

PARTNER
catalyst
PROGRAM

FRAMEWORK 2023

At Honeywell, we're excited about the future of your business. We've heard the challenges, and we've listened to the feedback. That's why the catalyst Partner Program leverages strategic investment designed to enhance your competitive position and bring business success.

We invite you to explore the program, and start building something even bigger.

This document covers three key components of the catalyst Partner Program:

THE FRAMEWORK	The standardized tiers used across all partner programs
THE CRITERIA	An overview of the factors used to establish each tier
THE BENEFITS	The rewards, services and support you earn as you reach each tier

THE FRAMEWORK

Catalyze your business growth

The **catalyst** Partner Program rewards you for your business success by providing benefits and rewards designed to help your business grow even further

The **catalyst** Partner Program has transformed the way we support channel partners. It creates a tiered approach to rewards and recognition in order to support achievement, and allocates resources to partners who deliver profitable growth with close alignment to our shared strategic goals.

As you build on your achievements, our level of support increases in the form of account management, visits, and reviews at each tier. Benefits follow this same trajectory, with increasing access to discounts, rebates, market development funds, service levels and more.

The **catalyst** Partner Program consists of the following tiers designed to recognize your performance based on capability, strategic alignment, buying behaviors and the lifetime value you bring to our mutual success.

SILVER

GOLD

PLATINUM

You will receive direct guidance on eligibility criteria and thresholds at upcoming in-person meetings. **catalyst** Partner Program will be annually refreshed and updated.



THE CRITERIA

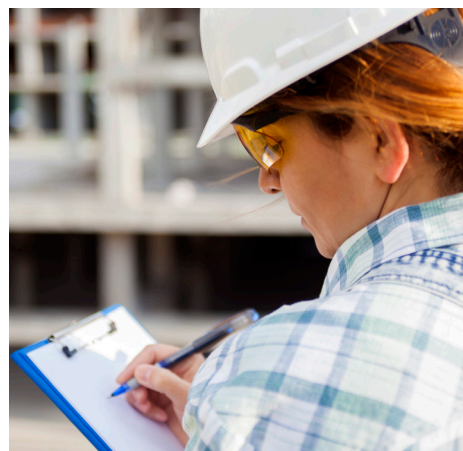
The **catalyst** Partner Program is designed to ensure that our products and solutions are delivered to the highest quality, regardless of channel, and that our channel partners meet the standards of capability expected of Honeywell.

To ensure that each partner's performance is accurately assessed and fairly rewarded, we have defined new, more transparent benchmarks for each tier.

Your tier allocation is based on your performance against a core set of Key Performance Indicators (KPIs), revenue, year-over-year (YoY) growth, and weighted average days late (WADL). You can also earn additional credits through supplementary metrics: availability of point of sale (POS) reports and minimum stock purchase of Honeywell product, payment history, pipeline sharing, brand promotion, and portfolio spend.

Our evaluation KPIs will be consistently applied across Honeywell business units to standardize tier allocation and provide global benchmarking. The supplementary behavioral metrics will follow the guidance in this framework, but can be adjusted to meet the needs of each Honeywell business unit.

The table below summarizes the evaluation KPIs that apply to each channel, as well as the supplementary behavioral metrics that will be applied with Honeywell business unit and regional discretion.



REQUIREMENTS

	SYSTEM INTEGRATOR	OEM	DISTRIBUTOR
CORE	Revenue Target	●	●
	Year-over-Year (YoY) Growth	●	●
	Weighted Average Days Late (WADL)	●	●
	Point of Sale (POS) Reports		●
	Minimum Stock Purchase		●
VARIES BY BUSINESS & REGION	Training	○	○
	Pipeline Sharing	○	○
	Brand Promotion	○	○
	Portfolio Spend	○	●

● REQUIRED ○ OPTIONAL

REQUIREMENTS EXPLAINED

Revenue Target: Each tier of the partner program has a minimum revenue target. This is one of the key performance indexes used to measure your progress towards the next tier.

Year-over-Year (YoY) Growth: This measures the percentage growth of your revenues in each full calendar year (January to December) compared to the prior year. Each tier has a minimum growth level, which is another key measure of your progress towards the next tier.

Weighted Average Days Late (WADL): We reward you for a consistent record of on-time payments that meet the agreed-upon invoice terms. Late payments, which this metric reflects, can slow your progress toward the next tier.

Point of Sale (POS) Reports: Some partners are asked to send Point of Sale reports to Honeywell as a way to help us jointly analyze market trends and customer patterns, and then calibrate the most effective market prices and product strategies. These POS reports typically include details such as customer name, SKU, quantity, date sold, and price.

Minimum Stock Purchase: Some partners are asked to carry a minimum inventory, based on customer purchase patterns. This minimum is either a set quantity or a percentage of your prior year's annual purchases. This is to ensure that we can jointly serve your customers without delays.

Training: Familiarity with our product lines and roadmaps is a valuable asset. To stay abreast of current products, Honeywell business units will periodically ask you to receive training within a specified timeframe, and may also ask you to provide training to your system integrators and/or customers.

Pipeline Sharing: To help us forecast needs for production and delivery, Honeywell business units may ask you to provide logistical details on projects and opportunities that you're working to close. These details will include SKUs, quantities, and project timing (not customer names or prices quoted). This will help ensure a smooth product pipeline to reinforce our joint reputations for on-time delivery within your customer base.

Brand Promotion: This metric rewards your efforts to actively promote our product lines. This is based on factors such as the proportion of your overall business that Honeywell products make up, and marketing activity such as website presence, point of sales merchandising and branded promotional activities.

Portfolio Spend: This metric is determined in part by the overall "attach rate" of your sales, which is expressed as a percentage of your total spend. It can also be determined by strategic targets, such as adoption rates for a specific NPI or platform, or cross-selling technologies from multiple Honeywell business units.



THE BENEFITS AND ENTITLEMENTS

As an essential component of this new framework, the **catalyst** Partner Program provides an improved benefits plan to give you rewards worth striving for – such as greater strategic support to help optimize returns on investment and service options designed to better match the needs of each partner type.



These benefits differentiate the program tiers and help build partner relationships by helping you sell at prices that deliver the best returns, promote value, drive demand generation, and support high-quality delivery of Honeywell products and solutions in your market. At each tier of partnership, you will be able to take advantage of services and support that make it easier for you to do business with us, including access to a variety of entitlements through our digital Partner Relationship Management (PRM) portal.

The **catalyst** Partner Program also gives you access to advantageous commercial terms through tiered discounts and growth rebates. The benefits you earn in each tier will include growth accelerators such as Market Development Funds (MDF), prioritized lead sharing, and demand generation. And at the highest tier, you’ll benefit from New Product Introduction (NPI) and pilot programs.

This upgraded benefits plan also reflects the significant investments we’ve made across all of our channel management functions.

For instance, the new partner portal enables you to easily track your performance in the program and your progress toward the next tier. You’ll also be able to manage your benefits, and download content from our extensive library of technical documentation and digital tools. In most regions, the e-commerce portal also includes an e-commerce platform that gives you a 24/7, one-stop shop for pricing, availability, procurement, and order tracking.

Finally, we will be introducing a range of entitlements at each tier (see “The Entitlements” section for details), including a self-serve purchasing platform, blended learning, and enhanced partner support and technical support.

CORE BENEFITS	SILVER	GOLD	PLATINUM
Tiered Discounts*	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>
Market Development Fund (MDF)*	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>
Rebates*	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>
Training Allowance**	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>

*Level of benefit varies by tier Low benefit Medium benefit High benefit

**Not available in all regions

CORE BENEFITS EXPLAINED

Tiered Discount: At higher tier levels, you gain access to product discounts. The rate and timing of discounts are determined by each Honeywell business unit, and all partners will be updated with details as they're released.

Market Development Funds (MDF): Based on your tier, you'll receive a percentage of your previous year's sales as strategic funds to help develop your market. These funds are to be used within the calendar year awarded. (For more details, see the program's MDF brochure.)

Rebate: You can earn a rebate when you exceed your annual plan target for the year. The percentage of the rebate is set by each regional Honeywell business unit.

Training Allowance: Every partner receives a training allowance, which increases at each tier. You can use this allowance toward your own certification fees or to host training for your system integrators and customers.



THE ENTITLEMENTS

SERVICE LEVELS

		SILVER	GOLD	PLATINUM
GENERAL	Priority Leads			•
	NPI Early Adopter Access			•
PRM	Access to Partner Portal	•	•	•
	Users/Accounts	Single	Single	Multiple users available per account
	Portal Training & Support	Training provided through periodic webinars and MyHBU modules.	Training provided through periodic webinars and MyHBU learning modules.	Personalized training available all through the year.
	New Release Piloting & Testing			Yes, first access to test new functionality in beta mode. Active feedback welcomed
TRAINING & LEARNING	Honeywell Building University	•	•	•
	Priority Response to Honeywell Building University Inquires (*based on tier level)	<div>•</div>	<div>•</div>	<div>•</div>
	Product Training	•	•	•
CUSTOMER SERVICE	Priority Case Closure (CCR)			•
TECHNICAL SUPPORT	Call Back Service	<div>•</div>	<div>•</div>	<div>•</div>
	Priority Call Routing	<div>•</div>	<div>•</div>	<div>•</div>
	Professional Services Discount	<div>•</div>	<div>•</div>	<div>•</div>
	Digital Self Service and Account Management	•	•	•
	Remote Diagnostics and Troubleshooting			•

*Level of benefit varies by tier Low benefit Medium benefit High benefit

VARIES BY BUSINESS & REGION

ENTITLEMENTS EXPLAINED

Priority Leads: As a platinum-tier partner, you gain priority access to new leads.

NPI Early Adopter Access: As with pilot programs, once you achieve platinum tier, you have the option to become an early adopter of our newest product introductions. This gives you an opportunity to gain market share over competitors, and to gain early familiarity in the details of using these products in bids and applications.

Digital Portal Access: Partners at every tier have access to the Partner Relationship Management portal (PRM), so you can track your performance throughout the year as well as your progress toward the next tier, and historical data on your prior years.

Pilot Programs: When you reach platinum tier, product teams from each Honeywell business unit may periodically offer you the opportunity to pilot new technologies in your market. This gives you the opportunity to gain a technological edge over competitors and to gain a lead in familiarity, training, and bidding for our latest innovations.

Priority Based Routing: Prioritization and routing of incoming calls to address partner requests

Digital Self-Service: Access to articles, how-to videos, live chat, chatbots and Knowledge Community

Call Back Service: Receive a call-back from Honeywell Technical Services at date and time requested by customer

Professional Services Discount: Availability of complex 'Cause and Effect' support for Honeywell Business Solutions products: Fire Safety and Solutions, BACnet, SQL, ProWatch, WINPAK, VM, Onyx works configuration, BMS MACRO programming and software upgrades

Digital Account Management: Access to account details case management and live chat

Remote Diagnostics and Troubleshooting: Remote diagnosis and troubleshooting of customer issues by technical support team



As part of Honeywell Building Technologies' **catalyst** Partner Program, tier status as well as annual targets will be evaluated and communicated in the beginning of each calendar year and throughout the year should eligibility criteria change. Targets which determine tier status may include, but are not limited to: Gross Revenue, Growth, Weighted Average Days Late (WADL), Minimum Inventory, and Point of Sale data. Your tier status will be re-evaluated at the beginning of each year based on prior year's performance. Your Regional Sales or Business Development Manager will provide direct guidance on eligibility criteria and thresholds annually and throughout the year should your eligibility change. Tier information, benefits and KPIs will also be available in the Partner Relationship Management (PRM) portal. Adjustment to benefits (including, but not limited to, Market Development Funds (MDF), Rebates, Support, etc.) can be made with 30 days' notice. Partners shall only be allowed to use trademarks for the brand(s) that they sell. Usage of branding and trademarks requires Honeywell written approval. Partners are required to sign a Partner Agreement to participate in the program. Refer to your signed Partner Agreement for full details.

For More Information

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**THE
FUTURE
IS
WHAT
WE
MAKE IT**

Honeywell