



ENVIRONMENTAL SUSTAINABILITY INDEX

Q4 2022



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FORWARD

Provided as a free-of-charge public service, the Honeywell Environmental Sustainability Index (ESI) is produced quarterly by Honeywell in collaboration with Futurum Research and is designed to provide a quarter-over-quarter comparison of sentiment and progress Environmental Sustainability (ES) initiatives on a global basis.

This inaugural edition of the Honeywell ESI introduces the Sentiment Index, a global sampling of over 600 business leaders directly involved in their organization's ES initiatives, measuring their perception on how well their organization has performed in achieving its goals over the past year and expectations for the year ahead.

There are nine main sections within the index, as follows:

- Business and Sustainability Priorities
- Approach to Sustainability
- Sentiment (Prior Year)
- Sentiment (Current Year)
- Sentiment (2030 Target)
- Energy Evolution & Efficiency (Snapshot)
- Emissions Reduction (Snapshot)
- Pollution Prevention (Snapshot)
- Circularity & Recycling (Snapshot)

Key parts of this report are summarized in the accompanying Presentation and Infographic documents.

Methodology and Demographics

The ESI is based on a global double-blind survey of 653 business, technology, and sustainability professionals directly involved in the planning, strategic development, implementation, or oversight of environmental sustainability goals and initiatives. The survey was conducted during Q2 & Q3 of 2022. Additionally, survey panelists were required to be in a leadership role within their organization, with organizations required to have a minimum of 1,000 active employees. Additional demographic information is available at the end of this report.

Environmental Sustainability Categories

The index provides data across four different sustainability categories:

- **Energy Evolution & Efficiency** (e.g., lowering the amount of energy required to complete a given task)
- **Emissions Reduction** (e.g., measuring and reducing the release of greenhouse gases from man-made sources)
- **Pollution Prevention** (e.g., the reduction, elimination, or prevention of pollution before it occurs), and
- **Circularity & Recycling** (e.g., anticipating the end of life of products and ensuring the ability to capture and recycle products and components for re-use).

To accurately assess the perspectives of our survey panel (and not unduly shape their responses given the extremely wide range of activities and technologies that may span multiple Environmental Sustainability initiatives), fixed or limiting definitions of the categories were not provided and respondents were allowed to interpret the categories as they deemed appropriate and base their responses accordingly.

Geographic Coverage

Where possible, this report highlights data grouped into four geographical regions:

- **Asia Pacific** (which may include Australia, China, India, Japan, Malaysia, New Zealand, Philippines, Singapore, South Korea, Vietnam, and others)

- **EMEA** (which may include France, Germany, Israel, Italy, Netherlands, Nordics, Poland, Saudi Arabia, South Africa, UAE, United Kingdom, and other countries within Europe, Middle East and Africa)
- **Latin America** (which may include Brazil, Chile, Colombia, and other central or south American countries)
- **North America** (which may include Canada, Mexico, and the United States)

Industrial Groupings

Where possible, data on different industrial groups may be highlighted for the following industries and market sectors:

- **Banking & Personal Services** (including banking; finance; insurance; non-technical personal or business services; consulting; legal, etc.)
- **Consumer Goods** (including consumer-oriented industries such as food production and distribution; grocery stores and restaurants; automobiles; arts & entertainment; and retail, ecommerce and consumer packaged goods)
- **Energy** (including extraction, generation and distribution; and utilities)
- **Public Sector** (including government agencies and services; education; non-government organizations; public safety; and government-run operations)
- **Healthcare** (including physicians and providers; life sciences; medical devices; and pharmaceuticals)
- **High Technology** (including information technologies; semiconductors; hardware; software; and related telecommunications or technology services)
- **Manufacturing, Construction, and Industrial** (including commercial real estate development or management; chemicals and materials; manufacturing and construction; and mining, minerals and metals)
- **Transportation and Logistics** (including aerospace; commercial air travel; common carriers; freight services; and warehousing and distribution)

THE SENTIMENT INDEX

The Sentiment Index, part of the Honeywell Environmental Sustainability Index, offers a data-centric perspective on the current state of Environmental Sustainability initiatives. Based on a quarterly survey of over 600 business leaders directly involved in their organization's ES initiatives, the Sentiment Index measures their perceptions on how well their organizations have performed in achieving its goals over the past year and their expectations for the years ahead.

Q4, 2022 Index Highlights as follows:

Sustainability leads all other corporate initiatives

When asked to prioritize or rank current corporate initiatives, our panel of business professionals – all involved in ES initiatives – cite achieving sustainability goals as prioritized ahead of financial performance, digital transformation, and market growth over the coming six months:

Top Corporate Initiatives (Coming 6 months)

1. Sustainability Goals
2. Financial Performance
3. Digital Transformation
4. Market Growth
5. Workforce/Talent Dev
6. Customer Experience
7. Business Continuity
8. Security & Trust

Energy Evolution & Efficiency tops the list of ES priorities

Energy Evolution & Efficiency is considered the top sustainability priority over the coming six months, followed by Emissions Reduction, Pollution Prevention, and Circularity/Recycling initiatives.

Pandemic-related issues continue to impact ES success

The recent global pandemic continues to negatively impact the ability of organizations to successfully achieve their ES goals. While budget and

resources concerns were cited as the top barrier to success over the prior 12 months, concerns about ongoing impact of the pandemic (and perhaps its disruption of global economic, supply chain and geopolitical instability) are now cited as the top anticipated barrier over the coming 12 months.





ES Barriers (Coming 6 months)

<u>Current Rank</u>	<u>12 Months Prior</u>
1. Pandemic-related Issues	2
2. Budget & Resources	1
3. Staffing & Talent Availability	2
4. Supply Chain	5
5. Political, Reg, Compliance	4
6. Exec Leadership, Support	6
7. Partners, Providers	7



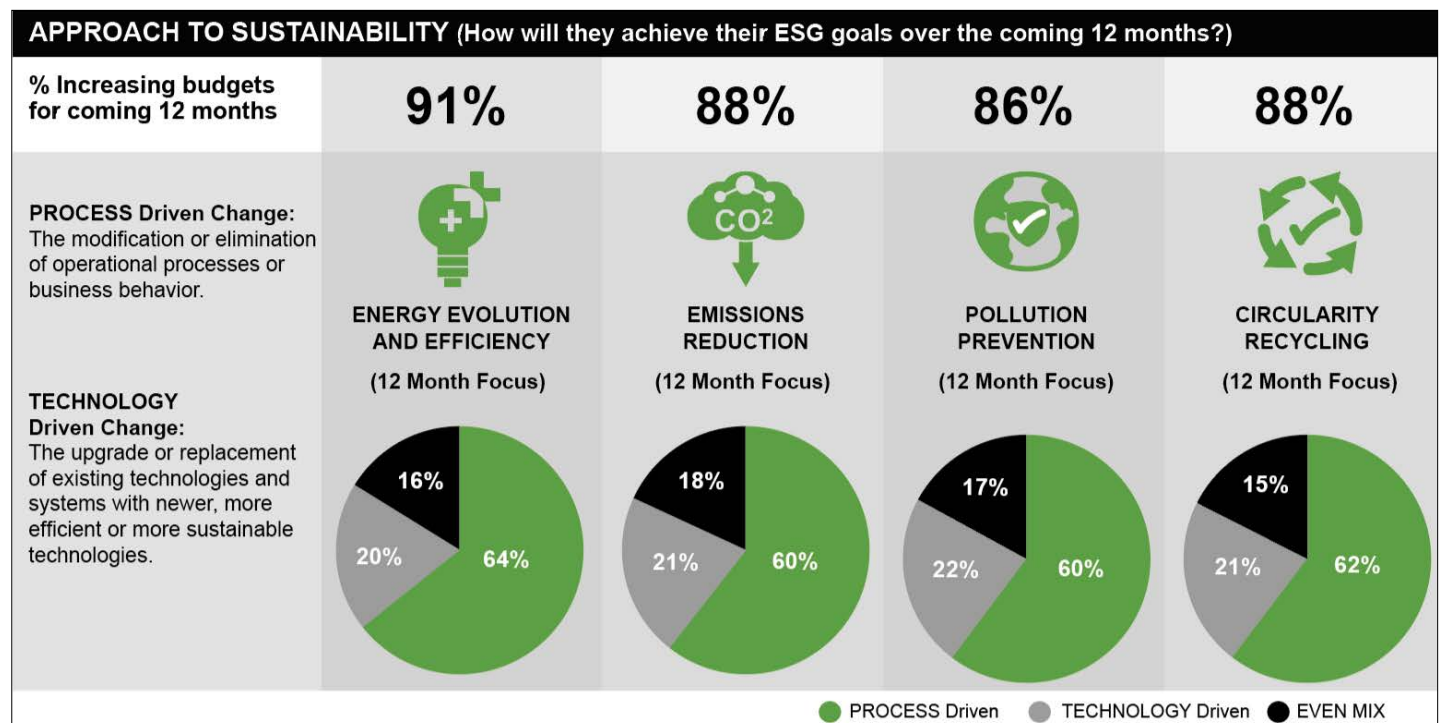
Overall sentiment on both past and future achievements towards ES goals is very high

Organizations overwhelmingly believe they have been at least somewhat or extremely successful in achieving their ES goals over the past 12 months, but that optimism decreases considerably regarding the ability to meet both near-term goals and long-term 2030 ES targets.

	 ENERGY EVOLUTION AND EFFICIENCY	 EMISSIONS REDUCTION	 POLLUTION PREVENTION	 CIRCULARITY RECYCLING
OVERALL SENTIMENT / OPTIMISM (Somewhat or Extremely Successful, Somewhat or Extremely Optimistic about ESG Goals)				
Overall Successful with prior 12-month goals:	87%	92%	91%	93%
Overall Optimistic about coming 12-month goals:	68%	66%	67%	69%
Overall Optimistic about achieving 2030 goals:	61%	63%	62%	64%

Process over technology

Even as a majority of organizations anticipate increased budgets for ES across all four categories, organizations are primarily leveraging process-driven change to achieve their near-term goals, electing to defer technology investments for the future.



1. BUSINESS AND SUSTAINABILITY PRIORITIES

The following questions are designed to provide insight into how organizations are prioritizing ES initiatives relative to other corporate activities and how aggressive they are in establishing both short and long-term ES goals.

Key Data Highlights

- Sustainability goals are perceived as the top corporate priority, cited by 65 percent of organizations as one of their top five priorities (note: all survey respondents are involved in ES initiatives).
- Latin America is the only region where Digital Transformation is prioritized over financial performance
- Most organizations are prioritizing energy efficiency over other ES initiatives.
- North American organizations trail most other regions in establishing long-term 2030 ES goals.

Question: Please select the top most important initiatives for the coming six months based on your understanding of corporate focus (select up to five).

CORP INITIATIVE	Overall	Region >	AP	EMEA	LA	NA
Sustainability Goals	65%		64%	65%	73%	61%
Financial Performance	62%		70%	69%	49%	60%
Digital Transformation	55%		54%	60%	62%	51%
Market Growth	49%		42%	48%	57%	48%
Workforce/Talent Dev	46%		41%	49%	52%	44%
Customer Experience	38%		40%	38%	31%	40%
Business Continuity	32%		37%	32%	25%	33%
Security & Trust	29%		28%	27%	31%	30%

Question:

Has your organization established internal environmental sustainability goals or targets for any of the following?

CATEGORY	Yes Overall	Region >	AP	EMEA	LA	NA
Energy Evolution & Efficiency	80%		73%	86%	70%	82%
Emissions Reduction	59%		60%	65%	64%	54%
Pollution Prevention	58%		65%	45%	62%	62%
Circularity/Recycling	49%		38%	45%	58%	52%

Question:

Has your organization established general targets or goals for environmental sustainability for the end of the decade (2030)?

CATEGORY	Yes Overall	Region >	AP	EMEA	LA	NA
Energy Evolution & Efficiency	90%		93%	91%	94%	87%
Emissions Reduction	85%		92%	91%	85%	79%
Pollution Prevention	83%		94%	86%	78%	80%
Circularity/Recycling	88%		93%	89%	92%	84%

Question:

Please select the top most important environmental sustainability categories based on their priority or focus within your organizations for the coming six months (select up to two):

CATEGORY	Yes Overall	Region >	AP	EMEA	LA	NA
Energy Evolution & Efficiency	73%		77%	80%	69%	70%
Emissions Reduction	46%		51%	45%	53%	42%
Pollution Prevention	36%		44%	30%	35%	36%
Circularity/Recycling	28%		19%	29%	27%	30%

2. APPROACH TO SUSTAINABILITY

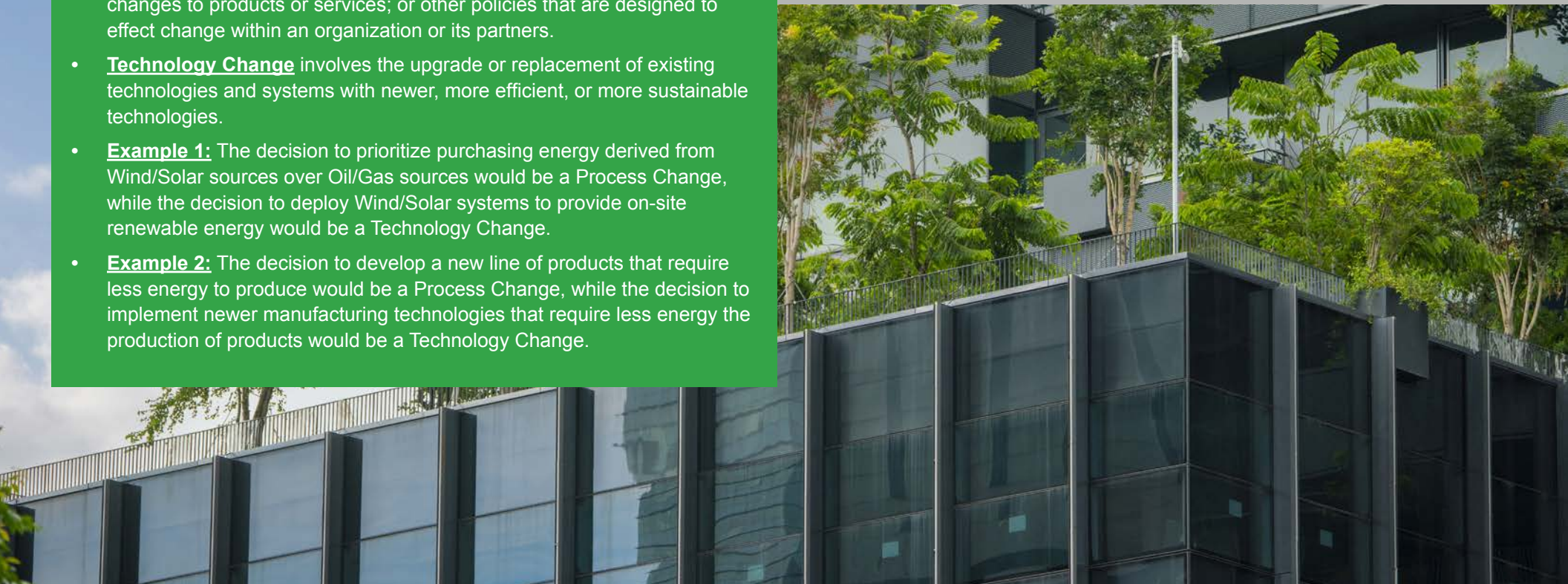
How are organizations achieving their near-term ES goals? Are they primarily deploying new or innovative technologies or are they relying on changes in business behavior, or process-driven change, to achieve their ES goals? The following questions are designed to help understand where organizations are in the ES journey: are they in the early stages of leveraging low-cost process change to achieve their goals or are they more mature and investing in long-term technologies that drive sustainable improvements over time?

Helpful Definitions

- **Process Change** involves the modification or elimination of operational processes or business behavior including exiting/entering a market; changes to products or services; or other policies that are designed to effect change within an organization or its partners.
- **Technology Change** involves the upgrade or replacement of existing technologies and systems with newer, more efficient, or more sustainable technologies.
- **Example 1:** The decision to prioritize purchasing energy derived from Wind/Solar sources over Oil/Gas sources would be a Process Change, while the decision to deploy Wind/Solar systems to provide on-site renewable energy would be a Technology Change.
- **Example 2:** The decision to develop a new line of products that require less energy to produce would be a Process Change, while the decision to implement newer manufacturing technologies that require less energy the production of products would be a Technology Change.

Key Data Points

- Behavioral change is the primary focus for the coming year even as organizations plan to significantly increase budget over the coming year.
- While most organizations focused on process change to achieve near-term ES goals, over 20 percent of all organizations are using a balanced blend of process and technology with another 15 percent plus leaning heavily on technology to achieve near-term goals.
- 50 percent of organizations plan to increase budgets related to Emissions Reduction by over 20 percent over the coming 12 months.



Approach (Coming Year)

Question:

Please estimate how you believe most of your organization's environmental sustainability targets or goals will be achieved over the coming 12 months.

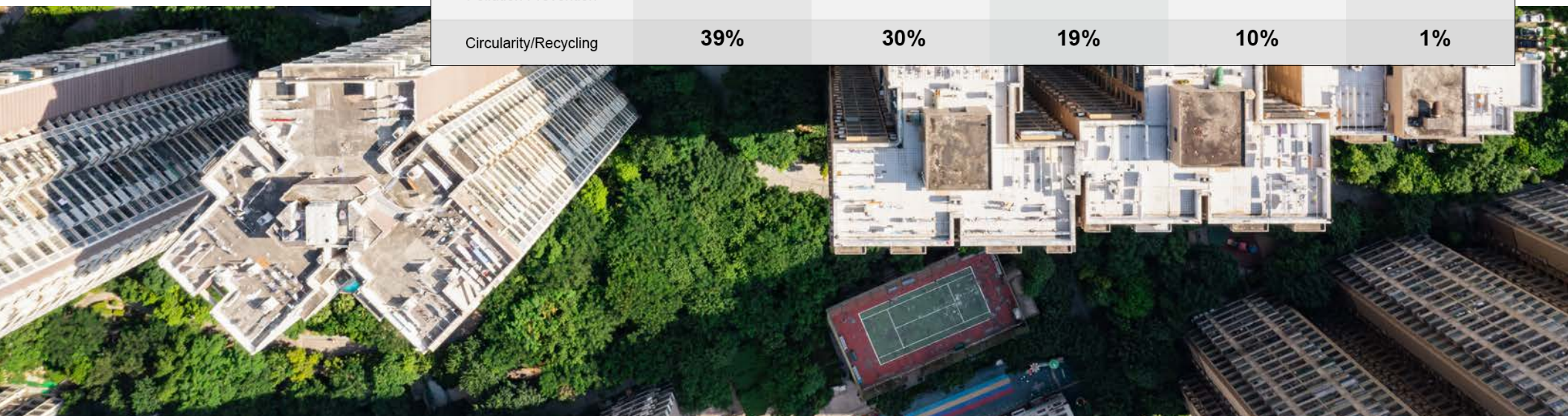
CATEGORY	Primarily Process Driven	More Process than Technology	Balanced Process & Technology	More Technology than Process	Primarily Technology Driven
Energy Evolution & Efficiency	44%	20%	20%	9%	7%
Emissions Reduction	29%	32%	21%	12%	6%
Pollution Prevention	32%	28%	22%	10%	7%
Circularity/Recycling	32%	30%	21%	10%	5%

Budget Spend (Coming Year)

Question:

Compared to the past year, is your organization increasing investments to achieve its environmental sustainability goals for the coming 12 months (for either process or technology)?

CATEGORY	Increasing (up to 20%)	Increasing (21 - 49%)	Increasing (50% or more)	No Change	Decreasing
Energy Evolution & Efficiency	48%	25%	18%	7%	1%
Emissions Reduction	38%	36%	14%	8%	2%
Pollution Prevention	38%	31%	17%	11%	1%
Circularity/Recycling	39%	30%	19%	10%	1%



3. SENTIMENT (PRIOR YEAR)

Understanding the perceived success of organizations in achieving their ES goals over the prior 12 months.

Key Data Points

- Over 50 percent of all organizations believe they have been extremely successful in achieving at least one or more of their ES goals over the prior 12 months.
- Despite Energy Evolution & Efficiency being cited as the top ES priority, Circularity & Recycling is cited as initiative with the most extreme success over the past 12 months (59%).
- Extreme Success in Energy Evolution & Efficiency: Organizations in Asia Pacific lead at 59%, while those in EMEA trail at 41% (note: 13 percent of Asia Pacific organizations believe they were not successful in achieving their Energy Evolution & Efficiency goals over the past 12 months, the highest percentage of any region).
- Top “extremely successful” industries: Healthcare for Circularity & Recycling (66%); Manufacturing, Construction & Industrial for Energy Evolution & Efficiency (62%); and Energy for both Pollution Prevention (64%) and Emissions Reduction (68%).

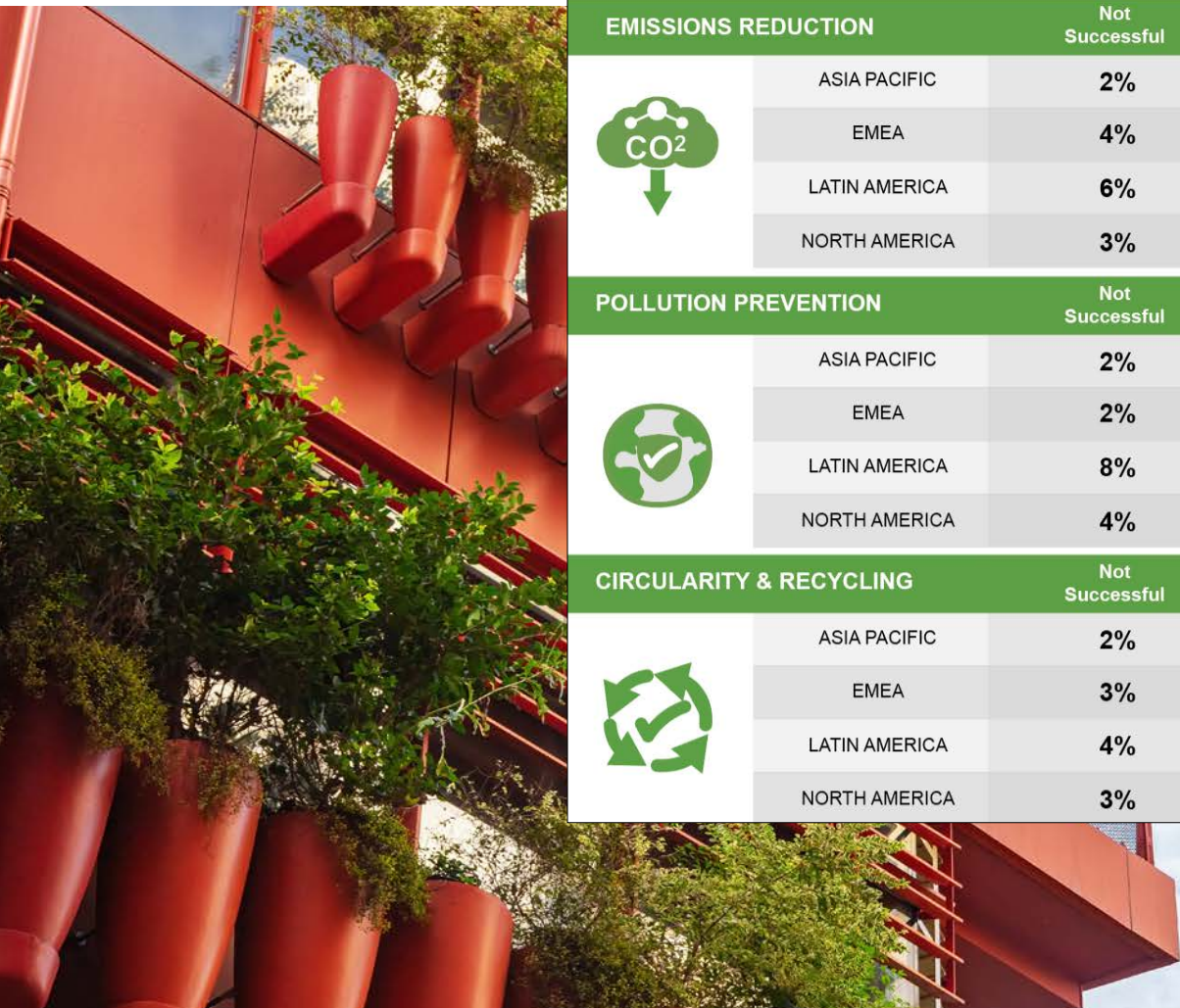
Question: How successful was your organization in achieving its environmental sustainability targets or goals during the prior 12 months?





CATEGORY	Not Successful	Somewhat Successful	Extremely Successful	Unsure
Energy Evolution & Efficiency	8%	35%	52%	5%
Emissions Reduction	3%	40%	52%	4%
Pollution Prevention	4%	37%	53%	5%
Circularity/Recycling	3%	34%	59%	3%

Sentiment (Prior Year) by Category and Region

Question:

How successful was your organization in achieving its environmental sustainability targets or goals during the prior 12 months?





















ENERGY EVOLUTION & EFFICIENCY		Not Successful	Somewhat Successful	Extremely Successful	Unsure
	ASIA PACIFIC	13%	18%	65%	5%
	EMEA	9%	40%	41%	9%
	LATIN AMERICA	2%	34%	59%	6%
	NORTH AMERICA	7%	39%	51%	3%
EMISSIONS REDUCTION		Not Successful	Somewhat Successful	Extremely Successful	Unsure
	ASIA PACIFIC	2%	41%	53%	4%
	EMEA	4%	41%	47%	8%
	LATIN AMERICA	6%	36%	53%	3%
	NORTH AMERICA	3%	40%	53%	4%
POLLUTION PREVENTION		Not Successful	Somewhat Successful	Extremely Successful	Unsure
	ASIA PACIFIC	2%	28%	65%	5%
	EMEA	2%	40%	48%	8%
	LATIN AMERICA	8%	34%	55%	2%
	NORTH AMERICA	4%	40%	51%	4%
CIRCULARITY & RECYCLING		Not Successful	Somewhat Successful	Extremely Successful	Unsure
	ASIA PACIFIC	2%	32%	61%	4%
	EMEA	3%	37%	54%	4%
	LATIN AMERICA	4%	33%	59%	5%
	NORTH AMERICA	3%	34%	60%	2%










Sentiment (Prior Year) by Category and Industry Group

Question: How successful was your organization in achieving its environmental sustainability targets or goals during the prior 12 months?

 ENERGY EVOLUTION AND EFFICIENCY	Not Successful	Somewhat Successful	Extremely Successful	Unsure
 Banking & Personal Services	9%	44%	46%	1%
 Consumer Goods	3%	32%	59%	3%
 Energy	12%	22%	51%	16%
 Gov't Public Sector	10%	38%	47%	4%
 Healthcare	13%	31%	51%	4%
 High Technology	7%	36%	53%	5%
 Mfg. Const & Industrial	3%	29%	62%	7%
 Transportation & Logistics	6%	52%	39%	4%

 POLLUTION PREVENTION	Not Successful	Somewhat Successful	Extremely Successful	Unsure
 Banking & Personal Services	4%	41%	45%	8%
 Consumer Goods	4%	33%	59%	1%
 Energy	1%	22%	64%	13%
 Gov't Public Sector	3%	43%	53%	1%
 Healthcare	1%	31%	60%	6%
 High Technology	10%	36%	48%	3%
 Mfg. Const & Industrial	1%	46%	50%	3%
 Transportation & Logistics	8%	40%	52%	0%

 EMISSIONS REDUCTION	Not Successful	Somewhat Successful	Extremely Successful	Unsure
 Banking & Personal Services	3%	49%	41%	4%
 Consumer Goods	2%	29%	61%	8%
 Energy	4%	17%	68%	9%
 Gov't Public Sector	1%	35%	58%	5%
 Healthcare	4%	31%	63%	3%
 High Technology	5%	49%	46%	0%
 Mfg. Const & Industrial	0%	55%	42%	4%
 Transportation & Logistics	10%	48%	40%	2%

 CIRCULARITY AND RECYCLING	Not Successful	Somewhat Successful	Extremely Successful	Unsure
 Banking & Personal Services	3%	37%	54%	4%
 Consumer Goods	4%	28%	63%	3%
 Energy	3%	29%	57%	10%
 Gov't Public Sector	1%	37%	61%	0%
 Healthcare	3%	29%	66%	3%
 High Technology	2%	39%	56%	2%
 Mfg. Const & Industrial	1%	40%	56%	2%
 Transportation & Logistics	6%	35%	56%	4%

4. SENTIMENT (CURRENT YEAR)

Understanding the perceived success organizations anticipate in achieving their ES goals over the coming 12 months.

Key Data Highlights

- Fewer than half of all organizations are extremely optimistic in achieving their ES goals over the coming 12 months.
- Extreme Success over the prior 12 months trails off as Extreme Optimism over the coming 12 months declines:

<u>CATEGORY</u>	<u>Extreme Success</u> <u>12 Months Prior</u>	<u>Extreme Optimism</u> <u>12 Months Ahead</u>
 Energy Evolution & Efficiency	52%	33%
 Emissions Reduction	52%	34%
 Pollution Prevention	53%	39%
 Circularity & Recycling	59%	42%

- Organizations in Latin America lead all other regions in extreme optimism for achieving ES goals in all four measured categories (note: Asia Pacific trails in all categories except Circularity & Recycling).
- Top “extremely optimistic” industry: Government & Public Sector organizations lead all others in extreme optimism for each measured ESG category: Energy Evolution & Efficiency (42%); Emissions Reduction (46%); Pollution Prevention (50%) and Circularity & Recycling (49%).

Question:





How optimistic are you in your organization's ability to achieve its near-term (12-month) environmental sustainability targets/goals?

OVERALL CATEGORY	Extremely Pessimistic	Somewhat Pessimistic	Neutral	Somewhat Optimistic	Extremely Optimistic
Energy Evolution & Efficiency	9%	11%	12%	35%	33%
Emissions Reduction	10%	13%	9%	31%	34%
Pollution Prevention	11%	11%	10%	28%	39%
Circularity/Recycling	12%	9%	9%	28%	42%

Sentiment (Current Year) by Category and Region










Question:





How optimistic are you in your organization's ability to achieve its near-term (12-month) environmental sustainability targets/goals?










ENERGY EVOLUTION & EFFICIENCY		Extremely Pessimistic	Somewhat Pessimistic	Neutral	Somewhat Optimistic	Extremely Optimistic
	ASIA PACIFIC	19%	15%	9%	35%	23%
	EMEA	8%	13%	12%	39%	29%
	LATIN AMERICA	8%	7%	11%	24%	50%
	NORTH AMERICA	7%	10%	13%	36%	33%
EMISSIONS REDUCTION		Extremely Pessimistic	Somewhat Pessimistic	Neutral	Somewhat Optimistic	Extremely Optimistic
	ASIA PACIFIC	15%	16%	9%	30%	29%
	EMEA	11%	14%	11%	31%	34%
	LATIN AMERICA	9%	12%	8%	24%	43%
	NORTH AMERICA	9%	11%	9%	35%	33%
POLLUTION PREVENTION		Extremely Pessimistic	Somewhat Pessimistic	Neutral	Somewhat Optimistic	Extremely Optimistic
	ASIA PACIFIC	20%	13%	3%	29%	33%
	EMEA	9%	15%	13%	25%	35%
	LATIN AMERICA	8%	4%	11%	20%	57%
	NORTH AMERICA	10%	11%	9%	32%	37%
CIRCULARITY & RECYCLING		Extremely Pessimistic	Somewhat Pessimistic	Neutral	Somewhat Optimistic	Extremely Optimistic
	ASIA PACIFIC	17%	7%	10%	27%	39%
	EMEA	11%	15%	8%	29%	37%
	LATIN AMERICA	8%	8%	10%	18%	56%
	NORTH AMERICA	11%	7%	9%	31%	40%










Sentiment (Current Year) by Category and Industry Group

Question: How optimistic are you in your organization's ability to achieve its near-term (12-month) environmental sustainability targets/goals?

 ENERGY EVOLUTION AND EFFICIENCY	Extremely Pessimistic	Somewhat Pessimistic	Neutral	Somewhat Optimistic	Extremely Optimistic
 Banking & Personal Services	10%	14%	15%	27%	34%
 Consumer Goods	11%	18%	13%	24%	33%
 Energy	16%	6%	12%	30%	35%
 Gov't Public Sector	7%	15%	7%	30%	42%
 Healthcare	6%	9%	13%	39%	34%
 High Technology	7%	12%	3%	44%	34%
 Mfg. Const & Industrial	11%	5%	13%	40%	30%
 Transportation & Logistics	4%	10%	14%	56%	17%

 POLLUTION PREVENTION	Extremely Pessimistic	Somewhat Pessimistic	Neutral	Somewhat Optimistic	Extremely Optimistic
 Banking & Personal Services	4%	12%	9%	33%	39%
 Consumer Goods	18%	16%	12%	16%	37%
 Energy	17%	15%	4%	20%	41%
 Gov't Public Sector	15%	14%	11%	11%	50%
 Healthcare	11%	9%	13%	30%	36%
 High Technology	15%	3%	7%	27%	42%
 Mfg. Const & Industrial	6%	5%	9%	41%	37%
 Transportation & Logistics	2%	15%	10%	40%	33%

 EMISSIONS REDUCTION	Extremely Pessimistic	Somewhat Pessimistic	Neutral	Somewhat Optimistic	Extremely Optimistic
 Banking & Personal Services	7%	15%	12%	30%	33%
 Consumer Goods	14%	18%	12%	21%	31%
 Energy	25%	10%	7%	22%	36%
 Gov't Public Sector	14%	19%	3%	19%	46%
 Healthcare	9%	9%	9%	39%	31%
 High Technology	3%	10%	10%	36%	41%
 Mfg. Const & Industrial	7%	8%	9%	38%	36%
 Transportation & Logistics	6%	12%	10%	54%	19%

 CIRCULARITY AND RECYCLING	Extremely Pessimistic	Somewhat Pessimistic	Neutral	Somewhat Optimistic	Extremely Optimistic
 Banking & Personal Services	6%	9%	15%	31%	38%
 Consumer Goods	22%	11%	9%	13%	42%
 Energy	25%	12%	6%	19%	39%
 Gov't Public Sector	12%	16%	1%	22%	49%
 Healthcare	11%	8%	6%	30%	41%
 High Technology	5%	2%	14%	31%	48%
 Mfg. Const & Industrial	6%	5%	8%	38%	43%
 Transportation & Logistics	6%	10%	12%	37%	37%

5. SENTIMENT (2030 TARGETS)

Understanding the perceived success organizations anticipate in achieving their ES targets for the year 2030.

Key Data Points

- 40 percent or fewer of all organizations are extremely optimistic in achieving their ES goals for 2030.
- 24 percent of organizations are extremely pessimistic regarding achieving long-term (2030) goals for Energy Evolution & Efficiency (32 percent pessimistic overall).
- Declining Extreme Optimism over the coming 12 months extends into achieving 2030 goals:

<u>CATEGORY</u>	<u>Extreme Success</u>	<u>Extreme Optimism</u>	
		<u>12 Months Prior</u>	<u>12 Months Ahead</u> <u>2030 Targets</u>
 Energy Evolution & Efficiency	52%	33%	38%
 Emissions Reduction	52%	34%	35%
 Pollution Prevention	53%	39%	36%
 Circularity & Recycling	59%	42%	40%

- Organizations in Latin America lead all other regions in extreme optimism for achieving 2030 ES goals in all four measured categories (note: Asia Pacific trails all others in Pollution Prevention and Circularity & Recycling while EMEA trails all others in Energy Evolution & Efficiency and Emissions Reductions).
- 49 percent of organizations in the Energy industry report being extremely pessimistic about achieving long-term 2030 goals for Energy Evolution & Efficiency, with only 44 percent being extremely or even somewhat optimistic.

Question:





How optimistic are you in your organization's ability to achieve its overall environmental sustainability targets/goals for the year 2030?

OVERALL CATEGORY	Extremely Pessimistic	Somewhat Pessimistic	Neutral	Somewhat Optimistic	Extremely Optimistic
Energy Evolution & Efficiency	24%	8%	6%	23%	38%
Emissions Reduction	12%	14%	8%	28%	35%
Pollution Prevention	17%	10%	9%	27%	36%
Circularity/Recycling	14%	12%	9%	24%	40%

Sentiment (2030 Target) by Category and Region

Question:

How optimistic are you in your organization's ability to achieve its overall environmental sustainability targets/goals for the year 2030?










ENERGY EVOLUTION AND EFFICIENCY		Extremely Pessimistic	Somewhat Pessimistic	Neutral	Somewhat Optimistic	Extremely Optimistic
	ASIA PACIFIC	32%	8%	5%	18%	36%
	EMEA	28%	13%	4%	23%	32%
	LATIN AMERICA	18%	5%	6%	22%	49%
	NORTH AMERICA	21%	6%	8%	25%	39%
EMISSIONS REDUCTION		Extremely Pessimistic	Somewhat Pessimistic	Neutral	Somewhat Optimistic	Extremely Optimistic
	ASIA PACIFIC	15%	21%	10%	20%	35%
	EMEA	17%	14%	8%	29%	32%
	LATIN AMERICA	13%	8%	8%	23%	44%
	NORTH AMERICA	9%	15%	9%	31%	34%
POLLUTION PREVENTION		Extremely Pessimistic	Somewhat Pessimistic	Neutral	Somewhat Optimistic	Extremely Optimistic
	ASIA PACIFIC	25%	15%	7%	23%	31%
	EMEA	20%	13%	8%	26%	32%
	LATIN AMERICA	8%	9%	9%	27%	44%
	NORTH AMERICA	16%	6%	11%	28%	36%
CIRCULARITY RECYCLING		Extremely Pessimistic	Somewhat Pessimistic	Neutral	Somewhat Optimistic	Extremely Optimistic
	ASIA PACIFIC	21%	14%	8%	23%	34%
	EMEA	18%	13%	8%	22%	38%
	LATIN AMERICA	10%	9%	9%	21%	50%
	NORTH AMERICA	11%	11%	10%	27%	40%










Sentiment (2030 Target) by Category and Industry Group

Question: How optimistic are you in your organization's ability to achieve its near-term (12-month) environmental sustainability targets/goals?

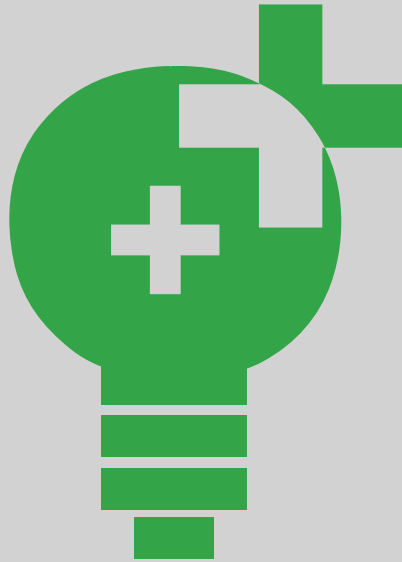
 ENERGY EVOLUTION AND EFFICIENCY		Extremely Pessimistic	Somewhat Pessimistic	Neutral	Somewhat Optimistic	Extremely Optimistic
	Banking & Personal Services	22%	12%	9%	24%	33%
	Consumer Goods	33%	7%	7%	18%	34%
	Energy	49%	4%	3%	12%	32%
	Gov't Public Sector	24%	14%	4%	11%	46%
	Healthcare	24%	10%	5%	18%	41%
	High Technology	14%	5%	5%	29%	46%
	Mfg, Const & Industrial	13%	4%	5%	36%	41%
	Transportation & Logistics	12%	8%	10%	37%	35%

 POLLUTION PREVENTION		Extremely Pessimistic	Somewhat Pessimistic	Neutral	Somewhat Optimistic	Extremely Optimistic
	Banking & Personal Services	11%	14%	13%	34%	26%
	Consumer Goods	26%	11%	13%	17%	32%
	Energy	33%	12%	4%	20%	30%
	Gov't Public Sector	19%	15%	3%	20%	43%
	Healthcare	23%	6%	8%	21%	36%
	High Technology	9%	9%	10%	36%	34%
	Mfg, Const & Industrial	9%	5%	8%	32%	45%
	Transportation & Logistics	10%	8%	12%	31%	40%

 EMISSIONS REDUCTION		Extremely Pessimistic	Somewhat Pessimistic	Neutral	Somewhat Optimistic	Extremely Optimistic
	Banking & Personal Services	9%	16%	10%	33%	27%
	Consumer Goods	12%	20%	16%	22%	28%
	Energy	30%	17%	6%	13%	33%
	Gov't Public Sector	15%	15%	5%	20%	45%
	Healthcare	14%	19%	6%	24%	34%
	High Technology	7%	10%	3%	29%	49%
	Mfg, Const & Industrial	8%	5%	10%	42%	34%
	Transportation & Logistics	6%	15%	6%	29%	44%

 CIRCULARITY AND RECYCLING		Extremely Pessimistic	Somewhat Pessimistic	Neutral	Somewhat Optimistic	Extremely Optimistic
	Banking & Personal Services	9%	9%	15%	29%	36%
	Consumer Goods	17%	20%	9%	17%	37%
	Energy	38%	13%	1%	17%	29%
	Gov't Public Sector	16%	15%	4%	14%	49%
	Healthcare	10%	16%	5%	26%	40%
	High Technology	7%	9%	9%	34%	41%
	Mfg, Const & Industrial	11%	3%	9%	30%	46%
	Transportation & Logistics	6%	10%	19%	19%	46%

6. ENERGY EVOLUTION & EFFICIENCY SNAPSHOT



80%

Have established internal ES goals or targets for Energy Evolution and Efficiency

ASIA PACIFIC	EMEA	LATIN AMERICA	NORTH AMERICA
73%	86%	70%	82%

Budget Trends

Question:

Compared to the past year, is your organization increasing investments to achieve its Energy Evolution & Efficiency goals for the coming 12 months? (note: this includes investments for either technology or process improvements.)

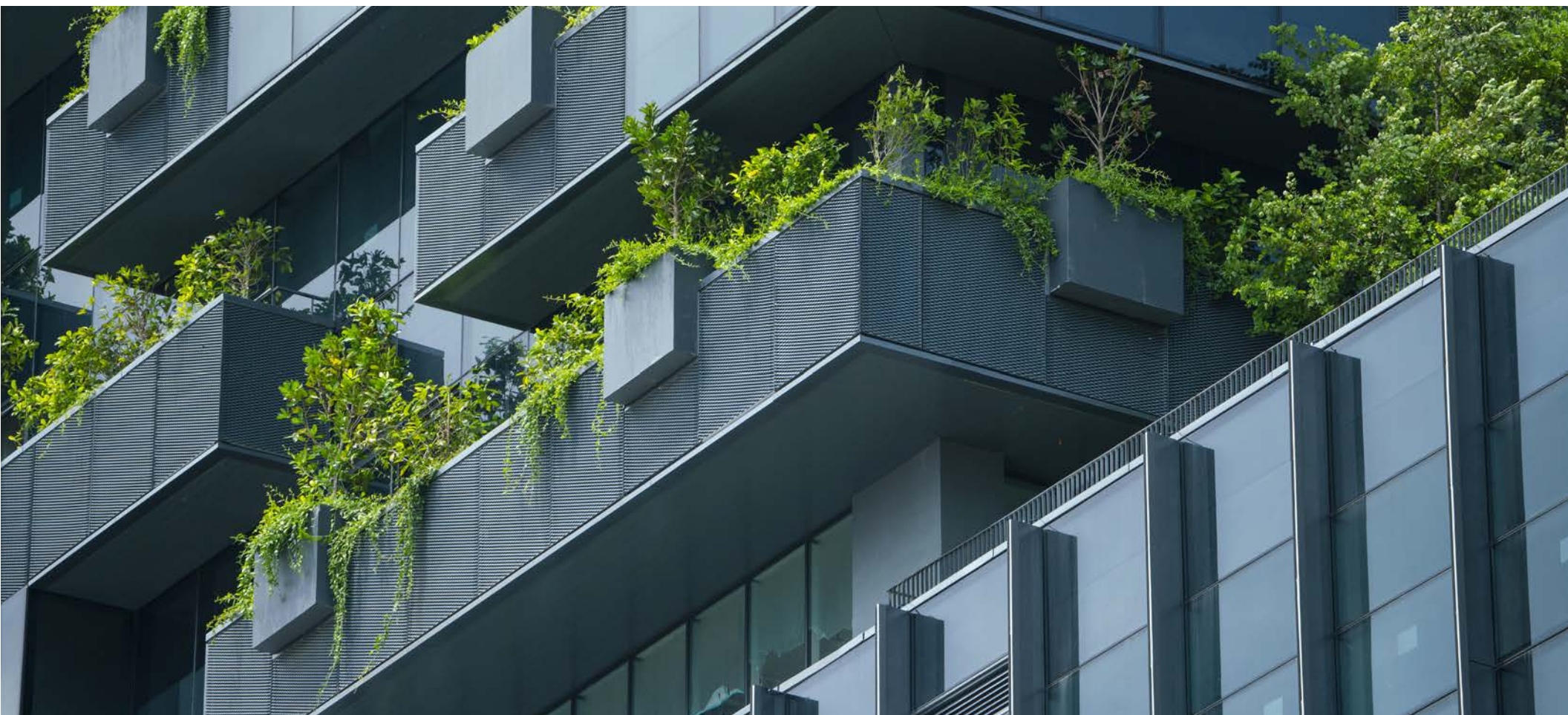
Yes (up to 20% Increase)	Yes (21 - 49% Increase)	Yes (by 50% or more)	No (we're maintaining our investment levels)	No (we're decreasing our investment levels)
48%	25%	18%	7%	1%

Process vs Technology Approach

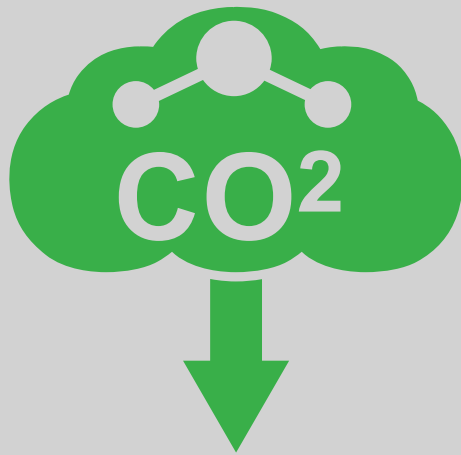
Question:

Please estimate how you believe most of your organization's Energy Evolution & Efficiency targets/goals over the coming 12 months will be achieved.

	Primarily Process Driven	More Process than Technology	Balanced Process & Technology	More Technology than Process	Primarily Technology Driven
ASIA PACIFIC	51%	25%	10%	9%	6%
EMEA	49%	16%	24%	6%	6%
LATIN AMERICA	32%	22%	24%	10%	10%
NORTH AMERICA	43%	20%	19%	11%	6%



7. EMISSIONS REDUCTION SNAPSHOT



59%

Have established internal ES goals or targets for Emissions Reduction

ASIA PACIFIC	EMEA	LATIN AMERICA	NORTH AMERICA
60%	65%	64%	54%

Budget Trends

Question:

Compared to the past year, is your organization increasing investments to achieve its Emissions Reduction goals for the coming 12 months? (note: this includes investments for either technology or process improvements.)

Yes (up to 20% Increase)	Yes (21 - 49% Increase)	Yes (by 50% or more)	No (we're maintaining our investment levels)	No (we're decreasing our investment levels)
38%	36%	14%	8%	2%

Process vs Technology Approach

Question:

Please estimate how you believe most of your organization's Emissions Reduction targets/goals over the coming 12 months will be achieved.

	Primarily Process Driven	More Process than Technology	Balanced Process & Technology	More Technology than Process	Primarily Technology Driven
ASIA PACIFIC	28%	37%	23%	8%	4%
EMEA	37%	29%	19%	10%	6%
LATIN AMERICA	31%	19%	24%	17%	8%
NORTH AMERICA	23%	36%	20%	12%	6%



8. POLLUTION PREVENTION SNAPSHOT



58%

Have established internal ES goals or targets for Pollution Prevention

ASIA PACIFIC	EMEA	LATIN AMERICA	NORTH AMERICA
65%	45%	62%	62%

Budget Trends

Question:

Compared to the past year, is your organization increasing investments to achieve its Pollution Prevention goals for the coming 12 months? (note: this includes investments for either technology or process improvements.)

Yes (up to 20% Increase)	Yes (21 - 49% Increase)	Yes (by 50% or more)	No (we're maintaining our investment levels)	No (we're decreasing our investment levels)
38%	36%	17%	11%	1%

Process vs Technology Approach

Question:

Please estimate how you believe most of your organization's Pollution Prevention targets/goals over the coming 12 months will be achieved.

	Primarily Process Driven	More Process than Technology	Balanced Process & Technology	More Technology than Process	Primarily Technology Driven
ASIA PACIFIC	28%	28%	28%	10%	6%
EMEA	35%	30%	21%	9%	5%
LATIN AMERICA	38%	20%	17%	15%	10%
NORTH AMERICA	29%	31%	22%	10%	6%



9. CIRCULARITY & RECYCLING SNAPSHOT



49%

Have established internal ES goals or targets for Circularity & Recycling

ASIA PACIFIC	EMEA	LATIN AMERICA	NORTH AMERICA
38%	45%	58%	52%

Budget Trends

Question:

Compared to the past year, is your organization increasing investments to achieve its Circularity & Recycling goals for the coming 12 months? (note: this includes investments for either technology or process improvements.)

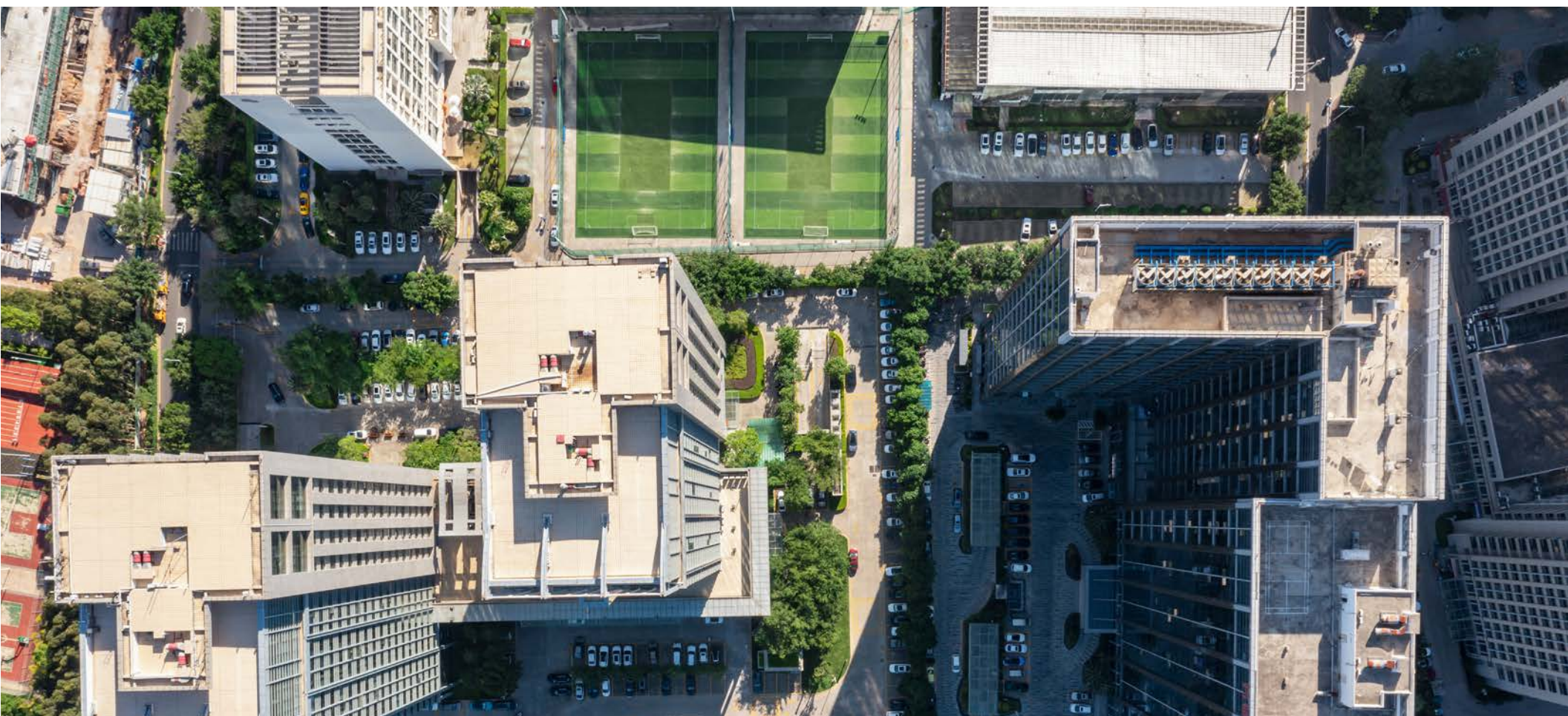
Yes (up to 20% Increase)	Yes (21 - 49% Increase)	Yes (by 50% or more)	No (we're maintaining our investment levels)	No (we're decreasing our investment levels)
39%	30%	19%	10%	1%

Process vs Technology Approach

Question:

Please estimate how you believe most of your organization's Circularity & Recycling targets/goals over the coming 12 months will be achieved.

	Primarily Process Driven	More Process than Technology	Balanced Process & Technology	More Technology than Process	Primarily Technology Driven
ASIA PACIFIC	29%	30%	23%	14%	3%
EMEA	36%	30%	22%	7%	3%
LATIN AMERICA	39%	23%	22%	7%	8%
NORTH AMERICA	29%	31%	20%	11%	6%



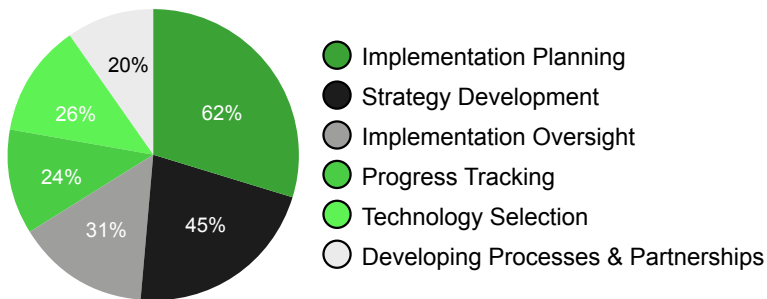
SURVEY DEMOGRAPHICS

Survey Panel

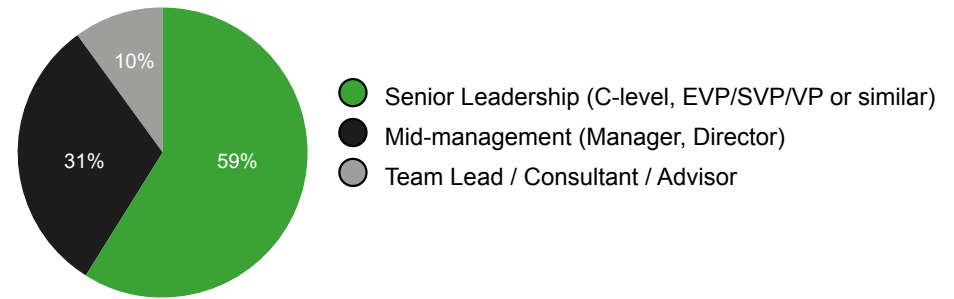
653

Respondents involved in the planning, strategic development, implementation, or oversight of Environmental Sustainability goals and initiatives within their organization.

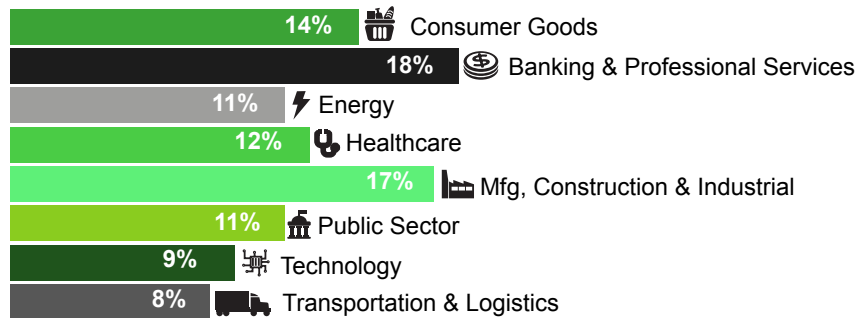
Sustainability Responsibilities



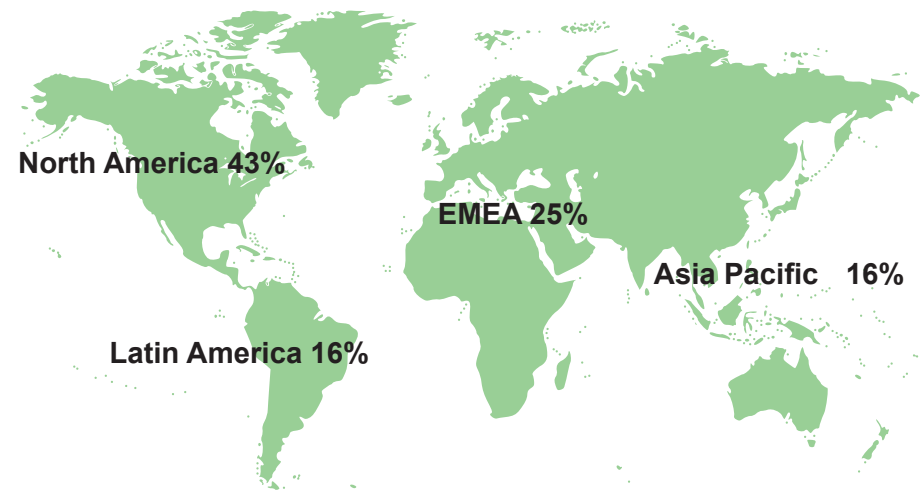
Business Role



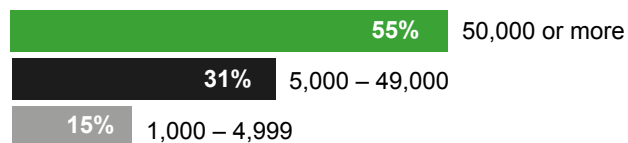
Industry Groups



Geography



Employees (Global)



About the Honeywell Environmental Sustainability Index

The goal of the Honeywell Environmental Sustainability Index is to inform the global community on the current and anticipated adoption of technologies that directly support Environmental Sustainability initiatives. The Index consists of the Sentiment Index, a global sampling of over 600 business leaders directly involved in their organization's ES initiatives, measuring their perception on how well their organization has performed in achieving its goals over the past year and expectations for the year ahead.

For detailed information on the supporting data, statistical models, and research methodology used in the creation of this index, please see the *Honeywell Environmental Sustainability Index Methodology*.

About Honeywell

Honeywell (www.honeywell.com) is a Fortune 100 technology company that delivers industry-specific solutions that include aerospace products and services; control technologies for buildings and industry; and performance materials globally. Our technologies help everything from aircraft, buildings, manufacturing plants, supply chains, and workers become more connected to make our world smarter, safer, and more sustainable.

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