

PARTNER
catalyst
PROGRAM

Frequently Asked Questions

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What is the Partner *catalyst* Program?

The Honeywell Building Technologies Partner *catalyst* Program is a structured global framework that supports channel partners with an intuitive tiered plan that sets common performance criteria and rewards you with additional benefits as you achieve strategic growth goals. This common approach enables an objective and meaningful comparison and provides a measurable and centrally governed platform to assess performance and entitlements.

What are the changes or benefits to the channel partner with the new program?

The Partner *catalyst* Program takes the best practices from the many established partner programs that Honeywell Building Technologies brands and businesses have operated over the years and unifies them into a common documented framework making it easy to align on mutual expectations for success. The program includes additional customer & technical service support benefits as well as new investments in marketing, digital self-service and ecommerce solutions.

Many of our partners have multiple entities operating in different geographies; a standardized program will make it easier for you to manage your collective interactions with Honeywell and maximize the benefits. Likewise, many top revenue-earning partners sell products from two or more HBT businesses. A standard program will facilitate the potential to grow further by selling across multiple businesses and extending your position with your own customers.

Can you explain the tiering process and how is it governed?

The Partner *catalyst* Program has 4 accredited tiers, Platinum, Gold, Silver and Registered, that recognize channel partners based on capability, strategic alignment, buying behaviors and estimated lifetime value created. Qualifying criteria and the associated benefits are detailed in the Partner *catalyst* Program framework and Market Development Fund brochures and are delineated by customer type and other allowed variations by business or region.

Using an objective measurement system, leveraging the Channel Behavior Index (CBI) format and historical data, each

partner will have their annual current tier assessment reviewed and next year's forecasted tier level estimated during the Q3 annual operating plan (AOP) cycle. Your future tier will be assessed as one of the following states: no change; graduate to a higher tier; propose to change to a lower tier; or eliminate from the program due to insufficient activity or non-compliance.

The HBT Channel Sales Manager will leverage these estimates and make recommendations for partners' tier status for the next year and add commentary based on extenuating circumstances or other planned strategic growth expansions on behalf of the partner as part of the new Partner *catalyst* Program annual planning cycle. The regional and business leads will review all submissions and note those requests that deviate significantly from the estimated tier rankings.

Following a business planning review that aligns with the Honeywell business' strategic growth plan, the partners' next year status will be approved and the Channel Operations lead will update the central Partner *catalyst* Program database. This will trigger the formal communication and planning process for each channel sales manager to activate with channel partners to prepare them for the following year based on their revised or unchanged tier status.

What is the Channel Behavior Index and how does it work?

HBT is a performance-based culture where we recognize and reward exceptional results with the maximum benefits and additional support investments with which we can equip you to accelerate your growth trajectory. We have devised the Channel Behavior Index (CBI) system to enable a transparent and objective ranking process.

The CBI score applies to all partner types and tier levels and uses multiple key indicators of growth and strategic alignment that demonstrate both how well the partner is performing against targets, and how the Honeywell channel manager is cultivating ideal partners, including generating the necessary partner engagement data in NEX. Each key performance Indicator (KPI) is weighted based on its importance and the final CBI score is an aggregate of all the KPIs.

Core KPIs include the profitable growth factors of:

- Annual revenue
- YoY growth rates
- Pipeline growth
- Weighted average days late payment

These factors have the highest weight in the scorecard along with a measure that is a proxy for the estimated lifecycle margin that the partner is generating for Honeywell at their tier level.

Additional strategic alignment KPIs include a score contribution from such factors as:

- Completing the expected quarterly business reviews (QBR)
- Updating the annual account plan
- Providing the digital point of sale (POS) data routinely
- Leveraging other joint marketing actions

These KPIs have a lower weighting and are typically a Yes or No status.

The calculation leverages live data from our systems of record, SAP and our Customer Relationship Management (CRM) NEX and is calculated each month automatically by our Commercial Analytics Center of Excellence, who will release the aggregated CBI score on a validated monthly schedule via a centralized database that each Honeywell channel seller can access to view for just their allocated partners.

The CBI score will be used to track and forecast the performance of channel partners, and will provide both individual sellers and their leaders with additional analytics to provide benchmark trends, alerting them to insights that can improve channel partners' performance and compliance with tier level expectations.

A quarterly standard channel partner performance scorecard will be generated to inform you of our current assessment. This will be shared by your channel sales manager in each QBR to recognize key results and mutually identify other areas to further increase your success and improve the overall partner experience.

How do the Market Development Fund benefits work? Who is eligible?

The HBT Partner **catalyst** Program has a comprehensive Market Development Fund (MDF) support framework that boosts partners individual marketing reach by collaborating directly to leverage the scale and brand power of Honeywell's own global marketing capabilities and investments.

The plan is comprised of three sections that vary by tier, as detailed in the Partner **catalyst** Program Market Development Fund handbook:

- Marketing engagement and media advertising
- Support for direct customer engagements including co-funded support for demonstrations and trade show events
- Access to virtual instructor led and classroom training and education modules to learn and practice how to effectively drive differentiation on value with the end user

What is a Partner Relationship Management (PRM) portal?

An additional utility is the planned investment in a partner relationship management (PRM) portal that lets you log in to a one-stop digital resource where you can review your rebate and pricing information, special promotions, onboarding packages, new launch information, scheduled partner communication events, and other data-driven insights to make you even more competitive. Questions and best practices can be shared here, and the expertise of the whole partner ecosystem can support everyone 24/7.

How can I set up training for my staff and my customers?

You can set up training at Honeywell Building University. Upon login, you can select classes by brand, business (GBE) or solution. Once you select a class and add it to your account, you can take the class at any time. More details on customer training can be found on this portal.

For More Information

buildings.honeywell.com
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Honeywell Building Technologies

715 Peachtree St. NE
Atlanta, GA 30308
www.honeywell.com