</p> <p><b><u>ARTICLE 12 - PROTECTION DES DONNEES INDIVIDUELLES</u></b></p> <p>En application de la législation en vigueur relative à la protection et au transfert des données à caractère personnel des travailleurs salariés, nous vous informons que conformément à la loi « Informatique et Liberté » du 6 janvier 1978, modifiée par la loi du 6 août 2004, vous bénéficiez d'un droit d'accès et de rectification de ces données.</p>	<p>obligation, you shall perceive, during the entire duration of the prohibition, the monthly indemnity as provided by the national collective bargaining agreement for Metallurgy Engineers and White Collar, which is currently sets at 5/10th of the average monthly salary, benefits and gratifications provided by your employment contract, perceived over the last 12 months of presence within the company.</p> <p>However, in case of dismissal, the above-mentioned indemnity shall be of 6/10th of the average monthly remuneration as described as long as you shall remain unemployed, within the duration limits set for the present non-compete obligation.</p> <p>You therefore agree to inform the Company Otis of your new work status once you have found a job.</p> <p>The Otis Company reserves the right to release you from the non-competition obligation within the 8 days following the notification of the termination of your employment contract.</p> <p>As the above-mentioned indemnity is the counterpart of the proper execution of the non-compete clause, it shall cease to be paid in case of violation, without prejudice of damages the Otis Company could claim, corresponding to the average monthly salary, benefits and gratifications over the last 12 months of presence within the company, or any legal action the Otis Company could launch in order to obtain the ceasing of any competing activity that would be carried out in violation of the present clause.</p> <p><b><u>ARTICLE 11 – ETHIC AND DEONTOLOGY</u></b></p> <p>You hereby undertake to comply with the deontology code as well as with any rules and policies applicable within the Otis Company.</p> <p>The policies and information related to ethic are available on the Planet Otis website.</p> <p><b><u>ARTICLE 12 – Data Privacy</u></b></p> <p>In compliance with the laws governing the transfer of personal data we hereby inform you that in accordance with the Data privacy law dated January 6, 1978 and amended by the law dated August 6, 2004, you are entitled to be granted access and correction of such data.</p>
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<p><b>ARTICLE 13 – DIVERS</b></p> <p>Pour toutes les questions non prévues au présent contrat, les parties conviennent de se référer aux dispositions de la convention collective nationale des Ingénieurs et Cadres des Industries des Métaux du 13 Mars 1972.</p> <p><b>ARTICLE 14 – DECLARATIONS</b></p> <p>Le présent Contrat est régi par le droit et la réglementation français.</p> <p>Pendant toute la durée de son emploi, le Salarié devra se conformer à l'ensemble des procédures et pratiques applicables au sein de la Société.</p> <p>Le présent contrat est établi en deux versions, l'une française, l'autre anglaise. En cas de difficultés d'interprétation, la version française fera foi à tous égards.</p> <p>Fait en double original, A Puteaux <b>Le 10 Juillet 2024</b></p>	<p><b>ARTICLE 13 – MISCELLANEOUS</b></p> <p>For all unforeseen issues in this contract, the parties agree to refer to the provisions of the national collective agreement for engineers and managers of the Metals Industries of March 13, 1972.</p> <p><b>ARTICLE 14 – DECLARATIONS</b></p> <p>This Contract shall be governed by French laws and regulations.</p> <p>The Employee shall be bound to follow all policies and procedures of the Company during the term of his employment.</p> <p>This Contract has been drawn up in two versions, one in French, and the other in English. In the event that difficulties in interpretation arise, the French version will prevail in all respects.</p> <p>Two originals signed, In Puteaux <b>On July, 10th , 2024</b></p>
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/s/ Birgit Magnin

La Société / The Company\*

**Birgit MAGNIN**

Directrice des Ressources Humaines Europe  
de

l'Ouest / MG Western Europe  
HRBP

/s/ Thibault Lefebure

Le Salarié / The Employee\*

**Thibault LEFEBURE**

\*Parapher chaque page. Sur la dernière page, faire précéder la signature de la mention manuscrite « Lu et approuvé, bon pour accord ». Initials on each page. On last page, the signature must be preceded by the handwritten words: "**Lu et approuvé, bon pour accord**" (**Read and approved, valid for agreement**).

**Siège Social Otis**

SCS au Capital de 6.202.305€

**otis.com**

Tour Défense Plaza  
23-27 rue Delarivière Lefoullon  
92800 Puteaux  
Tel : 01 46 91 60 00

SIREN 542.107.800 RCS Nanterre  
APE 4329B  
N° TVA : FR 72 542 107 800



<b>AVENANT AU CONTRAT DE TRAVAIL A DUREE INDETERMINEE</b>	<b>AMENDMENT TO THE INDEFINITE TERM EMPLOYMENT CONTRACT</b>
<p><b>ENTRE :</b></p> <p><b>OTIS,</b></p> <p>société en commandite simple au capital de 6.202.305€, ayant son siège social 1 place de Papeteries - 92000 Nanterre, immatriculée au Registre du Commerce et des Sociétés de Nanterre sous le numéro 542 107 800 03943, dûment représentée par Mme Gaëlle BABOUCHE en sa qualité de Directrice des Ressources Humaines, OTIS Western Europe</p> <p>Ci-après désignée, la « Société »,</p> <p style="text-align: right;"><b>D'UNE PART,</b></p>	<p><b>BETWEEN:</b></p> <p><b>OTIS,</b></p> <p>a French SCS, with a registered share capital of €6,202,305, whose registered office is located 1 place de Papeteries - 92000 Nanterre, registered to the Trade &amp; Companies Register of Nanterre under the number 542 107 800 03943, duly represented by Mrs Gaëlle BABOUCHE in capacity as Director, Human Resources, OTIS Western Europe</p> <p>Hereinafter referred to as the "Company",</p> <p style="text-align: right;"><b>OF THE ONE PART,</b></p>
<p><b>ET :</b></p> <p><b>M. Thibault LEFEBURE,</b></p> <p>Ci-après désigné, le « Salarié » ;</p> <p style="text-align: right;"><b>D'AUTRE PART,</b></p> <p>Ci-après désignés ensemble, les « Parties ».</p>	<p><b>AND:</b></p> <p><b>M. Thibault LEFEBURE,</b></p> <p>Hereinafter referred to as the "Employee",</p> <p style="text-align: right;"><b>OF THE OTHER PART,</b></p> <p>Hereinafter referred together as the "Parties",</p>
<p>IL A ETE CONVENU ET ARRETE CE QUI SUIT :</p> <p><b>ARTICLE 1 - DATE DU CONTRAT</b></p> <p>Cet avenant a pour date d'effet le <b>16 janvier 2026</b>.</p> <p><b>ARTICLE 2 - POSITION</b></p> <p>La Société nomme le salarié M. Thibault LEFEBURE, au poste de <b>Président, Otis EMEA</b>.</p>	<p>IT HAS BEEN AGREED AND DECIDED AS FOLLOWS:</p> <p><b>ARTICLE 1 – EFFECTIVE DATE</b></p> <p>This amendment has for effective date on <b>January 16th, 2026</b>.</p> <p><b>ARTICLE 2 - POSITION</b></p> <p>The Company appoints M. Thibault LEFEBURE to the position of <b>President, Otis EMEA</b>.</p>

### ARTICLE 3 - REMUNERATION

- Le salaire de base annuel brut correspond à **565 000€** incluant l'augmentation annuelle 2026.
- Participation à notre programme **Short-Term Incentive (STI)** avec une opportunité annuelle cible de STI de **85%** de votre salaire de base. Les récompenses STI sont basées sur les performances individuelles et d'Otis, mesurées par rapport aux objectifs et mesures annuels précédemment établis.
- Participation à notre programme **long terme incentive (LTI)**. Le programme LTI est conçu pour offrir une opportunité de récompenses financières aux principaux dirigeants dont les efforts et les réalisations contribuent à notre succès à long terme. Les attributions LTI sont généralement émises au cours du premier trimestre de l'année et consistent actuellement en une combinaison d'unités d'actions au rendement (PSU), d'unités d'actions restreintes (RSU). Les RSU s'acquiert proportionnellement sur une période de trois ans et les PSU s'acquiert en bloc à la fin d'une période de rendement de trois ans. Les récompenses LTI sont soumises aux conditions générales applicables. Les valeurs des subventions annuelles peuvent varier d'une année à l'autre, en fonction des performances individuelles et d'Otis.

### ARTICLE 4 – CONGES PAYES

**M. Thibault LEFEBURE** bénéficiera de 2,08 jours ouvrables de congés payés par mois conformément aux dispositions légales ainsi que, le cas échéant, les congés accordés par ailleurs au titre de la Convention Collective.

La période de prise de ces congés sera déterminée en accord avec la Direction de la Société Otis France en tenant compte des nécessités opérationnelles et relevant de l'organisation de la Société Otis France.

### ARTICLE 3 – COMPENSATION

- The gross annual salary is **€ 565 000**, inclusive of 2026 merit.
- Participation in our **Short-Term Incentive (STI)** program, with a target annual STI opportunity of **85%** of your base salary. STI awards are based on individual and Otis performance, measured against previously established annual objectives and metrics.
- Participation in our **Long-Term Incentive (LTI)** program. The LTI program is designed to provide an opportunity for financial awards to key leaders whose efforts and achievements contribute to our long-term success. LTI awards are typically issued in the first quarter of the year and currently consist of a combination of Performance Share Units (PSUs), Restricted Stock Units (RSUs). RSUs vest ratably over a three-year period and PSUs cliff vest at the end of a three-year performance period. LTI awards are subject to the applicable award terms and conditions. Annual grant values may vary from year-to-year, based on individual and Otis performance being in the new role.

### ARTICLE 4 – PAID LEAVE

**M. Thibault LEFEBURE** shall benefit from 2,08 working days of paid leave per month in accordance with statutory provisions as well as any leave granted otherwise pursuant to the Collective Agreement.

The period in which this leave shall be taken must be agreed with the Management of the Company taking into account the operational and organizational requirements of the Company.

## **ARTICLE 5 - AVANTAGES SOCIAUX**

Le salarié est éligible à la participation et à l'intéressement conformément aux règles en vigueur

## **ARTICLE 6 – OBLIGATIONS PROFESSIONNELLES**

### **1) Obligation de confidentialité**

Vous vous interdisez de vous livrer, pendant la durée du présent contrat, à un quelconque acte de concurrence directe ou indirecte au détriment de la Société Otis.

Vous vous engagez à conserver, de la façon la plus stricte, la discrétion la plus absolue sur tout ce qui a trait aux secrets et procédés concernant les fabrications ou le commerce de la Société Otis et plus généralement sur l'ensemble des renseignements que vous pourrez recueillir à l'occasion de vos fonctions ou du fait de votre présence dans l'entreprise.

Cette obligation de discrétion demeurera même après la fin du présent contrat quelle qu'en soit la cause.

### **2) Invention des salariés**

En application de la loi du 13 Juillet 1978 relative aux brevets d'invention qui fixe les règles d'attribution de la propriété des inventions réalisées par les salariés selon les dispositions suivantes :

- Les inventions de service appartiennent à la Société Otis. Il s'agit des inventions faites par le salarié dans le cadre d'une mission inventive prévue par le contrat de travail.
- Les autres inventions appartiennent au salarié sauf dans le cas où l'invention est faite au cours de l'exécution des fonctions du salarié dans le domaine de l'activité de la Société Otis ou avec le concours des moyens techniques de la Société.

Dans ce cas, cette dernière a le droit de se faire attribuer la propriété ou la jouissance de tout ou partie du brevet protégeant l'invention, mais le salarié doit en obtenir un juste prix.

## **ARTICLE 5 - BENEFITS**

The Employee is eligible to the Otis France Profit Sharing scheme so called "participation et intéressement" according to the legal requirements

## **ARTICLE 6 - PROFESSIONAL OBLIGATIONS**

### **1) Confidentiality**

You may not engage, during the term of this employment contract, into any act of direct or indirect competition against the Otis Company.

You undertake to keep strictly confidential any information regarding the secrets and manufacturing processes or the business of the Otis Company and more generally any information that you can access in the performance of your duties or because of your presence in the Company.

This duty of confidence will remain after the end of this Contract for whatever reason.

### **2) Inventions of the employees**

In accordance with the French law of 13 July 1978 concerning patents which fix the rules of allocation of ownership of inventions made by employees in the following ways:

- Service inventions belong to the Otis Company. It includes any invention made by the employee as part of an inventive mission in the exercise of your duties.
- Other inventions belong to the employee except when the invention is made during the execution of the duties of the employee in the scope of the Company's businesses or with the help of the technical means of the Company.

In this case, the latter has the right to be assigned ownership or enjoyment of all or part of the patent for the invention, but the employee must obtain a fair price.

**ARTICLE 7 – CLAUSE DE MOBILITE  
GEOGRAPHIQUE**

La carrière d'un cadre implique une mobilité géographique qui est fonction de la nature de l'activité professionnelle et des postes qui se trouvent à pourvoir et représente un facteur d'évolution professionnelle.

Vous acceptez que l'évolution de votre situation professionnelle ou des besoins liés à l'organisation et à la bonne marche de l'entreprise puisse conduire à la modification de votre lieu de travail.

En conséquence, vous acceptez d'être mobile sur l'ensemble du territoire français métropolitain mais il est expressément convenu que vous serez amené à voyager régulièrement en Europe, ainsi qu'en dehors du territoire européen.

Cette mutation s'effectuera selon les modalités conventionnelles en vigueur et les règles financières fixées par la Société concernant la prise en charge des frais entraînés par les transferts géographiques.

Afin de pouvoir remplir les missions qui vous sont confiées, vous vous engagez à exécuter tous les déplacements temporaires qui pourront vous être demandés, dans le cadre de l'exercice de vos fonctions. Il est précisé que ces déplacements pourront se dérouler sur plusieurs jours en Europe, Afrique Moyen Orient ainsi qu'en dehors.

**ARTICLE 8 – CLAUSE DE NON-SOLLICITATION**

Vous vous interdisez pendant une durée d'un an à compter de la date de votre départ effectif de la Société Otis de :

- proposer un emploi aux personnes sous contrat à durée indéterminée qui était, au moment de ce départ effectif, un salarié de la Société Otis ou de tenter, par quelque moyen que ce soit, directement ou indirectement, de persuader ou d'inciter cette personne à accepter un autre emploi ou à quitter la Société Otis.

**ARTICLE 7 – GEOGRAPHIC MOBILITY CLAUSE**

A Senior management position involves geographical mobility, which depends on the nature of the work and positions that are vacant and is a factor of professional development.

You agree that a change of your work situation or of the organization-related needs and the running of the company may lead to an evolution of the location of your workplace.

Accordingly, you accept any change of your workplace over the French metropolitan territory however frequent travelling within Europe, as well as beyond the European territory.

This change would be achieved with respect of the provisions of the conventional rules in force and the financial rules set by the Company regarding the coverage of management expenses related to geographical transfers.

In order to fulfill the mission entrusted to you, you undertake to execute any temporary movements that can be requested, as part of your duties. It is specified that these trips could take place over several days over Europe, Africa Middle East, as well as beyond.

**ARTICLE 8 – NON-SOLICITATION CLAUSE**

You hereby undertake, for a one year duration, starting from the date of your effective termination from the Otis Company:

- not to offer any job-position to any persons who are employed by the Otis Company pursuant to an indefinite duration employment contract on the date of your effective termination, and not to try to convince, by any means whatsoever, directly or indirectly, such persons to accept any other job-position or to leave the Otis Company.

- d'embaucher et/ou de faire embaucher par un tiers avec lequel vous êtes en relations d'affaires, une personne sous contrat à durée indéterminée qui était, au moment de ce départ effectif, un salarié de la Société Otis.

#### **ARTICLE 9 - CLAUSE DE NON-CONCURRENCE**

Compte tenu de la nature de vos fonctions et afin de préserver les intérêts légitimes de la Société, en cas de cessation de votre contrat de travail pour quelque cause que ce soit, vous vous interdisez à dater de la rupture juridique de votre contrat de travail, de créer, d'acquérir ou d'entrer au service d'une entreprise concurrente. Vous vous interdisez également de vous intéresser directement ou indirectement à toute fabrication et à tout commerce pouvant concurrencer les matériels, produits, services ou articles fabriqués ou vendus par la Société Otis, pendant une période d'un an renouvelable une fois.

Cette interdiction couvre toute la région EMEA et ne s'applique pas en cas de rupture du contrat de travail pendant la période d'essai.

En contrepartie de cette obligation de non-concurrence, vous percevrez, pendant la durée de l'interdiction, une indemnité mensuelle spéciale prévue à ce titre par la convention collective nationale des Ingénieurs & Cadres de la Métallurgie. Elle est actuellement égale à 5/10ème de la moyenne des appointements, avantages et gratifications contractuels dont vous aurez bénéficiés au cours des 12 derniers mois de présence dans l'entreprise.

Toutefois, en cas de licenciement, cette indemnité sera portée à 6/10ème de cette moyenne tant que vous n'aurez pas retrouvé un nouvel emploi et dans la limite de la durée de non-concurrence.

Vous vous engagez donc à informer la Société Otis de votre situation professionnelle dès que vous aurez retrouvé un emploi.

- not to hire and/or make hired by a third party whom you would be engaged into business relationships with, any persons who are employed by the Otis Company pursuant to an indefinite duration employment contract on the date of your effective termination.

#### **ARTICLE 9 - NON-COMPETE CLAUSE**

Given the nature of your functions and in order to preserve the legitimate interests of the Company, you undertake for a period of twelve (12) months, which could be subject to one renewal, as from the termination of your employment contract, for any reason whatsoever, not to create, acquire or provide services to any company the business of which would be competitive to that of the Otis Company. You also undertake to take any interest to any manufacturing or business that could be competitive to the products, services or gears manufactured or sold by the Otis Company.

This prohibition applies throughout EMEA and does not apply in case of termination during the notice period of the employment contract.

In compensation for this non-compete obligation, you shall perceive, during the entire duration of the prohibition, the monthly indemnity as provided by the national collective bargaining agreement for Metallurgy Engineers and White Collar, which is currently sets at 5/10th of the average monthly salary, benefits and gratifications provided by your employment contract, perceived over the last 12 months of presence within the company.

However, in case of dismissal, the above-mentioned indemnity shall be of 6/10th of the average monthly remuneration as described as long as you shall remain unemployed, within the duration limits set for the present non-compete obligation.

You therefore agree to inform the Company Otis of your new work status once you have found a job.

<p>La Société Otis pourra renoncer à l'interdiction de concurrence et se décharger de l'indemnité prévue ci-dessus, sous condition de vous en avertir par écrit dans les 8 jours suivant la notification de la rupture de votre contrat de travail.</p> <p>L'indemnité mensuelle prévue par la convention collective étant la contrepartie du respect de la clause de non-concurrence, elle cesse d'être due en cas de violation, sans préjudice pour la Société Otis de vous réclamer à titre de dommages et intérêts une somme correspondant aux appointements que vous aurez perçus de la Société Otis au cours des 12 derniers mois de présence et la possibilité de faire cesser par tout moyen de droit l'activité exercée en contravention de la présente clause.</p> <p><b>ARTICLE 10 – ETHIQUE ET DEONTOLOGIE</b></p> <p>Vous vous engagez à respecter le code de déontologie ainsi que toutes les règles et politiques d'Otis en matière d'éthique.</p> <p>Vous avez la possibilité de consulter toutes les informations relatives à l'éthique et à la déontologie sur le site Planet Otis, rubrique Ethique.</p> <p><b>ARTICLE 11 - PROTECTION DES DONNEES INDIVIDUELLES</b></p> <p>En application de la législation en vigueur relative à la protection et au transfert des données à caractère personnel des travailleurs salariés, nous vous informons que : conformément à la loi « Informatique et Liberté » du 6 janvier 1978, modifiée par la loi du 6 août 2004, vous bénéficiez d'un droit d'accès et de rectification de ces données.</p> <p><b>ARTICLE 12 - DIVERS</b></p> <p>Pour toutes les questions non prévues au présent contrat, les parties conviennent de se référer aux dispositions de la convention collective nationale des Ingénieurs et Cadres des Industries des Métaux du 13 Mars 1972.</p>	<p>The Otis Company reserves the right to release you from the non-competition obligation within the 8 days following the notification of the termination of your employment contract.</p> <p>As the above-mentioned indemnity is the counterpart of the proper execution of the non-compete clause, it shall cease to be paid in case of violation, without prejudice of damages the Otis Company could claim, corresponding to the average monthly salary, benefits and gratifications over the last 12 months of presence within the company, or any legal action the Otis Company could launch in order to obtain the ceasing of any competing activity that would be carried out in violation of the present clause.</p> <p><b>ARTICLE 10 – ETHIC AND DEONTOLOGY</b></p> <p>You hereby undertake to comply with the deontology code as well as with any rules and policies applicable within the Otis Company.</p> <p>The policies and information related to ethics are available on the Planet Otis website.</p> <p><b>ARTICLE 11 - DATA PRIVACY</b></p> <p>In compliance with the laws governing the transfer of personal data we hereby inform you that: in accordance with the Data privacy law dated January 6, 1978 and amended by the law dated August 6, 2004, you are entitled to be granted access and correction of such data.</p> <p><b>ARTICLE 12 - MISCELLANEOUS</b></p> <p>For all unforeseen issues in this contract, the parties agree to refer to the provisions of the national collective agreement for engineers and managers of the Metals Industries of March 13, 1972.</p>
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**ARTICLE 13 - DECLARATIONS**

Le présent Contrat est régi par le droit et la réglementation français.

Pendant toute la durée de son emploi, le Salarié devra se conformer à l'ensemble des procédures et pratiques applicables au sein de la Société.

Le présent contrat est établi en deux versions, l'une française, l'autre anglaise. En cas de difficultés d'interprétation, la version française fera foi à tous égards.

Fait en double original,  
A Puteaux  
**Le 16 janvier 2026**

**ARTICLE 13 - DECLARATIONS**

This Contract shall be governed by French laws and regulations.

The Employee shall be bound to follow all the policies and procedures of the Company during the term of his employment.

This Contract has been drawn up in two versions, one in French, and the other in English. In the event that difficulties in interpretation arise, the French version will prevail in all respects.

Two originals signed,  
In Puteaux  
**On January 16th, 2026**

/s/ Gaëlle Babouche

La Société / The Company\*

**Gaëlle BABOUCHE**

Directrice des Ressources Humaines WE

/s/ Thibault Lefebure

Le Salarié / The Employee\*

**Thibault LEFEBURE**

\*Parapher chaque page. Sur la dernière page, faire précéder la signature de la mention manuscrite « Lu et approuvé, bon pour accord ».

Initials on each page. On last page, the signature must be preceded by the handwritten words: "**Lu et approuvé, bon pour accord**" (**Read and approved, valid for agreement**).

**Siège Social Otis**

SCS au Capital de 6.202.305€

**otis.com**

Campus Arboretum – Bâtiment Cèdre

1 place des Papeteries

92000 Nanterre

Tel : 01 46 91 60 00

SIREN 542.107.800 RCS Nanterre

APE 4329B

N° TVA : FR 72 542 107 800

## CORPORATE MANDATE LETTER MANAGING DIRECTOR OTIS SCS

Dear Sir,

In connection with your role as Managing Director of Otis SCS, we hereby inform you that the agreement dated 16 September 2024 is fully replaced by the current agreement.

Your seniority within the Group will be recognized as of 17 March 2003, and during the term of your corporate mandate as Managing Director of Otis SCS, you will continue to accrue seniority within the Group.

### 1) Remuneration for the corporate mandate

You will receive a corporate mandate allowance in the amount of € 565 000, paid over 12 months.

This allowance will be subject to the applicable social security contributions for the status of non-partner Managing Director of the company, which excludes eligibility for employee unemployment insurance coverage.

However, during the term of your corporate mandate, you will benefit from a *Garantie Sociale des Chefs et Dirigeants d'Entreprise* (GSC) insurance plan, the cost of which will be covered by Otis. A benefit-in-kind corresponding to the amount paid by the Company will appear on your payslip. You will be responsible for paying social security contributions and income tax on the amount of this benefit-in-kind.

## CONVENTION DE MANDAT SOCIAL GERANT OTIS SCS

Cher Monsieur,

Dans le cadre de votre fonction de gérant de la société Otis SCS, nous vous informons que la convention du 16 septembre 2024 est remplacée dans son entièreté par la convention suivante.

Votre ancienneté dans le groupe sera reprise à compter du 17 mars 2003 et pendant la durée de votre mandat social en tant que Gérant d'Otis SCS, vous continuez à acquérir de l'ancienneté dans le Groupe

### 1) Rémunération du mandat social

Vous percevrez une indemnité de mandat social d'un montant de 565 000€ versée sur 12 mois.

Cette indemnité sera soumise aux charges sociales en vigueur applicable au statut de gérant non associé de la société, ce qui exclut le bénéfice de la couverture de l'assurance chômage salarié.

Vous bénéficierez cependant pendant l'exercice de votre mandat social d'une assurance garantie sociale chefs et dirigeants d'entreprise (GSC) dont le montant sera payé par la société Otis. Une valeur d'avantage en nature du montant payé par la Société figurera sur votre bulletin de paye. Vous devrez payer les charges sociales et l'impôt sur le revenu sur le montant de l'avantage en nature.

In addition, you will receive:

- In connection with your role, you may be eligible for a bonus calculated on the basis of 85% of your corporate mandate allowance, in accordance with the rules of Otis's Short-Term Incentive (STI) program in effect. Subject to the achievement of the Company's financial performance objectives, this target bonus is based on individual performance.
- For the duration of your mandate, you will receive a special allowance intended to compensate for the participation and profit-sharing amounts you lose as a result of the suspension of your employment contract. This allowance will be subject to the applicable social security contributions for the status of non-partner Managing Director.

## 2) Company car

As part of your role, you will be provided with a company car, in accordance with the vehicle policy in effect within the Company.

A benefit-in-kind corresponding to personal use of the vehicle will appear on your payslip. You will be responsible for paying social security contributions and income tax on the amount of this benefit-in-kind.

## 3) Rest entitlement

During the suspension of your employment contract, you are not subject to the rules governing working time or paid leave.

However, you will be entitled to 30 rest days.

En outre, vous percevrez :

- Dans le cadre de votre fonction, vous pourrez bénéficier d'un bonus déterminé sur la base de 85% de votre indemnité de mandat social conformément aux règles de notre programme Short-Term Incentive (STI) en vigueur au sein d'Otis. Sous condition d'atteinte des performances économiques de l'entreprise, ce bonus cible est basé sur les performances individuelles.
- Pendant la durée de votre mandat vous bénéficierez d'une prime spéciale destinée à compenser le montant de la participation et intéressement que vous perdez en raison de la suspension de votre contrat de travail. Cette prime sera soumise aux charges sociales en vigueur applicable au statut de gérant non associé de la société.

## 2) Véhicule de fonction

Dans le cadre de votre fonction, vous bénéficierez d'un véhicule de fonction, selon la politique voiture applicable dans l'entreprise.

Une valeur d'avantage en nature figurera sur votre bulletin de paye, en contrepartie de l'utilisation personnelle du véhicule. Vous devrez payer les charges sociales et l'impôt sur le revenu sur le montant de l'avantage en nature.

## 3) Droit à repos

Pendant la suspension de votre contrat de travail, vous n'êtes pas soumis aux règles relatives à la durée du travail et aux congés payés.

Vous pourrez cependant bénéficier de 30 Jours de repos.

#### **4) Confidentiality and exclusivity obligations**

You agree that, for the duration of your duties, you will refrain from engaging in any act of direct or indirect competition detrimental to OTIS.

You undertake to maintain the strictest confidentiality regarding all matters relating to OTIS's manufacturing or commercial processes, and more generally, all information you may obtain in the course of your duties or due to your presence in the Company.

Given your duties and the level of availability they require, you agree not to engage in any other professional activity.

#### **5) Protection of personal data**

In compliance with personal data protection legislation, we are required to respect standard data protection principles. These principles are summarized in the Data Protection and Privacy Policy that has been provided to you and is available on the Company intranet. As part of your duties and responsibilities, you must do your best to ensure compliance with these principles.

A key element of data protection principles is the obligation to ensure that data is processed securely and protected against any unauthorized or unlawful processing or loss. The Data Protection and Privacy Policy contains detailed information on these principles. The key elements are as follows:

- All documents and communications containing personal data must be treated as confidential and stored securely.

#### **4) Obligation de confidentialité et d'exclusivité**

Vous vous interdisez de vous livrer, pendant la durée de vos fonctions, à un quelconque acte de concurrence directe ou indirecte au détriment de la Société OTIS.

Vous vous engagez à conserver, de la façon la plus stricte, la discrétion la plus absolue sur tout ce qui a trait aux secrets et procédés concernant les fabrications ou le commerce de la Société OTIS et plus généralement sur l'ensemble des renseignements que vous pourrez recueillir à l'occasion de vos fonctions ou du fait de votre présence dans l'entreprise.

Au regard de vos fonctions et de la nécessaire disponibilité qu'elles impliquent, vous vous engagez à ne pas exercer d'autre activité professionnelle.

#### **5) Protection des données individuelles**

En nous conformant à la législation sur la protection des données personnelles, nous sommes tenus de respecter les principes standards de protection des données. Ceux-ci sont résumés dans la Politique de Protection des Données et de la Vie Privée qui vous a été remis et qui est disponible sur l'intranet de l'entreprise. Dans l'exercice de vos fonctions et de vos responsabilités, vous devez faire de votre mieux pour vous assurer que nous respectons ces principes.

Un élément clé des principes de protection des données est l'obligation de veiller à ce que les données soient traitées en toute sécurité et protégées contre tout traitement ou perte non autorisé ou illicite. La Politique de Protection des Données et de la Vie Privée contient tous les détails nécessaires sur ces principes. Les éléments clés sont les suivants :

- Tous les documents et communications contenant des données personnelles doivent être traités comme confidentiels et conservés en toute sécurité.

- When you are not actively working on a document containing personal data, it must be locked away and secured.
- The transmission of personal data must be carried out using the most secure method available, and only within OTIS or externally to approved suppliers.

*Data protection breach – urgent notification*

All staff are required to report immediately any actual or suspected data security incident to the **Legal Department**.

A data security incident occurs when there is destruction, loss, alteration, unauthorized disclosure, or unauthorized access to personal data or confidential information that are held, stored, transmitted or processed in any manner. For example, a data security incident occurs if our servers are hacked, or if you lose a laptop or send an email to the wrong person.

Further information on how we handle data security incidents, as well as emergency contact details (including for DSIL and the DPO), is available in our Data Protection and Privacy Policy.

- Lorsque vous ne travaillez pas activement sur un document contenant des données personnelles, il doit être verrouillé et sécurisé.
- La transmission de données à caractère personnel doit se faire en utilisant la méthode la plus sûre disponible et uniquement au sein de la Société OTIS ou en dehors de la Société OTIS à des fournisseurs établis.

*Atteinte à la protection des données - et notification urgente*

Tout le personnel est tenu de signaler immédiatement tout incident réel ou soupçonné en matière de sécurité des données au **responsable juridique**

Un incident de sécurité des données se produit lorsqu'il y a destruction, perte, altération ou divulgation non autorisée ou accès non autorisé à des données personnelles ou des informations confidentielles qui sont détenues, stockées, transmises ou traitées de quelque manière que ce soit. Par exemple, il y a un incident de sécurité des données si nos serveurs sont piratés ou si vous perdez un ordinateur portable ou envoyez un courriel à la mauvaise personne par erreur.

De plus amples informations sur la manière dont nous traitons les incidents de sécurité des données ainsi que les coordonnées de contact pour les communications urgentes (y compris pour la DSIL et le DPO) sont disponibles dans notre Politique de Protection des Données et de la Vie Privée.

<p><b>6) Ethics and compliance</b></p> <p>You agree to comply with the Code of Ethics as well as all OTIS rules and policies relating to ethics and compliance. All information relating to ethics and compliance may be consulted on Planet OTIS, under the Ethics section.</p> <p>We kindly ask you to return a signed copy of this letter, bearing the handwritten note “Read and approved”.</p> <p>Yours sincerely,</p> <p>Deux originaux signés à Puteaux <b>Le 16 Janvier 2026</b></p>	<p><b>6) Ethique et déontologie</b></p> <p>Vous vous engagez à respecter le code de déontologie ainsi que toutes les règles et politiques d’OTIS en matière d’éthique. Vous avez la possibilité de consulter toutes les informations relatives à l’éthique et à la déontologie sur le site Planet OTIS, rubrique Ethique.</p> <p>Nous vous remercions de nous retourner le double de la présente revêtu de votre signature et de la mention « Lu et approuvé ».</p> <p>Nous vous prions d’agréer, Monsieur, l’expression de nos salutations distinguée</p> <p>Two originals signed, in Puteaux <b>On January 16<sup>th</sup>, 2026</b></p>
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/s/ Gaëlle Babouche

La Société / The Company\*

**Gaëlle BABOUCHE**

Directrice des Ressources Humaines WE

/s/ Thibault Lefebure

Le Salarié / The Employee\*

**Thibault LEFEBURE**

\*Parapher chaque page. Sur la dernière page, faire précéder la signature de la mention manuscrite « Lu et approuvé, bon pour accord ». Initials on each page. On last page, the signature must be preceded by the handwritten words: "**Lu et approuvé, bon pour accord**" (**Read and approved, valid for agreement**).

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APE 4329B

N° TVA : FR 72 542 107 800

**Private & Confidential**

Thibault Lefebure

January 2026

Dear Thibault:



I am pleased to offer you the position of President, Otis EMEA, effective January 16, 2026, reporting to me.

In connection with this appointment, your total rewards package will include:

- Membership in Otis' Executive Leadership Group (ELG), comprised of our most senior leaders.
- A base salary of **EUR 565,000** per year, inclusive of 2026 merit, effective January 16<sup>th</sup>, 2026. Base salaries are reviewed annually.
- Continued participation in the Otis Executive Short-Term Incentive (STI) Plan, as Amended and Restated as of January 1, 2024, with a target annual STI opportunity of **85%** of your base salary. Your 2026 STI target opportunity will be prorated based on the effective date of your appointment.
- Continued participation in the Otis Long-Term Incentive Plan, as Amended and Restated as of January 1, 2024, with a target annual LTI opportunity of **USD \$1,500,000**. Annual grant values may vary from year-to-year based on individual and Otis performance.
- Annual **financial counseling** reimbursement for **up to USD \$16,000** of financial counseling services.
- The company will pay all expenses related to a **complete annual health exam**, offered through Executive Health Examinations International. We will also pay reasonable costs for transportation and overnight accommodations required to visit a specialized clinic in connection with these exams, if recommended by a physician.

This offer is conditional on your satisfactory meeting our established employment requirements, including the execution of Intellectual Property and ELG Restrictive Covenant agreements. We will provide you with an amended contract under separate cover that reflects the above terms and contains other customary terms and conditions.

Thibault, I look forward to working with you in your new role at Otis. Please acknowledge your acceptance of our offer by signing the acceptance confirmation below and emailing it to me.

If you have any questions, please do not hesitate to contact me

Sincerely,

Enrique Miñarro Viseras President, Otis EMEA

Accepted and Agreed,

/s/ Thibault Lefebure

Thibault Lefebure

January 16<sup>th</sup> 2026

Date

*English Translation of Employment Contract between Elevadores Otis LTDA and Nicolas Lopez (originally executed in Portuguese)*

### **EMPLOYMENT CONTRACT - PROBATIONARY PERIOD**

ELEVADORES OTIS LTDA, having its registered office at R ELISHA OTIS. 2200 - COOPERATIVA - SÃO BERNARDO DO CAMPO - SP - CEP 09852-075, on the one hand, hereinafter referred to as Employer, and on the other hand, NICOLAS EDUARDO LOPEZ, hereinafter referred to as Employee, enter into the EMPLOYMENT CONTRACT WITH EXPERIENCE, under the conditions of the following clauses:

1<sup>a</sup> The Employee is hired in this act, to provide his services exclusively to the Employer, as of 05/01/2016; the first sixty (60) days following his hiring date shall be considered a probationary period, in accordance with applicable law, and within which, this contract may be terminated by any of the parties, regardless of the prior notice set forth in article 487 of the Brazilian Consolidation of Labor Laws (CLT), and the contracting parties agree that any period corresponding to any absence or non-attendance of the Employee at work, for any reason, during the course of the period of this experience, will be computed in the period of the same.

2<sup>a</sup> The Employee is hired to initially perform the functions of the position of LEGAL DIRECTOR, obliging to accept any service, position or equipment compatible with his professional category, in case such designations become necessary in any of the sectors in which the Employer's activities are divided or will be divided.

3<sup>a</sup> The Employee, as compensation for the services performed, will receive a salary of R\$ 36,773.00 (Thirty-six Thousand, Seven Hundred and Seventy-Three Reais) paid monthly. In the case of a monthly-paid employee, the salary includes paid weekly rest days and civil and religious holidays.

Single paragraph:

Any incentive or production premium, gratuity or from sales promotion campaigns, efficiency improvement, cost reduction, etc., which is stipulated for or during the execution of any work, service or task, which may be paid to the Employee, will always be on an occasional temporary basis, not being part of his salary, and may, at any time, be reduced, altered, or discontinued.

4<sup>a</sup> Pursuant to article 62, item II, of the CLT, the Employee is exempt from working hours control.

5<sup>a</sup> Employee also agrees to provide his services not only to the Employer, but also to any other entity with which he may associate, to join a consortium or with which it may contract the performance of any services, respecting the conditions of this contract.

6<sup>a</sup> In the event that the Employee causes any damage by intent or fault to the assets that constitute the assets of the Employer or third parties, but which are under the custody or responsibility of the Employer, or loses them, illegally takes possession of them, facilitates or allows other employees or strangers to illegally take possession of or misplace them, or, in the event that the Employee causes damage to the Employer in the performance of the tasks entrusted to him, the Employer is ensured, in any of these circumstances, in accordance with the first paragraph of article 462 of the CLT, the right to compensate for the respective loss, and may make the corresponding discount in the Employee's remuneration, or offset the respective amount from the payment of any amount that is due to the Employee, and the Employer, whatever the debit balance that results against the latter, in the determination of the competition of credits, without prejudice even within the scope of the application of the applicable penalty, when the fact constitutes a contractual illegality.

7<sup>a</sup> The Employee is obliged to return to the Employer, at the end of the employment, or whenever required by the Employer, all machinery, tools, documents, registrations, functional identification cards and other objects owned by the Employer, which are in the possession of the Employee or under his responsibility.

8<sup>a</sup> The employee undertakes to wear at work the uniform corresponding to his function and category, as well as the personal protective equipment provided by the Company.

9<sup>a</sup> The Employee must keep all his/her personal documentation, especially labor documentation, in perfect order, as well as immediately notify the Employer of changes in his/her marital status, address, documentation and others.

And so, being together and contracted, they sign the present in 02 (two) copies of the same content and form, without erasures or amendments, one of which, in this act, is in the possession of the Employee, obliging himself, in the presence of 02 (two) witnesses, also undersigned.

SAO BERNARDO DO CAMPO, 01 May 2016

/s/ Elevadores Otis Ltda  
ELEVADORES OTIS LTDA

/s/ Nicolas Eduardo Lopez  
NICOLAS EDUARDO LOPEZ

Witnesses:

\_\_\_\_\_  
Name:  
RG:

\_\_\_\_\_  
Name:  
RG:

**Private & Confidential**

Nicolas Lopez

January 2026

Dear Nico:



I am pleased to offer you the position of President, Otis Asia Pacific, effective March 1, 2026, reporting to me.

In connection with this appointment, your total rewards package will include:

- Membership in Otis' Executive Leadership Group (ELG), comprised of our most senior leaders.
- A base salary of **BRL 2,932,000** per year, inclusive of 2026 merit, effective March 1<sup>st</sup> 2026. Base salaries are reviewed annually.
- Continued participation in the Otis Executive Short-Term Incentive (STI) Plan, as Amended and Restated as of January 1, 2024, with a target annual STI opportunity of **85%** of your base salary. Your 2026 STI target opportunity will be prorated based on the effective date of your appointment.
- Continued participation in the Otis Long-Term Incentive Plan, as Amended and Restated as of January 1, 2024, with a target annual LTI opportunity of **USD \$1,350,000**. Annual grant values may vary from year-to-year based on individual and Otis performance.
- Annual **financial counseling** reimbursement for **up to USD \$16,000** of financial counseling services.
- The company will pay all expenses related to a **complete annual health exam**, offered through Executive Health Examinations International. We will also pay reasonable costs for transportation and overnight accommodations required to visit a specialized clinic in connection with these exams, if recommended by a physician.

This offer is conditional on your satisfactory meeting our established employment requirements, including the ELG Restrictive Covenant agreements. We will provide you with an amended contract under separate cover that reflects the above terms and contains other customary terms and conditions.

Nico, I look forward to working with you in your new role at Otis. Please acknowledge your acceptance of our offer by signing the acceptance confirmation below and emailing it to me.

If you have any questions, please do not hesitate to contact me

Sincerely,

Enrique Miñarro Viseras President, Otis EMEA

Accepted and Agreed,

/s/ Nicolas Lopez

16/01/2026

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Nicolas Lopez

Date

# Internal Correspondence



May 27, 2021

## **PERSONAL & CONFIDENTIAL**

Dear Nico:

Congratulations on your International Assignment! We hope this global opportunity will be both a professionally and personally rewarding experience. This Letter of Assignment (“LOA” or “Agreement”), including Appendices, describes the general terms and conditions applicable to your Assignment, as summarized below:

Home Country: Brazil  
 Home Company: Elevadores Otis Ltda  
 Host Country: Singapore  
 Host Company: Otis International Asia Pacific Pte. Ltd  
 Reporting To: Stephane de Montlivault

### **Long-Term Assignment Policy**

The Otis Long-Term Assignment Policy and Long-Term Assignment Policy Flex Benefits, Version 1.0 (together, the “Policy”) governs your Assignment and outlines both the relocation support and on-going Assignment benefits provided to Assignees and their accompanying Eligible Dependents. See Appendix A for a summary of your Assignment allowances.

By signing this Agreement, you agree to adhere to the policies and requirements of the Otis Worldwide Corporation Global Mobility Program. You further acknowledge that you have been provided with and agree to comply with the terms of the Policy. Unless otherwise indicated, capitalized terms have been defined in the Policy.

### **Assignment Status**

You will be assigned to the Host Company. You must abide by all laws in the Host Country and perform duties reasonably assigned to you by the Host Company. It is also expected that you will conduct yourself in a professional manner at all times. While on Assignment, you must comply with all Otis International Trade Compliance (“ITC”) policies and applicable governing laws/regulations, including the obligation to avoid business or other travel to prohibited countries. Otis ITC guidance is available at <https://connect.otis.com/legal/Pages/ITC360.aspx>

This LOA does not create a contract of employment, but simply seeks to confirm the conditions which pertain to your International Assignment. The duration, terms and conditions of the Assignment are subject to revision in accordance with business needs and changes to the Global Mobility Program or Company policies.

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Your Assignment will commence subject to your returning a signed copy of this LOA, obtaining and/or maintaining all necessary immigration authorizations and medical clearances, and any other approvals as may be deemed necessary by Global Mobility in order to ensure compliance with statutory requirements of the Home and/or Host Country. Subject to the above conditions having been met, your eligibility to receive the ongoing Assignment allowances and benefits described in Appendix A of this document begin with your arrival in the Host Country and end upon completion of your Assignment, as determined by Otis.

If, prior to the end of your assignment, you or any of your Eligible Dependents leave the Host Country for a period of more than 30 consecutive days, your Assignment premiums and allowances will be suspended or reduced to reflect the family size remaining at the host location. Premiums and allowances will be reinstated or adjusted when you and/or your dependent(s) return to the host location. You must notify Global Mobility and your SIRVA Relocation consultant of any extended travel and/or changes to family size, in a timely manner.

Upon successful completion of your Assignment, Otis will relocate you back to your Home Country. Repatriation is contingent upon your independently having obtained and/or maintained all applicable immigration authorizations, medical or other clearances required by the Home Country. Otis is under no obligation to facilitate your admission to Home Country.

Repatriation or relocation to another global assignment location is provided subject to your not having been treated by the Company as terminated for cause. Otis will seek to identify a reasonably equivalent position for you within the organization at the end of your assignment. However, Otis does not guarantee that it will be able to do so or that your employment will continue at the end of your assignment.

### **Tax Equalization Policy**

The Tax Equalization Policy is to support your general tax neutrality and global tax compliance while on Assignment. You acknowledge that you have been provided with, understand and consent and are subject to the terms of the Otis Tax Equalization Policy, version 1.0. By signing this LOA, you expressly authorize the company to withhold any amounts due to the company.

### **Otis Absolutes and Compliance with Laws**

You agree that you are bound by the provisions of the Otis Absolutes and the Otis Corporate Policy Manual. You agree to perform all aspects of your job in accordance with all applicable laws, both in the Home and Host Countries, to strictly follow all workplace safety rules, to protect the property of the company and to maintain the highest standards of personal and professional ethics.

### **Data Privacy**

By signing this Agreement, you confirm your understanding and explicitly agree that the company, its affiliate and/or third parties may, in connection with your employment and/or your International Assignment, collect, use, process, transmit and hold personal data, including sensitive personal data. The data may be in electronic or other form and may be used to

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manage your employment and Assignment arrangements, to comply with legal and regulatory obligations and to fulfil the company's business or other legitimate interests as required or permitted by law or regulation. Because of the global nature of an International Assignment, your personal data will, subject to applicable law, be transferred internationally to other countries worldwide. This may mean that personal data is transferred to countries, such as the United States, where data servers may be located. Each country provides different standards of legal protection of personal data. All such collection, use, processing, transmission and holding of data will comply with applicable data privacy protection requirements. If you do not want to have your personal data shared, you may choose to not sign this LOA and not be deployed on Assignment.

### **Intellectual Property**

You agree and acknowledge that to the extent allowed by applicable law, all rights, titles and interests in all intellectual property created by you in the course of your International Assignment will belong to the company and/or its affiliates and you will have no right, title, interest, claim or right of sale on such intellectual property rights.

### **Confidentiality**

By signing this Agreement, you agree that any and all company information acquired and known to you shall be deemed strictly confidential. This includes, but is not limited to, intellectual property, patents, copyrights, trade secrets, and all forms of proprietary information (data) created or otherwise obtained by you throughout the course of your employment with Otis. Unless permitted by the company in writing, during the term of this International Assignment or at any time thereafter, you shall not disclose any company information to any legal person, individual or other organization or entity for any purpose and in any manner, nor utilize company information for any purpose other than performing your duties.

By signing this Agreement, you further agree to keep the terms of this Agreement confidential and to not disclose its content to anyone except for purposes of seeking legal or financial advice.

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**Governing Law**

Your LOA, International Assignment and employment relationship are generally subject to and governed by the laws of the Home Country in accordance with the terms of the Policy.

Thank you for supporting our global initiatives. Best wishes to you in your new Assignment.

Sincerely,

/s/ Stephane de Montlivault      27<sup>th</sup> May 2021  
Stephane de Montlivault      Date

Please indicate your agreement by signing below and returning this LOA as soon as possible. This letter shall not be amended or supplemented unless in writing and signed by you and a duly authorized representative of the company.

I have reviewed the general terms and conditions of my International Assignment outlined above (including appendices) and by signing below, accept these conditions.

/s/ Nicolas Lopez      May 31<sup>st</sup>, 2021  
Nicolas Lopez      Date

Please scan and return a full signed copy of this Letter to [GlobalMobility@otis.com](mailto:GlobalMobility@otis.com)

Inclusions:  
Appendix A: Long-Term Assignment and Allowance Summary

## APPENDIX A: Long-Term Assignment and Allowance Summary

Please review the Long-Term Assignment Policy for additional detail regarding the Assignment and relocation support for this Assignment. Some allowances may fluctuate due to exchange rate, data updates or family size changes. Allowances that are calculated on Base Salary are subject to a Policy Maximum of a Base Salary cap of 250,000 USD or local equivalent, as determined at time of payment. Policy benefits are subject to revision based on changes in the duration, terms and conditions of the Assignment.

### Assignment Summary

<b>Home Country</b>	Sao Paulo, Brazil
<b>Host Country</b>	Singapore
<b>Position Title</b>	VP, Legal and Compliance, Asia Pacific
<b>Reporting To</b>	Stephane de Montlivault
<b>Anticipated Assignment Start Date</b>	August 1, 2021
<b>Anticipated Assignment End Date</b>	July 31, 2024
<b>Tax Equalization Location</b>	Sao Paulo, Brazil
<b>Split Family</b>	No

Policy Benefit	Amount and Frequency
<b>Relocation Allowance</b>	BRL 77,333.33 One-time payment
<b>Assignment Premium</b>	BRL 7,733.33 Per month
<b>Goods and Services Differential (G&amp;S)</b>	BRL 29,141.17 Per month
<b>Host Country Transportation</b>	As Per Host Company Programs
<b>Host Country Housing</b>	SGD 8,650.00 Monthly housing budget
<b>Host Country Utilities Allowance</b>	SGD 960.00 Per month
<b>Preschool</b>	50% reimbursement of actual tuition expenses up to S\$ 12,000/year



Internal  
Correspondence

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April 23, 2025

**PERSONAL & CONFIDENTIAL**

Dear Nico:

We are pleased to confirm the details of your International Assignment Extension. We hope this international experience continues to be both a professionally and personally rewarding experience. This Letter of Assignment Extension ("Agreement") details the terms and general conditions applicable to your Assignment Extension as summarized below:

Home Country: Brazil  
Home Company: Elevadores Otis Ltda  
Host Country: Singapore  
Anticipated End Date: October 31, 2026

Your Assignment Extension is subject to obtaining and maintaining any required work permit extension required by your Host Country and providing your Home Company a signed copy of this Agreement.

The duration, terms and conditions of your Assignment remain subject to revision in accordance with business needs and changes to Otis policies, plans and/or programs. All other terms and conditions outlined in your Letter of Assignment dated 27 May 2021, and the Otis Long-Term Assignment Policy (Flex) will remain in effect for the period of your Assignment Extension.

Thank you for your ongoing support of our global initiatives.  
Sincerely,

/s/ Stephane de Montlivault                      24 Apr 2025  
**Stephane de Montlivault**                      Date  
President, APAC

Please indicate your agreement by signing below and returning this Extension Agreement as soon as possible.

I have reviewed the general terms and conditions of my International Assignment Extension outlined above and by signing below, accept these conditions.

/s/ Nicolas Lopez                                      25 Apr 2025  
**Nicolas Lopez**    Date

**LETTER OF ASSIGNMENT EXTENSION**

April 23, 2026

Securities and Exchange Commission  
100 F Street, N.E.  
Washington, DC 20549

Commissioners:

We are aware that our report dated April 23, 2026 on our review of interim financial information of Otis Worldwide Corporation, which appears in this Quarterly Report on Form 10-Q, is incorporated by reference in the Registration Statements on Form S-3 (Nos. 333-293482 and 333-293480) and Form S-8 (No. 333-237551) of Otis Worldwide Corporation.

Very truly yours,

/s/ PricewaterhouseCoopers LLP

Hartford, Connecticut

## CERTIFICATION

I, Judith F. Marks, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Otis Worldwide Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 23, 2026

/s/ Judith F. Marks

Judith F. Marks

Chair, President and Chief Executive Officer

## CERTIFICATION

I, Cristina Méndez, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Otis Worldwide Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 23, 2026

/s/ Cristina Méndez

Cristina Méndez

Executive Vice President and Chief Financial Officer

## CERTIFICATION

I, Michael P. Ryan, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Otis Worldwide Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 23, 2026

/s/ Michael P. Ryan

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Michael P. Ryan

Senior Vice President and Chief Accounting Officer

**Section 1350 Certification**  
**Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**  
**(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)**

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), each of the undersigned officers of Otis Worldwide Corporation, a Delaware corporation (the "Corporation"), does hereby certify that:

The Quarterly Report on Form 10-Q for the quarter ended March 31, 2026 (the "Form 10-Q") of the Corporation fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 and information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Corporation.

Date: April 23, 2026

/s/ Judith F. Marks

\_\_\_\_\_  
Judith F. Marks

Chair, President and Chief Executive Officer

Date: April 23, 2026

/s/ Cristina Méndez

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Cristina Méndez

Executive Vice President and Chief Financial Officer

Date: April 23, 2026

/s/ Michael P. Ryan

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Michael P. Ryan

Senior Vice President and Chief Accounting Officer