Global Government Relations Overview

November 11, 2014
Agenda

• Organizational Overview

• U.S. Post-Election Update

• Key GR Priorities By Business

• Q&A
Global Government Relations Team

**Honeywell’s Competitive Differentiators**
- Experienced, International GR Team Working Cross-Regionally
- One-Honeywell, Cross-Business Focus
- Integrated With Honeywell Businesses
- Alignment With STRAP And AOP
- Key Assets And Enablers

**Experienced Global Team Focused On Growth**

**Asia Pacific & India**
GR Offices: Shanghai, Beijing, Wuhan, Chongqing, Delhi, Jakarta
49 Honeywell Ambassadors

**US, Canada & Latin America**
GR Offices: DC, Mexico City
60 Honeywell Ambassadors

**Europe, Middle East, Africa & Russia**
GR Offices: Brussels, London, Dubai, Moscow, Istanbul
36 Honeywell Ambassadors

145 Honeywell Ambassadors

13 GR Offices
Global Cross-Business Priorities

Utilizing key assets and enablers, the GR team works globally to:

• Advocate for favorable policies, legislation and regulation including:
  - Cyber security, defense, energy, environmental, tax and transportation policy
  - Trade policy and agreements (TTIP, TPP, TPA, Environmental Goods Agreement)
  - International climate treaty negotiations and bilateral agreements
  - Building and industrial energy efficiency
  - Technology neutrality
  - Regulatory permits
  - New product approval

• Promote international sales and strategic pursuits in HGRs and targeted countries in support of regional business strategies

• Work with businesses to secure government contracts in all areas, including defense, security, infrastructure, oil & gas and energy efficiency

• Support government financing, grants and incentives efforts

• Develop U.S. government support for international sales

• Build relationships with and educate key decision makers

• Engage with business coalitions and associations

• Host facility site visits and Honeywell Technology Experience tours with government and customer representatives

Support Business Interaction With Government At All Levels To Win Business
Republicans Sweep Midterm Elections

Key Outcomes:
• **Federal level** – Republicans pick up 7 seats to gain control of the U.S. Senate and increase majority in the U.S. House by adding 12 seats; big changes in key committee chairmanships
• **State-level** – Republicans flipped governorships in traditionally Democratic strongholds while successfully defending seats in key battleground states; gained supermajority of state legislative chambers

Key Takeaways:
• Generally viewed as a referendum on an unpopular president and low congressional approval ratings
• Sets the stage for 2016, giving positive momentum to Republicans
• Opportunity for Congressional Republicans and the President to prove they can work together
• Hopeful tone post-election that Congress will focus on returning to regular order to address key policy issues and avoid gridlock

Expected Action In Lame Duck Session:
• FY15 Omnibus or Continuing Resolution – **Dec 11 deadline**
• National Defense Authorization Act
• Tax extenders – **expired end 2013**
• Vote on military action against ISIS
• Terrorism Risk Insurance Act – **expires end 2014**

115th Congress Priorities:
• Keystone XL Pipeline Approval
• Corporate Tax Reform
• Trade Promotion Authority
• Immigration Reform
• Reform/Repeal ACA
• Debt Ceiling – **Suspended Thru March 2015**
• Highway Trust Fund – **May 2015 Deadline**
• Long-Term Export-Import Bank Reauthorization – **Expires June 2015**
• FAA Reauthorization – **Expires Sept 2015**
• Fair Labor Standards Act
• Shaheen-Portman Energy Bill

**GR Prepared To Work With New Majority To Get Results**

*Number of races still undecided*
Key Global ACS Priorities

• Government policies, standards and regulations promoting safety, security and energy efficiency including:
  – Energy efficiency opportunities and pursuits
  – Energy Savings Performance Contracts
  – SmartGrid / SmartCities
  – Building codes to generate energy efficiency and safety upgrades
  – Promotion of fire, safety and personal protection products
  – Critical infrastructure protection
  – Transportation and airport projects
Key Global Aerospace Priorities

**Defense & Space**
- Expand D&S portfolio
- DoD/MoD energy efficiency
- Acquisition policy
- Increase aftermarket capture
- Localization
- Critical infrastructure protection
- Healthcare infrastructure and O&M
- Cyber security

**Civil Aviation**
- Air Traffic Control Modernization Programs
- GPS Ground-Based Augmentation Systems
- Electric Green Taxi System
- Air-Ground Connectivity
- ICAO-led Global Emissions Program

**Transportation Systems**
- Strong emission and fuel economy standards to drive turbo growth
- Promote clean diesel benefits
- Turbo Technologies aftermarket access
Key Global PMT Priorities

- Low Global Warming Potential (LGWP) HFO products – advocate for favorable legislation, regulation and global treaties; work with key stakeholders
- Nuclear – support U.S. nuclear conversion industry; build awareness for offerings
- Asphalt additives – build awareness and drive adoption
- Natural gas – track and support key pursuits
- Renewables – regulatory support, funding, partnerships, standards and incentives
- UOP / HPS pursuits (i.e. refineries)
- Chemical reform