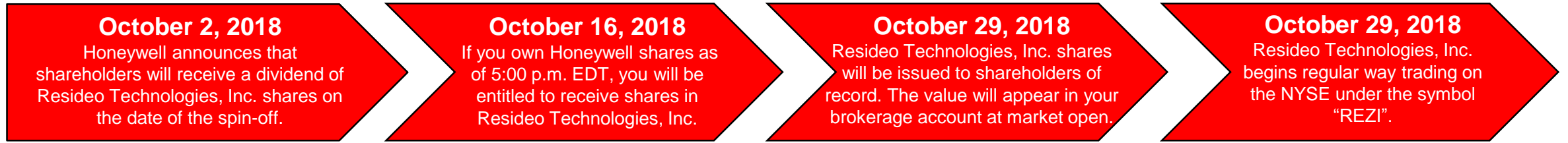


Understanding the Resideo Technologies, Inc. share distribution



How will the share distribution work?

- Honeywell shareholders will receive **one Resideo Technologies, Inc. (NYSE: REZI) share** for every **6 shares of Honeywell (NYSE: HON)** they own as of October 16, 2018 at 5:00 p.m. EDT. For example, if you own 60 Honeywell shares:

$$\frac{60 \text{ Honeywell Shares}}{6} = 10 \text{ Resideo Technologies, Inc. Shares}$$

- Honeywell shareholders will keep their existing 60 Honeywell shares and will be entitled to receive 10 Resideo Technologies, Inc. shares on October 29, 2018.
- If you sell your Honeywell shares between October 16 – October 29, you should discuss with your broker whether or not you will be entitled to receive the dividend.

How are fractional shares treated?

- Shareholders that are entitled to fractional shares of Resideo Technologies, Inc. will automatically have those fractional shares sold in the open market, and receive cash or a check for the value of those shares.
- For example, 59 HON shares = 9.8 REZI shares, 0.8 is a fractional share.
- Honeywell expects that the distribution of shares of Resideo Technologies, Inc. will be tax-free¹ to Honeywell shareholders for U.S. federal income tax purposes, except for cash that shareholders may receive (if any) in lieu of fractional shares.
- Shareholders in this example will own **9 shares of Resideo Technologies, Inc.** to be reflected in their brokerage account and receive **cash for the market value of the .8 fractional shares** on ~ October 29.

What do I own when the spin is effective?

- A shareholder who owns 59 Honeywell shares in this example will own the following:
 - Value of 59 Honeywell shares
 - +
 - Value of 9 Resideo Technologies, Inc. shares
 - +
 - Cash equal to the value of fractional Resideo Technologies, Inc. share
- Honeywell and Resideo will make publicly available a **Form 8937** following the effective spin on October 29. This will provide shareholders a method for determining the cost basis of their shares.
- Honeywell intends to file for tax-deferred treatment of the spin-off with the Canadian Revenue Agency.

Illustrative scenario for what happens to a shareowner with 59 or 60 shares of Honeywell at close of Resideo Technologies, Inc. spin-off

¹For U.S. based shareowners