FOURTH QUARTER 2025 EARNINGS AND 2026 OUTLOOK

JANUARY 29, 2026

Honeywell

THE FUTURE IS WHAT WE MAKE IT

Honeywell

FORWARD LOOKING STATEMENTS

We describe many of the trends and other factors that drive our business and future results in this presentation. Such discussions contain forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act), including statements related to the proposed separation of Automation and Aerospace Technologies and the planned sale of the Productivity Solutions and Services and Warehouse and Workflow Solutions businesses. Forward-looking statements are those that address activities, events, or developments that we or our management intend, expect, project, believe, or anticipate will or may occur in the future. They are based on management's assumptions and assessments in light of past experience and trends, current economic and industry conditions, expected future developments, and other relevant factors, many of which are difficult to predict and outside of our control, including Honeywell's current expectations, estimates, and projections regarding the proposed separation of Automation and Aerospace Technologies and the planned sale of the Productivity Solutions and Services and Warehouse and Workflow Solutions businesses. They are not guarantees of future performance, and actual results, developments, and business decisions may differ significantly from those envisaged by our forward-looking statements, including the proposed separation of Automation and Aerospace Technologies and the planned sale of the Productivity Solutions and Services and Warehouse and Workflow Solutions businesses, and the anticipated benefits of each. We do not undertake to update or revise any of our forward-looking statements, except as required by applicable securities law. Our forward-looking statements are also subject to material risks and uncertainties, including ongoing macroeconomic and geopolitical risks, such as changes in or application of trade and tax laws and policies, including the impacts of tariffs and other trade barriers and restrictions, lower GDP growth or recession in the U.S. or globally, supply chain disruptions, capital markets volatility, inflation, and certain regional conflicts, which can affect our performance in both the near- and long-term. In addition, no assurance can be given that any plan, initiative, projection, goal, commitment, expectation, or prospect set forth in this presentation can or will be achieved. These forward-looking statements should be considered in light of the information included in this presentation, our Form 10-K and other filings with the Securities and Exchange Commission. Any forward-looking plans described herein are not final and may be modified or abandoned at any time.

NON-GAAP FINANCIAL MEASURES

This presentation contains financial measures presented on a non-GAAP basis. Honeywell's non-GAAP financial measures used in this presentation are as follows: Segment profit, on an overall Honeywell basis; Segment profit margin, on an overall Honeywell basis; Adjusted segment profit, on an overall Honeywell basis; Adjusted segment profit margin, on an overall Honeywell basis; Aerospace Technologies adjusted segment profit; Aerospace Technologies adjusted segment profit margin; Organic sales percent change; Last twelve months ("LTM") average organic growth; Adjusted net sales; Free cash flow; Adjusted earnings per share; Adjusted income before taxes; Adjusted income tax expense; and Adjusted effective tax rate, if and as noted in the presentation.

Management believes that, when considered together with reported amounts, these measures are useful to investors and management in understanding our ongoing operations and in the analysis of ongoing operating trends. These measures should be considered in addition to, and not as replacements for, the most comparable GAAP measure. Certain measures presented on a non-GAAP basis represent the impact of adjusting items net of tax. The tax-effect for adjusting items is determined individually and on a case-by-case basis. Refer to the Appendix attached to this presentation for reconciliations of non-GAAP financial measures to the most directly comparable GAAP measures.

KEY MESSAGES

- Strong finish to 2025, with Q4 adjusted sales and adjusted EPS above expectations with 23% orders growth
- Record backlog and improved execution underpin confidence in sustained organic growth and margin expansion
- Significant progress on all facets of portfolio transformation
- Aerospace separation now expected to be completed in 3Q with analyst days for both entities in June 2026
- Substantial advancements in Quantinuum leading to commercial partnerships

Strong Operational Setup for 2026 With Separation Tracking Ahead of Plan

PORTFOLIO TRANSFORMATION UPDATE

Separation Milestones

- Aerospace separation now expected in 3Q 2026, significant progress on key milestones
- Completed formation of automation and aerospace leadership teams
- Focused on right-sizing cost structures and addressing stranded costs

Leadership Announcements

- Post separation Aero leaders announced, including Jim Currier (President and CEO) and Josh Jepsen (CFO)
- Craig Arnold, former Chairman and CEO of Eaton Corporation, will serve as non-executive Chair of Aerospace Board
- Indra Nooyi, former Chair and CEO of PepsiCo, joined HON's Board of Directors, effective January 1, 2026

Portfolio Updates

- New segment reporting structure aligned to our business model approach effective in first quarter 2026
- Expect to announce sale of Productivity Solutions and Services and Warehouse and Workflow Solutions in 1H 2026
- Quantinuum progressing on key technological and commercial milestones

Significant Progress on Portfolio Actions

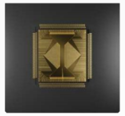
QUANTINUUM PROGRESS

2024

Fundraising Round

$300M capital raise at $5B pre-money valuation

Amgen
Honeywell
MITSUI & CO.
J.P.Morgan



H2-1 Launch

Market-leading fidelity with industry-best 56 trapped-ion qubits

Updated Quantum Roadmap

Universal, fully fault-tolerant quantum computing by 2029

2025

NVIDIA
Quanta Computer
Fidelity Investments
QED Investors

Fundraising Round

~$840M capital raise at $10B valuation

Helios Product Launch

World's most accurate quantum computer with ~50 logical qubits and >99.9% gate fidelity

QUANTINUUM HELIOS
Powered by Honeywell

AIRBUS
BMW
Chevron

Customer Acquisition

Rapidly growing roster of global partnerships

2026+

STILL TO COME

- Creation of independent board of directors
- Quantum enhanced AI Enterprise use case in Pharma
- Helios operational in Singapore
- SoL product launch with ~100 logical qubits

Delivering on Technology Milestones and Pivoting towards Commercialization

GROWTH ACCELERATION

End Market Demand

- Aerospace: defense and commercial
- Process: LNG, refining, life sciences
- Buildings: data centers, entertainment, and hospitals

+

Portfolio Repositioning

- Exiting more cyclical, capital-intensive businesses
- Adding higher-growth businesses through acquisitions
- Enhancing mix of high margin recurring revenue streams

+

New Product Introductions

- 4% growth from NPI in 2025
- Upgraded R&D capabilities (+600 engineers)
- Deeper customer and supplier partnerships

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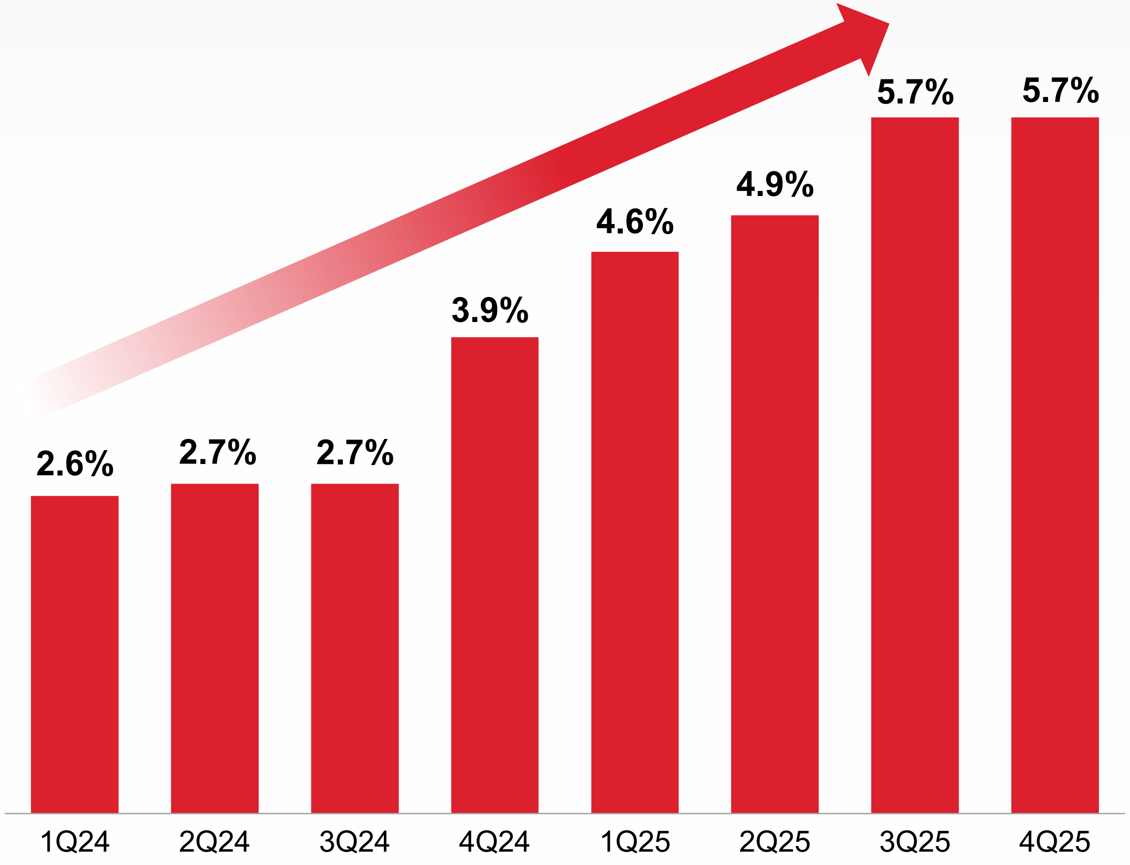
LTM AVERAGE ORGANIC GROWTH*[1,2]



*Non-GAAP financial measure
1. Represents average of organic sales growth for the prior four quarters in each period.
2. Organic growth rates exclude the 4Q24 impact of Bombardier; announced on December 2, 2024, resulting in a reduction to Sales of $0.4B, Net Income of $0.3B, and Cash Flow of $0.5B.

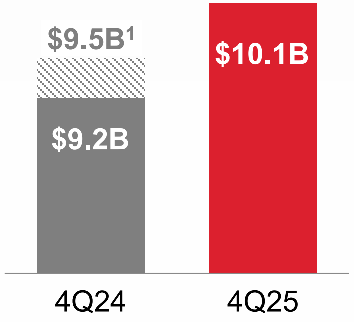
Improvements on Multiple Fronts Driving Organic Growth Acceleration

4Q 2025 RESULTS

ADJUSTED SALES*

Up **11% Organic***

Up 6% ex. BBD[1]

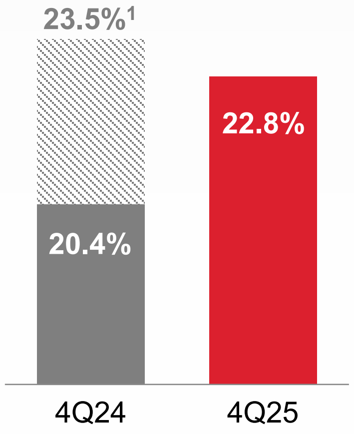


+ Double-digit growth in commercial aftermarket and defense and space
+ Fifth consecutive quarter of HSD growth in BA on NPI-driven demand
+ Pricing execution

ADJUSTED SEGMENT MARGIN*

Up **240 bps**

Down (70) bps ex. BBD[1]

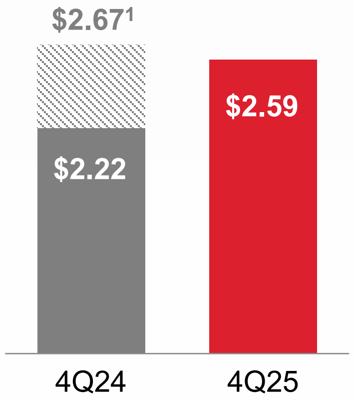


+ Continued operational improvements
+ Pricing and volume leverage
- Catalyst shipment timing in ESS
- R&D investment ramp

ADJUSTED EPS*

Up **17%**

Down (3%) ex. BBD[1]

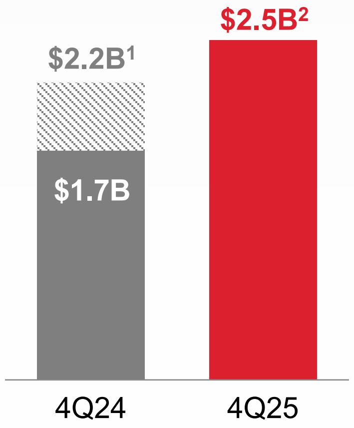


+ Higher segment profit
+ Lower share count
- Higher adjusted effective tax rate (24-cent impact)

FREE CASH FLOW*

Up **48%**

Up 13% ex. BBD[1]



+ Higher adjusted net income
+ Strong collections
- Higher cash taxes and interest payments

Exclusion of BBD Agreement

**Non-GAAP financial measure*

Note: NPI: New Product Introductions

1. 4Q24 financial results include impact of the Bombardier Agreement announced on December 2, 2024, resulting in a reduction to Sales of $0.4B, Net Income of $0.3B, and Cash Flow of $0.5B.

2. With respect to historical periods, free cash flow adjusts for capital expenditures, spin-off and separation-related cost payments, Resideo indemnification and reimbursement agreement termination payment, settlement of the divestiture of asbestos liability, and settlement of Flexjet-related litigation matters.

Organic Growth Momentum Exiting 2025

2026 Outlook

FY 2026 SEGMENT OUTLOOK

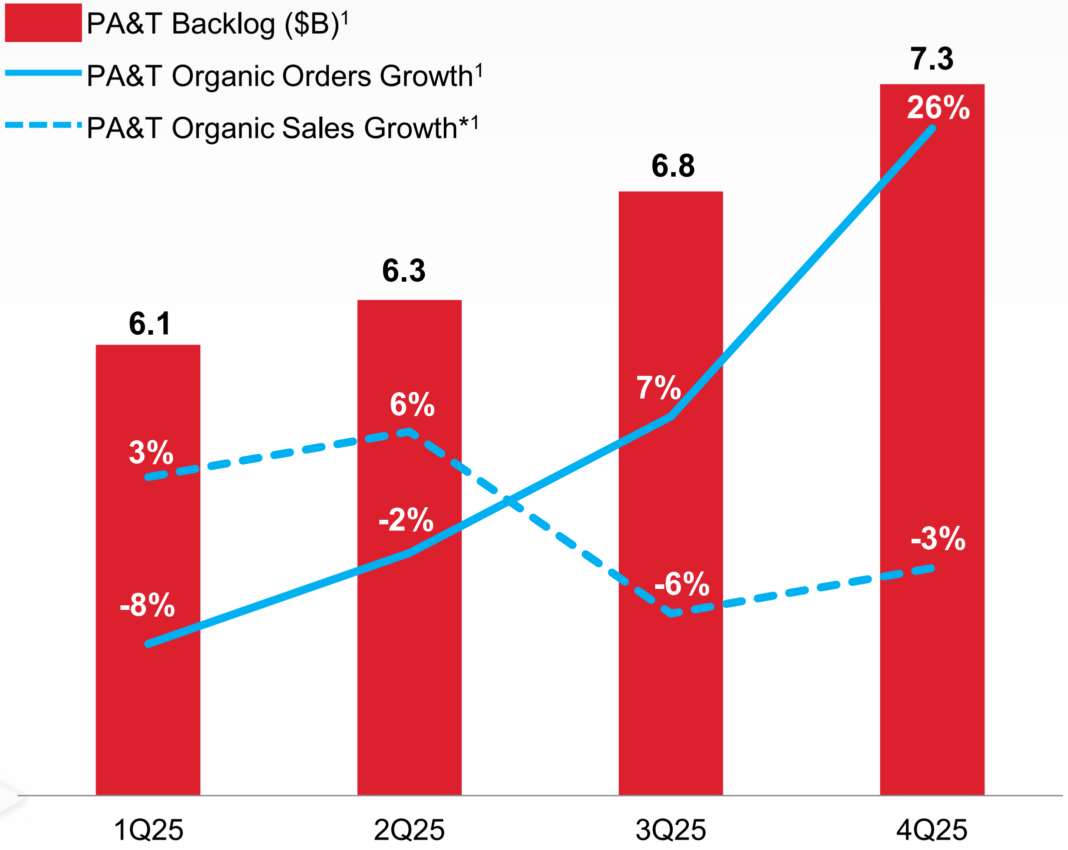
($M)

	ORGANIC GROWTH OUTLOOK	BUSINESS DRIVERS
AT	HSD	• Increasing commercial demand underpinned by flight hour growth and rising OE production to meet multi-year backlogs • Defense momentum supported by growing global defense budgets in areas of HON strength • Sustained supply chain efforts driving output growth to fulfill significant new customer wins and reduce past due backlog
BA	MSD+	• Capex investments related to data centers, healthcare, and hospitality in North America, Europe, APAC, and Middle East • Cross segment demand generation and new product offerings focused on higher growth verticals • Strong growth in services and software driven by connected building offerings for better uptime and energy management
PA&T	~Flat	• Growth in projects globally, demand stemming from LNG and refining with 2H mega projects ramp • Increased win rates from integrated end-to-end solutions, onshoring of life sciences, and increased cyber security needs • Slower growth in aftermarket with delays in petrochemical catalyst reloads and automation services upgrades
IA	(LSD) - Flat	• Price, NPI, and improved execution in industrial products portfolio • Regionally, growth in U.S., Middle East, and India offset by pockets of weakness in Europe and China • Assumes no material recovery in underlying market demand

Continued Growth in Aerospace and Buildings

ROBUST DEMAND ENVIRONMENT FOR PA&T

ORDERS AND BACKLOG STRENGTH



*Non-GAAP financial measure

1. Effective January 1, 2026, PA&T is a reportable business segment; backlog, orders, and sales growth figures above represent restated figures for PA&T for 2025.

SECOND HALF 2026 RAMP SUPPORTED BY ROBUST LONG-CYCLE DEMAND

- 17% orders growth PA&T in 2H 2025 resulting in 16% increase in opening backlog
- Orders strength in long-cycle Process Technology (PT), particularly in LNG and refining in U.S. and RoW
- 2025 PT backlog up over 30% 1H to 2H supporting second half ramp based on historical conversion rates
- Pipeline opportunities up HSD YoY, signaling long-cycle orders strength to continue; subject to timing of customer FID
- Actively monitoring orders rates in petrochemicals market for catalysts and automation systems migrations

Second Half Acceleration Supported by Long-Cycle PA&T Orders Momentum

FY 2026 SEGMENT MARGIN EXPANSION DRIVERS

2025 ADJUSTED SEGMENT MARGIN	**22.5%**	**DRIVERS**
Price / Cost	+	• Demand for differentiated solutions enabling pricing execution
Volume Leverage	+	• Improved volume leverage in Buildings and Aerospace
Operational Improvements	+	• Productivity actions and lean operational execution ahead of separation
PA&T Mix	−	• Higher 2H26 projects growth
R&D Investments	**~Neutral**	• 2025 R&D spend step up normalized and 2026 aligned to sales growth
Solstice Stranded Costs	**~Neutral**	• Planned elimination of stranded costs over 12-18 months post separation
Corporate and Quantinuum	−	• Increased Quantinuum technology investments (30 bps)
2026 SEGMENT MARGIN GUIDANCE	**22.7% - 23.1%** Up 20 - 60 bps	

Margin Tailwinds for Aero and Automation

FY 2026 OUTLOOK

FY GUIDANCE	
SALES $38.8B - $39.8B Up 3% - 6% Organically*	**SEGMENT MARGIN*** 22.7% - 23.1% Up 20 - 60 bps[1]
ADJUSTED EPS* $10.35 - $10.65 Up 6% - 9%	**FREE CASH FLOW*[2]** $5.3B - $5.6B Up 4% - 10%

COMMENTARY

- Organic growth driven by continued strength in Aerospace and Buildings, partially offset by prudent outlook in Process Automation & Technology given project delays; strong 2H setup supported by record backlog
- Segment margin expansion led by IA and BA; benefits of operational improvements expected in all SBGs
- RemainCo entity making significant progress on stranded cost reduction (impact of Solstice stranded costs neutralized in 2025)
- Higher corporate costs stemming from ramp in Quantinuum commercial and R&D investments
- Guidance includes full-year outlooks for Aerospace, Productivity Solutions and Services, and Warehouse and Workflow Solutions, and does not incorporate the pending acquisition of Johnson Matthey's Catalyst Technologies business

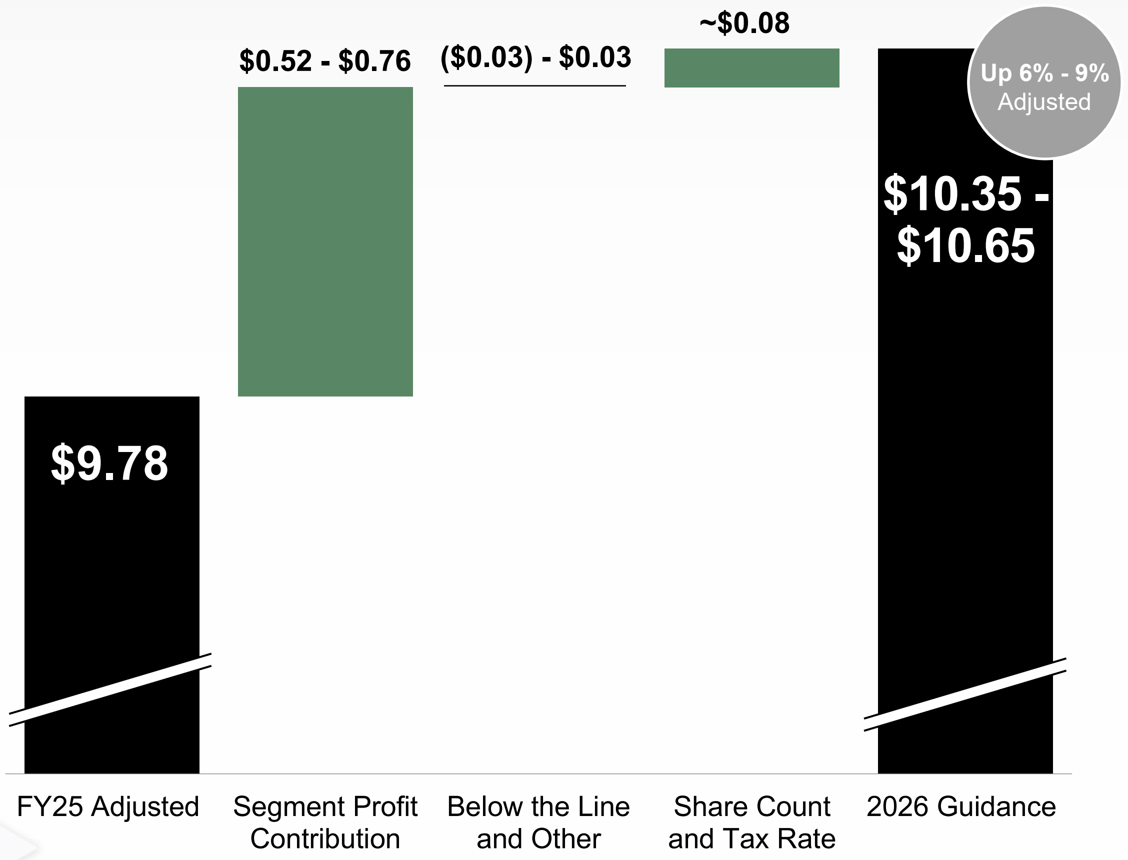
**Non-GAAP financial measure*

1. As compared to Adjusted Segment Margin in 2025

2. With respect to historical periods, free cash flow adjusts for capital expenditures, spin-off and separation-related cost payments, Resideo indemnification and reimbursement agreement termination payment, settlement of the divestiture of asbestos liability, and settlement of Flexjet-related litigation. matters. With respect to the company's outlook for 2026, free cash flow adjusts for capital expenditures, spin-off and separation-related cost payments, and settlement of Flexjet-related litigation matters.

Delivering Growth And Margin Expansion Amid Separation Execution

FY 2026 ADJUSTED EARNINGS PER SHARE BRIDGE



EARNINGS DRIVERS	
Segment Profit Contribution	+ Productivity and commercial excellence, net of inflation + Higher volumes ± Quantinuum technology investments
Below the Line and Other	+ Increased pension income - Increased repositioning expense
Share Count and Tax Rate	+ Lower share count (638M vs. 643M) + Adjusted effective tax rate flat at ~19%

Strong Operating Performance Driving Segment Profit Growth

1Q 2026 OUTLOOK

1Q GUIDANCE

SALES
$9.1B - $9.4B
Up 3% - 5% Organically*

SEGMENT MARGIN*
22.4% - 22.6%
Flat - Up 20 bps

ADJUSTED EPS*
$2.25 - $2.35
Up 2% - 6%

NET BELOW THE LINE IMPACT[1]
($195M - $245M)

Effective tax rate
~21%

Share count
~638M

COMMENTARY

- Organic growth led by continued momentum AT (ramping OE production rates, flight hour growth, increased defense spending, and supply chain unlock) and BA (robust NPI), partially offset by PA&T (softness in catalysts reloads) and IA (short cycle weakness)
- High growth regions and robust pipeline of new product introductions contribute to top line and segment profit growth
- Modest margin expansion led by productivity actions in automation; aerospace margin down slightly sequentially on seasonally lower volume
- Higher corporate costs stemming from ramp in Quantinuum commercial investments
- Below the line headwinds driven by higher interest expense due to acquisitions and increased repositioning expense to reduce fixed costs

** Non-GAAP financial measure*
1. Net below the line impact is the difference between segment profit and income before tax. Impact includes interest and other financial charges, interest income, amortization of acquisition-related intangibles, stock compensation expense, pension ongoing income, other postretirement income, amortization of acquisition-related intangibles, certain acquisition- and divesture-related costs and impairments, and repositioning and other charges.

Delivering Growth and Margin Expansion Amid Spin Execution

SUMMARY

- Strong finish to 2025 with adjusted sales and adjusted earnings per share exceeding guidance ranges
- Initiated 2026 guidance supported by strong orders growth and backlog
- Separation milestones tracking ahead of plan
- Portfolio simplification paving a clear path for Automation as an industry-leading pure-play
- Honeywell Aerospace Investor Day June 2^{nd} - 3^{rd} in Phoenix; Automation Investor Day June 11^{th} in NYC

Strong Setup to Deliver on Commitments

Appendix

ADDITIONAL 2026 INPUTS

	2025	2026E	1Q26E	COMMENTARY
Corporate and Quantinuum	($545M)	(~$650M)	(~$130M)	• FY26 largely driven by increases in Quantinuum investments
Pension / OPEB	$560M	~$660M	~$165M	• Year over year tailwind
Repositioning and Other[1,2]	($172M)	($150M - $200M)	($20M - $60M)	
Other Below the Line[3]	($1,115M)	($1,250M - $1,300M)	($340M - $350M)	• Includes FY26 net interest ~$1B and stock compensation ~$0.2B
Total Below the Line	($727M)	($740M - $840M)	($195M - $245M)	• FY26 ~in line with FY25
Adjusted Effective Tax Rate	19%	~19%	~21%	• FY26 ~in line with FY25; higher rate YoY in 2Q
Share Count	643M	~638M	~638M	

1. Repositioning excludes spin-off and divestiture-related repositioning costs, including $69M in 4Q25.
2. Repositioning and other includes asbestos and environmental expenses.
3. Other below the line includes asbestos expenses net of loss on settlement of divestiture of asbestos liabilities, environmental expenses and adjustment to estimated future environmental liabilities, net interest, stock compensation expense, foreign exchange, and other expense.

4Q AND FY 2025 SALES GROWTH

	4Q Reported	4Q Organic	FY Reported	FY Organic
AEROSPACE TECHNOLOGIES	**13%**	**21%**	**13%**	**12%**
AEROSPACE TECHNOLOGIES (EX. BBD[1])	***4%***	***11%***	***11%***	***10%***
Commercial Aviation Original Equipment	153%	153%	13%	13%
Commercial Aviation Original Equipment (ex. BBD[1])	*5%*	*5%*	*(3%)*	*(3%)*
Commercial Aviation Aftermarket	(3%)	13%	9%	13%
Defense and Space	10%	10%	19%	10%
INDUSTRIAL AUTOMATION	**(8%)**	**1%**	**(6%)**	**0%**
Process Solutions	2%	0%	1%	0%
Productivity Solutions and Services	3%	1%	(6%)	(6%)
Sensing Solutions	(55%)	3%	(36%)	1%
Warehouse and Workflow Solutions	6%	5%	2%	2%
BUILDING AUTOMATION	**10%**	**8%**	**13%**	**8%**
Building Products	9%	8%	16%	7%
Building Solutions	10%	9%	8%	8%
ENERGY AND SUSTAINABILITY SOLUTIONS	**10%**	**(7%)**	**19%**	**(1%)**
UOP	10%	(7%)	19%	(1%)

1. 4Q24 financial results include impact of the Bombardier Agreement announced on December 2, 2024, resulting in a reduction to Sales of $0.4B, Net Income of $0.3B, and Cash Flow of $0.5B.

4Q AND FY 2025 SALES GROWTH (2026 REPORTING STRUCTURE)

	4Q Reported	4Q Organic	FY Reported	FY Organic
AEROSPACE TECHNOLOGIES	**13%**	**21%**	**13%**	**12%**
AEROSPACE TECHNOLOGIES (EX. BBD[1])	***4%***	***11%***	***11%***	***10%***
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Commercial Aviation Original Equipment (ex. BBD[1])	*5%*	*5%*	*(3%)*	*(3%)*
Commercial Aviation Aftermarket	(3%)	13%	9%	13%
Defense and Space	10%	10%	19%	10%
BUILDING AUTOMATION	**10%**	**8%**	**13%**	**8%**
Products	5%	4%	13%	6%
Solutions	15%	14%	12%	10%
PROCESS AUTOMATION & TECHNOLOGY	**6%**	**(3%)**	**9%**	**0%**
Aftermarket Services	(5%)	(7%)	1%	(1%)
Projects	23%	4%	21%	2%
INDUSTRIAL AUTOMATION	**(13%)**	**1%**	**(10%)**	**(1%)**
Products	(14%)	6%	(10%)	3%
Solutions	(9%)	(10%)	(10%)	(10%)

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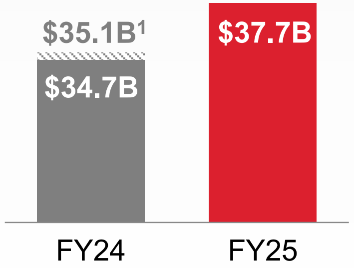
FY 2025 SEGMENT RESULTS

($M)	ADJUSTED SALES*	ADJ. SEGMENT MARGIN* CHANGE (BPS)
AT	**$17,822** Up 12% Organic Up 10% ex. BBD[1]	**26.1%** Up 30 bps Down (140) bps ex. BBD[1]
IA	**$9,401** Flat Organic	**18.5%** Down (100) bps
BA	**$7,367** Up 8% Organic	**26.5%** Up 80 bps
ESS	**$3,134** Down (1%) Organic	**22.1%** Down (120) bps

ADJUSTED SALES*

Up 7% Organic*

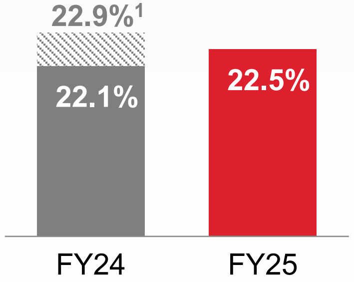
Up 6% ex. BBD[1]



ADJ. SEGMENT MARGIN*

Up 40 bps

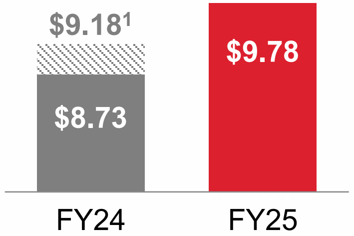
Down (40) bps ex. BBD[1]



ADJUSTED EPS*

Up 12%

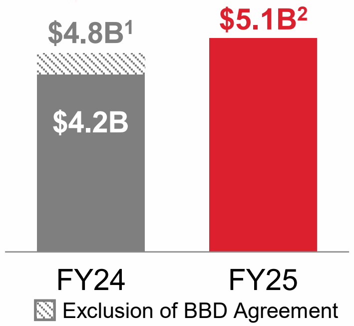
Up 7% ex. BBD[1]



FREE CASH FLOW*

Up 20%

Up 7% ex. BBD[1]



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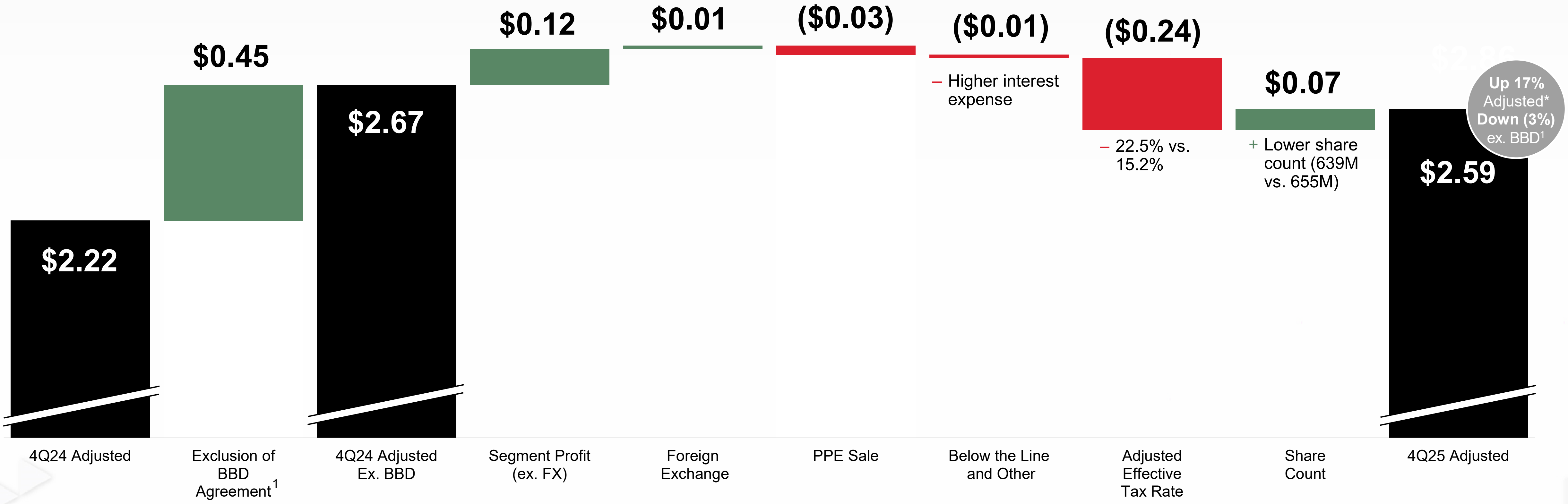
Growth Driven By Long-Cycle Strength

4Q 2025 EARNINGS PER SHARE BRIDGE



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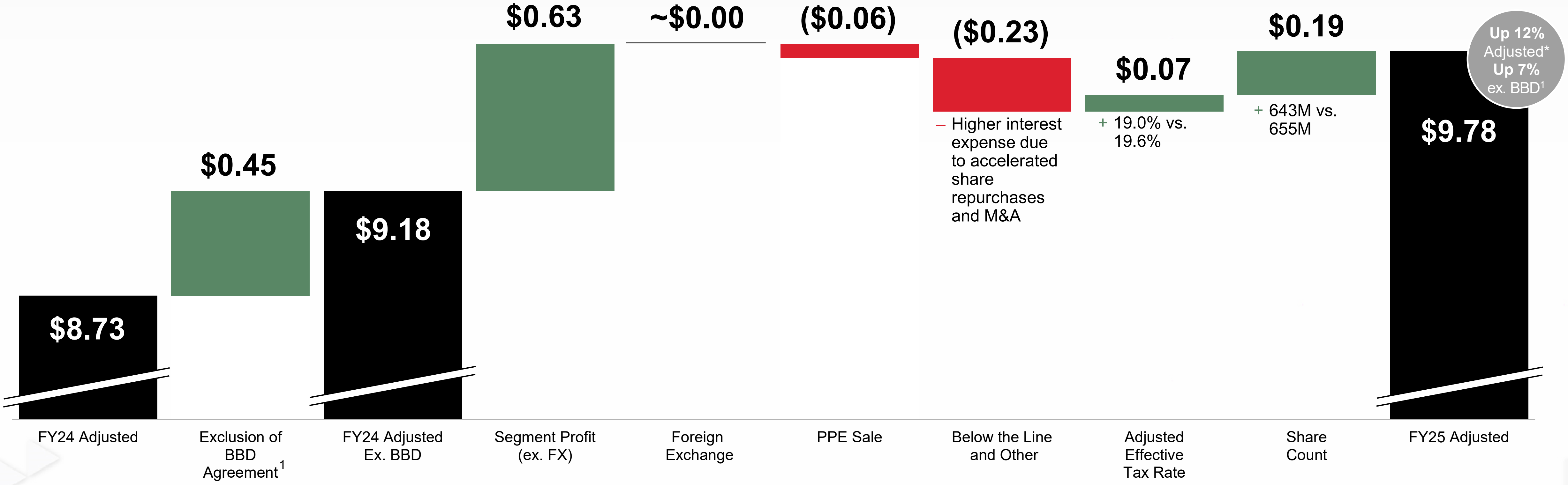
Strong Segment Profit Contribution Offset By Tax

FY 2025 EARNINGS PER SHARE BRIDGE



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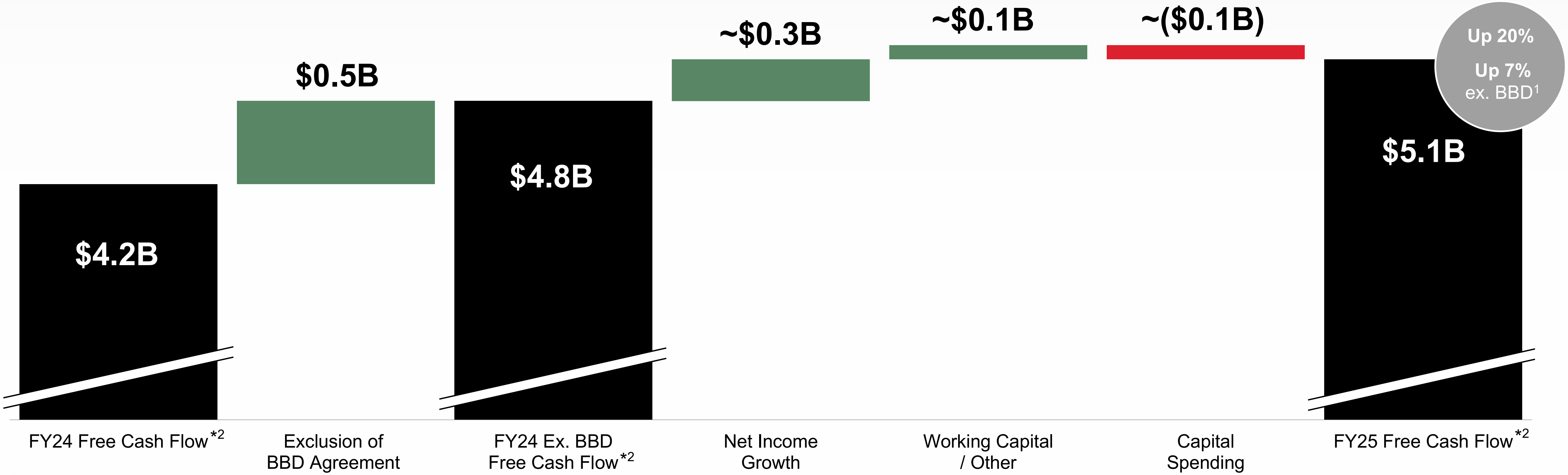
Strong Operating Performance and Lower Share Count Driving EPS Growth

FY 2025 FREE CASH FLOW BRIDGE



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Net Income Growth Driving Free Cash Flow in 2025

HONEYWELL PORTFOLIO REALIGNMENT

Current Honeywell Structure	New Structure as of 1Q26
Aerospace	**Aerospace (No Change)**
Building Automation	**Building Automation**
Building Products	Products
Building Solutions	Solutions
Energy and Sustainability Solutions[1]	
UOP	
Industrial Automation	
Process Solutions[2]	
Core Process Solutions	
Process Measurement and Controls	
Smart Energy	
Thermal Solutions	
Sensing Solutions	
Warehouse and Workflow Solutions[3]	
Productivity Solutions and Services[3]	
	Process Automation and Technology
	Projects
	Aftermarket
	Industrial Automation
	Products
	Solutions

Note: New reporting structure to take effect beginning first quarter 2026

1. Solstice Advanced Materials not included in current Honeywell structure or updated portfolio view due to spin-off in October 2025.

2. Process Solutions, currently within Industrial Automation in the Honeywell reporting structure, includes core process solutions, process measurement and controls, smart energy, and thermal solutions. Process measurement and controls (detection, measurement, control instruments, and software), smart energy (utilities devices, software, and services), and thermal solutions (industrial burners, heat exchangers, combustion solutions) will remain with Industrial Automation under the new construct, while core process solutions will be included in the new reporting segment Process Automation and Technology.

3. Warehouse and Workflow Solutions and Productivity Solutions and Services held for sale.

Non-GAAP Financial Measures

The following information provides definitions and reconciliations of certain non-GAAP financial measures presented in this presentation to which this reconciliation is attached to the most directly comparable financial measures calculated and presented in accordance with generally accepted accounting principles (GAAP).

Management believes that, when considered together with reported amounts, these measures are useful to investors and management in understanding our ongoing operations and in the analysis of ongoing operating trends. These measures should be considered in addition to, and not as replacements for, the most comparable GAAP measure. Certain measures presented on a non-GAAP basis represent the impact of adjusting items net of tax. The tax-effect for adjusting items is determined individually and on a case-by-case basis. Other companies may calculate these non-GAAP measures differently, limiting the usefulness of these measures for comparative purposes.

Management does not consider these non-GAAP measures in isolation or as an alternative to financial measures determined in accordance with GAAP. The principal limitations of these non-GAAP financial measures are that they exclude significant expenses and income that are required by GAAP to be recognized in the consolidated financial statements. In addition, they are subject to inherent limitations as they reflect the exercise of judgments by management about which expenses and income are excluded or included in determining these non-GAAP financial measures. Investors are urged to review the reconciliation of the non-GAAP financial measures to the comparable GAAP financial measures and not to rely on any single financial measure to evaluate Honeywell's business.

As indicated herein, certain forward-looking non-GAAP financial measures are not reconciled because management cannot reliably predict or estimate certain items for the reasons specified herein with respect to each non-GAAP financial measure.

Reconciliation of Net Sales to Adjusted Net Sales

	4Q25	2025
Honeywell		
Net sales	9,758	37,442
Flexjet-related litigation matters[1]	312	312
Adjusted net sales	$ 10,070	$ 37,754
Aerospace Technologies		
Net Sales	4,520	17,510
Flexjet-related litigation matters[1]	312	312
Adjusted net sales	$ 4,832	$ 17,822

1 For the three and twelve months ended December 31, 2025, reflects a $312 million impact to sales due to contra revenue accounting as a result of the settlement of the Flexjet-related litigation matters.

We define adjusted net sales as net sales less the sales impact of the Flexjet-related litigation matters. Management considers the nature and significance of these litigation matters to be unusual and not indicative of the Company's ongoing performance. We believe this measure is useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.

Reconciliation of Operating Income to Segment Profit and Adjusted Segment Profit, Calculation of Operating Income, Segment Profit, and Adjusted Segment Profit Margins

($M)	4Q24	4Q25	1Q25	2024	2025
Operating income	$ 1,521	$ 996	$ 1,721	$ 6,449	$ 6,044
Stock compensation expense[1]	39	50	59	189	196
Repositioning, Other[2,3]	58	133	59	265	675
Pension and other postretirement service costs[3]	16	25	13	61	73
Amortization of acquisition-related intangibles[4]	139	163	135	411	570
Acquisition-related costs[5]	—	—	—	25	2
Indefinite-lived intangible asset impairment[1]	—	44	—	48	44
Impairment of goodwill	—	288	—	—	288
Impairment of assets held for sale	94	220	15	219	235
Segment profit	$ 1,867	$ 1,919	$ 2,002	$ 7,667	$ 8,127
Flexjet-related litigation matters[6]	—	373	—	—	373
Adjusted segment profit	$ 1,867	$ 2,292	$ 2,002	$ 7,667	$ 8,500
Operating income	$ 1,521	$ 996	$ 1,721	$ 6,449	$ 6,044
÷ Net sales	$ 9,169	$ 9,758	$ 8,925	$ 34,717	$ 37,442
Operating income margin %	16.6 %	10.2 %	19.3 %	18.6 %	16.1 %
Segment profit	$ 1,867	$ 1,919	$ 2,002	$ 7,667	$ 8,127
÷ Net sales	$ 9,169	$ 9,758	$ 8,925	$ 34,717	$ 37,442
Segment profit margin %	20.4 %	19.7 %	22.4 %	22.1 %	21.7 %
Adjusted segment profit	$ 1,867	$ 2,292	$ 2,002	$ 7,667	$ 8,500
÷ Adjusted net sales	$ 9,169	$ 10,070	$ 8,925	$ 34,717	$ 37,754
Adjusted segment profit margin %	20.4 %	22.8 %	22.4 %	22.1 %	22.5 %

1 Included in Selling, general and administrative expenses.
2 Includes repositioning, asbestos, environmental expenses, equity income adjustment, and other charges.
3 Included in Cost of products and services sold and Selling, general and administrative expenses.
4 Included in Cost of products and services sold.
5 Included in Other (income) expense. Includes acquisition-related fair value adjustments to inventory and third-party transaction and integration costs.
6 For the three and twelve months ended December 31, 2025, reflects a $373 million impact to segment profit as a result of the settlement of the Flexjet-related litigation matters.

We define operating income as net sales less total cost of products and services sold, research and development expenses, selling, general and administrative expenses, impairment of goodwill, and impairment of assets held for sale. We define segment profit, on an overall Honeywell basis, as operating income, excluding stock compensation expense, pension and other postretirement service costs, amortization of acquisition-related intangibles, certain acquisition- and divestiture-related costs and impairments, and repositioning and other charges. We define adjusted segment profit, on an overall Honeywell basis, as segment profit excluding the segment profit impact of the Flexjet-related litigation matters. We define segment profit margin, on an overall Honeywell basis, as segment profit divided by net sales. We define adjusted segment profit margin, on an overall Honeywell basis, as adjusted segment profit divided by adjusted net sales. We believe these measures are useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.

A quantitative reconciliation of operating income to segment profit, on an overall Honeywell basis, has not been provided for all forward-looking measures of segment profit and segment profit margin included herein. Management cannot reliably predict or estimate, without unreasonable effort, the impact and timing on future operating results arising from items excluded from segment profit, particularly pension mark-to-market expense as it is dependent on macroeconomic factors, such as interest rates and the return generated on invested pension plan assets. The information that is unavailable to provide a quantitative reconciliation could have a significant impact on our reported financial results. To the extent quantitative information becomes available without unreasonable effort in the future, and closer to the period to which the forward-looking measures pertain, a reconciliation of operating income to segment profit will be included within future filings.

Acquisition amortization and acquisition- and divestiture-related costs are significantly impacted by the timing, size, and number of acquisitions or divestitures we complete and are not on a predictable cycle and we make no comment as to when or whether any future acquisitions or divestitures may occur. We believe excluding these costs provides investors with a more meaningful comparison of operating performance over time and with both acquisitive and other peer companies.

Reconciliation of Organic Sales Percent Change

	4Q25	2025
Honeywell		
Reported sales percent change	6%	8%
Less: Impact of divestitures to the prior period	(3)%	(2)%
Reported sales percent change, adjusted for impact of divestitures	9%	10%
Less: Foreign currency translation	1%	—%
Less: Acquisitions	1%	4%
Less: Other[1]	(4)%	(1)%
Organic sales percent change	11%	7%
Aerospace Technologies		
Reported sales percent change	13%	13%
Less: Impact of divestitures to the prior period	—%	—%
Reported sales percent change, adjusted for impact of divestitures	13%	13%
Less: Foreign currency translation	—%	—%
Less: Acquisitions	—%	3%
Less: Other[1]	(8)%	(2)%
Organic sales percent change	21%	12%
Industrial Automation		
Reported sales percent change	(8)%	(6)%
Less: Impact of divestitures to the prior period	(11)%	(6)%
Reported sales percent change, adjusted for impact of divestitures	3%	—%
Less: Foreign currency translation	2%	—%
Less: Acquisitions	—%	—%
Less: Other	—%	—%
Organic sales percent change	1%	—%
Building Automation		
Reported sales percent change	10%	13%
Less: Impact of divestitures to the prior period	—%	—%
Reported sales percent change, adjusted for impact of divestitures	10%	13%
Less: Foreign currency translation	2%	—%
Less: Acquisitions	—%	5%
Less: Other	—%	—%
Organic sales percent change	8%	8%
Energy and Sustainability Solutions		
Reported sales percent change	10%	19%
Less: Impact of divestitures to the prior period	—%	—%
Reported sales percent change, adjusted for impact of divestitures	10%	19%
Less: Foreign currency translation	—%	—%
Less: Acquisitions	17%	20%
Less: Other	—%	—%
Organic sales percent change	(7)%	(1)%

Footnotes on following slide

Reconciliation of Organic Sales Percent Change (continued)

1 Includes Flexjet-related litigation matters of $312 million, which are considered to be unusual and not indicative of the Company's ongoing performance.

We define organic sales percentage as the year-over-year change in reported sales relative to the comparable period, adjusted for the impact of divestitures to the prior period, and excluding the impact on sales from foreign currency translation, acquisitions for the first 12 months following the transaction date, and certain other items that are unusual or non-recurring in nature. We believe this measure is useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.

A quantitative reconciliation of reported sales percent change to organic sales percent change has not been provided for forward-looking measures of organic sales percent change because management cannot reliably predict or estimate, without unreasonable effort, the fluctuations in global currency markets that impact foreign currency translation, nor is it reasonable for management to predict the timing, occurrence and impact of acquisition and divestiture transactions, all of which could significantly impact our reported sales percent change.

Reconciliation of Organic Sales Percent Change - New Segment Alignment

	4Q25	2025
Honeywell		
Reported sales percent change	6%	8%
Less: Impact of divestitures to the prior period	(3)%	(2)%
Reported sales percent change, adjusted for impact of divestitures	9%	10%
Less: Foreign currency translation	1%	—%
Less: Acquisitions	1%	4%
Less: Other[1]	(4)%	(1)%
Organic sales percent change	11%	7%
Aerospace Technologies		
Reported sales percent change	13%	13%
Less: Impact of divestitures to the prior period	—%	—%
Reported sales percent change, adjusted for impact of divestitures	13%	13%
Less: Foreign currency translation	—%	—%
Less: Acquisitions	—%	3%
Less: Other[1]	(8)%	(2)%
Organic sales percent change	21%	12%
Building Automation		
Reported sales percent change	10%	13%
Less: Impact of divestitures to the prior period	—%	—%
Reported sales percent change, adjusted for impact of divestitures	10%	13%
Less: Foreign currency translation	2%	—%
Less: Acquisitions	—%	5%
Less: Other	—%	—%
Organic sales percent change	8%	8%
Process Automation & Technology		
Reported sales percent change	6%	9%
Less: Impact of divestitures to the prior period	—%	—%
Reported sales percent change, adjusted for impact of divestitures	6%	9%
Less: Foreign currency translation	1%	—%
Less: Acquisitions	8%	9%
Less: Other	—%	—%
Organic sales percent change	(3)%	—%
Industrial Automation		
Reported sales percent change	(13)%	(10)%
Less: Impact of divestitures to the prior period	(16)%	(10)%
Reported sales percent change, adjusted for impact of divestitures	3%	—%
Less: Foreign currency translation	2%	1%
Less: Acquisitions	—%	—%
Less: Other	—%	—%
Organic sales percent change	1%	(1)%

1 Includes Flexjet-related litigation matters of $312 million, which are considered to be unusual and not indicative of the Company's ongoing performance.

We define organic sales percentage as the year-over-year change in reported sales relative to the comparable period, adjusted for the impact of divestitures to the prior period, and excluding the impact on sales from foreign currency translation, acquisitions for the first 12 months following the transaction date, and certain other items that are unusual or non-recurring in nature. We believe this measure is useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.

A quantitative reconciliation of reported sales percent change to organic sales percent change has not been provided for forward-looking measures of organic sales percent change because management cannot reliably predict or estimate, without unreasonable effort, the fluctuations in global currency markets that impact foreign currency translation, nor is it reasonable for management to predict the timing, occurrence and impact of acquisition and divestiture transactions, all of which could significantly impact our reported sales percent change.

Reconciliation of Process Automation & Technology Organic Sales Percent Change

	1Q25	2Q25	3Q25	4Q25
Process Automation & Technology				
Reported sales percent change	7%	15%	8%	6%
Less: Impact of divestitures to the prior period	—%	—%	—%	—%
Reported sales percent change, adjusted for impact of divestitures	7%	15%	8%	6%
Less: Foreign currency translation	(2)%	1%	—%	1%
Less: Acquisitions	6%	8%	14%	8%
Less: Other	—%	—%	—%	—%
Organic sales percent change	3%	6%	(6)%	(3)%

We define organic sales percentage as the year-over-year change in reported sales relative to the comparable period, adjusted for the impact of divestitures to the prior period, and excluding the impact on sales from foreign currency translation, acquisitions for the first 12 months following the transaction date, and certain other items that are unusual or non-recurring in nature. We believe this measure is useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.

A quantitative reconciliation of reported sales percent change to organic sales percent change has not been provided for forward-looking measures of organic sales percent change because management cannot reliably predict or estimate, without unreasonable effort, the fluctuations in global currency markets that impact foreign currency translation, nor is it reasonable for management to predict the timing, occurrence and impact of acquisition and divestiture transactions, all of which could significantly impact our reported sales percent change.

Reconciliation of Organic Sales Percent Change and Calculation of LTM Average Organic Growth

	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25
Honeywell											
Reported sales percent change	2%	4%	2%	2%	5%	6%	8%	9%	9%	7%	6%
Less: Impact of divestitures to the prior period	—%	—%	—%	—%	—%	—%	—%	—%	(1)%	(3)%	(3)%
Reported sales percent change, adjusted for impact of divestitures	2%	4%	2%	2%	5%	6%	8%	9%	10%	10%	9%
Less: Foreign currency translation	(1)%	—%	—%	—%	—%	—%	—%	(1)%	—%	—%	1%
Less: Acquisitions	—%	1%	—%	—%	1%	3%	6%	5%	5%	4%	1%
Less: Other[1]	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	(4)%
Organic sales percent change	3%	3%	2%	2%	4%	3%	2%	5%	5%	6%	11%
Less: Impact of 4Q24 Bombardier Agreement[2]							(4)%				5%
Organic sales percent change ex-BBD							6%				6%

	1Q24		2Q24		3Q24		4Q24		1Q25		2Q25		3Q25		4Q25
2Q23	3%	3Q23	3%	4Q23	2%	1Q24	2%	2Q24	4%	3Q24	3%	4Q24[2]	6%	1Q25	5%
3Q23	3%	4Q23	2%	1Q24	2%	2Q24	4%	3Q24	3%	4Q24[2]	6%	1Q25	5%	2Q25	5%
4Q23	2%	1Q24	2%	2Q24	4%	3Q24	3%	4Q24[2]	6%	1Q25	5%	2Q25	5%	3Q25	6%
1Q24	2%	2Q24	4%	3Q24	3%	4Q24[2]	6%	1Q25	5%	2Q25	5%	3Q25	6%	4Q25[2]	6%
LTM Average Organic Growth	3%		3%		3%		4%		5%		5%		6%		6%

1 Includes Flexjet-related litigation matters of $312 million, which are considered to be unusual and not indicative of the Company's ongoing performance.
2 LTM Average Organic Growth excludes the impact of the 4Q24 Bombardier agreement (BBD), announced on December 2, 2024, which resulted in a reduction to Sales of $0.4B.

We define organic sales percentage as the year-over-year change in reported sales relative to the comparable period, adjusted for the impact of divestitures to the prior period, and excluding the impact on sales from foreign currency translation, acquisitions for the first 12 months following the transaction date, and certain other items that are unusual or non-recurring in nature. Last twelve months ("LTM") Average Organic Growth is calculated as the average of the prior four quarters' organic sales percent change. We believe these measures are useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.

Note: Historical information is recast for the presentation of the Advanced Materials business as discontinued operations beginning in 4Q25.

Reconciliation of EPS to Adjusted EPS

	4Q24	4Q25	1Q25	2024	2025	1Q26E	2026E
Earnings per share of common stock from continuing operations - diluted[1]	$ 1.74	$ 0.49	$ 1.97	$ 7.58	$ 7.57	$2.05 - $2.15	$9.59 - $9.89
Pension mark-to-market expense[2]	0.15	0.18	0.02	0.14	0.19	No Forecast	No Forecast
Amortization of acquisition-related intangibles[3]	0.16	0.19	0.16	0.49	0.67	0.19	0.74
Acquisition-related costs[4]	0.03	0.02	0.01	0.10	0.05	0.01	0.02
Divestiture-related costs[5]	—	0.37	0.03	—	0.72	No Forecast	No Forecast
Russian-related charges[6]	—	—	—	0.03	—	—	—
Indefinite-lived intangible asset impairment[7]	—	0.07	—	0.06	0.07	—	—
Impairment of goodwill[8]	—	0.45	—	—	0.45	—	—
Impairment of assets held for sale[9]	0.14	0.35	0.02	0.33	0.37	—	—
Loss on sale of business[10]	—	—	—	—	0.04	—	—
Gain related to Resideo indemnification and reimbursement agreement termination[11]	—	—	—	—	(1.25)	—	—
Adjustment to estimated future environmental liabilities[12]	—	—	—	—	0.25	—	—
Loss on settlement of divestiture of asbestos liabilities[13]	—	—	—	—	0.17	—	—
Flexjet-related litigation matters[14]	—	0.47	—	—	0.48	—	—
Adjusted earnings per share of common stock from continuing operations - diluted	$ 2.22	$ 2.59	$ 2.21	$ 8.73	$ 9.78	$2.25-2.35	$10.35 - 10.65

Footnotes on following slide

Reconciliation of EPS to Adjusted EPS (continued)

1 For the three months ended December 31, 2025, and 2024, adjusted earnings per share utilizes weighted average shares of approximately 638.6 million and 654.8 million, respectively. For the three months ended March 31, 2025, adjusted earnings per share utilizes weighted average shares of approximately 651.7 million. For the twelve months ended December 31, 2025, and 2024, adjusted earnings per share utilizes weighted average shares of approximately 642.8 million and 655.3 million, respectively. For the three months ended March 31, 2026, and twelve months ended December 31, 2026, expected earnings per share utilizes weighted average shares of approximately 639 million and 638 million, respectively.

2 For the three months ended December 31, 2025 and 2024, pension mark-to-market expense was $113 million and $95 million, net of tax benefit of $36 million and $31 million, respectively. .For the twelve months ended December 31, 2025 and 2024, pension mark-to-market expense was $123 million and $95 million, net of tax benefit of $40 million and $31 million, respectively. For the three months ended March 31, 2025, pension mark-to-market expense is approximately $10 million, net of tax benefit of $4 million, related to the termination of a foreign pension plan.

3 For the three months ended December 31, 2025, and 2024, acquisition-related intangibles amortization includes $124 million and $107 million, net of tax benefit of $39 million and $32 million, respectively. For the three months ended March 31, 2025, acquisition-related intangibles amortization includes $102 million, net of tax benefit of $33 million. For the twelve months ended December 31, 2025, and 2024, acquisition-related intangibles amortization includes $432 million and $321 million, net of tax benefit of approximately $138 million and $90 million, respectively. For the three months ended March 31, 2026, and twelve months ended December 31, 2026, expected acquisition-related intangibles amortization includes approximately $150 million and $470 million, net of tax benefit of approximately $30 million and $110 million, respectively.

4 For the three months ended December 31, 2025, and 2024, the adjustment for acquisition-related costs, which is principally comprised of third-party transaction and integration costs, is $13 million and $21 million, net of tax benefit of $4 million and $5 million, respectively. For the three months ended March 31, 2025, the adjustment for acquisition-related costs, which is principally comprised of third-party transaction and integration costs, is $6 million, net of tax benefit of $2 million. For the twelve months ended December 31, 2025 and 2024, the adjustment for acquisition-related costs, which are principally comprised of third-party transaction and integration costs and acquisition-related fair value adjustments to inventory, is $35 million and $66 million, net of tax benefit of $10 million and $17 million, respectively. For the three months ended March 31, 2026, and twelve months ended December 31, 2026, the expected adjustment for acquisition-related costs, which is principally comprised of third-party transaction and integration costs, is approximately $5 million, net of tax benefit of $0 million, and $10 million, net of tax benefit $5 million, respectively.

5 For the three and twelve months ended December 31, 2024, the adjustment for divestiture-related costs, which is principally comprised of third-party transaction costs, is $237 million and $460 million, net of tax benefit of $11 million and $61 million, respectively. For the three months ended March 31, 2025, the adjustment for divestiture-related costs, which is principally comprised of third-party transaction costs, is $23 million, net of tax expense of $12 million.

6 For the twelve months ended December 31, 2024, the adjustment is a $17 million expense, without tax benefit, due to the settlement of a contractual dispute with a Russian entity associated with the Company’s suspension and wind down activities in Russia.

7 For the three and twelve months ended December 31, 2025, the impairment charge of indefinite-lived intangible assets associated with the Industrial Automation reportable segment was $44 million, without tax benefit. For the twelve months ended December 31, 2024, the impairment charge of indefinite-lived intangible assets associated with the personal protective equipment business was $37 million, net of tax benefit of $11 million.

8 For the three and twelve months ended December 31, 2025, the impairment charge of goodwill associated with the Industrial Automation reportable segment was $288 million, without tax benefit.

9 For the three months ended December 31, 2025 and 2024, the impairment charge of assets held for sale was $220 million and $94 million, respectively, without tax benefit. For the three months ended March 31, 2025, the impairment charge of assets held for sale was $15 million, without tax benefit. For the twelve months ended December 31, 2025 and 2024, the impairment charge of assets held for sale was $235 million and $219 million, respectively, without tax benefit.

10 For the twelve months ended December 31, 2025, the loss on sale of the personal protective equipment business is $28 million, net of tax benefit of $2 million.

11 For the twelve months ended December 31, 2025, the adjustment for the gain related to the Resideo indemnification and reimbursement agreement termination was $802 million, without tax expense.

12 In the twelve months ended December 31, 2025, the Company enhanced its process for estimating environmental liabilities at sites undergoing active remediation, which led to earlier recognition of the estimated probable liabilities and an increase to estimated environmental liabilities. For the twelve months ended December 31, 2025, the adjustment to increase environmental liabilities was $161 million, net of tax benefit of $50 million.

13 For the twelve months ended December 31, 2025, the adjustment for loss on settlement of divestiture of asbestos liabilities was $112 million, net of tax benefit of $36 million.

14 For the three and twelve months ended December 31, 2025, the adjustment for the Flexjet-related litigation matters was $302 million, net of tax benefit of $71 million. Management considers the nature and significance of these litigation matters to be unusual and not indicative of the Company's ongoing performance.

Note: Amounts may not foot due to rounding

We define adjusted earnings per share as diluted earnings per share from continuing operations adjusted to exclude various charges as listed above. We believe adjusted earnings per share is a measure that is useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends. For forward-looking information, management cannot reliably predict or estimate, without unreasonable effort, the pension mark-to-market expense as it is dependent on macroeconomic factors, such as interest rates and the return generated on invested pension plan assets. The divestiture-related costs are subject to detailed development and execution of separation restructuring plans for the announced separation of Automation and Aerospace Technologies. We therefore do not include an estimate for the pension mark-to-market expense. Based on economic and industry conditions, future developments, and other relevant factors, these assumptions are subject to change.

Acquisition amortization and acquisition- and divestiture-related costs are significantly impacted by the timing, size, and number of acquisitions or divestitures we complete and are not on a predictable cycle and we make no comment as to when or whether any future acquisitions or divestitures may occur. We believe excluding these costs provides investors with a more meaningful comparison of operating performance over time and with both acquisitive and other peer companies.

Reconciliation of Effective Tax Rate to Adjusted Effective Tax Rate

($M)	4Q24	4Q25	2024	2025
Income before taxes	$ 1,336	$ 620	$ 6,244	$ 5,947
Pension mark-to-market expense	126	149	126	163
Amortization of acquisition-related intangibles	139	163	411	570
Acquisition-related costs	26	17	83	45
Divestiture-related costs	—	248	—	521
Russian-related charges	—	—	17	—
Indefinite-lived intangible asset impairment	—	44	48	44
Impairment of goodwill	—	288	—	288
Impairment of assets held for sale	94	220	219	235
Loss on sale of business	—	—	—	30
Gain related to Resideo indemnification and reimbursement agreement termination	—	—	—	(802)
Adjustment to estimated future environmental liabilities	—	—	—	211
Loss on settlement of divestiture of asbestos liabilities	—	—	—	148
Flexjet-related litigation matters	—	373	—	373
Adjusted income before taxes	$ 1,721	$ 2,122	$ 7,148	$ 7,773
Income tax expense	$ 193	$ 316	$ 1,249	$ 1,069
Pension mark-to-market expense	31	36	31	40
Amortization of acquisition-related intangibles	32	39	90	138
Acquisition-related costs	5	4	17	10
Divestiture-related costs	—	11	—	61
Russian-related charges	—	—	—	—
Indefinite-lived intangible asset impairment	—	—	11	—
Impairment of goodwill	—	—	—	—
Impairment of assets held for sale	—	—	—	—
Loss on sale of business	—	—	—	2
Gain related to Resideo indemnification and reimbursement agreement termination	—	—	—	—
Adjustment to estimated future environmental liabilities	—	—	—	50
Loss on settlement of divestiture of asbestos liabilities	—	—	—	36
Flexjet-related litigation matters	—	71	—	71
Adjusted income tax expense	$ 261	$ 477	$ 1,398	$ 1,477
Income tax expense	$ 193	$ 316	$ 1,249	$ 1,069
÷ Income before taxes	$ 1,336	$ 620	$ 6,244	$ 5,947
Effective tax rate	14.4 %	51.0 %	20.0 %	18.0 %
Adjusted income tax expense	$ 261	$ 477	$ 1,398	$ 1,477
÷ Adjusted income before taxes	$ 1,721	$ 2,122	$ 7,148	$ 7,773
Adjusted effective tax rate	15.2 %	22.5 %	19.6 %	19.0 %

Reconciliation of Effective Tax Rate to Adjusted Effective Tax Rate

We define adjusted income before taxes as income before taxes adjusted for items presented above. We define adjusted income tax expense as income tax expense adjusted for items presented above. We define adjusted effective tax rate as adjusted income tax expense divided by adjusted income before taxes.

We believe that adjusted effective tax rate is a non-GAAP measure that is useful to investors and management as an ongoing representation of our tax rate excluding one-off and unusual transactions. This measure can be used to evaluate our tax rate on our recurring operations. For forward looking information, we do not provide effective tax rate guidance on a GAAP basis as management cannot reliably predict or estimate, without unreasonable effort, the pension mark-to-market expenses and other one-off and unusual transactions.

Reconciliation of Cash Provided by Operating Activities to Free Cash Flow

($M)	4Q24	4Q25	2024	2025
Cash provided by operating activities from continuing operations	$ 1,998	$ 1,241	$ 5,112	$ 6,075
Capital expenditures	(301)	(306)	(871)	(986)
Spin-off and separation-related cost payments	—	90	—	116
Resideo indemnification and reimbursement agreement termination payment	—	—	—	(1,590)
Settlement of divestiture of asbestos liabilities	—	1,428	—	1,428
Settlement of Flexjet-related litigation matters	—	59	—	59
Free cash flow	$ 1,697	$ 2,512	$ 4,241	$ 5,102

We define free cash flow as cash provided by operating activities from continuing operations less cash for capital expenditures and excluding spin-off and separation-related cost payments, the Resideo indemnification and reimbursement agreement termination payment, the cash payment for settlement of divestiture of asbestos liabilities, and the cash payment for settlement of Flexjet-related litigation matters.

We believe that free cash flow is a non-GAAP measure that is useful to investors and management as a measure of cash generated by operations that will be used to repay scheduled debt maturities and can be used to invest in future growth through new business development activities or acquisitions, pay dividends, repurchase stock, or repay debt obligations prior to their maturities. This measure can also be used to evaluate our ability to generate cash flow from operations and the impact that this cash flow has on our liquidity.

Reconciliation of Expected Cash Provided by Operating Activities to Expected Free Cash Flow

	2026E($B)
Cash provided by operating activities	~$4.7 - $5.0
Capital expenditures	~(1.3)
Spin-off and separation-related cost payments	~1.5
Settlement of Flexjet-related litigation matters	~0.4
Free cash flow	~$5.3 - $5.6

We define free cash flow as cash provided by operating activities from continuing operations less cash for capital expenditures and excluding spin-off and separation-related cost payments, the Resideo indemnification and reimbursement agreement termination payment, the cash payment for settlement of divestiture of asbestos liabilities, and the cash payment for settlement of Flexjet-related litigation matters.

We believe that free cash flow is a non-GAAP measure that is useful to investors and management as a measure of cash generated by operations that will be used to repay scheduled debt maturities and can be used to invest in future growth through new business development activities or acquisitions, pay dividends, repurchase stock, or repay debt obligations prior to their maturities. This measure can also be used to evaluate our ability to generate cash flow from operations and the impact that this cash flow has on our liquidity.