Forward Looking Statements

This report contains “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of fact, that address activities, events or developments that we or our management intend, expect, project, believe or anticipate will or may occur in the future are forward-looking statements. Forward-looking statements are based on management’s assumptions and assessments in light of past experience and trends, current economic and industry conditions, expected future developments and other relevant factors. They are not guarantees of future performance, and actual results, developments and business decisions may differ from those envisaged by our forward-looking statements. Our forward-looking statements are also subject to risks and uncertainties, which can affect our performance in both the near- and long-term. 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.
Key Messages

1. Portfolio Aligned To Key Global Macro Trends

2. Continuing To Build And Expand Software Capabilities Across All Businesses

3. HGR Strategies Working: Becoming The Chinese Competitor, East-For-East, East-To-Rest

4. Solid Foundation To Capture Opportunities In China
Honeywell Overview

$38.6B Global Industrial Company, ~53% Of Sales Outside U.S.

<table>
<thead>
<tr>
<th>Aerospace</th>
<th>Home And Building Technologies</th>
<th>Performance Materials &amp; Technologies</th>
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<tbody>
<tr>
<td>~$15B Sales</td>
<td>~$9B Sales</td>
<td>~$9B Sales</td>
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<tr>
<td>Safety And Productivity Solutions</td>
<td>Performance Materials &amp; Technologies</td>
<td>~$9B Sales</td>
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<td>~$5B Sales</td>
<td>~$5B Sales</td>
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Unmatched Scope Of Offerings
- Mechanical, Cockpit, & Software Offerings From Nose To Tail
- Apps, Services, Maintenance, Subscriptions
- End-To-End Connectivity Solutions From Hardware To Airtime
- Turbochargers for Fuel Efficiency

Connecting Homes, Buildings, & Workers
- Security And Fire, Addition Of Elster
- Connecting Homes With Lyric
- Open Software Connecting "Internet Of Things" In Buildings
- Wireless, Voice, Mobility, Data Analytic Solutions For Workers

Winning Technology
- Refining & Petrochemical Catalysts
- Gas Processing Modular Offerings
- Solstice® LGWP Materials
- SmartLine Transmitters
- Asset Optimization Software

Reflects 2015 Full Year Results; Following ACSRealignment July 22, 2016, Sales For SPS and HBT Segments Are Preliminary, Unaudited, and Subject To Change
Growth And Productivity Focus

**Broadening Software Offerings**
- % Of Sales
  - 2015: 56% (Product Embedded), 59% (Stand Alone)
  - 2020: 55% (Product Embedded), 63% (Stand Alone)

**High Growth Region Penetration**
- % Of Sales
  - 2003: 10%, 2015: 23%
- Census
  - 2003: ~18,000, 2015: ~55,000

**Margin Expansion Runway**
- Commercial Excellence, HUE
- Higher Margin New Products
- Improved Plant Performance
- Sourcing Effectiveness
- Functional Transformation
- Funded Restructuring Pipeline

- CMMI Level 5 Across Company
- 77% Of HOS Gold Breakthroughs
- Standalone Software Provides Growth Platform
- Becoming The Chinese Competitor (BCC)
- East-For-East And Rest
- One Honeywell Culture

**Driving Profitable Growth**
Honeywell Technology Solutions (HTS) Global Presence

China
- Shanghai
- Beijing
- Luoyang, Henan
- Suzhou, Jiangsu
- Nanjing, Jiangsu
- Xi’an, Shaanxi
- Changsha, Hunan

India
- Bangalore
- Hyderabad
- Madurai
- Gurgaon

EMEA
- Czech Republic
  - Prague
  - Brno
- Bulgaria
  - Sofia
- Mexico
  - Mexico City
  - Chihuahua
  - Juarez
  - Tijuana

+10,000 Employees globally
50%+ Engineers focused on software
100% CMMI Maturity Level 5 certified

Note: Honeywell Technology Solutions (HTS) is the engineering, technology research, and development arm of Honeywell.
Today’s Connected World (IoT)

Untethered Global Mobility

Hyper-Scale Data Collection And Analysis

Connected, Inter-Twined Systems, Applications And Networks

**KEY TRENDS ARE RAPIDLY SHAPING THE LANDSCAPE**


Decades of Lifespan

~10 control points 10,000 control points 100,000+ control points

HON Installed Base

**BUILDINGS + CONNECTED**
10M GLOBAL INSTALLED BASE

**VEHICLES + CONNECTED**
100M GLOBAL INSTALLED BASE

**WORKERS + CONNECTED**
550M GLOBAL PPE USERS

**HOMES + CONNECTED**
150M GLOBAL INSTALLED BASE

**PLANTS + CONNECTED**
10K+ GLOBAL INSTALLED BASE

**AIRCRAFT + CONNECTED**
130K TOTAL AIRCRAFT

**CONNECTED OFFERINGS/IoT OPPORTUNITY >$6T IMPACT***

*Source: McKinsey Global Institute - est. global economy impact by 2025

Taking Our Unique Strengths To The Digital World
HGR Core Strategy

Becoming THE Chinese Competitor

East-For-East (E4E)
- R&D
- Manufacturing
- Sales & Dist.

East-To-Rest (E2R)

Follow-The-Growth (FTG)
- Energy & Efficiency
- Cities & Buildings
- Trans. & Infra.
- Health & Safety
- Defense & Security

One Honeywell & Integrated Solutions

Proven Strategy With Superior Execution
China Overview

Real GDP YoY Growth

6.9% 6.5%

$600B GDP Growth In ‘15

Equivalent To 14% Growth 10 Years Ago

Local Presence / Capabilities

- ~12,000 Employees In Over 30 Cities
- ~2,500 Scientists And Engineers
- ~2,900 Patents Filed In China
- Largest Sales Market Outside Of U.S.

Source: Global Insight May 2016

What We’re Seeing

- Slower Pace, But Adding Substantial GDP
- Headwinds – O&G, Real Estate
- Reform To Address Structural Issues
  - SOE Reform, Overcapacity, Debt
- Rebalancing The Economy
  - Services, Consumption
- Opportunities
  - Infrastructure
  - Chinese Overseas Investment And Contracting
  - Digital Economy – Connected, Smart, IoT
  - Environmental – Vehicle Emission, Industrial VOC*

No Hard Landing, Positive For The Long Term

*Volatile Organic Compound
The New Economy

Solid Foundation To Capture Opportunities In China

Five Year Plan (FYP) Priorities

- World’s Factory
- Urbanization, Infra.
- Going West

- Foreign Investment
- R&D
- Energy Efficiency

- Going Out
- Going Green
- Emerging Sectors

- Consumption
- Innovation
- Environment
- Digital Economy

Relevant Opportunities in the 13-FYP

- Smart Urban Infrastructure
- IOT, Cyber Economy
- Energy
- Industrial Emission
- Air & Water Quality
- Greenhouse Gas Control
- One Belt One Road

Strong Capabilities To Address Opportunity:

- Local Leadership
- Broad Portfolio
- Diversified Offerings
- E4E Capability
- BCC Mindset
Our China Strategies

### Strategic Growth Initiatives

- **E4E, Mid Segment** — 40%+ Of Sales In ACS, 35%+ In TS*

- **E2R** — Deployed To 10+ Countries

- **BCC In Everything We Do** — Speed, Cost, Features, Channels, Local Decisions, etc.

- **FTG (Follow-The-Growth)** — Partnering With Chinese EPCs

*TS Is A Business Unit Within Aerospace

### Key Wins / Highlights

- **COMAC C919** — Final Assembly Unveiled

- **Breakthrough PSA Win** — Cleaner Fuel (Euro 5/6)

- **Breakthrough Hydro-Treating Win** — PetroChina Dagang

- **Micro-Gas Turbo** — SGM, JAC, DF PSA, ChangAn, Chery

- **Urban Infrastructure** — 12 Metro Lines, Wuhan Airport T3

- **Residential Air & Water** — Growing And Building Brand
Summary

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