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 pension mark-to-market, separation costs related to the spin-offs, and adjustments to the charges taken in connection with 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 charges taken in connection with 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 footnotes in this presentation and the Appendix attached to this presentation for reconciliations of non-GAAP financial measures to the most directly comparable GAAP measures.

Other Notes
Honeywell Building Technologies (HBT) segment margin is defined as HBT segment profit divided by HBT sales and which we adjust to exclude sales and segment profit contribution from Resideo in 2018, if and as noted in the presentation.

All references to Total Addressable Market (TAM) and Serviceable Addressable Market (SAM) are based on Honeywell estimates, unless otherwise noted.
### REAFFIRMING 2019 FINANCIAL GUIDANCE

#### Sales
- Organic Growth

#### Segment Margin
- Margin Growth
- Margin Growth Ex-Spins
- Net Below the Line Impact
- Adjusted Effective Tax Rate
- Share Count

#### Adjusted EPS
- Adjusted EPS Growth Ex-Spins

#### Adjusted FCF
- Conversion

<table>
<thead>
<tr>
<th>4Q 2019 Guidance</th>
<th>FY 2019 Guidance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>$9.5B - $9.7B</strong></td>
<td><strong>$36.7B - $36.9B</strong></td>
</tr>
<tr>
<td>Up 2% - 4%</td>
<td>Up 4% - 5%</td>
</tr>
<tr>
<td><strong>20.7% - 21.0%</strong></td>
<td><strong>20.9% - 21.0%</strong></td>
</tr>
<tr>
<td>Up 60 - 90 bps</td>
<td>Up 130 - 140 bps</td>
</tr>
<tr>
<td>Up 20 - 50 bps</td>
<td>Up 50 - 60 bps</td>
</tr>
<tr>
<td>~($155M)</td>
<td>~($70M)</td>
</tr>
<tr>
<td>20% - 21%</td>
<td>~22%</td>
</tr>
<tr>
<td>~723M</td>
<td>~730M</td>
</tr>
<tr>
<td><strong>$2.00 - $2.05</strong></td>
<td><strong>$8.10 - $8.15</strong></td>
</tr>
<tr>
<td>Up 8% - 10%</td>
<td>Up ~10%</td>
</tr>
<tr>
<td><strong>$5.7B - $6.0B</strong></td>
<td><strong>$8.10 - $8.15</strong></td>
</tr>
<tr>
<td>98% - 100%</td>
<td>98% - 100%</td>
</tr>
</tbody>
</table>

Segment margin expansion ex-spins guidance excludes sales and segment profit contribution from Resideo in 4Q18 and Resideo and Garrett in 2018. Net below the line impact is the difference between segment profit and income before tax. Impact includes interest and other financial charges, stock compensation expense, pension ongoing income, other postretirement income, and repositioning and other charges. Adjusted EPS, Adjusted EPS VM ex-spins, and adjusted ETR guidance for the periods of 4Q19 and fullyear 2019 excludes 2018 pension mark-to-market, 2018 after-tax separation costs related to the spin-offs of Resideo and Garrett, and adjustments to the charges taken in connection with the 4Q17 U.S. tax legislation charge, in the respective periods. Also excludes the 2018 after-tax segment profit contribution from the spinoffs, net of spin indemnification impacts assuming both indemnification agreements were effective for all of 2018. The 4Q18 spin impact of $0.05 is calculated using a tax rate of 22.1% and weighted average share count of 7.44M. The fullyear 2018 spin impact is $0.02. Adjusted free cash flow guidance and associated conversion excludes estimated payments of ~$0.3B for separation costs incurred in 2018 related to the spin-offs of Resideo and Garrett. Adjusted free cash flow conversion guidance also excludes pension mark-to-market and adjustments to the charges taken in connection with the 4Q17 U.S. tax legislation charge.

Reaffirming 4Q and Full-Year 2019 Guidance
# INVESTOR SHOWCASE AGENDA

## Day 1 Schedule: Wednesday, Nov. 20

<table>
<thead>
<tr>
<th>Time</th>
<th>Activity</th>
<th>Speaker</th>
</tr>
</thead>
<tbody>
<tr>
<td>4:00</td>
<td>HBT Introduction</td>
<td>Vimal Kapur</td>
</tr>
<tr>
<td>4:45</td>
<td>Margin Expansion</td>
<td>Tina Pierce</td>
</tr>
<tr>
<td>5:00</td>
<td>High Growth Regions</td>
<td>Vimal Kapur</td>
</tr>
<tr>
<td>5:30</td>
<td>Q&amp;A Session</td>
<td></td>
</tr>
<tr>
<td>5:55</td>
<td>Wrap Up</td>
<td></td>
</tr>
</tbody>
</table>

## Day 2 Schedule: Thursday, Nov. 21

<table>
<thead>
<tr>
<th>Time</th>
<th>Activity</th>
<th>Speaker</th>
</tr>
</thead>
<tbody>
<tr>
<td>8:00</td>
<td>Fire &amp; Life Safety</td>
<td>Pete Lau</td>
</tr>
<tr>
<td>8:20</td>
<td>Security</td>
<td>Vikas Chadha</td>
</tr>
<tr>
<td>8:40</td>
<td>Honeywell Building Solutions</td>
<td>Mark Verheyden</td>
</tr>
<tr>
<td>9:00</td>
<td><strong>Break</strong></td>
<td></td>
</tr>
<tr>
<td>9:15</td>
<td>Building Management Systems</td>
<td>Peter Fehl</td>
</tr>
<tr>
<td>9:35</td>
<td>Connected Buildings</td>
<td>David Trice</td>
</tr>
<tr>
<td>9:55</td>
<td>Q&amp;A Session</td>
<td></td>
</tr>
<tr>
<td>10:30</td>
<td><strong>Transition to On-Site Technology Demonstrations</strong></td>
<td></td>
</tr>
</tbody>
</table>
HONEYWELL BUILDING TECHNOLOGIES
2019 HBT INVESTOR SHOWCASE

VIMAL KAPUR
PRESIDENT AND CEO
HONEYWELL BUILDING TECHNOLOGIES
HBT | KEY MESSAGES

STRONG POSITION IN A GOOD INDUSTRY

• Strong global positions in key end markets
• Buildings industry is a $100B+ fragmented and growing market
• Sustained market growth enabled by macros of urbanization, climate change and regulation

FAVORABLE GROWTH OUTLOOK

• Leveraging customer knowledge in connected buildings and delivering clear value for customers
• Monetizing large installed base with software and services
• Breakthrough initiatives and new product introductions expanding addressable market and deploying new, disruptive offerings

BUSINESS TRANSFORMATION

• Favorable mix of higher margin products and services
• Leverage Honeywell Digital and ISC transformation to simplify operations and reduce cost
• Reduce fixed cost by ~1% per year; improve segment margins to ~23% long-term

LEVERS FOR SUCCESS

• Unique edge-to-cloud strategy driving agile offering development, faster product introduction, higher vitality
• Continuing high growth region momentum, including penetration into mass mid-market
• Tailwinds from Honeywell Forge for Buildings

A Solid Foundation for Future Growth and Profitability
HBT | PORTFOLIO AT A GLANCE

**Fire & Life Safety**
Controls and related software including fire panels, smoke / CO detectors, public address systems and alarms, aspirating fire detection, and voice alarms

**Building Management Systems**
Precise controls and optimization of energy usage, heating, cooling, humidity, space utilization, and related building management software

**Connected Buildings**
Building portfolio optimization, space utilization, and occupant experience solutions

**Electrical Products**
Electrical wiring devices and cable management systems

**Security**
Detection systems and related software including intrusion, access control, video surveillance, and alarm verification for critical buildings and infrastructure

**HON Building Solutions**
Integrated software and hardware offering for complex buildings and structures, focusing on installation, integration, and service

Diversified Portfolio with Innovative Products

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HBT | END MARKETS SERVED

Airports / Metros  Data Centers  Healthcare  Premium Comm’l Offices

Government  Education  Hospitality  Retail  Industrials / Pharma

Addressing Critical Customer Needs in Key Verticals
HBT | BUSINESS OVERVIEW

Financial Overview

- 2017: $4.5B Buildings, $5.3B Homes, Segment Margin 16.9%
- 2018: $3.9B Buildings, $5.4B Homes, Segment Margin 17.3%
- 2019E: $5.7B Buildings, Segment Margin ~20.5%
- Long-Term: ~$5.4B Buildings, ~MSD CAGR%

Highlights

- Global business with presence in over 75 countries
- Installed base of over 10M buildings
- Large services business of ~$1.3B
- Macros of urbanization, climate change, and regulation
- Growing connected building offerings on Honeywell Forge platform
- Improving mix to higher margin products, services, and software

Balanced Portfolio with Significant Upside

Sales Mix¹

Building Management Systems:
- 45% Building Solutions
- 15% Fire, Security, and Other

Geographies¹

- Americas
- APAC
- EMEA
- 40% 40%
- 37% 23%

YTD Performance vs. Peers²

- Organic Growth
- Segment Margin
- Peer Group
- HON

- 2018 sales excluding Homes and ADI Global Distribution business
- Results for the nine months ending September 2019; Peers include Siemens (Smart Infrastructure), JCI, Schneider Electric (Energy), and UTX (Carrier); Buildings reported sales growth increased 8% during 2019 YTD
$100B+ Total Addressable Market

Industry Leadership
HBT leads in four sectors

Attractive Adjacencies
Room to expand through NPIs and M&A

SaaS Opportunity
No significant player; leverage HON Ventures

High RMR Potential
Mine installed base to grow service

RMR: Recurring Monthly Revenue; CAGR represents 2019E – 2023E; Source: internal HON estimate

Strong Position in Attractive, Growing Markets

Competitive Landscape

Software / Analytics
Single domain challengers

Consulting Firms
Integration services providers

Multi-Domain Incumbents
Consolidation initiatives

Hardware
Focus on product features and distribution

HBT Position

Expand Honeywell Forge, software and smart edge

Strengthen leading positions in Honeywell Building Solutions and connected offerings

Leveraging scale, “One HBT” end-to-end offering, and significant NPIs
PROFITABLE GROWTH FRAMEWORK

Honeywell
HBT | PROFITABLE GROWTH FRAMEWORK

1. Grow Core
   - Macro tailwinds
   - New product introductions (NPI)
   - High Growth Regions (HGR)
   - Recurring services

2. Expand Connected Building
   - Honeywell Forge for Buildings

3. Accelerate Breakthrough Initiatives
   - High growth / high margin adjacencies

4. Expand Margins
   - Productivity and ISC transformation
   - Commercial Excellence
   - Digital transformation
   - Mix shift to software and services

~MSD Sales Growth

$5.4B  $5.7B

Graph not proportional

Key Vectors Driving Long-Term Growth
## INDUSTRY MACRO DRIVERS

<table>
<thead>
<tr>
<th>Industry Growth Drivers</th>
<th>Trends</th>
<th>How We Monetize</th>
<th>HBT Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urbanization</td>
<td>65%+ of population will live in cities by 2050</td>
<td>✓ Win in critical verticals - Infrastructure, smart cities, data centers, transportation</td>
<td>High</td>
</tr>
<tr>
<td>Climate Change</td>
<td>50%+ energy consumption growth between 2018 and 2050</td>
<td>✓ Accelerate connected offerings ✓ Continue focus on energy efficiency</td>
<td>High</td>
</tr>
<tr>
<td>Industry Regulation</td>
<td>Rise of data privacy and IoT regulation (i.e. GDPR)</td>
<td>✓ Scale cyber across HBT ✓ Advanced fire detection</td>
<td>High</td>
</tr>
</tbody>
</table>

| HBT Growth Drivers      | IoT and Connectivity | ~10B+ connected devices in buildings by 2021 | ✓ Deploy edge-to-cloud ✓ Enable new business models - RMR, software / data, analytics | High |
|                        | Demographics and Labor Shortage | 25% of people will be above age of 65 by 2050 (Europe and North America) | ✓ Focus on aftermarket services and digitization | Medium |

*2023 HBT incremental sales potential: Sources: U.S. EIA, United Nations, and internal HON estimates

Secular Trends Support $1B+ Sales Growth
HBT | MARKET SHIFT ENABLING GROWTH

Today: Buildings Focused on Energy and Compliance

- Safety
- Security
- Energy
- Comfort

STAKEHOLDER: Building Owners and Managers

Future: Buildings also Focused on Experience and Optimization

- Productivity
- OPEX Reduction
- Experience
- Engagement

STAKEHOLDER: Installers

STAKEHOLDER: Building Owners and Managers

STAKEHOLDER: Occupants

Market Shift Creating New Opportunities Aligned to HBT Strengths

- Software and Smart Edge creating $10B - $20B additional market opportunity
- Additional stakeholders with new priorities and goals
- HBT transformation focused on NPIs and connected building solutions

Technology Advancement Expands TAM - Big Opportunity for Connected

CAGRs represent 2019E – 2023E: Source: internal HON estimate

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Honeywell Forge for Buildings

One Platform Across Multiple Domains

- Space Optimization
- Building Optimization
- Occupant Experience
- Asset Maintenance

Customer Applications Focused on Outcomes

Transform Building Data Into Business Outcomes

Systems

- BMS Systems
- Other Systems

Main Stakeholders

- Owners Occupants
- Owners Non-Occupants
- Tenants (Occupants, Non-Owner)

Diverse Stakeholder Base

Customer Outcomes

- Building Performance
  Comfort, energy reduction and optimization
- Portfolio Performance
  Focus on fixing problem areas in customer’s portfolio
- Smarter OPEX
  Lower labor costs, better manage and extend asset life
- Strategic CAPEX
  Data-driven decisions to invest in the right areas

How We Monetize

New RMR-based sales streams from existing installed base and new customers

~$0.3B
2019E Connected Building Sales

DD%+
Target Annual Growth

High-Value Offerings to Address Unmet Customer Needs
## HBT NPI Innovation Pipeline

### Category | Value Proposition | Select NPIs | 2020 KPIs
--- | --- | --- | ---
**Wireless** | • Single-click install  
• Location aware  
• Lower total cost of ownership | Wireless I/O Module*  
Wireless Detector* | **$150M+**  
Incremental sales from NPIs |
**Edge Analytics** | • Self-tuning controls  
• Auto commissioning  
• Predictive maintenance | IP Based Controller Platform*  
Video Analytics | **>30%**  
NPI Vitality |
**Smart Edge** | • Self-diagnostics and inspection  
• Sensor fusion  
• Video as a universal sensor | Self-Test Detectors*  
Wireless and Multi Sensors Platform | **>90**  
New Product Launches |
**Software** | • Workflow automation  
• Mobile-based tools  
• Customer journey digitization | Connected Life Safety Solution*  
Security Console  
Honeywell Forge* | **~2,100**  
R&D Design Engineers  
**~1,500**  
Application Engineers |

*Investor showcase technology demonstration

New Product Introductions Driving Growth
**HBT | HIGH GROWTH REGIONS**

**Market Opportunity**

- ~$27B SAM in 2019
- ~7% CAGR
- ~$35B SAM in 2023

**HBT | HGR Growth**

- ~25% of HBT Sales in 2019E
- ~12% CAGR
- ~33% of HBT Sales by 2023E

**HBT | Focused Megacities Approach**

Megacities in HGRs:

- Moscow
- Delhi
- Mumbai
- Bangalore
- Shanghai
- Shenzhen
- Bangkok
- Manila
- Jakarta

**Follow the growth in HGRs:**

- Strong position in rapidly growing cities
- Sales growth ~4X GDP in key megacities

**HBT actions:**

- Empower local leaders
- Local product development
- Innovation addressing local needs

**HBT | Urbanization Driving Infrastructure Investment**

- **Smart City**
  - New Cairo Administrative Capital
  - Cairo, Egypt
  - Project with advanced smart city security and surveillance
  - Build integrated command and control center

- **Beijing Daxing International Airport**
  - Beijing, China
  - Project with fire alarm, field devices and software
  - 700K square meters
  - World’s largest single-terminal airport

**HBT | Penetrate Mass Mid-Segment – East for East**

- **Local Products**
- **Distribution**

**Mass Mid-Segment Fire Panel**

- Meets all local regulations
- Cost fit for purpose

**Scale Distribution Capabilities**

- Distributor/installers: ~2,000
- Distributor presence: 45 → 70 cities

---

**Infrastructure and Mass Mid-Segment are Key to Success**

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**HBT | CHANGING SALES MIX WITH SERVICES**

### Old Model
- **Install:** Days to Weeks
- Longer install time; multiple technicians on site
- Annual inspections; on-site operation and maintenance

### New Model
- Automation of manual tasks and digital compliance
- Cloud-based delivery model

### Channel Created Installed Base
- **2019E**
  - HBT Installed Base: 60%
  - Serviced by HBT: 20%
  - Not Serviced by HBT: 20%

### Channel Created Installed Base
- **2023E**
  - HBT Installed Base: 55%
  - Serviced by HBT: 20%
  - Not Serviced by HBT: 15%

### Serviced by HBT:
- Contracts
- Spot work
- Service project

### HBT Service Growth Strategy and Benefits
- Spot and retrofit expansion
  - Fewer technicians and site visits required
- Connected offerings and cybersecurity drive increased wallet share and service excellence
  - Increased margin and customer retention
  - Driving more recurring sales

---

Mining Installed Base to Deliver 1% Incremental Organic Growth
HBT | SELECT BREAKTHROUGH INITIATIVES

<table>
<thead>
<tr>
<th>BTI Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>$500M+ Incremental Sales from BTIs</td>
</tr>
<tr>
<td>% of HBT Sales</td>
</tr>
<tr>
<td>2018</td>
</tr>
<tr>
<td>4%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>BTI Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cybersecurity</td>
</tr>
<tr>
<td>? Customer Problem</td>
</tr>
<tr>
<td>Proliferation of IoT devices in buildings</td>
</tr>
<tr>
<td>&gt; Compliance requirements and enterprise policies becoming more stringent</td>
</tr>
<tr>
<td>HBT Solution</td>
</tr>
<tr>
<td>Software and applications, solution design</td>
</tr>
<tr>
<td>Threat detection</td>
</tr>
<tr>
<td>24/7 OT monitoring</td>
</tr>
<tr>
<td>Proactive maintenance</td>
</tr>
<tr>
<td>Outcomes</td>
</tr>
<tr>
<td>~$2B TAM Expansion Potential</td>
</tr>
<tr>
<td>&gt; New verticals</td>
</tr>
<tr>
<td>&gt; Enterprise security</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Smart City Platform</th>
</tr>
</thead>
<tbody>
<tr>
<td>? Customer Problem</td>
</tr>
<tr>
<td>Urbanization will reach 65%+ by 2050</td>
</tr>
<tr>
<td>&gt; Growing stress on city infrastructure</td>
</tr>
<tr>
<td>&gt; Sustainability concerns</td>
</tr>
<tr>
<td>HBT Solution</td>
</tr>
<tr>
<td>Citywide IoT-enabled platform</td>
</tr>
<tr>
<td>&gt; Command and control</td>
</tr>
<tr>
<td>&gt; Traffic and parking</td>
</tr>
<tr>
<td>&gt; Analytics and services</td>
</tr>
<tr>
<td>Outcomes</td>
</tr>
<tr>
<td>$5B – $10B TAM Expansion Potential</td>
</tr>
<tr>
<td>&gt; Growth momentum in HGRs</td>
</tr>
<tr>
<td>&gt; Adjacent offerings</td>
</tr>
</tbody>
</table>

- Double-digit sales growth from BTIs
- Active BTIs expanding TAM by ~$13B
- New BTIs in ideation and incubation with potential TAM expansion of ~$20B

Breakthrough Initiatives Expanding Addressable Market

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HONEYWELL BUILDING TECHNOLOGIES

2019 HBT INVESTOR SHOWCASE

TINA PIERCE
VICE PRESIDENT AND CHIEF FINANCIAL OFFICER
HONEYWELL BUILDING TECHNOLOGIES
HBT | MARGIN EXPANSION FRAMEWORK

Segment Margin Targets

<table>
<thead>
<tr>
<th>Year</th>
<th>Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>16.9%</td>
</tr>
<tr>
<td>2018</td>
<td>17.3%</td>
</tr>
<tr>
<td>2019E</td>
<td>~20.5%</td>
</tr>
<tr>
<td>Long-Term</td>
<td>~23.0%</td>
</tr>
</tbody>
</table>

Margin Drivers

- **Software and Connected**
  - Growth of higher margin connected offerings
  - Sales from BTIs

- **Volume and Commercial Excellence**
  - New products
  - Differentiated offerings

- **Productivity and ISC Transformation**
  - Supply chain transformation and power of one fixed cost reductions
  - Sourcing, conversion cost, value engineering

Framework in Place to Drive Margin Expansion
HBT | SUPPLY CHAIN TRANSFORMATION

Transforming into a smart, connected and integrated supply chain with high degree of automation, simplification, agility and end-to-end performance

Enablers

- Streamline Supply Chain
- Seamless, Touchless Integrated Planning
- World-Class Procurement
- Data, Analytics, and Digital Supply Chain
- Talent Excellence

Key Metrics

- **On Time Delivery**
  - % of Deliveries: 90% (2019E), >95% (Long-Term)
  - Improvement: +5 pts

- **Inventory**
  - # of Turns: 12x (2019E), 17x (Long-Term)
  - Improvement: ~5x

- **Direct Material Cost**
  - % CAGR: ~2% (2019E), ~2% (Long-Term)

- **Supply Chain Automation**
  - % of Automated Processes: 35% (2019E), 60% (Long-Term)
  - Improvement: ~25 pts

Transformation Enabling Growth and Margin Expansion
HBT | DIGITAL TRANSFORMATION

1. Initiatives to drive best-in-class functions (sales, marketing, supply chain, customer support, IT, finance, legal, HR)
   - Maturing data governance competency to eliminate waste, drive visibility, and improve decision making
     - Build world-class data and analytics function

2. Annual savings from ERP system reduction
   - ~10 systems currently; planning to get to 3 systems by end of 2021
   - CRM consolidation delivers standard platform to drive growth and enhance customer experience
   - Leveraging analytical tools to drive commercial excellence

3. Pivot from ERP rationalization to digital ecosystem
   - Convert 20% of business to e-commerce, which also lowers cost to serve

Digital Enablement Enhancing Capabilities, Improving Efficiency

HBT Investor Showcase - November 20, 2019
## HBT | KEY MESSAGES

<table>
<thead>
<tr>
<th><strong>Strong Position in a Good Industry</strong></th>
<th><strong>Favorable Growth Outlook</strong></th>
<th><strong>Business Transformation</strong></th>
<th><strong>Levers for Success</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>• Buildings industry is a large ($100B+ TAM) and growing space</td>
<td>• Capitalize on upswing in key verticals and reduce cyclicality with services growth</td>
<td>• Shift customer value proposition to business outcomes</td>
<td>• Margin expansion through business mix, commercial excellence, cost discipline, and productivity</td>
</tr>
<tr>
<td>• Market growth above GDP enabled by strong macros</td>
<td>• Continued momentum in HGRs (grow &gt;10% per year in China, ME, and India)</td>
<td>• Leverage edge-to-cloud innovation to drive incremental sales</td>
<td>• ISC transformation and HON Digital underpin financial performance</td>
</tr>
<tr>
<td>• HBT has leading positions and best-in-class connected offerings</td>
<td>• Disruptive technologies enabling higher rate of NPI vitality</td>
<td>• Enable analytics and data-driven services</td>
<td></td>
</tr>
</tbody>
</table>

### Long-Term KPIs

- ~**MSD**
  - Organic Growth
- **DD%**
  - HGRs Sales CAGR
- **DD%+**
  - Connected Buildings Sales CAGR
- **~23%**
  - Segment Margin
- **~100%**
  - Free Cash Flow Conversion

**Compelling Investment Thesis; Positioned for Future Growth**
CHINA OVERVIEW
## HBT CHINA | BUSINESS OVERVIEW

### Portfolio Overview

<table>
<thead>
<tr>
<th>Building Solutions</th>
<th>Portfolio Overview</th>
<th>Sales Mix¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Systems integration for Extra Low Voltage (ELV) solutions</td>
<td>27%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fire, Security, and Others</th>
<th>Portfolio Overview</th>
<th>Sales Mix¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fire alarm systems; state-of-art technologies for advanced surveillance</td>
<td>57%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Building Management Systems</th>
<th>Portfolio Overview</th>
<th>Sales Mix¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Controllers and field devices for comfort and energy efficiency</td>
<td>16%</td>
<td></td>
</tr>
</tbody>
</table>

### Vertical Mix¹:

<table>
<thead>
<tr>
<th>Vertical Mix¹:</th>
<th>Infrastructure</th>
<th>Commercial</th>
<th>Industry</th>
<th>Public / Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>25%</td>
<td>56%</td>
<td>10%</td>
<td>9%</td>
<td></td>
</tr>
</tbody>
</table>

¹Represents 2018 sales

### HBT Key Highlights

- Strong presence in China
- Broad direct and indirect market reach: 50 offices, over 750 channel partners
- World-class manufacturing sites in Xi’an and Tianjin
- China R&D supports local and global projects

### Footprint

- **Xi’an**
- **Shanghai**
- **Beijing**
- **Guangzhou**
- **Tianjin**

- 4 Factories
- 500+ R&D engineers
- 250+ Application engineers
- 350+ Sales reps
- 750+ Channel partners

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**Leading Player with Strong Portfolio, Market Reach and Brand**
HBT CHINA | GROWTH STRATEGIES

Key Business Drivers
~$4B Addressable Market, ~7% CAGR

2019 – 2023 Infrastructure Investments¹

<table>
<thead>
<tr>
<th></th>
<th>2019E</th>
<th>2023E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data Centers</td>
<td>$3B</td>
<td></td>
</tr>
<tr>
<td>Airports</td>
<td>$7B</td>
<td></td>
</tr>
<tr>
<td>Metro</td>
<td>$6B</td>
<td></td>
</tr>
</tbody>
</table>

Major Retrofit Projects
~20%

<table>
<thead>
<tr>
<th></th>
<th>2019E</th>
<th>2023E</th>
</tr>
</thead>
<tbody>
<tr>
<td>$46M</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$86M</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Target Vertical Projects
~20%

<table>
<thead>
<tr>
<th></th>
<th>2019E</th>
<th>2023E</th>
</tr>
</thead>
<tbody>
<tr>
<td>$98M</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$164M</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Favorable Business Mix for Profitability

<table>
<thead>
<tr>
<th></th>
<th>2019E</th>
<th>2023E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Products</td>
<td>60%</td>
<td>58%</td>
</tr>
<tr>
<td>Projects</td>
<td>30%</td>
<td>25%</td>
</tr>
<tr>
<td>Software / Services²</td>
<td>10%</td>
<td>17%</td>
</tr>
</tbody>
</table>

Macro Trends

Middle-Class 2X U.S. Population by 2022
New infrastructure projects
Healthcare, education growth

Urbanization

5G and IoT
Connected devices
IOT and AI applications

Govt Policies

One Belt One Road
Manufacturing site upgrades
Increased focus on Green

How We Monetize

• Leverage “One HBT”, cross selling in key verticals
• Expand mass mid-market offering

• Scale Honeywell AI and IoT solutions
• Launch new software and digital platforms
• Monetize installed base

• Drive the speed of East for East and East to Rest offering launch time
• Focus on retrofits and energy efficiency

¹Public and private investments;
²Projects and Services include Honeywell Building Solutions (~28%) and other HBT Projects and Services (~12%); CAGR represents 2019E – 2023E; Source: Internal HON estimate; MNC: Multinational Corporation

Double-Digit Profitable Growth
**HBT INDIA | BUSINESS OVERVIEW**

### Portfolio Overview

| Building Solutions | Integrated building management solutions  
Install and services |
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Fire, Security, and Others</td>
<td>Fire detection and alarm, public address, video surveillance, access, intrusion</td>
</tr>
<tr>
<td>Building Management Systems</td>
<td>Devices and software for building management</td>
</tr>
</tbody>
</table>

### Sales Mix

- **Building Solutions**: 57%
- **Fire, Security, and Others**: 36%
- **Building Management Systems**: 7%

### HBT Key Highlights

1. Strong presence in India
2. Broad market reach: 5,000+ integrators, distributors and service engineers
3. Products and services address local market needs
4. World-class manufacturing facilities
5. Leverage “One HBT” to drive efficiencies

### Footprint

- **2 Factories**
- **3 R&D Sites**
- **>700 R&D Engineers**
- **500 Global Support Engineers**

### Vertical Mix

- **Infrastructure**: 45%
- **Commercial**: 35%
- **Industry**: 10%
- **Public / Other**: 10%


---

*Represents 2018 sales

**Diversified Portfolio Aligned with Market Trends**
**Key Business Drivers**

- **$2B Addressable Market, ~7% CAGR**

**2019 - 2023 Infrastructure Investments**

- **Data Centers**: $3B
- **Airports**: $7B
- **Metro**: $7B

**# Smart Cities**

- **2019E**: 60
- **2023E**: 100

**Mass Mid TAM**

- **2019E**: $555M
- **2023E**: $740M

**Favorable Business Mix for Profitability**

- **2019E**
  - **Products**: 46%
  - **Projects**: 38%
  - **Software/Services**: 16%

- **2023E**
  - **Products**: 51%
  - **Projects**: 32%
  - **Software/Services**: 17%

---

**Growth Strategies**

**Urbanization**

- Focus on verticals in HBT sweet spots where investments are coming through:
  - Data Centers | Airports | Metros
- Smart Cities: expand to new cities

**Mass Mid-Segment (MMS)**

- Mass Mid-Segment (MMS): products designed and manufactured for local market needs
- East for East (E4E) NPI programs to drive products growth

**MNCs and Hi-Tech**

- MNCs and Hi-Tech driving services demand
- Connected: outcome-based solutions with Honeywell Forge
- Mine installed base to drive services

---

1. Public and private investments; CAGR represents 2019E - 2023E; Source: Internal HON estimate

**Infrastructure Investments and Mass Mid-Segment Driving Growth**
## RECONCILIATION OF CASH PROVIDED BY OPERATING ACTIVITIES TO ADJUSTED FREE CASH FLOW

<table>
<thead>
<tr>
<th></th>
<th>2019E (S$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash provided by operating activities</td>
<td>~$6.2 - $6.5</td>
</tr>
<tr>
<td>Expenditures for property, plant and equipment</td>
<td>~(0.8)</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>~5.4 - 5.7</td>
</tr>
<tr>
<td>Separation cost payments</td>
<td>~$0.3</td>
</tr>
<tr>
<td>Adjusted free cash flow</td>
<td>~$5.7 - $6.0</td>
</tr>
</tbody>
</table>

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. For forward looking information, we do not provide cash flow conversion guidance on a GAAP basis as management cannot reliably predict or estimate, without unreasonable effort, the pension mark-to-market expense as it is dependent on macroeconomic factors, such as interest rates and the return generated on invested pension plan assets.
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>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Segment profit</td>
<td>$1,960</td>
<td>$8,190</td>
</tr>
<tr>
<td>Stock compensation expense (1)</td>
<td>(44)</td>
<td>(175)</td>
</tr>
<tr>
<td>Repositioning, Other (2,3)</td>
<td>(347)</td>
<td>(1,100)</td>
</tr>
<tr>
<td>Pension and other postretirement service costs (4)</td>
<td>(49)</td>
<td>(210)</td>
</tr>
<tr>
<td>Operating income</td>
<td>$1,520</td>
<td>$6,705</td>
</tr>
<tr>
<td>Segment profit</td>
<td>$1,960</td>
<td>$8,190</td>
</tr>
<tr>
<td>+ Net sales</td>
<td>$9,729</td>
<td>$41,802</td>
</tr>
<tr>
<td>Segment profit margin %</td>
<td>20.1%</td>
<td>19.6%</td>
</tr>
<tr>
<td>Operating income</td>
<td>$1,520</td>
<td>$6,705</td>
</tr>
<tr>
<td>+ Net sales</td>
<td>$9,729</td>
<td>$41,802</td>
</tr>
<tr>
<td>Operating income margin %</td>
<td>15.6%</td>
<td>16.0%</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) 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.

A quantitative reconciliation of segment profit margin, on an overall Honeywell basis, to operating income margin has not been provided for all forward-looking measures of segment profit margin included herewithin, however, operating income margin is expected to be up 120 to 150 for the quarter and 230 to 240 bps in 2019 full year, with the differences between segment profit margin and operating income margin driven by expected full year stock compensation expense, repositioning and other, and pension and other postretirement service costs. For forward looking information, a reconciliation of segment profit margin to operating income margin is not provided as management cannot reliably predict or estimate, without unreasonable effort, the apportionment of the amount attributable to the reconciling items between segment profit margin and operating income margin due to the uncertainty of each respective item.
### CALCULATION OF SEGMENT PROFIT EXCLUDING SPIN-OFF IMPACT AND SEGMENT MARGIN EXCLUDING SPIN-OFF IMPACT

<table>
<thead>
<tr>
<th></th>
<th>4Q18</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Segment profit</strong></td>
<td>$1,960</td>
<td>$8,190</td>
</tr>
<tr>
<td><strong>Spin-off Impact</strong></td>
<td>(48)</td>
<td>(1,011)</td>
</tr>
<tr>
<td><strong>Segment profit excluding spin-off impact</strong></td>
<td>$1,912</td>
<td>$7,179</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>4Q18</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td>$9,729</td>
<td>$41,802</td>
</tr>
<tr>
<td><strong>Spin-off Impact</strong></td>
<td>($390)</td>
<td>($6,551)</td>
</tr>
<tr>
<td><strong>Sales excluding spin-off impact</strong></td>
<td>$9,339</td>
<td>$35,251</td>
</tr>
</tbody>
</table>

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Segment margin excluding spin-off impact</strong></td>
<td>20.5%</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 EPS TO ADJUSTED EPS, AND ADJUSTED EPS EXCLUDING SPIN-OFF IMPACT

<table>
<thead>
<tr>
<th></th>
<th>4Q18</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earnings per share of common stock - assuming dilution (EPS) (1)</td>
<td>$2.31</td>
<td>$8.98</td>
</tr>
<tr>
<td>Pension mark-to-market expense</td>
<td>0.04</td>
<td>0.04</td>
</tr>
<tr>
<td>Separation costs (2)</td>
<td>0.14</td>
<td>0.97</td>
</tr>
<tr>
<td>Impacts from U.S. Tax Reform</td>
<td>(0.58)</td>
<td>(1.98)</td>
</tr>
<tr>
<td>Adjusted earnings per share of common stock - assuming dilution</td>
<td>$1.91</td>
<td>$8.01</td>
</tr>
<tr>
<td>Less: EPS, attributable to spin-offs</td>
<td>$0.05</td>
<td>$0.62</td>
</tr>
<tr>
<td>Adjusted earnings per share of common stock - assuming dilution, excluding spin-off impact</td>
<td>$1.86</td>
<td>$7.39</td>
</tr>
</tbody>
</table>

(1) For the three months ended December 31, 2018, utilizes weighted average shares of 743.9 million. For the twelve months ended December 31, 2018, adjusted earnings per share utilizes weighted average shares 753.0 million.

(2) For the three months ended December 31, 2018, separation costs of $104 million including net tax impacts. For the twelve months ended December 31, 2018, separation costs of $732 million including net tax impacts.

We believe adjusted earnings per share, excluding spin-off impact, is a measure that is useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends. For forward looking information, management cannot reliably predict or estimate, without unreasonable effort, the pension mark-to-market expense as it is dependent on macroeconomic factors, such as interest rates and the return generated on invested pension plan assets. We therefore do not include an estimate for the pension mark-to-market expense. Based on economic and industry conditions, future developments and other relevant factors, these assumptions are subject to change.
SPEAKER BIOGRAPHIES

Honeywell
VIMAL KAPUR
PRESIDENT AND CEO,
HONEYWELL BUILDING TECHNOLOGIES

Vimal Kapur was named President and CEO of Honeywell Building Technologies in May 2018. Building Technologies is a leader in the Internet of Things (IoT) and creates products, software and technologies found in more than 10 million buildings worldwide. Commercial building owners and occupants use Honeywell’s Connected Building technologies to ensure their facilities are safe, energy efficient, sustainable and productive.

Prior to his current role, Vimal served more than four years as President of Honeywell Process Solutions (HPS), a pioneer in providing automation control, software, field devices and services to process manufacturers in industries such as oil and gas, refining, pulp and paper, petrochemicals, and metals, minerals and mining. Under Vimal’s leadership, HPS generated significant margin expansion while outperforming its peer group substantially. Vimal led HPS through a tough oil and gas downturn in 2015, and the business emerged as an even stronger competitor with a pipeline of innovative new offerings.

Previously, Vimal served as Vice President/General Manager of the Advanced Solutions line of business for HPS, where he built the foundation of a very strong software business that is now Honeywell Connected Plant. Vimal has held several other key leadership positions during his 29+ years at Honeywell, including Managing Director for Honeywell Automation India Limited (HAIL), where he led the former Automation and Control Solutions business, which was a precursor to Building Technologies. In this role, Vimal led rapid growth in India at Honeywell Building Solutions (HBS) and the former Environmental Combustion and Controls (ECC).

Vimal graduated from Thapar Institute of Engineering in Patiala, India, as an Electronics engineer with a specialization in instrumentation.
TINA PIERCE
VICE PRESIDENT AND CFO, HONEYWELL BUILDING TECHNOLOGIES

Tina Pierce is Vice President and Chief Financial Officer of Honeywell Building Technologies (HBT). In this role, Tina is responsible for leading the global Finance, IT and Analytics organizations. In addition, Tina was instrumental in leading the spin-off of the Homes and ADI product business into a stand-alone, publicly-traded company – now known as Resideo.

Tina joined HBT from Performance Materials and Technologies (PMT), where she was Vice President and Chief Financial Officer for Honeywell Process Solutions (HPS). In 2017, she was appointed to the Honeywell Automation India Limited (HAIL) Board. HAIL is a $350M company listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

Prior to joining HPS, Tina worked as Vice President, Finance Transformation, leading several Honeywell corporate initiatives to drive a more contemporary Finance organization.

Tina served as the UOP Vice President and CFO shortly after the acquisition and was part of the deal team that purchased Thomas Russell in 2012. In addition, she served on a number of joint venture boards in Asia, including Nikki Universal, SUOP, and USKK. She was the CFO for the Honeywell Electronic Materials business and completed a 2.5-year assignment in Hong Kong and Singapore. Leading up to this role, she worked in a number of Finance roles across ACS and Aerospace.

Tina earned a bachelor’s degree in Finance from Ball State University and a master’s degree in Business Administration from Florida State University. Tina is a Certified Public Accountant (C.P.A.) and Certified Management Accountant (C.M.A.). In 2011, she completed the Northwestern Kellogg School of Management Executive Scholar Program, including the Board of Directors Development Program for Women. In 2012, she completed the Becoming a Strategic CFO program at Wharton. In 2015, she completed the Honeywell Executive Development Program (EDP).