



**PURPOSEFUL  
GROWTH  
POSITIVE  
IMPACT**

2024 IMPACT REPORT

**Honeywell**

# FORWARD-LOOKING STATEMENTS

This report contains certain statements that may be deemed “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical fact, that address activities, events or developments that we or our management intends, expects, projects, believes or anticipates will or may occur in the future are forward-looking statements. We use words such as aim, anticipate, believe, commit, drive, estimate, ensure, expect, goal, intend, may, mission, plan, project, seek, strategy, strive, target, will and would or similar expressions to identify forward-looking statements. In particular, such statements may include but are not limited to: (1) statements which may relate to our purpose, ambitions, aims, commitments, targets, plans, and objectives, and sustainability goal progress; (2) environmental, health, and safety (EHS) data as it relates to the environment, safety performance, management systems, implementation, and regulatory compliance, including data collection systems at applicable sites that track and collect EHS data through the corporate-wide EHS reporting systems; (3) social data as it relates to employee metrics, social practices and community engagement programs derived from our various databases; (4) responsible sourcing of materials and the related responsible sourcing systems and data; and (5) statements about actions of suppliers and partners or our work with them. Such statements are based upon certain assumptions and assessments made by our management in light of their experience and their perception of historical trends, current economic and industry conditions, expected future developments and other factors they believe to be appropriate, many of which are difficult to predict and outside our control. The forward-looking statements included in this report are also subject to a number of material risks and uncertainties that may cause actual results to differ materially.

Such risks and uncertainties include, but are not limited to, economic, competitive, governmental, technological, geopolitical and public health factors affecting our operations, markets, products, services and prices, assumptions not being realized, scientific or technological developments, evolving sustainability strategies, changes in carbon markets, evolving government regulations, our expansion into new products, services, technologies, and geographic regions, or other changes in circumstances, as well as those factors set forth in the “Risk Factors” section of our most recent Annual Report on Form 10-K and subsequent quarterly reports on Form 10-Q filed with the U.S. Securities and Exchange Commission. Such forward-looking statements are not guarantees of future performance, and actual results, and other developments, and business decisions may differ from those envisaged by such forward-looking statements. The information and opinions contained in this report are provided as of the date of this report and are subject to change without notice. We undertake no obligation to update any forward-looking statements contained in this report as a result of new information or future events or developments.

This report represents our current policy and intent and is not intended to create legal rights or obligations. The standards of measurement and performance contained in this report are developing and based on assumptions, and no assurance can be given that any plan, initiative, projection, goal, commitment, expectation, or prospect set forth in this report can or will be achieved. This report may contain or incorporate by reference public information not separately reviewed, approved, or endorsed by us, and we make no representation, warranty, or undertaking as to the accuracy, reasonableness, or completeness of such information. Information contained on or accessible through, including any reports available on, any website referenced herein, is not a part of, and is not incorporated by reference into, this report, except as otherwise stated.

This report contains examples of savings and results achieved by us, our customers and our partners that may or may not be representative of what other companies could achieve in similar circumstances. Inclusion of information in this report is not an indication that the subject or information is material to our business or operating results. “Material” for the purposes of this report should not be read as equating to any use of the word in our other reporting or filings with the U.S. Securities and Exchange Commission. No part of this report or our website constitutes, or shall be taken to constitute, an invitation or inducement to invest in us or any other entity and shall not be relied upon in any way in connection with any investment decisions.

# DEFINING OUR COMMITMENT TO OUR PLANET, PEOPLE AND PRINCIPLES



## To Our Shareholders and Stakeholders,

For nearly 150 years, Honeywell has been central to shaping the future. During my three-decade-plus tenure, I have been inspired by working with our teams to drive innovation across a multitude of industries and countries. In this Impact Report, we detail how we maintained our unwavering commitment to our **Planet, People** and **Principles** as we simplified and aligned our business with

three megatrends — automation, the future of aviation and the energy transition.

At Honeywell, the way we conduct our business today enables us to not only anticipate, but proactively fulfill the evolving needs of our stakeholders to pave the way for tomorrow's success.

## OUR PLANET

Last year, we delivered a new generation of transformative solutions to our customers, while taking steps to minimize our carbon footprint and maximize our positive impact on the planet. For the third consecutive year, we invested approximately 60% of Honeywell's research and development funding in sustainability-oriented offerings<sup>1</sup> that improve safety, environmental impact and societal resilience for our customers and the communities they serve. **Looking ahead, we estimate that Honeywell technologies will have a cumulative impact of mitigating 2 billion metric tons of CO<sub>2</sub>e between 2023 and 2030<sup>2</sup>.**

In this report, we highlight one of our most exciting 2023 achievements: we exceeded the three ambitious sustainability-oriented goals we set in 2019 — reducing Scope 1 and 2 greenhouse gas emissions intensity,

deploying new renewable energy opportunities and obtaining ISO 50001 certifications.

Our progress against these goals now gives us greater confidence in achieving our commitment to carbon neutrality across our facilities and operations<sup>3</sup> by 2035.

## OUR PEOPLE

We succeed as a business and can make a difference in our communities thanks to our global team of Futureshapers. In return, we are deeply committed to creating unique and meaningful opportunities for them to grow alongside us and to benefit from our focus on professional development, rigorous succession planning and continuous learning.

Similarly, we concentrate on improving representation, retention and recognition of diverse perspectives across our workforce — including through our leadership development programs, which amplify the diverse perspectives of our talent, and our nine employee networks that foster collaboration and belonging. **In 2024, Honeywell expects to train approximately 1,200 interns to help prepare them to be Futureshapers.** We are committed to significantly increasing this group in the year ahead.

## OUR PRINCIPLES

Integrity and ethics, supported by the cornerstones of safety, inclusion and diversity, and workplace respect, underlie every aspect of our operations at Honeywell. These foundational principles are complemented by the [new behaviors](#) we established to define our core values and reinforce our performance culture. Our Board of Directors also continues to work closely with our senior leadership team to ensure we adhere to our responsible reporting and operating practices and conduct business the right way.

We are encouraged by our achievements this year, but we are far from finished. Our commitment to continuous improvement, transparency, and accountability is steadfast, as we continue to deliver for our stakeholders. We understand the significant opportunity we have to create a positive impact — together, **the future is what we make it.**

Thank you for your continued support and partnership on our journey.

**Vimal Kapur**  
CHAIRMAN & CEO

<sup>1</sup> Sustainability-oriented offerings are solutions that help improve safety, environmental impact, health, security, resilience and accountability. Methodology for identifying sustainability-oriented offerings is available at [investor.honeywell.com](https://investor.honeywell.com) (see "ESG/ESG Information/Identification of Sustainability-Oriented Offerings"). <sup>2</sup> Methodology for estimating GHG mitigation impact is available at [investor.honeywell.com](https://investor.honeywell.com) (see "ESG/ESG Information/GHG Mitigation Impact of Honeywell Technologies"). <sup>3</sup> Scope 1 and Scope 2

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# OUR COMPANY

**Honeywell is an integrated operating company serving a broad range of industries and geographies around the world.** Our business is aligned with three powerful megatrends — automation, the future of aviation and energy transition — underpinned by the Honeywell Forge IoT platform and our Honeywell Accelerator operating system.

As a trusted partner, we help organizations solve the world's toughest, most complex challenges, providing actionable solutions and innovations through our Aerospace Technologies, Building Automation, Energy and Sustainability Solutions, and Industrial Automation business segments that help make the world smarter and safer, as well as more secure and sustainable.



# HONEYWELL OVERVIEW

NASDAQ:  
**HON**

Locations<sup>1</sup>:  
**~715**

Employees<sup>1</sup>:  
**~95,000**

2023 Revenue:  
**~\$37B**

Headquarters:  
**Charlotte, NC**

## THE FUTURE IS WHAT WE MAKE IT



### AEROSPACE TECHNOLOGIES

Used in virtually every commercial and defense aircraft platform worldwide, our aerospace products and services continue to lead the future of air travel, including developments in advanced air mobility and the electrification of aircraft.

[Learn more](#)



### BUILDING AUTOMATION

More than 10 million buildings leverage our technologies to create and maintain spaces that are more efficient, secure, and safe for the people who use them, ultimately boosting their performance.

[Learn more](#)



### ENERGY & SUSTAINABILITY SOLUTIONS

Across dozens of industries, our solutions are driving the energy transition and decarbonization to help organizations meet their commitments to regulators, stakeholders and the planet.

[Learn more](#)



### INDUSTRIAL AUTOMATION

Our technologies are on the job every day in factories, refineries and other industrial settings where operators count on our products, services and software to manage complex processes and deliver consistent outcomes.

[Learn more](#)

### HONEYWELL FORGE IOT PLATFORM

Our flagship internet of things (IoT) software platform, Honeywell Forge, underpins each of our business segments. By uniting real-time data across assets, people and processes, Honeywell Forge helps power intelligent operations, growth, productivity and risk mitigation. This strategic digital pillar helps drive new product introductions, boosting growth at Honeywell and in turn, our ability to make a purposeful impact across our global customer base.

### HONEYWELL ACCELERATOR

The Honeywell Accelerator operating system houses our corporate strategy and global design models for each of our four business models and a robust learning platform — to standardize and digitize operations and outcomes across our company. The operating system provides the tools, processes and best practices that enable Honeywell's Futureshapers to tackle the toughest customer challenges and quality demands.

<sup>1</sup>As of December 31, 2023

# OUR PURPOSEFUL APPROACH

From our industrial roots, to becoming the premier software industrial, to leading in the energy transition, Honeywell's ability to achieve ambitious, transformative objectives is rooted in our purposeful approach to making a difference.

## ESG PRIORITIES ASSESSMENT

At Honeywell, we are committed to continuous evaluation and evolution of our ESG strategy, including identifying the ESG areas that are most important to our business. In 2023, we used a third party to conduct a comprehensive ESG Priorities Assessment. The purpose of this assessment was to understand the perspectives and expectations of both internal and external stakeholders. Through internal and external surveys, interviews and comprehensive research, we analyzed the ESG topics considered most relevant to Honeywell's business by regulators, investors, customers, employees and other key stakeholders. In addition, our annual Enterprise Risk Management (ERM) process specifically includes ESG topics, and input from this process was considered in identifying priority ESG areas.

Through this engagement, research and analysis, we have identified priority topics that will continue to inform our ESG strategy outlined to the right.





# HONEYWELL IMPACT HIGHLIGHTS

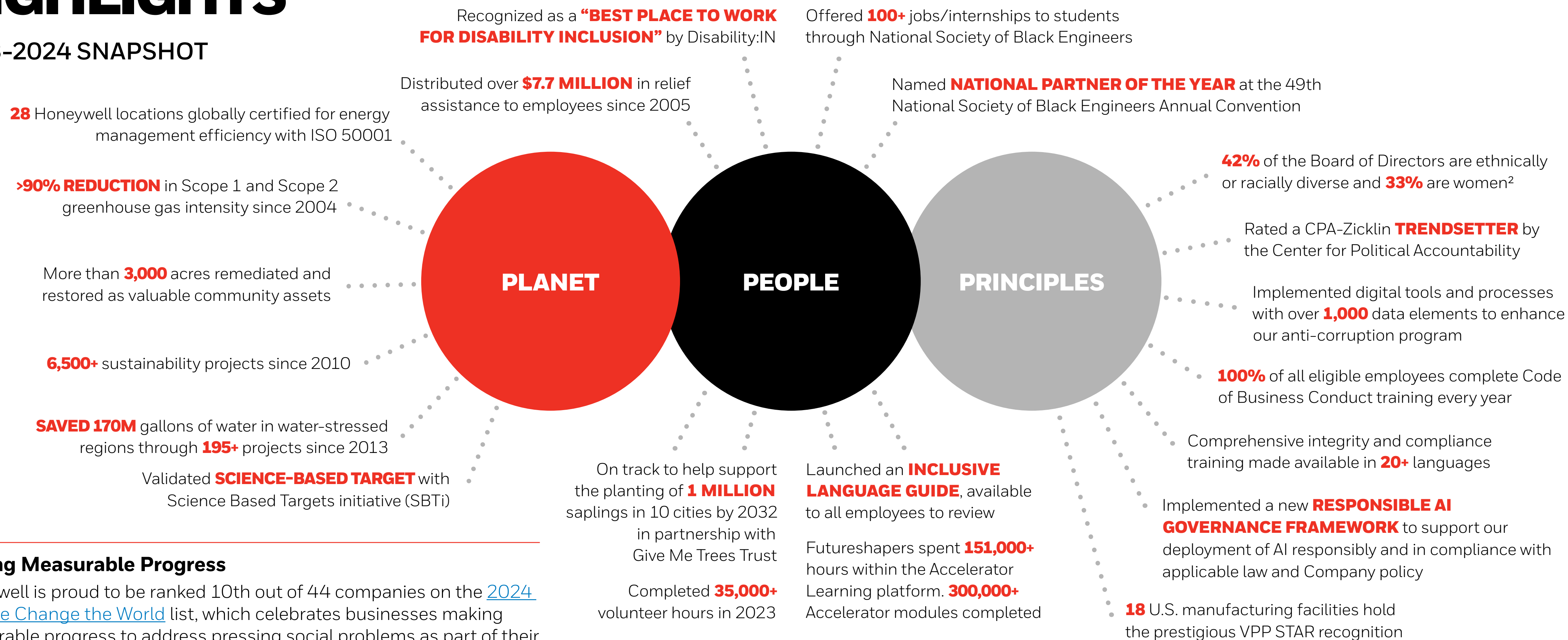
## 2023-2024 SNAPSHOT



**>60% OF 2023 SALES** were from offerings that contribute to sustainability-oriented outcomes<sup>1</sup>



**~60% OF 2023 NEW PRODUCT RESEARCH AND DEVELOPMENT INVESTMENT** was directed toward sustainability-oriented outcomes<sup>1</sup>



### Making Measurable Progress

Honeywell is proud to be ranked 10th out of 44 companies on the [2024 Fortune Change the World](#) list, which celebrates businesses making measurable progress to address pressing social problems as part of their core strategy. This award highlights three significant areas of positive success: social impact, business results and degree of innovation.

<sup>1</sup> Sustainability-oriented offerings are solutions that help improve safety, environmental impact, health, security, resilience and accountability. Methodology for identifying sustainability-oriented offerings is available at [investor.honeywell.com](https://investor.honeywell.com) (see “ESG/ESG Information/Identification of Sustainability-Oriented Offerings”). <sup>2</sup> As of December 31, 2023.

# INNOVATING FOR IMPACT

## DELIVERING SOLUTIONS FOR EMISSIONS MITIGATION

For nearly 150 years, Honeywell has been a global leader in powering innovation to transform tomorrow. From the world’s most widely used barcode to providing technology for the first U.S. manned mission to space, we have over a century of experience in transforming how people live, work, travel and connect. But it’s not only about our past innovations; it’s about our ongoing commitment to shaping a brighter future.

Today, Honeywell innovations are creating opportunities to help our customers lead smarter and safer lives and achieve their sustainability-oriented goals. We continue to introduce cutting-edge offerings for a vast number of global markets and industries, with a portfolio of products and solutions that spans the industries and sectors that most directly contribute to making a comprehensive energy transition at scale — including energy efficiency, electrification, net zero enablers, health, safety and security, circularity, and measurement and reporting.

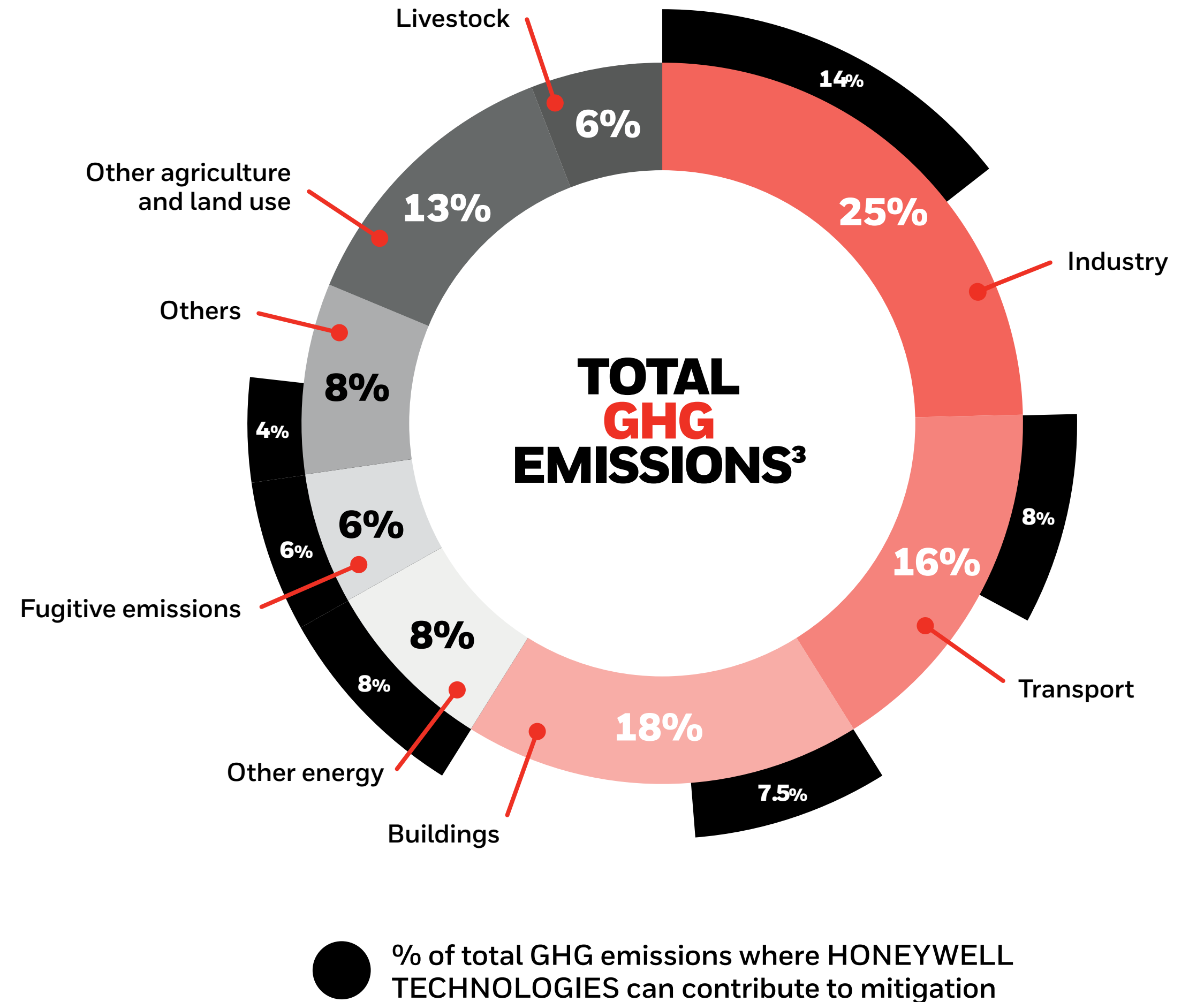
These solutions work together to help reduce CO<sub>2</sub>e emissions across some of the most difficult industries to abate, making significant contributions to sustainability-oriented goals worldwide. **We estimate that Honeywell technologies will have a cumulative impact of mitigating 2.0 billion metric tons of CO<sub>2</sub>e between 2023 and 2030<sup>1</sup>.** This is 175 times Honeywell’s own projected Scope 1 and 2 greenhouse gas (GHG) emissions over the same time period.



“The aerospace industry plays a key role in helping to achieve a net-zero future, and we will continue developing solutions that enable more energy efficient aviation, protecting our planet for future generations.”

**Jim Currier, President and CEO, Honeywell Aerospace**

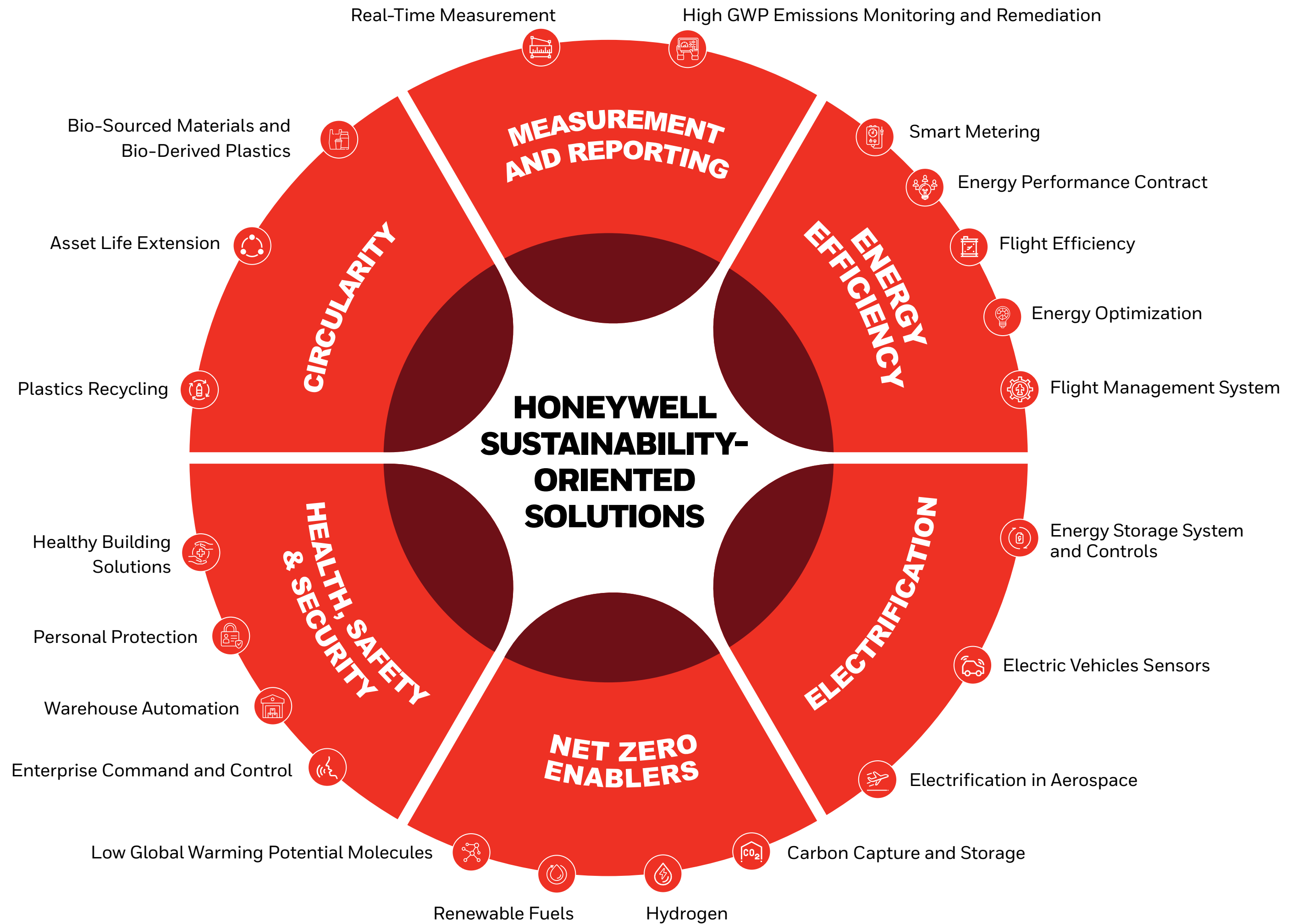
Honeywell solutions can contribute to the mitigation of nearly 50% of anthropogenic GHG emissions<sup>2</sup>



<sup>1</sup> Methodology for estimating GHG mitigation impact is available at [investor.honeywell.com](https://investor.honeywell.com) (see “ESG/ESG Information/GHG Mitigation Impact of Honeywell Technologies”). <sup>2</sup> Extent of contribution depends on the sector and technology deployed. More information is available at [investor.honeywell.com](https://investor.honeywell.com) (see “ESG/ESG Information/GHG Mitigation Impact of Honeywell Technologies”). <sup>3</sup> PCC (2022): Climate Change 2022: Mitigation of Climate Change. Contribution of Working Group III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change [P.R. Shukla, J. Skea, R. Slade, A. Al Khourdajie, R. van Diemen, D. McCollum, M. Pathak, S. Some, P. Vyas, R. Fradera, M. Belkacemi, A. Hasija, G. Lisboa, S. Luz, J. Malley, (eds.)]. Cambridge University Press, Cambridge, UK and New York, NY, USA.

# SUSTAINABILITY-ORIENTED<sup>1</sup> SOLUTIONS

As Honeywell looks to our future, we will continue to innovate to improve our operations as we progress toward carbon neutrality. These innovations contribute to improvements in health, safety, security, environmental impact, and resiliency to help our customers with their most complex challenges in these areas.



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Each of Honeywell's technologies and solutions will have a role in the mitigation of GHG emissions between 2023 and 2030<sup>1</sup>. This includes the reduction of up to:



**140 million** metric tons of CO<sub>2</sub>e from our [Methane Emissions Detection and Flare Monitoring](#)

**270 million** metric tons of CO<sub>2</sub>e from our [Aviation technologies](#)

**420 million** metric tons of CO<sub>2</sub>e from our [Sustainable Buildings technologies](#)

**320 million** metric tons of CO<sub>2</sub>e from our [Carbon Capture and Utilization or Sequestration \(CCUS\)](#)

**200 million** metric tons of CO<sub>2</sub>e from our [Industrial Automation technologies](#)

**600 million** metric tons of CO<sub>2</sub>e from substitution of high global warming potential (high-GWP) fluorinated gases (F-gases) with lower GWP alternatives such as [Honeywell HFO technologies](#)

**50 million** metric tons of CO<sub>2</sub>e from our [Hydrogen Combustion systems](#)

<sup>1</sup> Methodology for estimating GHG mitigation impact is available at [investor.honeywell.com](https://investor.honeywell.com) (see "ESG/ESG Information/GHG Mitigation Impact of Honeywell Technologies").

# PLANET

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# DRIVING GROWTH RESPONSIBLY

**Our commitment to being environmentally responsible is reflected in the extensive work we do to reduce GHG emissions, increase energy efficiency, conserve water, minimize waste, manage air emissions and drive efficiency throughout our operations.**

Honeywell’s Corporate Energy & Sustainability Team (CEST) drives our company’s goals and is led by our Integrated Supply Chain and Global Real Estate organizations. The cross-business, cross-function team meets monthly and is responsible for driving improvements through a rigorous process of goal setting, deploying capital for improvement projects, monitoring and measurement, training and best practice sharing.



“Our technologies play an instrumental role in helping people, communities and organizations respond to climate change and advance the energy transition. Through innovation and creativity, we have developed ready-now solutions to help bring our company and our world closer to the point of net zero emissions.”

**Gavin Towler, Chief Sustainability Officer**

**Since project tracking began in 2010, more than 6,500 sustainability-oriented<sup>1</sup> projects have been implemented at our facilities and have resulted in more than \$100M in annualized savings.** These include building automation and controls, lighting, compressed air and gas systems, mechanical upgrades and renewable energy projects. Our focus on GHG reduction also enabled us to exceed the 10-10-10 goals we

set to achieve by 2024, as we reached >20% reduction in Scope 1 and 2 GHG emissions intensity relative to 2018, deployment of 20 renewable energy opportunities, and ISO 50001 certifications at 28 facilities in 2023.

We are proud of the environmental improvements we have achieved to date and strive to continue our commitment to making progress through the following goals:

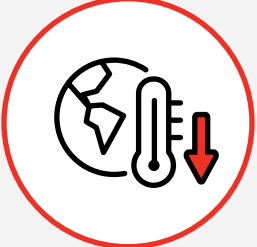

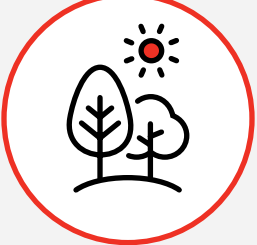



- Reduce U.S. Scope 1 and Scope 2 GHG emissions by 50% by 2030 from a 2018 base year as a member of the U.S. Department of Energy Better Climate Challenge.
- Be carbon neutral in our facilities and operations<sup>2</sup> by 2035.
- Commitment validated by Science Based Targets initiative (SBTi) to:
  - Reduce absolute Scope 1 and 2 GHG emissions 50% by 2037 from a 2019 base year.
  - Reduce absolute Scope 3 GHG emissions 23% within the same timeframe.

Progress against these goals is monitored by the CEST, reported periodically to our CEO, and is reviewed at least annually with the Board’s Corporate Governance and Responsibility Committee. In addition, each of our strategic business groups is required to establish internal goals for year-over-year improvements in GHG emissions, energy efficiency, hazardous waste reduction intensity and non-hazardous waste diversion rates.

## We have exceeded our 10-10-10 goals to achieve:

### GOAL

### EXCEEDED GOAL

 <p>Reduce global Scope 1 and Scope 2 greenhouse gas emissions intensity by an additional <b>10%</b> from 2018 levels</p>	 <p>Reached <b>&gt;20% reduction</b> in scope 1 and 2 GHG emissions relative to 2018</p>
 <p>Deploy at least <b>10</b> renewable energy opportunities</p>	 <p>Deployed <b>20 renewable energy</b> opportunities</p>
 <p>Achieve certification to ISO’s 50001 Energy Management Standard at <b>10</b> facilities</p>	 <p>Achieved ISO 50001 certifications at <b>28 facilities</b></p>

<sup>1</sup> Sustainability-oriented offerings are solutions that help improve safety, environmental impact, health, security, resilience and accountability. Methodology for identifying sustainability-oriented offerings is available at [investor.honeywell.com](https://investor.honeywell.com) (see “ESG/ESG Information/Identification of Sustainability-Oriented Offerings”). <sup>2</sup>Scope 1 and Scope 2

# OUR JOURNEY TO CARBON NEUTRALITY

Our senior leadership, including our Chairman and CEO and Board of Directors, is engaged in decision-making regarding the company’s climate efforts, and regularly provides oversight on climate risks. Honeywell supports the goals of the Paris Agreement and is committed to advocating for legislation and public policies that align with the Paris Agreement goals of limiting global average temperature rise to well below 2°C by 2100.

In 2021, we committed to reaching **carbon neutrality in our facilities and operations by 2035**. In the same year, we established an ESG Review Board (ERB) consisting of senior executives to oversee multiple aspects of ESG including our carbon reduction goals.

At the direction of the ERB, Honeywell has developed a strategy and plan to achieve our goals that consists of a combination

of onsite capital projects, energy efficiency, investment in renewable energy projects, and the use of credible market-based instruments. We are focused on investing in renewable energy projects and the engineering of capital projects before 2030, as well as the deployment of capital projects and acquisition of credible market-based instruments between 2030 and 2035. The table on the following page describes in further detail the core strategies that Honeywell plans to utilize in our journey to achieve carbon neutrality by 2035.

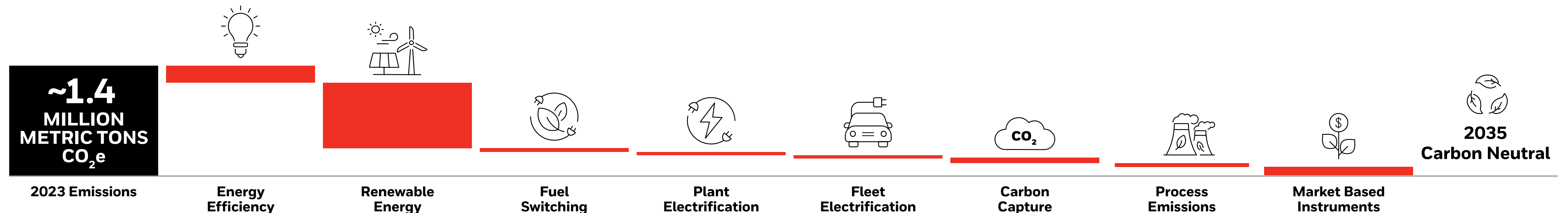
To further support the advancement of our technologies, the ERB oversees the use of our facilities as laboratories for innovation. For example, in 2023, we installed a microgrid at one of our facilities in Lugoj, Romania. The system generates renewable energy to lower the site’s carbon footprint while using Honeywell battery energy storage technology to improve resilience. The project successfully started up in late 2023 and will serve as a blueprint for future projects at other Honeywell and customer facilities.



“We are helping ourselves and our customers realize Energy Transition opportunities and outcomes with low-carbon solutions, renewables, and optimization of their industrial processes — all with the goal of improving energy efficiency and reducing their overall carbon footprint.”

**Ken West**  
President and CEO, Energy and Sustainability Solutions

## Honeywell decarbonization strategy: Carbon Neutral by 2035



# OUR JOURNEY TO CARBON NEUTRALITY

Decarbonization Strategy	Example
Energy Efficiency	Honeywell looks for opportunities to upgrade and make existing equipment more energy efficient through the replacement of assets such as compressors and pumps with newer, more efficient designs. We also take advantage of opportunities to capture waste energy through the installation of boiler economizers and upgraded heat exchangers.
Renewable Energy	Honeywell has entered into an agreement to invest in a utility scale solar project in Louisiana that is expected to reduce its Scope 2 footprint by approximately 80,000 metric tons per year. In addition, Honeywell is closing several waste beds in Syracuse, New York using solar panels that will generate renewable energy for the local community.
Fuel Switching	As hydrogen becomes available near our large manufacturing plants, Honeywell will pursue opportunities to replace natural gas with hydrogen for boilers and other industrial equipment.
Electrification	Honeywell currently uses natural gas-fired boilers for comfort heating and the generation of process steam at many of our manufacturing plants. We are developing a plan to replace several of these boilers with electric boilers and/or heat pumps between now and 2035. Honeywell has also deployed a program to electrify its vehicle fleet by 2035.
Carbon Capture	Honeywell is identifying opportunities at our sites to deploy our Advanced Solvent Carbon Capture process that removes CO <sub>2</sub> from flue gas so it can be utilized or stored instead of entering the environment.
Process Emissions	Honeywell continues to develop and deploy technology aimed toward reducing process emissions at its manufacturing facilities. For example, Honeywell’s Rebellion cameras can detect emissions in real-time, allowing for fast response and resolution.
Market-Based Instruments (Credible Offsets & Renewable Fuels)	Honeywell will invest in renewable fuels such as sustainable aviation fuel (SAF) and renewable natural gas. If needed to achieve carbon neutrality, Honeywell will also invest in credible carbon offsets. Credible carbon offsets will come from projects that are technology-based, metered, and permanently store captured carbon.





# REDUCING GHG EMISSIONS

Honeywell reports on its global GHG emissions pursuant to The Greenhouse Gas Protocol and publicly reports through CDP, a U.K.-based organization that supports companies' and cities' environmental disclosures, as well as various regulatory agencies.

We have received third-party limited assurance per ISO 14064-3 of our Scope 1 and Scope 2 GHG emissions annually since 2011.

Greenhouse Gas Data					
	2019	2020	2021	2022	2023
Scope 1, Metric Tons CO <sub>2</sub> e	1,384,849	1,384,849	1,324,742	1,059,105	690,042
Scope 2, Metric Tons CO <sub>2</sub> e	951,982	860,579	693,288	697,090	665,877
<b>Total</b>	<b>2,336,831</b>	<b>2,248,306</b>	<b>2,018,031</b>	<b>1,756,196</b>	<b>1,355,919</b>
GHG Intensity, Metric Tons CO <sub>2</sub> e/\$M Revenue	63.4	68.9	58.7	49.5	37.0

The GHG 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. Variations in data reported can occur due to timing of reporting and updates to methodologies as newer reporting protocols and emission factors are adopted.

As a part of our commitment to reduce GHG emissions, Honeywell has been implementing solar projects to reduce dependency on conventional power sources. Examples of in-progress and recently completed solar projects include:



- Investment in a utility scale solar facility in Louisiana that is expected to reduce our GHG footprint by approximately 80,000 metric tons per year.
- Installation of solar panels over an existing waste bed slated for closure instead of the traditional method of installing an impermeable cap over the waste bed.
- Installation of a rooftop solar system at our factory in Trieste, Italy that produces approximately 500,000 kilowatt hours per year.

# IMPROVING ENERGY EFFICIENCY

Energy efficiency is more important than ever in the pursuit of carbon neutrality. To support our goals, and as part of our [Health, Safety, Environment, Product Stewardship and Sustainability \(HSEPS\) 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 Performance					
	2019	2020	2021	2022	2023
Energy, billion BTU	17,208	15,348	15,247	15,603	15,353
Energy Efficiency, billion BTU/\$M	0.469	0.470	0.443	0.440	0.420

The assurance process we use for our GHG inventory includes, by default, our energy footprint. The energy data compiled here represents our global footprint for all our sites. Estimates are used for some of our smaller sites but are typically in the range of 5% of our overall inventory.

Honeywell’s culture of continuous improvement has driven our success at increasing efficiency. The HSEPS team combines its deep knowledge of energy and environmental matters with our HSEPS Management System and continuous improvement

tools such as tiered accountability, self-assessments and kaizens (short-duration projects led by a facilitator with a specific aim at improvement) to maintain a pipeline of projects that help us achieve our goals.

We install a wide range of technologies, including those from our own product portfolio, at our manufacturing sites and offices around the world. These include energy management and control systems, automation systems for boilers, LED lighting, HVAC controls and refrigerants, variable frequency drives, occupancy sensors, metering, and renewable energy. We take a systems-based approach using technology, operational excellence and employee engagement aligned with our operating system to drive continuous improvements. Additionally, Honeywell continues to focus on improving energy efficiency in our industrial and production processes.



“How we manage the built environment will significantly impact our ability to achieve carbon neutrality. We are advancing solutions that create and maintain safer, more resilient and environmentally responsible spaces for ourselves, our customers, and our communities globally.”

**Billal Hammoud, President and CEO, Honeywell Building Automation**

## Global program examples:

- **Lighting:** Honeywell has converted a significant portion of our facilities to LED and continues to systematically replace lighting with the most up-to-date LED and occupancy control technologies. Overall, we have executed more than 975 LED lighting and controls projects providing annual savings of over \$11 million, and reductions of 50,000 metric tons of GHG emissions and 355 billion BTU. In addition, new construction energy standards ensure all new facilities include LED and occupancy sensors to maximize energy efficiency.
- **Compressed air and gas systems:** As with the global lighting program, Honeywell is utilizing a programmatic approach to continue upgrading our compressed air and gas systems, as well as adding variable frequency drives to fans and pumps to improve efficiency in facility and manufacturing processes.



“Next-generation digital technologies provide a path to cut emissions and achieve energy efficiency goals, while improving profitability. Organizations that adopt these automation tools can operate more efficiently by reducing waste and process upsets, as well as more productively and more responsibly, helping to lead to reduced environmental impact, enhanced competitiveness, and a brighter future for all.”

**Lucian Boldea, President and CEO, Industrial Automation**

# MANAGING AIR EMISSIONS

We manage air emissions in accordance with all regulatory requirements while also seeking to minimize our environmental impact. All of our locations are required to meet the requirements of our [HSEPS Management System](#), which include:

- **Identifying and detailing** all emissions to air on an inventory that captures both stack and fugitive emissions and covers process, combustion and VOC emissions, as well as visible emissions, odors and noise.
- **Developing** operational controls, both physical and administrative, to comply with all regulatory or permit requirements and minimize the impact of our operations on both the environment and our neighbors.
- **Conducting** emissions monitoring as required by local regulations, and using this data to help identify opportunities to reduce our emissions levels beyond regulatory thresholds.
- **Completing** regular training on our operational controls to maintain efficiency and compliance.

A verification program and independent internal audit measure compliance with our requirements and identify opportunities for continuous improvement of our air emissions standards.



# MINIMIZING WASTE

Honeywell manages waste in accordance with all regulatory requirements while also seeking to minimize waste generation and environmental impacts. All of our locations and functions are required to manage waste in accordance with our HSEPS Management System, which includes:

- Detailed characterization and classification of all waste streams.
- Process of due diligence and impact assessment for all facilities receiving hazardous waste from our operations, including a review and approval process by a global team; Honeywell's hazardous waste streams are only permitted to be sent to these approved facilities.
- Annual duty of care assessments of all receiving facilities and transporters of Honeywell's waste, including compliance with local regulations and permitting requirements and ability to handle our waste streams, prior to any waste movement.
- On-site management of waste streams to prevent releases and impact on the environment, including container management and spill prevention.
- Annual training for all employees and contractors who perform waste-related activities.
- Annual, or more frequent, audits of waste movements to confirm compliance and identify opportunities for waste reduction and diversion.

A verification program and independent internal audits measure compliance with our requirements and identify opportunities for continuous improvement of our waste management standards.

In addition to any regulatory reporting requirements, sites must also adhere to internal reporting requirements so we can maintain a global inventory of waste data, including both hazardous and non-hazardous metrics.

Each of our strategic business groups must establish annual targets for reducing hazardous waste as normalized by revenue and improving waste diversion rates (diverting waste from landfills).

Honeywell executes waste reduction projects in support of our goals and as part of our global sustainability efforts. Waste reduction projects, often identified via a kaizen process, are tracked in our project database from conception through execution.

Recent project examples:

- **Southend, United Kingdom:** The site worked with their hazardous waste contractor to improve their degreasing process by adding filters to the degreasing tanks and extending the solvent cycle to 12 weeks to achieve a reduction of 540 liters of hazardous waste per year. The site also optimized their plastic wrapping processes for finished parts and retail packaging, resulting in the elimination of over a ton plastic wrap per year.
- **Hlubocky, Czech Republic:** The site installed an ultrafiltration system to reduce hazardous waste generated during production. This filtration technology will also improve efficiency of wastewater treatment, enabling treated water to be used for a longer period of time and reduce the consumption of activated carbon required for production. This project reduced hazardous waste and has resulted in annual operational savings of approximately \$73,000.



<sup>1</sup> Sustainability-oriented offerings are solutions that help improve safety, environmental impact, health, security, resilience and accountability. Methodology for identifying sustainability-oriented offerings is available at [investor.honeywell.com](https://investor.honeywell.com) (see "ESG/ESG Information/Identification of Sustainability-Oriented Offerings").

# WASTEWATER AND EFFLUENT MANAGEMENT AND WATER STEWARDSHIP



Honeywell manages water in accordance with all regulatory requirements while also taking steps to protect and conserve a vital natural resource.

Our locations and functions are required to manage their water use and wastewater and effluent generation in accordance with our HSEPS Management System, which includes:

- Completing a water inventory identifying all uses and discharges of water, including source of supply, use and what happens to the resulting wastewater. Also considered are any discharges generated by plant operations, such as compressor blow-down and condensate discharges, and water reuse. This breakdown of water use facilitates identifying opportunities for reducing consumption and requirements for managing effluents.
- Creating and maintaining a detailed inventory or balance of water intakes, activities using or producing water, and water discharges, including characterization of any wastewaters. This breakdown of water use facilitates identifying opportunities for reducing consumption and waste.
- Completing a review of all legal and other requirements for wastewater and effluent management. Our industrial facilities that produce emissions may require specific water discharge permits, with many requiring us to conduct studies or develop models of the potential impacts of the activities on communities and the environment before permits are issued or renewed. If a government-required wastewater permit, license, impact analysis document or other legal requirement is applicable, Honeywell implements operational controls.

These include documenting specific actions to ensure compliance with legal, permit and Honeywell requirements.

- Developing comprehensive location-specific operational controls, including physical and administrative controls, to manage our wastewater and effluents in compliance with legal and other requirements, and to minimize environmental impact, including unwanted releases. Our operational controls include quality assurance and control plans to identify potential issues before they happen or to enable rapid response.
- Restrictions on some methods of discharge to limit potential environmental impacts.
- Good management practices to reduce contamination and impact of storm water run-off for all locations.
- Separating potable and processing water supplies to eliminate the risk of cross-contamination.
- Container management and spill prevention controls to minimize risk of unwanted release and contamination of ground and surface waters.
- Training for employees and contractors who perform critical activities related to wastewater and stormwater management.
- Collating data on water withdrawals and discharges and conducting regular water audits to identify opportunities to reduce water consumption.

Wastewater and effluent management system requirements are subject to three levels of governance: a location level self-assessment against requirements, a verification process by more senior personnel within the organization and auditing by third-party teams of Honeywell and external experts.

Honeywell maintains a process to act in a timely manner to address incidents or nonconformities, including those related to wastewater and effluent management. These processes include root cause analysis and taking preventative and corrective actions when needed. Key findings and continuous improvement opportunities for wastewater and effluent control are also evaluated and incorporated into the overall management system.

Honeywell’s global inventory of water usage data supports the identification of conservation opportunities. Honeywell analyzes all its operations for Baseline Water Stress using the World Resources Institute’s (WRI) Water Risk Atlas tool, Aqueduct.

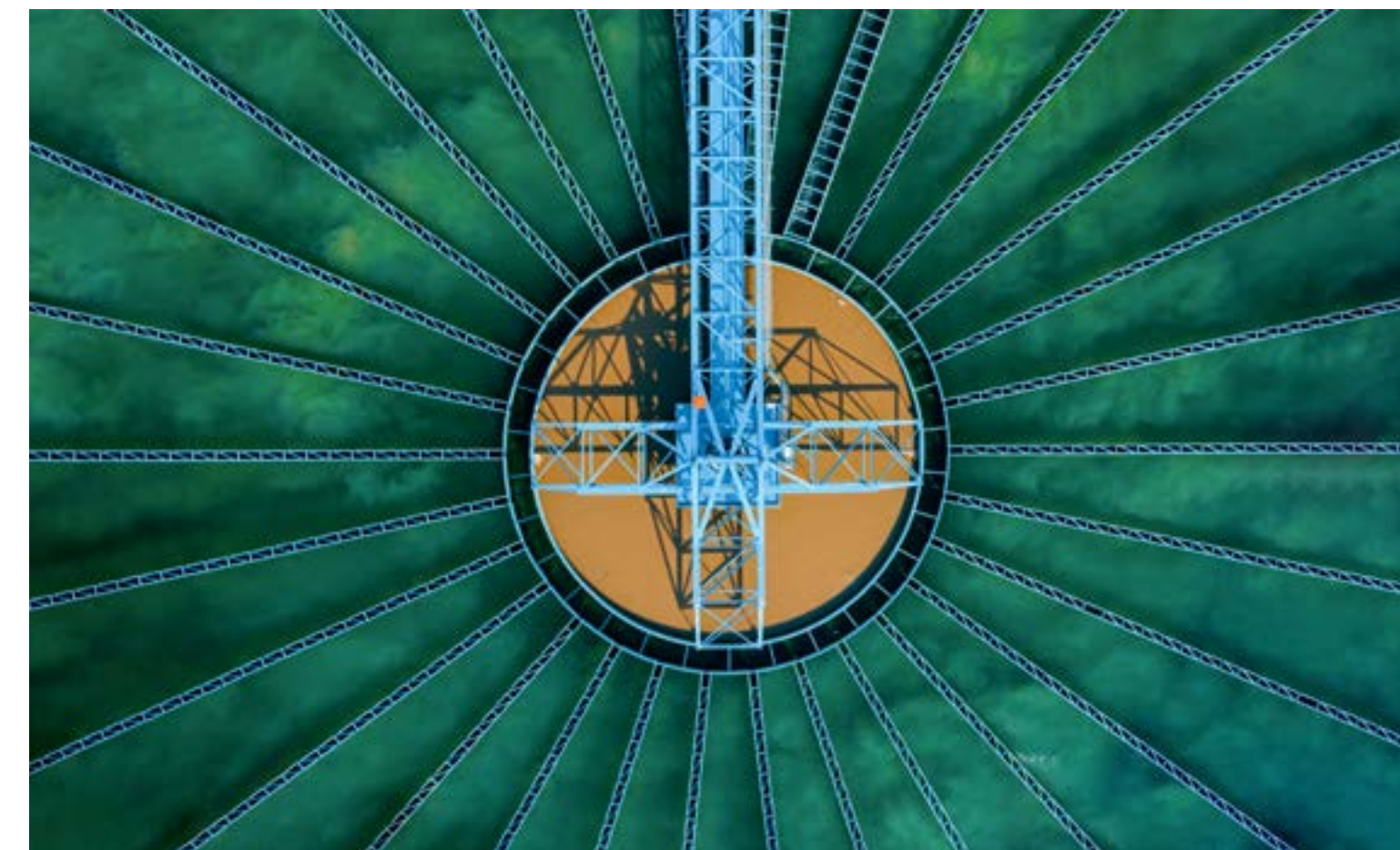
To ensure a continuous focus on conservation at our larger company sites in water-stressed regions, and as part of our HSEPS Management System requirements, all sites in locations with High (40–80%) or Extremely High (greater than 80%) Baseline Water Stress meeting a certain threshold must:

- Complete an annual water efficiency assessment based on water best practices.
- Maintain a water balance of all significant flows in and out of the facility.
- Obtain a comprehensive water audit on an established cycle.
- Train personnel on water management.
- Maintain a list of water conservation measures identified and completed.

**Examples of recent projects:**

**Glendale, Arizona:** The site replaced their time-based controllers for irrigation with a water-sensing controlled system to avoid irrigating when raining. This project resulted in approximately 1.5 million gallons of water savings annually. In addition to the controls, the site has been replacing landscaping with xeriscape landscaping; to date, the site has replaced approximately 9,000 SF of landscaping, resulting in an additional 140,000 gallons in reduced water consumption.

**Torrance, California:** The site updated the water treatment system on their cooling towers to increase the cycles of concentration by 12.5%. This reduced the amount of blow-down/make-up water required and yields an estimated water savings of 538,000 gallons per year.



# REVITALIZATION FOR A BETTER FUTURE: ENVIRONMENTAL REMEDIATION

Like other companies with long, successful histories, many of our former operations were closed or sold years ago and are now considered brownfields. In addition, many of the sites had multiple owners over the years, and most no longer exist. These historic operations mostly predate the Clean Water Act, the Clean Air Act, Superfund regulations, the Resource Conservation and Recovery Act, and/or the U.S. Environmental Protection Agency and are not a reflection of Honeywell's current operations and processes.

Honeywell recognizes idle properties as assets that can be revitalized to mutually benefit communities and the company. The properties that emerge from this approach galvanize civic pride and catalyze further community development initiatives. Honeywell has spent more than \$4 billion over the last 20 years to remediate and restore approximately 3,000 acres for productive community use. Using cutting-edge science, design and engineering to protect human health and the environment, Honeywell works cooperatively with governments and engages with local communities and other external stakeholders to implement effective solutions.

Honeywell's Remediation and Redevelopment Group (RRG) manages every project and is led by the Global Remediation Vice President. The regulatory framework for environmental remediation in the United States requires extensive community engagement and assessment of potential community risks, all overseen by government agencies. Honeywell's work at these sites does not necessarily end when a remedy is complete, as we continue to comply with all requirements for environmental remediation, including required monitoring of sites to ensure the effectiveness of the remedy.

Examples of remediation and redevelopment projects can be found in our [Report on Due Diligence Processes to Identify and Address Environmental and Social Risks](#).

## ENVIRONMENTAL REMEDIATION PROMOTING SOLAR

RRG incorporates options to maximize net environmental benefits of cleanup actions, referred to as "green remediation" by the U.S. Environmental Protection Agency. RRG has completed several projects that included solar arrays to minimize the impact to the electrical grid, minimize GHG emissions and support long-term treatment systems.

### Examples of recent projects:

**Ironton, Ohio:** A one-megawatt (MWdc) ground-mounted solar array covering 2.3 acres on the site of the former Allied Tar & Coke plant is designed to supply 100% of the electricity consumed by the community's groundwater treatment plant, which consumes about 1.2 million kilowatt hours per year. The project received support from both the federal and Ohio environmental protection agencies and local stakeholders, serving as an example of green remediation.

**Syracuse, New York:** A 680-kilowatt (kWdc) rooftop solar array supplies 100% of electricity consumed by the onsite groundwater treatment plant and nearby pump stations via virtual net metering.



# BIODIVERSITY

At Honeywell, we recognize the critical importance of biodiversity in maintaining the health of our planet and supporting sustainable development. Biodiversity is essential for ecosystem resilience, and is crucial for human well-being, economic prosperity, and environmental health. As a global leader in industrial technology, Honeywell is integrating biodiversity conservation into our business operations and sustainability strategies.

We have conducted a biodiversity impact assessment and evaluated our global sites based on their proximity to protected areas, key biodiversity areas, IUCN Red List Species, and biomes. From these biodiversity-sensitive locations, we selected pilot sites to further evaluate their biodiversity impacts and opportunities. Utilizing the Exploring Natural Capital Opportunities, Risks, and Exposure (ENCORE) tool, the assessment yielded several key outcomes:

- Analyzed biodiversity impacts and materiality rankings by industry to help identify the potential impacts of our activities on biodiversity.
- Created a visual heatmap of potential biodiversity impacts and opportunities across Honeywell operations.
- Identified common biodiversity and nature-related risks across our sites, which are helping to inform future strategies.

As part of our RRG activities, Honeywell actively revitalizes ecosystems. Over the past 20 years, Honeywell has remediated and restored 3,000 acres, including 2,800 acres of biodiverse habitats. These efforts rehabilitate former industrial sites and promote biodiversity by creating vibrant, natural habitats that support diverse wildlife and plant species. A standout project is the restoration of Onondaga Lake in Syracuse, N.Y., once considered the most polluted lake in North America. Through this effort, 1.1 million native plants were introduced, transforming the area into a thriving ecosystem with approximately 290 wildlife species and 140 unique bird species.

Honeywell received approval from the New York State Department of Environmental Conservation to remediate a non-hazardous landfill with an innovative approach known as the Agri-photovoltaic (“Agri-PV”) remedy. The Agri-PV system consists of solar panels acting in concert with a stormwater management system and native vegetation, reducing surface water infiltration. The first 80-acre area is currently under construction and consists of three, five-megawatt (MW) community solar farms slated for operation in 2025. Once completed, this unique remediation approach will provide renewable electricity to community members, as well as a habitat for wildlife and various pollinator species such as bees and butterflies.





# PRODUCT STEWARDSHIP

**For Honeywell, making products safer for people and the planet is systematically considered at the design stage of all products. As Honeywell businesses invent new tools and solutions, we take deliberate, strategic steps to improve each innovation’s eco-efficiency.**

Specifically, we evaluate new products by gauging their potential to:

- Reduce the use of natural resources during manufacturing and distribution
- Increase the energy efficiency of the product itself or because of its use
- Reduce production waste
- Identify opportunities for product reuse and recycling
- Utilize recycled or renewable materials
- Reduce and eliminate classified toxic or hazardous materials
- Be packaged more efficiently

## PRODUCT COMPLIANCE

We are committed to ensuring that our products are manufactured to comply with environmental regulations in the markets we serve.

Our Global Product Stewardship team is responsible for the management of environmental compliance activities.

Regulatory monitoring, combined with expertise and internal procedures, helps ensure comprehensive programs are in place throughout Honeywell to manage and meet regulatory requirements such as:

- REACH (Registration, Evaluation, Authorization and Restriction of Chemicals)
- RoHS (Restriction of Hazardous Substances)
- TSCA (Toxic Substances Control Act)
- GHS (Globally Harmonized System of Classification and Labelling of Chemicals)
- WEEE (Waste Electrical and Electronic Equipment)

To meet regulatory requirements, we actively engage with our suppliers to obtain chemical substance information for the materials they supply as well as the sourcing of minerals used.

## REACH

We are committed to ensuring all our 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 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 networks to ensure proper end-of-life treatment of our products to 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 and packaging of products.



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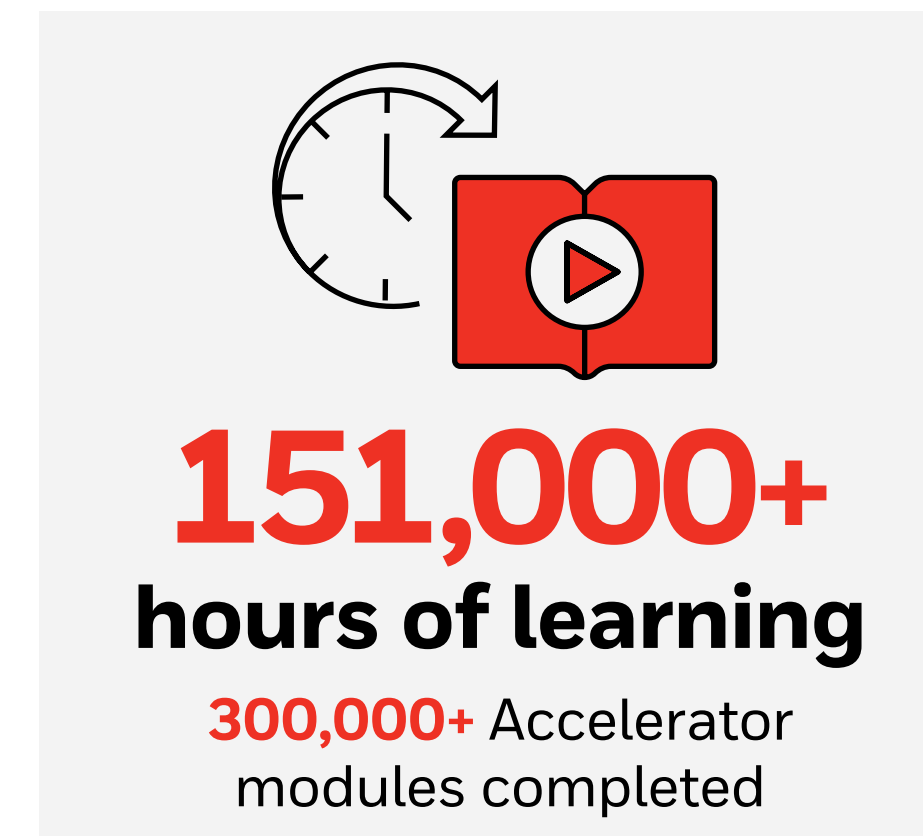
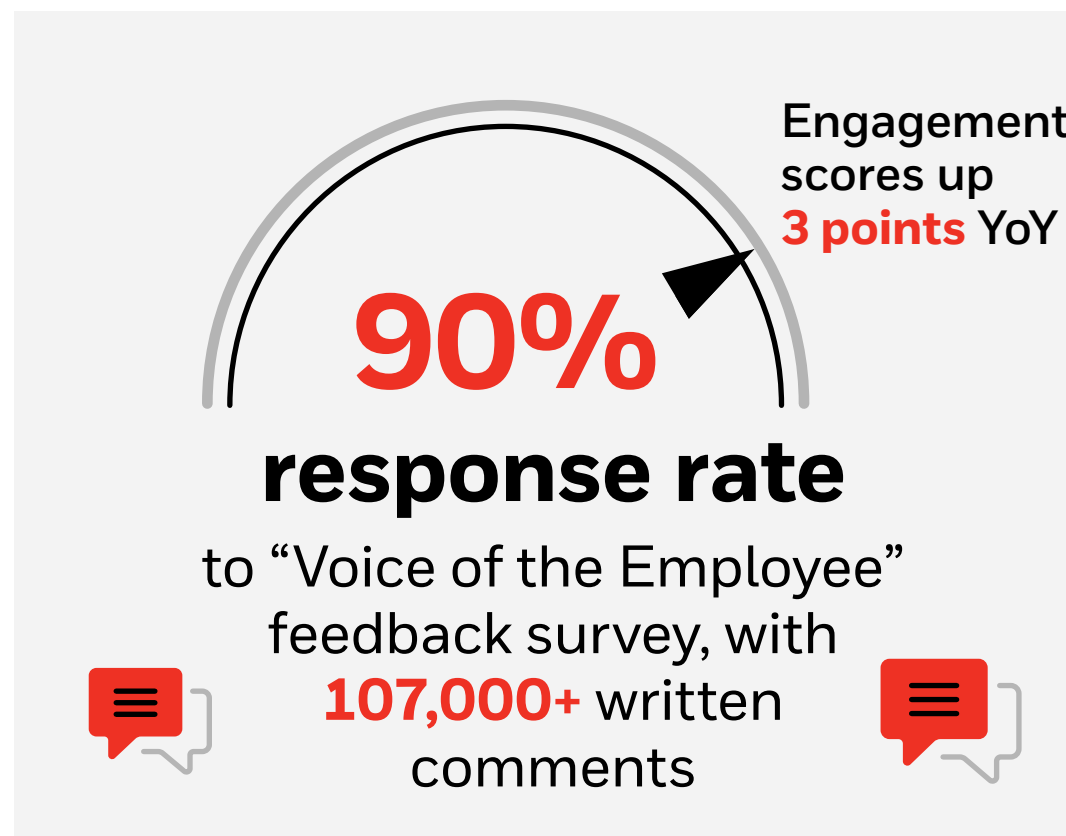
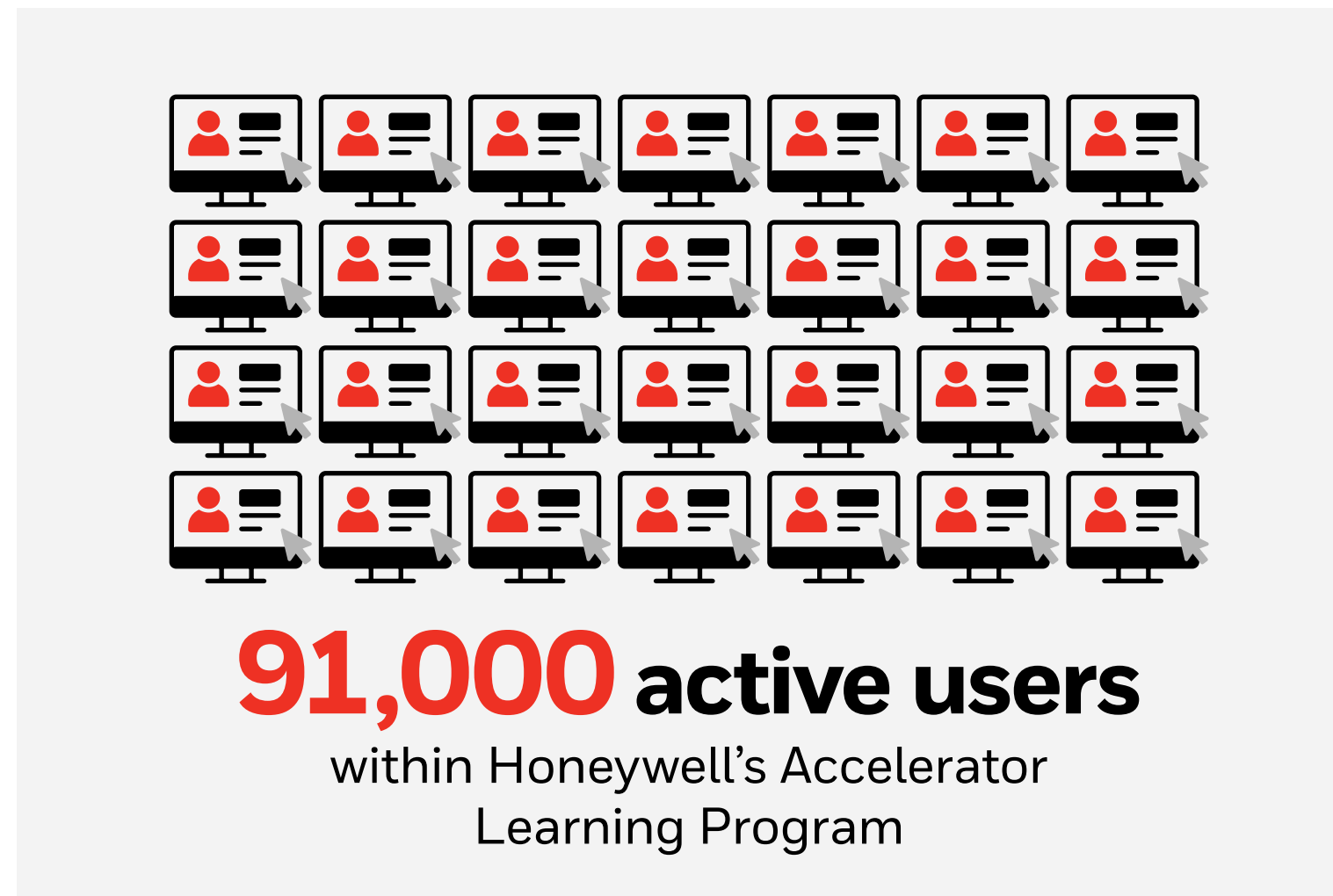
# OUR FUTURES HAPERS

From solving global challenges to supporting our local communities, every Honeywell Futureshaper helps make it happen.

Futureshapers are thinkers, dreamers, doers and innovators. Together we commit to ensuring a respectful and inclusive culture that enables career growth, continuous learning and development, and support for well-being.

Our talent strategy is underpinned by these values and commitment to enabling each Futureshaper to make an impact, make real connections and be their best selves. Built around an end-to-end approach of *plan, attract, develop and engage*, our strategic talent agenda is aligned with business goals and objectives and holistically supports the acquisition of new skilled talent while investing in the development, growth and succession of our current Futureshapers. From learning, development and enabling leadership capabilities, to digital HR technology transformation and engagement and well-being, our talent strategy encompasses the full employee experience.

A summary of top highlights of how we support our people:



## ATTRACTING THE BEST TALENT

**Attracting and recruiting top talent is foundational to our success. “Building Exceptional Talent” is one of Honeywell’s Six Behaviors and emphasizes the importance of developing all Futureshapers, while continuing to attract top talent to the organization.**

Throughout 2023, Honeywell honed its talent acquisition strategy with a focus on expediting the filling of critical talent roles, enhancing the diversity of candidate slates, and bolstering internal hiring. This strategic approach encompassed a new three-year ongoing partnership with the Society of Hispanic Professional Engineers to support early education STEM programs, undergraduate recruitment activities and professional development. Additionally, we continued our long-term partnership with the National Society of Black Engineers, where Honeywell provided scholarships and mentored students at summer camps to help build a strong pipeline for future engineering talent.

Honeywell has partnered with Hiring our Heroes to offer internships to veterans transitioning to the private sector, with many being hired full-time. We have also continued our collaboration with American Corporate Partners, mentoring military members and hiring seven individuals. Additionally, within our Aerospace Technologies business we initiated a neurodiverse intern program, and provided global support for the Society of Women Engineers, particularly focusing on hiring in India. We recognize the importance of a diverse workforce and remain committed to ensuring a varied slate of candidates for open positions through a diverse hiring process.

## DEVELOPING SKILLS AND GROWING CAREERS

### Learning and development

Investing in skill development enables our Futureshapers to grow their careers through a range of learning offerings. In 2023, over 91,000 Futureshapers were active users within the Accelerator Learning Platform. This demonstrates our commitment to continuous learning, which is core to our culture and long-term business growth strategy.

We offer an extensive suite of mandatory and voluntary technical and functional training to ensure new skills are gained while compliance requirements are met globally. Our contemporary, interactive and accessible learning platform, Accelerator Learning, serves as a central source of information and learning opportunities for our Futureshapers, boasting 642 modules for Futureshapers to access. In 2023, Futureshapers spent over 151,000 hours within the platform to learn about the “Honeywell way of working,” ensuring alignment and common understanding across the organization.

In addition, we standardized content governance across all Functional Academies, which offer role-specific knowledge and resources to improve content development and delivery across Honeywell. These resources and development opportunities ensure that Futureshapers can continue to grow and Win Together.

### Career growth

In 2023, we made significant progress in promoting the adoption of Individual Development Plans (IDPs), with 96% of Band 3+ Futureshapers leveraging their IDP. By integrating innovative technology, we improved the accessibility and user experience of IDP processes, making it easier to take action. We also standardized our training materials, making onboarding smoother for new hires while helping our Futureshapers

become more efficient, enabling them to focus more on their professional development and less on plan creation. Our approach was driven by creative strategies and informed by customer feedback, which allowed us to introduce solutions that met the evolving needs of our business. This customer-focused strategy guided our efforts in developing talent and learning solutions, empowering our Futureshapers to become their best.



### Leadership programs

Effective and impactful leadership is central to delivering business results, creating transformational products and services and engaging and retaining our best talent. Leadership development is a robust mix of in-person development coaching, mentorship, peer sharing and virtual learning modules, case studies and best practice resources. We offer a range of executive, management and functional development programs which feeds our strategic internal talent mobility and robust talent pipeline.

From executive to manager, our programs continue to evolve with market and business priorities. Participants gain essential knowledge and skills related to making an impact through driving business results and helping them be their best as people-leading Futureshapers. Our broad portfolio of leadership development programs in 2023 included:

- Honeywell Leadership Edge: Progressive, virtual leadership development program required for all mid-level managers, covering skills such as building exceptional talent, applying business acumen, inspiring innovation and developing committed people leadership.
- Level Up: A continuous annual training for executives and people leaders that keeps them updated on top-of-mind business topics critical to business that year. Level Up encourages continuous professional development to build and retain talent.
- Empower: A program dedicated to supporting people leaders as they seek to better galvanize their teams, drive business success and create a culture of engagement across Honeywell.
- Executive Development Program: Senior development program that gives strong leaders skills to prepare for senior executive leadership.

- Manager Development Program: Develops high-performing leaders into transformational executives prepared to take the next big step.
- Leadership Development Program: Develops skills, experience and resilience to successfully lead today and shape the future in expanded leadership roles.
- Functional programs including Finance as a Competitive Tool, Chief Technology Officer Program and Catapult, an annual top talent program designed to develop, retain, and enhance critical general manager skillsets.



## ENGAGING OUR FUTURES HAPERS

### Voice of the Employee

Listening, learning and taking action are key components of our engagement approach. Honeywell’s Voice of the Employee (VOE) feedback survey is conducted annually with all global Futureshapers. It provides data and tools to leaders at all levels to best drive actionable plans around employee engagement and build Honeywell’s desired culture that attracts and retains top talent, improves performance and distinguishes the company as a great place to work.

In our most recent survey, not only did we have a 90% response rate across the company globally with over 107,000 written comments, our employee engagement scores continue to rise year-over-year. Rising engagement scores are directly correlated with improved retention and manager performance.

Insights gained showed Futureshapers are excited about the future of Honeywell, how their role contributes to the company’s success and how committed they are to customers’ needs.

### Well-being

At Honeywell, we understand that well-being is holistic. As part of our Futureshaper “Make the Best You” principle, our well-being strategy provides benefits and resources across physical, mental, financial, individual and community needs, helping Futureshapers and their families be their best, both personally and professionally.

Throughout 2023, we led well-being campaigns to provide visibility for resources and available benefits across a range of topics, including health and wellness programs, caring for your family and taking care of finances. Mental health remains an important topic for us globally and was promoted during Mental Health Awareness Month in May, as well as World Mental Health Day in October.

#### PHYSICAL

Understand personal health risks and the tools available to address them.

#### MENTAL

Access the behavioral healthcare system through multiple channels.

#### FINANCIAL

Understand any financial gaps, set goals and utilize tools and resources to achieve goals.

#### INDIVIDUAL

Programs and policies that provide support of our diverse workforce.

Highlights of our programming included webinars on “Minding your Mental Health” and introducing a new, global forum for managers on how to support employee well-being.

We introduced a suite of new benefits focused on employee well-being globally, such as extended outpatient coverage in Korea, enhanced health screenings in Hong Kong, Macau, and the Philippines and a new Milk Stork service, which ensures free transportation of breast milk for global Honeywell employees traveling or commuting around the world. Additionally, we maintained employee medical premiums in the U.S. at the same rate for the sixth consecutive year.

The Employee Assistance Program (EAP), available to all employees and their family members globally, is a vital component of our mental health resources. The EAP offers therapy sessions, comprehensive mental health benefits for those enrolled in the U.S. medical plan, virtual mental health options, navigation tools to improve access and speed of care and preventive/mental health resilience

programs. In addition to these offerings, a variety of live and virtual events were hosted at our site facilities throughout 2023, many led by the EAP. These events covered topics such as managing stress, caregiving, raising children and self-care, reinforcing our commitment to the well-being of our employees and their families.

Our flexible 3+ work arrangement underscores our overall well-being strategy and helps support Futureshapers with the flexibility they need while providing opportunities for connection and collaboration while in the office.

To support the diversity of our workforce across the globe, Honeywell offers a number of country-specific benefit enhancements that cover flexible benefits, infertility services, tutoring and support for raising children, surgery support and health and wellness incentive-based challenges and information platforms.



# INCLUSION AND DIVERSITY: A FOUNDATIONAL PRINCIPLE

At Honeywell, we know that Inclusion and Diversity (I&D) is central to our mission of solving the world's toughest challenges. I&D is woven throughout our business to spark creativity and help us innovate to new heights. As we look back on the strides we've made in our I&D journey, it's clear that this foundational principle has enhanced the Futureshaper experience and been instrumental to our success. In this report, you'll find that in the past year we've reaffirmed our commitment to I&D, fostered a diverse talent pipeline and promoted a culture that is inclusive and accessible, empowering every Futureshaper across the globe.

In 2023, Honeywell's commitment to I&D was illustrated as we celebrated our second annual Global I&D Month. The month was honored with exciting events and thought-provoking conversations, providing Futureshapers a platform to engage, learn and grow. The launch of our Inclusive Language Guide during the month was another highlight of the year, equipping our employees with the tools and resources to have impactful dialogue with clients, partners and fellow Futureshapers across a wide range of cultures and backgrounds.

Throughout the year, Honeywell made important progress in our I&D journey, including:

- The introduction of new courses on our Accelerator learning platform including topics such as Intersectionality and Inclusive Language to broaden our I&D knowledge.
- Held our first Employee Network Leadership Meetings, bringing together employee network leaders and Honeywell executives to discuss the impact of employee networks in driving conversations and innovation.
- Futureshapers participated in a refreshed version of Unconscious Bias Training, helping employees across the Enterprise become aware of the risks that can arise from unconscious biases.
- For the first time, we received a top score of 100 on the Disability Equality Index.
- Received recognition from several external organizations including Disability Matters, Society of Women Engineers, National Society of Black Engineers, Society of Hispanic Professional Engineers, Human Rights Campaign in the U.S. and Mexico, India Workplace Equality Index and China's Top Employers Institute.

Alongside our major milestones, we've also seen our employee networks flourish during the year. Since their official launch in 2020, the networks expanded to over 12,000 members and became a hub for professional development and new ideas from Futureshapers all over the world. In 2023, networks including Heighten Your Professional Experience (HYPE), the Honeywell Asian Employee Network (HASEN) and the Honeywell Growing Experience Employee Network (HGEN) all introduced mentorship programs, enabling them to nurture talent throughout the enterprise. Other networks including Honeywell Black Employee Network (HBEN), the LGBTQ+ Employee Network, Honeywell AllAbilities Network, Honeywell Hispanic and Latin Employee Network (HHLEN), Honeywell Veterans Employee Network (HVEN) and Honeywell Women's Employee Network (HWEN) played a pivotal role in strengthening the business through recruiting and retaining talent, spurring innovation and developing our employees.

As we look ahead, our focus remains on shaping an inclusive and diverse workplace. We're not just imagining a future where every Futureshaper can leverage their unique experiences to propel Honeywell's success — we're making it happen. Our mission is to

make our products, solutions and sites more accessible, support local I&D efforts and deepen Futureshapers' understanding of I&D to create an exceptional workplace experience.

I am proud of the effort, dedication and passion from Futureshapers worldwide that drove our I&D initiatives in 2023. Our goal is to continue this momentum and work together to shape a more inclusive future.

**Sandra Barbosa**  
Chief Inclusion and Diversity Officer



**I&D PRIORITY AREAS**

Inclusion and Diversity (I&D) is a foundational principle at Honeywell, both because it's the right thing to do and because it's a fundamental enabler for our business. From recruitment to employee experience and partnerships, Honeywell fully embraces inclusion of diverse backgrounds, perspectives and experiences — encouraging respect to flourish and innovation to thrive.

With our global programs and inclusive culture, we recruit, develop, retain and promote diverse talent. We continue to build partnerships with diverse organizations and develop resources to support diverse employees. All Futureshapers are held accountable to actively support I&D in words and actions.

Our Chief Inclusion and Diversity Officer and I&D leaders for each business unit lead three strategic priority areas:

**REPRESENTATION**

- Cultivate a workforce that reflects our communities and the world.
- Sustain a pipeline of diverse talent from campus to the C-Suite.
- Promote a culture of inclusion, accessibility and respect.

**RETENTION**

- Create employee development and advancement opportunities.
- Foster community engagement and belonging.
- Offer competitive compensation, rewards and recognition.

**RECOGNITION**

- Be a global employer-of-choice for I&D.
- Leverage our culture as a competitive advantage.
- Lead on I&D practices.





# I&D IN ACTION

## TALENT ACQUISITION

### National partner of the year for the 49th National Society of Black Engineers (NSBE) annual convention

At the 49th National Society of Black Engineers (NSBE) Annual Convention, Honeywell was named National Partner of the Year. The event, held in Kansas City, Missouri, saw a team of over 100 Futureshapers attending to recruit new engineers. From 2020 to 2023, Honeywell has been continually involved in and invested in NSBE at all levels, including the NSBE/Honeywell Integrated Pipeline Program (NHIPP), the Summer Engineering Experience for Kids (SEEK) program, and the Professional Development Conference. Honeywell has agreed to another four years of support. During NSBE49, Honeywell sponsored the Career Fair Prep Center, which was open to all conference attendees. A team of volunteer Futureshapers provided professional career services to over 2,000 undergraduate and graduate students over the course of three days. In addition to sponsoring the Career Fair Prep Center, Honeywell employees hosted two professional development workshops focused on leadership and professional growth. The 2023 convention marked another successful year for Honeywell, with full-time and internship offers extended to more than 50 students.

## TALENT DEVELOPMENT

### Spotlight on Latin America's (LATAM) Women Development Program

The LATAM Women Development Program, in collaboration with the Inspiring Girls Foundation, orchestrated a series of

empowering sessions in Bogotá, Colombia aimed at inspiring secondary school girls. A group of 24 dedicated Futureshapers shared their personal narratives and professional insights, encouraging these young students to pursue their dreams with conviction. Through eight impactful sessions, they imparted valuable advice and recounted the challenges they faced along their career paths, ultimately reaching and inspiring over 300 students to believe in their potential and forge their own futures.

## INNOVATION

### Driving accessible innovation

The annual Ideathon, hosted by the AllAbilities Employee Network, celebrates and showcases innovations aimed at shaping a more accessible future. This employee-driven competition encourages Futureshapers from across the enterprise to submit their ideas for accessibility-driven solutions and offerings. Employees then cast their vote for the top 10 ideas, culminating in a panel of executive judges selecting the winner during the annual A11Y awards. In 2023, the Ideathon produced the ideation of the Inclusive Fire Life Safety System in Building Automation, which was prominently featured at the Honeywell Growth Symposium. This event showcases how Inclusion & Diversity (I&D) drives innovation and fosters a collaborative spirit among Futureshapers, highlighting our commitment to accessibility and inclusivity.



# HONEYWELL EMPLOYEE NETWORKS

Honeywell is deeply committed to inclusion and diversity, not only because it's the right thing to do, but because it's critical to our success. From recruitment to the Futureshaper experience and partnership, we fully embrace these values. We are proud to offer [nine employee networks](#) that cultivate spaces for collaboration, belonging and development. Our networks are open to all employees and empower our Futureshapers across the enterprise to learn, grow and be their best in an inclusive and supportive environment.



# INSIGHTS FROM SOME OF OUR EMPLOYEE NETWORK LEADERS

The global leaders of Honeywell’s employee networks are active participants and advocates for inclusion and diversity at Honeywell, taking the initiative to foster a truly inclusive and supportive workplace.



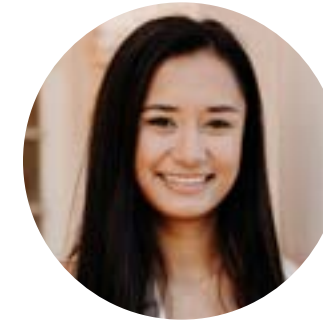
**Shannon Bathis**  
Senior Director Transformation – Accelerator in Building Automation and Global LGBTQ+ Employee Network Leader

“When I joined Honeywell in 2003, I did not immediately feel it safe to disclose that I was part of the LGBTQ+ community. Over time, and with a great ally, a safe space was created for me to share, and it enabled me to bring my true self to the work environment and focus all my efforts on achieving in my job role. Since then, it’s been humbling to be part of the I&D and Employee Network community and help create the environment that encourages you to be your authentic self.”



**Avishkar Madar**  
Director of Engineering in Aerospace Technologies and HYPE Co-Chair

“As the most senior member of the HYPE steering committee, it has been exciting to see our early career members develop their skills and confidence. The employee network is a sandbox for the future leaders of our company to develop soft skills that will be needed throughout their career. Skills we all need throughout our careers, like project management, influential leadership and executive communication are practiced regularly within the employee networks.”



**Khenda McIntee**  
Sr. IT Business Partner – Commercial Excellence & Customer Experience and HYPE Co-Chair

“As the global co-lead for HYPE and being an early career myself, I am passionate about helping other early careers navigate their first corporate job and help them succeed. I understand the unique challenges of working at a Fortune 100 global company and I believe it’s crucial to have a supportive community where individuals can connect, share experiences, and grow together. HYPE has been invaluable to my growth, both personally and professionally, and has reinforced the importance of community and collaboration in achieving our goals.”



**Lisa Bickel**  
Chief Labor & Employment Counsel – Aerospace Technologies and All Abilities Employee Network Leader

“I am the mother of quadruplets, two of whom were disabled. My Honeywell managers have always supported me as I navigated working as a Honeywell executive and my family situation. My disabled daughter died of cancer in December of 2019. Honeywell launched the All-Abilities Network in the fall of 2020, and I volunteered to lead it as a way to honor my daughter and support the inclusion of employees with disabilities and caregivers working at Honeywell.”



**David “DJ” Johnson**  
Vice President – Honeywell Federal Solutions and HBEN Leader

“As a member of multiple employee networks, they’ve shown me how we can nurture professional development by promoting diversity, fostering engagement and sparking innovation. The networks provided me with more learning opportunities, making me want to stay and grow with Honeywell. Each of my network affiliations has been a forum where I’ve forged connections, exchanged insights and offered mutual support – all of which have been critical to my personal and professional advancement. I have seen first-hand how our employee networks encourage innovation that fuel solutions for our customers’ most challenging issues.”



**T.J. Pope**  
Sr. Director – Engines Growth Leader in Aerospace Technologies and HVEN Leader

“I’ve had great experiences as a Veteran at Honeywell, even with a year-long absence for a military deployment. I know the positive outcomes of my experiences were due to my leaders, but that should be consistent for all employees. I took on a leadership role in HVEN to help educate and train the organization and ensure all Veterans have the positive experiences I’ve had.”

# EMPOWERING I&D

## INCLUSIVE LEADERSHIP

### Building strong teams through inclusion and empathic leadership

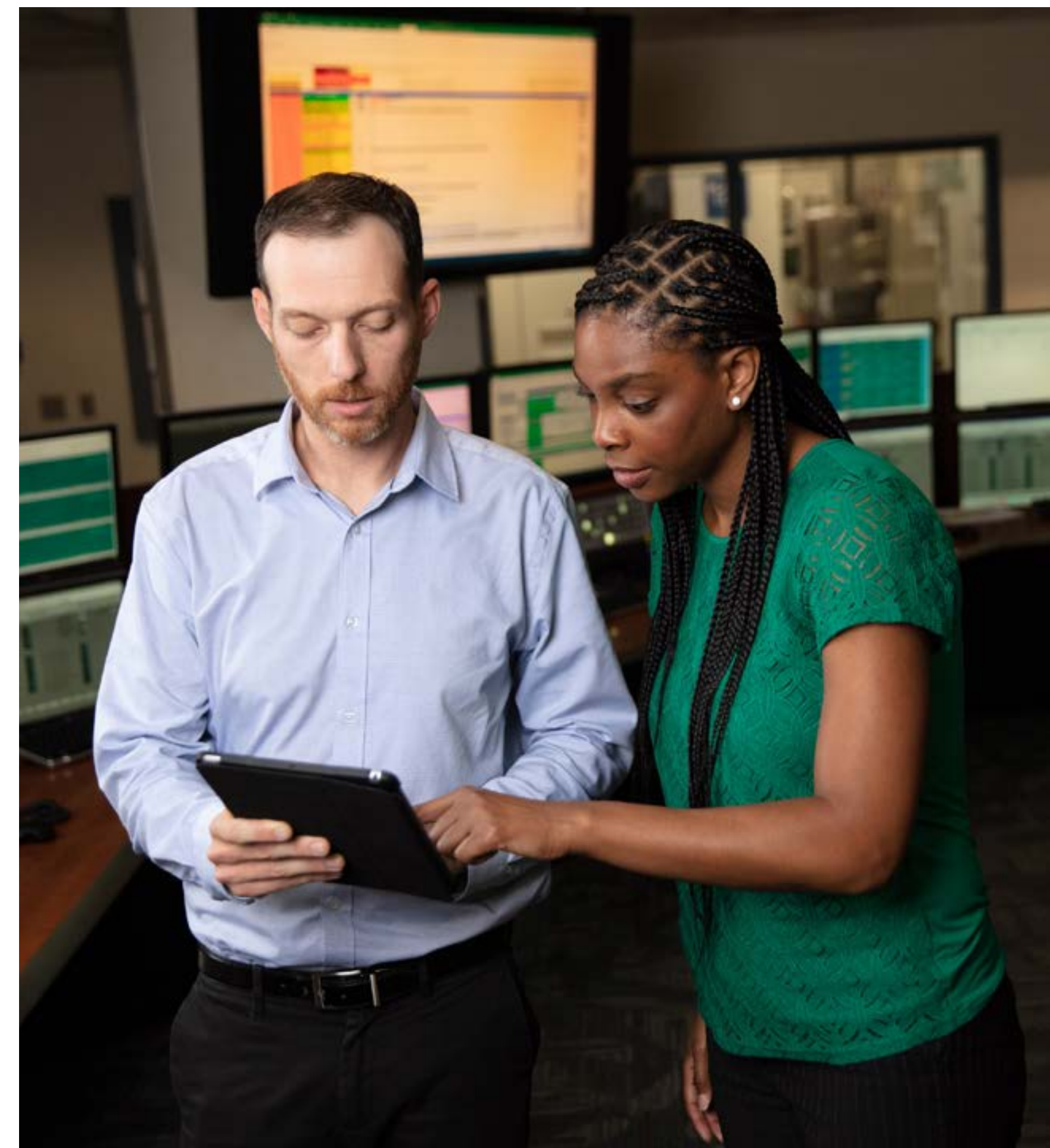
Developing and nurturing inclusive leaders and enriching the workplace with educational experiences to promote inclusion and diversity remains a top priority for Honeywell. The company continues to deploy unconscious bias and inclusive leadership training to educate all employees and influence behavior. This year, the I&D team rolled out a refreshed version of unconscious bias training to the enterprise for employees to grow and develop as inclusive leaders. By becoming aware of our own biases, we can learn to overcome them and create a more inclusive and diverse workplace.

### Prioritizing accessibility

Honeywell is steadfast in our commitment to creating an inclusive and accessible world, as highlighted in our [Accessibility Statement](#). This statement is a testament to Honeywell's dedication to inclusion and diversity, ensuring that all individuals can access Honeywell's products, technology, services and employment opportunities. Honeywell is dedicated to empowering employees with disabilities by providing accessible spaces and fostering an environment where everyone can contribute to shaping the future. To push us forward on our ongoing universal accessibility journey, Honeywell created a specialized role solely focused on promoting accessibility. This role is a crucial step in Honeywell's journey to create a more accessible world.

### Equipping Futureshapers with inclusive language

Our I&D strategy and initiatives foster a workplace that values and welcomes diversity of thought, identity and experience. We remain committed to building an inclusive culture that embraces and celebrates our differences, and the use of terminology, pronouns and descriptions that respect our colleagues and the communities in which we do business is a vital component. In September of 2023, we launched an Inclusive Language Guide, available to all employees to review in our Accelerator learning platform.



# EMPOWERING I&D

## STRATEGIC PARTNERSHIPS

### Honeywell Women's Employee Network (HWEN) and Robogals Unite to inspire STEM students in the Pacific

HWEN's Pacific chapter sponsored several Robogals University organizations in cities including Melbourne, Sydney, Perth and Auckland. Robogals, a global initiative, focuses on inspiring and empowering young women to consider careers in STEM through various activities such as workshops, camps and outreach programs. This impactful partnership enabled HWEN to promote Honeywell at Robogals events and build relationships with university groups to attract and recruit diverse talent. The effort also tapped into a robust talent pipeline of young women passionate about STEM, attracting talent from different backgrounds to enrich Honeywell's business with their unique cultures and experiences.

### Honeywell's Black Employee Network (HBEN) Leverages Partners to Cultivate a Robust Talent Pipeline

In collaboration with the National Society of Black Engineers, HBEN successfully recruited and onboarded approximately 58 interns and new hires in 2023. In 2023 HBEN further strengthened Honeywell's talent pipeline by

engaging with Historically Black Colleges and Universities (HBCUs). Over 30 driven and talented students were welcomed at our annual HBCU summit in October 2023, which highlighted our company's culture, core values and available opportunities. These students had the opportunity to engage with our top executives, gain insights into our business sectors and technologies and take part in interviews and workshops.

### Honeywell's partnership with the Society of Hispanic Professional Engineers

Honeywell is a proud partner of the Society of Hispanic Professional Engineers (SHPE), the largest association in the U.S. for Hispanics and Latinos in STEM careers. In 2023, Honeywell attended the national convention, which provided an amazing opportunity to network with a diverse group of talented engineers and candidates from various backgrounds and fields. Our relationship with SHPE has a significant impact on our recruitment efforts and helps us foster a pipeline for the most talented Futureshapers in STEM. This partnership enables us to attract and hire top talent, ensuring that our workforce reflects the diverse communities we serve and reinforcing our commitment to diversity and inclusion.

## Empowering Women Engineers

Honeywell is proud to support the Society of Women Engineers (SWE), an organization dedicated to advancing women in engineering and the STEM community. In 2023, seven Futureshapers were honored by SWE for their remarkable contributions to the STEM field and their efforts in promoting the advancement of women in engineering including Aerospace Technologies engineer Thea Feyereisen who received the Achievement Award for her visionary work in aviation electronics and making air travel safer. This recognition not only highlights the incredible impact of our women engineers but also underscores our commitment to fostering an inclusive and supportive workplace. Our partnership with SWE exemplifies our dedication to I&D, empowering our women Futureshapers to excel, innovate and lead in their careers. We continue to work with SWE to uplift the next generation of women engineers by sponsoring scholarships and utilizing SWE as a vital talent pipeline.



# HEALTH AND SAFETY

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

To establish a uniform standard for evaluation, Honeywell standardizes the internal reporting of occupational injuries and illnesses pursuant to U.S. OSHA requirements. Facilities outside the U.S. are also required to follow any applicable additional external reporting requirements. Based on this data, our global Total Recordable Incident Rate (TRIR), the number of occupational injuries and illnesses per 100 employees, was 0.18 at the end of 2023. Utilizing U.S. Bureau of Labor Statistics, Honeywell's safety record is more than four times better than the weighted average TRIR of the industries in which it operates.

## PROTECTING THE WORKFORCE

Our operating locations rely on comprehensive processes for assessments of hazards that could pose a risk to workers, including employees, contractors and visitors. Based on these assessments, risk mitigation controls are identified, implemented, and monitored to help ensure effective worker protections remain in place. Types of assessments include pre-use chemical reviews, ergonomic assessments, personal protective equipment evaluations and inspections, procedure checks for reporting adverse effects from chemicals, and routine exposure monitoring for certain chemicals known to be present in the workplace. Upon identification of a risk, we implement one or more of the following risk-reducing controls: eliminate the activity or chemical usage, switch to a lower-risk activity or chemical, install engineered controls, apply

administrative controls, and/or institute the use of new or different worker personal protective equipment.

## TRAINING, COMPETENCY AND AWARENESS

Through careful risk assessment, we determine the learning needed for employees to perform their jobs safely and maintain appropriate levels of competency. The assessment for learning needs considers assigned responsibilities, abilities, language skills, literacy and employee feedback. Based on learning needs, training plans are developed to ensure that the appropriate level of competence is achieved for the relevant HSE aspects, impacts, control measures and compliance obligations. Employees are deemed competent on the basis of education, training, qualification and/or experience. Training content is developed and delivered by a skilled person or through a competent process to assure training objectives are met. The effectiveness of training and the overall process is periodically evaluated.

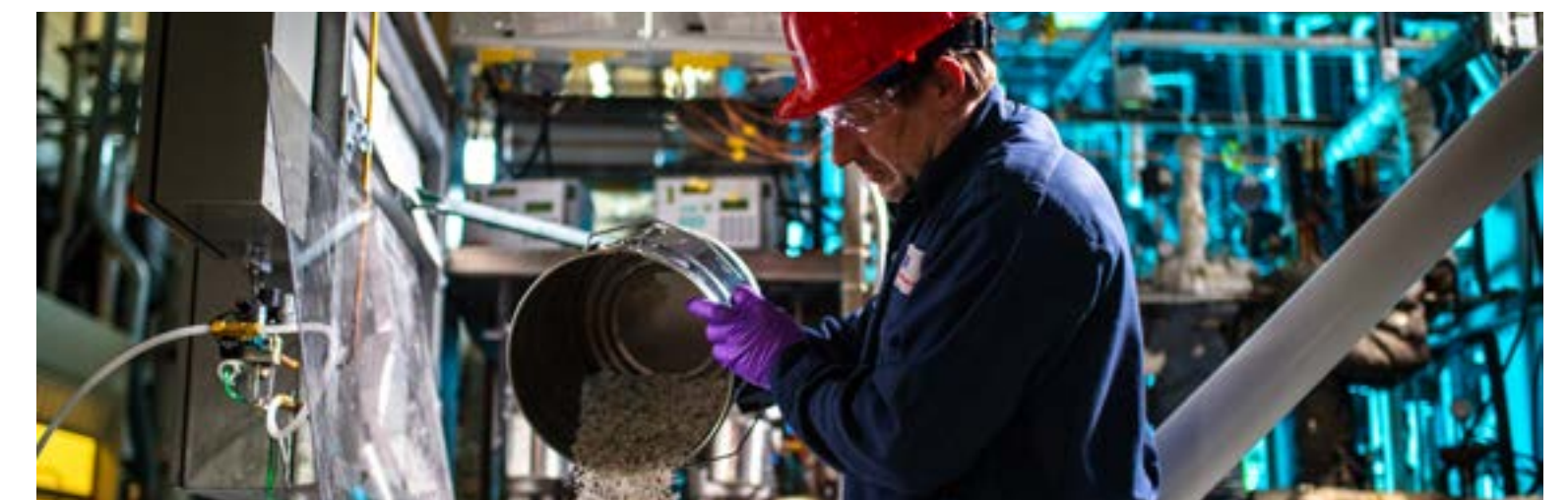
At a minimum, all persons doing work under the control of Honeywell are made aware of the [Sustainable Opportunity Policy](#), significant risks and compliance obligations associated with their work, and implications of not conforming to HSE requirements.

## EMERGENCY PREPAREDNESS

Emergency Management Plans are required everywhere we operate. As part of the plan development process, emergency scenarios are evaluated to anticipate, prevent and minimize risks from potential emergencies.

Key community-related elements include:

- Communicating with employees, contractors, visitors, relevant emergency response services, government authorities and the local community as appropriate.
- Annual engagement with external emergency response providers and local emergency planning committees to discuss coordination, participation and feedback on potential emergency response activities.
- A process for responding to raw material, product, process and waste material transportation incidents that could occur away from operating locations.
- Forums for open dialogue between the community and business representatives to discuss health and safety considerations affecting the community.

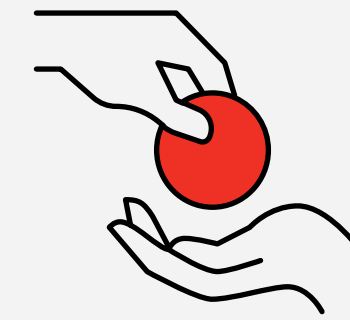


# CORPORATE SOCIAL RESPONSIBILITY

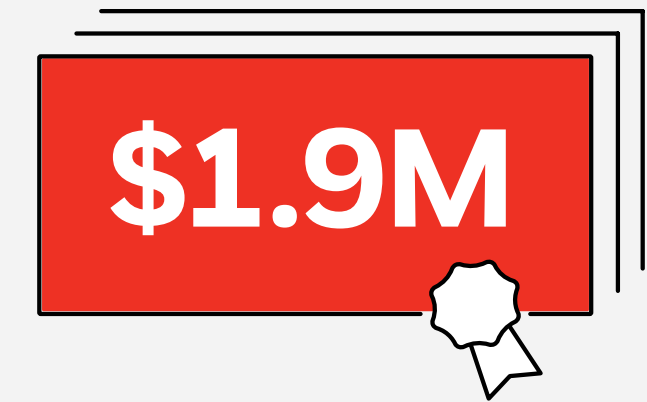
Honeywell's global Corporate Social Responsibility initiatives improve lives and inspire change in communities around the world. Our partnerships and programs focus on access to STEM education; sustainability awareness; humanitarian relief; and employee volunteerism — underpinned by our commitment to advance inclusion and diversity.



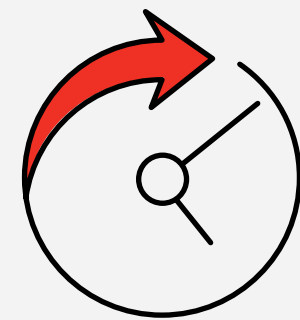
**\$10.8M**  
annual investment  
in Corporate  
Social Responsibility



**\$3.5M**  
matching donations  
through HIPAC



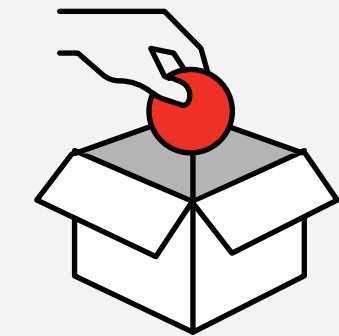
**\$1.9M**  
employee grants available  
through Honeywell  
humanitarian relief  
foundation



**35,000+**  
annual volunteer hours



**\$644K**  
employee giving  
to Honeywell causes



**\$443K**  
annual in-kind  
product donations



# SHAPING THE NEXT GENERATION OF INNOVATORS

Every community needs a STEM-trained workforce of diverse individuals who are curious and eager to solve the world's most pressing problems.

Honeywell has partnered with organizations around the world to make STEM accessible and engaging to our next generation of Futureshapers. These programs put learning into action to inspire young people to pursue studies and careers in STEM and sustainability-related disciplines.

The Honeywell Leadership Challenge Academy infuses STEM curriculum and leadership development into a week-long camp for high school students. Hosted at the U.S. Space and Rocket Center in Huntsville, Alabama, students from around the world form teams to build and launch model rockets, successfully complete simulated space missions, and learn new skills that apply on earth and in space. Since starting the program in 2010, Honeywell has sponsored more than 3,000 students to attend the unique space camp experience.



Students across Malaysia addressed real-world sustainability challenges in the Honeywell STEM For Sustainability Competition. Following months of mentoring, concept design and presentation preparation, the team from Universiti Putra Malaysia won with an improved design for rainwater harvesting to reduce utilization of the country's water infrastructure. Their prototype addressed catchment and treatment for residential and agricultural uses and was equipped with soil moisture sensors and automated operations.

Honeywell partnered with the NFL Carolina Panthers and two NBA teams, the Charlotte Hornets and Atlanta Hawks, to challenge students to consider all the ways an entertainment destination could be more sustainable. Students considered the use of environmentally friendly materials, incorporating renewable energy sources like solar panels and wind turbines, and implementing water-saving technologies, to create innovative solutions of their own. The winning projects included using water pistons and automation to move seats and stages with less energy and converting foot traffic into energy to power the arena.





## INVESTING IN THE STEM WORKFORCE OF TOMORROW

By integrating workforce development into the classroom setting, Honeywell is augmenting the educational experience for students of all ages and providing real-time, hands-on opportunities to develop skills for the future.

In South Africa, Honeywell has partnered with the Gauteng Department of Education to provide STEM labs in area schools to boost digital acumen, upskilling local students and matching them with STEM-focused jobs.

Honeywell has developed a partnership with Arizona’s largest school system to ignite enthusiasm for science and math among students K–12. The Graduation-Plus Initiative, aimed at high school students, helps students build robust portfolios, including support on capstone projects and internships, ensuring they are college-, career- and community-ready.



By forging strong partnerships with universities across Romania, Honeywell is helping to shape a diverse pool of talent. In all, nine Futureshaper Labs located in universities



across the country help students build the technical skills and knowledge required to join, compete and succeed in the global industrial automation sector. The Labs focus on skills ranging from electrical and civil engineering to automation, computer science and other STEM subjects.

## ENVIRONMENTAL EDUCATION TAKES ROOT

Closing the gap between knowledge and action is critical to protecting the environment. Honeywell helps deliver environmental-focused education and accelerating activations to empower people and businesses to make informed decisions that support environmental integrity and economic viability.

Honeywell joined Discovery Education, the world’s leading edtech provider, to address the environmental education gap. The newly launched Environmental Education Initiative aims to empower over 10 million students by 2030 to make informed decisions that support healthy environments and civic engagement for all generations. As a coalition, we create digital education resources and tools for classrooms to inspire students to be changemakers in their communities.

Honeywell Hometown Solutions India Foundation (HHSIF), a philanthropic arm of Honeywell, partners with the Give Me Trees Trust to launch “Plant the Future - A million tree project.” The initiative supports the United Nations Decade on Ecosystem Restoration,

which aims to protect and revive ecosystems across the globe. Driven by a force of Honeywell volunteers, we are on track to plant 1 million saplings across 10 cities by 2032. In addition, many of the newly-planted trees will produce fruits and vegetables that can be sold to generate income.

Honeywell recognizes forward-thinking companies and public projects that are accelerating environmental impact goals, including developing affordable, energy-efficient housing, investing in electric vehicles and infrastructure, and expanding access to clean energy. Through programs like Sustain Charlotte, Honeywell is spotlighting the achievements of environmental leaders and championing issues that shape the sustainability of our communities.



# VOLUNTEERING FOR THE GREATER GOOD

Honeywell’s annual Global Volunteering Month is a tradition that encourages our entire workforce to put their time and talents to work for the greater good.

During the 2023 Global Volunteering Month, and year-round, Honeywell employees enlisted friends, families and business partners to plant urban gardens, collect clothing for donations, mentor students, pack hundreds of pounds of food to feed hungry families, and more. With hundreds of activities occurring around the globe, Honeywell employees increased previous years’ investment in local communities, totaling more than 35,000 volunteer hours throughout the year.

## HUMANITARIAN RELIEF POWERED BY EMPLOYEE GIVING

When a natural disaster strikes, the Honeywell Humanitarian Relief Foundation (HHRF) acts quickly, delivering direct assistance to employees and communities in need.

Since the HHRF began in 2005, more than \$7.7 million in relief assistance has been donated by thousands of employees and provided to more than 2,600 employees. Generous employee donations have helped the HHRF rebuild 930 homes, four schools, nine medical clinics and one elder-care center, with more projects in process.

## SPOTLIGHT ON SKILLS-BASED VOLUNTEERING

Helping our partners in the community can take different forms. But for these Futureshapers, making a difference in the community means putting their job-related expertise to use.



## Financial expertise

Ben Harris, finance manager at Honeywell, learned about a unique volunteer opportunity to help Roof Above, a nonprofit organization and Honeywell partner in Charlotte, North Carolina, that works to provide resources and housing support to those experiencing homelessness.

*“What caught my eye is that Honeywell was looking for volunteers to offer their professional skills to help a community partner,” Harris says. “And they needed support specifically in finance, which is my education and background. It was a cool opportunity to do what I do every day, but in a new way.”*

Harris explains that the overall task was to help Roof Above with financial reporting and forecasting to be able to look at their finances in a faster, more reliable way and make better-informed decisions about the future.

Over about two months, Harris and fellow Futureshaper Andrew Miller, senior financial analyst at Honeywell, worked with the Roof Above team, offering ideas and solutions on how Roof Above could better leverage existing tools and resources.

Greg Lewis, Honeywell Senior Vice President and Chief Financial Officer, was the executive sponsor of this initiative. *“Sharing the expertise of our employees is one of the most impactful ways we can support our community partners. From IT audits to financial modeling, pro bono legal consults to HR policy reviews, our Futureshapers are helping to modernize the agencies that do so much — often with limited resources — to keep our communities strong and vibrant,” Lewis said. “Sharing core capabilities that we are so used to at Honeywell can make a huge difference.”*

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# PRINCIPLES

At Honeywell, we are dedicated to conducting business with integrity and ethics, guided by our Code of Business Conduct. These principles are the cornerstones of how we operate our company. We have high standards, and we're proud of our Futureshapers who uphold them in every decision, every day. Our senior leadership team collaborates closely with our Board of Directors to ensure the company upholds responsible reporting and operating practices, and complies with international regulations and polices. Our efforts in these areas contribute to Honeywell's reputation for high standards and the success of our Futureshapers.



# INTEGRITY AND COMPLIANCE

Our [Code of Business Conduct](#) defines a baseline set of requirements articulating how we treat employees, customers, suppliers, shareholders and communities around the world. It also empowers employees to recognize and report integrity and compliance issues, and to contribute toward upholding a work environment where everyone is treated ethically and with respect.

Through close collaboration with risk area owners and subject matter experts, Honeywell revises the Code of Business Conduct every year to ensure it remains up to date. Our Code is offered in 28 languages.

The Code affirms our commitment to:

- Workplace respect, diversity and inclusion
- A work environment in which employees can communicate openly and voice concerns without fear of retaliation, intimidation or harassment
- A safe and healthy workplace
- Honest and fair business practices, avoiding conflicts of interests and prohibiting improper payments
- Maintaining accurate books and records
- Robust data privacy, sound cybersecurity practices and responsible AI

## ORGANIZATION AND LEADERSHIP

Honeywell's Integrity and Compliance Program is a Corporate Center of Excellence that provides a strong second line of

defense to support our daily business operations. The company has a dedicated Integrity and Compliance organization that is led by the Vice President and Chief Compliance Officer and the Vice President and General Counsel, ESG, who also serves as Secretary of the Board. Both have direct access to the Board of Directors.

These individuals co-chair the Corporate Integrity and Compliance Council, which includes integrity and compliance representatives from each strategic business group and region, as well as representatives from key compliance functions such as Cybersecurity, Data Privacy, Health and Safety, and Procurement. The Council monitors compliance with Honeywell policies and applicable laws and regulations, evaluates and monitors trends arising from misconduct investigations, promotes awareness of integrity and compliance topics throughout the organization, shares insights from employee ethical culture surveys, drives best practices, provides feedback on global integrity and compliance program enhancements and assists in development and implementation of integrity and compliance initiatives.

The integrity and compliance representatives from the strategic business groups and regions are responsible for effective implementation and continuing effectiveness of integrity and compliance initiatives in the areas they represent. Their responsibilities include monitoring trends and concerns arising from misconduct investigations, providing feedback on the program and sharing lessons learned for continuous improvement.

## BOARD OVERSIGHT

The Board of Directors has overall oversight responsibility for integrity and compliance at Honeywell, and the Corporate Governance and Responsibility Committee (CGRC), the Audit Committee and the Management Development and Compensation Committee (MDCC) each play a role in providing oversight over Honeywell's Integrity and Compliance program.

The CGRC receives reports from the Chief Compliance Officer. Topics reported by the Chief Compliance Officer include the company's integrity and ethics program, whistleblower and investigations program, ethics assessment results and critical regulatory compliance programs.

The Audit Committee receives annual reports regarding the company's compliance risk management program and quarterly reports detailing significant accounting and controls investigations, along with disciplinary and other corrective actions taken in response to substantiated allegations.

The MDCC receives quarterly summaries detailing any significant, substantiated human resources investigations (including those involving discrimination, harassment, workplace respect and workplace violence) and disciplinary actions taken in response.

### KEY ELEMENTS OF OUR INTEGRITY AND COMPLIANCE PROGRAM

- The ACCESS Integrity Helpline is a 24-hour, multilingual service operated by an independent third-party provider that is open to all internal and external stakeholders
- Integrity and Compliance councils operate at the corporate, business unit and regional levels
- Mandatory company-wide training for all employees in health, safety and environmental responsibility, nondiscrimination, harassment, conflicts of interest, anti-corruption, cybersecurity, data privacy and trade controls
- Robust and frequent communications to engage all levels of the company on the criticality of integrity and compliance
- Comprehensive training on key compliance topics in over 20 native languages
- Essential compliance tools that offer near real-time visibility into business transactions
- Global compliance teams in regions at elevated risk for compliance concerns
- Frequent self-assessments, independent internal and third-party reviews and audits of compliance risk areas
- External and internal risk assessments evaluate the strength of our ethics and compliance program against standards informed by government authorities and industry best practices
- Robust integration processes ensure newly acquired companies understand and comply with Honeywell principles, policies and procedures
- The Internal Audit organization conducts independent audits of various compliance program elements to help ensure policies and procedures are operating as designed

### ANTI-CORRUPTION PROGRAM

Honeywell has a well-established, global anti-corruption program designed to detect, investigate and remediate any issues related to potential anti-corruption and anti-bribery concerns using modern, digital tools and experienced, globally-dispersed personnel located in high-risk regions to execute the elements of the program.

The foundation of this program is our company-wide anti-corruption policy. Available in over 20 languages, this policy applies to all employees, directors, sales intermediaries, suppliers and vendors, and prohibits offering, making or accepting a bribe; making any facilitation payments or retaining a third party when there is a reason to suspect an improper payment.

Honeywell's anti-corruption organization is led by our Vice President and General Counsel for Anti-Corruption, who supervises a team of professionals with diverse backgrounds in law, auditing and analytics. The team is dispersed globally with on-the-ground presence in key geographies. Honeywell also has a due diligence and analytics center of excellence responsible for maintaining compliance processes, conducting due diligence on customer and supplier third parties, and using data analytics to identify indicators of risk.

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### Honeywell has implemented a suite of digital tools and processes to enable the anti-corruption program including a Honeywell-unique risk map based upon over 1,000 data elements.

Honeywell uses a risk assessment to allocate resources and implement standard risk mitigation actions based upon the anti-corruption risk profile of our business that includes tailored in-person and online annual anti-corruption training. Honeywell requires all payments to commissioned sales agents to be processed through its sales intermediary end-to-end tool, a homegrown digital process that engages in automated

screening for risk, enables mandatory advanced approval of commissioned sales agents, and blocks payments until verification that a proper basis for payment has been logged into the approval system.

Honeywell also conducts continuous monitoring of suppliers through its supplier due diligence program.

### GLOBAL TRADE CONTROLS PROGRAM

As a global company, Honeywell has a mature trade program designed to implement effective trade controls practices in critical areas related to export, trade sanctions and import compliance under the laws and regulations of the jurisdictions where we develop technology, locate operations, and ship products and services. This program relies on access to sophisticated data related to trade transactions, using modern tools to classify critical technology for global trade, and a geographically dispersed global team to reside close to our business to provide timely and informed advice to our business partners.

Honeywell's statement of its trade principles can be found in its Global Trade Policy and Global Import Policy. The Vice President and General Counsel for Global Trade leads the export and trade sanctions programs, and the Vice President for Import Compliance leads the customs and import area. As a result of these key organizations, Honeywell is well-positioned to manage the fast-changing risk profile of the global trade upon which much of its business relies daily to meet customer needs.

Due to the dynamic nature of global trade, Honeywell has invested in efforts to identify and mitigate the risk of the diversion of its products to unauthorized users. It has implemented enhanced due diligence and data analytics related to detection of potential trade diversion and unauthorized end use or unapproved end users of Honeywell's controlled products. These efforts protect Honeywell's brand and reputation and ensure its products are used as intended by authorized users, an expectation of its shareholders and regulators globally.

### INTEGRITY AND ETHICS CERTIFICATION, TRAINING AND COMMUNICATION

To hold our workforce to Honeywell's integrity and ethics standards, all officers and employees, where permitted by law, are required to complete annual Code of Business Conduct training, and Honeywell requires all officers and employees to annually certify their compliance with its tenets.

Honeywell is committed to obtaining annual Code of Business Conduct certification from 100% of all eligible employees at all levels of the organization, including production employees, part-time employees and interns. The completion status of this training and certification requirement is reported to the CGRC each year.

Honeywell also requires individual contractors and subcontractors to complete Code of Conduct training as part of their onboarding process.

Honeywell's mandatory, annual Code of Business Conduct training and certification process ensures that all eligible employees receive training on high-priority integrity and compliance topics on a timely and regular basis. Topics that have been addressed include workplace harassment, conflicts of interest, anti-corruption, accurate books and records, health and safety, cybersecurity and data privacy.

New employees must complete Code of Business Conduct training within 30 days of hire. We also assign other comprehensive and mandatory compliance learning within 60 days of hire depending on the new employee's role and location, including training related to handling conflicts of interest, anti-corruption, antitrust, records management, data privacy and cybersecurity.

Honeywell empowers and expects our people managers to communicate openly with their team members regarding the importance of conducting themselves with integrity. That includes fostering an environment that encourages candid discussion of integrity and compliance topics and how to raise

and report any instances of ethical misconduct. The Integrity and Compliance team works with the Communications Department to establish an annual communications plan based on misconduct violation trends, enterprise risk management results and audit findings. The communications plan includes initiatives to drive integrity awareness communications across Honeywell, including through town halls, newsletters and monthly integrity awareness manager toolkits that provide people managers with ready-to-use materials to support discussion of integrity and compliance topics with their teams. Monthly integrity awareness communications have covered topics such as workplace respect, diversity and inclusion, conflicts of interest, anti-corruption and the importance of accurate books and records.

### WHISTLEBLOWER PROGRAM

Honeywell ensures all allegations of suspected violations of the Code of Business Conduct, company policies and applicable laws or regulations are investigated promptly, thoroughly, competently and confidentially.

Honeywell provides various mechanisms for employees to report concerns, such as phone, email and online through [Honeywell's ACCESS Integrity helpline](#).

Honeywell's ACCESS Integrity helpline is a 24-hour, multilingual service operated by an independent third-party provider that enables any internal or external party to report known or suspected violations.

Anyone who reports a concern has the option to do so anonymously, where permitted by applicable law.

All concerns reported through any of the mechanisms mentioned above are investigated promptly, thoroughly and competently in accordance with applicable Honeywell policy and/or law. Honeywell provides feedback on the report to the person reporting the issue (if that person is known) within a reasonable timeframe.



While Honeywell works hard to identify, incentivize and reward those who do the right thing, it also takes swift and decisive action, including notifying government authorities and imposing serious employment action up to and including termination, in compliance with all local requirements, against employees found to have engaged in conduct that is a violation of our Code of Business Conduct, company policy or applicable laws.

Honeywell will not tolerate any form of retaliation for good faith reporting of actual or potential misconduct and communicates this policy to all employees, including through training required as part of the annual Code of Business Conduct certification process that applies to all employees where legally permissible. Our no-retaliation policy ensures employees who report a compliance concern or suspected violation in good faith will not be subject to any disciplinary action or reduction in force without the advance approval of the Law Department. Honeywell investigates and responds to all allegations of retaliation in any form, including but not limited to threats, harassment, reprimands, suspension of payment of compensation or benefits, transfers or demotions.

For more information, please see our [Whistleblower Program Statement](#).

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**Honeywell investigates and responds to 100% of the allegations reported through ACCESS Integrity.**

**HUMAN RIGHTS**

Honeywell’s Code of Business Conduct, Supplier Code of Business Conduct and our Human Rights Policy address a broad range of human and workplace rights in our global operations and supply chain to ensure fairness, ethical behavior, dignity, respect and compliance with all applicable laws of the jurisdictions where we operate.

Our Human Rights Policy applies to all Honeywell workers worldwide, including contingent workers, agents and candidates for hire. Honeywell also requires suppliers to uphold human rights principles as described in Honeywell’s Supplier Code of Conduct. These expectations are endorsed by Honeywell’s Chief Executive Officer and are reinforced through various internal and external communication channels.

Key elements of our Human Rights Policy include inclusion and diversity, workplace respect, freedom of association, a safe and healthy workplace, workplace security, work hours and wages, forced labor and human trafficking, child labor and rights of local communities and those who live and work there.

Honeywell conducts periodic global human rights impact assessments to better understand Honeywell’s potential human rights impacts. Comprising interviews with internal stakeholders, industry information, country risk information and review of documentation, the assessments have informed improvement areas that have been considered and actioned to improve our policies, processes, training and other compliance controls in place to continue to fulfill our Human Rights commitments.



**Top Score In Corporate Equality Index**

Human Rights Campaign Foundation's U.S. Corporate Equality Index is the national benchmarking tool on corporate policies, practices and benefits pertinent to lesbian, gay, bisexual, transgender and queer employees. Honeywell achieved a top score of 100 earning the coveted "Equality 100 Award."



# DATA PROTECTION AND CYBERSECURITY

Honeywell is committed to protecting the personal data of employees, customers, suppliers and others who entrust their data to us as well as the technology resources we provide to our employees and others. As such, Honeywell has in place appropriate data privacy and cybersecurity organizational structures, policies and procedures to respect individual privacy rights and promote data protection and information security.

## DATA PRIVACY GOVERNANCE

Honeywell’s Global Data Privacy Program led by our Vice President and GC Data Privacy, Cyber and Trust, Digital Data, and AI Governance and Chief Privacy Officer includes a dedicated in-house data privacy team within the Law Department which monitors developments in data privacy regulation globally. The Data Privacy Function is responsible for developing and operationalizing our data protection strategy to ensure compliance with applicable data protection regulations worldwide. A Data Privacy Governance Council led by the Chief Privacy Officer and comprised of cross-functional senior leadership meets regularly for strategic alignment and policy decision-making. A Digital Marketing Governance Council, led by the Chief Privacy Officer and senior Sales and Marketing leadership, promotes collaboration on data privacy issues in digital marketing and online advertising.

## DATA PRIVACY PRINCIPLES

Honeywell’s data privacy policies and practices have been established across Honeywell’s products and business operations and promote adherence to data privacy principles commonly recognized around the world, including:

- We fairly and lawfully process personal data for legitimate business purposes.
- We strive to use the minimum amount of personal data needed to accomplish our objectives and avoid processing personal data when possible.
- We do not share personal data with anyone, inside or outside our Company, who does not have a business need to know it.
- We make our privacy practices transparent and clear to individuals.
- We provide mechanisms for individuals to exercise applicable legal rights.
- We have measures in place to comply with applicable law regarding cross-border data sharing.
- We securely delete personal data when it is no longer needed and in accordance with our Records Management Policy.
- We secure personal data in accordance with global standards.

## TRAINING AND AWARENESS

At Honeywell, we ensure our employees understand data protection is everyone’s responsibility. Toward that end, Honeywell deploys mandatory all-employee training on data privacy and cybersecurity issues during onboarding and as part of annual Code of Business Conduct certification and training. Honeywell also requires job-specific data privacy training for certain roles. We conduct phishing scenario learning experiences and cybersecurity knowledge campaigns to maintain awareness of these ongoing threats.



### DATA PRIVACY AND SECURITY BY DESIGN

Honeywell applies data privacy and security-by-design principles from the beginning stages of the development of products, processes, systems and services involving personal data, leveraging a robust Privacy Impact Assessment program and data lifecycle design practices. Our processes incorporate data privacy and cybersecurity starting at the beginning of any new product development process, in-depth security testing throughout the development process and review before those products or services are released, updated or offered for sale to Honeywell customers. Our approach to product cybersecurity also includes vulnerability management, incident response and security bulletins. With Honeywell's strong data privacy and security-by-design program, customers know they can rely on Honeywell to supply products and services that respect data privacy and security principles while helping them comply with applicable law. To strengthen the confidence our customers place in us, in 2024 we created a new [Data Privacy Trust Center](#) available on our internet site to demonstrate our strong commitment to data privacy.

### CYBERSECURITY

Honeywell's cybersecurity framework safeguards the confidentiality, integrity and availability of information assets and ensures that all regulatory, operational and contractual requirements are fulfilled. Our policies and practices include regular internal and external audits; vulnerability assessments and penetration testing of the company's systems, products and practices; and robust measures to monitor and respond to data breach and cybersecurity incidents. The framework is aligned to industry standards including: NIST SP 800-171, International Organization for Standardizations (ISO) 27001, 27702 and 22301, Payment Card Industry Data Security Standard (PCI DSS), Sarbanes Oxley (SOX) and the Cloud Security Alliance (CSA) program. In addition, the company has received Cyber Essential Scheme (CES+) certification and

ISO 27001 certification for certain businesses and complies with the IASME standard. Further, we have completed the Saudi Aramco CyberSecurity Compliance Certificate (CCC), CyberVadis and Cyber GRX Tier 3 assessments and maintain a cybersecurity insurance policy. Honeywell leverages a defensive in-depth model for cybersecurity, enabling multiple levels of protection against threats. Our integration of protective and detective controls helps us prevent, defend and rapidly respond to security risks for both our internal systems and customer-facing products and services. Our program is built on industry standards and constantly evolves to meet the ever-changing threat landscape.

### AUDIT

Honeywell's Corporate Audit department provides independent assurance in accordance with Institute of Internal Auditors standards (IIA). Corporate Audit is directly responsible to Honeywell's Audit Committee on behalf of the Board of Directors and is not constrained by management in the performance of its duties.

Corporate Audit periodically evaluates Honeywell's governance and operations related to cybersecurity and privacy to determine that risks are appropriately identified and managed, and ensure compliance to the Company's policies and procedures, and adherence to all applicable laws and regulations.

### SUPPLIER RISK MANAGEMENT

Honeywell's Supplier Risk Management standard establishes requirements for engaging and managing suppliers who process, store, produce, communicate with or otherwise access Honeywell information, assets or services. Our Supplier Code of Business Conduct and contracts require suppliers to comply with privacy and cybersecurity requirements, and suppliers that process personal data on behalf of Honeywell or our customers are required to comply with stringent data processing standards.

### INCIDENT RESPONSE

Honeywell maintains robust data privacy and cybersecurity incident response policies and procedures that allow us to respond responsibly and promptly to potential data security incidents. Our incident response standards, processes and procedures include incident identification, response management, root cause analysis and reporting, including appropriate disclosures to regulators, law enforcement, affected individuals, customers and other stakeholders in accordance with law, contract and relevant standards.



# AI GOVERNANCE

## RESPONSIBLE USE OF AI

As an innovative industrial leader, new technologies like AI provide Honeywell tremendous opportunity as we design and develop pioneering solutions that address the world's most critical needs. In 2024, Honeywell implemented a Responsible AI Governance Framework to support our deployment of AI responsibly and in compliance with applicable law and Company policy. Under the direction of Honeywell's Data & AI Steering Committee comprised of Honeywell senior leaders, Honeywell's Responsible AI Governance Framework provides appropriate oversight, record keeping and monitoring of AI uses at the Company. At the core of the Company's Responsible AI Governance Framework is a Responsible AI Policy based on a set of principles that inform decision making across the Company's AI uses. The following are Honeywell's Responsible AI Principles:

- **Accountable.** We strive to hold ourselves accountable through robust AI governance, clear lines of responsibility, and monitoring to help ensure continuous improvement. We expect our partners to do the same.
- **Safe and Secure.** We seek to protect against unintended applications, access, or harm associated with our use or provision of AI.
- **Valid and Reliable.** We aim to employ technology that produces appropriately consistent and accurate results and incorporates controls designed to help minimize disruptions.
- **Fair and Equitable.** We strive to treat people fairly and equitably from the design to implementation of AI, including seeking to identify and mitigate algorithmic bias.
- **Privacy-Enabled.** We strive to safeguard individual confidentiality, autonomy and control over the use and disclosure of Personal Data as feasible, appropriate and legally required and to protect Honeywell and third-party intellectual property and data rights.
- **Transparent and Explainable.** We promote transparency in our design, function, description and use of AI and endeavor to maximize explainability of AI decision-making when feasible and appropriate.
- **Sustainable.** We are committed to reducing our environmental footprint, including supporting the environmentally and socially conscious use of AI.



# HSE GOVERNANCE

Our commitment to health, safety and the environment is outlined in our [Sustainable Opportunity Policy](#). This policy is incorporated into our company-wide operating system and serves as a blueprint for continuous operational improvement throughout our Health, Safety, Environment, Product Stewardship and Sustainability ([HSEPS](#)) [Management System](#). Endorsed by our CEO and senior leadership, the policy is posted in every facility and communicated to all employees and contractors annually.

All Honeywell locations are subject to governance via our comprehensive management system based on recognized third-party standards including ISO 14001 and ISO 45001, as well as industry best practices. HSE-related incidents, such as injuries and environmental events, are reported via a comprehensive management system software solution.

The Honeywell HSEPS Management System encompasses 18 interconnected core elements and is applied everywhere we operate. Implementation of the management system requires identification and assurance of compliance to all HSEPS legal requirements. It sets clear, constructive objectives for improvement and maintains the programs designed to achieve those objectives. In addition, we have developed detailed operational controls aligned to common risks and regulatory obligations in approximately 90 specific subject areas that prescribe requirements related to, among other things, safety, industrial hygiene, loss prevention, environment, health, product stewardship, transportation safety, process safety management, construction safety and remediation. All Honeywell operations are required to comply with these operational controls, as well as any applicable legal requirements.

Compliance with regulatory and company requirements is monitored through a comprehensive three-phase governance process. The phases include ongoing self-assessment, annual verification and internal corporate audit. All Honeywell locations are subject to independent internal audit.

For internal corporate audit, a team of independent HSEPS internal and external subject matter experts conduct the audits and focus on verification of requirements and continuous improvement. When the requirements are not met, nonconformities are identified and corrective action plans are developed, implemented and monitored through our centralized management system tool.

## VOLUNTARY PROTECTION PROGRAM

The U.S. Occupational Safety and Health Administration (OSHA) Voluntary Protection Program (VPP) promotes effective site based safety and health protocols and sets performance-based criteria for health and safety management systems. To participate, employers must apply to OSHA and undergo a rigorous on-site evaluation by a team of safety and health professionals. Currently, 18 of our U.S. manufacturing facilities hold the prestigious VPP STAR recognition, which is the highest level given under the program.

## RESPONSIBLE CARE® PROGRAM

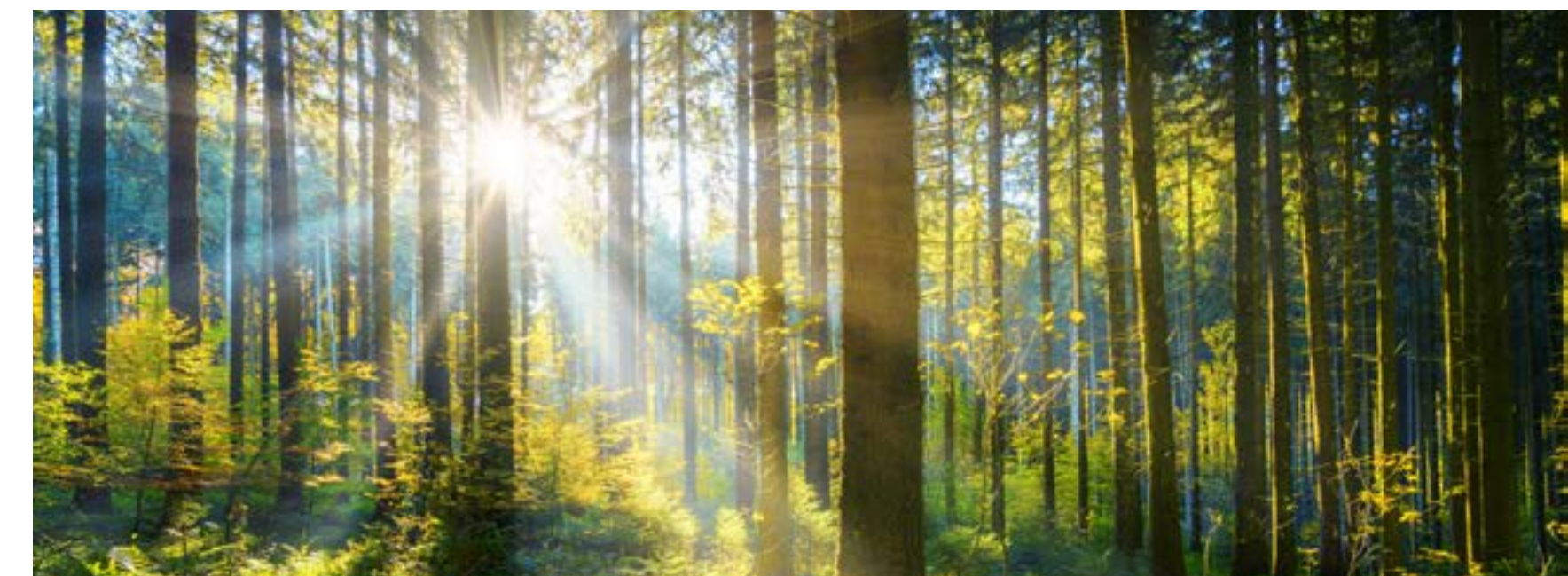
Honeywell’s Energy and Sustainability Solutions business participates in the Responsible Care program of the American Chemistry Council (ACC). Responsible Care is a global, voluntary initiative developed by the chemicals industry to drive continuous improvement in health, safety and environmental performance and is practiced today in nearly 70 countries around the world. As a Responsible Care signatory company, we are committed to improving the industry’s performance in the fields of environmental protection, occupational safety and health protection, plant security, process safety, product stewardship, operational energy efficiency and logistics.

Honeywell’s Energy and Sustainability Solutions headquarters has been certified [RC14001](#) by an external ISO registrar since 2005. [Learn more about the Responsible Care® program.](#)

## ENVIRONMENTAL JUSTICE

Honeywell’s Health, Safety and Environment program includes identifying and addressing the environmental and social impact of our operations on the surrounding communities and ensuring compliance with regulatory standards. Our program calls for safe and responsible environmental stewardship, compliance with applicable laws and building trust through early and consistent community engagement.

Protecting the environment and meaningfully engaging the surrounding community have been long-standing hallmarks of our commitments. We have established procedures to implement these commitments in a multi- step, integrated process that is overseen by management for both Honeywell’s current operations and legacy sites. Our commitment to community engagement applies to impacted fence-line communities, including those that could be categorized as environmental justice communities based on current federal and state regulatory screening tools. More details about how these actions consider fence-line and environmental justice communities can be found in our [Due Diligence Processes to Identify and Address Environmental and Social Risk](#).



# BOARD OF DIRECTORS

**The Board of Directors' Corporate Governance and Responsibility Committee (CGRC) places an emphasis on ensuring Board members demonstrate the right leadership traits, personality, work ethic, independence and diversity of background to align with Honeywell's performance culture and long-term strategic vision.**

When identifying Board candidates, the CGRC requires qualified candidates who are diverse with respect to race, ethnicity and/or gender are included in the pool from which any new director nominee is selected, and that one or more diverse candidates are interviewed before a successful candidate is identified.

This is to ensure we continue to enhance both the diversity of the Board and the perspectives and values that are represented in Board and committee meetings.

The Board uses a skills and experience matrix to facilitate the review of our directors' skills versus those deemed important to oversee the company's current strategy. The skills included in the matrix are evaluated against the company's articulated strategy each year so the matrix can serve as an up-to-date tool for identifying director nominees who collectively possess the complementary experience, qualifications, skills and attributes to guide the company.

## BOARD OVERSIGHT OF ESG

The Board and the CGRC proactively oversee the company's overall environmental, social and governance (ESG) performance. The CGRC has responsibility for reviewing Honeywell's ESG performance, strategies, goals and objectives, monitoring ESG impacts, risks and opportunities,

and overseeing ESG disclosure. Each Board committee then has oversight responsibility over discrete ESG risk and opportunity areas as delegated by the Board, supported by regular engagement with the senior leaders accountable for the respective areas. The Board leverages our Enterprise Risk Management program and strategic planning process to identify and prioritize ESG impacts, risks and opportunities, assess the company's performance and monitor risk mitigation efforts.

## ENTERPRISE RISK MANAGEMENT

The Board uses an Enterprise Risk Management (ERM) program as a key tool for understanding the range of risks facing Honeywell, as well as assessing the design and effectiveness of management's processes, procedures and practices for mitigating those risks. 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, human capital, cyber and reputational risks, and the strategies in place to mitigate those risks. The ERM framework also incorporates ESG impacts, risks and opportunities, enabling a thorough assessment of the company's performance across the ESG landscape. As part of the ERM program, there are several distinct touchpoints with each Strategic Business Group Leadership Team and other



*"The Board of Directors is committed to guiding Honeywell in a way that mitigates risks but also capitalizes on opportunities aligned with our strategic priorities and the powerful megatrends that will shape the global economy. We do this by engaging with Vimal and the executive leadership team to focus on generating value for our shareholders and delivering solutions for our customers to enable long-term growth."*

**William Ayer, Lead Independent Director**

strategic functional leaders throughout the year to discuss results of risk assessments performed and the emerging risks they identify. The Vice President and staff of the Corporate Audit Department, and the Vice President and General Counsel, ESG, facilitate the ERM program and are primarily responsible for the annual assessment. The Senior Vice President and Chief Financial Officer and the Senior Vice President and General Counsel review ERM results with the full Board, the CGRC and the Audit Committee each year. As part of continuous improvement for the ERM program, the Corporate Audit Department benchmarks with other relevant industry peers and consulting and risk management firms to identify best practices and deploy risk management programs or risk framework improvements.

## SHAREOWNER ENGAGEMENT

Honeywell maintains a robust shareowner engagement program that features year-round opportunities for its Board and senior management, including our independent Lead Director, the chairs of our Corporate Governance and Responsibility Committee (CGRC) and Management, Development and Compensation Committee (MDCC), and executive officers, to engage in dialogue with key stakeholders. Based on this dialogue, we have implemented actions over the last several years to increase shareowner rights, enhance the Board's structure, increase transparency on political and climate lobbying, disclose our [EEO-1 report](#), and augment our commitment to sustainability and corporate responsibility.

Our shareowner engagement program has covered topics such as our business strategy, comprehensive portfolio review, corporate governance practices, executive compensation programs, CEO succession, political lobbying disclosures, climate change, inclusion and diversity, human capital management, human rights, sustainability, social responsibility and humanitarian relief initiatives.

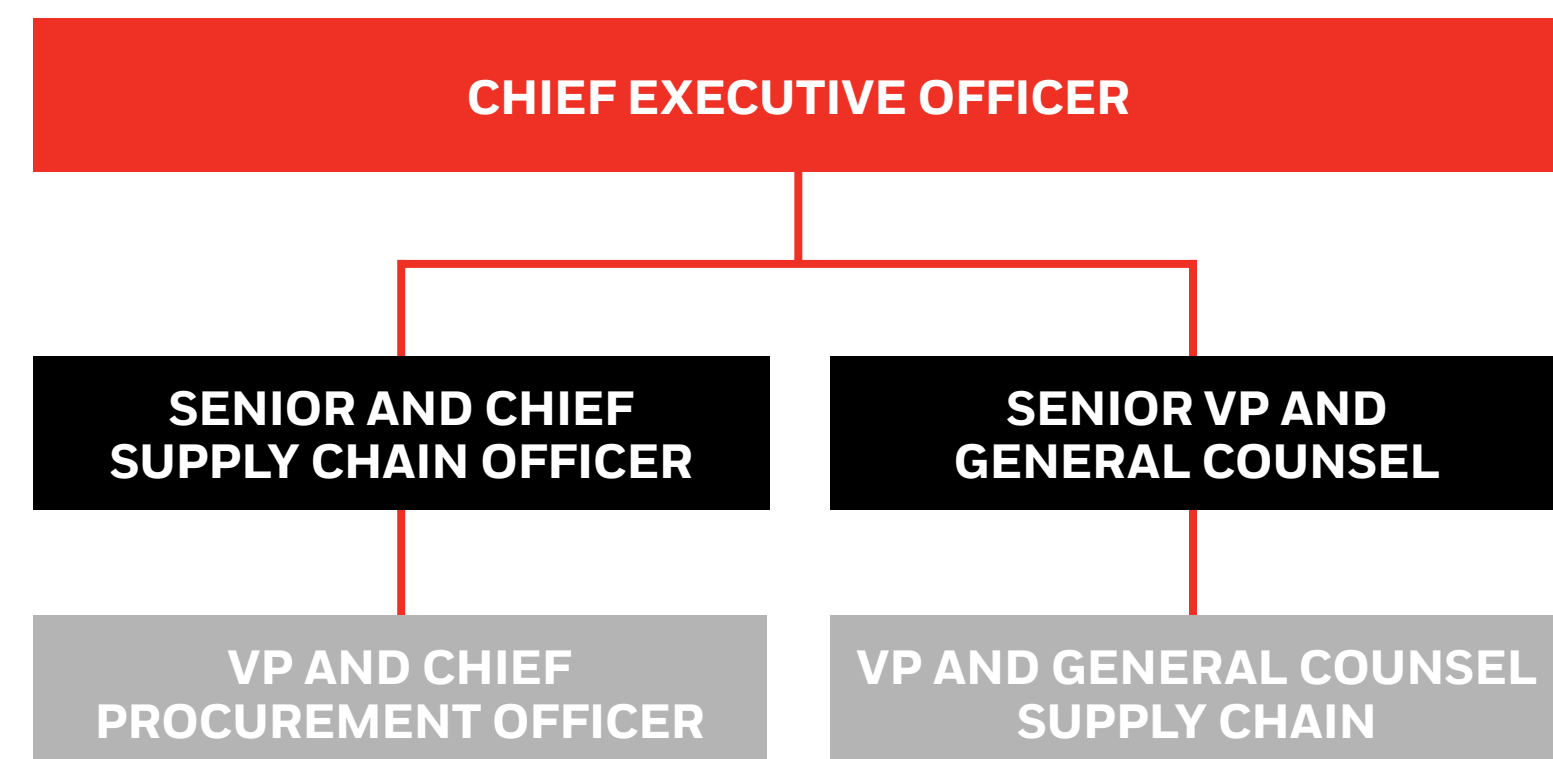
# MAINTAINING EXPERTISE IN SUPPLY CHAIN MANAGEMENT

**We believe responsible supply chain management is critical to upholding our commitment to integrity and compliance, mitigating financial risk and acting as a good corporate citizen.**

Honeywell’s Integrated Supply Chain (ISC) activities are managed by a global team of seasoned professionals who manage tens of thousands of suppliers around the globe. Our professionals have expertise in procurement, supply management, operations management, logistics, supplier resiliency and supply chain performance optimization.

Our management structure ensures we have the necessary expertise to support the breadth and complexity of our supply chain operations.

## SUPPLY CHAIN INTEGRITY: ROLES AND RESPONSIBILITIES



The VP and Chief Procurement Officer has overall responsibility for procurement, supplier risk monitoring and mitigation, supplier social responsibility, and supplier adherence to the [Supplier Code of Business Conduct](#).

The VP and General Counsel, Supply Chain has overall responsibility for legal compliance of suppliers, including setting standardized contract language to ensure compliance with legal and Honeywell requirements.

### SUPPLIER CODE OF BUSINESS CONDUCT

[Honeywell’s Supplier Code of Business Conduct](#) sets forth our commitment to integrity and compliance within our global supply chain. We require all our suppliers to adhere to the Supplier Code of Business Conduct and ensure these requirements are also met within their supply chain. Supplier adherence to Honeywell’s Supplier Code of Business Conduct is a key consideration when we make sourcing decisions.

Honeywell’s Supplier Code of Business Conduct requires its suppliers to:

- Provide their employees with a safe working environment.
- Treat their workers with dignity and respect.
- Engage in environmentally sound and sustainable manufacturing processes.
- Comply with the law in all countries where they conduct business.
- Foster a culture in which employees and managers can communicate openly and raise concerns without fear of retaliation, intimidation or harassment.

Key elements of our Supplier Code of Business Conduct include:

- **Labor and Human Rights:** Including fair treatment of employees, no child or involuntary labor, fair wages and benefits, subcontractor compliance and acceptable living conditions.
- **Health and Safety:** Including occupational safety, emergency preparedness and sanitation.
- **Environmental:** Including environmental permits, waste, and pollution management; labeling and warning requirements, hazardous substance management and reporting, and appropriate programs to understand and mitigate GHG emissions in their operations, facilities and supply chain.
- **Integrity and Compliance:** Including books and recordkeeping, business integrity, protection of intellectual property, substance abuse, responsible sourcing of minerals, adherence to applicable trade controls and quality.
- **Management Systems:** Including management accountability, risk management, training, standards, audits, third-party diligence and assessments.

## SUPPLIER DIVERSITY

Honeywell understands the importance of supplier diversity in creating a more inclusive and equitable business environment. Our supplier diversity strategy is carefully designed to promote supplier diversity, foster inclusion and create equal opportunities within our procurement processes.

We've established clear policies and procedures that effectively guide our team in executing our supplier diversity program. These best practices are continuously reviewed and refined, ensuring our environment actively promotes supplier diversity, inclusion and equitable access opportunities.

Our supplier diversity program leverages tools with industry-leading data to ensure accuracy and compliance. Through collaboration with a trusted third-party organization, we have established a robust system to maintain a transparent and reliable record of our supplier diversity spend.

Furthermore, by partnering with this third-party organization that specializes in supplier diversity tracking, we ensure small and diverse suppliers looking to partner with our organization can use the support of our third-party agency to assist with getting certified. Resources are offered through the [Supplier Diversity Portal](#).

We recognize the value and strength diverse-owned companies bring to our supply chain, and we are committed to supporting and empowering these businesses.

## SUPPLY CHAIN DUE DILIGENCE

### Screening of New Suppliers

Honeywell has an ongoing policy of screening and vetting new suppliers. As part of the screening process, Honeywell considers vetted reliable sources that identify supplier compliance risks, including labor and human rights, fraud, illegal activities, corruption, environmental crimes, trade risks and other Supplier Code of Business Conduct considerations. Identified compliance risks are reviewed and vetted by subject matter experts.

### Ongoing Monitoring of Existing Suppliers

In addition, Honeywell has implemented a real-time continuous monitoring diligence program that applies to existing suppliers. The monitoring program considers vetted reliable sources and monitors for a variety of compliance risks, including labor and other human rights, fraud, illegal activities, corruption, environmental crimes, trade risks, sanctions and other Supplier Code of Business Conduct considerations. The program considers and applies different levels of screening for each supplier, depending upon a variety of risk factors that includes geography and industry. Review and clearance by an appropriate subject matter expert is required when a supplier generates a finding against any of the compliance or Supplier Code of Business Conduct elements.

### Supplier On-Site Audits

Each year, we work with qualified third parties to conduct on-site audits of certain higher-risk suppliers using a standardized assessment that incorporates the requirements of our Supplier Code of Business Conduct. We prioritize higher-risk suppliers when selecting suppliers for on-site audits, based on an analysis that takes into account global high-risk geographies, spend, industry and other elements as prescribed by the Integrity and Compliance function and the Law Department. Risk factors assessed in the audits include, but are not limited to, child labor,



wages and benefits, air emissions, protection of intellectual property, environmental impact, reasonable work hours and human trafficking.

This process includes conducting thorough on-site audits that gather information from an on-site walkthrough, employee and management interviews, and documentation review of payroll information, policies, training logs, permits, verification of waste management procedures and workers' safety conditions.

### Corrective Action and Remediation

Honeywell implements corrective action plans to remediate risks or findings identified through supplier screening, monitoring or audit programs, up to and including suspension or termination of the supplier.

Examples of significant findings might include.

- **Labor and Human Rights:** Excessive overtime, unpaid hours, involuntary labor or unfair treatment, including discrimination and harassment.
- **Health and Safety:** No health permits or health audits; blocked, unmarked or unlighted emergency exits; and improper or no personal protective equipment.
- **Environmental:** Missing or expired permits, hazardous waste discharge and improper chemical storage.

### EMPLOYEE TRAINING

Honeywell is committed to properly training our procurement employees to better enable them to uphold our standards when sourcing materials. We have developed robust curricula tailored to specific types of jobs.

In addition to deploying training on standard procurement practices, employees are also educated on supplier risk management, conflicts of interest, code of conduct, forced labor prevention and all applicable Honeywell procurement policies.



### CRITICAL MATERIALS

As a manufacturer of electronic equipment, many of our products require the use of critical materials, such as fluorspar, precious metals, minor metals and rare earth materials. We recognize there is inherent risk associated with such materials, including potential supply issues, lack of available substitutes, increased global demand driving heightened competition and impacts from geopolitical uncertainty. We take a multifaceted approach to risk mitigation to ensure product availability, manage price increases and manage supply risk.

For example, we:

- Practice hedging, forward-buying and lock-pricing to ensure continued supply and pricing stability of critical materials
- Monitor geopolitical trends through a tool for universal grading of active production suppliers
- Conduct financial risk assessments
- Secure multiple sources for material where possible
- Recycle critical minerals or rare earth elements

### CONFLICT MINERALS

Honeywell is committed to the responsible sourcing of tin (cassiterite), tungsten (wolframite), tantalum (columbite-tantalite or coltan), gold or their derivatives (collectively known as “3TG”) throughout our global supply chain in a manner that complies with applicable laws.

These rules require certain Honeywell direct or indirect subsidiaries to undertake reasonable due diligence steps to determine the origin of the 3TG used in its products and disclose the results of such diligence, including filing a public report with the US Securities and Exchange Commission.

Honeywell’s 3TG compliance program is designed to conform to the Organisation for Economic Co-operation and Development’s “Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected Areas and High-Risk Areas.”





# A FIRM FOUNDATION OF PRODUCT SAFETY AND INTEGRITY

Honeywell maintains extensive product and service safety programs across the enterprise, focusing on quality and safety throughout the product lifecycle, from design to manufacture to the marketplace. Each strategic business unit drives safety processes through:

- An extensive safety policy with objectives, accountability and responsibilities assigned
- Safety risk management, which includes hazard identification and risk assessment and control
- Safety assurance to monitor and assess performance
- Safety promotion by engaging in formal training programs and communication

The Engineering, Quality, Technology and Research & Development teams within Honeywell’s strategic business units use development phase gates to assess new offerings’ safety and quality, and work closely with the company’s Regulatory, Product Stewardship and Legal functions to properly address relevant regulatory, labeling and marketing requirements.

Due to the diversified product offerings across the enterprise, quality and safety programs are tailored to specific regulatory guidelines and jurisdictional rules. Risk assessments are conducted throughout Honeywell’s operations as products are developed, introduced and produced.

To ensure Honeywell’s products and services meet the highest standards, employees receive regular training, products and services are monitored for safety, and emergency response procedures are regularly tested.

For example:

- Honeywell Aerospace’s safety and integrity initiatives are administered by the Product Integrity, Product Assurance & Chief Engineering function.
  - This function is run in parallel to, but independently from, the strategic business unit’s other businesses to avoid apparent conflict of interests, while safeguarding its commitment to safety and integrity.
- Honeywell Aerospace’s Safety Management System is used in the Design & Certification Process, Production Systems and Continued Airworthiness Management, and governs processes, procedures, personal, equipment and facilities standards.
  - As part of the Safety Management System, Honeywell identifies the customer and regulatory requirements, including AS9100 standards, and the approved product design requirements.
- Honeywell Energy and Sustainability Solutions (ESS) safety programs provide a comprehensive framework to drive continuous improvement in product safety and stewardship.
  - Among other things, ESS integrates health and safety considerations into all aspects of its business, with a focus on driving compliance with all applicable regulations.
- In dealing with product and service safety risk assessments, product/service objectives or targets, and regular external product/service safety audits, Honeywell Building Automation (BA) drives success by focusing on quality and safety through the product lifecycle.

- BA aligns the Engineering, Quality and Safety teams with the Design and Manufacturing teams to provide pre-product-launch approvals.
- Key metrics such as First Pass Yield, which monitors the robustness of the manufacturing processes; customer field-performance metrics; and the business unit’s Product Safety Global Procedure QP-PSC-01, which addresses potential safety issues as they arise in pre/post launch testing, help ensure a rigorous and scientific approach to quality and safety.
- Honeywell Industrial Automation (IA) offers a broad suite of products, services and solutions with a focus on automation, productivity and safety. IA cross-functional teams of engineers, scientists and product stewardship professionals use a phase-gate approach to bring new offerings to market, and IA legal and regulatory teams are integrated in product development to bring a continued focus on compliance with applicable regulations.
- Product assurance and safety are a key part of Honeywell Connected Enterprise’s software release management process. Product Compliance, Engineering and Product Management teams conduct a software assurance review using standardized checklists and methodology to evaluate all software products. Software goes through a testing and quality management process before release and is consistently updated through its lifecycle.

# CHARTING A PATH FORWARD WITH POLITICAL ACCOUNTABILITY

Engagement in the political process is critical to Honeywell's success. The company's future growth depends on forward-thinking legislation and regulation that makes society safer, more energy efficient and improves public infrastructure. Honeywell strives to engage responsibly in the political process, and to ensure that participation is consistent with all applicable laws and regulations, principles of good governance and high standards of ethical conduct.

Honeywell is committed to providing transparent disclosure of political contributions and lobbying activities. Based on feedback from stakeholders, Honeywell has continued to enhance its political engagement disclosures. The Center for Political Accountability rates Honeywell as a "Trendsetter" among first-tier companies.

Disclosures are available at <https://investor.honeywell.com/corporate-governance/political-contributions>.

Honeywell makes every effort to be accurate and comprehensive while considering the perspective of the company's largest shareowners. Disclosures include explanations of the company's rationale for engaging in the political process, identifying top legislative and regulatory priorities and defining governance processes. The company's disclosures also address:

- The use of corporate funds for political contributions and contributions to tax-exempt organizations that may use funds for political purposes.
- Details regarding Honeywell's exclusively employee-funded political action committee, the Honeywell International Political Action Committee (HIPAC), including its disbursements.

- Streamlined and direct access to federal, state and local lobbying reports.
- Identification of trade associations receiving membership dues of \$50,000 or more from Honeywell annually and the corresponding nondeductible portion of the dues.

Annually, Honeywell conducts an evaluation of our lobbying activities and the public statements of trade associations that receive membership dues of \$50,000 or more from Honeywell to assess alignment with the goals of the Paris Agreement. Honeywell issued a [publicly available report](#) that describes Honeywell's climate-related lobbying activities and assesses alignment of these trade associations' climate-related public statements with Paris Agreement goals.

The Law Department oversees the company's lobbying activities. Honeywell's Senior Vice President of Global Government Relations reports directly to the Senior Vice President and General Counsel and works closely with the Vice President and General Counsel of ESG, whose organization ensures compliance with all applicable laws with our political spending policy. Honeywell's Senior Vice President and General Counsel, and its Senior Vice President of Global Government Relations, meet regularly with the Chief Executive Officer to review legislative, regulatory and political developments.

Honeywell's public policy efforts, including all lobbying activities, political contributions and payments to trade associations and other tax-exempt organizations, are the responsibility of the Board's Corporate Governance and Responsibility Committee (CGRC), which consists entirely of

independent, nonemployee directors. Each year, the CGRC receives an annual report on the company's policies and practices regarding political contributions.

The Senior Vice President of Global Government Relations reports to the CGRC each year on trade association memberships and to the full Board on the global lobbying and government relations program. The CGRC's oversight of the company's political activities ensures compliance with applicable law and alignment with its policies, strategic priorities, Code of Business Conduct and values.

In 2020, the company established a bipartisan Advisory Board of leaders representing a cross-section of Honeywell who meet regularly to review proposed HIPAC and corporate disbursements to assess alignment with Honeywell's Foundational Principles: Integrity and Ethics, Inclusion and Diversity, and Workplace Respect. The Advisory Board also reviews memberships in third-party organizations (including trade associations) and alignment of proposed disbursements with Honeywell's principles. The Advisory Board meets at the start of each Congress, and at least quarterly thereafter, to determine whether proposed recipients of funding are eligible in alignment with Honeywell's foundational values.

Advisory Board decisions are documented and reported quarterly to the HIPAC Board of Directors and to Honeywell's Chief Executive Officer. Honeywell's Senior Vice President, Global Government Relations, also includes notable Advisory Board decisions in the annual report to the CGRC.

# SASB/TCFD INFORMATION

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# SASB/TCFD INFORMATION

## SASB

The following disclosures are aligned to the Sustainability Accounting Standards Board (SASB) framework for the Resource Transformation—Electrical and Electronic Equipment (EE) industry. As a diversified industrial manufacturer, the nature of Honeywell’s business does not fit squarely within one industry, so Honeywell has included metrics aligned to other industries we believe would be of interest to our investors. Honeywell will continue to evaluate the disclosure of additional topics relevant to our industries, taking into account materiality, availability of reliable data and competitive sensitivities.

Topic	Accounting Metric	SASB Code	Honeywell Metric <sup>1</sup> /Disclosure Location
Greenhouse Gas Emissions	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	RT-CH-110a.1	690,042 metric tons CO <sub>2</sub> e <sup>2</sup> ; 2.6% under emissions-limiting regulations
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	RT-CH-110a.2	<a href="#">Driving Growth Sustainably</a>
Energy Management	(1) total energy consumed, (2) percentage grid electricity, (3) percentage renewable	RT-EE-130a.1	(1) 16,198,587 GJ
			(2) 36% grid electricity
			(3) 1% renewable energy
Water Management	1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	RT-CH-140a.1	21,401 <sup>3</sup> thousand cubic meters 20% in water-stressed regions
	Description of water management risks and discussion of strategies and practices to mitigate those risks	RT-CH-140a.3	<a href="#">Wastewater and Effluent Management and Water Stewardship</a>
Hazardous Waste Management	Amount of hazardous waste generated	RT-CH-150a.1	13,595 metric tons generated
Workforce Health & Safety	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	RT-CH-320a.1	0.18 <sup>4</sup>
	Description of efforts to assess, monitor and reduce exposure of employees and contract workers to long-term (chronic) health risks	RT-CH-320a.2	<a href="#">Protecting the Workforce</a>

Topic	Accounting Metric	SASB Code	Honeywell Metric <sup>1</sup> /Disclosure Location
Community Relations	Discussion of engagement processes to manage risks and opportunities associated with community interests	RT-CH-210a.1	<a href="#">Report on Honeywell Due Diligence Process to Identify and Address Environmental and Social Risk</a>
Materials Sourcing	Description of the management of risks associated with the use of critical materials	RT-EE-440a.1	<a href="#">Critical Materials</a>
		RT-AE-440a.1	
Management of the Legal & Regulatory Environment	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	RT-CH-530a.1	<a href="#">Political Contributions</a>
Business Ethics	Description of policies and practices for prevention of: (1) corruption and bribery, and (2) anti-competitive behavior	RT-EE-510a.1	<a href="#">Integrity and Compliance</a> Anti-Corruption Policy Highlights Code of Business Conduct: Avoiding Conflicts of Interest, Seeking Business Openly and Honestly, Compliance with International Competition Laws
	Discussion of processes to manage business ethics risks throughout the value chain	RT-CH-150a.1	<a href="#">Integrity and Compliance</a> Code of Business Conduct: One Honeywell How We Treat Our Customers, One Honeywell How We Treat Our Suppliers
	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption (and/or illicit international trade)	RT-CH-320a.1	SEC Filings: Information on legal proceedings is disclosed in our Annual Report on Form 10-K and in our Quarterly Reports on Form 10-Q
	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	RT-CH-320a.2	SEC Filings: Information on legal proceedings is disclosed in our Annual Report on Form 10-K and in our Quarterly Reports on Form 10-Q
Activity	Number of employees	RT-EE-000.B	95,000 <sup>5</sup>
		RT-AE-000.B	

<sup>1</sup> Represents 2023 data. <sup>2</sup> Reported pursuant to The Greenhouse Gas Protocol. <sup>3</sup> Water withdrawal and Hazardous waste data reported does not include Units currently under remediation. <sup>4</sup> TRIR for employees and directly supervised contractors and calculated based on OSHA guidelines. <sup>5</sup> Excludes Sandia National Laboratories (Sandia) and Kansas City National Security Campus (KCNSC) work forces of approximately 24,000 employees. Sandia and KCNSC are U.S. Department of Energy facilities. Honeywell manages these facilities as a contract operator and does not establish or control their human resource policies.

**TCFD DISCLOSURE**

The following table maps Honeywell’s publicly available climate-related discussion against the framework developed by the Task Force on Climate-Related Financial Disclosures. For detailed discussion, please see the referenced documents.

<b>Governance</b>		
<b>Disclose the organization’s governance around climate-related risks and opportunities.</b>		
<b>Summary response</b>	<b>Recommended disclosure</b>	<b>Disclosure location</b>
<p>Honeywell is committed to strong corporate governance policies, practices and procedures designed to ensure our Board effectively exercises its oversight role. Our Board is responsible for, among other things, reviewing and monitoring implementation of Honeywell’s strategic plans, reviewing risk assessments, and monitoring mitigation activities with respect to significant risks and issues facing the company, including climate-related risks and opportunities. The Board’s Corporate Governance and Responsibility Committee (CGRC) has primary responsibility for managing climate-related risks and opportunities. Roles for assessing and managing climate-related risks and opportunities are integrated into a number of functions and committees throughout the company. Honeywell’s Vice President, Health, Safety, and Environment is responsible for implementing our HSEPS Management System. Environmental goals are established annually with each of our strategic businesses. Honeywell’s Corporate Energy &amp; Sustainability Team (CEST) drives our company’s goals and is led by our Integrated Supply Chain and Global Real Estate organizations. The cross-business, cross-function team meets monthly and is responsible for driving improvements through a rigorous process of goal setting, monitoring and measurement, training and best practice sharing. Progress on these goals is reported quarterly to the Company’s ESG Review Board and periodically to the CEO, and is reviewed with the CGRC at least annually.</p>	a) Describe the board’s oversight of climate-related risks and opportunities.	CDP Climate Change Report 2024 Proxy: Corporate Governance
	b) Describe management’s role in assessing and managing climate-related risks and opportunities.	CDP Climate Change Report

## Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.

Summary response	Recommended disclosure	Disclosure location
<p>Honeywell's diverse portfolio of products, solutions, end-markets and business models — along with our decentralized operational footprint and our rigorous risk identification, assessment and planning processes — help mitigate the impact of climate-related risks. We do not believe climate-related risks are reasonably likely to have a material effect in the foreseeable future on the company's business or the markets it serves, nor on our results of operations, capital expenditures, or financial position. Honeywell is uniquely positioned to help shape a safer future with less environmental impact. We continue to invent and develop technologies that provide our customers with adaptable and efficient solutions to address their safety, energy and environmental needs.</p>	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	CDP Climate Change Report TCFD Information Table A & Table B
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	CDP Climate Change Report TCFD Information Table A & Table B
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	CDP Climate Change Report

## Risk Management

Disclose how the organization identifies, assesses, and manages climate-related risks.

Summary response	Recommended disclosure	Disclosure location
<p>Honeywell regularly assesses risks and opportunities at both a company-wide and asset-specific level to determine both probability of occurrence and potential impact to the business. This assessment is incorporated into our standard business planning and opportunity and risk management processes. While risk and opportunity management are part of our standard business operations, the Board has responsibility for risk oversight and regularly reviews top-level, strategic, operational, reporting and compliance risks.</p>	a) Describe the organization's processes for identifying and assessing climate-related risks.	CDP Climate Change Report
	b) Describe the organization's processes for managing climate-related risks.	CDP Climate Change Report
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	CDP Climate Change Report

## Metrics and Targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

Summary response	Recommended disclosure	Disclosure location
<p>Honeywell has a long history of setting and achieving targets to reduce greenhouse gas emissions. In 2023, Honeywell exceeded its 5-year “10-10-10” target by achieving &gt;20% reduction in Scope 1 and 2 greenhouse gas emissions intensity, deploying 20 renewable energy opportunities, and certifying 28 facilities to ISO 50001. Honeywell has committed to be carbon neutral in facilities and operations<sup>1</sup> by 2035. Honeywell also has a science-based target approved by the Science Based Targets initiative (SBTi) that includes scope 3 emissions.</p>	<p>a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.</p>	<p>CDP Climate Change Report</p>
	<p>b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.</p>	<p><a href="#">ESG Data</a> CDP Climate Change Report</p>
	<p>c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.</p>	<p><a href="#">Planet</a> CDP Climate Change Report</p>

<sup>1</sup>Scope 1 and Scope 2



**Table A: Examples of climate-related risks with mitigation strategies**

Risk type	Potential financial impact (-)	Time horizon			Mitigation strategy
		Short	Medium	Long	
<b>Transition: Policy and Legal</b>	Increased pricing of greenhouse gas emissions due to regulations			X	Honeywell has a comprehensive energy efficiency program and has implemented more than 6,500 sustainability projects since 2010 with an estimated annualized savings of more than \$100 million. Honeywell has committed to be carbon neutral in facilities and operations <sup>1</sup> by 2035 and has a science-based target approved by the Science Based Targets initiative (SBTi) that includes scope 3 emissions. Additionally, we evaluate the potential impact from changes in climate-related regulations and litigation on a quarterly basis.
<b>Transition: Market</b>	Reduced demand for goods and services due to shift in consumer preferences or changes in purchasing power			X	Honeywell continuously innovates to expand sustainable opportunities with our products and services. Approximately 60% of our new product research and development investment is directed toward sustainability-oriented outcomes <sup>1</sup> including offerings related to reducing GHG emissions. In addition, each of our new products is subject to an eco-efficiency assessment considering opportunities to improve energy efficiency, and each quarter we assess whether changes in our product mixes may impact GHG emissions.
<b>Physical: Acute</b>	Reduced revenue from business disruption			X	Climate change data is incorporated into the emergency response plans for every one of our facilities, which specify programs to mitigate the potential risks of physical damage. In addition, we evaluate on a quarterly basis the potential for impact to our supply chain from physical damage due to climate-related events. Our Business Continuity Management Program also creates plans to help ensure the company can continue critical operations in the event of a disaster and promptly recover essential systems and technology.
	Increased costs from repairing or restoring damaged locations			X	Climate change data is incorporated into the emergency response plans for every one of our facilities, which specify programs to mitigate the potential risks of physical damage. In addition, we evaluate on a regular basis the potential for impact to our supply chain from physical damage due to climate-related events. Our Business Continuity Management Program also creates plans to help ensure the company can continue critical operations in the event of a disaster and promptly recover essential systems and technology.
<b>Physical: Chronic</b>	Increased cost related to relocation due to sea level rise			X	Honeywell’s Global Real Estate group incorporates physical risk considerations as part of due diligence for any new locations.
<b>Physical: Chronic</b>	Increased cost related to increased need for cooling and heating due to changing temperatures			X	Honeywell’s Global Real Estate group incorporates energy efficiency and energy procurement as part of due diligence for any new location to help manage costs related to energy use, heating and cooling. In addition, Honeywell has a comprehensive program to audit, identify, execute and track completion of energy efficiency projects in all our facilities. Since project tracking began in 2010, more than 6,500 sustainability projects have been implemented at our facilities and have resulted in more than \$100M in annualized savings. These include building automation and controls, lighting, compressed air and gas systems, mechanical upgrades and renewable energy projects.

<sup>1</sup> Sustainability-oriented offerings are solutions that help improve safety, environmental impact, health, security, resilience and accountability. Methodology for identifying sustainability-oriented offerings is available at [investor.honeywell.com](https://investor.honeywell.com) (see “ESG/ESG Information/Identification of Sustainability-Oriented Offerings”).

**Table B: Examples of climate-related opportunities with strategies to realize the opportunity**

Risk type	Potential financial impact (-)	Time horizon			Mitigation strategy
		Short	Medium	Long	
Resource Efficiency	Reduced operating costs through efficiency gains and cost reductions by moving to more efficient buildings	X			Through the Global Real Estate group, Honeywell consistently seeks energy-efficient alternatives and initiatives to implement throughout our facilities for new construction, project upgrades and retrofits. In addition, Honeywell has a comprehensive energy efficiency program with periodic audits, goals and project reviews to completion. There have been more than 6,500 sustainability projects implemented since 2010 with an estimated annualized savings of more than \$100 million.
	Increase revenue through demand for sustainable products		X		Honeywell continuously innovates to expand our portfolio of sustainable products and services. Approximately 60% of our new product research and development investment is directed toward sustainability-oriented outcomes <sup>1</sup> including offerings related to reducing GHG emissions. In 2023, Honeywell announced the simplification of its operating structure to focus on three powerful megatrends: automation, the future of aviation and energy transition. We continue to introduce cutting-edge offerings for a vast number of global markets and industries, with a portfolio of products and solutions including energy efficiency, electrification, net zero enablers, health, safety and security, circularity, and measurement and reporting. Climate-related scenario modeling is part of our annual business planning process. We use socioeconomic climate models with different scenario assumptions to determine product strategy and customer impact for products that address greenhouse gas emissions, energy efficiency and changes in fuel use such as decarbonization, renewable fuels and power.
	Better competitive position to reflect shifting consumer preferences, resulting in increased revenues			X	Our Government Relations team identifies and assesses emerging trends and advocates for favorable policies, legislation and regulation globally to promote clean energy and energy efficiency. Changes in regulations, increases in the demand for advanced building controls and energy efficient products, and the transition to a lower-carbon economy support demand for our sustainable products. We estimate that Honeywell technologies will have a cumulative impact of mitigating 2.0 billion metric tons of CO <sub>2</sub> e between 2023 and 2030. <sup>2</sup>

<sup>1</sup>Sustainability-oriented offerings are solutions that help improve safety, environmental impact, health, security, resilience and accountability. Methodology for identifying sustainability-oriented offerings is available at [investor.honeywell.com](https://investor.honeywell.com) (see “ESG/ESG Information/Identification of Sustainability-Oriented Offerings”). <sup>2</sup> Methodology for estimating GHG mitigation impact is available at [investor.honeywell.com](https://investor.honeywell.com) (see “ESG/ESG Information/GHG Mitigation Impact of Honeywell Technologies”).



ESG Data Sheet

Category	Metric	2022	2023
Greenhouse Gas (GHG) Emissions <sup>1</sup>	Scope 1 GHG emissions, metric tons CO <sub>2</sub> e	1,059,105	690,042
	Scope 2 GHG emissions, location-based, metric tons CO <sub>2</sub> e	697,091	665,877
	Total Scope 1 & 2 emissions, location-based, metric tons CO <sub>2</sub> e	1,756,196	1,355,919
	GHG intensity, Scope 1 & 2 location-based, metric tons CO <sub>2</sub> e/\$M revenue	49.5	37.0
	Scope 2 GHG emissions, market-based, metric tons CO <sub>2</sub> e	694,255	695,345
	Scope 3 GHG emissions <sup>2</sup> , select categories, metric tons CO <sub>2</sub> e		
	Purchased goods and services	16,222,277	15,557,194
	Capital goods	471,091	608,814
	Fuel and energy-related activities (not included in Scope 1 & 2)	349,765	332,286
	Upstream transportation and distribution	876,674	262,323
	Waste generated in operations	95,754	61,698
	Business travel	72,177	98,749
	Employee commuting	106,537	104,789
	Upstream leased assets	591	433
	Downstream leased assets	6,424	9,983
	Carbon neutrality pledge <sup>3</sup>		Scope 1 and Scope 2 by 2035
Science-based targets <sup>4</sup>		SBTi Committed	

ESG Data Sheet				
Category	Metric	2022	2023	
Energy Management	Total energy consumed, gigajoules	16,462,506	16,198,587	
	% grid electricity	37%	36%	
	% renewable	1%	1%	
	Energy intensity, billion British thermal units/\$M revenue	0.440	0.420	
Hazardous Waste	Total hazardous waste generated, metric tons	13,414	13,595	
Water Management	Total water withdrawal, thousand cubic meters	20,986	21,401	
	% water withdrawal in water-stressed locations, as defined by SASB	23%	20%	
	Projects completed in water-stressed locations since 2013	185	195	
	Water saved from projects in water-stressed regions since 2013, thousand cubic meters	625	662	
Sustainability Projects <sup>5</sup>	Number of sustainability projects completed since 2010	6,300	6,500	
Workforce Health and Safety <sup>6</sup>	Total recordable incident rate (TRIR) for direct employees	0.20	0.18	
	TRIR weighted industry average	1.73	1.81	
	Total lost workday case incident rate (LWCIR)	0.1	0.1	
	LWCIR weighted industry average	0.66	0.67	
	Fatality rate for direct employees <sup>7</sup>	0.000	0.001	
Sustainability-Oriented Solutions <sup>8</sup>	% revenue	>60%	>60%	
	% new product research and development	~60%	~60%	
Certification	% manufacturing sites with ISO 9001 / AS 9001	93%	92%	
	% manufacturing sites with ISO 14001 / RC 14001	37%	37%	
	% manufacturing sites with ISO 45001 / OHSAS 18001 / VPP	38%	39%	
	Number of sites with ISO 50001	26	28	

ESG Data Sheet				
Category	Metric	2022	2023	
Board of Directors <sup>9</sup>	Number of directors	10	12	
	Number of independent directors	9	10	
	Number of women	4	4	
	Number of men	6	8	
	Number of people of color	4	5	
	Asian Pacific Islander	1	2	
	Black	2	2	
	Hispanic	1	1	
Human Capital <sup>10</sup>	Number of employees (global)	97,000	95,000	
	Number of employees (U.S.)	34,000	33,000	
	Women, % of total workforce (global)	29.50%	29.60%	
	Men, % of total workforce (global)	70.50%	70.40%	
	Undisclosed, % of total workforce (global)	~0.00%	0.10%	
	Women, % of executives (global)	25.90%	28.40%	
	Men, % of executives (global)	74.10%	71.60%	
	Undisclosed, % of executives (global)	0.00%	0.00%	
	Women, % of other managers (global)	21.40%	21.90%	
	Men, % of other managers (global)	78.60%	78.00%	
Undisclosed, % of other managers (global)	~0.00%	~0.00%		

ESG Data Sheet

Category	Metric	2022	2023
Human Capital <sup>10</sup>	White, % of total workforce (U.S.)	64.60%	63.40%
	People of Color, % of total workforce (U.S.)	35.40%	36.60%
	Black	10.50%	10.70%
	Hispanic	10.00%	10.20%
	Asian Pacific Islander	12.90%	13.50%
	Other	2.00%	2.20%
	White, % of executives (U.S.)	76.10%	73.20%
	People of Color, % of executives (U.S.)	23.90%	26.80%
	Black	3.40%	2.90%
	Hispanic	3.70%	4.30%
	Asian Pacific Islander	14.30%	16.90%
	Other	2.50%	2.70%
	White, % of other managers (U.S.)	71.60%	70.10%
	People of Color, % of other managers (U.S.)	28.40%	29.90%
	Black	5.80%	5.70%
	Hispanic	6.30%	6.60%
	Asian Pacific Islander	14.20%	15.20%
	Other	2.10%	2.40%

ESG Data Sheet				
Category	Metric		2022	2023
Reporting	CDP Climate Report		Yes	Yes
	TCFD Report		Yes	Yes
	SASB Report		Yes	Yes
	EEO-1 Report		Yes	Yes

<sup>1</sup> Limited third-party GHG assurance obtained since 2011.

<sup>2</sup> Represents estimated Scope 3 GHG emissions for the select categories disclosed in our CDP Climate Report.

<sup>3</sup> Announced April 2021.

<sup>4</sup> Commitment letter submitted to the Science Based Targets initiative (SBTi) in February 2022 and validated in April 2023.

<sup>5</sup> Energy, GHG, water and waste projects

<sup>6</sup> Weighted industry averages are based on the following NAICS benchmark codes: 237, 325, 326, 334, 541, 2382, 2389, 3162, 3339, 3364.

<sup>7</sup> Metrics calculated in accordance with SASB definitions.

<sup>8</sup> Sustainability-oriented offerings are solutions that help improve safety, environmental impact, health, security, resilience and accountability. Methodology for identifying sustainability-oriented offerings is available at [investor.honeywell.com](https://investor.honeywell.com) (see “ESG/ESG Information/Identification of Sustainability-Oriented Offerings”).

<sup>9</sup> Data presented as of December 31 of the applicable year.

<sup>10</sup> As of December 31, 2023, unless otherwise indicated. Percentages may not equal 100% due to rounding. Excludes Sandia National Laboratories (Sandia) and Kansas City National Security Campus (KCNSC) workforces. Sandia and KCNSC are U.S. Department of Energy facilities. Honeywell manages these facilities as a contract operator and does not establish or control their human resources policies. The executives category represents executive-band employees.