Honeywell Responds to Garrett Motion Inc.'s Latest Misrepresentations

June 14, 2020

Garrett's latest announcements represent an unfortunate attempt to malign Honeywell to try to better position themselves in their meritless lawsuit. Garrett continues to misrepresent their obligations under their agreements. The facts are:

- Garrett's initial proposal to amend its credit agreement was launched without notice to Honeywell and directly and materially violated Honeywell's rights under the Indemnification and Reimbursement Agreement (IRA). Honeywell subsequently issued a Notice of Default to protect our rights and our shareowners' interests. Over the past few weeks, Honeywell has worked constructively with Garrett to ensure Honeywell's rights are protected, while achieving the common goal of giving Garrett relief it sought under its financial covenants due to the challenging COVID-19 environment. We ultimately reached an agreement and withdrew the Notice of Default.

- The Garrett spin-off and Honeywell's ongoing reimbursement agreements with Garrett were structured and sized for the specific purposes of enabling Garrett to generate sufficient free cash flow to make the required payments and enabling Garrett to succeed in the marketplace as a standalone company, even in the event of a significant industry downturn.

- To date, Garrett's leadership has spent more than $12 million of their shareowners' money in pursuing expensive litigation against Honeywell that lacks any merit. To discourage this level of spending while Garrett sought covenant relief and both companies were facing COVID economic challenges, Honeywell proposed, and Garrett agreed, that both companies will make good faith efforts to limit our near-term litigation spend on the ongoing dispute, without limiting either company's rights.

We believe Garrett's leadership would better serve their stakeholders by focusing on delivering value and supporting customers rather than pursuing expensive and meritless litigation and issuing public misrepresentations.