

Summary of Certain Honeywell Agreements

Disclaimer

- The slides that follow provide a summary of certain material terms and conditions of certain of the agreements that Resideo Technologies, Inc. (Resideo) or its subsidiaries entered into with Honeywell International, Inc. (Honeywell) or its subsidiaries in connection with the spin-off of Resideo from Honeywell, which occurred on October 28, 2018 (Spin-Off). The following slides do not provide a summary of all of the agreements that were entered into in connection with the Spin-Off and, with respect to agreements that are referred to in the following slides, such slides do not include a summary of all of the material terms and conditions thereof. Investors are urged not to place undue reliance on the following summary and to review the full text of the agreements referred to in the following slides or that were otherwise entered into in connection with the Spin-Off, copies of which are included as exhibits to the periodic reports filed by Resideo with the Securities and Exchange Commission (SEC). In addition, the following slides should be read in conjunction with the periodic reports filed by Resideo with the SEC, including the Risk Factors sections thereof, which set forth a variety of risks and other information that investors should consider with respect to the agreements referred to in the following slides and an investment in Resideo more generally. The summary included in the following slides is qualified in its entirety by reference to the actual agreements and the other disclosure made by Resideo in the periodic reports it files with the SEC.

Indemnification and Reimbursement Agreement

Payment Obligation	<ul style="list-style-type: none">• Resideo pays Honeywell 90% of the payments made by Honeywell in respect of certain environmental liabilities, less 90% of Honeywell's net insurance receipts relating to such liabilities and 90% of the net proceeds received by Honeywell in connection with affirmative claims relating to such liabilities, contributions by other parties relating to such liabilities, and certain property sales.• Resideo's payment obligations are generally subject to a \$35 million quarterly cap and \$140 million annual cap.• Payments to Honeywell are made quarterly throughout the year on the basis of an estimate of the liabilities and recoveries provided by Honeywell. Following the end of each year, there is a true-up based on actual payments and recoveries of Honeywell in the relevant year.• Honeywell's environmental claim and remediation payments in respect of the sites that are within the scope of the agreement for the years 2019 and 2018 were approximately \$258 million and \$179 million, respectively. Honeywell's associated receipts for insurance and amounts received by Honeywell in connection with affirmative claims, contributions and property sales for 2019 and 2018 were approximately \$94 million and \$0 million, respectively.
Term	<ul style="list-style-type: none">• 25 year term, ending on December 31, 2043, subject to early termination on December 31 of the third consecutive year during which the payments made by Resideo under the agreement are less than \$25 million.
Guarantors	<ul style="list-style-type: none">• All subsidiaries of Resideo that are loan parties under its senior secured credit facility guarantee the obligations under the agreement.
Management of Claims	<ul style="list-style-type: none">• Honeywell is solely responsible for, and has sole discretion with respect to, the defense, settlement and payment of any environmental claims that are covered by the agreement. Resideo has the right to meet with Honeywell's remediation management team quarterly, and receives quarterly reports from Honeywell.

Indemnification and Reimbursement Agreement (Cont'd)

Affirmative and Negative Covenants	<ul style="list-style-type: none">The agreement incorporates certain of the affirmative and negative covenants contained in the existing senior secured credit facility of Resideo. Resideo believes that amendments to the existing senior secured credit facility that do not adversely affect the rights of Honeywell under the Indemnification and Reimbursement Agreement automatically apply to and amend the corresponding provision that is incorporated into the Indemnification and Reimbursement Agreement. Honeywell has informed Resideo that it does not agree with this interpretation and that it believes that any amendment to the provisions incorporated into the Indemnification and Reimbursement Agreement requires the prior consent of Honeywell. In particular, Honeywell has asserted that the amendment to our senior secured credit facility, which became effective on November 26, 2019, does not automatically amend and apply to the corresponding provisions incorporated into the Indemnification and Reimbursement Agreement.
Certain Other Covenants	<ul style="list-style-type: none">The agreement prohibits Resideo from amending or entering into waivers under its existing senior secured credit facility or indenture, or entering into new credit facilities, indentures or other agreements or making amendments or waivers to such documents in a manner that would, among other things, adversely affect the rights of Honeywell under the agreement.The agreement provides that amendments or waivers to the negative covenants of the existing senior secured credit facility or indenture of Resideo that make them less restrictive to Resideo are not deemed adverse to Honeywell, but amendments or waivers to certain negative covenants (including the restricted payment covenant and the financial maintenance covenants) contained in the existing senior secured credit facility that make them more restrictive are deemed adverse to Honeywell.The agreement contains a prohibition on Resideo taking actions that are intended to or which would reasonably be expected to, among other things, impair in any material respect the rights of Honeywell under the agreement.
Spin-Offs; Asset Dispositions	<ul style="list-style-type: none">The agreement provides that if Resideo separates a substantial portion of its business into one or more entities (i.e., a spin-off), the separated entities are required to become jointly and severally liable for the indemnification and reimbursement obligations under the agreement; in addition, any such transaction is only permitted by the agreement if the separated entity receives corporate credit ratings from Moody's and S&P of no less than Baa2 and BBB, respectively.The senior secured credit facility contains limitations (which are incorporated into the Indemnification and Reimbursement Agreement) on asset dispositions unless any such transaction complies with certain baskets. For example, there is a basket that permits asset dispositions so long as no event of default has occurred and is continuing or would result from such transaction and the aggregate fair value of all assets sold does not exceed (i) in any fiscal year, 15% of consolidated total assets (as defined in the senior secured credit facility) as of the fiscal year most recently ended prior to such sale, and (ii) during the term of the senior secured credit facility, 40% of consolidated total assets (as defined in the senior secured credit facility) as of the fiscal year most recently ended prior to such sale.

Trademark License Agreement

License of Honeywell Home Name	<ul style="list-style-type: none">Resideo exclusively licenses the Honeywell Home name for a 40 year term, ending in October 2058, solely in connection with the manufacturing, advertising, sale and distribution of certain products of Resideo that are described in the agreement.
Royalties	<ul style="list-style-type: none">Resideo pays a royalty of 1.5% of net sales of products (other than sales to Honeywell) that bear a trademark licensed under the agreement (e.g., Honeywell Home).For the period ended December 31, 2019 and 2018, royalty fees were \$27 million and \$4 million, respectively. The royalty paid for the period ended December 31, 2018 is net of a one-time credit of \$2 million received in December 31, 2018 for inventory on hand as of the date of the Spin-Off.
Termination	<ul style="list-style-type: none">The agreement automatically terminates upon a change of control of Resideo unless Honeywell consents to the transaction. The agreement also automatically terminates as to any Resideo subsidiary if it ceases to be wholly-owned by Resideo.The agreement may also be terminated by Honeywell upon the occurrence of certain events, including Resideo's failure to comply with all material obligations in the Indemnification and Reimbursement Agreement.

Certain Other Honeywell Agreements

Tax Matters Agreement	<ul style="list-style-type: none">• This agreement requires that Resideo indemnify Honeywell for certain tax related liabilities. This agreement also addresses the allocation of liability for taxes that are incurred as a result of restructuring activities undertaken to effectuate the Spin-Off.• Until the two year anniversary of the Spin-Off (October 28, 2020), this agreement imposes a number of limitations on the business and activities of Resideo, including prohibitions on Resideo:<ul style="list-style-type: none">• entering into any “Proposed Acquisition Transaction,” which generally includes the acquisition by any person of 40% or more of the equity interests of Resideo;• selling or transferring 50% or more of the gross assets that are held by subsidiaries of Resideo that are engaged in an “active trade or business;” or• disposing of any interest in certain subsidiaries that are engaged in an “active trade or business.”
Separation and Distribution Agreement	<ul style="list-style-type: none">• This agreement provided for, among other things, the distribution of the stock of Resideo to Honeywell stockholders.• This agreement requires Resideo to indemnify Honeywell for a variety of matters, including liabilities arising out of any alleged untrue statement in the Form 10 and any other documents filed with the SEC in connection with the Spin-Off.