VERTICAL RESEARCH PARTNERS
INDUSTRIAL CONFERENCE
SEPTEMBER 4, 2019

DARIUS ADAMCZYK
CHAIRMAN AND
CHIEF EXECUTIVE OFFICER

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.

Non-GAAP Financial Measures
This presentation contains financial measures presented on a non-GAAP basis. Honeywell’s non-GAAP financial measures used in this presentation are as follows: segment profit, on an overall Honeywell basis, a measure by which we assess operating performance, which we define as operating income adjusted for certain items as presented in the Appendix; segment margin, on an overall Honeywell basis, which we define as segment profit divided by sales and which we adjust to exclude sales and segment profit contribution from Resideo and Garrett in 2018, if and as noted in the presentation; organic sales growth, which we define as sales growth less the impacts from foreign currency translation, and acquisitions and divestitures for the first 12 months following transaction date; adjusted free cash flow, which we define as cash flow from operations less capital expenditures and which we adjust to exclude the impact of separation costs related to the spin-offs of Resideo and Garrett, if and as noted in the presentation; adjusted free cash flow conversion, which we define as adjusted free cash flow divided by net income attributable to Honeywell, excluding separation costs related to the spin-offs, and adjustments to the 4Q17 U.S. tax legislation charge, if and as noted in the presentation; and adjusted earnings per share, which we adjust to exclude pension mark-to-market expenses in 2018, as well as for other components, such as separation costs related to the spin-offs, adjustments to the 4Q17 U.S. tax legislation charge, and after-tax segment profit contribution from Resideo and Garrett in the periods noted in the presentation, net of spin indemnification impacts assuming both indemnification agreements were effective in such periods, if and as noted in the presentation. The respective tax rates applied when adjusting earnings per share for these items are identified in the presentation or in the reconciliations presented in the Appendix. Management believes that, when considered together with reported amounts, these measures are useful to investors and management in understanding our ongoing operations and in the analysis of ongoing operating trends. These metrics should be considered in addition to, and not as replacements for, the most comparable GAAP measure. Refer to the Appendix attached to this presentation for reconciliations of non-GAAP financial measures to the most directly comparable GAAP measures.
HONEYWELL AT A GLANCE

Portfolio Composition

$10.7B Performance Materials and Technologies
$12.9B Aerospace
$5.4B Honeywell Building Technologies
$6.3B Safety and Productivity Solutions

$1.2B
$2.8
$2.3
$2.4
$2.1
$5.0
$2.8
$5.4
$4.7
$4.1
$2.3
$2.4
$2.8
$5.0
$1.2B
$5.4B
$6.3B
$12.9B

TOTAL 2018 SALES1 ~$35B

Highlights

• Innovative technology portfolio with products that are making the world safer, cleaner, and more sustainable
• Multiple levers for value creation during the next phase of our transformation
• Strong performance culture at the center of everything we do
• Consistently performing for our shareowners with a commitment to doing what we say

1Represents 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

Balanced Portfolio - Attractive End Markets - Performance Culture
MULTIPLE LEVERS FOR VALUE CREATION

**Honeywell Connected Enterprise**
- Unified software approach
- Developing customer-centric offerings by vertical

**Supply Chain Transformation**
- Operate at world-class standards with focus on the customer
- Expecting >15% IRR on supply chain investments

**Honeywell Digital**
- Enhanced customer experience
- Data-driven decision making
- Streamlined operations

**Breakthrough Initiatives**
- Growth from new adjacencies
- Progress in quantum, industrial coatings and robotics

**High Growth Regions**
- Focus on mass mid-segment opportunities in China and India
- Integrate E4E and E2R offerings as part of global portfolio

**Capital Deployment**
- Share repurchases
- Dividend growth
- Bolt-on M&A and venture capital

Executing on Our Transformation Strategy
RECENT HIGHLIGHTS AND WINS

PetroChina Guangdong Petrochemical Company will adopt Honeywell UOP processing technology, engineering, equipment, catalysts, and more for its integrated petrochemical complex in China.

Introduced a suite of solutions enabled by the Honeywell Forge for Buildings platform that help drive facility efficiency and oversight, streamline complex functions, and deliver savings across an enterprise.

Acquired privately held TruTrak Flight Systems, a leader in autopilots for experimental, light-sport and certified aircraft. TruTrak will become part of Honeywell’s BendixKing business, helping to deliver affordable technologies to the general aviation market.

Businesses Continue to Innovate and Win
# CEO PRIORITY SCORECARD

<table>
<thead>
<tr>
<th>Priority Commitment</th>
<th>1H19 Results</th>
<th>Commentary</th>
</tr>
</thead>
</table>
| ✓ Accelerate Organic Growth  
LSD - MSD | 7% | • Strong start to 2019 driven by growth in long-cycle businesses and Building Technologies |
| ✓ Expand Segment Margins  
30 – 50 bps | 50 bps  
Ex-Spins | • Segment margin above 20% for the third consecutive quarter |
| ✓ Improve Free Cash Flow Conversion  
~100% Adj. FCF Conversion | 91% | • Generated adjusted free cash flow of $2.7B in 1H19 |
| ✓ Become a Software-Industrial Company  
~20% Software Sales CAGR | | • Leveraging leading positions in connected aircraft, building, plant, worker, and distribution center |
| ✓ More Aggressive Capital Deployment | ~$2.7B  
Share Repurchases | • Disciplined, strategic investments (TruTrak, Attabotics, Theatro) |

Segment margin ex-spins excludes sales and segment profit contribution from Resideo and Garrett in 2018. Adjusted free cash flow and associated conversion excludes impacts from separation costs related to the spin-offs.

Focused on Our Long-Term Commitments to Shareholders
## MARKET UPDATE

### What We Are Seeing

<table>
<thead>
<tr>
<th>Area</th>
<th>Description</th>
</tr>
</thead>
</table>
| Aero | + Robust U.S. and international defense demand  
+ Continued commercial aftermarket demand (airlines and business aviation) |
| HBT  | + Continued strength in commercial fire products  
+ Growth in building management software |
| PMT  | + Process Solutions products and aftermarket services strength  
- Headwinds in Advanced Materials due to impact of illegal HFC imports in Europe |
| SPS  | + Industrial safety growth driven by gas detection  
- Continued challenges in productivity products |

**Strength Across Most of the Portfolio. Planning Cautiously.**
DARIUS ADAMCZYK
CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Darius Adamczyk is Chairman and Chief Executive Officer of Honeywell, a leading software-industrial company that helps connect aircraft, buildings, manufacturing plants, supply chains, and workers to make our world smarter, safer, and more sustainable.

He was elected Chairman in April 2018. Before then, he was appointed President and Chief Executive Officer in March 2017 after serving for one year as President and Chief Operating Officer. Darius’ focus in these roles has been on accelerating Honeywell’s organic growth, expanding margins, transforming the Company into a premier software-industrial, deploying capital effectively, and building a high-performance culture.

Darius joined the Company in 2008 when Metrologic, where he was serving as Chief Executive Officer, was acquired by Honeywell. He served as President of Honeywell Scanning and Mobility for four years, doubling the size of the business, before leading a turnaround over two years as President of Honeywell Process Solutions. In 2014, Darius was promoted to President and Chief Executive Officer of Honeywell Performance Materials and Technologies.

Before joining Honeywell, Darius held several leadership positions with Ingersoll Rand and Booz Allen Hamilton. He began his career as an electrical engineer at General Electric in 1988.

Born in Poland on February 8, 1966, Darius emigrated to the United States at age 11. He earned his MBA from Harvard University, a master’s degree in computer engineering from Syracuse University, and a bachelor’s degree in electrical and computer engineering from Michigan State University. Darius also completed the GE Edison Engineering Program, as well as numerous executive development courses at Wharton and Duke, among other institutions. He has received the Corporate Social Responsibility Award from the Foreign Policy Association as well as the John D. Ryder Electrical and Computer Engineering Alumni Award from Michigan State University. He was also named “Best CEO” in 2019 by Institutional Investor in its 2019 All-America Executive Team. Darius serves on the Business Roundtable.
**RECONCILIATION OF ORGANIC SALES % CHANGE**

<table>
<thead>
<tr>
<th>Honeywell</th>
<th>1H19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reported sales % change</td>
<td>(15%)</td>
</tr>
<tr>
<td>Less: Foreign currency translation</td>
<td>(2%)</td>
</tr>
<tr>
<td>Less: Acquisitions, divestitures and other, net</td>
<td>(20%)</td>
</tr>
<tr>
<td>Organic sales % change</td>
<td>7%</td>
</tr>
</tbody>
</table>

We define organic sales percent as the year-over-year change in reported sales relative to the comparable period, excluding the impact on sales from foreign currency translation, and acquisitions, net of divestitures. We believe this measure is useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.

A quantitative reconciliation of reported sales percent change to organic sales percent change has not been provided for forward-looking measures of organic sales percent change because management cannot reliably predict or estimate, without unreasonable effort, the fluctuations in global currency markets that impact foreign currency translation, nor is it reasonable for management to predict the timing, occurrence and impact of acquisition and divestiture transactions, all of which could significantly impact our reported sales percent change.
## RECONCILIATION OF CASH PROVIDED BY OPERATING ACTIVITIES TO ADJUSTED FREE CASH FLOW AND CALCULATION OF ADJUSTED FREE CASH FLOW CONVERSION

<table>
<thead>
<tr>
<th>($M)</th>
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<tr>
<td>Cash provided by operating activities</td>
<td>$2,812</td>
</tr>
<tr>
<td>Expenditures for property, plant and equipment</td>
<td>(312)</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>2,500</td>
</tr>
<tr>
<td>Separation cost payments</td>
<td>193</td>
</tr>
<tr>
<td>Adjusted free cash flow</td>
<td>$2,693</td>
</tr>
</tbody>
</table>

Cash provided by operating activities $2,812
+ Net income (loss) attributable to Honeywell $2,957
Operating cash flow conversion 95%

Adjusted free cash flow $2,693
+ Net income attributable to Honeywell $2,957
Adjusted free cash flow conversion % 91%

We define free cash flow as cash provided by operating activities less cash expenditures for property, plant and equipment.

We believe that this metric is useful to investors and management as a measure of cash generated by business operations that will be used to repay scheduled debt maturities and can be used to invest in future growth through new business development activities or acquisitions, pay dividends, repurchase stock or repay debt obligations prior to their maturities. This metric can also be used to evaluate our ability to generate cash flow from business operations and the impact that this cash flow has on our liquidity.
RECONCILIATION OF SEGMENT PROFIT TO OPERATING INCOME AND CALCULATION OF SEGMENT PROFIT AND OPERATING INCOME MARGINS

<table>
<thead>
<tr>
<th>($M)</th>
<th>4Q18</th>
<th>1Q19</th>
<th>2Q19</th>
<th>1H18</th>
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</tr>
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<tbody>
<tr>
<td>Segment profit</td>
<td>$1,960</td>
<td>$1,809</td>
<td>$1,970</td>
<td>$4,140</td>
<td>$3,779</td>
</tr>
<tr>
<td>Stock compensation expense (1)</td>
<td>(44)</td>
<td>(41)</td>
<td>(34)</td>
<td>(90)</td>
<td>(75)</td>
</tr>
<tr>
<td>Repositioning, Other (2,3)</td>
<td>(347)</td>
<td>(93)</td>
<td>(137)</td>
<td>(440)</td>
<td>(230)</td>
</tr>
<tr>
<td>Pension and other postretirement service costs (4)</td>
<td>(49)</td>
<td>(33)</td>
<td>(37)</td>
<td>(107)</td>
<td>(70)</td>
</tr>
<tr>
<td>Operating income</td>
<td>$1,520</td>
<td>$1,642</td>
<td>$1,762</td>
<td>$3,503</td>
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</tr>
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<td>÷ Net sales</td>
<td>$9,729</td>
<td>$8,884</td>
<td>$9,243</td>
<td>$21,311</td>
<td>$18,127</td>
</tr>
<tr>
<td>Segment profit margin %</td>
<td>20.1%</td>
<td>20.4%</td>
<td>21.3%</td>
<td>19.4%</td>
<td>20.8%</td>
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</tr>
<tr>
<td>Operating income margin %</td>
<td>15.6%</td>
<td>18.5%</td>
<td>19.1%</td>
<td>16.4%</td>
<td>18.8%</td>
</tr>
</tbody>
</table>

(1) Included in Selling, general and administrative expenses.
(2) Includes repositioning, asbestos, environmental expenses and equity income adjustment.
(3) Included in Cost of products and services sold, Selling, general and administrative expenses and Other income/expense.
(4) Amounts included in Cost of products and services sold and Selling, general and administrative expenses.

We define segment profit as operating income, excluding stock compensation expense, pension and other postretirement service costs, and repositioning and other charges. We believe these measures are useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.
### CALCULATION OF SEGMENT PROFIT EXCLUDING SPIN-OFF IMPACT AND SEGMENT MARGIN EXCLUDING SPIN-OFF IMPACT

<table>
<thead>
<tr>
<th>($M)</th>
<th>1H18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Segment profit</td>
<td>$4,140</td>
</tr>
<tr>
<td>Spin-off Impact(^{(1)})</td>
<td>(664)</td>
</tr>
<tr>
<td>Segment profit excluding spin-off impact</td>
<td>$3,476</td>
</tr>
</tbody>
</table>

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<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Sales</td>
</tr>
<tr>
<td>Spin-off Impact(^{(1)})</td>
</tr>
<tr>
<td>Sales excluding spin-off impact</td>
</tr>
</tbody>
</table>

<p>| |</p>
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<tbody>
<tr>
<td>Segment margin excluding spin-off impact</td>
</tr>
</tbody>
</table>

\(^{(1)}\) Amount computed as the portion of Aerospace and Honeywell Building Technologies segment profit and sales in the applicable prior year period for Transportation Systems and Homes and Global Distribution spin-off businesses.
RECONCILIATION OF REPORTED SALES, EXCLUDING SPIN-OFF IMPACTS

<table>
<thead>
<tr>
<th>(SM)</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>$41,802</td>
</tr>
<tr>
<td>Spin-off Impact(^{(1)})</td>
<td>(6,550)</td>
</tr>
<tr>
<td>Sales excluding spin-off impact</td>
<td>$35,252</td>
</tr>
</tbody>
</table>

(1) Amount computed as the portion of Aerospace and Honeywell Building Technologies sales in the applicable period for Transportation Systems and Homes and Global Distribution spin-off businesses.