

CORPORATE CITIZENSHIP REPORT

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Data reflected within this report is as of year-end 2018, unless otherwise noted upon reference.

Supply Chain

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At Honeywell, we believe the future is what we make it. It is this conviction that drove us to create jet fuel from mustard seeds. It propelled us to make aerosols that are 99.9% safer for the planet. It even compels us to devise technology that will enable humans to breathe on Mars.

Our capacity to shape the future, however, is predicated on how we govern and run our business today. This Corporate Citizenship Report provides an updated snapshot of our environmental, social and governance (ESG) performance. Enhancing the sustainability of our business model and always upholding the highest ethical standards are as essential to our success as delivering strong financial results.

In the pages that follow, you'll develop a deeper understanding of how we govern our business along with the policies, protocols, and best practices we've instituted to ensure we preserve our hard-earned reputation. A recurring theme throughout this report involves our quest for continuous improvement. From our visionary Board of Directors to committed leaders charged with carrying out critical compliance and reporting responsibilities to our dedicated front-line employees, we know we must always avoid complacency if we want to be regarded as one of the most ethical, progressive, and effectively run corporations in the world.

This Corporate Citizenship Report will answer many of your questions about Honeywell's ESG practices, values, and standards. It will also illuminate the key priorities we are focused on as we develop uniquely innovative technology, services, and software solutions that drive economic growth while creating a more vibrant, secure, and sustainable future.



Darius Adamczyk
Chairman and Chief Executive Officer



Honeywell invents and commercializes technologies that address some of the world's most critical challenges around energy, safety, security, productivity, and global urbanization.

As a software-industrial company, we are uniquely positioned to blend physical products with software to serve customers worldwide with aerospace products and services; energy efficient products and solutions for businesses; specialty chemicals; electronic and advanced materials; process technology for refining and petrochemical customers; and connected solutions to improve productivity, workplace safety, and asset performance.

Our technologies keep cities working, planes flying, factories running, and workers safe.



AEROSPACE

Honeywell Aerospace innovates and integrates thousands of products and services to help deliver safe, efficient, productive, and comfortable flight experiences worldwide. Our products, software, and services enable more fuel-efficient airplanes, more direct and on-time flights, and safer flying and runway traffic.

Making Flying Safer and More Fuel-Efficient

- Our **Honeywell Forge™ Ramp** solution helps airlines and ground handlers with real-time insight into vehicle activity anywhere at the airport. The result is better on-time performance, lower maintenance costs, and greater fuel efficiency.
- Our SmartView™ 2D and 3D Airport Moving Map solution allows business jet pilots
 to see a rendering of the taxiways, runways, airport structures, and signs, helping them
 taxi safely from ramp to runway. It optimizes safety and efficiency while aircraft move
 around the airport.
- Upon departure and approach to an airport, **Honeywell's SmartRunway® and SmartLanding®** technologies increase flight crews positional awareness on the ground and in the air. Our solution inhibits the chain of events that lead to runway incursions and excursions by providing timely audio and visual.







PERFORMANCE MATERIALS AND TECHNOLOGIES

We pioneered automation control. We understand complex industrial facilities, and how to create high-quality and high-performance chemicals and materials.

Reducing Environmental Impacts with Innovative Technology

- **Solstice**®, the company's brand of low-global-warming potential (GWP) refrigerants, blowing agents, aerosol propellants, and solvents, provides responsible alternatives to flammable hydrocarbons as well as traditional high-GWP hydrofluorocarbons (HFCs).
 - Honeywell's Solstice® products have a GWP 99.9% lower than the products they replace. Global adoption of Honeywell Solstice products has helped avoid the release of 139 million tons of CO_2 e. Learn about the dramatic differences being made by our Solstice® products at <u>Honeywell Climate Ticker</u>, which tracks how many millions of metric tons of CO_2 equivalent is removed from the atmosphere every day.
- Honeywell's Ecofining™ process technology converts renewable feedstocks such as
 waste animal and vegetable fats and non-edible plants into Honeywell Green Diesel™
 and Green Jet Fuel™, which are chemically identical to fuels produced from petroleum.
- Honeywell offers Rapid Thermal Processing™ (RTP) technology that uses a fast therma-conversion process to convert solid biomass into a light, pourable, clean-burning liquid biofuel. The liquid can be used as a direct replacement for fossil fuels in several applications, such as industrial furnaces and boilers.



BUILDING TECHNOLOGIES

Over 100 years ago, we defined energy efficiency by making indoor comfort automatic. Today, we redefine it in 10 million buildings using our technology. We translate connected building data into insights that drive tangible business results for our customers. Honeywell Building Technologies addresses energy challenges, keeps people and places safe and secure, enhances the building experience, and improves critical infrastructures.

Creating Smarter Buildings with Cloud-Enabled Solutions

- Enterprise Buildings Integrator (EBI), helps facilitate the integration of security, comfort, life safety, and energy systems through open systems and enterprise web services. EBI gives users a single point of access and consistent view to information, and resources that enhance the ability to monitor, manage, and protect a facility, campus, or multi-site operation.
- Honeywell's Enacto™, a cloud-based energy monitoring management platform
 delivers comprehensive, accurate, and actionable energy intelligence to multi-site
 organizations in the commercial and retail sectors to help reduce energy costs and
 increase savings.
- Honeywell's Automated Demand Response (ADR) technology is based on an
 innovative two-way connection between energy providers and energy users. On the
 commercial side, facility managers can preemptively set parameters and directives
 on what actions to take during a peak energy event actions that are automatically
 implemented when the utility sends a signal to onsite building management controls.





SAFETY AND PRODUCTIVITY SOLUTIONS

Each year, we keep over half a billion workers safer and more productive with voice-enabled software, barcode scanners, mobile computers and protective equipment.

Keeping Over Half a Billion Workers Safer and More Productive

- Honeywell Connected Remote Threat Detection solutions provide enterprise, plant-wide monitoring that harnesses the Internet of Things (IoT) to give plant managers and operators real-time insights on gas threats, concentration, location, man-down, biometrics, and plume status so an organization can know what's happening, the second it's happening.
- Honeywell is a global manufacturer of leading PPE (Personal Protection Equipment) from trusted brands such as **Honeywell®**, **Uvex®**, **North®**, **Howard Leight®**, **Oliver®**, **Servus®**, **and Miller®**.
- Honeywell's BW™ Ultra is a five-gas detector designed for sampling and monitoring confined spaces, before and after entry. Workers benefit from unmatched sensor technology, visibility on gas readings, comfort, and connectivity – even in most extreme working conditions.





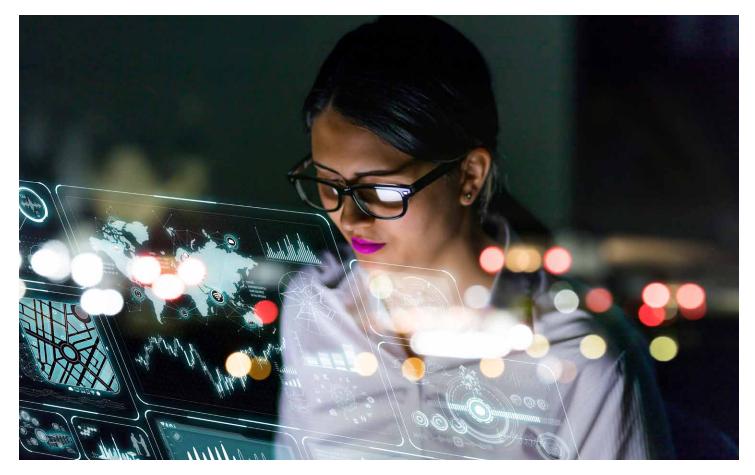
HONEYWELL CONNECTED ENTERPRISE

Leveraging more than 100 years of expertise in asset and process control technology, Honeywell Connected Enterprise is transforming the way owners and operators of buildings, airlines, industrial facilities, and other critical infrastructure operators collect, analyze, and act on data from their operations through a new category of software, Enterprise Performance Management. Named Honeywell Forge, Honeywell's software solution converts massive quantities of data from physical assets, processes, and people into intuitive, actionable insights. In turn, this helps customers optimize efficiency and effectiveness while saving money and identifying opportunities for more sustainable practices.

Honeywell Forge is available across all of Honeywell's vertical businesses.

- Honeywell Forge for Buildings may help building operators create 10% 20% in energy savings
- Honeywell Forge for Airlines provides an average of 2% in fuel savings per tail per year
- Honeywell Forge for Industrial helps an offshore platform optimize energy usage leading to a reduction in power generation by 5.5%, equivalent to removing over 1,100 averaged-sized automobiles from the roads, permanently
- Honeywell Forge for Worker is prioritizing product features that directly improve safety for the field worker safety and compliance checklists, workflow historian, and more
- Honeywell Forge Cybersecurity protects the availability, safety, and reliability of connected systems in a world where the average data breach costs almost \$4M USD





Honeywell's Board of Directors is committed to thorough, well-informed, and proactive oversight of the company's long-term strategy. Our Corporate Governance and Responsibility Committee (CGRC) is committed to ensuring a Board composition and aggregation of skillsets that continue to align with Honeywell's strategic vision.



Our Board provides management with feedback on the identification of and appropriate actions to mitigate key risks such as financial, cybersecurity, data privacy, regulatory compliance, business continuity, and crisis management. Aligning with the transformative shift in our long-term strategy, the Board has implemented significant changes to director refreshment and self-evaluation processes. This ensures that the collective skills and perspectives of the Board continue to evolve alongside Honeywell's evolving commercial strategy as we strive to become the premier software-industrial company.

The Board's well-informed and proactive oversight extends to Environmental and Social (E&S) initiatives in three principal ways:

- The CGRC has primary jurisdiction for managing risks and opportunities associated with E&S, meeting at least once a year with the Corporate Vice President for Health, Safety, Environment, Product Stewardship and Sustainability (HSEPS); the Senior Vice President for Government Relations; the Senior Vice President for Human Resources, Security and Communications, and other leaders with responsibility for E&S to present and discuss environmental and social risks and opportunities.

- Direct Audit Committee and Board engagement with E&S risk areas through a robust and comprehensive Enterprise Risk Management program.
- Direct Board engagement on select E&S topics. In the past 12 months, management has presented to the Board on a variety of E&S initiatives including employee diversity, sexual harassment compliance, safety, business continuity, political engagement, and environmental matters.

Honeywell maintains a robust shareowner engagement program that features year-round opportunities for our Board and senior management, including our independent lead director and executive officers, to dialogue with key stakeholders. Over the past year, our shareowner engagement program has covered topics including our business strategy, comprehensive portfolio review, corporate governance practices, executive compensation programs, CEO succession, and environmental, social, and governance (ESG) matters.

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POLITICAL CONTRIBUTIONS AND TRADE ASSOCIATIONS

How We Engage

Engagement in the political process is vital to our success. Our future growth depends on forward-thinking legislation and regulation that makes society safer and more energy-efficient and improves public infrastructure.

We participate in the political process through direct engagement, political contributions by our employee-funded Political Action Committee (PAC), and involvement in trade groups. We strive to engage responsibly in the political process and to ensure that our participation is fully consistent with all applicable laws and regulations, our principles of good governance, and our high standards of ethical conduct.

Political Contributions

Honeywell's employee-funded corporate PAC funds all political contributions. The PAC is subject to oversight by a board that includes the General Counsel and SVP, Government Relations — and is fully compliant with Federal, State and Local Regulations and disclosures. We have not made any political contributions using corporate funds since at least 2009 and have no intention of making them in the future. Even before 2009, any such contributions were extremely rare and for minimal amounts of less than \$5,000. Furthermore, any use of corporate funds for political contributions would require the prior approval of the company's General Counsel.

With respect to tax-exempt organizations, such as 501(c)(4)s, where funds may be used for political purposes, participation is typically funded out of the PAC. We have made only two company contributions since 2009. In December 2012, we contributed \$1 million to the Fix the Debt Coalition, a non-partisan 501(c)(4) organization, which seeks to educate and mobilize Americans on the need for a comprehensive plan to fix the United States' long-term debt and deficits, but have made no further contributions. In February 2017, we contributed \$200,000 to the American Made Coalition, a 501(c)(4) organization consisting of a broad coalition of industry leaders with the goal of encouraging Congress to enact tax reform to spur economic growth. Both contributions were disclosed in our publicly available filings required under the Lobbying Disclosure Act. The decision to contribute funds to these organizations was discussed with the Board of Directors.

Trade Associations

Membership in any 501(c)(6) trade association that receives more than \$50,000 in membership dues from Honeywell in any fiscal year is subject to prior approval of the company's General Counsel and its Senior Vice President, Global Government Relations. These trade associations are clearly instructed not to use our funds for political contributions at the federal, state, or local levels.

Management and Board Oversight

We have a strong team of government relations professionals based in Washington, D.C., who drive our political engagement programs and initiatives. Our Government Relations organization is led by the Senior Vice President, Global Government Relations, who reports to the company's General Counsel. With respect to Board oversight, our public policy efforts, including all lobbying activities, political contributions and membership in trade associations and other tax-exempt organizations, are the responsibility of the Corporate Governance and Responsibility Committee (CGRC), which consists entirely of independent, non-employee directors.

Each year, the CGRC receives an annual report on the company's policies and practices regarding political contributions. The CGRC's oversight of our political activities ensures compliance with applicable laws and our Code of Business Conduct as well as alignment with our policies. In addition, each year the Senior Vice President, Global Government Relations, reports to the CGRC on trade association political spending and to the full Board of Directors on our global lobbying and government relations program.

See our disclosure on policy and procedures for political activity, contributions, and trade association memberships on Honeywell's website.



INTEGRITY AND COMPLIANCE

The company's Code of Business Conduct applies to all our directors, officers, and employees in all businesses and in all countries. It is a baseline set of requirements that sets a common understanding for how we treat employees, our customers, suppliers, shareholders, and communities and enables employees to recognize and be aware of how to report integrity, compliance, and potential legal issues. In addition, the Code outlines our pledge to recognize the dignity of each individual, respect each employee, avoid sexual harassment and workplace violence, provide compensation and benefits that are competitive, promote self-development through training that broadens work-related skills, and value diversity of perspectives and ideas. All employees are required to complete Code of Business Conduct training and certify each year that they will comply with the Code.

The Code outlines expectations in several key integrity and compliance areas, including how employees should treat each other; avoidance of conflicts of interest; responsibility for Health, Safety, Environment, Product Stewardship, and Sustainability; maintenance of accurate books and records; adherence to conduct that avoids corruption and improper business practices, export and trade compliance violations; requirements to avoid insider trading and to protect data privacy; a commitment to respect for human rights; and the appropriate use of information technology and social media. In addition to support the Code, Honeywell provides comprehensive training on key compliance topics and develops training scenarios in over 20 languages, provides mechanisms for employees and third parties to report concerns (including doing so anonymously), and ensures timely and fair investigations and reviews of integrity and compliance concerns through which Honeywell responds to 100% of reported allegations.

Key elements of our Code of Business Conduct:

- Dedicated leadership for integrity and compliance through our Chief Compliance
 Officer and Director for Integrity & Compliance.
- Integrity & Compliance Councils at the corporate, business unit, and regional levels.
- Business engagement related to Compliance through our Ethics Ambassador
 Program where local business leaders champion issues of integrity and compliance to the larger workforce.
- Companywide training for employees in health, safety, environmental responsibility, non-discrimination, conflicts of interest, anti-corruption, trade controls, and the highest standards of excellence in all our business interactions.
- Robust and frequent communications from all levels of the company regarding the importance of integrity and compliance to our company.
- An effective website containing links to critical materials, including our policies and procedures, reporting forms, and links on how to seek legal guidance.
- Investment in essential compliance tools, including digital platforms providing real time access to business transactions.
- A global compliance team co-located in the regions of highest external compliance risk.
- Thorough, frequent self-assessments, independent internal reviews, and third-party reviews and audits of compliance risk areas.
- Robust integration processes to ensure that newly acquired companies understand and comply with Honeywell policies and procedures.





Human Rights and Workplace Issues

Our Code, along with other Honeywell policies, establishes practices and standards that address a broad range of human rights and workplace issues. Our company does not condone or employ child labor. At Honeywell, we will not employ anyone under the age of 16, even if authorized by local law. If local law is stricter than company policy, we will comply with that law.

In addition, we will never use forced, indentured, or involuntary labor in any of our operations and we will not tolerate exploitation of children, physical punishment, or abuse. As part of our commitment to our communities and our world, Honeywell will not tolerate any instances of human trafficking or other forced labor. We will also never conduct business with any third parties (such as agents or suppliers) who engage in human trafficking or forced labor.

Data Protection

Honeywell began to build a comprehensive global data privacy program in 2004 based upon our strong commitment to protect the personal data of employees, customers, suppliers, and others. Leading up to the EU's General Data Protection Regulation, we adjusted our documentation, systems, and practices to meet the regulation's rigorous standards. Given our culture of privacy compliance and global program already in place, we had a strong foundation to build upon. Looking forward, Honeywell takes a continuous improvement approach to our privacy program to meet the needs of our business and global regulatory developments.

Honeywell has adopted a privacy policy that establishes uniform standards for how the company intends to process personal data. This policy was most recently revised in 2019. The policy follows data privacy principles that are commonly recognized around the world. To the extent that law or contractual provisions impose stricter requirements than policy, Honeywell will comply with the more restrictive law or contractual provisions. Honeywell has implemented robust security incident response procedures to quickly respond to any potential security incidents.

Enterprise Risk Management

The Board uses the Enterprise Risk Management (ERM) program as a key tool for understanding the inherent risks facing Honeywell as well as assessing whether management's processes, procedures, and practices for mitigating those risks are effective. The ERM assessment deployed by management is robust, based on both an enterprise wide "top down" and "bottom up" view of commercial, strategic, legal, compliance, cyber, and reputational risks, as well as strategies for mitigating those risks.

Supplier Code of Conduct

The integrity and compliance program also includes a Supplier Code of Conduct that has been deployed through Honeywell's entire global supply chain to reinforce expectations that our suppliers will abide by our high standards of integrity and compliance. The Supplier Code of Conduct covers a variety of topics, including our Conflict Minerals, Anti-Human Trafficking, Business Integrity, and Health, Safety, and Environmental policies.

ACCESS Integrity Helpline

Our ACCESS Integrity Helpline is a 24-hour service answered by an independent third-party provider that accommodates all the languages that our employees speak. Honeywell investigates 100% of allegations reported through the Helpline or brought to the Integrity & Compliance Office. Violations may result in policy changes, counseling, added controls, training, employee discipline, or termination.



INCLUSION AND DIVERSITY

At Honeywell, supporting Inclusion and Diversity is one of our fundamental values and required of all employees. Diversity at Honeywell includes the common six categories — age, race, religion, gender, sexual orientation, and disability. It also means embracing and promoting diversity of thought so that we can leverage everyone's unique skills, backgrounds, perspectives, and experiences to help our business grow and make Honeywell a great place to work.

Our Board believes that its diversity and the diversity of Honeywell's executive leadership (over 50% diverse by gender or ethnicity) supports our evolving business strategy.

Our Inclusion & Diversity pillars include Talent Acquisition, Talent Management, Branding & Communications, Strategic Partnerships, and Business Operations. These pillars ensure that we bring diverse talent into our organization, grow and develop this talent, and continue to increase diverse representation across our leadership. Inclusive leaders promoting an inclusive culture are the foundation of these pillars.



We are driving many strategic initiatives behind each of our Pillars. One of our key initiatives is the Women's Advancement Program that focuses on developing and sponsoring top female talent, largely in fields traditionally dominated by men.

It also is important that we partner with organizations that can help drive our Inclusion and Diversity agenda. We have joined forces with International Women's Day, Jobs for American Graduates, and iRelaunch, and we are launching STEM education programs with universities across the U.S., India, and Latin America. All these initiatives will help Honeywell continue to support and engage with diverse communities, provide employment opportunities, and increase accessibility and affordability to STEM education for young adults.

With the move of our new headquarters to Charlotte, North Carolina, we will focus on launching events and initiatives that will connect us with the local diverse community. We understand that it is important to communities in which we operate that they better understand who we are and what we do.

Workplace Respect

Fostering a respectful workplace environment is a key priority for Honeywell. While the company's Code of Business Conduct and other policies have long prohibited harassment, in 2018, the company issued a revised global harassment policy to reaffirm our commitment to maintain a respectful workplace for all. This new policy provides more explicit guidance on the expectations for each employee and makes clear that all employees who experience or witness harassment are expected to report such conduct.

Our CEO and our General Counsel communicated the launch of this updated policy in a video distributed to all employees, as well as through town hall meetings. The message continues to be reinforced through training programs, such as a sexual harassment training program that was developed in tandem with the revised policy and is being deployed globally.



HONEYWELL HOMETOWN SOLUTIONS

Honeywell demonstrates its commitment to Corporate Social Responsibility and community involvement through Honeywell Hometown Solutions, our unique global corporate citizenship program that emphasizes STEM education, inclusion and diversity, and humanitarian relief. These programs have delivered significant and meaningful results in communities around the world.

STEM EDUCATION

More than 5 million elementary, middle, high school, and university students have participated in Honeywell's science, technology, engineering, and math (STEM) programs.

Georgia Tech STEM Teacher Leadership Program

Teachers in Atlanta received computation and coding training at the new Honeywell-sponsored STEM Teacher Leadership Program at Georgia Tech, earning Georgia STEM School Certification. The program aims to create a professional network of teachers to serve as instructional leaders in computer science as well as to strengthen the computational aspects of the STEM curricula to enhance students' learning experience. The program reached more than 2,000 students in its first year.

Key components of the two-year program include:

- Four weeks of summer training in software engineering and computing with 25 selected teachers. Teachers have access to Georgia Tech's computing research and Honeywell engineers who serve as mentors and coaches.
- Honeywell's STEM Challenge, a software engineering competition, open to students of participating teachers. Students work in teams to solve real-world challenges using software coding and computational techniques.
- Annual STEM Teacher Leadership Program Symposium, where alumni and other teachers and leaders from the Metro Atlanta region participate in additional academic and networking activities at Georgia Tech.







New Labs Focused on IoT

Honeywell has established control systems labs at six universities in Turkey, Romania, and Indonesia that are focused on Internet of Things (loT) technologies. The labs serve more than 10,000 students per year.

- Engineering students at University Politehnica Timisoara, Romania, are putting
 their theoretical knowledge into practice using the Honeywell Smart Meter Control
 Laboratory at the university's Faculty of Electrical and Power Engineering. The new
 lab is equipped with technology systems that enable students and faculty to simulate,
 learn, and develop innovative smart systems aimed at reducing energy consumption.
 Technology includes electronic equipment, such as oscilloscopes, smart meter
 communication probes, consumption simulation sources, and IT infrastructure, such
 as computers and reading panel counters.
- Honeywell partnered with the Avasara Leadership Institute, a non-profit organization
 that provides educational opportunities for India's brightest girls, to focus on STEM
 for girls in middle and high school. The new school features classrooms, laboratories,
 and dormitories as a base for the program. In addition to 500 Avasara students,
 the school will enable 12,000 students from government and low-budget schools to
 achieve a proper education.

Honeywell Leadership Challenge Academy

This weeklong immersive experience serves nearly 300 high school-aged children of Honeywell employees to develop their STEM and leadership skills through astronaut-style workshops, lectures, and team exercises. Working in partnership with the U.S. Space & Rocket Center in Huntsville, Alabama, this program teaches the critical leadership skills all kids need to succeed, including communication, teamwork, critical thinking, and problem-solving. Designed to promote future careers in STEM fields, the Honeywell Leadership Challenge Academy has helped 2,409 students from 63 countries and 41 states and Puerto Rico.

Honeywell Institute for Ecosystems Education

In partnership with New Jersey Audubon, Honeywell Institute for Ecosystems Education (HIEE) works with teachers to develop creative methods to bring environmental science to life in the classroom. HIEE uses the Eco-Schools USA framework to empower Jersey City middle and high school teachers to inspire students to identify and address local environmental issues, create more sustainable communities, and become scientists, inventors, or engineers.

Honeywell Summer Science Week

Honeywell Summer Science Week, which is organized by the Milton J. Rubenstein Museum of Science & Technology, has brought science to life in memorable ways by leading more than 800 Central New York middle school students through hands-on science exploration in the Onondaga Lake watershed. The weeklong program aims to inspire students to pursue STEM education while becoming environmental stewards in their communities. Students study local birds in their habitats, collect and identify insects, and test water quality. Habitat experts from Syracuse University, State University of New York College of Environmental Science and Forestry, and Audubon teach the students about habitats and preserving the watershed.



SAFE WATER NETWORK IN INDIA

Honeywell and Safe Water Network are partnering to provide convenient and reliable access to affordable, safe drinking water in communities within the Telangana and Karnataka states in India. Funded by a Honeywell Hometown Solutions India Foundation grant, Safe Water Network has built 150 safe water stations since 2015. These serve approximately 450,000 people in an area with acute groundwater contamination from fluoride and arsenic. This initiative addresses a critical need in India where many people live in areas of poor water quality. Safe Water Network, a not-for-profit dedicated to developing affordable and sustainable access to safe water for those most in need, applies a business approach to a social problem, developing locally owned water businesses for those beyond the reach of large infrastructure projects.

FAMILY SAFETY & SECURITY

About 1 million U.S. students have learned potentially lifesaving lessons to help avoid abduction and preventable childhood injuries through Honeywell-sponsored KidSmartz programming, in partnership with National Center for Missing and Exploited Children. Approximately 3 million students have received Safe Kids at Home fire, burns, and scalds safety training in China, India, and Malaysia in partnership with Safe Kids Worldwide.

HUMANITARIAN RELIEF

In 2018, Honeywell employees received emergency financial assistance to help recover from hurricanes Florence and Michael in the eastern United States via the Honeywell Humanitarian Relief Fund (HHRF), a largely employee-funded nonprofit organization. Honeywell also donated \$1.5 million in safety products and financial relief to support emergency personnel in the Carolinas following severe weather events. Since 2005, more than \$13.7 million in relief efforts have supported nearly 2,400 employees and our global communities after hurricanes, earthquakes wildfires, flooding, typhoons, and tsunamis. HHRF has also repaired or rebuilt 900 homes, four schools, nine medical clinics, 900 wells, and one elder-care center in this time.





For more information about our Sustainability and Corporate Citizenship programs, please visit honeywell.com/citizenship

HEALTH, SAFETY, AND THE ENVIRONMENT

Honeywell's commitment to health, safety, and the environment helps ensure a cleaner, safer, healthier future.

SUSTAINABLE OPPORTUNITY POLICY

Our sustainability commitment is outlined in our Sustainable Opportunity Policy. The policy is endorsed annually by Honeywell's CEO and the Strategic Business Group presidents. The policy is posted in every facility and communicated to all employees and contractors.

The policy is deliberately and directly embedded into our companywide Honeywell Operating System (HOS), the company's blueprint for continuous, sustainable operational improvement.

HOS, which drives improvements and the elimination of waste in manufacturing operations to generate exceptional performance, is a critical component of how the company thinks about sustainability. HOS is a lean-based system with roles and ownership for all employees to engage in careful planning and analysis, continuous engagement and improvement, and thorough follow-through. Honeywell has built sustainability directly into HOS so the tools, personnel, activities, and culture are used to drive sustainability with the same focus used to drive other critical operational objectives, like quality, delivery, inventory, and cost. This helps ensure that sustainability is an integral part of the Honeywell work experience every day.



OUR MANAGEMENT SYSTEMS

The company's Health, Safety, Environment, Product Stewardship, and Sustainability (HSEPS) practices are managed by a global team of trained professionals with extensive knowledge and hundreds of years of collective experience. They have expertise in occupational health, hydrology, geology, engineering, safety, environmental, industrial hygiene, remediation, loss prevention, and toxicology.

The company uses a comprehensive HSEPS Management System based on recognized third-party standards, including ISO 14001 and ISO 45001, and industry best practices that are fully integrated into HOS.

Since 2004, all Honeywell sites have been required to implement an HSE Management System founded on common core principles. One key element involves reporting of HSE-related incidents, such as injuries and environmental events, via a comprehensive management system software solution.

Honeywell's HSEPS Management System is based on 18 core standards that require the company's businesses to identify HSEPS legal requirements and goals, set clear objectives for improvement, and maintain programs designed to achieve those objectives. In addition, Honeywell has developed detailed operational controls in approximately 90 specific HSEPS areas that prescribe required management elements. All Honeywell facilities are required to comply with both these operational controls and any applicable legal requirements. Areas where specific operational controls are required include safety, industrial hygiene, loss prevention, environment, health, product stewardship, transportation safety, process safety management, construction safety, remediation and general HSEPS.

In 2018, common performance measurements were implemented across all businesses. The Common Balanced Scorecard (CBS) uses leading and lagging indicators to drive performance to targets and management system maturity.

Compliance with standards and regulatory requirements is monitored through a companywide, HSEPS-led audit process. The audits are conducted by a team of internal and external subject matter experts that focus on verification of requirements and continuous improvement.

Identification of any non-conformities requires the timely development and implementation of corrective action plans and process improvements, which are closely monitored to completion using our centralized management system.

In 2019 we made revisions to our Management System to use a modern IT solution, creating common performance practices across our businesses and supporting companywide rapid changes.

In addition to complying with our own strict standards, many of our sites have also obtained third-party certifications for management systems relating to quality, occupational health and safety, and the environment.

STANDARDS							
CERTIFICATION	MANUFACTURING SITES CERTIFIED (%)						
ISO 45001 / OHSAS 18001 / VPP	30%						
ISO 14001 / RC 14001	33%						
ISO 9001 / AS 9100	74%						

HEALTH AND SAFETY

The safety of our employees, contractors, and partners is a top priority. We use our HOS-based approach to drive improvements in our safety record.

To establish a uniform standard for evaluation, Honeywell requires all global facilities to report occupational injuries and illnesses pursuant to U.S. OSHA requirements. We also require our facilities to follow any other reporting requirements in their jurisdictions.

Based on this data, our global Total Case Incident Rate (TCIR, the number of occupational injuries and illnesses per 100 employees) was 0.42 at the end of 2018. According to the U.S. Bureau of Labor Statistics, the weighted average TCIR of the industries in which Honeywell operates is over 2.0. This means our safety record is four times better than the average of the industries in which we operate.

Protecting workers effectively demands quality equipment, which is why more than 90% of Honeywell's budget for personal protective equipment is for our own Honeywell branded products.

The OSHA Voluntary Protection Program (VPP) promotes effective site-based safety and health protocols and sets performance-based criteria for health and safety management systems. VPP recognizes exemplary achievement in the prevention and control of occupational safety and health hazards as well as the development, implementation, and continuous improvement of their safety and health management system.

In VPP, management, labor, and OSHA work cooperatively and proactively to prevent fatalities, injuries, and illnesses through a system focused on: hazard prevention and control, worksite analysis, training, and management commitment and worker involvement. To participate, employers must apply to OSHA and undergo a rigorous onsite evaluation by a team of safety and health professionals.

Customer Experience Center and Honeywell Safety Institute

Honeywell has training centers across the globe in the Americas, Australia, Germany, and France. Our centers are differentiated by dedicated training teams and communications towers, wind turbine simulators, oil platform, and other virtual application areas.

Our High-Risk Safety business trains between 5,000-6,000 workers annually serving markets including oil and gas; utilities and energy; construction; commercial building solutions; and heavy metal fabrication. We also offer the Honeywell Safety Institute, an online resource that offers certified training programs and resources for both employees and customers around the world.

HSEPS Governance

Honeywell's Corporate Vice President of Health, Safety, Environment, Product Stewardship, and Sustainability (HSEPS) is responsible for our sustainability program and for implementing our HSEPS Management System. The Vice President reports to the company's General Counsel.

A Corporate Energy and Sustainability Team, led by the Corporate Vice President of HSEPS, the Vice President of Global Real Estate, and the Director of Sustainability, helps drive the company's sustainability goals. Progress on these goals is reported quarterly to Honeywell's Chairman and CEO and is reviewed with the Board's Corporate Governance and Responsibility Committee at least annually.

In addition, progress on our sustainability program is considered, along with other factors, in determining annual incentive compensation for senior leadership.

Honeywell's safety record is four times better than the average of the industries in which we operate

Honeywell has VPP Star recognition at 24 manufacturing sites in the U.S.

ENVIRONMENTAL STEWARDSHIP

We are proud of the environmental improvements we have achieved in partnering with our customers, but we are also proud of our progress within our own businesses. Our commitment to be more efficient and responsible is reflected in the extensive work we do to make our businesses more environmentally friendly, safer, and more sustainable.

Driving Efficiency in Our Operations

HOS, which drives sustainable improvements and the elimination of waste in our manufacturing operations to generate exceptional performance, is a critical component in how we think about environmental stewardship internally at Honeywell. We apply the rigorous methodologies and culture of HOS to ensure we measure progress and achieve our aggressive sustainability goals.

Each of our strategic business units is required to establish annual sustainability targets that must be approved by our CEO during our annual planning cycle. Performance against these goals is monitored by our cross-business, cross-function, Corporate Energy and Sustainability Team. This team is responsible for driving sustainability improvements through a rigorous process of goal setting, monitoring and measurement, training, and best practice sharing.

Standards of management and reporting have been incorporated into our overall HSEPS Management System. These requirements, combined with tiered accountability, self-assessments, kaizens, and a deep knowledge of energy and environmental matters create a culture of continuous improvement, sustaining a pipeline of projects to help us achieve our goals.

We take a systems-based approach using technology, operational excellence and employee engagement aligned with HOS to drive continuous improvements. Some examples:

 Technology: LED lighting is approximately 90% more efficient than incandescent and with a longer useful life than incandescent or fluorescent. Honeywell has been systematically replacing lighting at our sites with LED technologies. We have executed over 800 LED lighting projects for an annualized savings of \$7.5 million, 37,000 metric tons CO₂e and 250 BBTU.



- Operational Excellence: Compressed air, which is widely used in our industrial processes, is a significant energy user. As much as 20% of a site's energy use can be attributed to compressed air. We have executed over 400 projects to systematically address air leaks, optimize compressed air usage, and upgrade equipment, saving an annualized \$9.2 million, 45,500 metric tons CO₂e and 300 BBTU.
- Employee Engagement: Honeywell uses energy awareness and kaizen events to
 engage employees in the identification of sustainability-related savings opportunities.
 For example, our Safety and Productivity Solutions business targeted its top 20 sites
 and generated over 200 energy savings ideas with 25% costing little or nothing to
 implement and potential annualized savings of \$500,000.

By using the same processes that the company uses to drive other key objectives, sustainability has been incorporated into Honeywell's culture to drive resource efficiency.

ENVIRONMENTAL COMMITMENTS

Reducing Greenhouse Gases

Honeywell exceeded its first public goal to reduce global greenhouse gases by more than 30% between 2004 and 2011. A second five-year goal, set to reduce greenhouse gas emissions by an additional 15% per dollar of revenue from 2011 levels, was met three years early. Honeywell exceeded its third goal to reduce greenhouse gas emissions per dollar of revenue from 2013 levels by an additional 10% by end of 2018. Overall, our sustainability program has reduced greenhouse gas intensity by more than 90%.

In 2019, Honeywell set a new five-year "10-10-10" target to reduce global greenhouse gas emissions by an additional 10% per dollar of revenue from 2018 levels, to deploy on at least 10 renewable energy opportunities, and to achieve certification to ISO's 50001 Energy Management Standard at 10 facilities, all by 2024.

Honeywell reports on its global greenhouse gas emissions publicly through CDP (a UK-based organization that supports companies' and cities' environmental disclosures), various regulatory agencies, and its website. Honeywell has received third-party limited assurance per ISO 14064-3 of our Scope 1 and Scope 2 GHG emissions annually since 2011.

>60% reduction in greenhouse gas intensity since 2013, exceeding our third public goal

Overall, our sustainability program has reduced our greenhouse gas intensity by more than 90%

GREENHOUSE GAS REPORTING DATA									
	2013	2014	2015	2016	2017	2018			
Scope 1 MT CO₂e	4,346,781	3,988,622	3,526,031	2,699,554	1,355,420	1,479,149			
Scope 2 MT CO₂e	1,760,651	1,771,369	1,736,106	1,518,875	1,228,457	1,048,843			
Total	6,107,432	5,759,991	5,262,137	4,218,429	2,583,877	2,527,992			
Greenhouse Gas Intensity MT CO₂e/\$M Rev	156.4	142.9	136.4	107.3	63.7	60.5			

^{*} The greenhouse gas intensity metrics are the sum of our Scope 1 and location-based Scope 2 emissions in metric tons of carbon dioxide equivalent divided by revenue in million U.S. dollars

The data was compiled in accordance with The Greenhouse Gas Protocol. Additional information regarding our environmental footprint is available in our CDP report. Variations in data reported can occur due to timing of reporting, and updates to methodologies as newer reporting protocols and emission factors are adopted.

Energy Efficiency

Honeywell exceeded its public goal to improve energy efficiency by more than 20% between 2004 and 2011 and has continued to drive improvements throughout the organization. Since project tracking began in 2010, more than 4,300 efficiency projects, including building automation/controls, lighting, and mechanical upgrades have been implemented at our facilities saving an annualized \$80 million.

About 70% improvement in energy efficiency since 2004

To support continuous improvement and as part of our HSEPS Management System, our largest sites are required to identify their significant energy use in line with ISO 50001, obtain an energy audit on an established cycle, train personnel on energy management, and track identified projects via our standard database. This ensures a robust pipeline of both low-cost and capital projects that can be considered for execution.

ENERGY EFFICIENCY REPORTING DATA									
	2013	2014	2015	2016	2017	2018			
Energy BBTU	36,610	36,403	34,885	34,848	19,417	18,808			
Energy Efficiency BBTU/\$M Rev	0.937	0.903	0.904	0.785	0.479	0.450			

^{*} The assurance process we utilize for our greenhouse gas inventory, includes by default, our energy footprint. The energy data compiled here represents our global footprint for all our sites. Estimates are utilized for some of our smaller sites but are typically in the range of 5% of our overall inventory.

Water Stewardship

Honeywell maintains a global inventory of our water usage and continually looks for conservation opportunities while strategically targeting water conservation projects in areas that are experiencing "water stress" as defined by the World Resources Institute.

To ensure a continuous focus on conservation and as part of our HSEPS Management System, our larger sites in water-stressed regions are required to maintain a water balance, complete an annual self-assessment on water best practices, obtain a water audit on an established cycle, train personnel on water management, and track identified projects via our standard database.

Minimizing Waste

Honeywell maintains a global inventory of our waste usage, including both hazardous and non-hazardous metrics. Each of our strategic business units is required to establish annual targets, which must be approved by the CEO, for reducing hazardous waste as normalized by revenue and improving waste diversion rates (diverting waste from landfills).

Waste generation is tracked via the same global tool we use for collecting greenhouse gas, energy and water data. Waste reduction projects, often identified via a kaizen, are tracked in our project database from ideation through execution.

Managing Air Emissions

Air emissions are covered under our site HSEPS management system, where the aspects and impacts evaluation and risk assessment has determined this is applicable. At applicable sites, a complete and comprehensive air emission inventory is required. Air emissions are monitored and site-level engineering, administrative and operational controls are then developed to control and reduce air emissions. Regulatory compliance to air emissions regulations is required at all sites. In addition, in many cases our plants go beyond regulatory compliance to voluntarily further reduce emissions.

Since 2013, the company has implemented more than 150 water conservation projects in "water-stressed" areas, saving over 127 million gallons

HONEYWELL FACILITIES — CERTIFIED, SUSTAINABLE, AND AWARD-WINNING

With offices and manufacturing sites at close to 1000 locations worldwide, we have the opportunity to install a wide range of technologies that feature products from our own portfolio. These include energy management and control systems, automation systems for boilers, HVAC controls, variable frequency drives, programmable thermostats, occupancy sensors, and metering. Several our facilities have earned recognition as a result of these efforts.

United States

Our office in Morris Plains, New Jersey, is LEED Gold-certified. Sustainable features of the building include a 318-kilowatt solar array, which comprises 1,030 solar panel modules and generates 25% to 35% of the building's electricity; a green roof, to help reduce energy consumption; five electric-vehicle charging stations; smart lighting; and four new energy efficient boilers. Water-saving technologies include low-flow toilets, urinals, and faucets. The campus cafeteria uses only reusable glasses, plates, and utensils, and the kitchen cooking oil gets repurposed for bio-fuel.

The facility features numerous Honeywell products including building automation and control systems such as Enterprise Buildings Integrator (EBI) and Honeywell Building Manager, Honeywell Life Safety Systems, security systems such as Honeywell Security Manager and Honeywell Digital Video Management, and Honeywell Building Envelope Systems. A Mecho Shade System promotes natural daylight harvesting and heat load reduction based on outdoor conditions.

- Our Torrance, California, site installed water re-use projects, including additional treatment equipment and water re-use in the existing deionized water system; and conductivity monitoring systems to control the make-up water used in rinse tanks.
 The projects resulted in a savings of 17 million gallons annually and was recognized with an Environmental Excellence Award from the Industrial Environmental Association of Southern California.
- Our seven Aerospace sites in Arizona have been implementing sustainability projects for several years. Projects have matured from installing occupancy sensors on lighting and implementing 'Turn it Off' campaigns to larger and more impactful projects such as completing a Building Envelop Solutions project. Since 2009, the seven Arizona Honeywell Aerospace sites have executed 595 energy projects targeting electricity and water conservation, and these projects have resulted in energy savings of 202 BBTUs and 24.8 million gallons of water. In addition, we've diverted over 3.6 million pounds of waste from the local landfills through our efforts on recycling and reuse.

Project highlights include the installation of an automated pH-adjustment system on the cooling towers located at the Phoenix Engines site. This is expected to save 9.4 million gallons of water per year.

Another notable project is the installation of the 200-kW solar generating system on a covered parking structure at the Tempe site which provides 30% renewable energy for the administrative building.

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Europe

- Our Olomouc, Czech Republic, site received Honeywell Aerospace's Sustainability
 Award for achieving 100% waste diversion for non-hazardous waste. Abrasive sand
 was treated through a biodegradation process enabling it to be used as a building and
 stabilization material. Small grinding tools allowed the materials to be separated into
 two parts for recycling and incineration.
 - Our site also eliminated $540 \, \text{kg}$ of hazardous waste by developing new techniques for a solvent used in a vapor-cleaning machine to prepare parts for welding and soldering that allows 99% of the solvent to be reused in the process.
- Our Nagykanizsa, Hungary, site received the Virtual Power Plant Program's Energy-Efficient Company award from Hungarian Innovation and Efficiency Nonprofit Ltd. in recognition for our success in raising energy awareness and investment in energy efficiency. The site purchased and installed 297 rooftop solar panels that provide enough energy to power 8% of the site's electricity.
- Since 2010, our U.K. sites have been certified to the Carbon Trust Standard for carbon. The standard reflects demonstrated effectiveness at responding to climate change through governance, carbon accounting, and carbon management. It recognizes organizations that manage their greenhouse gas emissions, achieving real reductions year-over-year. The certification provides a framework for enhancing operational sustainability, improving energy efficiency, and cutting costs.

Asia Pacific

- Our Asia Pacific headquarters in Shanghai, China, features many Honeywell products including EBI, Honeywell Digital Video Manager, and Comfort Point Open Platform with Tridium Jace, and Temaline with Vector Enabled Facial Recognition. Nearly 100,000 Honeywell sensors monitor important building operation data, including the real-time number of staff in the building, temperature and humidity levels, air particulate indices, and electricity consumption.
- Our India Technology Center in Gurugram, Haryana, India, is now a Platinum LEED site, certified by the U.S. Green Building Council (USGBC) for driving environmental sustainability, energy efficiency, and productivity. The building is a zero-liquid discharge site and has three rainwater harvesting systems.
- Our Pune, Maharashtra, India, site installed a rooftop solar power plant that will contribute approximately 700,000 kilowatt-hours of electricity annually, providing 18% of the site's energy needs per year. The system displaces about 400 metric tons of carbon dioxide, which is equivalent to the annual greenhouse gas emissions generated from 86 passenger vehicles. The power generated on working days will be used by the site, but on holidays the electricity generated will be sold to the local energy company.



RESPONSIBLE REMEDIATION

Honeywell has a history of successfully resolving complex environmental challenges and taking a proactive approach to remediation of historic contamination. Our environmental liabilities do not relate to current operations, but to former operations and those of predecessor companies.

Our \$4 billion expenditure over the last 15 years has resulted in a cleanup of many of these sites. Using world-class science, design, and engineering to protect human health and the environment, we work cooperatively with governments and communities to implement effective solutions. We do not consider our cleanups complete until the legacy property has been transformed into a valuable asset for the surrounding community.

ONONDAGA LAKE, SYRACUSE, NEW YORK

At Onondaga Lake in Syracuse, we have dredged and capped the lake bed, enabling the best water quality in 100 years. Additionally, we have restored and preserved about 1,800 acres of habitat and are planting 1.1 million native plants, shrubs, and trees. More than 260 wildlife species are now calling this area home, and 130 unique bird species have been identified in and around the lake. An astounding 80 bald eagles were documented at the lake in winter 2019, according to Audubon New York, making it the largest bald eagle winter roost in a New York state urban environment.

Audubon New York honored Honeywell with its highest award for conserving and restoring natural ecosystems. Hundreds of community volunteers are part of the Onondaga Lake Conservation Corps, an expanding organization of environmental stewards.

Restoring and Creating a More Biodiverse Ecosystem

Creating sustainable, biologically diverse habitats was a major focus of the remediation and restoration of Onondaga Lake. Through thoughtful planning and input from local scientists, wetland ecologists, and robust community engagement, dynamic and diverse wetlands are now supporting a rich and productive ecosystem that is becoming the cornerstone of a renewed watershed.



Experts and Community Work Together

In the early stages of the cleanup, Honeywell assembled a national and local team of experts across many scientific and engineering fields. While the cleanup had to achieve specific government criteria, habitat restoration was placed at the forefront to return Onondaga Lake to a thriving ecosystem that is central to the watershed.

A Habitat Technical Working Group was formed to address the complexities of creating, maintaining, or improving the quality and diversity of habitats while promoting public access and recreation. This group included Honeywell, state and federal agencies and the State University of New York College of Environmental Science and Forestry (SUNY-ESF). Experts in the fields of environmental and forest biology, conservation biology, and fish and wildlife biology and management contributed a cross-section of ideas that led to a holistic approach to creating biodiverse habitats. The resulting Onondaga Lake Habitat Restoration Plan provided a comprehensive and unique approach to restoring the lake's ecosystem.

Opinions and perspectives also were solicited from local habitat conservation and environmental organizations such as Salt City Bassmasters, Izaak Walton League of America, Audubon, Ducks Unlimited, and Citizen's Campaign for the Environment.

Achieving Significant Success Restoring Habitat

Habitat enhancements focused on diversification and reintroduction of native species, and connectivity. Careful consideration was taken to select plants with cultural or historical significance. Many were selected to re-establish natural plant communities that once dominated the area.

Reconstructed and newly formed wetlands now support a diversity of habitats, including a floodplain forest, hardwood swamp, and emergent wetlands. The addition of habitat structures, such as logs and rock piles, in the restored areas have helped ensure that species find ideal conditions in which to return.

To improve the fishery, native vegetation was planted in shallow-water areas, and over 2,000 fish habitat structures were added to the lake bottom to attract game fish for anglers. The aquatic plant community has expanded from less than 12% of shallow-water lake areas to about 80%. Sixty-five species of fish have been documented in recent years, up from nine to 12 counted in the 1970s. Many wildlife species also use the lake, including mink, beaver, turtles, herons, egrets, and more.

Wherever possible, the project design respected natural processes and conditions to create suitable habitat for various species of plants, mammals, fish, benthic macroinvertebrates (bottom-dwelling organisms such as crayfish), birds, reptiles, and amphibians.

Looking Toward the Future

Through a thoughtful and holistic approach, Onondaga Lake is becoming a thriving, resilient, and dynamic sustainable ecosystem. Diverse habitats with native plants line the shoreline and wetlands provide sustainable conditions for hundreds of biologically diverse wildlife species. The remarkable habitat restoration effort will allow the community and wildlife to enjoy this natural resource for generations to come.









BALTIMORE, MARYLAND

Harbor Point, a 27-acre parcel in Baltimore's Inner Harbor, is taking shape as a sustainable and integral part of Baltimore City. The site housed a former Allied Chemical (Honeywell predecessor) chrome plant. Remediation was completed under the supervision of federal and state regulators.

Morgan Stanley opened a state-of-the-art commercial office building at the site in June 2010. The Exelon Building, a 21-story mixed-use building named for its signature tenant, energy giant Exelon Corp., opened in May 2016. It also is LEED Gold certified, with a 24-hour, 65,000-square-foot trading floor. Two months later, residents began moving into the building's 103 apartments, the first people to call Harbor Point their home.

Two other major projects are the 289-unit 1405 Point, completed in 2018, and Wills Wharf, a complex with offices and a 156-bed Hilton Canopy hotel completed in 2019. The redevelopment progress has opened a popular stretch of the waterfront to the public to enjoy views of the harbor and the city and the recreational and entertainment venues now operating on this transformed manufacturing site.

The Inner Harbor project illustrates the critical importance of establishing a working team of a developer and a responsible party to coordinate remediation with complex construction.



BUFFALO, NEW YORK

A unique partnership that includes the Buffalo Niagara Riverkeeper, the Great Lakes National Program Office of the U.S. Environmental Protection Agency, the New York State Department of Environmental Conservation, the U.S. Army Corps, and Honeywell completed the environmental dredging and habitat restoration of the Buffalo River.

The cleanup of the Buffalo River has contributed to the rising fortunes of a city hit hard by the decline of 20th-century manufacturing. Today, Buffalo Niagara Waterkeeper, which advocated for the environmental health of the river for decades and became the first nonprofit to sign a federal Great Lakes Legacy Act Project Agreement, conducts river tours on bikes, in kayaks, on foot, and in snowshoes.



JERSEY CITY, NEW JERSEY

A 95-acre parcel located on the Hackensack River in Jersey City, New Jersey, was formerly used for commercial and industrial purposes. Remediation consisting of excavation, capping, and containment, was completed in 2018. All the work was done under the oversight of the New Jersey Department of Environmental Protection and the federal court.

In 2008, the Jersey City Council approved the Bayfront plan, which calls for transforming the site into new housing, office, and retail uses, public waterfront access, and plentiful open space. With plans for more than 6,000 residential units, up to 1.2 million square feet of retail and commercial space, more than 20 acres of waterfront parks, bike paths, pedestrian-friendly streets, and a light rail extension for commuters, Bayfront would become the centerpiece of revitalization of the city's west side. It also will be one of the largest mixed-use developments in New Jersey.

On January 15, 2019, Bayfront, except for about 20 acres of open space, was purchased by the City of Jersey City.

NIAGARA FALLS, NEW YORK

Honeywell has been a key partner in the cleanup of a brownfield site in Niagara Falls, which has now become the new home of the Tulip Corporation. This redevelopment is an excellent example of how brownfield sites can be returned to productive use as the result of a collaborative partnership among government, local developers, the community, and the private sector.

An early rendering of Bayfront in Jersey City, New Jersey



PRODUCT STEWARDSHIP

New Product Introduction

Environmental impact is systematically considered at the design stage of all products. Our priority is health, safety, and environmental protection, both in how we do our work and in our results. As Honeywell businesses invent new tools and solutions, we take deliberate, strategic steps to improve each innovation's eco-efficiency. Here are the criteria we use to evaluate new products:

- Reducing the use of natural resources during manufacture and distribution
- Increasing the energy efficiency of the product itself or because of its use
- Reducing waste production
- Opportunities to reuse and recycle
- Opportunities to use recycled or renewable materials
- Reducing and eliminating classified toxic or hazardous materials
- Packaging more efficiently

Product Compliance

Honeywell is committed to ensuring that our products are manufactured to comply with environmental regulations. Honeywell's Global Product Stewardship team is responsible for the management of environmental compliance activities.

Regulatory monitoring combined with expertise and internal procedures ensure that comprehensive programs are in place throughout Honeywell to manage and meet regulatory requirements for regulations such as REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) and RoHS (Restriction of Hazardous Substances), GHS (Globally Harmonized System of Classification and Labelling of Chemicals), and WEEE (Waste Electrical and Electronic Equipment).

We actively engage with our suppliers to obtain information about the products they supply to us to meet regulations regarding the nature and quantity of chemical substances in our finished products as well as the responsible sourcing of minerals used.

REACH

Honeywell is committed to ensuring that all Honeywell products manufactured in or imported into the European Union comply with REACH legislative requirements. Honeywell has regulatory management systems in place to support ongoing compliance activities, for example, to monitor the Candidate List and European Chemical Agency's recommendations for authorization. Honeywell has submitted dossier updates when required and continues to meet communication requirements to downstream users.

Extended Producer Responsibility

Extended Producer Responsibility (EPR) is an environmental policy approach in which a producer's responsibility for a product is extended to the post-consumer management of the product and its packaging. Honeywell complies with all legal requirements for EPR either directly or by working with accredited recycling partners or schemes to ensure proper end-of-life treatment of our products and avoid any impacts to the environment. Potentially applicable regulations include:

- Waste Electrical & Electronic Equipment (WEEE)
- Battery recycling obligations
- Packaging recycling obligations

Our New Product Introduction requirements help ensure that EPR strategies are considered during the design of products and packaging.

Responsible Care Program

Honeywell's Performance Materials and Technologies (PMT) business is a participant in the Responsible Care program of the American Chemistry Council. Responsible Care is a global, voluntary initiative developed by the chemical industry that drives continuous improvement in health, safety, and environmental performance, together with open and transparent communications with stakeholders.

Responsible Care is practiced today in 68 economies around the world. Implementation of Responsible Care leads to improved efficiency; lower environment, health, and safety costs; and improved relations with stakeholders. Responsible Care companies have reduced hazardous releases to the air, land, and water by 84% from 1988 to 2016 and reduced process safety incidents by 56% since 1995.

As a signatory company, Honeywell is committed to improve its performance in the fields of environmental protection, occupational safety and health protection, plant security, process safety, product stewardship, operational energy efficiency, and logistics. Responsible Care companies embed these values up and down the organization's value chain, as well as continuously improve dialog with neighbors and the public, independent from legal requirements. PMT Headquarters in Morris Plains, New Jersey, has been certified RC-14001 by an external ISO registrar since 2005.





Honeywell is committed to integrity and compliance in everything we do. As part of that commitment, Honeywell expects its suppliers to ensure they: provide their employees a safe working environment; treat their workers with dignity and respect; engage in environmentally sound and sustainable manufacturing processes, and; comply with the law in all countries in which they conduct business.

HONEYWELL SUPPLIER CODE OF BUSINESS CONDUCT

Suppliers are expected to foster a culture where employees and managers can communicate openly and raise concerns without fear of retaliation, intimidation, or harassment. Honeywell's Supplier Code of Conduct sets forth Honeywell's commitment to integrity and compliance within its global supply chain. We expect all our suppliers to adhere to the Supplier Code and to ensure these requirements are met within their supply chain.

Suppliers are monitored via quality, ethics and good manufacturing practices. When a supplier is found to be in violation of any Honeywell standard, they are either displaced (removed) or guided or monitored to achieve an acceptable level. If the violation is related to unethical or illegal activities the supplier is permanently removed as a viable supply source.

SUPPLY CHAIN ASSESSMENTS AND AUDITING

Honeywell has developed standardized policies and processes to assess suppliers prior to selection including detailed compliance checks and rating assessments encompassing supply chain risk management to assist with developing a preferred suppliers list. All new suppliers must pass this assessment process prior to contracting.

Additionally, Honeywell uses robust contract terms and conditions language to ensure all suppliers meet regulatory requirements and commit to adhere to our strict Supplier Code of Business Conduct.

Annually each of our strategic businesses select a group of suppliers to audit. The audits are prioritized by high risk suppliers to include, but not limited to:

- High-risk industries
- High Growth Region countries
- High-risk regulatory environments
- Poor enforcement environments
- Political environments

Audits are performed by a qualified third-party using a standardized assessment that incorporates the requirements of our Supplier Code of Business Conduct. Our third-party evaluations align with our values of objective oversight and comprehensive reviews. This process includes conducting thorough onsite audits and preparing detailed audit reports. Results of the audits are reviewed, and corrective action plans are required for any identified gaps. Significant findings may require immediate removal.

Examples of significant findings include:

- Labor and Human Rights Excessive overtime, unpaid hours, improper payroll records, recruitment discrimination
- Health and Safety No health permits or health audits, blocked/unmarked/unlighted emergency exits, improper or no personal protective equipment.
- Environmental Missing or expired permits, hazardous waste discharge, improper chemical storage

CONFLICT MINERALS

In 2012, the U.S. Securities and Exchange Commission (SEC) issued rules implementing the "conflict minerals" disclosure requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act. These rules require Honeywell to undertake reasonable due diligence steps to determine if any of its products contain tantalum, tin, tungsten, and gold (3TG) originating in the Democratic Republic of Congo and bordering countries, and to report to the SEC on its 3TG inquiries and the potential use of 3TG in its products.

Honeywell is committed to the responsible sourcing of 3TG throughout our global supply chain and to compliance with the Conflict Mineral Rules.



For More Information

www.honeywell.com/citizenship

Honeywell

Charlotte, NC 28202 www.honeywell.com THE FUTURE IS WHAT WE MAKE IT

