SECOND QUARTER 2025 EARNINGS RELEASE

Honeywell

THE FUTURE IS WHAT WE MAKE IT

JULY 24, 2025

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 spin-off of the Company's Advanced Materials business into Solstice Advanced Materials, a standalone, publicly traded company, the proposed separation of Automation and Aerospace Technologies, and the evaluation of strategic alternatives for 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 spin-off of the Company's Advanced Materials business into Solstice Advanced Materials, a standalone, publicly traded company, the proposed separation of Automation and Aerospace Technologies, and the evaluation of strategic alternatives for 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 consummation of the spin-off of the Advanced Materials business into Solstice Advanced Materials, the proposed separation of Automation and Aerospace Technologies, and the evaluation of strategic alternatives for 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; Organic sales percent change; 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

- Sales and adjusted EPS above high end of guide in quarter; strong order growth
- Raising 2025 organic growth and earnings guidance, taking into account changing economic landscape
- Continuing portfolio transformation to best position three future independent companies for success
- Separations proceeding well with organization fully aligned to delivering for stakeholders

Strong Performance As Portfolio Work Continues As Planned

THREE INDUSTRY-LEADING PUBLIC COMPANIES

HONEYWELL AUTOMATION	HONEYWELL AEROSPACE	SOLSTICE ADVANCED MATERIALS
Pure play automation leader *solving the world's most complex problems and powering digital transformation globally*	***Premier technology and systems provider*** *for all forms of aircraft; to be one of the largest publicly-traded aerospace suppliers*	***Sustainability-focused specialty chemicals and materials pure play****; leading technologies and compelling investment profile*

UPDATE ON SEPARATIONS

- Spin of Solstice Advanced Materials, to be traded **under ticker SOLS**, expected to be **completed in fourth quarter**
- Solstice leadership team to host **investor day presentation a few weeks prior to spin effective date**
- Preview of compelling Honeywell Aerospace story presented at **Paris Air Show investor reception in June**
- **Announced highly strategic acquisitions** (Catalyst Technologies, Li-ion Tamer) for automation businesses
- **Portfolio optimization running in parallel to separation** timeline with no disruption to operational discipline

Accelerating Value Creation Ahead of Separations

PORTFOLIO TRANSFORMATION

	2023	2024	2025 - 2026+
Strategy and Organization	• Strategic alignment around three megatrends • Business re-segmentation	• Initiation of comprehensive internal business and portfolio review including transformational actions	• Continued strategy execution and preparation to create three independent public companies • Progress Quantinuum technical milestones for eventual IPO • Enhance value proposition of each business through strategic bolt-ons in high-growth segments and portfolio optimization
Strategic Bolt-on Acquisitions	• CCC (IA) *Jun 2023* • SCADAfence (IA)[1] *Aug 2023*	• Access Solutions (BA) *Jun 2024* • Civitanavi (AT)[1] *Aug 2024* • CAES Systems (AT) *Sep 2024* • Air Products LNG (ESS) *Sep 2024*	• Sundyne (ESS) *Jun 2025* • **Catalyst Technologies (ESS)** ***Announced May 2025*** • **Li-ion Tamer (BA)[1]** ***Announced July 2025***
Separations and Divestitures	• Proactive portfolio pruning	• Announced PPE sale and Advanced Materials spin	• PPE sale (IA) *May 2025* • Solstice Advanced Materials spin (ESS) ***Expected in 4Q 2025*** • Honeywell Aerospace spin (AT) *Expected in 2H 2026* • **PSS and WWS strategic alternatives (IA)[2]** ***Announced Jul 2025***

Portfolio Optimization Ahead of Spins Complete; Selective Acquisitions to Continue

1. Represent technology tuck-in size acquisitions 2.There can be no assurance that pursuing strategic alternatives will result in any transaction or other outcome.

2Q 2025 RESULTS

	2Q 2025 ACTUAL	2Q 2025 GUIDANCE
ADJUSTED EARNINGS PER SHARE*	$2.75	$2.60 - $2.70
ORGANIC SALES GROWTH*	Up 5%	Up 1% - 4%
SEGMENT MARGIN EXPANSION*	Down (10) bps	Down (20) - Up 20 bps
FREE CASH FLOW*	$1.0B	
CAPITAL DEPLOYMENT	$4.9B M&A, Share Repurchases, Dividends, and Capital Expenditures	

2Q 2025 HIGHLIGHTS

- **Organic sales growth of 5%**, above high end of guidance range, led by third consecutive quarter of 8% growth in BA
- **Segment profit growth of 8%**; segment margin expansion in BA, IA
- **Fully offset tariff costs** in three out of four segments with multi-pronged mitigation efforts
- **Growth-enhancing R&D spend up ~$100M** from the prior year, or 60 bps as a percent of sales to 4.6%
- **Adjusted EPS grew 10%**, exceeding upper end of guidance by 5 cents
- **Another record for backlog,** closing the quarter at $36.6B, **up 10% year over year** excluding the impact of acquisitions
- **Closed Sundyne acquisition** for $2.2B and **announced Catalyst Technologies acquisition** for £1.8B, both all-cash transactions
- **Returned over $2.4B to shareholders**, including $0.7B dividends and **$1.7B of share repurchases,** bringing 1H total repurchases to $3.6B
- **Completed PPE sale for $1.3B**, boosting forward growth and margins

** Non-GAAP financial measure*

Results Met or Exceeded Guidance Across All Metrics

2Q 2025 SEGMENT RESULTS

($M)	SALES	SEGMENT MARGIN CHANGE (BPS)	COMMENTARY
AT	**$4,307** Up 6% Organic	**25.5%** Down (170) bps	• Sixth consecutive quarter of double-digit organic sales increase in defense and space; strength in commercial aftermarket led by ongoing air transport growth >10% • Strong double-digit orders growth, led by defense and space; book-to-bill of 1.1x excluding acquisitions • Margin contraction as commercial excellence and productivity actions were more than offset by cost inflation and the impact of acquisitions
IA	**$2,380** Flat Organic	**19.2%** Up 20 bps	• Sales flat organically as solid growth in sensing and smart energy offset declines in PSS and warehouse automation; core process solutions about flat with steady services demand offset by softness in energy projects • Personal protective equipment business sale closed May 21st; transaction accretive to FY organic growth and margins • Modest margin expansion as productivity actions and commercial excellence offset cost inflation
BA	**$1,826** Up 8% Organic	**26.2%** Up 90 bps	• Continued momentum in building solutions as strong performance in services was partially offset by difficult projects comp from the prior year; broad-based improvement across building products, up for a third consecutive quarter • Orders, led by products, grew year over year for the fifth consecutive quarter • Margin expansion driven by volume leverage and accretion from Access Solutions
ESS	**$1,837** Up 6% Organic	**24.1%** Down (110) bps	• UOP up 16% organically on strong petrochemical catalyst shipments, higher licensing sales volumes in gas processing • Closed Sundyne acquisition for $2.2 billion and announced Johnson Matthey's Catalyst Technologies business acquisition for £1.8 billion; unlocking end-to-end solutions for UOP customers • Margin contraction driven by a customer settlement and cost inflation, partially offset by volume leverage and benefit from the margin-accretive LNG acquisition

Organic Sales in Three of Four Segments Growing at MSD Rate or Better

3Q AND FY 2025 OUTLOOK

3Q GUIDANCE

SALES
$10.0B - $10.3B
Up 2% - 4% Organically*

SEGMENT MARGIN*
22.7% - 23.1%
Down (90) - (50) bps

ADJUSTED EPS*
$2.50 - $2.60
Down (3%) - Up 1%

NET BELOW THE LINE IMPACT[2]
($290M - $250M)

Effective tax rate	Share count
~20%	~639M

FY GUIDANCE

SALES
$40.8B - $41.3B
Up 4% - 5% Organically*
Up 3% - 4% ex. BBD[1]

SEGMENT MARGIN*
23.0% - 23.2%
Up 40 - 60 bps
Down (30) - (10) bps ex. BBD[1]

ADJUSTED EPS*
$10.45 - $10.65
Up 6% - 8%
Up 1% - 3% ex. BBD[1]

FREE CASH FLOW*
$5.4B - $5.8B
Up 10% - 18%
Down (2%) - Up 5% ex. BBD[1]

3Q AND FY 2025 GUIDANCE ASSUMPTIONS

Inclusions

- All global tariffs enacted with current rates and timing
- Sundyne adds ~$0.1B/~$0.2B to 3Q/FY sales, Adj. EPS neutral

Exclusions

- Future changes to tariffs or economic environment
- Catalyst Technologies acquisition expected to close in 1H 2026
- Solstice Advanced Materials spin expected in 4Q 2025
- PPE business after sale completed in May 2025

** Non-GAAP financial measure*
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. 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.

Raising FY Sales and Adjusted EPS Guidance Ranges

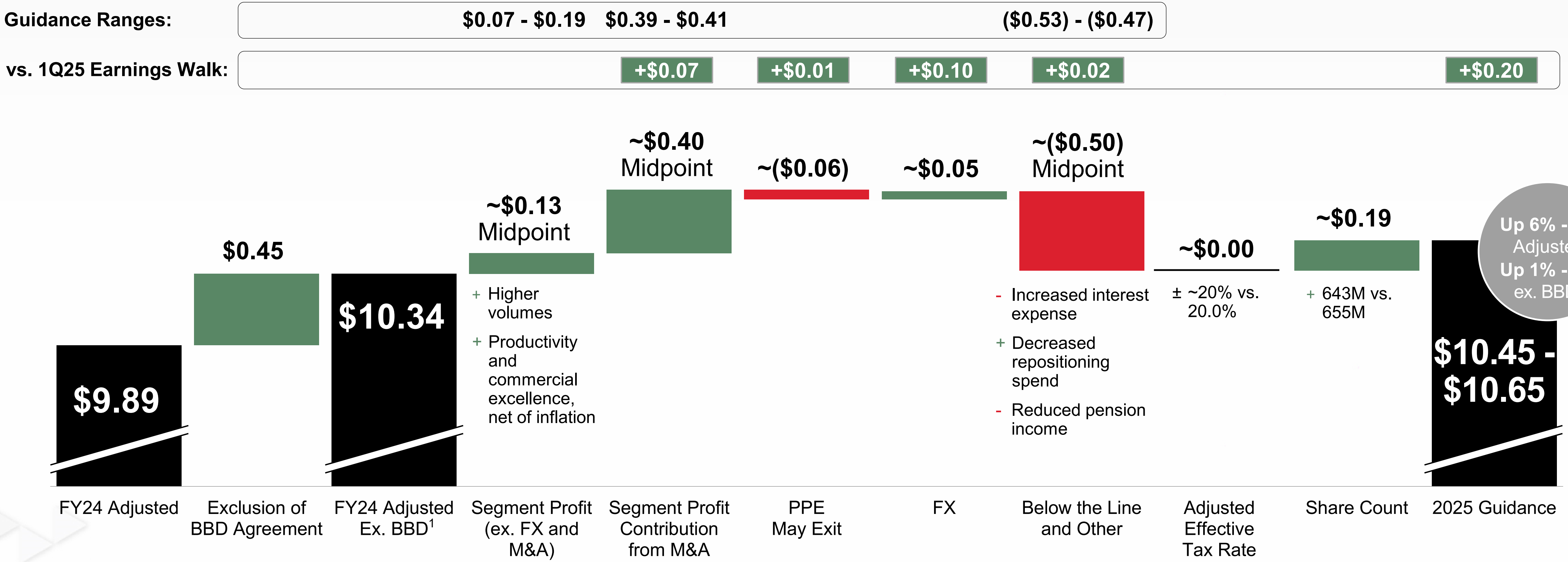
FY 2025 SEGMENT GUIDANCE

($M)	ORGANIC GROWTH RESULTS AND GUIDANCE			2025 COMMENTARY
	2Q 2025	3Q 2025	FY 2025	
AT	6%	MSD - HSD	HSD MSD - HSD ex. BBD[1]	• Continued momentum in commercial aftermarket, defense and space • Commercial OE sales pressured by customer order timing; expect 2H growth as sales recouple to OE build schedules • Margin approaching 26% as volume leverage is offset by CAES integration and the near-term timing of pricing relative to cost inflation
IA	Flat	(LSD) - (MSD)	(LSD) - (MSD)	• Sensing leads growth; HPS project slowdown; warehouse automation stabilizes from 2024 lows; PSS macro challenges; PPE a drag in 1H, boost in 2H from exit • Weakened demand and price/cost deleverage in 2H; upside should global market turmoil subside • Margin roughly flat as commercial excellence, productivity actions, and PPE exit offset impact of cost pressures and volume headwinds
BA	8%	MSD	MSD - HSD	• Sustained momentum in both solutions and products; robust orders in datacenters, airports, and hospitality projects • U.S. leading growth with support from Middle East and India; steady recovery in Europe and China • Continued margin expansion driven by productivity, accretive M&A, and volume leverage
ESS	6%	(LSD)	Flat - Up	• Energy project spend pushing to the right, continued momentum from backlog conversion • Advanced Materials strengthens in the back half after challenging prior year comps • Margin approximately flat as commercial excellence and meaningful accretion from LNG acquisition offset the impact of postponed licensing activity and tariff-related cost inflation

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.

Improved Organic Growth Outlook in BA and IA

2025 EARNINGS PER SHARE BRIDGE



1. 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.

Segment Profit Growth, Lower Share Count More Than Offset Below the Line

SUMMARY

- Delivered on first half operational performance commitments; new record backlog
- Prudently increasing FY adjusted EPS and organic sales growth guidance
- Tariff impact well contained so far; prepared for fluid situation, potential demand impacts
- Comprehensive portfolio review concluding as separations progressing on track
- Balanced deployment of capital with accelerated share repurchases, strategic bolt-on and tuck-in M&A

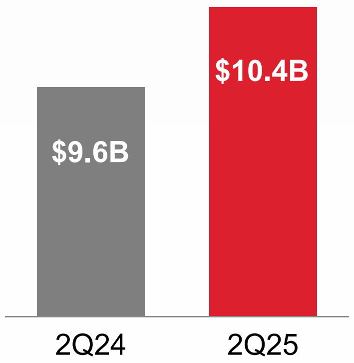
Creating Positive Momentum with Fundamental and Transformational Execution

Appendix

2Q 2025 FINANCIAL SUMMARY

SALES

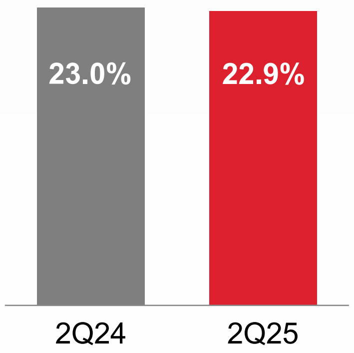
Up **5% Organic***



- \+ Double-digit organic growth in defense and space and UOP
- \+ Third consecutive quarter of 8% organic growth in BA
- \- Commercial OE sales decline as result of customer order timing

SEGMENT MARGIN*

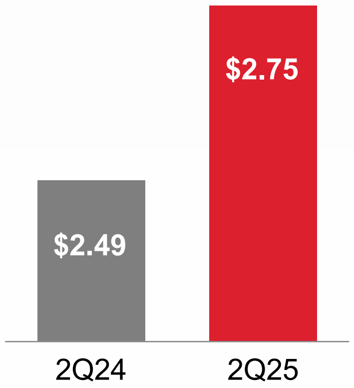
Down **(10) bps**



- \+ Margin expansion in BA and IA
- \+ Commercial excellence and productivity greater than cost inflation
- \- Margin contraction in AT and ESS
- \- Increased growth-focused R&D spending, particularly in AT

ADJUSTED EPS*

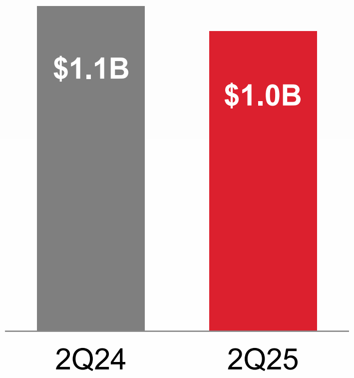
Up **10%**



- \+ Segment profit growth of 8%
- \+ Lower adjusted effective tax rate (16.8% vs. 21.1%)
- \- Higher interest expense due to share repurchases and M&A
- \- Lower pension income

FREE CASH FLOW*

Down **(9%)**



- \+ Deployed $4.9B to M&A, share repurchases, dividends, and high-return capex
- \- Working capital headwinds related to tariff costs

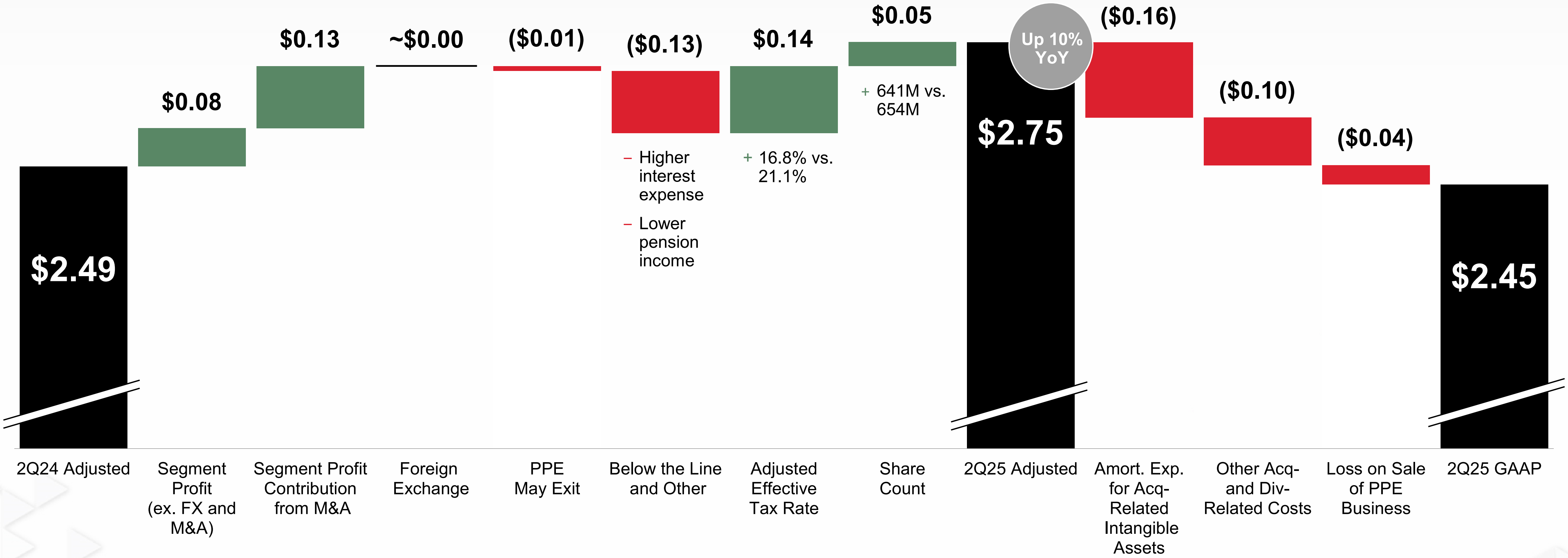
** Non-GAAP financial measure*

Operational Excellence in Challenging Environment

2Q 2025 SALES GROWTH

	2Q Reported	2Q Organic
AEROSPACE TECHNOLOGIES	**11%**	**6%**
Commercial Aviation Original Equipment	(12%)	(12%)
Commercial Aviation Aftermarket	7%	7%
Defense and Space	27%	13%
INDUSTRIAL AUTOMATION	**(5%)**	**Flat**
Process Solutions	2%	1%
Productivity Solutions and Services	(7%)	(7%)
Sensing and Safety Technologies	(27%)	4%
Warehouse and Workflow Solutions	(4%)	(4%)
BUILDING AUTOMATION	**16%**	**8%**
Building Products	24%	9%
Building Solutions	6%	5%
ENERGY AND SUSTAINABILITY SOLUTIONS	**15%**	**6%**
UOP	35%	16%
Advanced Materials	3%	1%

2Q25 EARNINGS PER SHARE BRIDGE



Segment Profit Growth and Lower Tax Rate Driving Increase in Adjusted EPS

ADDITIONAL 2025 INPUTS

	2Q25	3Q25E	2025E	COMMENTARY
Pension / OPEB	$89M	~$150M	~$550M	• Full year pension income pressured by one-time item in 2Q
Repositioning	($10M)	($20M - $50M)	($50M - $125M)	• Reduced repo expectations for the year
Other Below the Line[1]	($332M)	($380M - $390M)	($1,375M - $1,425M)	• Greater year-over-year headwind from interest expense for accelerated share repurchases and acquisitions
Total Below the Line	($253M)	($250M - $290M)	($875M - $1,000M)	
Adjusted Effective Tax Rate	17%	~20%	~20%	• 3Q25 tax rate ~FY25 rate
Share Count	641M	~639M	~643M	• Lower share count on higher 1H repurchase
Corporate and Quantinuum	($110M)	(~$150M)	(~$450M)	• Segment profit for Corporate and Quantinuum

1. Other below the line includes asbestos, environmental expenses net of spin reimbursements, net interest, foreign exchange, stock option expense, RSU expense, M&A, and other expense.

2025 GUIDANCE PROGRESSION

	ORIGINAL GUIDE (From 4Q24 Earnings Call)	PREVIOUS GUIDE (From 1Q25 Earnings Call)	CURRENT GUIDE (From 2Q25 Earnings Call)
SALES	**$39.6B - $40.6B**	**$39.6B - $40.5B**	**$40.8B - $41.3B**
Organic Growth*	Up 2% - 5% *Up 1% - 4% ex. BBD[1]*	Up 2% - 5% *Up 1% - 4% ex. BBD[1]*	Up 4% - 5% *Up 3% - 4% ex. BBD[1]*
SEGMENT MARGIN*	**23.2% - 23.6%**	**23.2% - 23.5%**	**23.0% - 23.2%**
Margin Expansion	Up 60 - 100 bps *Down (10) - Up 30 bps ex. BBD[1]*	Up 60 - 90 bps *Down (10) - Up 20 bps ex. BBD[1]*	Up 40 - 60 bps *Down (30) - (10) bps ex. BBD[1]*
Net Below the Line Impact	($1,075M) - ($925M)	($1,075M) - ($925M)	($1,000M) - ($875M)
Effective Tax Rate	~20%	~20%	~20%
Share Count	~649M	~643M	~643M
ADJUSTED EPS*	**$10.10 - $10.50**	**$10.20 - $10.50**	**$10.45 - $10.65**
Adjusted Growth	Up 2% - 6% *Down (2%) – Up 2% ex. BBD[1]*	Up 3% - 6% *Down (1%) - Up 2% ex. BBD[1]*	Up 6% - 8% *Up 1% - 3% ex. BBD[1]*
FREE CASH FLOW*	**$5.4B - $5.8B**	**$5.4B - $5.8B**	**$5.4B - $5.8B**
YoY Growth	Up 10% - 18% *Down (2%) - Up 5% ex. BBD[1]*	Up 10% - 18% *Down (2%) - Up 5% ex. BBD[1]*	Up 10% - 18% *Down (2%) - Up 5% ex. BBD[1]*

PPE Sale Timing

- Current 2025 guide now incorporates a May close of PPE sale, versus an end of June close in original guide
- Reduces revenue and Adj. EPS by an incremental ($100M) and ($0.01) relative to original guide

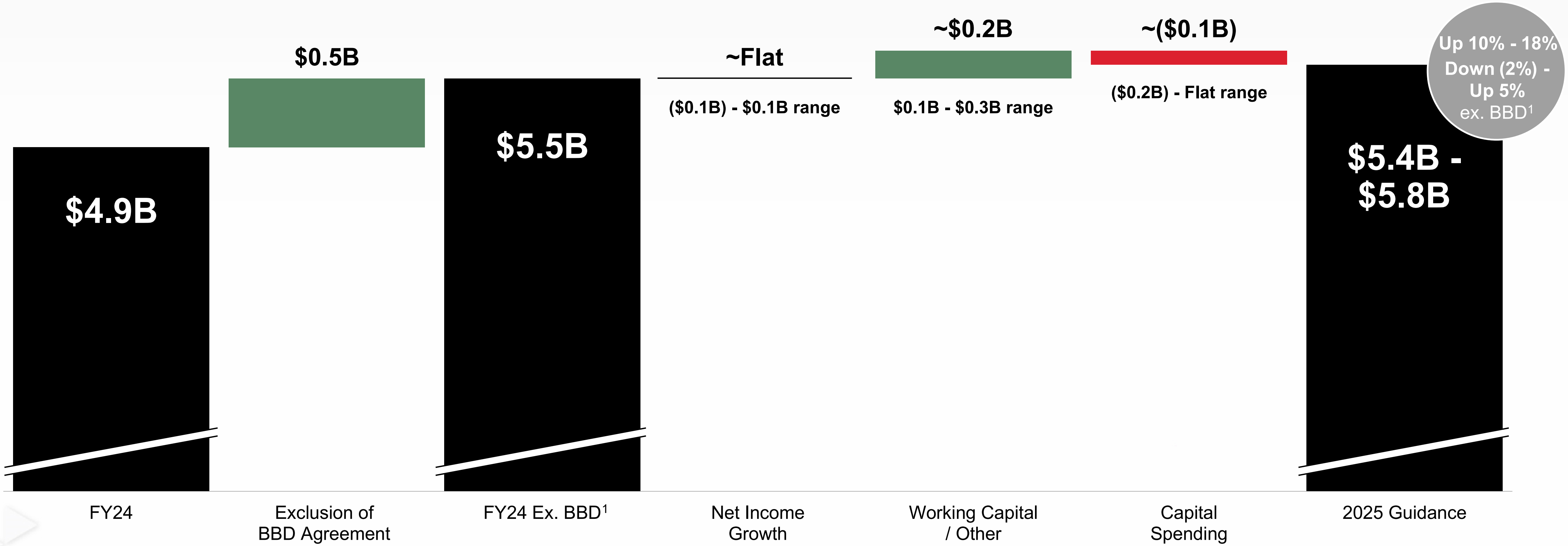
Sundyne Acquisition

- Current 2025 guide now incorporates the closing of the acquisition
- Increases revenue by an incremental ~$200M, neutral to Adj. EPS relative to original guide

** Non-GAAP financial measure*

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.

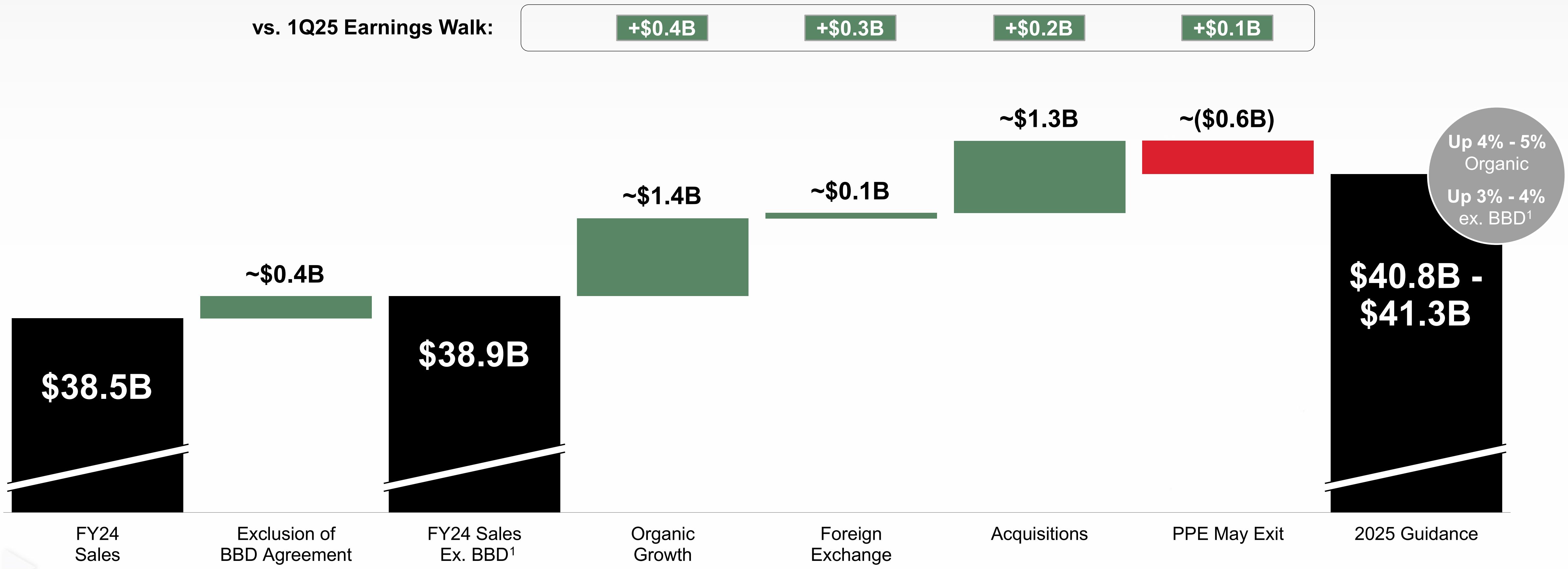
2025 FREE CASH FLOW BRIDGE



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.

Working Capital Performance Driving FCF Growth in 2025

2025 SALES BRIDGE



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.

Organic Growth Aided By Acquisitions Growing at Accretive Rates

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.

RECONCILIATION OF OPERATING INCOME TO SEGMENT PROFIT AND CALCULATION OF OPERATING INCOME AND SEGMENT PROFIT MARGINS

($M)	2Q24	3Q24	2Q25	2024
Operating income	$ 1,978	$ 1,858	$ 2,114	$ 7,441
Stock compensation expense[1]	55	45	57	194
Repositioning, Other[2,3]	58	69	54	292
Pension and other postretirement service costs[4]	16	16	15	65
Amortization of acquisition-related intangibles[5]	85	120	133	415
Acquisition-related costs[6]	7	15	(7)	25
Indefinite-lived intangible asset impairment[1]	—	48	—	48
Impairment of assets held for sale	—	125	—	219
Segment profit	$ 2,199	$ 2,296	$ 2,366	$ 8,699
Operating income	$ 1,978	$ 1,858	$ 2,114	$ 7,441
÷ Net sales	$ 9,577	$ 9,728	$ 10,352	$ 38,498
Operating income margin %	20.7 %	19.1 %	20.4 %	19.3 %
Segment profit	$ 2,199	$ 2,296	$ 2,366	$ 8,699
÷ Net sales	$ 9,577	$ 9,728	$ 10,352	$ 38,498
Segment profit margin %	23.0 %	23.6 %	22.9 %	22.6 %

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, Research and development expenses, and Selling, general and administrative expenses.
5 Included in Cost of products and services sold.
6 Included in Other (income) expense. Includes acquisition-related fair value adjustments to inventory and third-party transaction and integration costs.

We define operating income as net sales less total cost of products and services sold, research and development expenses, impairment of assets held for sale, and selling, general and administrative expenses. 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 segment profit margin, on an overall Honeywell basis, as segment profit divided by 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

	2Q25
Honeywell	
Reported sales percent change	8%
Less: Foreign currency translation	—%
Less: Acquisitions, divestitures and other, net	3%
Organic sales percent change	5%
Aerospace Technologies	
Reported sales percent change	11%
Less: Foreign currency translation	—%
Less: Acquisitions, divestitures and other, net	5%
Organic sales percent change	6%
Industrial Automation	
Reported sales percent change	(5)%
Less: Foreign currency translation	1%
Less: Acquisitions, divestitures and other, net	(6)%
Organic sales percent change	—%
Building Automation	
Reported sales percent change	16%
Less: Foreign currency translation	—%
Less: Acquisitions, divestitures and other, net	8%
Organic sales percent change	8%
Energy and Sustainability Solutions	
Reported sales percent change	15%
Less: Foreign currency translation	2%
Less: Acquisitions, divestitures and other, net	7%
Organic sales percent change	6%

We define organic sales percentage as the year-over-year change in reported sales relative to the comparable period, excluding the impact on sales from foreign currency translation and acquisitions, net of divestitures, for the first 12 months following the transaction date. 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 EPS TO ADJUSTED EPS

	2Q24	3Q24	2Q25	FY2024	3Q25E	2025E
Earnings per share of common stock - diluted[1]	$ 2.36	$ 2.16	$ 2.45	$ 8.71	$2.30 - $2.40	$9.62 - $9.82
Pension mark-to-market expense[2]	—	—	—	0.14	No Forecast	No Forecast
Amortization of acquisition-related intangibles[3]	0.10	0.14	0.16	0.49	0.20	0.75
Acquisition-related costs[4]	0.03	0.03	—	0.09	—	0.02
Divestiture-related costs[5]	—	—	0.10	0.04	No Forecast	No Forecast
Russian-related charges[6]	—	—	—	0.03	—	—
Indefinite-lived intangible asset impairment[7]	—	0.06	—	0.06	—	—
Impairment of assets held for sale[8]	—	0.19	—	0.33	—	0.02
Loss on sale of business[9]	—	—	0.04	—	—	0.04
Adjusted earnings per share of common stock - diluted	$ 2.49	$ 2.58	$ 2.75	$ 9.89	$2.50 - $2.60	$10.45 - $10.65

1 For the three months ended June 30, 2025, and 2024, adjusted earnings per share utilizes weighted average shares of approximately 640.9 million and 654.2 million, respectively. For the three months ended September 30, 2024, adjusted earnings per share utilizes weighted average shares of approximately 654.1 million. For the twelve months ended December 31, 2024, adjusted earnings per share utilizes weighted average shares of approximately 655.3 million. For the three months ended September 30, 2025, and twelve months ended December 31, 2025, expected earnings per share utilizes weighted average shares of approximately 639 million and 643 million, respectively.

2 For the twelve months ended December 31, 2024, pension mark-to-market expense was $95 million, net of tax benefit of $31 million.

3 For the three months ended June 30, 2025, and 2024, acquisition-related intangibles amortization includes approximately $101 million and $66 million, net of tax benefit of approximately $32 million and $19 million, respectively. For the three months ended September 30, 2024, acquisition-related intangibles amortization included $95 million, net of tax benefit of approximately $25 million. For the twelve months ended December 31, 2024, acquisition-related intangibles amortization included $324 million, net of tax benefit of approximately $91 million. For the three months ended September 30, 2025, and twelve months ended December 31, 2025, expected acquisition-related intangibles amortization includes approximately $130 million and $480 million, net of tax benefit of approximately $35 million and $120 million, respectively.

4 For the three months ended June 30, 2025, the adjustment for acquisition-related costs, which is principally comprised of third-party transaction and integration costs and acquisition-related fair value adjustments to inventory, was approximately a $1 million benefit, net of tax expense of approximately $1 million. For the three months ended June 30, 2024, and September 30, 2024, the adjustment for acquisition-related costs, which is principally comprised of third-party transaction and integration costs and acquisition-related fair value adjustments to inventory, was approximately $22 million and $20 million, net of tax benefit of approximately $7 million and $5 million, respectively. For the twelve months ended December 31, 2024, the adjustment for acquisition-related costs, which is principally comprised of third-party transaction and integration costs and acquisition-related fair value adjustments to inventory, was approximately $59 million, net of tax benefit of approximately $16 million. For the twelve months ended December 31, 2025, the expected adjustment for acquisition-related costs, which is principally comprised of third-party transaction and integration costs and acquisition-related fair value adjustments to inventory is approximately $10 million, net of tax benefit of approximately $5 million.

5 For the three months ended June 30, 2025, the adjustment for divestiture-related costs, which is principally comprised of third-party transaction and separation costs, was approximately $62 million, net of tax benefit of approximately $19 million. For the twelve months ended December 31, 2024, the adjustment for divestiture-related costs, which is principally comprised of third-party transaction costs, was approximately $23 million, net of tax benefit of approximately $6 million.

6 For the twelve months ended December 31, 2024, the adjustment for Russian-related charges was 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 months ended September 30, 2024, and 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 months ended September 30, 2024, the impairment charge of assets held for sale was $125 million, without tax benefit. For the twelve months ended December 31, 2024, the impairment charge of assets held for sale was $219 million, without tax benefit. For the twelve months ended December 31, 2025, the expected impairment charge of assets held for sale is $15 million, without tax benefit.

9 For the three months ended June 30, 2025, the adjustment for loss on sale of the personal protective equipment business was $28 million, net of tax benefit of $2 million. For the twelve months ended December 31, 2025, the expected adjustment for loss on sale of the personal protective equipment business is $28 million, net of tax benefit of $2 million.

We define adjusted earnings per share as diluted earnings per share 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 or the divestiture-related costs. The pension mark-to-market expense 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 or divestiture-related costs. 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)	2Q24	2Q25
Income before taxes	$ 1,974	$ 1,871
Amortization of acquisition-related intangibles	85	133
Acquisition-related costs	29	(2)
Divestiture-related costs	—	81
Loss on sale of business	—	30
Adjusted income before taxes	$ 2,088	$ 2,113
Income tax expense	$ 414	$ 302
Amortization of acquisition-related intangibles	19	32
Acquisition-related costs	7	(1)
Divestiture-related costs	—	19
Loss on sale of business	—	2
Adjusted income tax expense	$ 440	$ 354
Income tax expense	$ 414	$ 302
÷ Income before taxes	$ 1,974	$ 1,871
Effective tax rate	21.0 %	16.1 %
Adjusted income tax expense	$ 440	$ 354
÷ Adjusted income before taxes	$ 2,088	$ 2,113
Adjusted effective tax rate	21.1 %	16.8 %

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)	2Q24	2Q25	2024
Cash provided by operating activities	$ 1,371	$ 1,319	$ 6,097
Capital expenditures	(259)	(303)	(1,164)
Free cash flow	$ 1,112	$ 1,016	$ 4,933

We define free cash flow as cash provided by operating activities less cash for capital expenditures.

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

	2025E ($B)
Cash provided by operating activities	~$6.7 - $7.1
Capital expenditures	~(1.3)
Free cash flow	~$5.4 - $5.8

We define free cash flow as cash provided by operating activities less cash for capital expenditures.

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.

Honeywell