EPG CONFERENCE
MAY 20, 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 release contains financial measures presented on a non-GAAP basis. Honeywell’s non-GAAP financial measures used in this release 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 to exclude the impact of stock compensation expense, repositioning and other charges, and pension and other postretirement service costs; segment margin, on an overall Honeywell basis, which we define as segment profit divided by sales; 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; and adjusted earnings per share, which we adjust to exclude pension mark-to-market expenses in historical periods, as well as for other components, such as debt refinancing charges, separation costs related to the spin-offs, the 4Q17 U.S. tax legislation charge, and adjustments to such charge, if and as noted in the presentation. 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. A quantitative reconciliation of segment profit, on an overall Honeywell basis, to operating income has not been provided for forward-looking measures of segment margin as management cannot reliably predict or estimate, without unreasonable effort, the impact and timing on future operating results arising from items adjusted from segment profit. 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. The information that is unavailable to provide a quantitative reconciliation could have a significant impact on our reported financial results.
## INVESTOR DAY RECAP

1. Balanced portfolio poised for further outperformance in 2019 and beyond
2. Next phase of transformation underway
3. Significant balance sheet firepower to deploy
4. Focused on building a better future with ESG
5. Strategic priorities remain consistent; delivering profitable growth while investing for the future

Compelling Investment Thesis ... Positioned for Growth and Execution
Short-Cycle  
~60% of Portfolio

- Comm’l Aero Aftermarket strength driven by flight hours growth, mandates, and connected aircraft adoption
- Defense aftermarket
- Solstice® demand
- Commercial fire strength
- Productivity products (scanning, printing)

Long-Cycle  
~40% of Portfolio

- Momentum continuing in narrow body and business jet deliveries; robust defense shipment volumes
- Warehouse automation growth driven by e-commerce tailwinds
- Building solutions demand in high growth regions
- Strong UOP engineering, equipment, catalyst orders; stable oil prices

Overall Market Dynamics Positive

Represents FY19E sales
**NEXT PHASE OF TRANSFORMATION**

**Honeywell Connected Enterprise**

- Established late 2018 to accelerate software development and IIoT solutions
- Expanding our customers’ frontier performance with IIoT technologies
- Leveraging leading positions in connected aircraft, building, plant, worker, and distribution center
- Target 20% software sales CAGR; target 10%+ of total Honeywell sales

**Portfolio and Accelerated Innovation**

- Portfolio review process an on-going activity; reduced cyclicity and B2C exposure with previous spins
- “Z21” process dramatically reducing innovation cycle times
  - 50% reduction in development cycles
- Enhanced focus on new and sustained product vitality
- Honeywell Ventures investing in early-stage, high-growth companies from around the world that have emerging or disruptive technologies

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**Driving Strategic Value and Profitable Growth**

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Supply Chain Transformation

<table>
<thead>
<tr>
<th>Year</th>
<th>Working Capital Turns</th>
</tr>
</thead>
<tbody>
<tr>
<td>'12</td>
<td>7.0x</td>
</tr>
<tr>
<td>'15</td>
<td>6.7x</td>
</tr>
<tr>
<td>'17</td>
<td>6.8x</td>
</tr>
<tr>
<td>'18</td>
<td>7.4x</td>
</tr>
<tr>
<td>'19E</td>
<td>~7.6x</td>
</tr>
</tbody>
</table>

>95% \[\text{ON TIME IN FULL DELIVERY}\]

\[\text{INVENTORY} \downarrow \text{$1B$}\]

- Robust orders growth resulting in backlog at record levels
- Transforming into a smart, connected, and integrated supply chain
  - Operate at world-class standards
  - Leverage Honeywell Forge for Industrials and new technology offerings
- Identified ~$500M of run-rate benefits
- Expecting >15% IRR on supply chain transformation investments

Honeywell Digital

- Robust data management initiatives to drive best-in-class functions
- Consistent processes to enable data standardization
  - ~70 ERP systems currently, planning to get to 10 systems by end of 2021
- Embed data governance competency to eliminate waste, drive visibility and improved decision making
- Anticipate >$500M in potential run-rate benefits (sales, costs, cash)

Improving our Capabilities and Building for the Future

The plans and proposals described herein are not final and may be modified or even abandoned at any time. No final decision will be taken with respect to such plans or proposals without prior satisfaction of any applicable requirements with respect to informing, consulting or negotiating with employees or their representatives.
SUBSTANTIAL CAPACITY TO DEPLOY

Three-Year Cash Availability

$28B - $30B

Surplus Cash Balance (end of 2018) ~$8B

Operating Cash Flow $20B - $22B

Available Cash $17B - $19B

CapEx ~$3B

Dividend ~$8B

Sources

Potential Uses

- Top priority remains bolt-on M&A, valuations continue to be very challenging ...
- Ability to continue generating strong returns through share repurchases
  - Share count down ~3% in 2019 based on 2018 repurchases (2% impact) and planned 2019 repurchases
- Consistent CapEx investment to facilitate growth, sustain core businesses
  - Dependent on project financials and business need
- Dividend growth aligned with earnings growth
- Global cash mobility stronger than ever

Strong Balance Sheet with Significant Firepower

Assumes no increase in gross leverage
Surplus cash is cash and short-term investments in excess of $3B required for liquidity purposes

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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 Honeywell Operating System

• Since 2001, Honeywell humanitarian relief repaired / rebuilt:
  - 900 homes
  - 4 schools
  - 9 medical clinics
  - 1 elder community center
  - 200 wells
  - 135 drinking water stations

Onondaga Lake, Syracuse, NY, 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
## Long-Term Financial Plan

### Strong Growth
- Continued organic sales growth and margin expansion
- EPS growth greater than peers (three-year cumulative adjusted EPS growth 16 pts above peer median)

### Robust Cash Generation
- Targeting ~100% Adjusted FCF cash conversion
- World-class working capital management

### Aggressive Capital Deployment
- Prioritizing high-ROI investments – not constraining financially compelling internal projects
- Top priority is bolt-on M&A; can generate strong returns through share repurchases

### Balance Sheet
- Target 2.3X - 2.5X gross leverage (per Moody’s)
- Maintain premium credit rating

### Long-Term Targets
- **3% - 5% Organic Growth**
- **30 - 50 bps Margin Expansion per Year**
- **~100% Adjusted Free Cash Flow Conversion**
- **Dividend Growth Aligned With Earnings Growth**

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*Adjusted free cash flow conversion guidance excludes estimated payments of ~$0.3B for separation costs incurred in 2018 related to the spin-offs of Resideo and Garrett.*

*See appendix for adjusted EPS reconciliation. EPS peer median includes EMR, GE, MMM, UTX.*

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**Strengthened Foundation for Long-Term Value Creation**

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SUMMARY

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2. Next phase of transformation underway

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5. Strategic priorities remain consistent; delivering profitable growth while investing for the future

Executing Our Playbook to Remain Best-In-Class
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 EPS TO ADJUSTED EPS

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earnings per share of common stock - assuming dilution (EPS) (1)</td>
<td>$6.20</td>
<td>$2.00</td>
<td>$8.98</td>
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<tr>
<td>Pension mark-to-market</td>
<td>0.28</td>
<td>0.09</td>
<td>0.04</td>
</tr>
<tr>
<td>Debt refinancing expense</td>
<td>0.12</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Separation costs (2)</td>
<td>-</td>
<td>0.02</td>
<td>0.97</td>
</tr>
<tr>
<td>Impacts from U.S. Tax Reform</td>
<td>-</td>
<td>5.04</td>
<td>(1.98)</td>
</tr>
<tr>
<td>Adjusted earnings per share of common stock - assuming dilution</td>
<td>$6.60</td>
<td>$7.15</td>
<td>$8.01</td>
</tr>
</tbody>
</table>

(1) For the twelve months ended December 31, 2018, 2017, and 2016 adjusted earnings per share utilizes weighted average shares 753.0 million, 772.1 million and 775.3 million.

(2) For the twelve ended December 31, 2018, separation costs of $732 million including net tax impacts. For the twelve months ended December 31, 2017, separation costs $14 million including net tax impacts.

We believe Adjusted EPS is a measure that is useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.