

Energy Commitment

Honeywell is an energy-efficiency leader — from its technologies and services to the way the company manages its own operations. With more than 160,000 employees and operations across the globe, Honeywell is in a unique position to make a significant impact to greenhouse gas reduction by delivering energy-efficient solutions, reducing energy use in the workplace, and educating employees on the benefits of sustainability. That is why the company established its own environmental objectives. By 2012, Honeywell will reduce greenhouse gas emissions by 30 percent and increase energy efficiency by 20 percent, both from a 2004 baseline. The company has already taken several steps to meet these commitments:

- Honeywell’s fleet has been practicing “right sizing” of cargo vehicles for better fuel economy. Over a three-year period, this practice will help reduce CO2 emissions by an estimated 5.5 million pounds.
- The new headquarters for Honeywell Automation & Control Solutions in Canada will be part of the largest LEED-registered, mixed-use development in North America.
- Honeywell uses landfill gas to help fuel its plant in Hopewell, Va. This cuts daily natural gas consumption by 2,500 MBTU and annual CO2 emissions by 48,000 tons.
- The company participates in the U.S. Environmental Protection Agency’s Climate Leaders program — a public-private partnership that works to measure progress toward reaching corporate greenhouse gas reduction commitments.
- In December 2007, Honeywell joined the Chicago Climate Exchange, a voluntary, legally binding trading system that offers members the opportunity to monetize reductions in greenhouse gases that are below established targets.

Energy-Efficient Offerings

Nearly 50 percent of Honeywell’s revenue comes from products that improve energy efficiency. Honeywell also is a global leader in energy services. Since the 1980s, the company has completed more than 5,000 energy-efficiency projects in facilities across the globe. It also has helped 5 million homeowners decrease their energy use through its work with utilities. These projects are expected to deliver more than \$5 billion in energy and operational savings

In addition, according to the U.S. Department of Energy, energy demand from transportation and residential, commercial and industrial facilities will increase 25-30 percent over the next couple decades. Existing Honeywell technologies could hold this projected growth to 12 percent across all areas, reducing greenhouse gas emissions by almost 1.5 billion metric tons. From cars to airplanes to skyscrapers, we’re making the world more energy efficient, innovative and productive. For example:

Offering	Overview	Impact
Energy Services	Improving the energy efficiency of our customer’s facilities through retrofits and optimization	The projects sold in 2007 are expected to save 1.1 million MBTUs of natural gas, 188 million kWh of electricity and 239 million gallons of water annually
Solar Power Generation	Installation of solar power electricity generation systems for our customers	Honeywell-led solar installation will generate 7.8 MWs of electricity, offsetting customers use of power from the grid
Turbochargers	Honeywell sold more than 7 million turbochargers in 2007 that are used in cars and light trucks	Turbocharged vehicles use 30-40 percent less fuel; the turbochargers Honeywell sold in 2007 will save hundreds of millions of gallons of oil per year
Advanced Controls and Process Engineering	Honeywell controls and engineering expertise can decrease the energy consumption of our industrial customers by 10 percent	Projects delivered in 2007 are expected to save our customers \$20 million over their life
Enovate Spray Foam	New homes using Enovate-based spray foam insulation have experienced documented energy savings of 40 percent versus homes insulated with fiberglass	In 2007, Honeywell sold enough Enovate to apply more than 140 million square feet of spray foam insulation, which is enough to insulate about 20,000 single-family homes; the energy savings from these homes would be enough to heat and cool another 8,000 U.S. homes for free
Programmable Thermostats	Programmable thermostat adjusts the temperature automatically to conserve energy and trim utility bills	Honeywell is the world’s leading thermostat manufacturer; its programmable models can reduce residential heating and cooling demand by more than 30 percent

Energy Initiatives

Honeywell’s energy expertise and commitment to innovation is making an impact in several new arenas:

- UOP, a Honeywell company, launched a Renewable Energy & Chemicals business in late 2006. This business is focused on developing and commercializing technology to produce transportation fuels from biofeedstocks. The most significant milestone in its efforts to date is the successful conversion of vegetable oils to green diesel that reduces carbon emissions by 75 percent.
- Honeywell recently joined the Clinton Climate Initiative (CCI) to help the world’s largest cities reduce energy consumption and greenhouse gas emissions, work that will be extended to colleges and universities through the American College and University Presidents Climate Commitment (ACUPCC). As part of its involvement, Honeywell was recently selected by the Greater London Authority for a building retrofit program that will increase energy efficiency in city facilities and cut carbon emissions. London is the first C40 city in the world to launch a comprehensive program under CCI.
- Honeywell also recently introduced the UtilityPRO thermostat — a state-of-the-art programmable thermostat designed for utility-sponsored demand response programs that help limit energy consumption when the demand for electricity is at its highest. Honeywell has 25 years experience designing and implementing these programs for utilities, and has installed more than 950,000 load-control devices to date, making it the largest implementer of residential demand response in North America. On an annual basis, these programs help utilities control more than 950 megawatts of peak energy use.