



# TODAY'S HONEYWELL

AUGUST 2019

**Honeywell**

## Forward Looking Statements

*This presentation contains certain statements that may be deemed “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical fact, that address activities, events or developments that we or our management intends, expects, projects, believes or anticipates will or may occur in the future are forward-looking statements. Such statements are based upon certain assumptions and assessments made by our management in light of their experience and their perception of historical trends, current economic and industry conditions, expected future developments and other factors they believe to be appropriate. The forward-looking statements included in this presentation are also subject to a number of material risks and uncertainties, including but not limited to economic, competitive, governmental, and technological factors affecting our operations, markets, products, services and prices. Such forward-looking statements are not guarantees of future performance, and actual results, developments and business decisions may differ from those envisaged by such forward-looking statements. Any forward-looking plans described herein are not final and may be modified or abandoned at any time. We identify the principal risks and uncertainties that affect our performance in our Form 10-K and other filings with the Securities and Exchange Commission.*

# HONEYWELL OVERVIEW

NYSE: HON | ~970 sites | ~110,000 employees | Charlotte, N.C. headquarters | Fortune 100

## Aerospace



Our products are used on virtually every commercial and defense aircraft platform worldwide and include aircraft propulsion, cockpit systems, satellite communications, and auxiliary power systems.

## Building Technologies



Our products, software, and technologies are in more than 10 million buildings worldwide, helping customers ensure their facilities are safe, energy efficient, sustainable, and productive.

## Performance Materials and Technologies



We develop advanced materials, process technologies, automation solutions, and industrial software that are revolutionizing industries around the world.

## Safety and Productivity Solutions



We improve enterprise performance and worker safety and productivity with automated material handling and voice scanning and mobile computing technology, software, solutions, and personal protective equipment and sensing technology.

## Honeywell Connected Enterprise

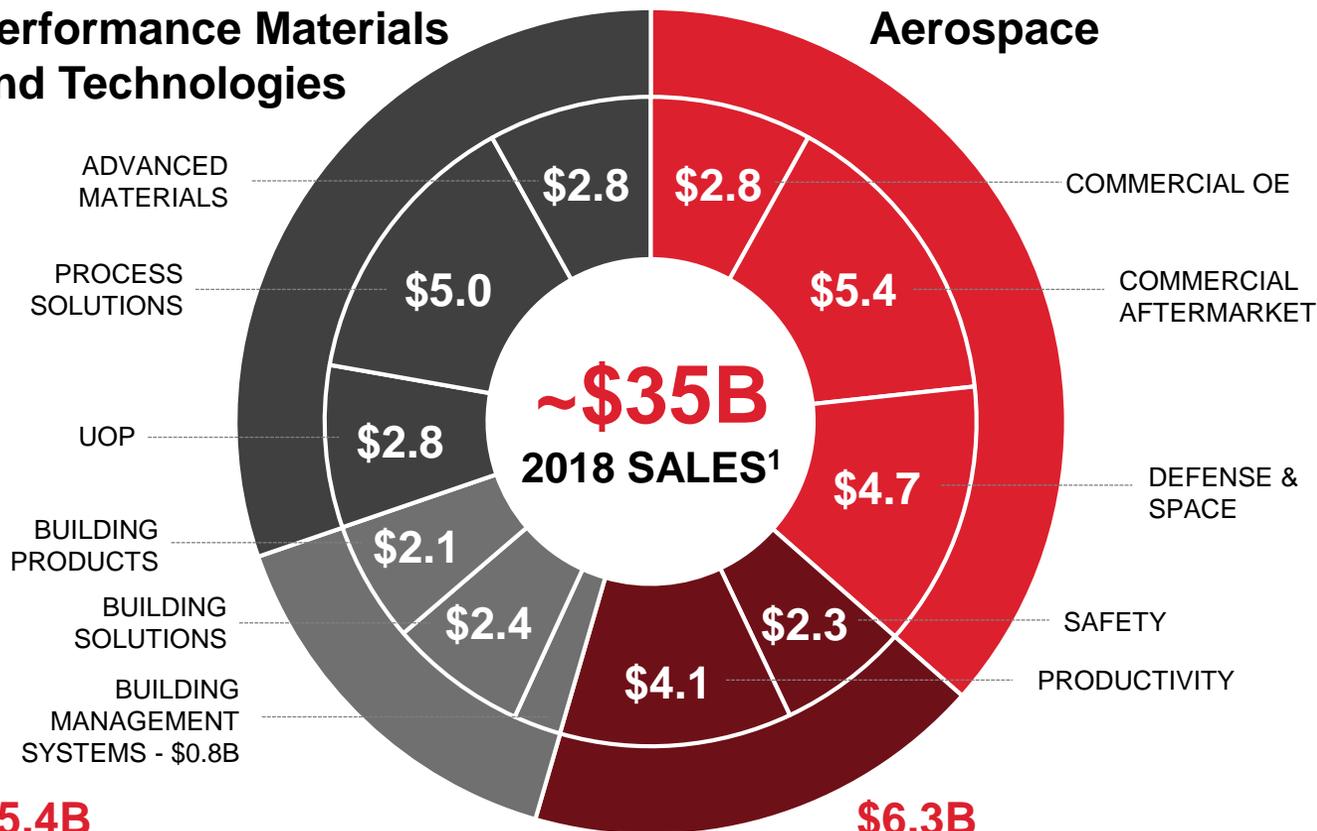
Honeywell Connected Enterprise (HCE) was established in 2018 to accelerate software development and IIoT solutions. We focus on software development, from the gateway to end-user applications, bringing scale and capability across all of Honeywell. These new offerings are then commercialized through Honeywell's businesses.

## Aligned to Key Global Macro Trends

# HONEYWELL AT A GLANCE

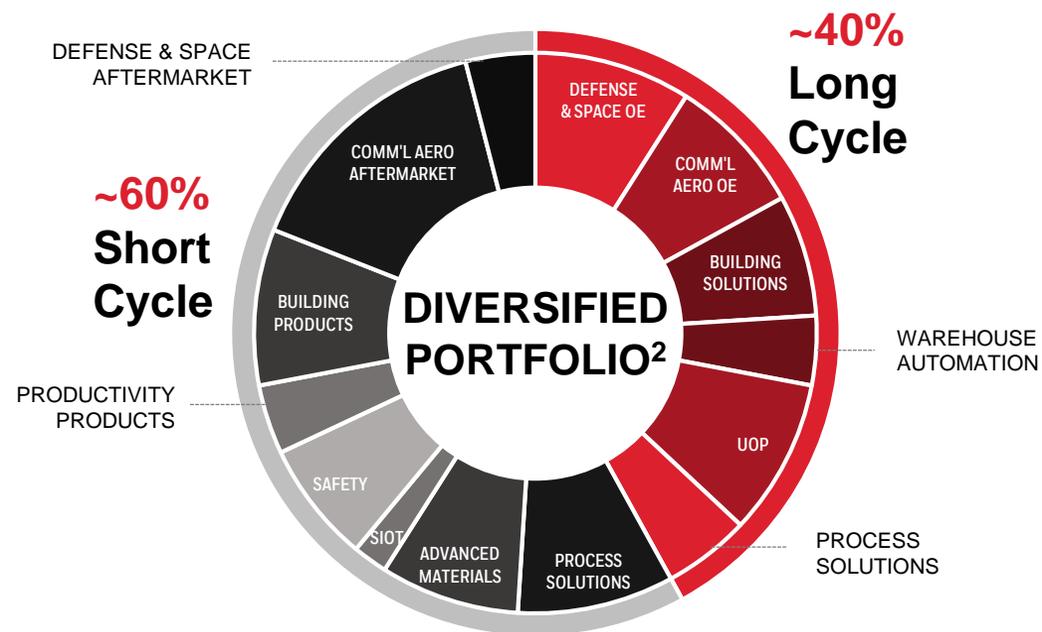
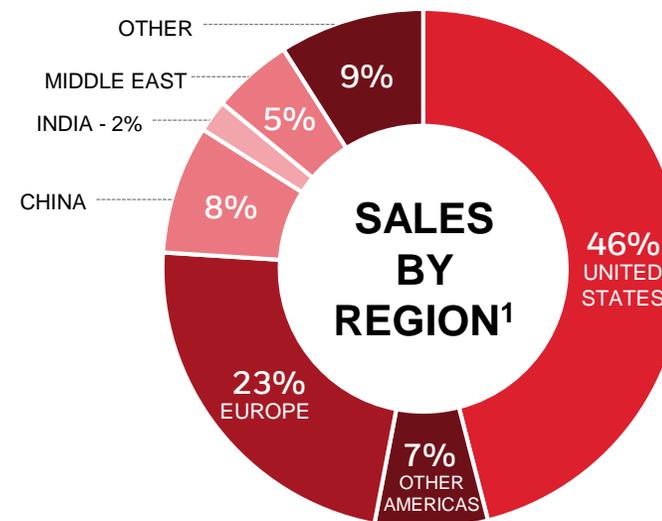
**\$10.7B**  
Performance Materials  
and Technologies

**\$12.9B**  
Aerospace



**\$5.4B**  
Honeywell Building  
Technologies

**\$6.3B**  
Safety and Productivity  
Solutions

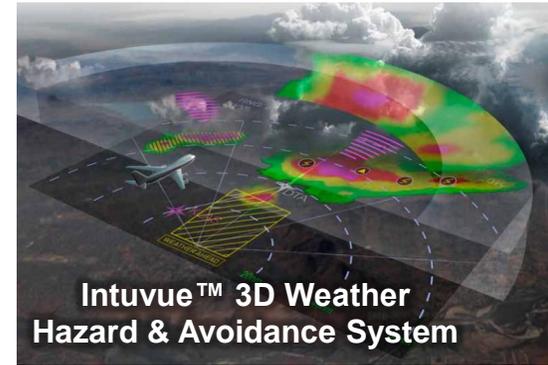


<sup>1</sup> Represents 2018 sales excluding Garrett (the former Transportation Systems business) and Resideo (the former Homes and ADI global distribution business); Differences between segment sales figures and the sum of sales figures for the businesses within each segment are due to rounding

<sup>2</sup> Represents 2019E sales

# ADDRESSING WORLD'S TOUGHEST CHALLENGES

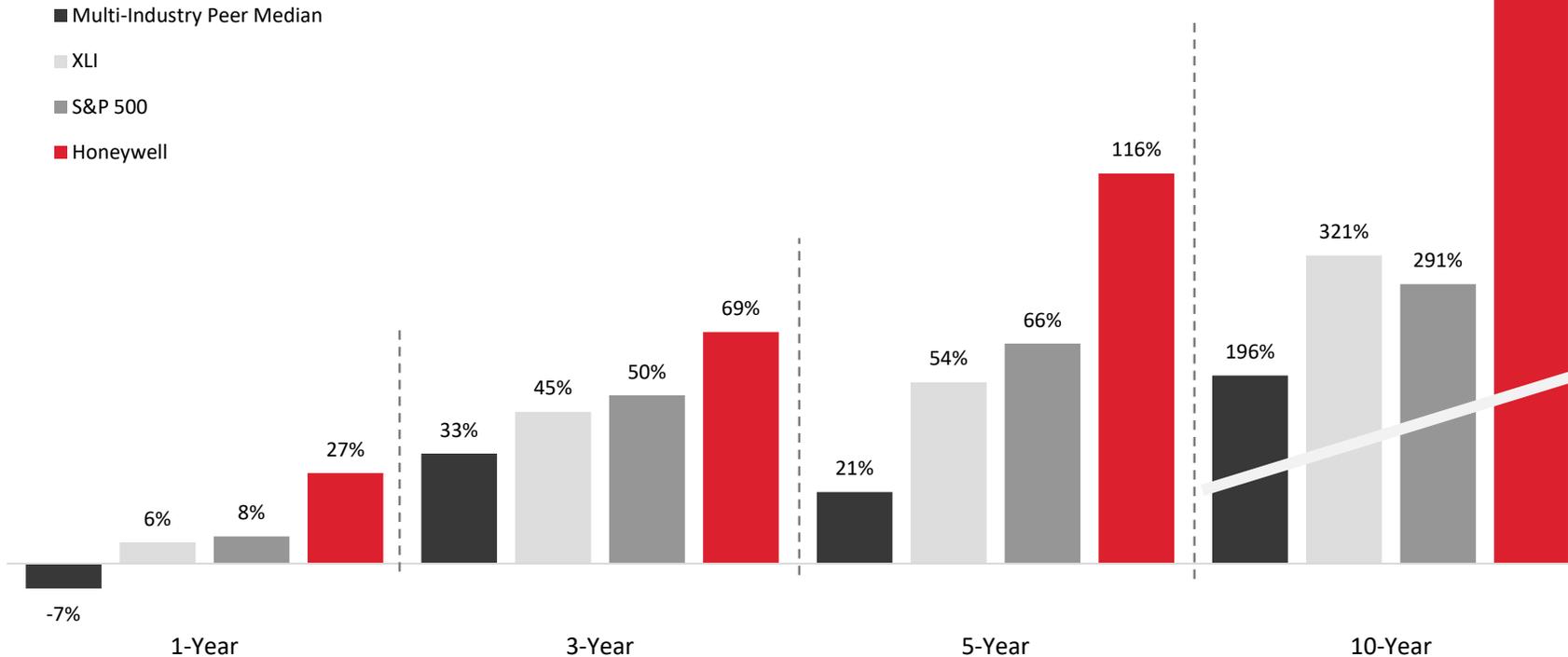
- Developing and manufacturing technologies that drive energy efficiency, improve worker safety and productivity, and build global urbanization
- Performance Materials and Technologies' Solstice® low-global-warming products helping replace harmful hydrofluorocarbons (HFCs)
  - HFO-1234yf safely cooling more than 70M cars worldwide; expected to grow to more than 90M cars by end of 2019
- Aerospace's Enhanced Ground Proximity Warning System reduced controlled flight into terrain (CFIT) accidents from ~1 in every 3 million flights to less than 1 in every 20 million
- Personal and industrial safety equipment serve more than 500 million people around the world daily



**Our Products Are Making the World Safer, Cleaner, and More Sustainable**

# TOTAL SHAREHOLDER RETURN

## Cumulative Total shareowner return (TSR)



- Best TSR performance amongst our core EE/multi-industry peers in 2018, even while executing two complex spins
- Outperforming the Industrials (XLI) and market (S&P 500) benchmarks in all periods
- Consistent execution while investing for the future

Multi-Industry peer median includes EMR, GE, ITW, MMM, UTX  
 Total shareowner return (TSR) as of June 19, 2019  
 Source: S&P Capital IQ

**Outstanding Return Demonstrated Over Short, Medium, and Long Term**

# AEROSPACE

More fuel-efficient aircraft. More direct and on-time flights. Safer skies and airports. We're found on virtually every commercial, defense and space aircraft.



## Business Portfolio:

- Electronic Solutions
- Engines and Power Systems
- Mechanical Systems and Components
- Connected Aerospace

## Headquarters:

Phoenix, Arizona

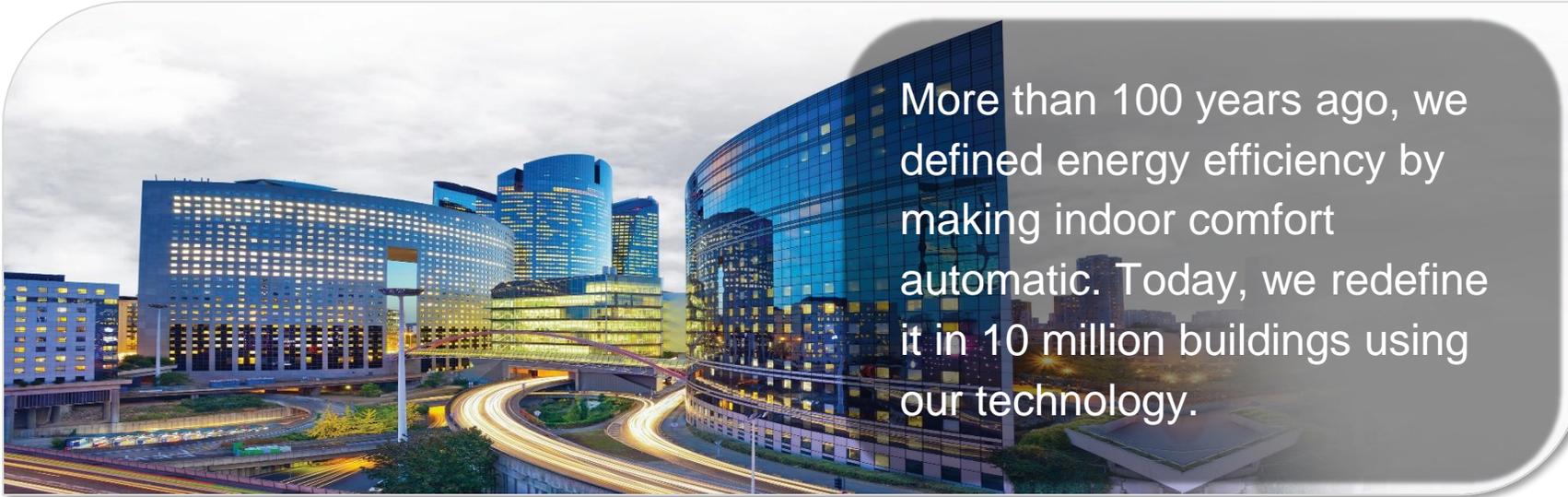
**\$12.9B**

2018 Sales

## Technologies:

- Air and Thermal Management
- Connectivity Systems and Connected Aircraft Services
- Federal Solutions Management and Operation
- Hybrid Electric Systems
- Integrated Avionics Offerings and Flight Management Systems
- Manned/Unmanned and Satellite Applications/Space
- Mechanical Components
- Navigation, Safety, and Surveillance Solutions
- Propulsion and Power Systems
- Runway and Flight Safety Technology
- Wheels and Braking Systems

# BUILDING TECHNOLOGIES



More than 100 years ago, we defined energy efficiency by making indoor comfort automatic. Today, we redefine it in 10 million buildings using our technology.

## Business Portfolio:

- Building Management Systems
- Global Fire
- Global Security
- Global Electronic Products
- Building Solutions
- Greater China / APAC (Regional operation)
- Latin America (Regional operation)

## Headquarters:

Atlanta, Georgia

**\$5.4B**

2018 Sales

## Technologies:

- Building Comfort and Control Systems
- Fire Alarm Systems and Detection
- Smart City Command and Control Solutions
- Video Management and Security
- Air and Water Purification
- Access and Intrusion Control

# PERFORMANCE MATERIALS AND TECHNOLOGIES



We pioneered automation control. So we understand complex industrial facilities, and how to create high-quality and high-performance chemicals and materials.

## Business Portfolio:

- Advanced Materials
- Honeywell Process Solutions
- Honeywell UOP

## Headquarters:

Morris Plains, New Jersey

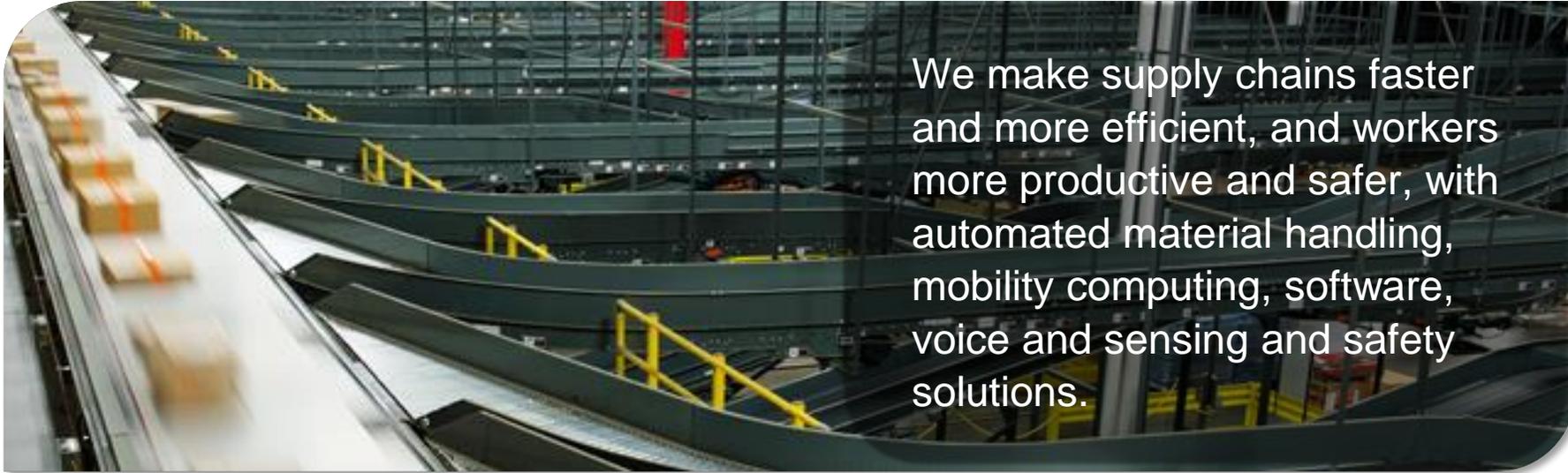
**\$10.7B**

2018 Sales

## Technologies:

- Advanced Fibers and Composites
- Chemicals and Electronic Materials
- Connected Plant and Software
- Industrial Automation Controls
- Low-Global-Warming Potential Refrigerants
- Oil and Gas Process Technology, Equipment, Catalysts, and Services
- Smart Energy
- Specialty Films and Additives

# SAFETY AND PRODUCTIVITY SOLUTIONS



We make supply chains faster and more efficient, and workers more productive and safer, with automated material handling, mobility computing, software, voice and sensing and safety solutions.

## Business Portfolio:

- Honeywell Intelligrated
- Honeywell Industrial Safety
- Sensing and Internet of Things
- Productivity Products
- Retail

## Headquarters:

Fort Mill, South Carolina

**\$6.3B**  
2018 Sales

## Technologies:

- Automation and Material Handling Solutions
- Voice-Directed Worker Productivity Solutions
- Personal Protective Equipment for Industrial / Firefighting Applications
- Gas Detection Technology and Custom-Engineered Sensors, Switches, and Controls
- Printing, Scanning, and Mobile Devices for Data Collection
- Workflow Software and Mobile Cloud Technology
- Footwear for Work, Play, and Outdoor Activities

# HONEYWELL CONNECTED ENTERPRISE



HCE is the leading industrial disruptor, building and connecting software solutions to streamline and centralize the assets, people, and processes that help our customers make smarter, more accurate business decisions.

## Honeywell Forge:

- A new category of software called Enterprise Performance Management for Operations Technology that improves the way companies collect, analyze, and act on data from their operations.
- Honeywell Forge solves comprehensive customer problems: asset reliability, process optimization, people productivity, and safety.

## Headquarters:

Atlanta, Georgia

## Technologies:

- Real-time, analytics-based optimization recommendations
- Predictive maintenance capabilities for aircraft, buildings, and industrial facilities
- Connectivity as a service: making it easy to collect and clean data from IoT devices with faster install time
- Domain-driven digital twins for assets, process and people
- Open architecture to help customers get more from their existing investments

# HONEYWELL CONNECTED ENTERPRISE

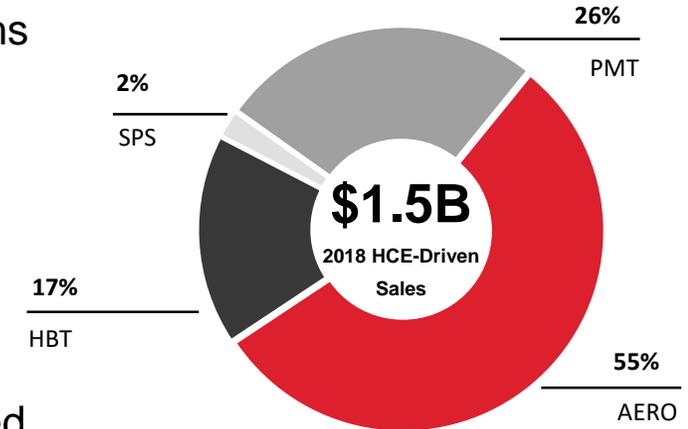


## Our Strategy

- Unified software approach in high-growth and high-value markets
- Deliver clear value only in the industries where we participate and possess large installed bases
- Leverage Honeywell Forge (our common IT stack) while developing customer-centric offerings by vertical
- Utilize data from physical products to deliver valuable software solutions
- Generate additional recurring sales through customer adoption (build-with, sell-with approach)

## Our Strengths

- Dedicated organization to develop Honeywell Forge and expand software capabilities to address customer problems
- Focused on industries where we have deep internal expertise, large installed base, and established long-term relationships
- Leveraging leading positions in connected aircraft, building, plant, worker, and distribution center
- Expertise with data collection and processing; IIoT is a natural extension of what we do today



## Sample Customers



The Future Is Now for Honeywell Connected Enterprise

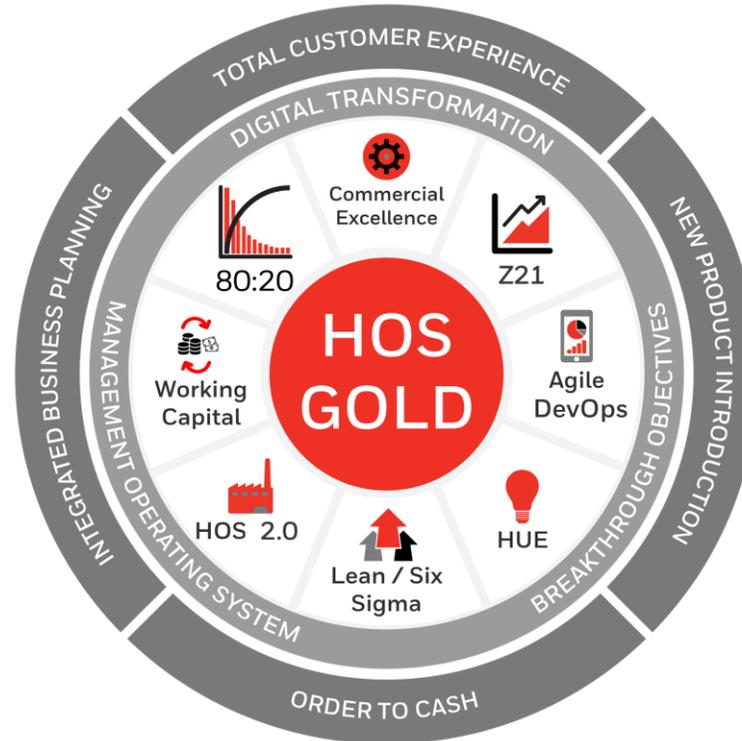
# HOS GOLD

## Growth

- Common set of tools / metrics to drive and manage sales
- Value proposition development rigor
- Breakthroughs – new adjacencies to enhance growth rate
- Channel program design

## Leverage

- Cross-business technology development
- Cross-business selling
- One-Honeywell leverage: we use what we sell



## Innovation

- ~9K employees developing software; world-class technologists driving innovation
- Rigor and metrics for new product development
- Honeywell User Experience incorporated into everything we do

## Productivity

- World-class working capital management
- Cross-Honeywell warehouse strategy optimization

**Differentiated Operating System Drives Value Creation in All Businesses**

# TECHNOLOGY AND INNOVATION

18,000

Engineers  
Worldwide

~9,000

Software  
Developers

138

Research and  
Engineering  
Facilities

35,500+

Patents Granted  
or Pending



18,000 Engineers

49%

Software

24%

Mechanical

22%

Electrical

5%

Chemical

# ENVIRONMENTAL, SOCIAL, GOVERNANCE

## Our Mission and Plan

- Ensuring a cleaner, safer, and healthier future
- Integrating health, safety, and environment into all aspects of business
- Protect workers and employees globally
  - Safety record is +80% better than industry average
- Annual targets for waste reduction
  - ~90% reduction in greenhouse gas (GHG) emissions intensity since 2004
- Comprehensive system aligned to industry best practices, fully integrated into the Honeywell Operating System



Onondaga Lake, **Syracuse, N.Y.**, former “Most Polluted Lake” now fishable and swimmable community asset spurring development

Former chemical plant in **Baltimore, MD**, now Harbor Point, home to Exelon, a leading energy provider; Morgan Stanley; and Johns Hopkins Medicine



**Building a Better Future**

# HONEYWELL HOMETOWN SOLUTIONS

## HHS Summary



Unique, global corporate citizenship programs

Aligning with business strategies

Supporting employee communities

150 awards since 2004



### Smarter

- 20 teachers annually learn coding and earn Georgia STEM School Certification at Georgia Tech
- 292 students from 42 countries attended leadership and coding training at USSRC in 2019, a total of 2,709 students since 2010
- 5,000 students in UAE attended Think Science and other education programs in partnership with Emirates Foundation and INJAZ
- 10,000+ students focused on IoT technologies utilize Honeywell Control Labs in five universities in Turkey, Romania, and Indonesia



### Safer

- 3 million students fire-safety trained in China, India, and Malaysia
- 6,000 students in Malaysia received safety training
- 1 million U.S. students learn personal safety and abduction-prevention with KidSmartz
- 25,000 students, 1,000 teachers, and 40,000 parents expect disaster management training by 2020 in India



### More Sustainable

- Modern urban sustainability education in New Jersey and Mexico City
- 135 safe drinking water stations built in rural India serving 300,000
- Water filtration systems serve 3,000 students and 60 teachers in China
- Wildlife habitat restoration projects by employees in Syracuse
- Urban pollution stewardship in Baltimore neighborhoods, schoolyards



### Humanitarian Relief

- \$13.8 million in donations distributed to-date
- Beneficiaries: >2,300 employees (multiple communities)
- Repaired or rebuilt since 2001\*
  - 900 homes
  - 4 schools
  - 9 medical clinics
  - 1 elder community center
  - 200 wells

**Delivering High-Impact Social Sustainability Global Programming**

# MEDIA HIGHLIGHTS



Honeywell Tops Electronics Industry on *Fortune's* 2019 "World's Most Admired Companies®"



Honeywell Leaps Into Quantum Computing: "We have a very unique technology that we believe is as good or better than anything that's out there today"  
- Darius Adamczyk, *Bloomberg News*



"Honeywell has supplied water stations in India, where as much as 70% of water supplies are contaminated." *The Guardian*



Honeywell ranked first in all categories in *Institutional Investor* magazine's 2019 All-America Executive Team rankings for electrical equipment and multi-industry sector, including Darius Adamczyk as "Best CEO."



Honeywell's Que Dallara Named One of *Diversity Journal's* "Women Worth Watching"



Honeywell ranked #6 on Indeed.com's list of hottest companies for job seekers.

**Influential International and Domestic Coverage and Recognition**

# HONEYWELL'S 8 BEHAVIORS

## FOUNDATIONAL PRINCIPLES

### Integrity and Ethics

### Supporting Diversity

### Workplace Respect

#### Have a Passion for Winning

- Beat the competition
- Fearless accountability for getting results

#### Be a Zealot for Growth

- Obsess over growth and customers
- Understand what creates value for customers

#### Think Big ... Then Make it Happen

- Be willing to re-examine almost anything
- Innovate with agility

#### Act With Urgency

- Move with lightning speed
- Use speed as a differentiator

#### Be Courageous

- Confront problems directly and face adversity head on
- Take on seemingly impossible goals

#### Go Beyond

- Over deliver on commitments

#### Inspire Greatness

- Set high expectations
- Achieve things you and your team never thought possible

#### Become Your Best

- Seek and accept feedback
- Bounce back from disappointments