Welcome to your CDP Climate Change Questionnaire 2021

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Honeywell invents and commercializes technologies that address some of the world's most critical challenges around energy, safety, security, productivity and global urbanization. As a diversified technology and manufacturing company, we are uniquely positioned to blend physical products with software to serve customers worldwide with aerospace products and services; energy efficient products and solutions for businesses; specialty chemicals, electronic and advanced materials; process technology for refining and petrochemicals; and productivity, sensing, safety and security technologies for buildings and industries. Our products and solutions enable a safer, more comfortable and more productive world, enhancing the quality of life of people around the globe. We manage our operations through four operating segments: Aerospace, Honeywell Building Technologies (HBT), Performance Materials and Technologies (PMT), and Safety and Productivity Solutions (SPS).

Aerospace products and services are found on virtually every commercial, defense and space aircraft. The Aerospace business unit builds aircraft engines, cockpit and cabin electronics, wireless connectivity systems, mechanical components and more. Its hardware and software solutions create more fuel-efficient aircraft, more direct and on-time flights, and safer skies and airports. Honeywell Forge solutions are designed to identify and resolve problems faster, making fleet management and flight operations more efficient.

HBT is a leading global provider of products, software, solutions and technologies found in more than 10 million buildings worldwide that enable commercial building owners and occupants to ensure their facilities are safe, energy efficient, sustainable and productive. HBT products and services include advanced software applications for building control and optimization; sensors, switches, control systems and instruments for energy management; access control; video surveillance; fire products; remote patient monitoring systems; and installation, maintenance and upgrades of systems that keep buildings safe, comfortable and productive. Honeywell Forge solutions are designed to digitally manage buildings to use space intelligently, cut operating expenses and reduce maintenance.

PMT is a global leader in developing and manufacturing advanced materials, process technologies and automation solutions. UOP provides process technology, products, including catalysts and adsorbents, equipment and consulting services that enable customers to efficiently produce gasoline, diesel, jet fuel, petrochemicals and renewable fuels. Process Solutions is a pioneer in automation control, instrumentation, advanced software for industry, and through its metering business, enables utilities and distribution companies to deploy advanced capabilities that transform operations, improve reliability and environmental sustainability, and better serve customers. Advanced Materials manufactures a wide variety of high-performance products, including fluorocarbons, hydrofluoroolefins, specialty films, waxes, additives, advanced fibers, customized research chemicals and intermediates, and electronic materials and chemicals. Honeywell Forge's cybersecurity capabilities help identify risks and act on cyber-related incidents, together enabling improved operations and protecting processes, people and assets.

SPS is a leading global provider of products, software and connected solutions to customers around the globe that improve productivity, workplace safety and asset performance. SPS products include personal protection equipment and footwear; gas detection technology; mobile devices and software for computing, data collection and thermal printing; supply chain and warehouse automation equipment, software and solutions; custom-engineered sensors, switches and controls for sensing and productivity solutions; and software-based data and asset management productivity solutions. Honeywell Forge solutions digitally automate processes to improve efficiency while reducing downtime and safety costs.

Honeywell has a commitment to making our business operations more environmentally friendly and sustainable. Our internal efforts have improved our Scope 1 and Scope 2 greenhouse gas intensity by more than 90% since 2004. And we are committed to achieving more. In 2019, Honeywell set a new five-year “10-10-10” target to reduce global Scope 1 and Scope 2 greenhouse gas emissions by an additional 10% per dollar of sales from 2018 levels, to deploy at least 10 renewable energy opportunities, and to achieve certification to ISO’s 50001 Energy Management Standard at 10 facilities, all by 2024. Environmental responsibility is important to our long-term growth. Being a steward of the environment ensures economic sustainability for our shareholders and employees, and it enables continued development of products to meet the demands of an expanding global economy.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years
Reporting year	January 1, 2020	December 31, 2020	No

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

Algeria
Angola
Argentina
Australia
Austria
Azerbaijan
Bahrain
Belarus
Belgium
Brazil
Bulgaria
Canada
Chile
China
China, Hong Kong Special Administrative Region
Colombia
Croatia
Czechia
Denmark
Egypt
Finland
France
Germany
Greece
Hungary
India

Indonesia
Iraq
Ireland
Israel
Italy
Japan
Jordan
Kazakhstan
Kenya
Kuwait
Latvia
Lithuania
Luxembourg
Malaysia
Mexico
Monaco
Morocco
Netherlands
New Zealand
Nigeria
Norway
Oman
Peru
Philippines
Poland
Portugal
Puerto Rico
Qatar
Republic of Korea
Romania

Russian Federation
Saudi Arabia
Singapore
Slovakia
South Africa
Spain
Sweden
Switzerland
Taiwan, Greater China
Thailand
Trinidad and Tobago
Tunisia
Turkey
Ukraine
United Arab Emirates
United Kingdom of Great Britain and Northern Ireland
United States of America
Uzbekistan
Venezuela (Bolivarian Republic of)
Viet Nam

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Director on board	The Independent Lead Director serves as the de facto leader of the independent directors and serves as the single focal point charged with ensuring that the Board as a whole is providing appropriate independent oversight of management. Honeywell's Board of Directors is responsible for, among other things, reviewing and monitoring implementation of Honeywell's strategic plans and annual operating plans, reviewing assessments, advising management and monitoring mitigation activities with respect to, significant risks and issues facing the Company, including climate-related risks and opportunities.
Board-level committee	The Board of Directors' Audit Committee oversees the Company's Enterprise Risk Management (ERM) and Crisis Incident Management programs as well as operational business continuity, including catastrophic risks such as natural disasters and plant accidents. The Board of Directors' Corporate Governance and Responsibility Committee (CGRC) oversees and is ultimately responsible for the company's Health, Safety, Environment, Product Stewardship and Sustainability (HSEPS) function which includes climate change

	matters. Climate change matters are overseen at the Board level through periodic reviews with the Board's CGRC. Strategy and progress against climate change goals are reported and discussed during these reviews.
Chief Executive Officer (CEO)	Climate change matters are also overseen at the Board level through direct engagement by Honeywell's Chairman and CEO. Each of our strategic business units is required to establish annual greenhouse gas and energy efficiency targets that must be approved by our CEO during our annual planning cycle. Performance against these targets is monitored by our Energy and Sustainability Team and reported quarterly to our CEO.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding business plans Setting performance objectives Monitoring implementation and performance of objectives Overseeing major capital expenditures, acquisitions and divestitures	The Board of Directors' Audit Committee meets eight times per year and together with the full Board, exercises oversight over management's enterprise risk management (ERM) process and assesses whether mitigation strategies for the risks identified through the ERM process are adequate. The Audit Committee also exercises oversight over the Company's business continuity and crisis management programs. The Board of Directors' Corporate Governance and Responsibility Committee meets three times per year and reviews the Company's policies and programs relating to compliance with its Code of Business Conduct, health, safety and environmental matters, equal employment opportunity and such other matters as may be brought to the attention of the Committee regarding the Company's role as a responsible corporate citizen.

	Monitoring and overseeing progress against goals and targets for addressing climate-related issues	

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Chief Executive Officer (CEO)	Assessing climate-related risks and opportunities	Annually
Chief Sustainability Officer (CSO)	Both assessing and managing climate-related risks and opportunities	Annually
Risk committee	Both assessing and managing climate-related risks and opportunities	Annually
Corporate responsibility committee	Both assessing and managing climate-related risks and opportunities	As important matters arise
Sustainability committee	Both assessing and managing climate-related risks and opportunities	Not reported to the board
Other, please specify Senior Vice President, Government Relations	Assessing climate-related risks and opportunities	Half-yearly
Environment/ Sustainability manager	Assessing climate-related risks and opportunities	Not reported to the board

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

Honeywell's Chief Sustainability Officer (CSO) has overall responsibility for executing the Sustainability program and reports to the Senior Vice President and General Counsel who reports to our CEO.

Environmental initiatives are embedded into every business within Honeywell. The Health, Safety, Environment, Product Stewardship, and Sustainability (HSEPS) organization, led by our CSO, comprises functions focused on workplace safety and health, environmental performance, regulatory compliance, and risk. The team also works with our business unit and operational leaders to drive an integrated, enterprise-wide strategy that includes our products, services, processes and operations.

Responsibilities of Honeywell's CSO include, among other things, management of the Company's HSEPS risk, including risk related to climate change. A Corporate Energy and Sustainability Team, led by the CSO, the Vice President of Global Real Estate and the Sr. Director of Sustainability, drives the company's greenhouse gas and energy efficiency goals and ensures that strategy and performance targets are set and monitored.

Emerging developments related to climate-related risks are monitored via a quarterly questionnaire that is circulated by the CSO throughout the Company's HSE leadership and relevant business unit contacts. In addition, as part of our HSEPS Management System, we have a process for specifically tracking emerging regulatory changes and their impact on business operations, sales markets, and costs of doing business.

Our Corporate Audit function serves as Honeywell's risk committee and is responsible for implementing and managing our Enterprise Risk Management process. Corporate Audit is an independent group that reports to the Audit Committee of the Board and to the CFO.

Honeywell's corporate responsibility committee, known as the ESG Steering Committee, is made-up of C-suite members led by the Senior Vice President and General Counsel and includes the President and CEO Honeywell Connected Enterprise; the Senior Vice President and CCO; the Senior Vice President and Chief ISC Officer; and the Senior Vice President and Chief HR Officer. This committee reports to our CEO and is responsible for developing and assessing Honeywell's overall ESG-related strategy including global corporate citizenship risks and opportunities.

Honeywell's sustainability committee, known within Honeywell as the Citizenship Council, is led by the CSO and includes the General Counsel, Governance and Finance and Deputy Corporate Secretary; the Vice President of Customer Marketing; the Vice President of Communications; the Vice President and Treasurer; the Assistant Treasurer; the Vice President of Government Relations; the Vice President of Investor Relations; the Senior Investor Relations Analyst; the Vice President and Chief Technology Officer; the Senior Communications Director; and the Senior Director of Sustainability. This committee operates under the auspices of the ESG Steering Committee. The Citizenship Council is responsible for assessing and managing global corporate citizenship risks and opportunities, analysing and recommending new strategies, and monitoring progress against expectations.

Honeywell's Senior Vice President of Government Relations has overall responsibility for managing government affairs, including advocating for favourable policies to promote clean energy and energy efficiency. This position reports to the Senior Vice President and General Counsel who reports to our CEO.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity inventivized	Comment
Chief Executive Officer (CEO)	Monetary reward	Other (please specify) ESG	Performance on ESG is taken into account in determination of discretionary portion of annual bonus (20% of Incentive Compensation Plan) including sustained achievement of public goals and improving sustainability of company operations.

Chief Sustainability Officer (CSO)	Monetary reward	Emissions reduction target Energy reduction target	Performance against these goals is a key consideration for determination of compensation and incentives.
Environment/Sustainability manager	Monetary reward	Emissions reduction target Energy reduction target	Honeywell's Sr. Director of Sustainability, and Environmental Leaders from each business group have annual performance goals related to achieving their GHG and energy efficiency targets. Performance against these goals is a key consideration for determination of compensation and incentives.
Energy manager	Monetary reward	Emissions reduction target Energy reduction target	Energy Managers from each business group and Corporate have annual performance goals related to achieving their GHG and energy efficiency targets. Performance against these goals is a key consideration for determination of compensation and incentives.
Facilities manager	Monetary reward	Energy reduction project Energy reduction target Behavior change related indicator	Facility Managers from each business group and Corporate have annual performance goals related to achieving their energy reduction projects and targets. Performance against these goals is a key consideration for determination of compensation and incentives.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	1	
Medium-term	1	5	
Long-term	5		

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

There is not one definition of substantive financial or strategic impact to our business. One significant factor is financial reporting materiality, which we analyse in conjunction with our external auditors, and is measured in the context of key financial metrics such as revenue, earnings, results of operations, cash flow, and short- and long-term assets and liabilities. As a company of a considerable size, risk to financial performance is a quantitative analysis. However, it is not the only threshold by which we manage our risk or our business. We apply various thresholds and lenses within our process, controls and governance, including non-financial considerations such as reputational risk and impact to our broader stakeholder community of employees, communities, suppliers, customers and shareholders.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

Honeywell regularly assesses risks and opportunities at both a company-wide and asset-specific level to determine both probability of occurrence and impact to the business. The assessment measures both inherent probability and impact as well as residual probability and impact. This assessment is incorporated into our standard business planning, and opportunity and risk management processes. While risk and opportunity management is part of the standard business operations, the Board of Directors has responsibility for risk oversight and regularly reviews top-level, strategic, operational, reporting and compliance risks.

Relevant Board Committees review specific risk areas and report on their deliberations to the Board. The full Board oversees risk in several ways. Through periodic management updates on the financial and operating results, as well as annual operating and three-year strategic plans, the Board provides input to management both on ordinary course, business and commercial operating risks as well as prospective risks. Annually, management reports to the Audit Committee and full Board on findings from its company-wide Enterprise Risk Management (ERM) program which is led by our Corporate Audit function. Through the ERM program, management identifies the most significant risks facing the company and ensures that, where possible, it deploys adequate risk mitigation strategies. Risks and opportunities associated with the environment or climate change, which are often coupled with energy-related activity, are evaluated through the ERM program and our standard risk, opportunity and governance processes.

Climate change matters are also overseen at the Board level through periodic reviews with the Board’s Corporate Governance and Responsibility Committee. Strategy and progress against climate change goals are reported and discussed during these reviews.

Potential climate-related risks are identified by a team led by our CSO on a quarterly basis and incorporated into our ERM program. Emerging developments related to climate-related risks are monitored via a quarterly questionnaire that is circulated throughout the company's HSE leadership and relevant business unit contacts. The GHG-specific data are assessed quarterly in the context of identifying the company's material risks for disclosure and enterprise risk management purposes.

Each of our businesses are also required to prepare at the asset level Business Continuity and Emergency Response plans that consider, among other risks, the impact of severe weather events on our manufacturing assets and supply chains. Our emergency planning procedures are developed based on site risk assessments where physical risks are assessed using Swiss RE's CatNet, which provides assessments of natural hazard exposures worldwide including unique high-resolution data for storm surge, tsunami, lightning and volcanic hazards. As part of our HSEPS Management System, we have a process for specifically tracking emerging regulatory changes and their impact on business operations, sales markets and costs of doing business.

Since 2017, Honeywell has been a member of the Corporate Eco Forum (CEF). This organization provides weekly and quarterly updates on developments in the sustainability and climate change area. In addition, CEF holds an annual Executive Retreat where members spend several days discussing sustainability and climate emerging topics in depth. Finally, CEF holds regular member-initiated conference calls for in-depth discussion of sustainability and climate issues.

The results of the ERM program, the HSEPS-led quarterly questionnaire, emergency planning, and our processes for monitoring emerging regulatory changes are assessed to determine whether any of the identified risks have the potential to generate a substantive change in our business operations, revenue or expenditures.

Climate-related opportunities are assessed through a number of ways. Through the Global Real Estate Group, Honeywell constantly seeks opportunities for more efficient buildings via energy efficiency gains, lower greenhouse gas emissions and reduced operating costs. We look at energy efficient alternatives and initiatives to implement throughout our facilities for new construction, facility upgrades, and retrofits. We have implemented a comprehensive energy efficiency program with periodic audits, annual goals, and project reviews from inception to completion. This program has resulted in approximately a 70% improvement in energy efficiency, with 5,700 projects completed since 2010 with an estimated annualized savings of $100M.

Honeywell continuously innovates to expand sustainable opportunities with its products and services. In addition, each of our new products must perform 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.

Honeywell's 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 regulation, increases in the demand for advanced building controls and energy efficient products, and the transition to a lower-carbon economy all influence Honeywell's strategic plans. The transition from high-GWP HFCs to low-GWP HFO alternatives presented a transition opportunity and, as a result, Honeywell has developed and commercialized three distinct molecules. Their ultra-low global-warming-potentials of 1 or lower are 99.9% lower than the products they replace. They can also be used in blends to reduce a product's overall GWP.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	We monitor developments in this area via a quarterly questionnaire that is circulated throughout the Company's HSE leadership and relevant business unit contacts. The questionnaire addresses, among other risks, material direct costs associated with mandatory greenhouse gas control programs. We also monitor developments in this area via our Government Relations (GR) Team, our membership in Corporate Eco Forum (CEF), and our HSEPS Management System. For instance, the GR Team monitors, among other things, market risks associated with changes in climate-related regulations and as part of our HSEPS Management System, we have a process for tracking regulatory requirements and adherence to those requirements.
Emerging regulation	Relevant, always included	We monitor emerging developments in this area via a quarterly questionnaire that is circulated throughout the Company's HSE leadership and relevant business unit contacts. The questionnaire addresses among other risks, material direct costs associated with mandatory greenhouse gas control programs. In addition, as part of our HSEPS Management System, we have a process for specifically tracking emerging regulatory changes and their impact on business operations, sales markets and costs of doing business. We also monitor emerging developments in this area via our Government Relations (GR) Team, our membership in

		Corporate Eco Forum (CEF) and our HSEPS Management System. For instance, the GR Team monitors, among other things, market risks associated with changes in climate-related regulations and as part of our HSEPS Management System, we have a process for specifically tracking emerging regulatory changes and their impact on business operations, sales markets and costs of doing business.
Technology	Relevant, always included	We monitor emerging developments in this area via a quarterly questionnaire that is circulated throughout the Company's HSE leadership and relevant business unit contacts. The questionnaire addresses among other risks, material direct costs associated with mandatory greenhouse gas control programs.
Legal	Relevant, always included	We monitor emerging developments in this area via a quarterly questionnaire that is circulated throughout the Company's HSE leadership and relevant business unit contacts. The questionnaire addresses, among other risks, material risks of litigation over potential effects of climate change.
Market	Relevant, always included	We monitor emerging developments in this area via our GR Team and our membership in CEF. For instance, the GR Team monitors, among other things, market risks associated with changes in climate-related regulations.
Reputation	Relevant, always included	We monitor emerging developments in this area via our membership in CEF, among other methods, to identify developments in the sustainability and climate change area with the potential for reputation impact such as reporting practices.
Acute physical	Relevant, always included	We monitor emerging developments in this area via a quarterly questionnaire that is circulated throughout the Company's HSE leadership and relevant business unit contacts. The questionnaire addresses, among other risks, material physical or business impacts that are possible consequences of climate change such as natural disasters. In addition, our emergency planning procedures are developed based on site risk assessments where physical risks are assessed using Swiss RE's CatNet, which provides assessments of natural hazard exposures worldwide including unique high-resolution data for storm surge, tsunami, lightning and volcanic hazards.
Chronic physical	Relevant, always included	Emergency Planning procedures are developed based on site risk assessments, in consideration of potential impacts of climate change. Physical risks are assessed using Swiss RE's CatNet, which provides assessments of natural hazard exposures worldwide including projections for rising sea levels, rising temperatures and changes in precipitation.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

No

C2.3b

(C2.3b) Why do you not consider your organization to be exposed to climate-related risks with the potential to have a substantive financial or strategic impact on your business?

	Primary reason	Please explain
Row 1	Risks exist, but none with potential to have a substantive financial or strategic impact on business	Based on our rigorous and disciplined risk management processes and in the context of assessing the Company's material risks, we do not believe that climate-related risks are reasonably likely to have a material effect in the foreseeable future on the Company's business or markets that it serves, nor on its results of operations, capital expenditures or financial position. Honeywell's diverse portfolio of products, solutions, end-markets and business models along with our decentralized operational footprint mitigates the impact of climate-related risks. We are a highly diversified technology and manufacturing company, we are uniquely positioned to blend physical products with software to serve customers worldwide with aerospace products and services, energy efficient products and solutions for businesses, specialty chemicals, electronic and advanced materials, process technology for refining and petrochemicals, and productivity, sensing, safety and security technologies for buildings and industries. We also have decentralized operations, with approximately 834 locations in over 70 countries, of which 226 are manufacturing sites. These factors reduce the risk that a climate-related event impacting a particular geographic location, product, or end-market will have a material financial impact on our business

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

The global phase-down consumption and production of HFCs under the Montreal Protocol Kigali Amendment will drive adoption of Honeywell's Solstice line of low-GWP HFO alternatives.

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Medium to high financial impact for our fluorine products business due to transition to low-GWP HFO alternatives. According to a market report, the refrigerants market is projected to reach $18.05 billion by 2022, at a CAGR of 4.5% from 2017 to 2022. As an example, mobile air conditioning is projected to be one of the fastest-growing applications in the refrigerants market. While Honeywell is well positioned to benefit from this growth and the transition away from HFCs and HCFCs, our actual portion of this revenue growth will depend on the market share captured for these products.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

Communicate with key stakeholders including regulators and legislators on the impact of our low-GWP offerings, diversification of product / service offering, and research and development in new product lines. All these actions have positively impacted the process, as awareness of offerings will enable HFC phase-down efforts. Honeywell Solstice products range from refrigerants, insulation materials, aerosols and solvents. Solstice molecules have ultra-low global-warming-potentials of 1 or lower and are 99.9% lower than the products they replace. They can also be used in blends to reduce a product's overall GWP. Honeywell worked with key associations to create a jobs and financial impact of the amendment on the US industry and is working on legislation through Congress instead of US ratification.

Comment

Costs are incorporated into corporate and legal/business activities.

Identifier

Opp2

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Development of new products or services through R&D and innovation

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

Our Honeywell Green Jet fuel can be blended in a 50/50 ratio with petroleum-based jet fuel and it offers significant advantages over petroleum jet fuel. It can reduce greenhouse gas emissions by 65-85% compared to petroleum-based fuels. Low-GWP mobile air-conditioning offering also provides alternatives to current less environmentally friendly offerings. Solstice is our low-GWP offering which has been developed based on R&D and innovation. Honeywell Solstice products range from refrigerants, insulation materials, aerosols and solvents. Solstice molecules have

ultra-low global-warming-potentials of 1 or lower and are 99.9% lower than the products they replace. They can also be used in blends to reduce a product's overall GWP.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

High financial impact for our fluorine products businesses due to adoption of Honeywell low-GWP HFO mobile air-conditioning alternatives.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

Communicate with key stakeholders including regulators and legislators regarding our low-GWP molecules offerings. Actions have positively impacted the process as awareness of offerings has enabled adoption of offerings. Solstice molecules have ultra-low global-warming-potentials of 1 or lower and are 99.9% lower than the products they replace. They can also be used in blends to reduce a product's overall GWP.

Comment

Costs are incorporated into corporate and legal/business activities.

Identifier

Opp3

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Development of climate adaptation, resilience and insurance risk solutions

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

Key government-sponsored programs and activities encourage the development and modernization of the electrical grid in the United States providing opportunities for Honeywell's demand side management technologies and solutions.

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Medium to high financial impact for our Smart Grid Solutions business due to our significant portfolio of the technology solutions in demand side management.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

Communicate with key stakeholders including regulators and legislators regarding Honeywell's Demand Side Management Technology Solutions. Actions have positively impacted the process as awareness of offerings has enabled adoption of offerings. Honeywell's Smart Grid Solutions have helped more than 60 utilities worldwide exceed energy efficiency and demand response goals. Honeywell has worked with utilities from many countries to help improve the utility customer experience and improve energy efficiency via Honeywell's suite of solutions for Demand Side Management.

Comment

Costs are incorporated into corporate and legal/business activities.

Identifier

Opp4

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

US domestic state level phase-down of high-GWP HFCs

Time horizon

Long-term

Likelihood

More likely than not

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

High financial impact for our fluorine products business due to state level transition to low-GWP HFO alternatives.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

Communicate with key stakeholders including state regulators and legislators regarding the impact of our low-GWP offerings, diversification of product / service offering, and research and development in new product lines. All these actions have positively impacted process as awareness of offerings will enable HFC phase-down efforts. Honeywell Solstice products range from refrigerants, insulation materials, aerosols and solvents. Solstice molecules have ultra-low global-warming-potentials of 1 or lower and are 99.9% lower than the products they replace. They can also be used in blends to reduce a product's overall GWP.

Comment

Costs are incorporated into corporate and legal/business activities.

Identifier

Opp5

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Other, please specify

Increased revenue through demand for lower emissions products and services

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

Increases the demand for advanced building controls and energy efficient products.

Time horizon

Long-term

Likelihood

About as likely as not

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Medium to high financial impact due to Honeywell's significant portfolio of advanced building controls and energy efficiency technologies. As an example, the market for energy efficiency commercial building retrofits is expected to grow significantly. Navigant Research forecasts that global revenue for these retrofits will grow from $68.2 billion in 2014 to $127.5 billion in 2023. While Honeywell is well positioned to benefit from this growth, our actual portion of this revenue growth will be dependent on the market share captured for these retrofits. (http://www.navigantresearch.com/research/energy-efficiency-retrofits-for-commercial-and-public-buildings).

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

Educate decision-makers (legislators and regulators) on the opportunities and positive impacts (reducing GHG emissions and energy consumption, resiliency, etc.) of government policies that promote advanced building controls and energy-efficient technologies. For example, energy savings performance contracts (ESPCs) allow federal agencies to procure energy savings and facility improvements with no up-front capital costs or special appropriations from Congress. Honeywell has completed more than 6,000 ESPCs around the world. Combined, the work is expected to decrease customers' energy and operating costs by an estimated $6 billion.

Comment

Costs are incorporated into corporate and legal/business activities.

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?

Yes, and we have developed a low-carbon transition plan

C3.1a

(C3.1a) Is your organization's low-carbon transition plan a scheduled resolution item at Annual General Meetings (AGMs)?

	Is your low-carbon transition plan a scheduled resolution item at AGMs?	Comment
Row 1	No, we do not hold AGMs	

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

Yes, qualitative and quantitative

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenarios and models applied	Details
IRENA IEA Sustainable development scenario Nationally determined contributions (NDCs) Other, please specify Proprietary models	We use socio-economic 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 and renewable fuels and power. Scenario modelling is part of our annual business planning process. Scenarios are selected from literature analysis to span a range of possible outcomes and are modified by internal analysis as appropriate to test the robustness of business plans to different market and regulatory conditions. Our Fluorine Products business sells refrigerants, blowing agents and propellants and is deploying a range of new molecules with lower global warming potential (GWP) into these markets to replace the incumbent high-GWP molecules and achieve the goals of the Kigali Amendment. This business uses proprietary models of global warming impact, together with socio-economic models of country-by-country regulatory timelines to predict the rate of adoption of low-GWP solutions in the markets they serve and develop and launch new products in time to meet Kigali Amendment objectives. The time frame extends to 2050 and the results of this analysis have been used to set timelines for new product development and deployment. Results of the modelling have also been shared with select customers in the refrigerant space. A specific business decision that was informed by the use of these models was Honeywell's decision to commercialize the Solstice™ line of GWP refrigerants for automotive air conditioning in 2015.

	Honeywell UOP's Sustainable Technology Solutions business sells technologies for energy storage, plastics recycling and sustainable fuels. This business uses IEA models and IPCC models (SRES A1, A2, B1, B2, SSPs 1-5, ASF, AIM, MARIA, MiniCAM, IMAGE, MESSAGE, etc.) as well as internal knowledge to develop proprietary global scenarios that predict the rate of adoption of renewable power and of decarbonized fuels by region and the resulting impacts on global carbon dioxide levels and the global electric power, oil refining and gas processing industries. The time frame extends to 2100 and the results of this analysis have been used to set timelines for new product development and deployment. Results of the modelling are shared with select customers in the energy industry. A specific business decision that was informed by the use of these models was UOP's decision to invest in developing battery technologies to enable broader use of intermittent renewable electricity. We consider the need for sustainable technologies to be a key focus for Honeywell as we see all countries transitioning to more sustainable technologies. As a critically important growth area, we have recently created an entire business unit based on scenario modelling. Our Sustainable Technology Solutions (STS) business includes renewable fuel technologies, energy storage and plastic recycling. We consider these as differentiators for Honeywell and will continue to look at all these as well as other opportunities as part of our scenario planning.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Changes in regulation, increases in the demand for advanced building controls and energy-efficient products, and changing consumer behaviors all influence Honeywell's business strategies. For example, US state regulations adopting now-defunct US Environmental Protection Agency (EPA) regulations, which were created with industry input, will drive a phase-out of many high-GWP HFCs. In addition, we are exploring federal legislation. Our businesses use these types of regulatory changes to influence their business strategy by focusing on the end used being phased out and targeting key customers in each of these end uses, thus driving opportunities to develop greener business.

		The Montreal Protocol Amendment consists of targets that included a phase-down of high-GWP HFCs. As a result of the amendment, our business shifted our business strategy to ensure that we could provide alternative products and solutions as the phase-downs are enacted globally.
Supply chain and/or value chain	No	Material supply chain impacts are monitored via a quarterly questionnaire that is circulated throughout the Company's HSE leadership and relevant business unit contacts. To-date, no material risks have been identified that influenced strategy.
Investment in R&D	Yes	As we identify new opportunities for products and services, we invest in R&D to bring those strategies to market. Use of IEA models and IPCC models as well as proprietary global scenarios that extend to 2100 help predict the rate of adoption and are used to set timelines for new product development and deployment. We have recently created a new business unit, Sustainable Technologies and Solutions (STS). The mission of STS is to develop and commercialize new technologies that meet the growing demand for sustainable solutions to the world's rising energy needs.
Operations	Yes	Honeywell's Environmental Management System requires ongoing identification of significant aspects, impacts of operation and operational controls. As a result, we have implemented controls related to energy management for our largest sites and controls for water management in our sites in water-stressed areas. These controls remain in effect for as long as the impact to operations persists. Climate-related strategies as a result of new product development also influence our strategy as it pertains to the identification of strategic sites and production changes required to deliver new product lines across the long-term time horizon. As part of our long-term strategy for our operations, Honeywell invested $300M for a new manufacturing plant in Louisiana that makes low-GWP refrigerants for mobile air conditioning.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Capital expenditures Capital allocation	For short- and medium-term financial planning we have been allocating capital to our businesses for energy efficiency improvements. Increasing energy costs have made energy efficiency upgrades such as LED retrofits a good investment. The results of these types of projects support the achievement of our GHG goals. We have completed 5700 greenhouse gas and energy savings projects saving an annualized $100M (2010-2020). In addition, when Honeywell creates and develops new products, technologies and services, capital is allocated for operations and facilities to manufacture and deliver those products. For instance, as part of our long-term strategy, Honeywell invested $300M for a new manufacturing plant in Louisiana that makes low-GWP refrigerants for mobile air conditioning.

C3.4a

(C3.4a) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Intensity target

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Year target was set

2019

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (location-based)

Intensity metric

Metric tons CO2e per unit revenue

Base year

2018

Intensity figure in base year (metric tons CO2e per unit of activity)

0.0000604754

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

0

Target year

2023

Targeted reduction from base year (%)

10

Intensity figure in target year (metric tons CO2e per unit of activity) [auto-calculated]

0.0000544279

% change anticipated in absolute Scope 1+2 emissions

10

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO2e per unit of activity)

0.0000688882

% of target achieved [auto-calculated]

-139.1111096413

Target status in reporting year

Underway

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

Target ambition

Please explain (including target coverage)

Overall, Honeywell's sustainability program has reduced greenhouse gas intensity by more than 90%. In 2019, the Company set its fourth goal, a new five-year "10-10-10" target to reduce global greenhouse gas emissions by an additional 10%, indexed to revenue, from 2018 levels; to deploy on at least 10 renewable energy opportunities; and to achieve certification to ISO's 50001 Energy Management Standard at 10 facilities, all by 2024.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

No other climate-related targets

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation		
To be implemented*	8	5,975
Implementation commenced*	21	860
Implemented*	520	25,000
Not to be implemented		

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in buildings

Lighting

Estimated annual CO2e savings (metric tonnes CO2e)

4,556

Scope(s)

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

1,171,271

Investment required (unit currency – as specified in C0.4)

3,367,698

Payback period

1-3 years

Estimated lifetime of the initiative

16-20 years

Comment

Initiative category & Initiative type

Energy efficiency in buildings

Maintenance program

Estimated annual CO2e savings (metric tonnes CO2e)

3,828

Scope(s)

Scope 1

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

455,662

Investment required (unit currency – as specified in C0.4)

235,013

Payback period

<1 year

Estimated lifetime of the initiative

3-5 years

Comment

Initiative category & Initiative type

Energy efficiency in buildings

Heating, Ventilation and Air Conditioning (HVAC)

Estimated annual CO2e savings (metric tonnes CO2e)

5,918

Scope(s)

Scope 1
Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

1,214,878

Investment required (unit currency – as specified in C0.4)

6,301,008

Payback period

4-10 years

Estimated lifetime of the initiative

16-20 years

Comment

Initiative category & Initiative type

Energy efficiency in buildings
Insulation

Estimated annual CO2e savings (metric tonnes CO2e)

375

Scope(s)

Scope 1

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

64,050

Investment required (unit currency – as specified in C0.4)

262,064

Payback period

4-10 years

Estimated lifetime of the initiative

21-30 years

Comment

Initiative category & Initiative type

Energy efficiency in buildings

Solar shading

Estimated annual CO2e savings (metric tonnes CO2e)

25

Scope(s)

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

10,484

Investment required (unit currency – as specified in C0.4)

17,703

Payback period

1-3 years

Estimated lifetime of the initiative

6-10 years

Comment

Initiative category & Initiative type

Energy efficiency in buildings

Other, please specify

Appliance replacement

Estimated annual CO2e savings (metric tonnes CO2e)

447

Scope(s)

Scope 1

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

74,146

Investment required (unit currency – as specified in C0.4)

750,356

Payback period

4-10 years

Estimated lifetime of the initiative

16-20 years

Comment

Initiative category & Initiative type

Energy efficiency in buildings

Other, please specify

Decommissioned equipment

Estimated annual CO2e savings (metric tonnes CO2e)

2,406

Scope(s)

Scope 1

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

440,405

Investment required (unit currency – as specified in C0.4)

5,400

Payback period

<1 year

Estimated lifetime of the initiative

16-20 years

Comment

Initiative category & Initiative type

Energy efficiency in production processes

Compressed air

Estimated annual CO2e savings (metric tonnes CO2e)

4,701

Scope(s)

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

1,074,782

Investment required (unit currency – as specified in C0.4)

1,223,801

Payback period

1-3 years

Estimated lifetime of the initiative

6-10 years

Comment

Initiative category & Initiative type

Energy efficiency in production processes

Process optimization

Estimated annual CO2e savings (metric tonnes CO2e)

2,684

Scope(s)

Scope 1

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

2,116,538

Investment required (unit currency – as specified in C0.4)

14,935,246

Payback period

4-10 years

Estimated lifetime of the initiative

6-10 years

Comment

Initiative category & Initiative type

Low-carbon energy generation

Solar PV

Estimated annual CO2e savings (metric tonnes CO2e)

60

Scope(s)

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

102,541

Investment required (unit currency – as specified in C0.4)

496,086

Payback period

4-10 years

Estimated lifetime of the initiative

21-30 years

Comment

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for energy efficiency	Energy audits are performed to identify energy improvement opportunities that are then submitted for funding consideration.
Employee engagement	Employees are trained on the Honeywell Operating System (HOS) which includes a formal process for continuous improvement and rapid problem solving. Improvements are sustained by the HOS tiered accountability process.
Other Annual Goals	Corporate Goals: A Corporate Energy and Sustainability Team, led by the Chief Sustainability Officer, the Vice President of Global Real Estate and the Sr. Director of Sustainability, helps drive the Company's greenhouse gas and energy efficiency goals. Progress on these goals is reported to Honeywell's CEO on a quarterly basis and is reviewed with the Board's Corporate Governance and Responsibility Committee at least annually.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Company-wide

Description of product/Group of products

Honeywell has products and services for the commercial, industrial, and transportation sectors including low global warming potential solvents and refrigerants, biofuel technologies, smart building solutions for energy efficiency, advanced industrial controls, smart-grid technologies, and demand response technologies.

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product and avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify

Product use

% revenue from low carbon product(s) in the reporting year

Comment

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO2e)

1,479,149

Comment

Scope 2 (location-based)

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO2e)

1,048,843

Comment

Scope 2 (market-based)

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO2e)

1,036,941

Comment

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

1,387,727

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

860,579

Scope 2, market-based (if applicable)

830,809

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Metric tonnes CO2e

15,138,884

Emissions calculation methodology

Honeywell's purchased goods and services 2020 spend data were categorized based on spend type. Emissions were calculated by using the spend type data in the corresponding categories in the GHG Protocol Scope 3 Evaluator to get the total emissions.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Please explain

Capital goods

Evaluation status

Relevant, calculated

Metric tonnes CO2e

570,107

Emissions calculation methodology

Honeywell's capital goods 2020 spend data were categorized based on spend type. Emissions were calculated by using the spend type data in the corresponding categories in the GHG Protocol Scope 3 Evaluator to get the total emissions.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Please explain

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Metric tonnes CO2e

279,644

Emissions calculation methodology

Honeywell calculated fuel and energy related activities using the quantities of purchased fuels, grid electricity and steam for 2020 and Defra's "Full Factor Set" calculation tool to calculate the emissions from the extraction, production, and transportation of fossil fuels, emissions from the T&D grid losses of the electricity purchased, and the WTT (well to tank) emissions for generation and T&D of electricity and steam

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Please explain

Upstream transportation and distribution

Evaluation status

Not evaluated

Please explain

Waste generated in operations

Evaluation status

Not evaluated

Please explain

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO2e

52,998

Emissions calculation methodology

Business travel data was collected through Honeywell's travel and expense team. Air travel was recorded with "from" and "to" destinations and miles. The calculations were performed using emission factors based on distance travelled by the flight. Honeywell's inventory of air travel data related to miles travelled was multiplied with US EPA emission factors for short, medium and long-haul flights. Car rental data was provided by the suppliers. Other business travel emissions excluding air travel were calculated through the GHG Protocol Scope 3 Evaluator by using spend data.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

20

Please explain

Car Rental emissions data was collected from supplier

Employee commuting

Evaluation status

Relevant, calculated

Metric tonnes CO2e

85,606

Emissions calculation methodology

Honeywell calculated the employee commuting related emissions based on a) total employee count; b) data on type of commutation (either actual or estimated) for the employee; c) DEFRA 2020 greenhouse gas emissions from a typical passenger vehicle based on business travel; d) an average distance per employee from "Commuting In America 2013"; and e) the average number of working days of 251.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Please explain

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

All relevant leased assets have been accounted for in our Scope 1 and Scope 2 emissions reporting.

Downstream transportation and distribution

Evaluation status

Not evaluated

Please explain

Processing of sold products

Evaluation status

Not evaluated

Please explain

Use of sold products

Evaluation status

Not evaluated

Please explain

End of life treatment of sold products

Evaluation status

Not evaluated

Please explain

Downstream leased assets

Evaluation status

Not relevant, calculated

Metric tonnes CO2e

8,504

Emissions calculation methodology

The square footage from real estate assets leased to third parties is used to calculate this category using the US Department of Energy Commercial Building Energy Consumption Survey data for average office energy use, converted to CO2e using location-based emission factors per EPA e-grid and EIA.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Please explain

Franchises

Evaluation status

Not relevant, explanation provided

Please explain

Honeywell does not operate franchises.

Investments

Evaluation status

Relevant, not yet calculated

Please explain

Joint ventures with operational control are included in our Scope 1 and Scope 2 emissions. Honeywell also has joint ventures where we do not have operational control. The emissions for these are not currently tracked by Honeywell.

Other (upstream)

Evaluation status

Please explain

Other (downstream)

Evaluation status

Please explain

C-CG6.6

(C-CG6.6) Does your organization assess the life cycle emissions of any of its products or services?

	Assessment of life cycle emissions	Comment
Row 1	Yes	

C-CG6.6a

(C-CG6.6a) Provide details of how your organization assesses the life cycle emissions of its products or services.

	Products/services assessed	Life cycle stage(s) most commonly covered	Methodologies/standards/tools applied	Comment
Row 1	On a case-by-case basis	Cradle-to-grave	ISO 14040 & 14044	

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.0000688882

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

2,248,306

Metric denominator

unit total revenue

Metric denominator: Unit total

32,637,000,000

Scope 2 figure used

Location-based

% change from previous year

23.8

Direction of change

Increased

Reason for change

Decreased emissions as a result of emission reduction activities and due to Covid-19, however decreased revenue has increased the intensity figure.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
HFCs	847,159	IPCC Fifth Assessment Report (AR5 – 100 year)
PFCs	7,962	IPCC Fifth Assessment Report (AR5 – 100 year)
SF6	1,025	IPCC Fifth Assessment Report (AR5 – 100 year)
NF3	792	IPCC Fifth Assessment Report (AR5 – 100 year)
CO2	530,716	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	12	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	62	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
United States of America	1,286,548

Other, please specify Rest of world	101,179

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Aerospace	84,995
Building Technologies	8,385
Performance Materials and Technologies	1,265,106
Safety and Productivity Solutions	29,241

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
United States of America	563,766	563,766	1,251,695	0
Other, please specify	296,813	267,043	565,362	91,629

Rest of world				

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Aerospace	320,885	311,631
Building Technologies	54,946	49,348
Performance Materials and Technologies	374,597	363,210
Safety and Productivity Solutions	110,151	106,620

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Increased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	3,883	Decreased	0.2	Total renewable energy generated and purchased has increased from previous year. This has resulted in 0.2% decrease in CO2e compared to previous year. The calculation is (3,883/2,042,631)*100
Other emissions reduction activities	25,000	Decreased	1.2	Honeywell has implemented emission reduction activities which has resulted in 1.2% reduction. The calculation is (25,000/2,042,631)*100
Divestment				
Acquisitions				
Mergers				
Change in output	4,643	Decreased	0.2	Honeywell has planned and reduced energy consumption globally as part of response to the pandemic. This has resulted in an approximate reduction of emissions of 0.2% . The calculation is (4,643/2,042,631)*100.
Change in methodology				
Change in boundary				
Change in physical operating conditions				
Unidentified				
Other				

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C-CG7.10

(C-CG7.10) How do your total Scope 3 emissions for the reporting year compare to those of the previous reporting year?

Decreased

C-CG7.10a

(C-CG7.10a) For each Scope 3 category calculated in C6.5, specify how your emissions compare to the previous year and identify the reason for any change.

Purchased goods and services

Direction of change

Decreased

Primary reason for change

Change in output

Change in emissions in this category (metric tons CO2e)

1,838,099

% change in emissions in this category

11

Please explain

A decrease in spend of purchased goods in 2020 has resulted in reduced emissions.

Capital goods

Direction of change

Increased

Primary reason for change

Change in output

Change in emissions in this category (metric tons CO2e)

51,699

% change in emissions in this category

10

Please explain

An increase in spend of capital goods in 2020 has resulted in CO2e.

Fuel and energy-related activities (not included in Scopes 1 or 2)

Direction of change

Decreased

Primary reason for change

Change in output

Change in emissions in this category (metric tons CO2e)

26,834

% change in emissions in this category

9

Please explain

Fuel consumed in 2020 reduced. This has resulted in reduced emissions.

Business travel

Direction of change

Decreased

Primary reason for change

Change in output

Change in emissions in this category (metric tons CO2e)

110,209

% change in emissions in this category

68

Please explain

Business travel decreased in 2020 resulting in lower emissions.

Employee commuting

Direction of change

Decreased

Primary reason for change

Change in output

Change in emissions in this category (metric tons CO2e)

18,838

% change in emissions in this category

18

Please explain

Employee commute decreased in 2020 resulting in lower emissions

Downstream leased assets

Direction of change

Decreased

Primary reason for change

Other emissions reduction activities

Change in emissions in this category (metric tons CO2e)

9,026

% change in emissions in this category

51

Please explain

Reduced numbed of downstream leased assets has reduced the total emissions in 2020

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	3	2,680,963	2,680,966
Consumption of purchased or acquired electricity		32,056	1,730,351	1,762,406
Consumption of purchased or acquired steam		0	52,569	52,569
Consumption of self-generated non-fuel renewable energy		2,082		2,082
Total energy consumption		34,141	4,463,882	4,498,023

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	Yes
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	Yes

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)

Biodiesel

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

3.11

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor

0.00152

Unit

metric tons CO2e per liter

Emissions factor source

Emission Factors for Greenhouse inventories,19 November 2015, US EPA

Comment

Fuels (excluding feedstocks)

Diesel

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

76,339

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor

0.0027

Unit

metric tons CO2e per liter

Emissions factor source

Emission Factors for Greenhouse inventories,19 November 2015, US EPA

Comment

Fuels (excluding feedstocks)

Distillate Oil

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

3,609

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor

0.0027

Unit

metric tons CO2e per liter

Emissions factor source

Emission Factors for Greenhouse inventories,19 November 2015, US EPA

Comment

Fuels (excluding feedstocks)

Petrol

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

83,569

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor

0.00232

Unit

metric tons CO2e per liter

Emissions factor source

Comment

Fuels (excluding feedstocks)

Jet Kerosene

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

73,184

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor

0.00259

Unit

metric tons CO2e per liter

Emissions factor source

Emission Factors for Greenhouse inventories,19 November 2015, US EPA

Comment

Fuels (excluding feedstocks)

Liquefied Petroleum Gas (LPG)

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

4,693

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor

0.0015

Unit

metric tons CO2e per liter

Emissions factor source

Emission Factors for Greenhouse inventories,19 November 2015, US EPA

Comment

Fuels (excluding feedstocks)

Natural Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

2,433,528

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-cogeneration or self-trigeneration

173,704

Emission factor

0.0019

Unit

metric tons CO2e per m3

Emissions factor source

Emission Factors for Greenhouse inventories,19 November 2015, US EPA

Comment

Fuels (excluding feedstocks)

Bioethanol

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

218

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor

0.00016

Unit

metric tons CO2e per liter

Emissions factor source

Emission Factors for Greenhouse inventories,19 November 2015, US EPA

Comment

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	33,845	33,845	2,082	2,082
Heat	0	0	0	0
Steam	52,569	52,569	0	0
Cooling	0	0	0	0

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing method

Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

Low-carbon technology type

Solar

Country/area of consumption of low-carbon electricity, heat, steam or cooling

United Kingdom of Great Britain and Northern Ireland

MWh consumed accounted for at a zero emission factor

19,362

Comment

Sourcing method

Power purchase agreement (PPA) with a grid-connected generator with energy attribute certificates

Low-carbon technology type

Solar

Country/area of consumption of low-carbon electricity, heat, steam or cooling

India

MWh consumed accounted for at a zero emission factor

9,200

Comment

C-CG8.5

(C-CG8.5) Does your organization measure the efficiency of any of its products or services?

	Measurement of product/service efficiency	Comment
Row 1	Yes	Honeywell is a leading global provider of products, software, solutions and technologies that enable building owners and occupants to ensure their facilities are energy efficient and sustainable. We provide smart energy products that enable utilities and distribution companies to deploy advanced capabilities to improve operations, reliability and environmental

		sustainability and process technologies that enable customers to efficiently produce renewable fuels. Our Solstice line of products provide reduced- and low-GWP materials based on hydrofluoroolefin technology. Honeywell's Forge solutions are designed to digitally manage buildings to use space intelligently, cut operating expenses and reduce maintenance. In the industrial environment, Honeywell Forge solutions enable integration and connectivity to provide a holistic view of operations and turn data into clear actions to maximize productivity and efficiency.

C-CG8.5a

(C-CG8.5a) Provide details of the metrics used to measure the efficiency of your organization's products or services.

Category of product or service

Product or service (optional)

% of revenue from this product or service in the reporting year

Efficiency figure in the reporting year

Metric numerator

Metric denominator

Comment

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
Row 1	Yes	Honeywell is uniquely positioned to shape a more sustainable future. We continue to invent and develop technologies that provide our customers with adaptable and efficient solutions to their energy, and environmental needs.

C-CG9.6a

(C-CG9.6a) Provide details of your organization's investments in low-carbon R&D for capital goods products and services over the last three years.

Technology area

Unable to disaggregate by technology area

Stage of development in the reporting year

Average % of total R&D investment over the last 3 years

21 - 40%

R&D investment figure in the reporting year (optional)

Comment

We consider the need for sustainable technologies to be a key focus for Honeywell. Our Sustainable Technology Solutions (STS) business includes renewable fuel technologies; low global-warming-potential refrigerants, solvents, blowing agents, and propellants; energy storage; and plastic recycling. We see these as differentiators for Honeywell and will continue to look at these as well as other opportunities as part of our scenario planning.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

2021_HON_CDP Verification Letter.pdf

Page/ section reference

Pg.1, Section 2, Scope 1 Direct Emissions

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

2021_HON_CDP Verification Letter.pdf

Page/ section reference

Page 1, Section 2, Scope 2 Indirect Emissions, location-based method

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

2021_HON_CDP Verification Letter.pdf

Page/ section reference

Page 1, Section 2, Scope 2 Indirect Emissions, market-based method

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3: Purchased goods and services

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

2021_HON_CDP Verification Letter.pdf

Page/section reference

Page 2, Section 2, Scope 3 Purchased Goods

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Capital goods

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

2021_HON_CDP Verification Letter.pdf

Page/section reference

Page 2, Section 2, Scope 3 Capital Goods

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Business travel

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

2021_HON_CDP Verification Letter.pdf

Page/section reference

Page 2, Section 2, Scope 3 Business Travel

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

2021_HON_CDP Verification Letter.pdf

Page/section reference

Page 2, Section 2, Scope 3 Fuel

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Employee commuting

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

2021_HON_CDP Verification Letter.pdf

Page/section reference

Page 2, Section 2, Scope 3 Employee commute

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Downstream leased assets

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

2021_HON_CDP Verification Letter.pdf

Page/section reference

Page 2, Section 2, Scope 3 Downstream Leased Assets

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C4. Targets and performance	Year on year change in emissions (Scope 1)	Verification of each year is based on ISO 14064-3:2006.	Our year on year change is part of our annual verification process and includes 100% of our Scope 1 emissions for both years, 2019 versus 2020. See page 2 for details. 2021_HON_CDP Verification Letter.pdf 1
C4. Targets and performance	Year on year change in emissions (Scope 2)	Verification of each year is based on ISO 14064-3:2006.	Our year on year change is part of our annual verification process and includes 100% of our Scope 1 emissions for both years, 2019 versus 2020. See page 2 for details. 2021_HON_CDP Verification Letter.pdf 1
C4. Targets and performance	Year on year change in emissions (Scope 3)	Verification of each year is based on ISO 14064-3:2006.	Our year on year change is part of our annual verification process and includes 100% of our Scope 1 emissions for both years, 2019 versus 2020. See page 2 for details. 2021_HON_CDP Verification Letter.pdf 1

[1]2021_HON_CDP Verification Letter.pdf

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

BC carbon tax
EU ETS
Ireland carbon tax
Switzerland carbon tax

C11.1b

(C11.1b) Complete the following table for each of the emissions trading schemes you are regulated by.

EU ETS

% of Scope 1 emissions covered by the ETS

1.5

% of Scope 2 emissions covered by the ETS

0

Period start date

January 1, 2020

Period end date

December 31, 2020

Allowances allocated

14,886

Allowances purchased

0

Verified Scope 1 emissions in metric tons CO2e

21,255

Verified Scope 2 emissions in metric tons CO2e

0

Details of ownership

Facilities we own and operate

Comment

C11.1c

(C11.1c) Complete the following table for each of the tax systems you are regulated by.

BC carbon tax

Period start date

January 1, 2020

Period end date

December 31, 2020

% of total Scope 1 emissions covered by tax

0.01

Total cost of tax paid

5,234

Comment

The total cost of tax paid is calculated based on estimated usage and taxes at facilities in the region.

Ireland carbon tax

Period start date

January 1, 2020

Period end date

December 31, 2020

% of total Scope 1 emissions covered by tax

0.02

Total cost of tax paid

7,421

Comment

The total cost of tax paid is calculated based on estimated usage and taxes at facilities in the region.

Switzerland carbon tax

Period start date

January 1, 2020

Period end date

December 31, 2020

% of total Scope 1 emissions covered by tax

0.01

Total cost of tax paid

1,937

Comment

The total cost of tax paid is calculated based on estimated usage and taxes at facilities in the region.

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

A Corporate Energy and Sustainability Team, led by the CSO, the Vice President of Global Real Estate and the Sr. Director of Sustainability, helps drive the company's greenhouse gas and energy efficiency goals. This team also has oversight for all emission trading schemes. Representatives from each of our strategic businesses participate and ensure compliance. Sites under an emission trading scheme would be subject to our internal Energy Management Standard and as such would need to have processes in place to continually review opportunities for energy and GHG savings.

The team monitors utility costs in addition to energy and carbon. Changes in utility costs including changes related to carbon tax are highlighted as part of our monthly Energy and Sustainability Team meetings to bring awareness to our business energy leads so this information can be incorporated into the energy project selection process. For example, the rising costs of the UK Carbon Reduction Commitment were regularly communicated to the team so that these increased costs were built into the payback calculations for doing energy efficiency projects, potentially moving these projects into a priority position for funding.

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our customers

Yes, other partners in the value chain

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement

Education/information sharing

Details of engagement

Run an engagement campaign to educate customers about the climate change impacts of (using) your products, goods, and/or services

% of customers by number

100

% of customer - related Scope 3 emissions as reported in C6.5

0

Please explain the rationale for selecting this group of customers and scope of engagement

HFCs have many everyday applications. These include refrigerants to cool cars, appliances and buildings; foam-blowing agents that create cushioning and insulating foam; solvents used in manufacturing to clean and sanitize, and certain specialty propellants used in products like aerosols. When HFCs are released into the atmosphere, they trap warming greenhouse gases and take years, sometimes decades, to break down in the atmosphere - thus contributing to the overall warming of the planet. HFOs differ from HFCs by having a unique chemical bond that

causes them to break down in a matter of days, ensuring that greenhouse gases do not remain stuck in the atmosphere for very long. Given rising concerns about increasing global greenhouse gas emissions, Solstice products were designed to help companies replace HFCs and other high-GWP substances in dozens of everyday applications. News releases, websites and other forms of communication are utilized to publicize the benefits of the Solstice product suite, a portfolio of reduced- and low-GWP materials based on Honeywell's breakthrough hydrofluoroolefin (HFO) technology.

Impact of engagement, including measures of success

Success will ultimately be seen by the adoption of Solstice. Honeywell maintains a climate ticker (www.honeywell-climate-ticker.com) that tracks the cumulative impact from adoption of the Solstice line of products on emissions. As of December 2017, adoption of Solstice had removed approximate 60M metric tonnes of CO2e from the atmosphere. As of December 2020, that number has risen to over 200M metric tonnes.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

Honeywell has teamed up with SAP SE to create a joint cloud-based solution based on Honeywell Forge, the company's enterprise performance management offering, and SAP Cloud Platform that will streamline and combine operational and business data to support better decision-making and drive greater efficiencies. The solution will enable customers to benefit from building performance optimization, including reduced carbon footprint and lower energy costs, as well as improved tenant experience.

The companies' first area of focus will be the real estate industry, where building owners often need to pull data from disparate sources that are not normalized. This makes it extremely difficult to determine the true efficiency and utilization of their portfolios. Drawing on the power of the Honeywell Forge autonomous buildings solution and the SAP Cloud for Real Estate solution, the new offering will enable facility managers and building owners to reposition their portfolios through cost savings and newly identified efficiencies, while also helping to improve tenant experience. Honeywell Forge powers a new AI-driven autonomous control capability that makes automatic adjustments to maintenance, comfort and sustainability.

"Building owners today often struggle to get the real-time data they need to determine the true efficiency and utilization of their portfolios," said Darius Adamczyk, chairman and CEO, Honeywell. "Honeywell and SAP together will provide insights from the boiler room to the boardroom that make it easier for our customers to get a true picture of how to optimize building performance, lower carbon emissions to meet sustainability goals, reduce energy costs and help enhance occupant experience. Having this information readily accessible will allow our customers to

generate tremendous business value while becoming more sustainable, and it will greatly enhance the appeal of their buildings to renters and tenants."

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Direct engagement with policy makers
Trade associations
Funding research organizations

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Energy efficiency	Support with minor exceptions	We have been working with policy makers on energy efficiency policy.	Adoption of energy efficient policy globally.
Clean energy generation	Support with minor exceptions	We have been working with policy makers on clean energy generation policy.	Adoption of clean energy generation policy globally.
Climate finance	Support	We have been working with policy makers to support policies that encourage broader use of energy savings performance contracts (ESPCs).	Adoption of ESPC policies globally for government facilities to help meet energy reduction goals.
Other, please specify Low-GWP products	Support with minor exceptions	We have been working with regulators and policy makers on a transition from HFCs to low-GWP products.	We are supportive of global action for a high-GWP HFC phase-down.

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

Alliance for Responsible Atmospheric Policy

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Collaborative effort between HFC producers and users for an orderly phase-down of HFCs which would result in lower GHG emissions.

How have you influenced, or are you attempting to influence their position?

As a member of the Board we participate in regular discussions on this topic.

Trade association

National Electrical Manufacturers Association

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

We support NEMAs position on consumer education on energy efficiency and deployment of advanced technologies that results in reduced emissions.

How have you influenced, or are you attempting to influence their position?

We provide input on energy efficiency for their policy positions.

Trade association

American Chemistry Council

Is your position on climate change consistent with theirs?

Mixed

Please explain the trade association's position

We support ACCs position that advanced building technologies can reduce GHG emissions.

How have you influenced, or are you attempting to influence their position?

We provide input on energy efficiency and low-GWP technologies for their policy positions.

C12.3d

(C12.3d) Do you publicly disclose a list of all research organizations that you fund?

No

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Our CSO and our Vice President of Government Relations (GR) have overall responsibility for these activities and ensure that they are consistent with overall strategy. Our GR members are directly engaged on a number of business leadership teams for strategic decision-making on business-related issues that will impact Honeywell's climate change strategy. This includes annual and longer-term planning, as well as

indirect activities such as R&D pipeline decisions. GR engages with the business on an almost daily basis to ensure our strategies are consistent globally.

C12.4

(C12.4) Have you published information about your organization’s response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports

Status

Complete

Attach the document

HON Proxy Statement 2021.pdf

Page/Section reference

See sections "Corporate Governance Highlights, page 7; "Board's Role in Risk Oversight", pages 23-24; "Commitment to a Sustainable Future, pages 33-35

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets

Comment

Honeywell 2021 Proxy Statement

C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Senior Director, Product Stewardship & Sustainability	Environment/Sustainability manager