

2022 INVESTOR
CONFERENCE
MARCH 3, 2022

Honeywell

—
THE
FUTURE
IS
WHAT
WE
MAKE IT



Forward Looking Statements

This presentation contains certain statements that may be deemed “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical fact, that address activities, events or developments that we or our management intends, expects, projects, believes or anticipates will or may occur in the future are forward-looking statements. Such statements are based upon certain assumptions and assessments made by our management in light of their experience and their perception of historical trends, current economic and industry conditions, expected future developments and other factors they believe to be appropriate. The forward-looking statements included in this presentation are also subject to a number of material risks and uncertainties, including but not limited to economic, competitive, governmental, technological, and COVID-19 public health factors affecting our operations, markets, products, services and prices. Such forward-looking statements are not guarantees of future performance, and actual results, and other developments, including the potential impact of the COVID-19 pandemic, and business decisions may differ from those envisaged by such forward-looking statements. Any forward-looking plans described herein are not final and may be modified or abandoned at any time. We identify the principal risks and uncertainties that affect our performance in our Form 10-K and other filings with the Securities and Exchange Commission.

Non-GAAP Financial Measures

This release contains financial measures presented on a non-GAAP basis. Honeywell’s non-GAAP financial measures used in this release are as follows: Segment profit, on an overall Honeywell basis, a measure by which we assess operating performance, which we define as operating income adjusted for certain items as presented in the Appendix; Segment margin, on an overall Honeywell basis, which we define as segment profit divided by net sales which we adjust to exclude sales and segment profit contribution from Resideo and Garrett in 2018, if and as noted in the presentation; Organic sales growth, which we define as net sales growth less the impacts from foreign currency translation, and acquisitions and divestitures for the first 12 months following transaction date; Organic sales growth excluding COVID-Driven Masks, which we define as organic sales excluding any sales attributable to COVID-Driven Masks; Free cash flow, which we define as cash flow from operations less capital expenditures plus cash receipts from Garrett, if and as noted in the release; Free cash flow excluding Quantinuum which we define as free cash flow less free cash flow attributable to Quantinuum; Adjusted free cash flow conversion, which we define as free cash flow divided by adjusted net income attributable to Honeywell; Adjusted free cash flow margin, which we define as free cash flow divided by net sales; Adjusted net income attributable to Honeywell, which we define as net income attributable to Honeywell which we adjust to exclude: pension mark-to-market, changes in fair value for Garrett equity securities, a non-cash charge associated with a further reduction in value of reimbursement receivables following Garrett’s emergence from bankruptcy on April 30, 2021, an expense related to UOP matters, gain on the sale of the retail footwear business, a 2Q20 favorable resolution of a foreign tax matter related to the spin-off transactions, the 2020 non-cash charges associated with the reduction in value of reimbursement receivables due from Garrett, adjustments to the charges taken in connection with the 4Q17 U.S. tax legislation charge, after-tax segment profit contribution from Resideo and Garrett in the periods noted in the presentation, net of spin reimbursement impacts assuming both indemnification and reimbursement agreements were effective in such periods, and debt refinancings if and as noted in the release; Adjusted earnings per share, which we adjust to exclude pension mark-to-market, changes in fair value for Garrett equity securities, a non-cash charge associated with a further reduction in value of reimbursement receivables following Garrett’s emergence from bankruptcy on April 30, 2021, an expense related to UOP matters, gain on the sale of the retail footwear business, a 2Q20 favorable resolution of a foreign tax matter related to the spin-off transactions, and the 2020 non-cash charges associated with the reduction in value of reimbursement receivables due from Garrett, adjustments to the charges taken in connection with the 4Q17 U.S. tax legislation charge, and after-tax segment profit contribution from Resideo and Garrett in the periods noted in the presentation, net of spin reimbursement impacts assuming both indemnification and reimbursement agreements were effective in such periods, if and as noted in the release, and EBITDA, which we define as income before taxes adjusted for interest and other financial charges, interest income and depreciation and amortization. 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 metrics should be considered in addition to, and not as replacements for, the most comparable GAAP measure. Certain metrics 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 release for reconciliations of non-GAAP financial measures to the most directly comparable GAAP measures.

2022 INVESTOR CONFERENCE AGENDA

	Presentation	Speaker
10:00	Introduction	Sean Meakim
10:05	Strategic Overview	Darius Adamczyk
10:30	Environmental, Social, and Governance	Anne Madden
10:45	Honeywell Connected Enterprise	Que Dallara
10:55	Aerospace	Mike Madsen
11:05	Honeywell Building Technologies	Doug Wright
11:15	Performance Materials and Technologies	Vimal Kapur
11:25	Safety and Productivity Solutions	George Koutsaftes
11:35	Sustainability Panel	Anne Madden, Evan Van Hook, Gavin Towler
12:05	<i>Break</i>	
12:35	Next Frontier / Future Proofing Panel	Suresh Venkatarayalu, Ben Owens, Stephane Fymat, Tony Uttley
1:05	Software / Connected Solutions Panel	Que Dallara, Mike Spencer, Doug Wright, John Waldron
1:35	Transformation Initiatives Panel	Greg Lewis, Torsten Pilz, Tim Mahoney, Sheila Jordan, Jeff Kimbell
2:05	Financial Review	Greg Lewis
2:20	Q&A	
2:50	Closing Remarks	Darius Adamczyk

TODAY'S PRESENTERS

Honeywell



Darius Adamczyk
Chairman and
CEO

Environmental, Social, and Governance



Anne T. Madden
SVP and General
Counsel

Finance



Greg Lewis
SVP and CFO

Honeywell Connected Enterprise



Que Dallara
President and
CEO
HCE

Aerospace



Mike Madsen
President and
CEO
Aerospace

Honeywell Building Technologies



Doug Wright
President and
CEO
HBT

Performance Materials and Technologies



Vimal Kapur
President and
CEO
PMT

Safety and Productivity Solutions



George Koutsaftes
COO
SPS

TODAY'S PANELISTS

Sustainability



Anne T. Madden
SVP and General
Counsel



Evan Van Hook
Chief
Sustainability
Officer



Gavin Towler
VP CTO
PMT

Next Frontier / Future Proofing



**Suresh
Venkatarayalu**
CTO



Ben Owens
VPGM
STS



**Stephane
Fymat**
VPGM
UAM/UAS



Tony Uttley
President and
COO
HCQ

Software / Connected Solutions



Que Dallara
President and
CEO
HCE



Mike Spencer
VP CFO
HCE



Doug Wright
President and
CEO
HBT



John Waldron
President and
CEO
SPS

Transformation Initiatives



Greg Lewis
SVP and CFO



Torsten Pilz
SVP and
Chief
ISC Officer



Tim Mahoney
SVP
Enterprise
Transformation



Sheila Jordan
Chief Digital
Technology
Officer



Jeff Kimbell
SVP and CCO

An aerial night view of a city skyline, likely New York City, with a bright light source in the center of the frame. The city lights are visible, and the sky is dark. The Honeywell logo is in the top right corner.

Honeywell

INTRODUCTION 2022 INVESTOR CONFERENCE

DARIUS ADAMCZYK
CHAIRMAN AND
CHIEF EXECUTIVE OFFICER

—
THE
FUTURE
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KEY MESSAGES

Honeywell Value Creation Framework is a Differentiator

- We beat the S&P 500 benchmark 9 out of the last 12 years
- Our investments in **innovation set us apart** from competitors
- Our operating system, Honeywell Accelerator, continues to evolve to enable **superior execution** through all economic cycles
- Our transformation initiatives are driving **earnings acceleration**

We are Well-Positioned for Growth Acceleration

- Our core end markets each have **strong macro tailwinds**
- Our businesses are pivoting to **accelerate growth**
- **We are delivering double-digit recurring software** sales growth
- We are committed to deploy **at least \$25B** of capital over the next 3 years
- We have **major breakthrough growth initiatives** which will enhance growth and value creation

Our Heritage of ESG is a Strength Which Sets us Apart

- **We have reduced GHG** intensity by **>90%** since 2004
- **We dedicate ~60% of NPI R&D** to ESG-oriented solutions
- We will be **carbon neutral** in our operations and facilities by 2035
- Our Board and U.S. workforce are **2.5x and 1.2x more racially / ethnically diverse** than our comp peer median, respectively
- Our solutions enable a sustainable planet for the future

Methodology for identifying ESG-oriented solutions is available at [investor.Honeywell.com](https://investor.honeywell.com) (see "ESG/ESG Information/Identification of ESG-Oriented Offerings").

Best Outlook for Honeywell in Decades; Accelerating Financial Framework

WHAT'S NEW IN TODAY'S DISCUSSION?

- Accelerating long-term financial algorithm
- Increased commitment to capital deployment
- At least \$4B in share repurchases in 2022
- Breakthrough graduation - Sustainable Technology Solutions a new business unit with highest growth projections in the portfolio
- Increasing our commitment on emissions reduction
- >60% of 2021 sales were ESG-oriented
- Unlocking the value of Quantinuum

Methodology for identifying ESG-oriented solutions is available at [investor.Honeywell.com](https://investor.honeywell.com) (see "ESG/ESG Information/Identification of ESG-Oriented Offerings").

Honeywell Breaking Through to Next Level Value Creation

HONEYWELL VALUE CREATION FRAMEWORK

1. Deep Experts of Our Domains

Expansive installed base and scale driving connected software, recurring, and services revenue streams

2. Innovators of Scalable Technologies

Leveraging installed base; building breakthrough technologies and gaining share in core markets

3. Leaders in High Growth Regions

Long-term track record of growth; local-for-local presence

4. Rigorous Operators

Continuous improvement in operating efficiency; decisive action in all environments

5. Disciplined Financial Stewards

Consistent performance on organic growth, margin expansion, cash generation

6. Effective Capital Managers

Disciplined capital deployment; active portfolio management

7. Responsible Corporate Citizens

Committed to upholding our environmental, social, and governance principles

Underpinned by Our Operating System - Honeywell Accelerator

Framework Reinforced By Long-Standing Expertise in Controls and Automation

LONG-TERM COMMITMENT SCORECARD

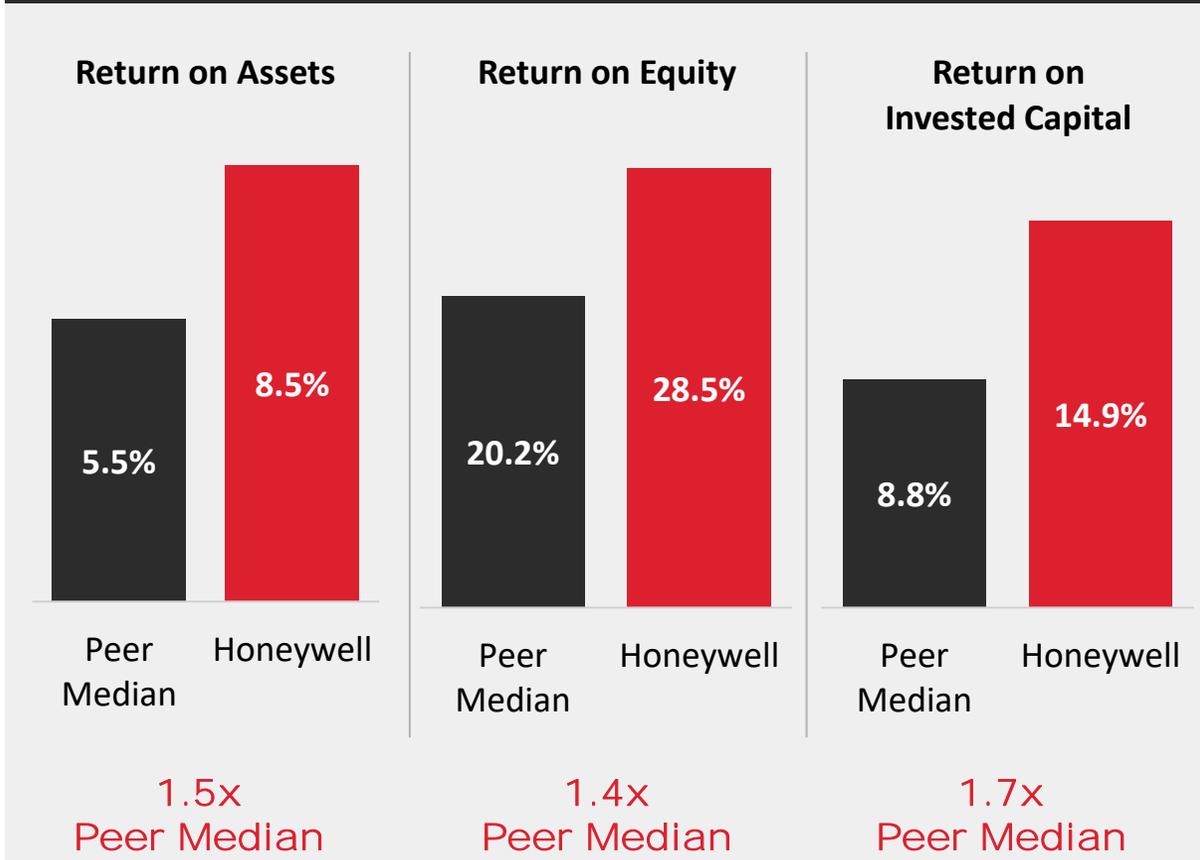
2014 – 2016 AVERAGE	PRIOR COMMITMENT	2017 – 2019 AVERAGE	2020 COVID- IMPACTED	2021	KEY POINTS
1%	3% - 5% Organic Growth	5%	(11%)	4%	<ul style="list-style-type: none"> • Strong multi-year performance across the board <ul style="list-style-type: none"> • Demonstrated organic growth acceleration • Top tier, consistent margin expansion every year except 2020 when impacted by COVID • Cash generation a key differentiator • Robust high return capital deployment • Continued transformation into a software industrial with double-digit connected software sales
~70 bps	30 – 50 bps Margin Expansion	~70 bps	(70) bps	60 bps	
89% 11% FCF Margin	~100% Adj. Cash Conversion	98% 15% FCF Margin	105% 16% FCF Margin	102% 17% FCF Margin	
5%	~20% Software Sales CAGR	16%	LSD	DD	
\$7.0B 131% of Op. Cash Flow	More Aggressive Capital Deployment	\$7.2B 111% of Op. Cash Flow	\$7.5B 120% of Op. Cash Flow	\$8.5B 141% of Op. Cash Flow	

Capital deployment figures include CapEx, dividends, share repurchases, and M&A. 2021 capital deployment includes a \$270M investment in Quantinum that is consolidated in our financial statements. 2017-2019 margin expansion excludes impact of 2018 spins. The definition for adjusted free cash flow conversion can be found in the non-GAAP appendix of this presentation.

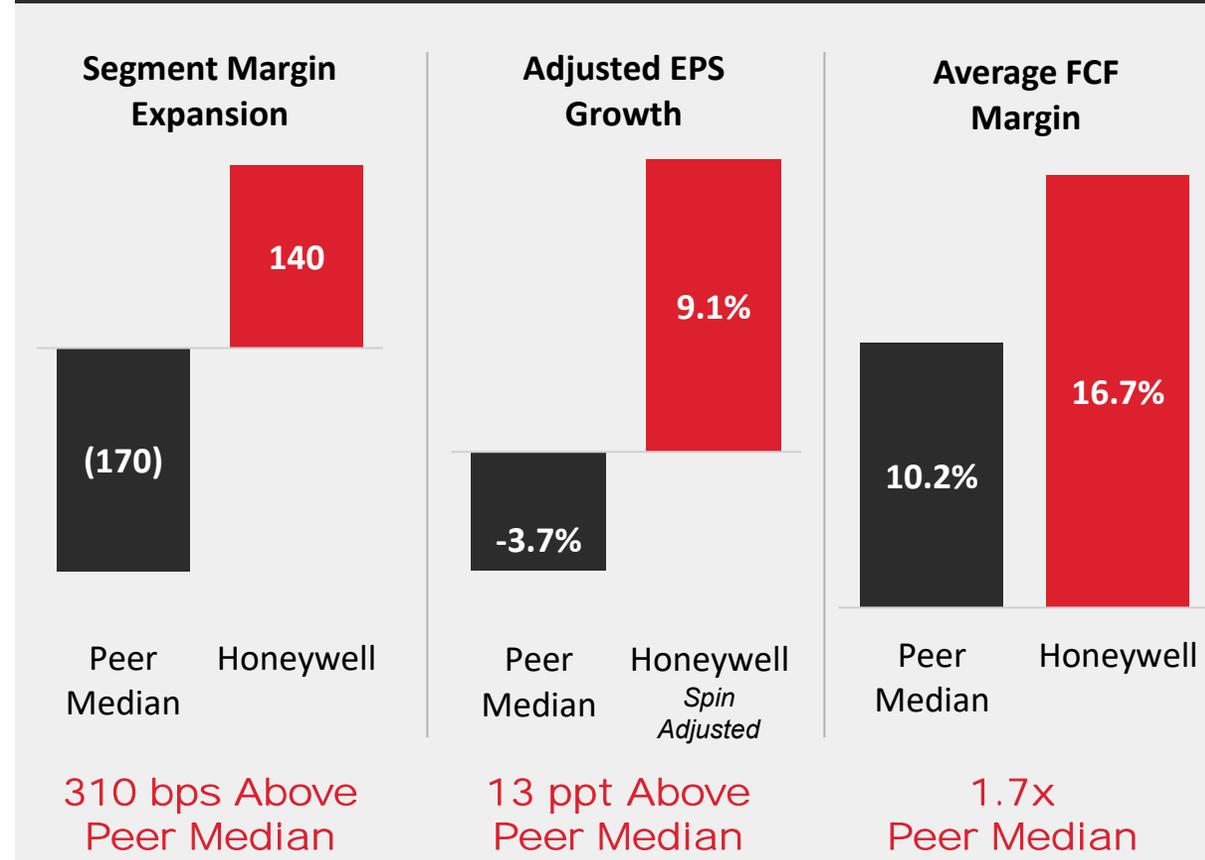
Overachieving on Commitments Every Year Ex-COVID Impacted 2020

THREE-YEAR FINANCIAL PERFORMANCE

3-YEAR RETURN METRICS



3-YEAR FINANCIAL PERFORMANCE METRICS



Source: S&P Capital IQ. Represents average returns from 2019 – 2021. Segment margin expansion includes impact of 2018 spins. Peer Median reflects median of Compensation Peer Group per the 2021 Proxy Statement. Return on assets: Adjusted net income divided by total assets (2-point average). Return on equity: Adjusted net income divided by total shareowner equity (2-point average). Return on invested capital: Adjusted net income before interest divided by net investment (2-point average). Adjusted net income before interest: adjusted net income plus after-tax interest.

Industry Leading Returns; Consistent Operational Outperformance

BUSINESS TRANSFORMATION AGENDA

ORGANIC TRANSFORMATION



Digital

\$1B in benefits since 2018 across gross margin, productivity, working capital



ISC

\$1B cumulative manufacturing and material productivity since 2018



Breakthrough Innovation

Stood up five business units which started as BTIs (HCE, Quantinuum, STS, UAS / UAM, and Cyber)



Connected

Enhanced SaaS offerings, double-digit recurring revenue growth annually; HCE \$1B+ and \$8B+ total software and services



ESG

>60% of 2021 sales were ESG-oriented
>90% reduction in GHG emissions since 2004

INORGANIC TRANSFORMATION



Honeywell
Intelligent[®]

 Sparta Systems

 QUANTINUUM



Garrett

Resideo

Advansix

- Adding differentiated technologies, increasing exposure to recurring and predictable revenue, aligning to megatrends, and investing in higher growth businesses
- Reducing cyclicity and dilutive margins, sharpening focus on Honeywell's strategic objectives, and streamlining end markets

HCE: Honeywell Connected Enterprise. STS: Sustainable Technology Solutions. UAS: Unmanned Aerial Systems. UAM: Urban Air Mobility. Methodology for identifying ESG-oriented solutions is available at investor.Honeywell.com (see "ESG/ESG Information/Identification of ESG-Oriented Offerings").

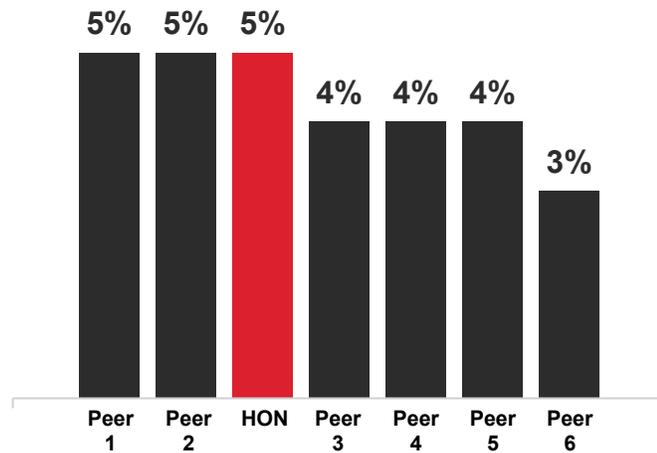
Increasing Shareholder Value Via an Organic and Inorganic Agenda

TRACK RECORD OF OUTPERFORMANCE

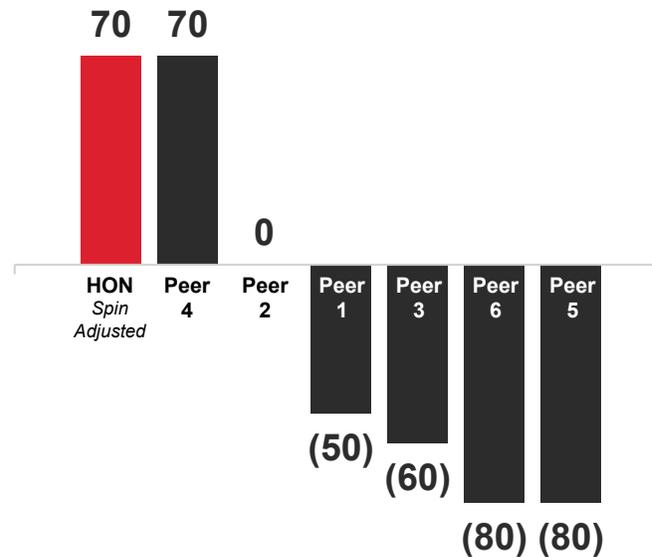
2017 – 2021 AVERAGE FINANCIAL PERFORMANCE¹

HIGHLIGHTS

Organic Sales Growth



Segment Margin Expansion (bps, rounded)



- Delivered 5% annual organic sales growth on average over the last 5 years¹
- Expanded margin annually by 70 basis points on average over the same period¹
- Methodically repositioned portfolio to optimize for high growth and high margin businesses
- Consistently invested in differentiated technologies
- Permanently removed \$1B+ of fixed costs

¹Excludes 2020 financials. Peer group consists of EMR, FTV, GE, ITW, MMM, and ROK.

Consistently Outperforming on Organic Growth AND Margin Expansion

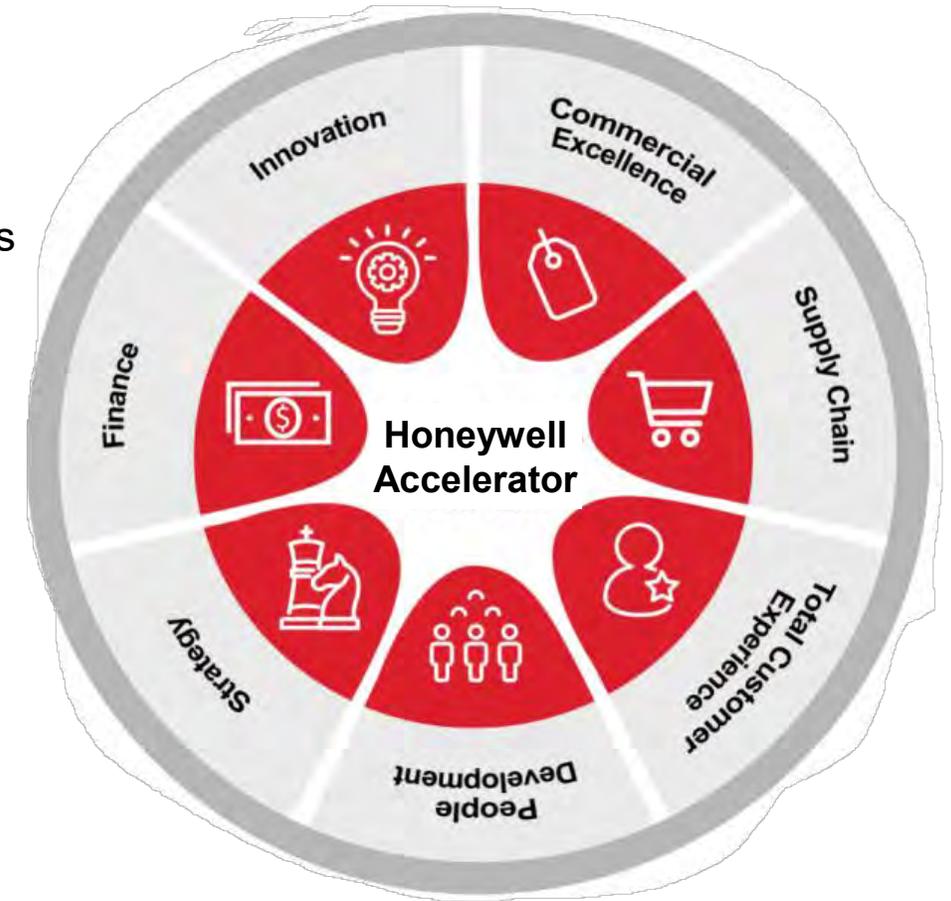
OPERATIONAL EXCELLENCE

MAKING IT HAPPEN

HONEYWELL ACCELERATOR

OUR OPERATING SYSTEM

- Revitalized operating system for how we manage and govern the business
- Includes employee resources like standard tools, processes, and playbooks
- Removes barriers to execution and improves speed
- Example areas of benefits:
 - Innovation and product development
 - Integrated supply chain
 - Customer service and satisfaction
 - M&A integration
 - Achievement of financial and ESG objectives
 - Talent development
- Accelerator content enhances digital acumen and career development



Underpins Value Creation Framework

Revitalizing Our Operating System to Drive a Sustainable Advantage

RIGOROUS OPERATORS

SUPPLY CHAIN TRANSFORMATION

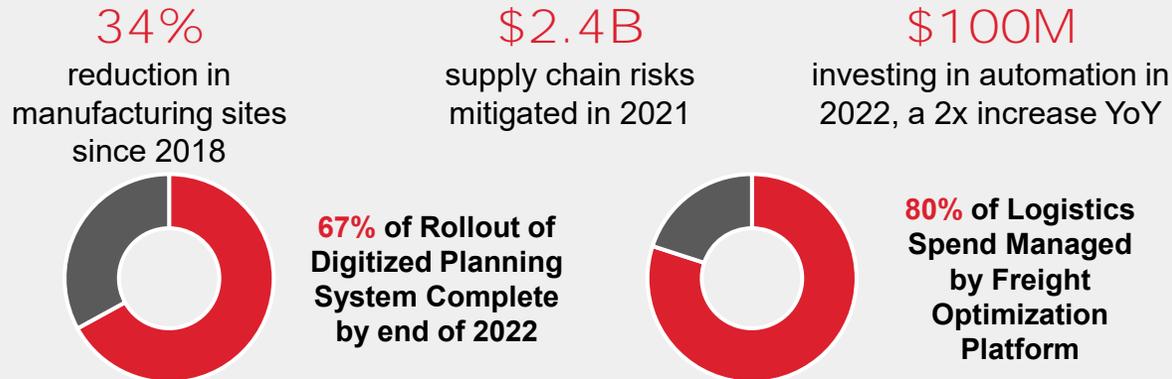
Initial Phase: Network Optimization and Productivity

- Footprint transformation via simplified network design
- Regional manufacturing hubs to improve cycle time to customers and simplify logistics

Current Phase: Automation and Digitization

- Deploying technologies to improve predictability, resiliency, and efficiency
- Deployed an end-to-end digital operational console based on Honeywell Forge

\$1B Cumulative Manufacturing and Material Productivity Since 2018



HONEYWELL DIGITAL

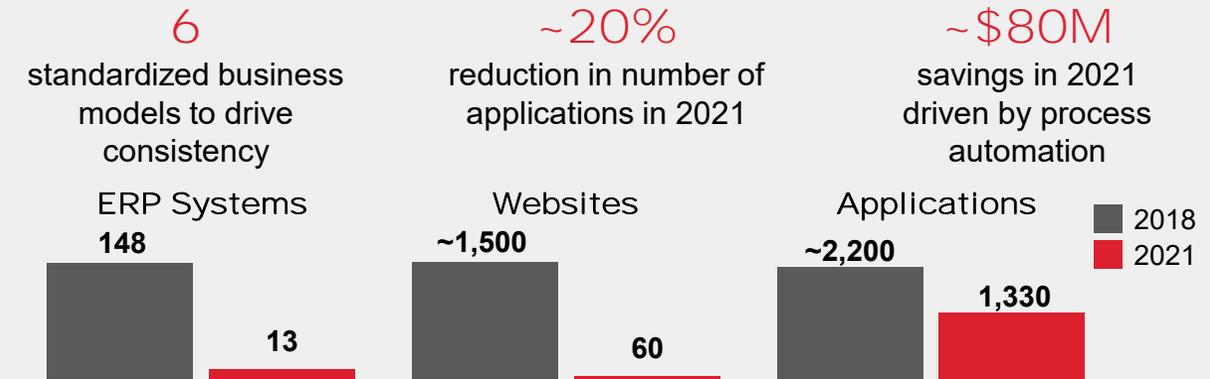
Initial Phase: Data, Process Standardization Underpinned by Common IT Platforms

- Unleashing business and customer information
- Aggressively optimizing End-to-End (E2E) processes

Current Phase: End-to-end Value Stream Optimization

- Process standardization and technology compels predictability
- Touchless automated processes are delivering efficiencies
- Information liquidity is enabling real time, informed decision making

\$1B Benefits Since 2018 Across Gross Margin, Productivity, and Working Capital



~\$2B of Cumulative Benefits Expected Over the Next Three Years

LEADERS IN CORPORATE CITIZENSHIP

ENVIRONMENTAL



SOCIAL



GOVERNANCE



Past Achievements

- Reduced greenhouse gas emissions intensity **by >90%** since 2004
- **Over 3,000 acres** remediated and restored as valuable community assets

- **34%** of our U.S. workforce is racially / ethnically diverse, **1.2x** our comp peer median
- Appointed a **Chief Inclusion and Diversity Officer** to help cultivate a workforce that represents our communities and the world

- **36%** of our Board of Directors are women and **45%** is ethnically or racially diverse
- **One of 12 companies** in the S&P 500 to receive a **100% score** from the Center for Political Accountability

Future Commitments

- Pledged to be **carbon neutral** in facilities and operations by 2035
- Submitted a commitment to set a target that addresses our **Scope 3 emissions**

- Focused on **improving diversity** on all levels of our management team every year
- Dedicated to **improving lives in our communities** through our global philanthropic program

- Committed to **improving disclosure** of our ESG metrics; disclosing EEO-1
- Maintain **world-class safety record**

Honeywell Continues to Lead in ESG

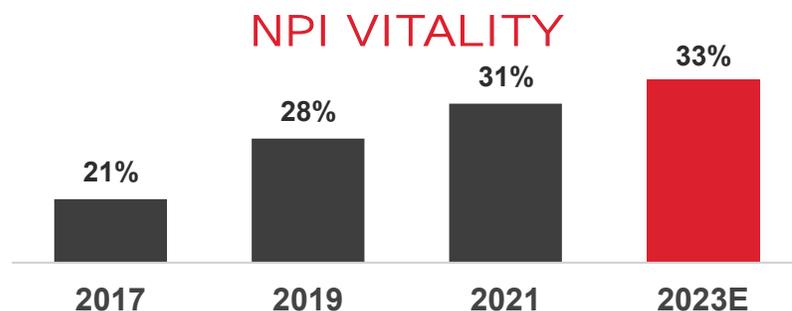
INNOVATION AS A DIFFERENTIATOR

INVESTING IN INNOVATION

NEW PRODUCT INTRODUCTIONS (NPI)

- Diverse portfolio of innovative, next generation growth opportunities for 2022 and beyond
- Over the last five years, NPI Vitality has gone up 50% because of our investments in higher margin, end-to-end solutions that span across the Honeywell portfolio

KEY METRIC: Percent of total sales generated from organically developed new products introduced in the last three years



BREAKTHROUGH INITIATIVES (BTI)

- Materially new offerings that address large, growing markets, building on our foundation of controls and automation
- Our BTI portfolio continuously evolves as BTIs in execution reach \$100M sales and graduate into the core portfolio
- **Stood up five business units** which started as BTIs (HCE, Quantinum, STS, UAS / UAM, and Cyber)

KEY METRIC All BTIs must have a sales target of more than \$100M within three years of entering execution

>\$2B

Sales generated from BTI's in execution over last 3 years

>\$200B

Total Addressable Market for BTI portfolio

HCE: Honeywell Connected Enterprise. STS: Sustainable Technology Solutions. UAS: Unmanned Aerial Systems. UAM: Urban Air Mobility.

Honeywell Differentiates Through a Commitment to Innovation

BREAKTHROUGH INITIATIVES

BREAKTHROUGH INITIATIVE SUCCESS STORIES



SOLSTICE

- Low-global-warming refrigerants and blowing agents
- \$1B R&D and growth capex investment was recouped within 5 years of first sale

\$1B+ annual sales at accretive margins

\$25B+ cumulative sales potential over lifetime



HCE

- Helping customers digitally transform their operations and drive greater productivity
- Recurring software growing at a 14% CAGR since 2019

>25% Connected Software growth rate



NEXT FRONTIER OF INNOVATIONS



UAS / UAM

- Leader for UAM fly-by-wire, avionics with simplified vehicle operations, and aerospace-grade motors that can be built at automotive scale

\$7B pipeline over next 5 years

\$54B pipeline out to 2030



QUANTUM

- HQC has achieved the highest quantum volume, demonstrated the first logical qubit, and demonstrated a new algorithm for advanced optimization

\$1T projected quantum computing industry size

Successful BTIs are Tomorrow's New Businesses

THE LEADER IN QUANTUM COMPUTING



Leader in Quantum Computing
Software, Applications and Operating System



Cybersecurity



Quantum Chemistry



Quantum Artificial
Intelligence

(tket)^{cQ}

High-performance quantum software development kit | Open-sourced

MyQOS

Quantum Operating System

Cambridge Quantum's pioneering quantum software expertise pairing with Quantinuum hardware to create products with real value

Leading Quantum Computing Hardware
with Real-Time Quantum Error Correction

Technologies Foundational to Quantum Computing



Honeywell's world class controls expertise used to underpin Quantinuum's highest performing trapped-ion technology

Driving the 4th Industrial Revolution; On Track to Become a \$1T Industry

SUSTAINABLE TECHNOLOGY SOLUTIONS

TRANSFORMING THE CURRENT ENERGY INDUSTRY INTO A SUSTAINABLE STRUCTURE

Technology Offered

Proof Points

Sales Objectives

Advanced Plastics Recycling

Joint venture with Sacyr with capacity to transform **30,000 tons of waste plastics per year into Honeywell Recycled Polymer Feedstock**

Renewable Fuels

United Airlines has committed to purchasing **1.5B gallons of sustainable aviation fuel**

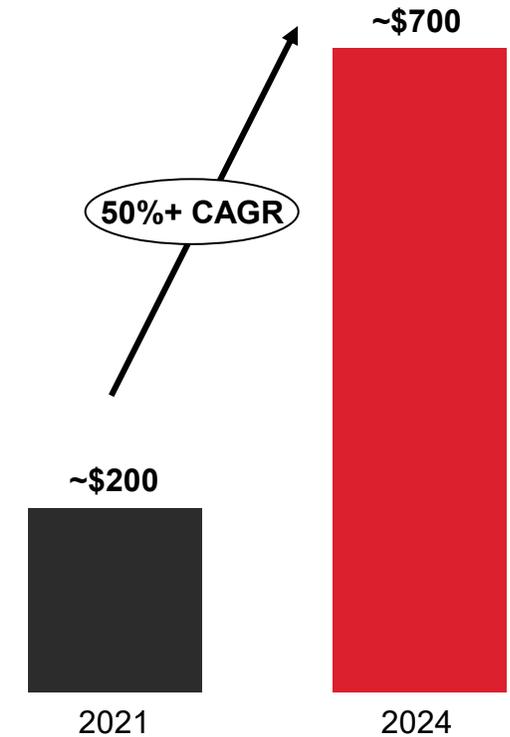
Renewable Energy Storage and Controls

Producing a **new flow battery technology with recyclable components** with Duke Energy

Carbon Capture and Hydrogen Economy

Chosen by Wabash Valley Resources to capture **up to 1.65M tons of CO₂ annually**

Sales (\$M)



Positioned to Lead the Energy Transition

NEW PRODUCT INTRODUCTIONS



Sources: Internal HON estimates. TAM: Total addressable market. TAM refers to projected market size in 2030.

Incubating Growth Drivers With Varying Degrees of Market Readiness

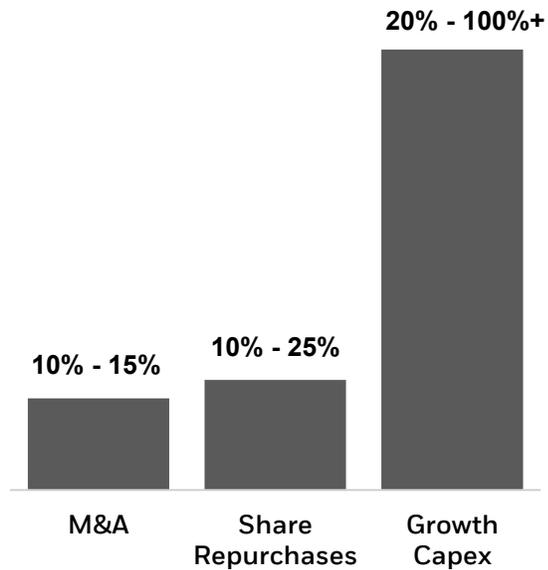
LONG-TERM FINANCIAL PLAN

NEXT LEG OF GROWTH: WHY WE ARE DIFFERENT

TRUSTED CAPITAL STEWARDS

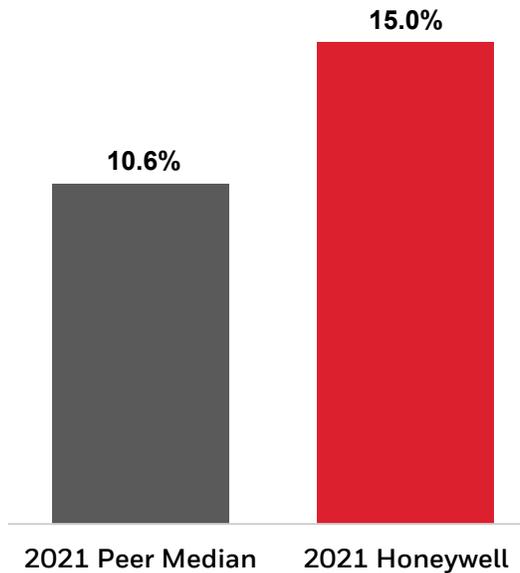
DRIVING HIGH RETURNS ACROSS ALL TYPES OF CAPITAL DEPLOYMENT

Returns on Capital Deployed



Multiple Vectors for High Returns
Led by Growth Capex

ROIC



Industry Leading Returns

Highlights

- Strategically deploying capital to drive returns and position for future growth
- Deliberate, prudent, and idiosyncratic investments in innovation yielding consistent high returns
- Disciplined M&A process with high threshold to ensure we're delivering returns to all stakeholders

Peer group consists of the 16 compensation peers as defined in our 2021 proxy statement. Return on invested capital: Adjusted net income before interest divided by net investment (2-point average). Adjusted net income before interest: adjusted net income plus after-tax interest.

Disciplined Capital Deployment Delivering High Returns and Positioning for Growth

LONG-TERM FINANCIAL FRAMEWORK

LONG-TERM TARGETS	PRIOR TARGETS	UPDATED TARGETS	NEXT LEG OF HONEYWELL TRANSFORMATION
Sales Growth	3% - 5% Organic Growth	4% - 7% Organic Growth	<ul style="list-style-type: none"> • End Market Tailwinds... Plus <ul style="list-style-type: none"> • Pivoting supply chain to automation and supplier digitization • Honeywell Digital from silo to end-to-end value streams • Acceleration of software throughout portfolio • BTIs graduate to new businesses • Continued portfolio pruning • Accelerated capital deployment
Segment Margin Expansion	30 – 50 bps per Year	40 – 60 bps per Year	
Free Cash Flow Margin	No Prior Target	Mid-Teens Percent of Sales	
Capital Deployment	No Prior Target	Deploy at least \$25B over next 3 years	

Raising Targets for Long-Term Growth

HONEYWELL ESG COMMITMENTS

DEDICATED TO CONTINUED IMPROVEMENT

Taking a more aspirational approach



Committed to carbon-neutral facilities and operations by 2035



Reduce Scope 3 emissions from our value chain, lowering environmental footprint of our products



Continue to innovate with products and services that help our customers reduce their emissions; >60% of 2021 sales were ESG-oriented, committing to increasing this mix

Enhancing Our Disclosures



Submitted a commitment to set a target that addresses Scope 3 emissions



Improved diversity disclosure by posting new, more detailed metrics (EEO-1)

Building on our history of helping customers meet their environmental and social goals

Methodology for identifying ESG-oriented solutions is available at [investor.Honeywell.com](https://investor.honeywell.com) (see "ESG/ESG Information/Identification of ESG-Oriented Offerings").

Making Substantial Progress on a More Sustainable Future

SUMMARY

- **Honeywell Value Creation Framework continues to be a differentiator; consistently delivering superior shareholder returns**
- **Driving growth above the market with strategic investments in disruptive, innovative technology**
- **Margin expansion driven by tailwinds in highest margin businesses and increasing transition to software and services**
- **Enhanced commitment to capital deployment**
- **Upgrading long-term financial framework to capitalize on next leg of transformation**

Honeywell Breaking Through to Next Level Transformation



CORPORATE CITIZENSHIP
2022 INVESTOR CONFERENCE

ANNE T. MADDEN
SENIOR VICE PRESIDENT AND GENERAL COUNSEL

Honeywell

KEY MESSAGES

ESG progress is a Key Tenet of Honeywell's Strategy

- **>60% of revenue and ~60% of R&D investment** in new products are attributable to offerings that address the world's ESG challenges
- Targeted solutions for sectors responsible for **two thirds** of the world's greenhouse gas emissions
- Technologies to address a wide spectrum of other sustainability challenges

Enabled By Strong Governance and Commitment to Values

- Diverse, independent Board with the right mix of skills and experiences; **50% of our independent directors are diverse**
- Uncompromising commitment to foundational values – **Integrity and Ethics, Respect, and Inclusion and Diversity**
- **Continuous enhancement** of governance and ESG disclosure practices

Committing to More Aspirational Targets and Enhancing Disclosures

- Submitted commitment to the **Science-Based Targets Initiative (SBTi)** to establish a carbon reduction target that extends to Scope 3 emissions, reducing the environmental footprint of our products
- **Enhancing disclosures**, including more information on key diversity, greenhouse gas emissions, water, waste, and safety metrics

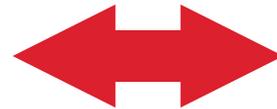
Methodology for identifying ESG-oriented solutions is available at [investor.Honeywell.com](https://investor.honeywell.com) (see "ESG/ESG Information/Identification of ESG-Oriented Offerings").

ESG is in Our DNA; Building a Better Future

STRATEGY ALIGNED WITH ESG PRINCIPLES

Honeywell Value Creation Framework

- 1 DEEP EXPERTS OF OUR DOMAINS
- 2 INNOVATORS OF SCALABLE TECHNOLOGIES
- 3 LEADERS IN HIGH GROWTH REGIONS
- 4 RIGOROUS OPERATORS
- 5 DISCIPLINED FINANCIAL STEWARDS
- 6 EFFECTIVE CAPITAL MANAGERS
- 7 RESPONSIBLE CORPORATE CITIZENS



ESG is in our DNA

- ✓ Decades-long track record of innovating to address the world's most daunting sustainability challenges
- ✓ ESG woven into capital deployment efforts and Honeywell's transformation journey
- ✓ Strong ESG practices and an uncompromising commitment to foundational principles - Integrity and Ethics, Respect, and Inclusion and Diversity

ESG Principles are Core to our Value Creation Framework

TRACK RECORD OF COMMITMENT TO ESG

Key Dates in Our Longstanding Commitment to ESG

2004	Launched Sustainability Program, establishing global inventory of GHG emissions per The Greenhouse Gas Protocol
2011	Achieved first public GHG and energy efficiency commitments
2013	Achieved 2nd public GHG goal three years early
2014	Created independent Lead Director role for Board
2018	Exceeded 3rd public GHG goal
2019	Set “10-10-10” public goal
2020	Established Global I&D Steering Committee Implemented diversity of slate requirement
2021	Committed to carbon neutral facilities and operations by 2035
2022	Continued enhancement of ESG disclosures Assessing and addressing scope 3 emissions

Highlights

~90%

Reduction in greenhouse gas emissions intensity since 2004

~6,100

Executed sustainability projects in our facilities, saving more than \$105M on an annualized basis

~3,000

acres remediated and restored as valuable community assets

60 bps

increase in percent of women in our global workforce since 2019

>\$4B

spent on remediation projects in the last 15 years

The Company applies a “diversity of slate” requirement when hiring for any exempt role in the U.S. and for any management, professional, or senior administrative role globally.

Long History of Commitments and Progress Across ESG Dimensions

SUSTAINABILITY GOALS

Honeywell's Path to Carbon Neutrality

- **C-Suite Sustainable Investment Review Board**
 - Funding capital deployment to internal projects that support our carbon neutrality target - \$50M annually
- **10-10-10 Goals by 2024**
 - Reduce Scope 1 and Scope 2 GHG emissions intensity by an additional 10% from 2018 levels
 - Deploy at least 10 renewable energy projects
 - Achieve certification to ISO's 50001 Energy Management Standard at 10 sites
- **Scope 1 and Scope 2 Carbon Neutrality Commitment**
 - Committing to achieve carbon neutrality in our facilities and operations by no later than 2035



Committed to a Sustainable Future; Significant Progress on Initiatives To Date

SUSTAINABILITY GOALS AND **NEW ASPIRATIONS**

Honeywell's Path to Carbon Neutrality

- **C-Suite Sustainable Investment Review Board**
 - Funding capital deployment to internal projects that support our carbon neutrality target - \$50M annually
- **10-10-10 Goals by 2024**
 - Reduce Scope 1 and Scope 2 GHG emissions intensity by an additional 10% from 2018 levels
 - Deploy at least 10 renewable energy projects
 - Achieve certification to ISO's 50001 Energy Management Standard at 10 sites
- **Scope 1 and Scope 2 Carbon Neutrality Commitment**
 - Committing to achieve carbon neutrality in our facilities and operations by no later than 2035
- **Scope 3 Emissions Reduction Requires Innovation**
 - Submitted a commitment to the **Science-Based Target Initiative (SBTi)** to address our Scope 3 emissions
 - Continue to innovate with products and services that help our customers reduce their own emissions, and to quantify and report on these positive impacts

Extending Carbon Reduction Target to Include Scope 3 Emissions



CREATING SUSTAINABLE SOLUTIONS



HIGHLIGHTS

>60%

of 2021 sales were comprised of solutions that contribute to ESG-oriented outcomes

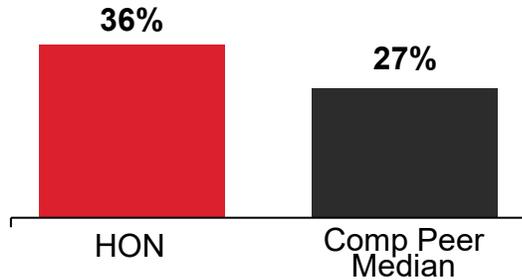
~60%

of our new product R&D activity is directed towards ESG-oriented outcomes

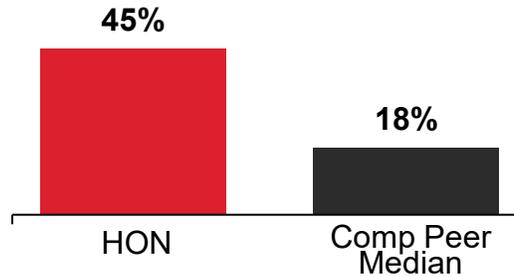
Innovating to Solve the World's Toughest Sustainability Challenges

LEADERSHIP IN SOCIAL AND GOVERNANCE

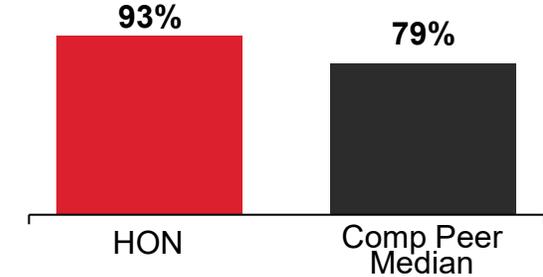
% of Women Board Members



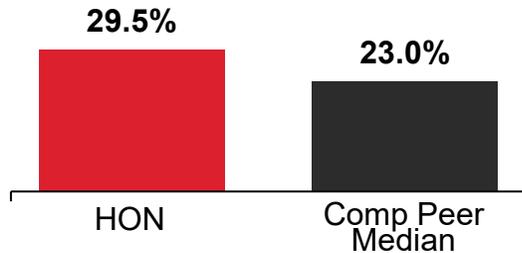
% of Racially / Ethnically Diverse Board Members



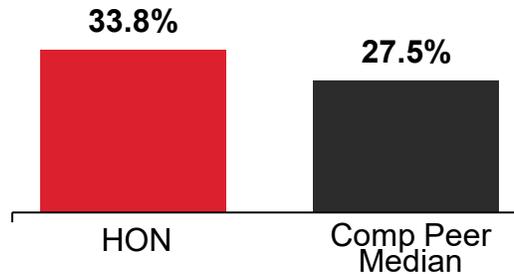
% of Shareholder Votes For Executive Compensation



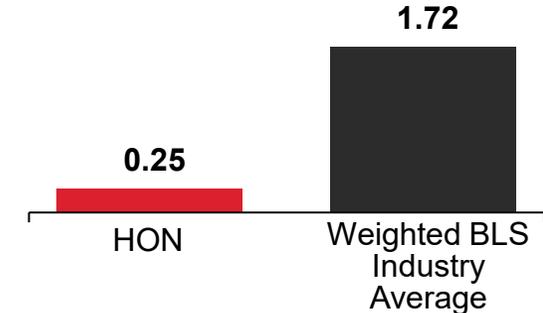
% of Women in Global Workforce



% of Racially / Ethnically Diverse U.S. Workforce



Total Case Incident Rate



Peer group medians are based on data made publicly available before December 31, 2021 by companies in our compensation peer group (as defined in our 2021 proxy statement). Peer companies that do not disclose comparable data are excluded from the calculation. Honeywell workforce statistics as of December 31, 2021 and excludes Sandia National Laboratories (Sandia) and Kansas City National Security Campus (KCNSC) workforces. Sandia and KCNSC are U.S. Department of Energy facilities. Honeywell manages these facilities as a contract operator but does not establish or control their human resources policies. Total Case Incident Rate (TCIR) is defined by OSHA as the number of work-related injuries per 100 full-time workers during a one-year period.

Leading Peers in Key ESG Metrics; Committed to Continuous Improvement

SUMMARY

- **Decades-long track record of setting and achieving ESG goals**
- **Integrity and Ethics, Respect, and Inclusion and Diversity are foundational principles of the Honeywell culture**
- **Committed to responsible corporate citizenship**
- **Innovating solutions to help customers achieve their sustainability goals; >60% of revenue is ESG-oriented and expected to grow**
- **Submitted commitment to address Scope 3 emissions, driving product innovation and reducing our environmental footprint**

Methodology for identifying ESG-oriented solutions is available at [investor.Honeywell.com](https://investor.honeywell.com) (see "ESG/ESG Information/Identification of ESG-Oriented Offerings").

Leaders in Corporate Social Responsibility Today; Enhancing our Commitments

HCE 2022 INVESTOR CONFERENCE

QUE DALLARA
PRESIDENT AND CHIEF EXECUTIVE OFFICER, HCE



Honeywell

HCE ACCELERATING DIGITAL TRANSFORMATION

Progress Since the 2019 Investor Day

- **Total and recurring revenue CAGRs of 15% and 24%** respectively, with recurring mix over 50%
- Built **cloud-native Honeywell Forge apps** for intelligent operations: productivity, safety, and sustainability
- Acquired **Sparta Systems and Sine**, bolstering SaaS strategy

HCE Margins Accretive to Overall Honeywell

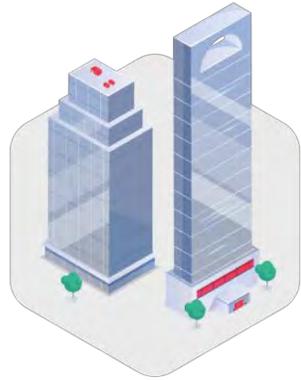
- Honeywell Forge providing **cloud scalability**
- Disciplined approach towards strategic investments in Honeywell leading markets
- Honeywell Forge drives broader Honeywell **SaaS strategy** and digital transformation

Digital Transformation Focus by Customers Driving the Future

- **SaaS sales CAGR of >60%** through 2024
- Digitization efforts by customers yielding **\$100B+ TAM**, growing at ~10% CAGR
- Strong value proposition with **8,000+ customer base** with >95% retention

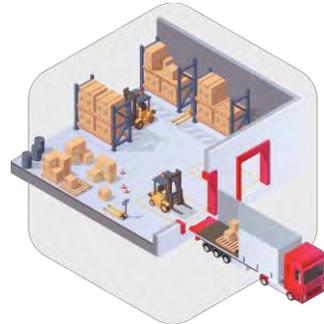
Connecting Assets, People, and Processes to Deliver Customer Value

HCE OPPORTUNITY



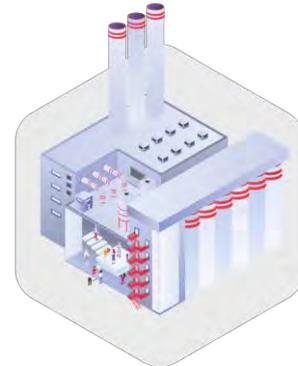
COMMERCIAL REAL ESTATE

Building Health



RETAIL WAREHOUSE

Shift Throughput



INDUSTRIALS

Responsible Profit



LIFE SCIENCES

Product Quality



AERO

Experience & Efficiency

TAM

\$30B+

\$30B+

\$35B+

\$4B

\$10B+

Install
Base

15-17M
buildings

150K WH and
1M retail stores

150K+
plants

6K+ pharma,
device & bio cos

50K+ aircraft
& defense

By the
Numbers

\$1.1B HCE
REVENUE*

3,500+ GLOBAL
EMPLOYEES

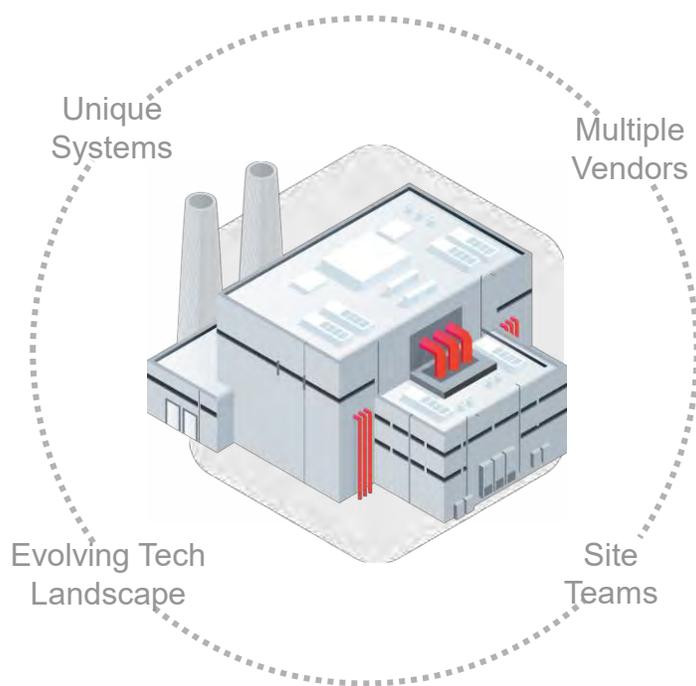
1,800+ SOFTWARE
ENGINEERS

150+ DATA SCIENTISTS
AND AI EXPERTS

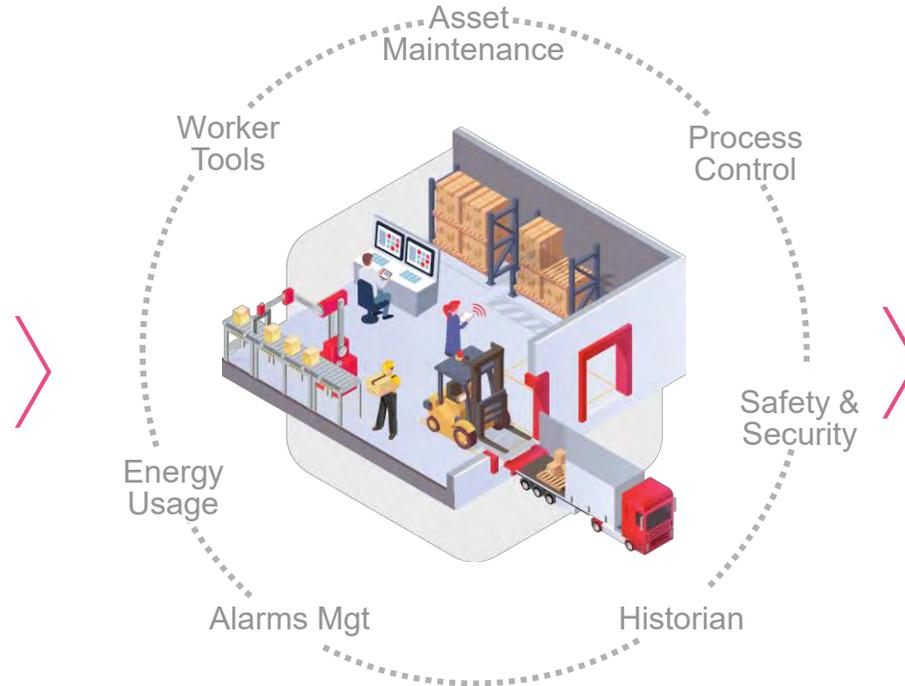
**Across our business segments*

Diverse End Markets Representing \$100B+ Addressable Opportunity

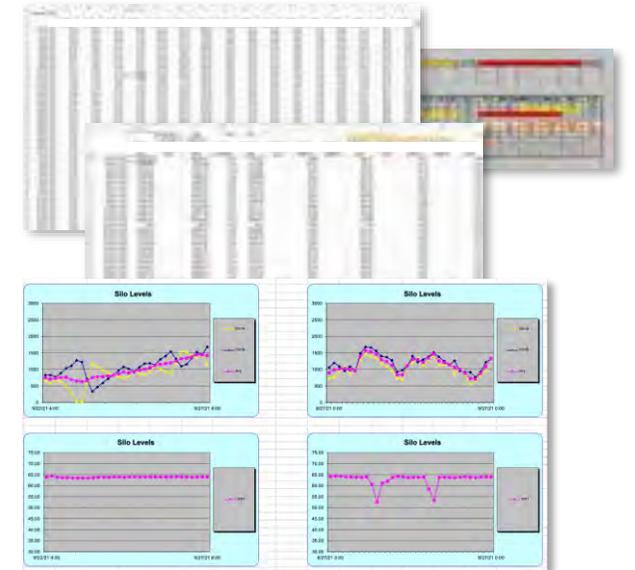
HCE TODAY'S INDUSTRIAL



Each site is its own unique ecosystem



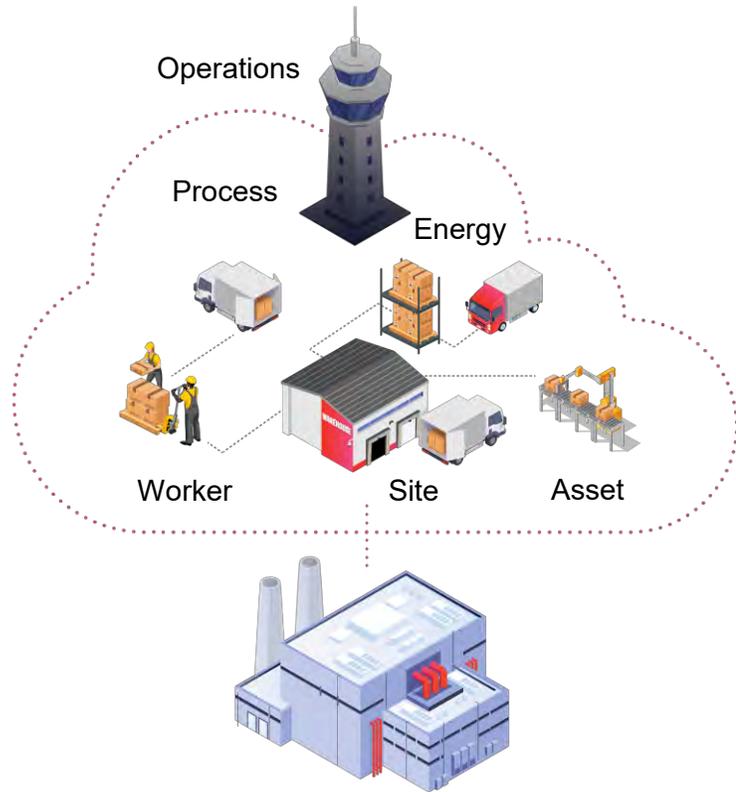
Complex OT systems control the Plant



Complex spreadsheets run the Plant

OT Systems are Not Designed to Run an Integrated, End-to-End Operation

HCE HONEYWELL FORGE



**Virtualize OT Systems
and Data in the Cloud**



**Optimize Production Performance
via Cloud-Native SaaS Apps**



**Digitization Lowers Cost of
Ownership and Increases Speed**

...Enables Mission Critical Intelligent Operations

HCE CUSTOMER SUCCESS

	CHALLENGE	SOLUTION	IMPACT
<p>Increasing HVAC Savings</p> 	<p>Immediate need to scale operations for their buildings as most students were put on home-based learning.</p>	<p>Completed analysis indexing to understand the differences in energy demand during times when buildings were occupied, underoccupied or vacant. Deployed capabilities to drive savings and ensure optimal occupant experience.</p>	<p>5-9% HVAC savings</p>
<p>Transforming Building Maintenance</p> 	<p>New facility opened with requirements to digitize and secure its building maintenance.</p>	<p>Introduced IT Highly Integrated Virtual Environment (IT HIVE) technology which consolidates multiple sites into a central infrastructure via networking and virtualization.</p>	<p>15% labor cost savings</p>
<p>Reducing Costs</p> 	<p>Management of rising prices and supply chain failure after much of the corn crop was lost from drought.</p>	<p>Implemented Honeywell Forge Advanced Process Control (APC) multi variable control Online Modeler establishing automatic step testing and identification of software tools.</p>	<p>Total value of control improvement: \$791K</p>

KEY WINS



Over 8,000 Customers with a Retention Rate Over 95%

HCE IMPACT ON HONEYWELL



Faster Growth

- + Software sales CAGR higher than overall business
- + Capitalizing on **digitization trend** in our industries



Recurring Economics

- + **Transforming business models** from perpetual license to SaaS
- + Recurring CAGR growth 20%+ with higher SaaS growth



Lower Fixed Costs

- + **Leverages public cloud** to scale and deploy faster and at lower cost
- + **Honeywell Forge** standardizes and accelerates new products releases



Accretive to Margins

- + Higher software margins
- + HCE growth supports **long-term margin expansion for Honeywell**



Meaningful Contributor

- + Increasing mix of total Honeywell sales
- + Enable SaaS capabilities across Honeywell portfolio
- + Meaningful **inorganic** investment in SaaS portfolio

Double Digit Growth at Accretive Margins



AEROSPACE

2022 INVESTOR CONFERENCE

MIKE MADSEN
PRESIDENT AND CHIEF EXECUTIVE OFFICER
AEROSPACE

Honeywell

AERO KEY MESSAGES

Long Term Tailwinds

- **Well-positioned** to take advantage of accelerating bizjet OEM jet growth and widebody return to flight
- **Industry leading cost position** - growing investment as percent of sales while expanding segment margin to 29% by 2024
- **Great positions on growing defense programs** (F-35, GBSD, B-21, National Programs)
- **Best in class space franchises** (RWA's, CMG's, optical interlinks)

Best in Class Positioning for Future of Aviation

- **\$25B FLRAA engine win** with Boeing / SIK sets up multi-decade opportunity
- **Over \$3.5B in UAM / UAS equipment wins** with \$7B pipeline
- **Revolutionizing flight decks in all markets** with Honeywell Anthem®
- **Industry leading R&D investment profile** at a rate of 5% - 8% of revenue
- **Retrofits / Modifications / Upgrades (RMUs):** \$800M+ per year and growing to \$1B+ by 2024

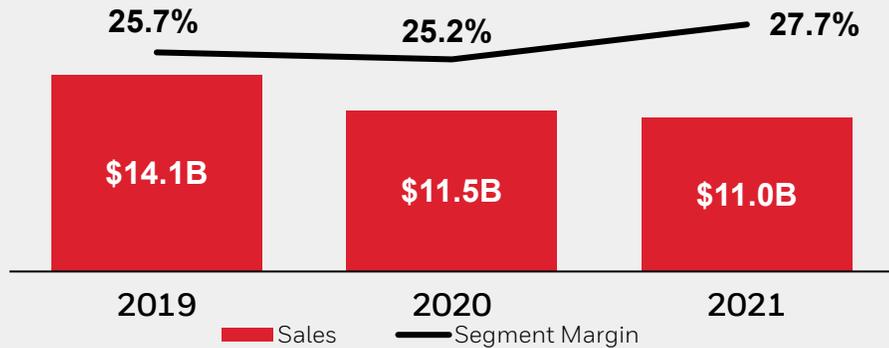
Productivity Improvements Driving Continued Margin Expansion

- **Digitized Processes:** >75% of customer transactions M-to-M
- **Leader in Connected Systems:** Installed on 10,000+ aircraft
- **One instance of ERP** across entire enterprise
- **50% reduction in manufacturing footprint** (2016 - 2022)
- **Breakthrough Initiatives:** vapor cycle cooling, alternative nav, electromechanical actuation, and LIDAR systems

Leading the Industry Today and Tomorrow

AERO BUSINESS OVERVIEW

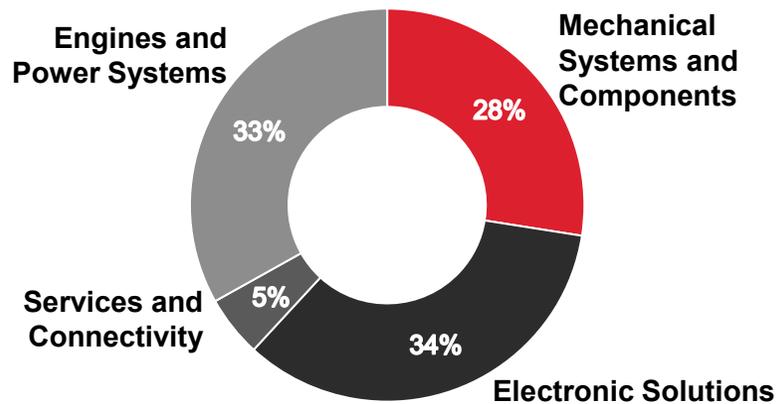
FINANCIAL OVERVIEW



GROWTH DRIVERS

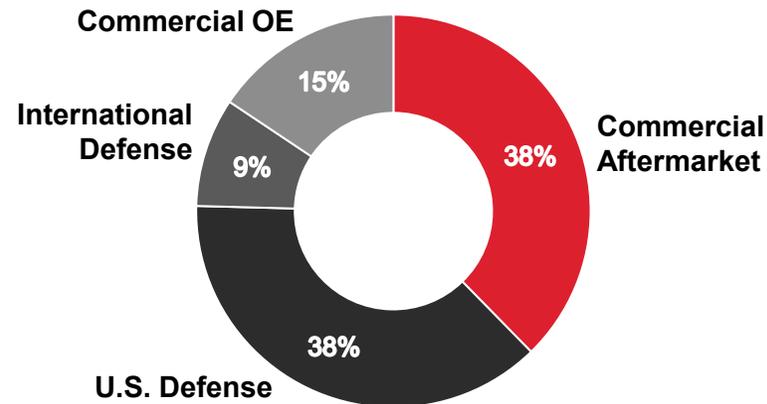
- ✓ Technology leadership driving differentiation in core and shaping the future
- ✓ \$3.5B+ of recent UAM / UAS program wins – multiple platforms and products
- ✓ Connected business technology advances and expansion in defense
- ✓ Strong widebody flight hour growth near term, with steady long-term growth
- ✓ Accelerating RMUs and breakthrough initiatives to achieve above-market growth
- ✓ Exceptional cost position and poised to maximize gains on industry recovery

BUSINESS OFFERINGS

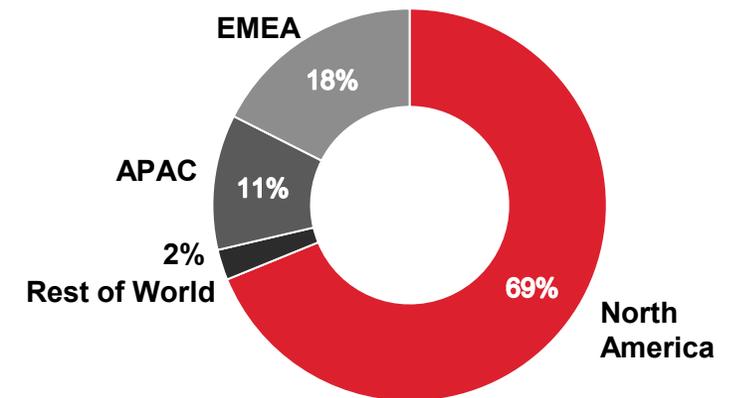


Pie chart data represents 2021 sales.

VERTICALS



GEOGRAPHIC EXPOSURE



Attractive and Balanced Portfolio - Poised for Growth

AERO EXCITING MARKET OUTLOOK

ATR Flight Hour Recovery Led by Widebody Platforms

- Earn **3x more sales dollars per flight hour** on widebody planes

Business Jet Market Setting Record Levels

- 2021 business jet flight hours **exceeded 2019 by 10%**

Innovative Decoupled Portfolio

- Revenue >\$800M in 2021 and **growing at 10% CAGR**

Industry-Leading Cost Position

- **Industry-leading** R&D investment profile

Great Positions on Growing Platforms

- ATR: **737 MAX**, A320neo, A350

AEROSPACE GROWTH OUTLOOK

Air Transport (ATR)

DD%
CAGR

Business Aviation (BGA)

MSD%
CAGR

Defense (D&S)

LSD%
CAGR

Well-Positioned to Capture Market Upcycle

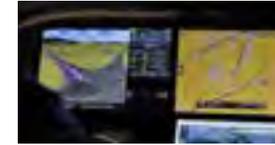
AERO INVESTMENT PRIORITIES

ADVANCING FRANCHISE TECHNOLOGIES



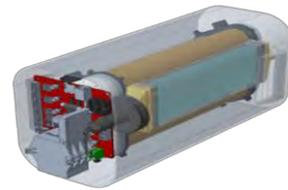
Next-Gen Navigation for Defense and UAM

Entry Into Service: 2024
2030 Revenue: ~\$80M



Next Gen Cockpit for All Market Verticals

Entry Into Service: 2023
2030 Revenue: ~\$500M



Decoupled Revenue Investments

Next Gen SATCOM Systems
Retrofits/Mods/Upgrades
Hybrid Power Systems

Entry Into Service: Today
2030 Revenue >\$1B



Military Turboshaft and Next-Gen Business Aviation Propulsion

Entry Into Service: 2025 thru 2030
2030 Revenue: ~\$700M



Family of Vapor Cycle Cooling Systems for Bizjet, Gen Av, Helos, and UAM

Entry Into Service: 2023
2030 Revenue: ~\$250M

Growing R&D Investments While Expanding Margins

AERO SECURING THE FUTURE OF AVIATION



HIGHLIGHTS

- **\$3.5B+** in content wins
- **\$7B** in pipeline over **next 5 years**
- **Leader for UAM fly-by-wire, avionics** with simplified vehicle operations, and **aerospace-grade motors** that can be built at automotive scale
- Highly differentiated high assurance fly-by-wire controls, **detect-and-avoid systems** and **multi-function cooling systems**
- Building **pervasive aerial autonomy** to launch a revolution in aerial transportation and logistics
- Potential to generate **~\$2B** in revenue by 2030

Launching a Revolution in Aerial Transportation and Logistics

AERO SUSTAINABLE AVIATION LEADERSHIP

TECHNOLOGIES

Sustainable Aviation Fuels (SAF)



Auxiliary Power Unit

Software



Fuel Efficiency

More-Electric and Full Electric



Electric Propulsion
Motors & Controllers



1MW Generator



Turbo Generator

Fuel Cell



Proton Exchange Membrane Fuel Cells

CLIMATE IMPACT

Material CO₂ Reductions:

- ~5% via software optimization
- 30% – 60% on 100% SAF

~2025

Hybrid Electric Power Gen:

- 10% - 20% emissions reduction with conventional fuels

~2030

Hydrogen Fuel Cell:

- CO₂ Reduction: 100%
- NO_x Reduction: 100%

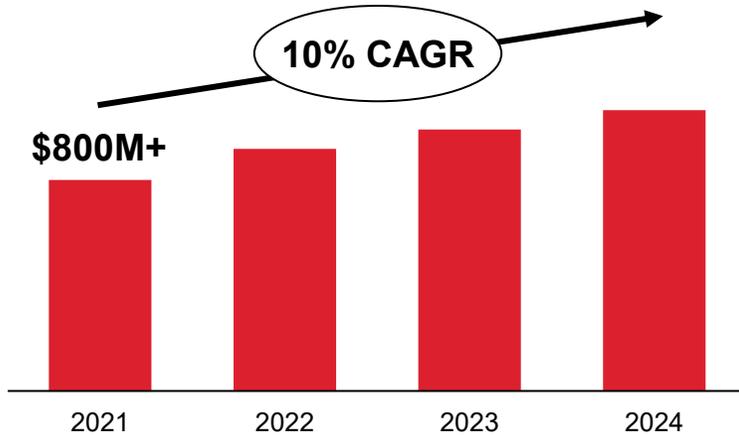
~2030

Portfolio of Technologies Enabling Decarbonization of the Industry

AERO DECOUPLED GROWTH

RETROFITS / MODIFICATIONS / UPGRADES

\$300M 3-Year RMU Sales Growth



- **Honeywell Forge** for Defense and Commercial Markets
- Retrofits / Modifications / Upgrades focused on **connectivity, lower cost of operations, air quality, and lower carbon footprint**
- Over **\$800M** in 2021 and growing at **10% CAGR**

DECOUPLED OPPORTUNITIES



Safety

- Smart Landing, Smart Runway
- IntuVue Radar Systems



Connectivity

- JetWave
- Aspire



Sustainability and Convenience

- Predictive Maintenance
- Flight Efficiency
- Cabin Flight Services



Efficiency / Standardization

- Auxiliary Power Units
- BGA Cockpit Upgrades

ADDITIONAL BREAKTHROUGH INITIATIVES

- Small Form-Factor SATCOM for UAM / UAS / Defense
- Advanced Coatings (thermal barrier, wear)
- Vapor Cycle Cooling Systems
- LIDAR systems for advanced weather detection



Innovation Driving Accelerated Aftermarket Growth

AERO DEFENSE AND SPACE PRIORITIES



CORE EXPANSION

Maintain leadership in core franchises

HTS7500 for FLRAA

\$25B+ revenue potential 2030 - 2060

T55 Tech Insertion

CRADA with U.S. Army; ~\$10B potential to 2040

Next-Gen Avionics

Dual use platforms (E-2D, P-8, AW169), mission computer



DEFENSE MODERNIZATION

Expand capabilities aligned to modernization

Directed Energy Systems

\$300M+ of annual revenue in the next 5 years

Hypersonics

Electromechanical Actuation and Controls

Advanced Cockpits

Modular Integrated Systems for Next Gen Aircraft



CONNECTED DEFENSE

Drive digital defense pipeline

Honeywell Forge

AI / ML, cybersecurity, C3, autonomy

Connected Operations

Predictive and Cx maintenance, Cx logistics, Cx worker, Cx flight line

Connected Hardware

JetWave, electronic warfare / radar, small form SATCOM



SPACES SYSTEMS

Expand from components to systems integration

Restricted Space

Maintain large sat content while developing defense SmallSats

SmallSat

Develop small sat consortium – systems integration



INTERNATIONAL DEFENSE

Expand international OEM and MoD portfolio

OEM / MoD Pipeline

\$3B of total pipeline opportunities through 2030

Decoupled Growth

\$1B+ of short cycle growth opportunities through 2024

Channel Partners

Expand channel partners pipeline for increased sales

FLRAA: Future Long-Range Assault Aircraft. AI / ML: Artificial intelligence / Machine learning. C3: Command, control, and communications. Cx: Connected. MoD: Ministry of Defence. SATCOM: Satellite communications. MRO: Maintenance, repair, and overhaul.

Honeywell Forge / Connected + Tech Breadth Creates Winning Combination

AERO LONG-TERM FRAMEWORK

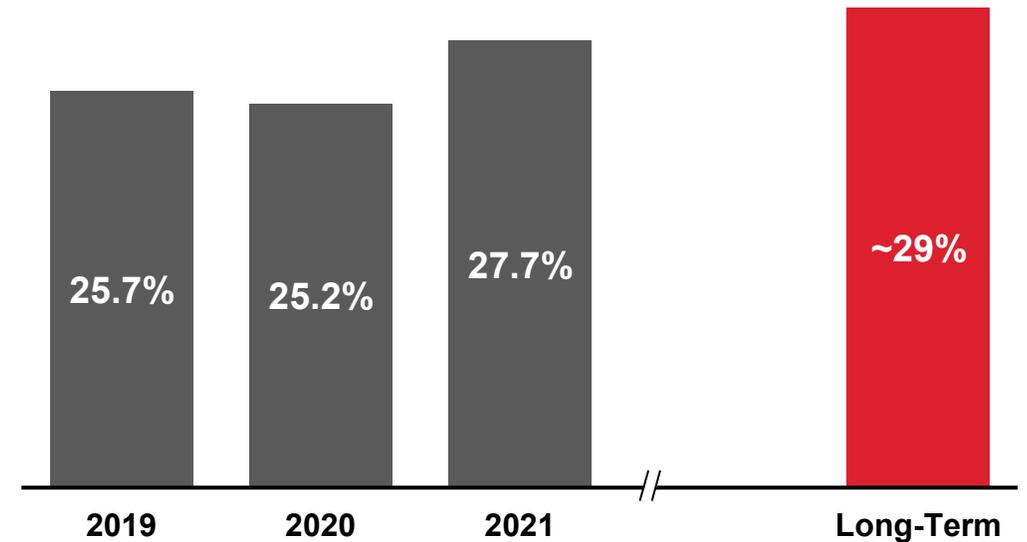
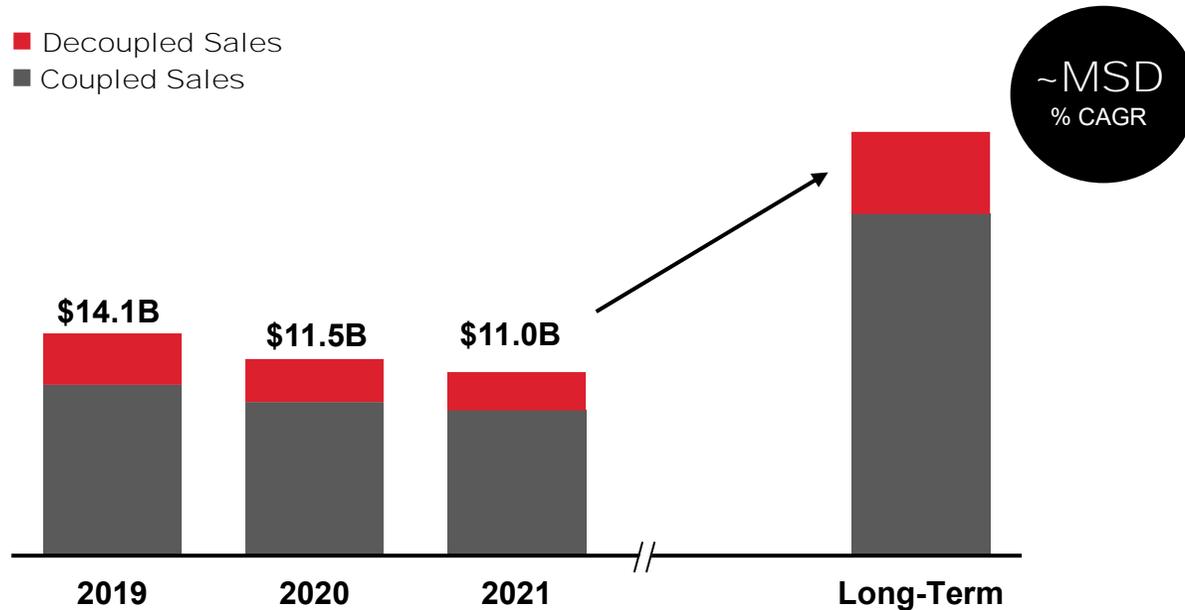
LONG-TERM GROWTH DRIVERS

- Industry leading R&D investments through downturn and ramp-up
- \$3.5B+ of recent UAM / UAS program wins
- Connected business primed for growth
- Steady flight hour recovery in commercial verticals
- Portfolio aligned with defense investment priorities
- Accelerating break through initiatives and RMUs

SEGMENT MARGIN DRIVERS

- Exceptional cost position and poised to maximize industry recovery
- Digital and supplier transformation key focus areas
- Simplified supply chain, long-term buys, and strategic inventory primed for recovery
- Top decile industry performance on customer surveys
- E2E view to manage inflationary environment

■ Decoupled Sales
■ Coupled Sales



Primed for Growth with Attractive Cost Position

AERO SUMMARY

- **Shaping the Future**

170+
NPIs Over the
Last Three Years

5% - 8%
R&D as % of
Total Sales

\$3.5B+
In Recent
UAS / UAM Wins

- **Industry Recovering**

21%
Commercial Flight
Hour Growth CAGR

>110%
Business Jet Activity
Relative to 2019 Levels

MSD
Long-Term
Sales CAGR

- **Strong Execution**

~100%
Cash
Conversion

>25%
Segment Margin
Through Pandemic

~29%
Long-Term
Margin Target

Innovation, Market-Leading Growth, and Best in Class Cost Position

An aerial photograph of the Shanghai skyline, featuring several prominent skyscrapers including the Oriental Pearl Tower, the Jin Mao Tower, the Shanghai Tower, and the Shanghai World Financial Center. The buildings are partially obscured by a thick layer of white clouds, creating a dramatic, ethereal atmosphere. The sky is a mix of soft pinks, purples, and blues, suggesting a dawn or dusk setting. The text is overlaid on the upper left portion of the image.

HONEYWELL BUILDING TECHNOLOGIES

2022 INVESTOR CONFERENCE

DOUG WRIGHT
PRESIDENT AND CHIEF EXECUTIVE OFFICER
HONEYWELL BUILDING TECHNOLOGIES

Honeywell

HBT KEY MESSAGES

Strong Alignment With Secular Macro Tailwinds

- **Building automation** is a large, fragmented and growing market
- Sustained market recovery on **strong macros** such as healthy buildings, climate change, energy savings and regulation
- **Strong global position** with leading brands; **>60%** of revenue outside US
- **Sustainability** reflected in all our solutions

Differentiated Portfolio With Upside From Digital and Sustainability

- **Best in class** controls portfolio powered by **Honeywell Forge** enables new outcomes
- **Domain expertise** in buildings systems and verticals create **differentiated offerings** enabling superior value capture
- Emerging **sustainability** codes create need for **authenticated** building performance data

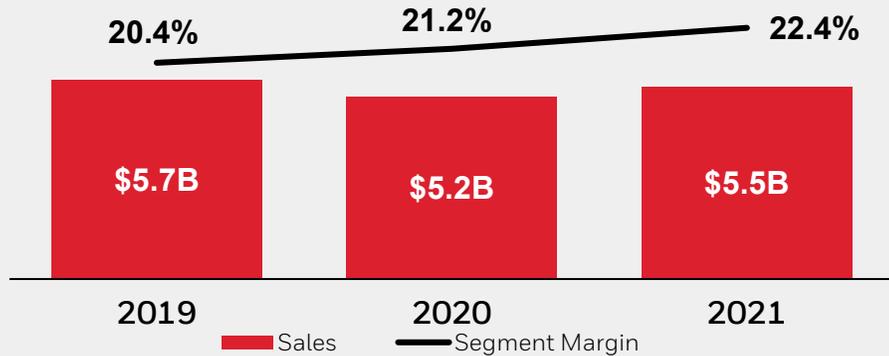
Attractive Long-Term Growth and Margins

- **Portfolio shift** towards software / digital services raises margins
- **New offerings** and **RMR** based business models
- Increasing adoption of **Honeywell Forge** and AI / ML use cases
- Industry leading margins (**1.5x** peer average)

Unique Portfolio for Buildings Digitization at Scale

HBT BUSINESS OVERVIEW

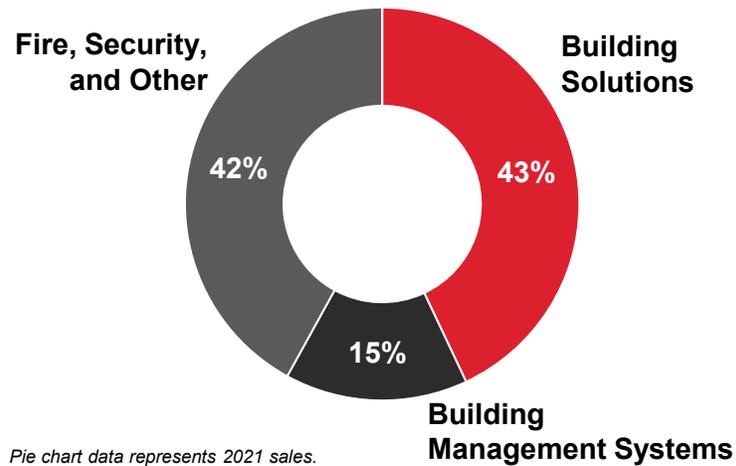
FINANCIAL OVERVIEW



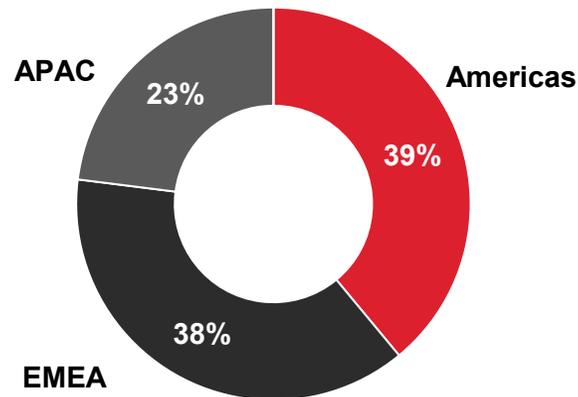
GROWTH DRIVERS

- ✓ Global business with presence in over 75 countries
- ✓ Installed base of over 10M buildings
- ✓ Large services business of ~\$1.5B
- ✓ Macros of urbanization, climate change, and digitization
- ✓ Growing connected building offerings on Honeywell Forge platform
- ✓ Improving mix to higher margin products, services, and software

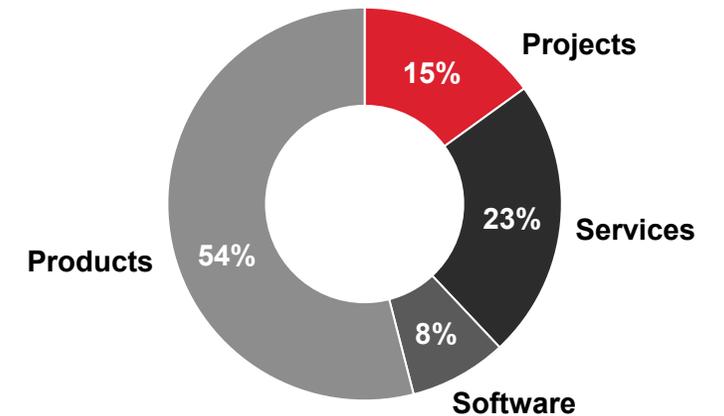
BUSINESS MIX



GEOGRAPHIC EXPOSURE



OFFERING TYPE



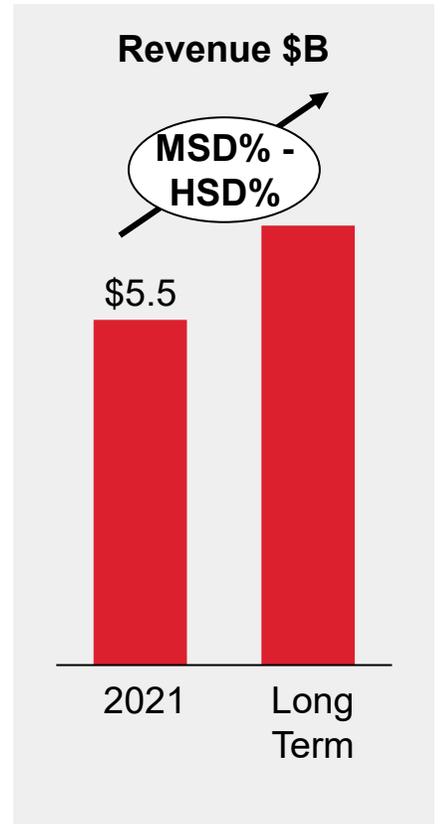
Innovation-Led Business With Strong Macro Tailwinds

HBT GROWTH FRAMEWORK

REVENUE GROWTH PILLARS

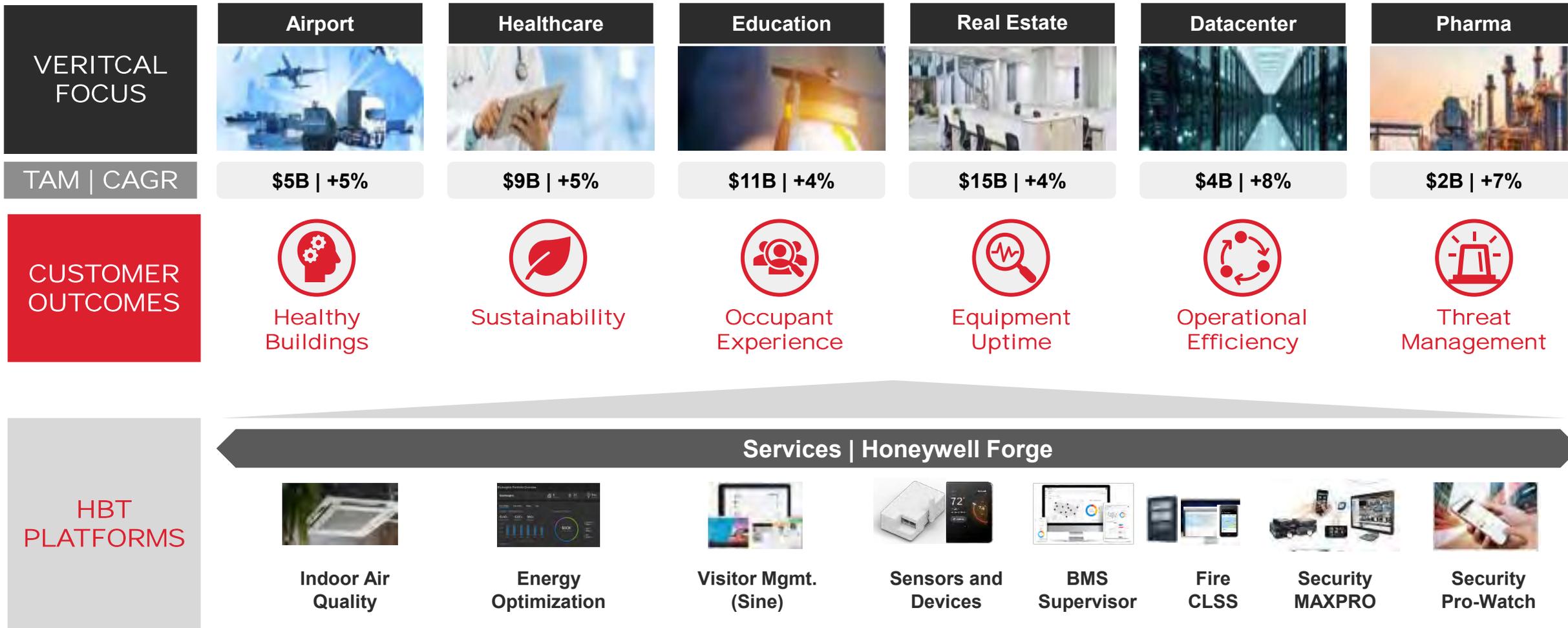
<p>1</p>  <p>Core Growth</p> <hr/> <p>TAM \$100B+, ~4% CAGR HON Growth in line with GDP</p>	<ul style="list-style-type: none"> • Honeywell Forge enabled vertical outcomes • Services digitization • HGRs - mid market segment 	<p>3</p>  <p>Healthy Buildings</p> <hr/> <p>TAM \$10B, ~7% CAGR HON Growth +DD%</p>	<ul style="list-style-type: none"> • Framework: assess, assure, act • ~35 NPIs since 2020 • 22 patents
<p>2</p>  <p>Sustainability</p> <hr/> <p>TAM \$30B, 5-7% CAGR HON Growth +DD%</p>	<ul style="list-style-type: none"> • Net zero score • Energy optimization • Decarbonization 	<p>4</p>  <p>Breakthrough Initiatives</p> <hr/> <p>TAM \$25B, 7-9% CAGR HON Growth +HDD%</p>	<ul style="list-style-type: none"> • High growth / margin opportunities • Remote management • Growth beyond buildings

GROWTH TARGET



Portfolio Positioned for Higher, Profitable Growth

HBT VERTICALIZATION



Drive Meaningful Outcomes With Domain Expertise and Innovation

HBT DIGITIZATION: SERVICE TRANSFORMATION

TRANSFORMATION PILLARS



Digitized Contracts and Honeywell Forge Adoption >95%



Digitized Maintenance



Remote Monitoring



New Outcomes
Sustainability | Healthy Buildings | Cyber

OUTCOMES¹



Revenue Growth
+2X GDP

\$

OI Margin **+300 bps**

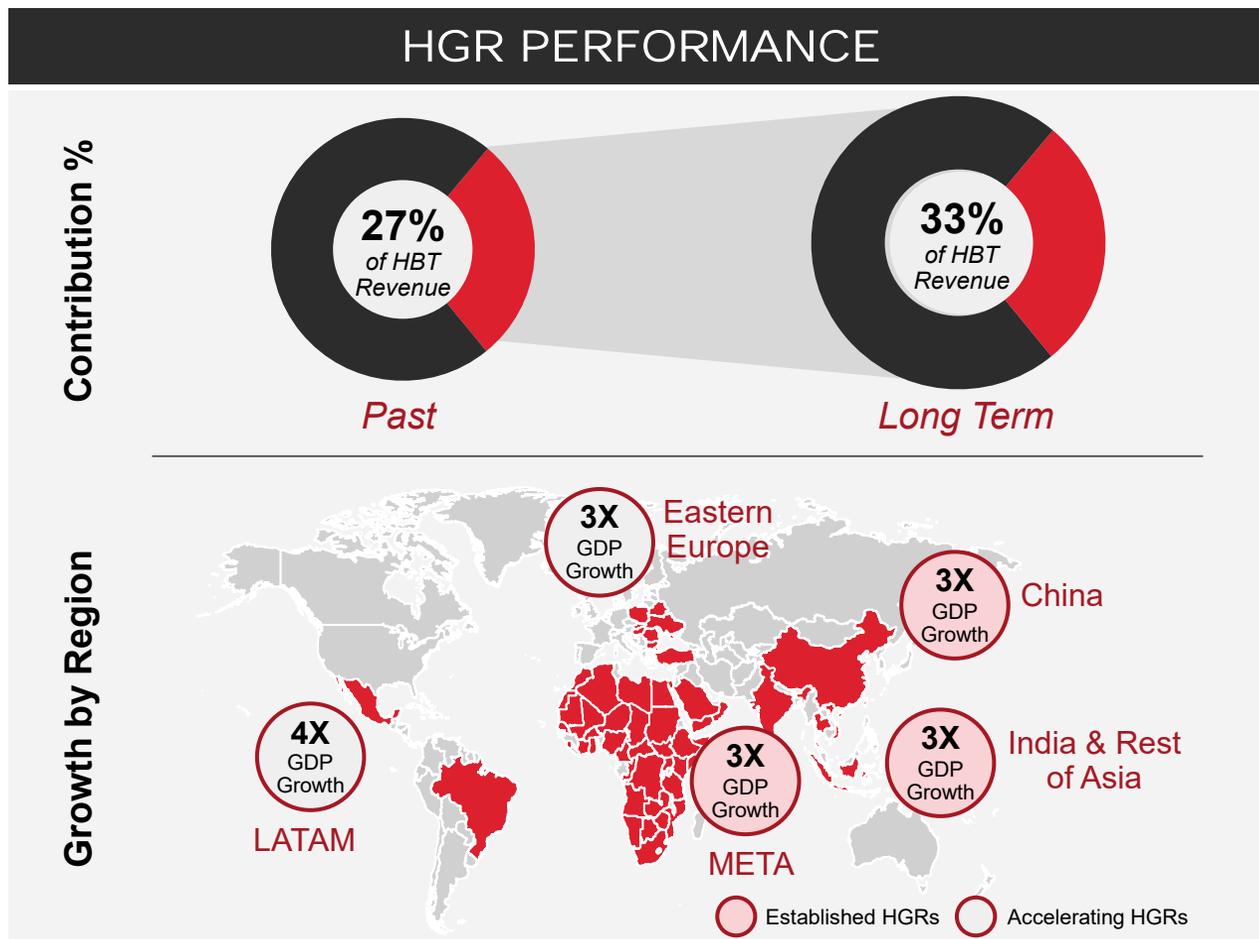


RMR from 62% to 70%²

¹Impact estimated over 3 years, ²Percent of services revenue

Honeywell Forge Enabled Transformation to Connected and Remote Services

HBT HGR GROWTH STRATEGY



- ### GROWTH LEVERS
- 1. Growth in key verticals**
 - 2. Expand into mass mid segment with localized innovation**
 - 3. Sustainability as growth vector**

Continue to Drive Double Digit HGR Growth

1 Core Growth

HBT EGYPT NEW ADMINISTRATIVE CAPITAL

CUSTOMER SITUATION

City needs technology to enable data analytics, city-wide management and smart city services to digitize operations

SOLUTION

- **67K+** cameras / access control points
- **500+** first responder vehicles
- **330K+** smart meters per grid
- **5K+** smart digital signs
- **10M+** city portal & mobile app users
- **50+** petabytes of data storage per year

OUTCOMES

Emergency Services



80% reduction in response time
20% crime reduction

City Services



Utility Management



20% reduction in energy use
360° real-time, unified view

Citizen Engagement



Improving Efficiency and Quality of Life

HBT SHAPING A MORE SUSTAINABLE FUTURE

PLATFORMS AND ECOSYSTEM TO LEAD THE PATH TO SUSTAINABLE BUILDINGS

Building Systems and Services



Building Management Systems



On Site Renewables Integration



Electrification | EV Charging – BMS Integration

HON Ecosystem
Equipment | Projects | Services

~\$1.5B services business with **MSD** growth

Automation and Digitization



Service Digitization



Data Integration



Supervisory Controls

HON Controls and Tridium

~\$1.2B controls and software business with **HSD** growth

Drive Sustainability Outcomes



Net Zero Certification



Decarbonization



Energy Optimization



Health and Wellness

Solutions and Outcomes Powered by Honeywell Forge

~\$1B sustainability business in 3-5 years with **20%+** Growth

Software and Automation Capabilities Enabling ~\$1B Sustainability Business

HBT HEALTHY BUILDINGS HAMDAN BIN MOHAMMED SMART UNIVERSITY

CHALLENGE

As pandemic restrictions eased, building health and safe return to campus for staff and students became a strategic priority.

Customer objectives: ensure occupant well being and business continuity while achieving sustainability targets

SOLUTIONS

- IAQ Multi-Sensors
 - Monitor temperature, humidity, CO2, air pollutants, and total volatile organic compounds
- EAC + UV cleaners
- Dashboard displaying comfort parameters

OUTCOMES

Improved Comfort
Performance to
98.2%*

66%**
Reduction in Air Pollutant
Concentration



HON IMPACT

“The impact of these cutting-edge technologies have been astounding and are instrumental to achieving our goal of supporting well-being and sustainability in the education sector. Through real-time decision-making we’re ensuring building health 24/7, 365 days a year.”
– HBMSU Facilities Director

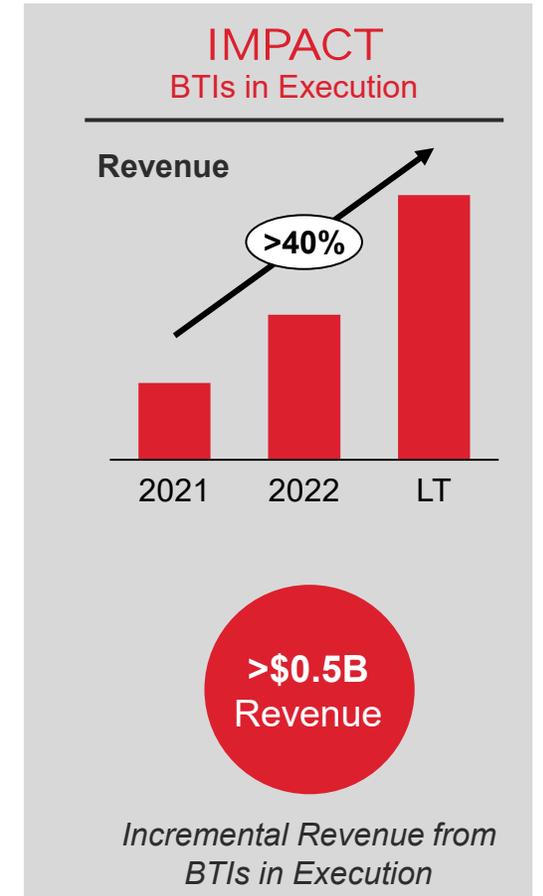
EAC: Electronic air cleaner + Ultraviolet. *Data based on working days: last 2 months. ** For ground floor lift lobby and restroom area only. Baseline Air Pollutant Concentration: 15.7 PPM. Post EAC Filter installation Air Pollutant Concentration: 5.3 PPM

Making Buildings Safer for Occupants

HBT DIFFERENTIATED BREAKTHROUGHS

BTI JOURNEY FROM IDEATION TO SCALE

Selected Examples



BTI Engine Continues to Innovate New Ideas To Scale

4 Breakthrough Initiative Growth

HBT AUTOMATION EXAMPLE

FIRST RESPONDER



50% Improvement in Life Saving Response Time

Use Core Fire Detection Strength To Build New Growth Platform

M&A Deals



Mission-critical products and services for dispatch and fire stations



In-building wireless solutions for safety and mission-critical communication

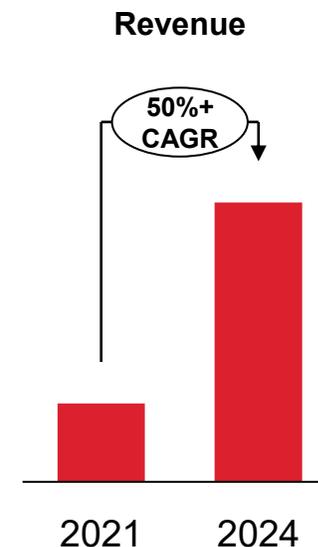
HBT Opportunity

\$7B TAM

#1 in Alarm Detection

\$5B TAM

Expanding Addressable Market



Digitization Enabling Safety Beyond Buildings

HBT DIFFERENTIATION

	HVAC			POWER		NICHE PLAYERS	Honeywell
	Peer A	Peer B	Peer C	Peer D	Peer E		
Outcomes Focus by Vertical							
Multi Domain Expertise							
Software and Analytics							
Integration Platform / IOT							
Controls and Gateways							
Equipment Portfolio Breadth							
2021 Margin Rate	~14% Average			~15% Average		~12% Average	~22%

Peer group consists of Acuity / Distech Controls, Alert Enterprise, Axis, Belimo, BuildingIQ, Carrier, Delta Controls, Genetec, JCI, Schneider, Siemens, and Trane.

HON Approach: Buildings System of Record and Certifications

Done
Safety

Done
Wellness

In Process
Net Zero

Threat Management

Uptime / Resilience

Healthy Buildings

Occupant Experience

Energy; Sustainability

Building OS

- ✓ System agnostic platform
- ✓ Best in class portfolio of controls
- ✓ Selective play into smart edge, panels, smart sensors

Differentiated Value Offering to Customers

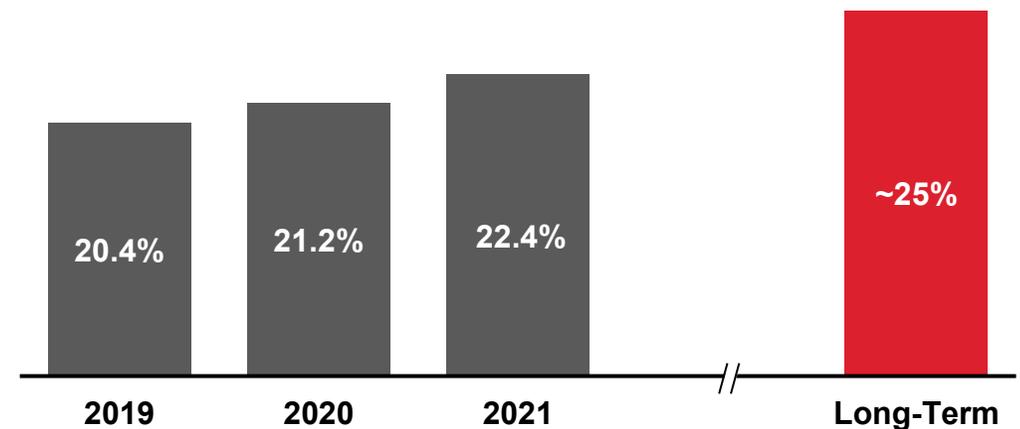
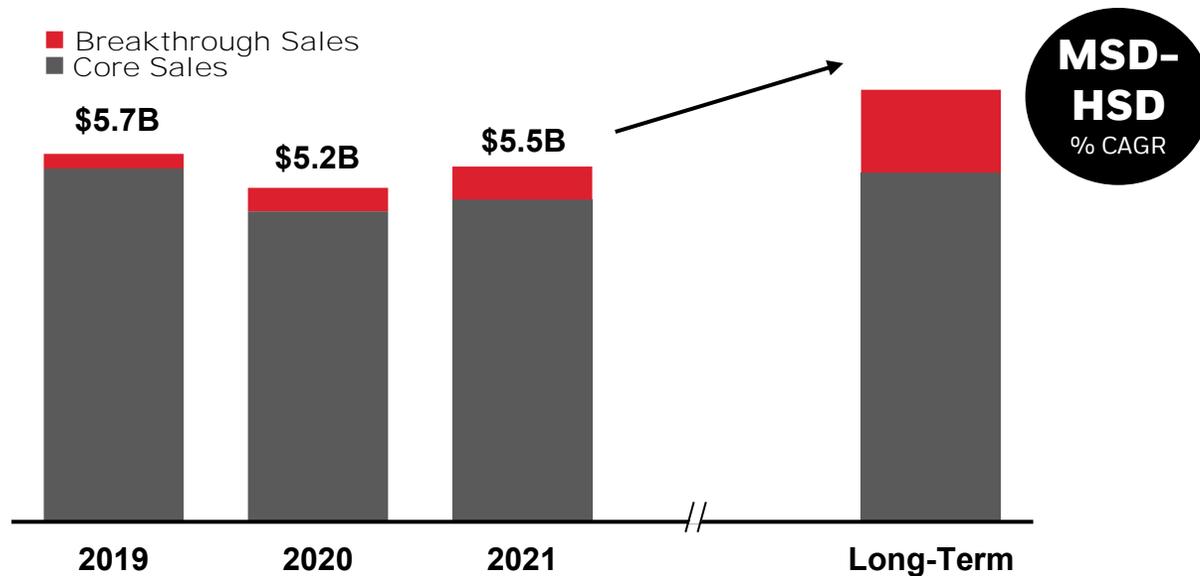
HBT LONG-TERM FRAMEWORK

LONG-TERM GROWTH DRIVERS

- Secular macro tailwinds
- Vertical outcomes and sustainability
- Innovation through NPIs and BTIs
- HGR growth
- Aftermarket services digitization

SEGMENT MARGIN DRIVERS

- Core will drive +100 bps expansion
 - eCommerce; supply chain automation; verticals
- Portfolio shift strategies +100 bps
 - Software and NPIs
 - Double-digit RMR and outcome-based growth
 - Breakthroughs: sustainability, datacenters



MSD - HSD Growth With Substantial Margin Expansion

HBT SUMMARY

- **Core Top Line Growth**

2xGDP
Aftermarket
Services Growth

+DD%
HGRs Growth

MSD - HSD
Long-Term
Sales CAGR

- **Sustainable and Healthy Buildings**

+25%
Software Growth

+DD%
RMR Growth

+40%
Breakthrough
Initiatives Growth

- **Financial Strength**

>100%
Cash
Conversion

>50%
Variable Contribution
Margin

~25%
Long-Term
Segment Margin

Sustainability Accelerating HBT Growth



PERFORMANCE MATERIALS AND TECHNOLOGIES 2022 INVESTOR CONFERENCE

VIMAL KAPUR
PRESIDENT AND CHIEF EXECUTIVE OFFICER
PMT

Honeywell

PMT KEY MESSAGES

Comprehensive Portfolio of Solutions to Drive Sustainability

- **Building upon long history of supporting low carbon** and sustainability-focused markets
- **Accelerating sustainability growth** in Net Zero, Plastics Circularity, Energy Storage, and Emissions Efficiency offerings
- **Sustainable Technology Solutions** formed to capture market

Accelerating Growth and Leadership in Digitalization and Life Sciences

- **Digitalization growth** through offerings that include modernizing and managing automation systems, cybersecurity, and autonomous solutions
- **Investing heavily in key growth vector of Life Sciences** through acquisition and organic growth

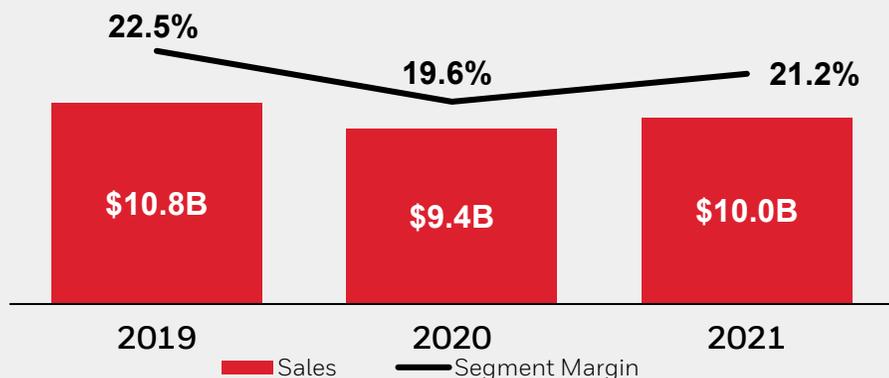
Continued Growth in Core and Portfolio Mix Will Be Margin Accretive

- **Core business diversified** in end markets, geography, and business models
- **Margin growth in core** through innovation in new products, high growth regions, pricing, and operational excellence

Well-Positioned for Short- and Long-term Growth

PMT BUSINESS OVERVIEW

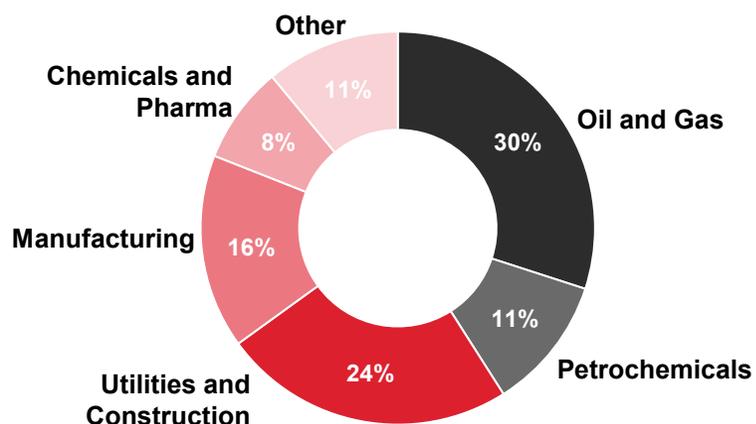
FINANCIAL OVERVIEW



GROWTH DRIVERS

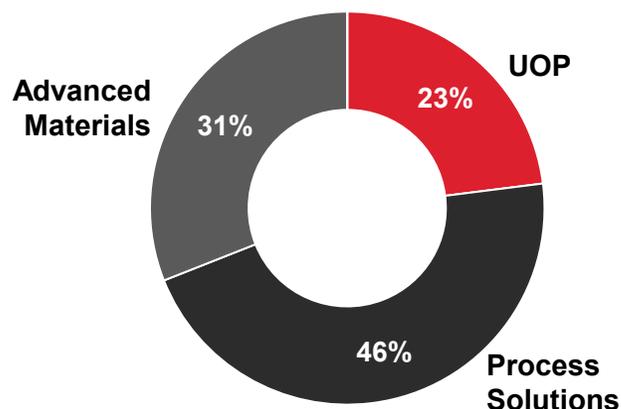
- ✓ Broad diversified portfolio, leader across segments, and positioned to capitalize on growth across a range of industrial end markets
- ✓ Execution discipline, innovation for greater value capture of installed base, and outcome-based recurring revenue and services focus of core growth
- ✓ Build upon customer investments and transformation in sustainability, digitalization, and life sciences

BUSINESS BREAKDOWN

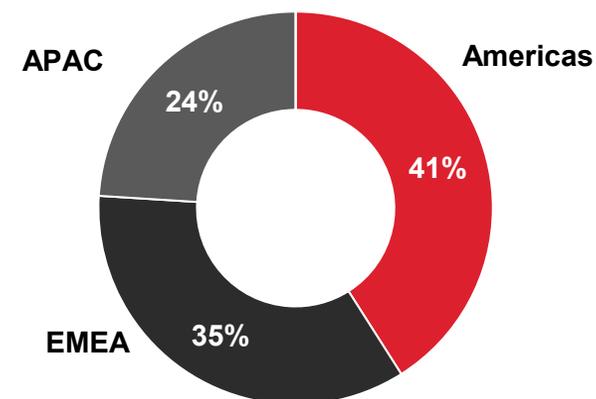


Pie chart data represents 2021 sales.

BUSINESS OVERVIEW



GEOGRAPHIC EXPOSURE



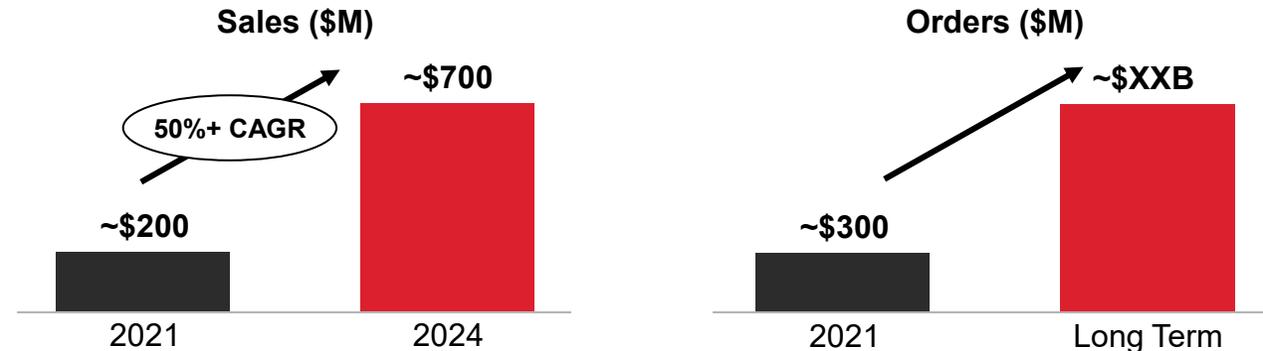
6% Sales Growth and >150 bps Margin Expansion in 2021

PMT SUSTAINABLE TECHNOLOGY SOLUTIONS GRADUATED FROM BTI TO BUSINESS UNIT

MARKET INDICATORS

\$12B **~12% – 15%**
SAM MARKET CAGR

GROWTH PROFILE



Core History 1970-2020

Renewable fuels

- Technology partnership DARPA in 2007
- First trans-Atlantic flight on Honeywell green jet fuel - 2011

Hydrogen – 50 years, 1,000 pressure swing absorbers (PSA)

Membranes – 30 years, 33Mt/year tons of CO2 separated

1Q20 STS launched as BTI

- 1Q21 graduated from BTI to Business unit; single stage Ecofining launched

2Q21 launch of blue hydrogen

- 2Q21 launch of battery storage platform (BESS)

3Q21 launch of UpCycle – advanced plastics recycling

- 3Q21 introduced long duration flow battery

4Q21 launch of advance solvent carbon capture

- 1Q22 launch of green naphtha from Ecofining

1Q22 launch of membranes for green hydrogen

1970-2007

2020

2021

2022

Deep Technology Foundation Accelerating Offerings In Sustainability

PMT ENABLING ENERGY TRANSITION WITH SUSTAINABLE TECHNOLOGY

SUSTAINABILITY OFFERING	SELECT CUSTOMER WINS	
Net Zero		
Renewable Fuels 	 <p>26 Ecofining licenses covering 310KBPD of capacity</p>	 <p>BP Kwinana to use Ecofining to produce 10k bpd renewable diesel and SAF</p>  <p>HON & United Airlines invest in new clean tech venture; biggest SAF agreement in aviation history; United to buy 1.5 billion gallons of 100% drop-in fuel</p>
Clean Hydrogen 	 <p>HON carbon capture project with Wabash Valley largest in U.S. to date; expects capture and sequester up to 1.65 million tons of carbon dioxide (CO₂) annually and to produce clean hydrogen energy from a repurposed gasification plant</p>	
Carbon Capture, Utilization and Storage 	 <p>Honeywell licensed University of Texas' new advanced solvent technology to capture CO₂ generated from combustion flue gases from industrial processes</p>	
Circularity		
Plastic Circularity 	 <p>Largest US plastics recycler selects HON in JV to build recycling plant in Waller, TX</p>	 <p>Sacyr and HON to process 30,000 metric tons of plastics waste annually by 2023</p>  <p>TotalEnergies to purchase recycled polymer feedstock from HON and promote recycling in Europe</p>
Energy Storage		
Flow Battery Battery Energy Storage Controls 	 <p>HON has sold 104 MW of battery energy storage solutions to date</p>	 <p>HON flow battery selected for safer, durable solution for field testing</p>  <p>HON selected to provide 4 energy storage control systems for grid stability in the US</p>
Emissions Efficiency		
Solstice  Emissions Monitoring	 <p>AstraZeneca to develop next-generation pressurized metered dose inhalers with HON Solstice Air Propellant</p>	 <p>HON selected to help reduce carbon footprint and improve energy efficiency across 160 stores</p>

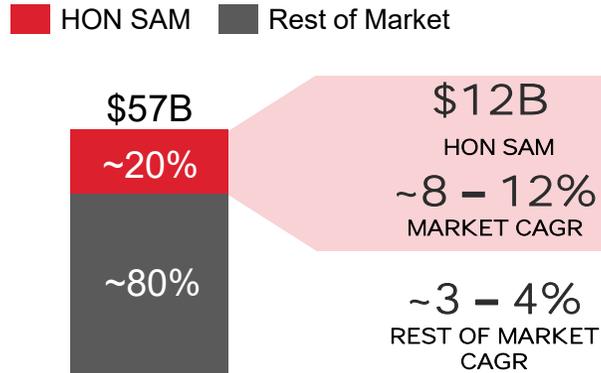
PMT Consistently Winning and Expanding in Each Vertical

PMT DIGITALIZATION

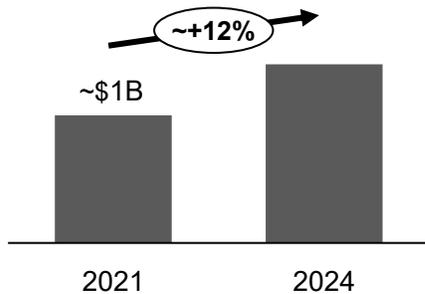
NEW GROWTH VECTORS EMERGING IN CORE

MARKET INDICATORS AND PMT GROWTH

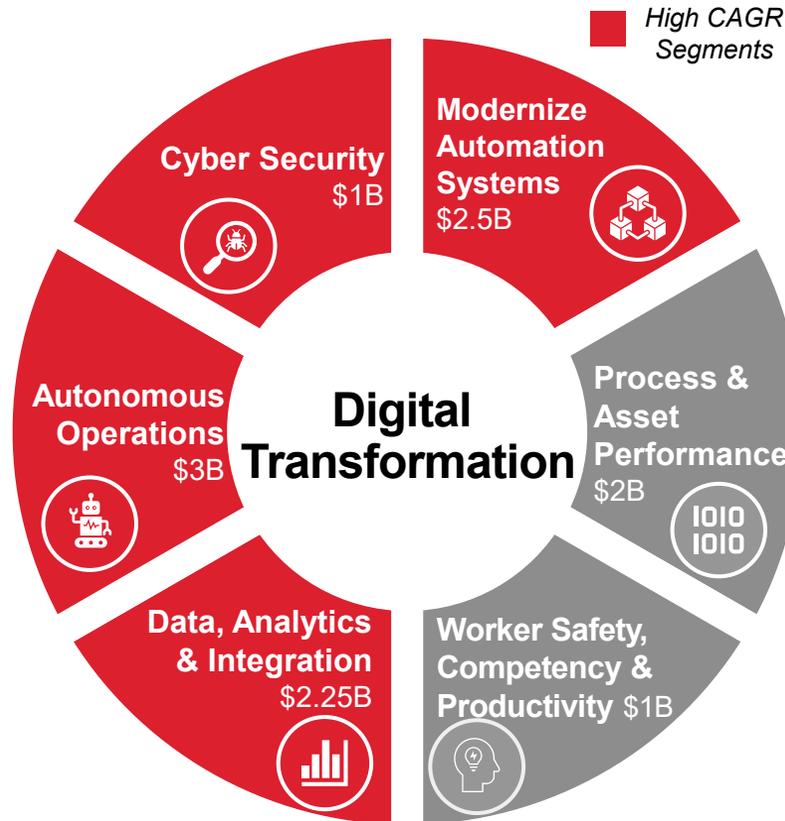
Market Indicators



PMT Digitalization Sales



PMT OFFERING



SELECT CUSTOMER WINS

aramco

HON and Aramco enter partnership for co-development and commercialization of next-generation digital technology solutions for industrial firms

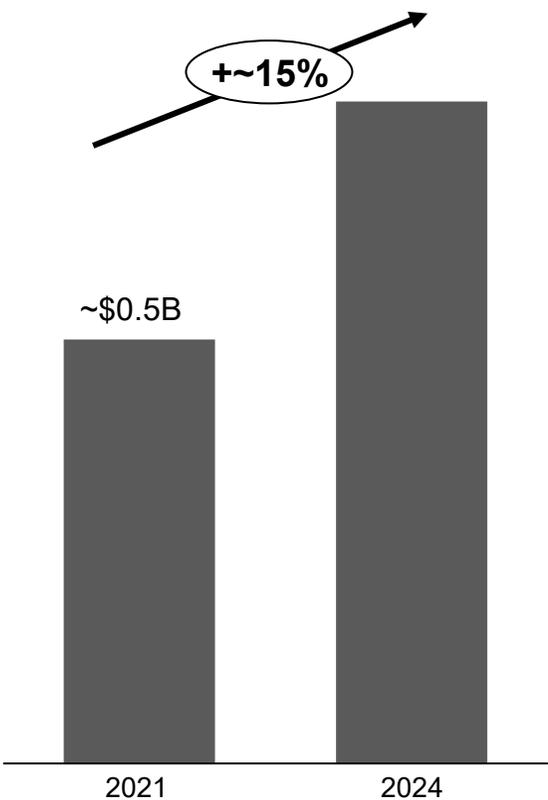
HON helps Codelco implement fully autonomous operations center with Honeywell Connected Plant

UOP has connected nearly 200 process units at more than 100 sites, with a path to connecting >300 total units by end of year

Process Digitalization Market Offers High Growth at Accretive Margins

PMT LIFE SCIENCES ACCELERATION

PMT LS SALES MARKET INDICATORS PMT OFFERING SELECT CUSTOMER WINS



LS: Life Sciences.

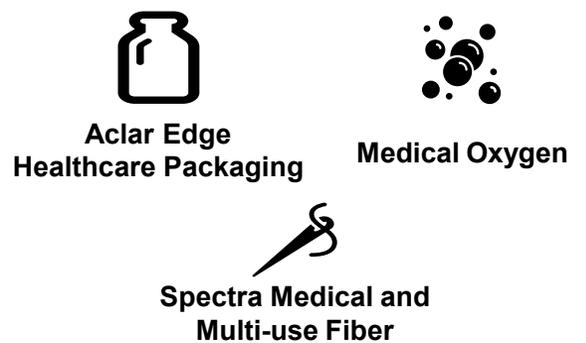
Manufacturing Software & Automation

\$4B SAM ~5 – 10% MARKET CAGR



Drug Delivery & Equipment

\$2.5B SAM ~5 – 10% MARKET CAGR



SELECT CUSTOMER WINS

Gedeon Richter

Gedeon selects Sparta TrackWise Digital for three of its manufacturing sites in Europe



Yuwell & HON enter partnership agreement to meet global market demand for oxygen generator products

Building a Franchise in Life Sciences via Organic and Inorganic Investments

PMT CORE

DIVERSE END MARKETS, GEOGRAPHY, AND BUSINESS MODELS

MARKET INDICATORS AND PMT GROWTH

Market Indicators

\$45B

SAM

~3 - 5%

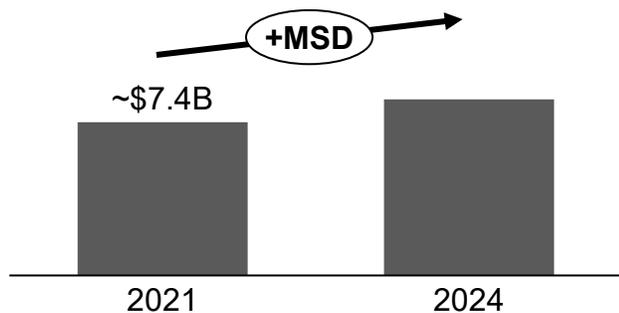
MARKET CAGR

Downstream Customer Capex (\$B)

'21 - '24 CAGR: 4%

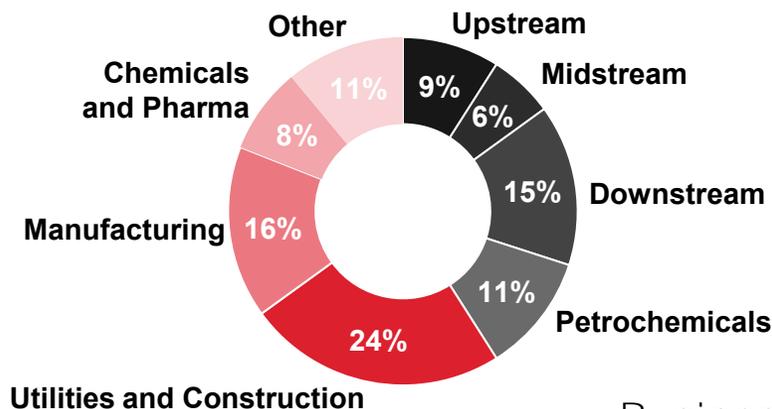


PMT Core Sales

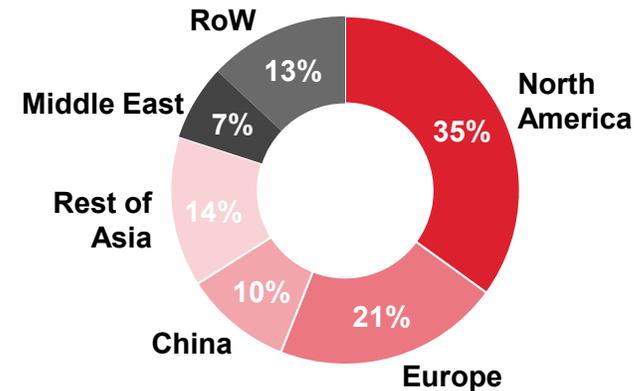


PMT OVERVIEW

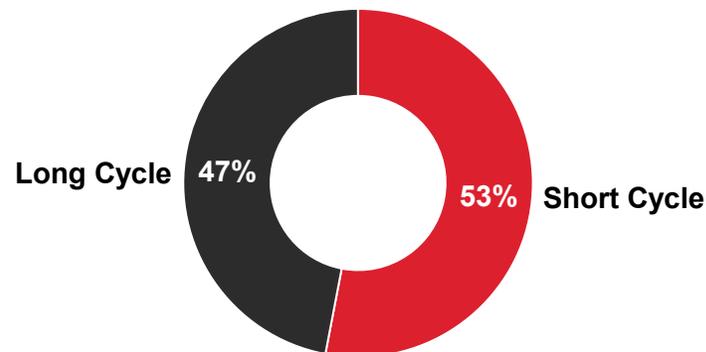
Market



Geography



Business Model



Continued Investment in New Products and Capacity Building in Core

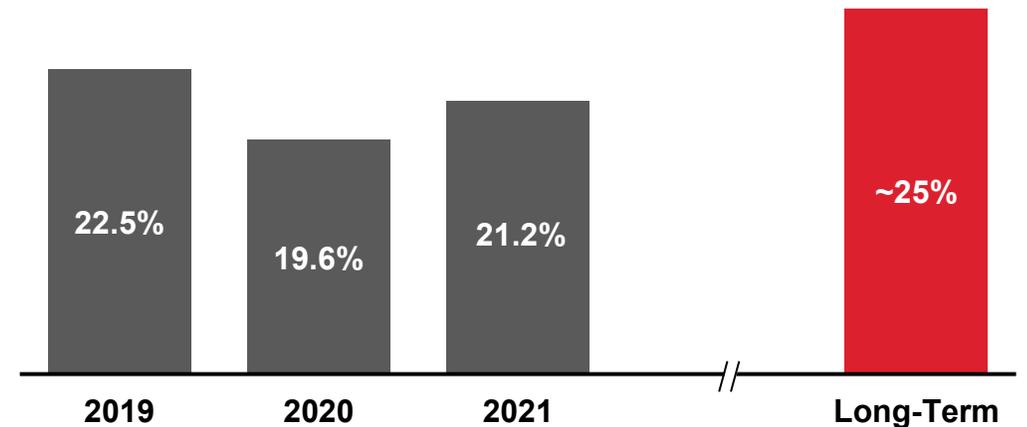
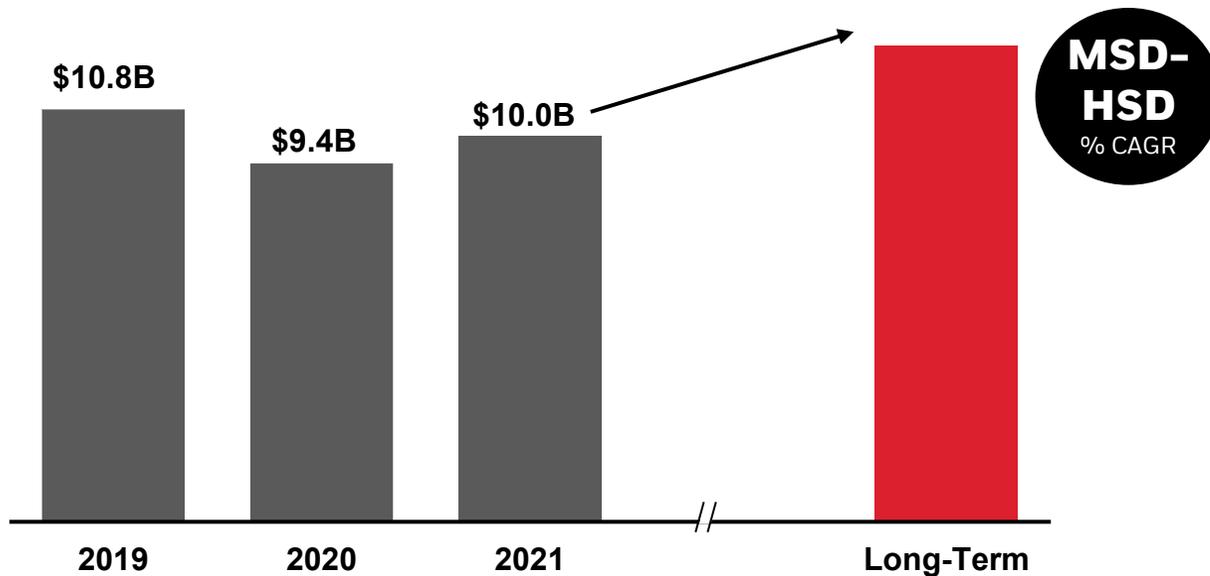
PMT LONG-TERM FRAMEWORK

LONG-TERM GROWTH DRIVERS

- Well-positioned for transition to low carbon and accelerating growth in sustainability
- Key investments in growth verticals of Digitalization and Life Sciences
- Strength in diversity of core business enables investment in future business

SEGMENT MARGIN DRIVERS

- Shift toward higher margin offerings
- Increased volume and price from end market diversification and offering differentiation
- Productivity via supply chain transformation and digital / automation programs



Executing Plan to Deliver Short- and Long-term Growth and Value

PMT SUMMARY

- **Commercial Acceleration**

>150bps

2021 Margin
Expansion

Double-Digit

2021 Orders
Growth

MSD - HSD

Long-Term
Sales CAGR

- **Focused Strategy**

>50%

Revenue CAGR
in STS

>15%

Revenue CAGR
in Life Sciences

>12%

Revenue CAGR
in Digitalization

- **Value Creation**

+100 bps

Long-Term Margin Capture
from Productivity Gains

Double-Digit

Growth in High-Margin
Connected Offerings

~25%

Long-Term
Segment Margin

STS: Sustainable Technology Solutions.

Energy Transition Enabling Growth Acceleration



SAFETY AND PRODUCTIVITY SOLUTIONS 2022 INVESTOR CONFERENCE

GEORGE KOUTSAFTES
CHIEF OPERATING OFFICER
SAFETY AND PRODUCTIVITY SOLUTIONS

SPS KEY MESSAGES

Aligned to Major Megatrends

- Booming e-commerce driving **massive investments** in DCs, parcel and T&L
- Shifts in health and wellness driving **investment in PPE and sensing solutions**
- **Sustainability, global energy transformation** provide new growth vectors

New Growth Vectors

- Software as a service (SaaS) driving **recurring revenue**
- **Connected offerings** leveraging unique productivity and automation portfolio
- Industry diversification creating more opportunities for **solution selling**

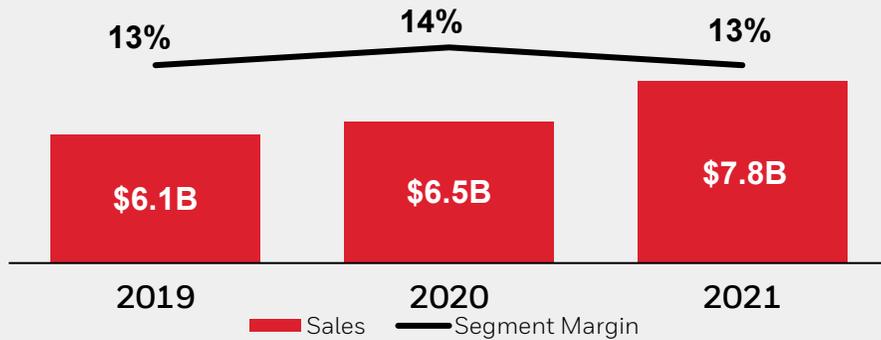
Margin Expansion

- Honeywell Accelerator enabling cost and price visualization allowing **quick response to inflation**
- Moving up the value chain with **outcome-based offerings**
- Installed base enabling **software and services** growth

Well-Positioned For Profitable Growth Going Forward

SPS BUSINESS OVERVIEW

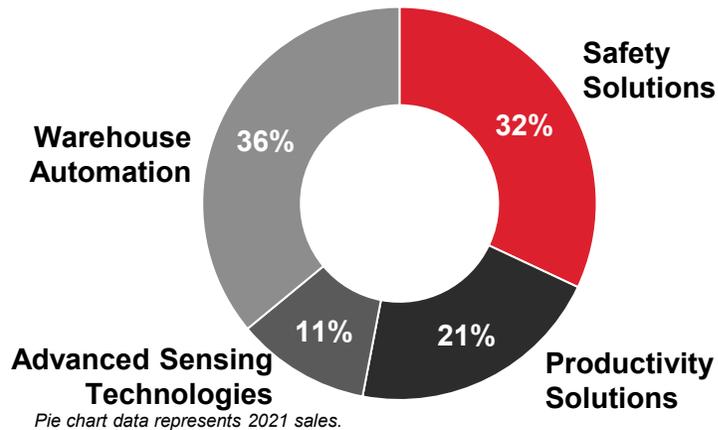
FINANCIAL OVERVIEW



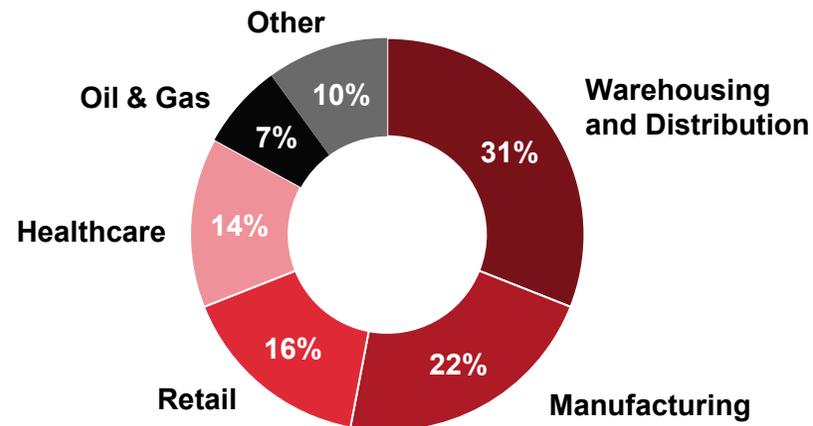
GROWTH DRIVERS

- ✓ E-commerce driving strong demand for Intelligated and Productivity Solutions and Services
- ✓ Intelligated large installs continue to grow; starting to diversify customer base
- ✓ Short-cycle businesses saw sequential growth in the fourth quarter as oil and gas and transportation end markets recover

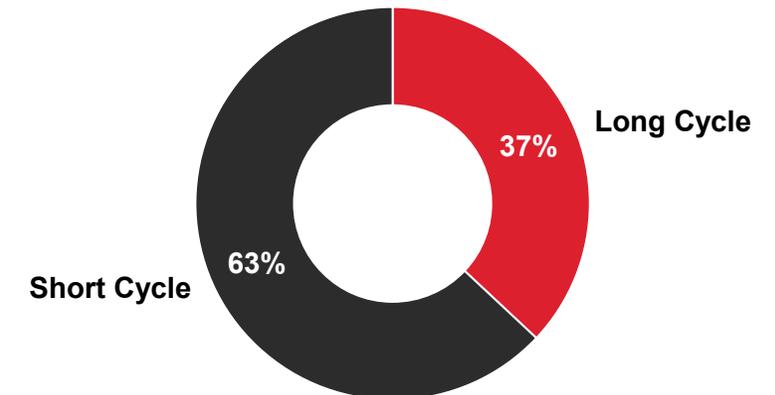
BUSINESS BREAKDOWN



VERTICALS



SALES MIX



Significant Growth and Upside Ahead

SPS STRONGLY ALIGNED TO MEGATRENDS

BUSINESSES BENEFITTING

INDUSTRIAL INTERNET OF THINGS



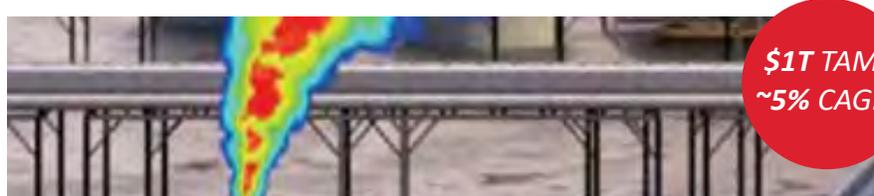
\$7.6T TAM
~10% CAGR

E-Commerce



\$700B TAM
~5% CAGR

Health and Wellness



\$1T TAM
~5% CAGR

Sustainability / New Energy

Productivity Solutions & Services
Intelligrated

Advanced Sensing Technologies
Personal Protective Equipment
Productivity Solutions & Services

Advanced Sensing Technologies
Honeywell Gas Analysis and Safety

HSD
Long-Term
Sales CAGR

Note: E-commerce TAM refers to Global e-commerce market size by 2028 (source: ResearchandMarkets). Health and Wellness TAM refers to global medical device market size by 2028 (source: Fortune Business Insights). Sustainable Energy TAM refers to global investments in renewable energy and emissions monitoring by 2025 (source: Valuates Reports and Markets).

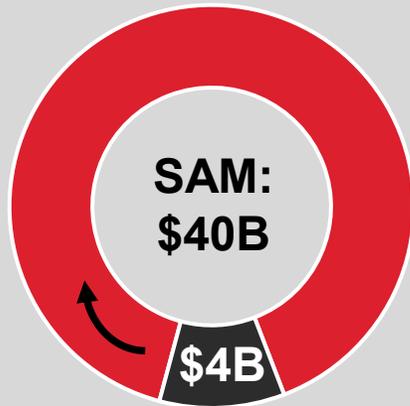
Right to Play in Attractive End Markets

SPS E-COMMERCE

OPPORTUNITY

\$7.6T

Global e-commerce market size by 2028, growing at a ~10% CAGR¹



SPS Today: IGS and PSS

GROWTH DRIVERS



Core Material Handling: +11% segment growth



Expanding on ~\$700M services business



\$1B upside from Connected Warehouse BTI



Delivering software on top of \$1B/year Connected Worker hardware business

WHY WE WIN

Superior Domain Knowledge and Installed Base



60 of top 100 global retailers
50 of top 100 e-commerce



~1M daily voice users globally



2.5M+ mobility devices deployed

Investing in Next-Gen Solutions



Robotics



Software



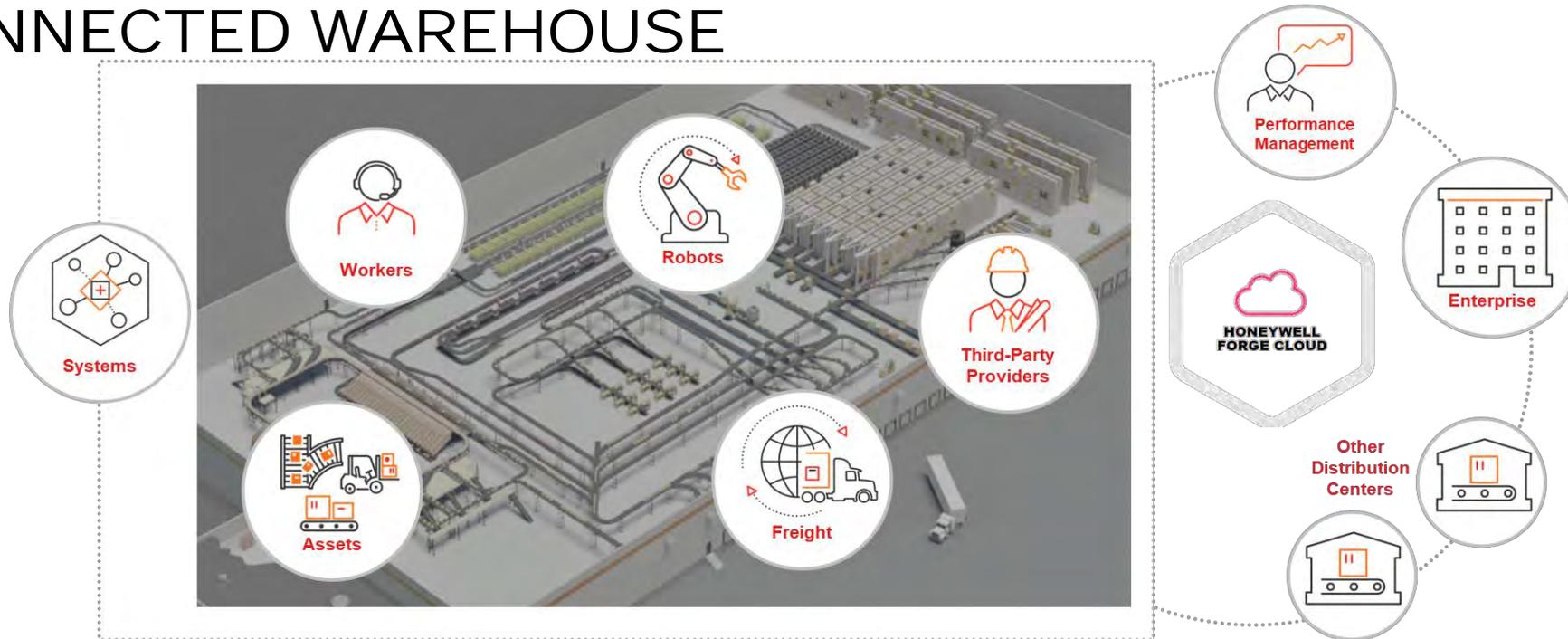
Connected Solutions

\$4B+ Existing Position with Significant Upside Potential

¹ResearchandMarkets

SPS E-COMMERCE

THE CONNECTED WAREHOUSE



Honeywell Forge Cloud / Software
 Enterprise Performance Management,
 Intelligent Warehouse Execution

<2-year payback 10% - 15% lower
 operating costs

Robotics / Autonomy
 Smart Flexible Depalletization, AS / RS
 and Goods-to-Pick

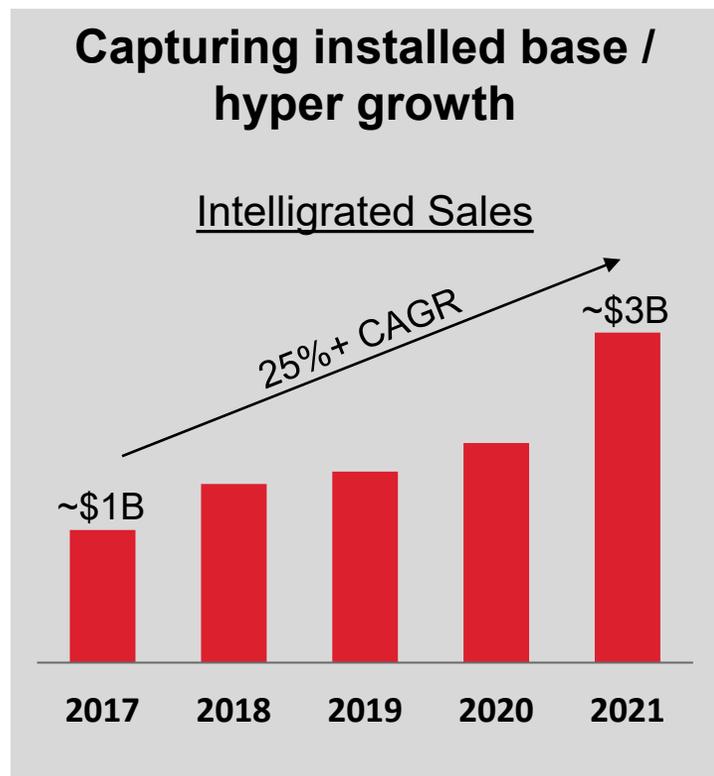
<3-year payback from 30% - 40%
 improvement in throughput

Connected Worker
 Task Management, Workforce Allocation
 and Performance

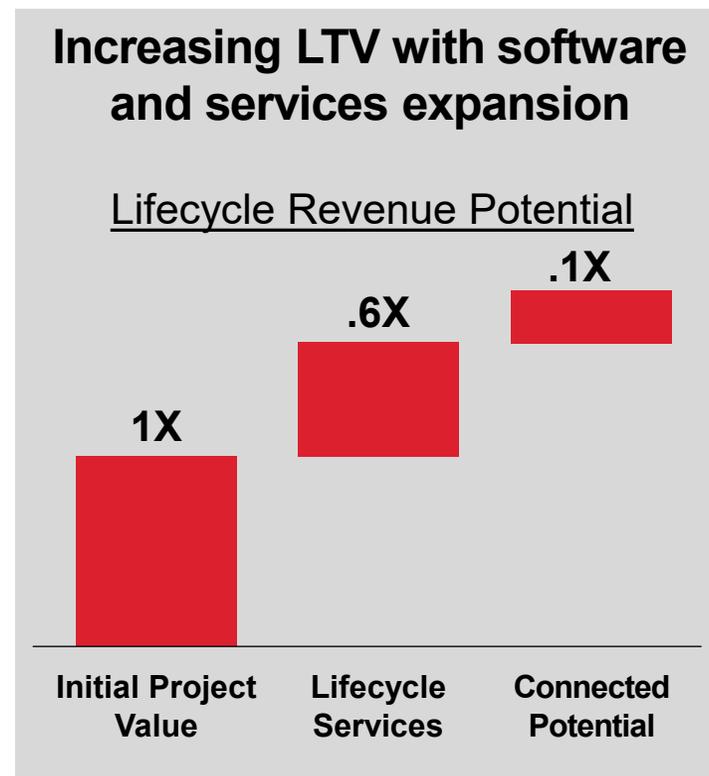
<1-year payback from 15% - 20%+ increase
 in worker productivity

Software, Robotics, and Services Expanding Lifetime Value by Over 70%

SPS INTELLIGRATED



- Balancing profitability, attractive growth trajectory**
- Adjusting our approach to emphasize efficiency over speed given the limitations of the current supply chain environment
 - Expecting **double-digit top-line CAGR** over mid-term
 - **Expanding margins** through operational efficiency and growth in the services business



LTV: Lifetime Value

Substantial Runway for Growth; Positioning Business for Long-term Success

SPS HEALTH AND WELLNESS

OPPORTUNITY

\$658B

Global medical device market size by 2028, growing at a ~5% CAGR¹



SPS Today: \$670M

GROWTH DRIVERS



Remote patient monitoring segment growing at 22.9% CAGR²



Drug delivery segment growing at 8% CAGR



Respiratory therapy device segment growing at 7% CAGR³



Connected sensing for air quality market growing at 6.5% CAGR⁴

WHY WE WIN

Leading Position with Healthcare OEMs



Partnered with **70%** of the **Top 25** health device companies globally

Innovating to Address Emerging Healthcare Needs



Disposable Sensors



Miniaturized Sensors



Connected Solutions



Software

¹Fortune Business Insights. ²Research and Markets. ³OMDIA Healthcare Equipment Database. ⁴Facts and Factors

Portfolio Well-Positioned to Address Key Customer Needs

SPS HEALTH AND WELLNESS INNOVATION

INPATIENT APPLICATIONS



Infusion: 80% of OEMs

REMOTE CARE APPLICATIONS



Respiratory: 50% of OEMs

Established OEM relationships in growing segments

INPATIENT APPLICATIONS



Ventilators: 60% of OEMs

INPATIENT AND REMOTE CARE APPLICATIONS



Diagnostics: 80% of OEMs

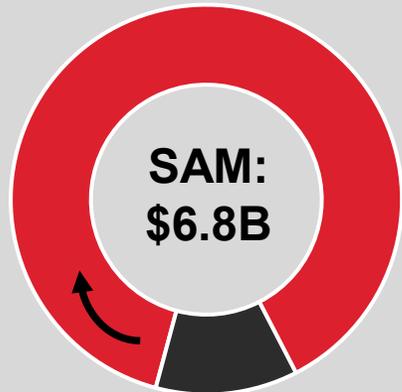
Current Wins = ~\$170M Lifetime Value; ~\$530M Pipeline

SPS SUSTAINABILITY

OPPORTUNITY

>\$1T

Global investments in renewable energy and emissions monitoring in 2025, growing at a ~5% CAGR¹



SPS Today: \$905M

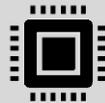
GROWTH DRIVERS



New energy investment driving gas detection at +6% CAGR²



EV, charging, batteries, etc. driving electrical safety growing at +5% CAGR



Semicon fab build out driving advanced gas analytics; +20% CAGR



Methane emissions monitoring growing at +8% CAGR through 2030³

WHY WE WIN

Superior Domain Knowledge and Installed Base



#1 Provider of Critical Gas Safety Solutions



Broad Range of Electrical Sensing and PPE Solutions

Investing in Next-Gen Solutions



EV charging sensors



Software



Advanced gas sensing



Greenhouse gas sensing

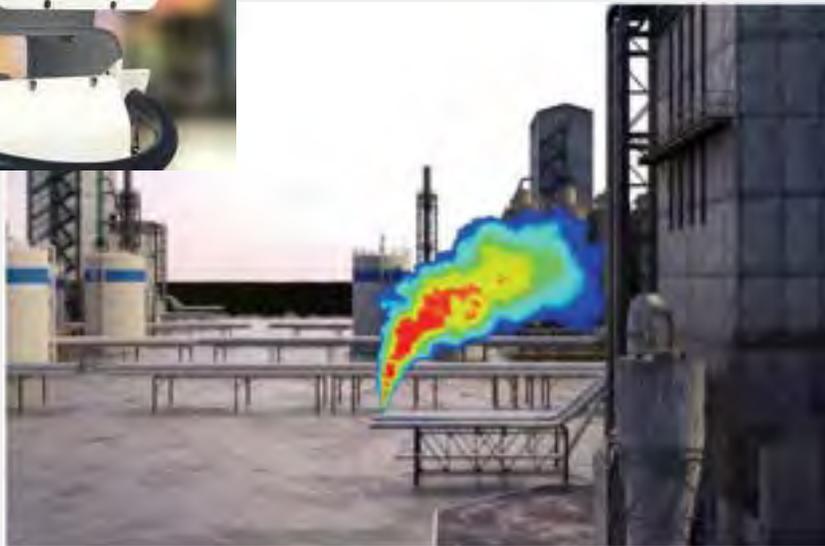
¹Valuates Reports and MarketsandMarkets. ²Allied Market Research. ³MarketsandMarkets.

Portfolio Well-Positioned to Address Key Customer Needs

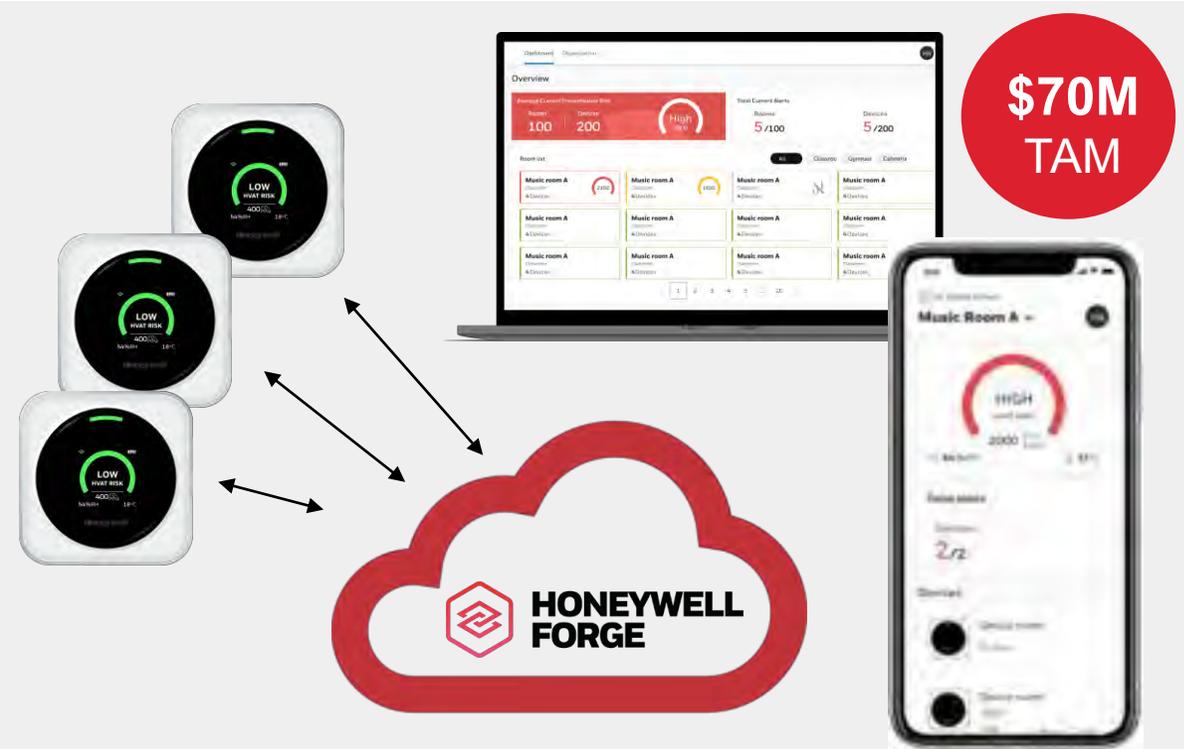
SPS SUSTAINABLE ENERGY INNOVATION



**\$1.2B
TAM**



Rebellion imaging platform measures and tracks gas and methane leaks in real time



**\$70M
TAM**

Transmission Risk Air Monitor (TRAM) measures critical air quality metrics

Innovating to Extend Gas Analysis / Detection Expertise into New Applications

SPS OPERATIONAL EXCELLENCE

HONEYWELL ACCELERATOR

COMMERCIAL

- **Deepen vertical alignment, key account focus**
 - Customer centric innovation and co-creation
 - Enterprise-level relationships to expand share of wallet
- **Drive sales and commercial excellence**
 - Sales productivity, increasing sales per headcount by 5% per year
 - Value pricing; 1% net price improvement annually
- **Leverage digital to improve customer experience**
 - Enhanced customer acquisition, sales, and support
 - Simplify the buying process via e-commerce

SIMPLIFICATION

- **Supply chain transformation**
 - Network simplification
 - Supply base optimization
- **Execute enterprise-wide 80 / 20 deployment**
 - Portfolio rationalization reducing SKUs by >20%
 - Go-to-market simplification, reducing cost to serve
- **Drive Operational Excellence**
 - Project execution
 - Capacity expansion

Expecting 50 - 100 bps
of margin expansion
per year

Leveraging Honeywell Accelerator to Drive Growth and Margin Expansion

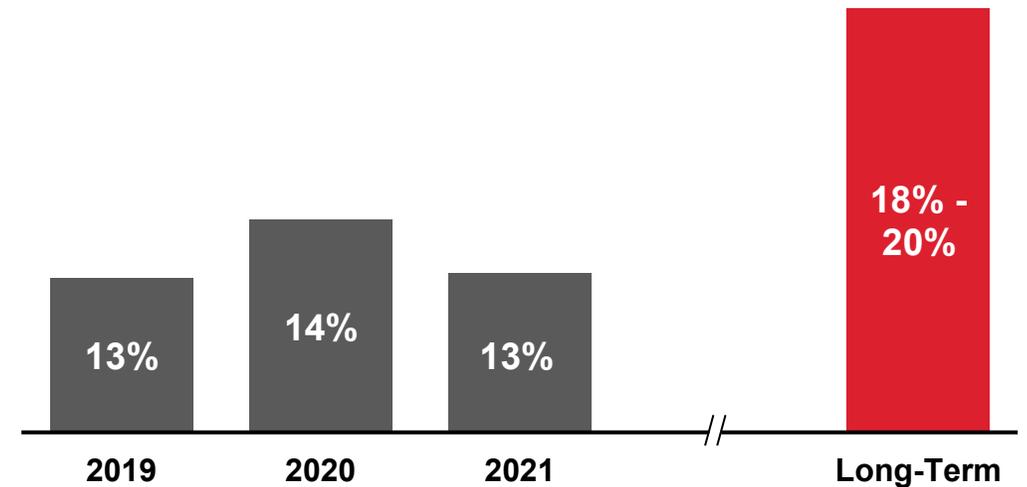
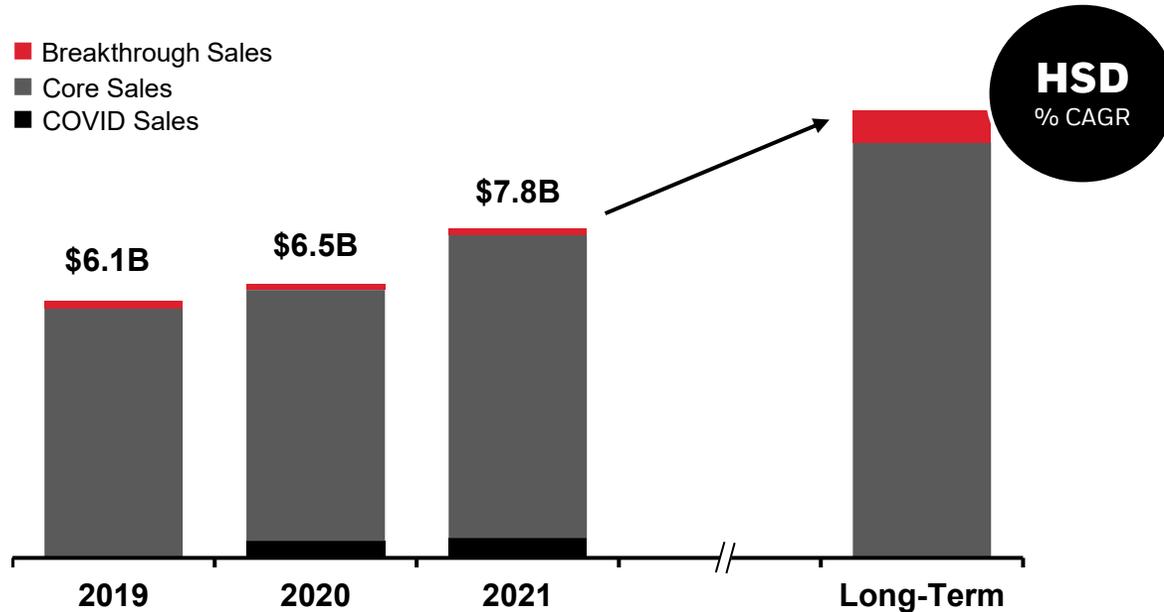
SPS LONG-TERM FRAMEWORK

LONG-TERM GROWTH DRIVERS

- Macros and vertical alignment
- Innovation and M&A in Healthcare
- New adoption drivers in Energy and Environmental Protection
- Greater China, hyper local hub strategy driving growth

SEGMENT MARGIN DRIVERS

- Continued focus on pricing and value engineering to mitigate inflation
- Continue pivoting to more profitable software and recurring revenue
- Benefits from 80 / 20 governance and digital transformation
- Simplify enterprise footprint and value streams



Growing Revenue and Margins

SPS SUMMARY

- **Growth Drivers**

15%
Global e-commerce
CAGR through 2023¹

11%
Industrial automation
sensors market
CAGR through 2023²

HSD
Long-Term
Sales CAGR

- **Margin Drivers**

2% - 3%
Mix Improvements /
Volume

1% - 2%
Net Pricing and
SKU Reduction

1% - 2%
Enterprise
Simplification

- **Value Creation**

>25%
Connected /
Breakthrough Growth

\$1B
Connected / Breakthrough
Upside by 2023

18% - 20%
Long-Term
Segment Margin

¹eMarketer. ²BCC Research.

High Growth Combined with Substantial Margin Opportunity



THE NEXT FRONTIER - FUTURE PROOFING 2022 INVESTOR CONFERENCE

Honeywell

SURESH VENKATARAYALU
Chief Technology Officer

JEFF KIMBELL
Chief Commercial Officer

RESPECT THE PAST, INVENT THE FUTURE

100+ YEARS OF INNOVATION AT HONEYWELL



LAST 10 YEARS DELIVERED WHAT THE WORLD NEEDED THE MOST



INDUSTRIAL
TO
SOFTWARE INDUSTRIAL
SHIFT



AIRCRAFT TECHNOLOGIES



CONNECTED COCKPIT



BUILDING TECHNOLOGIES

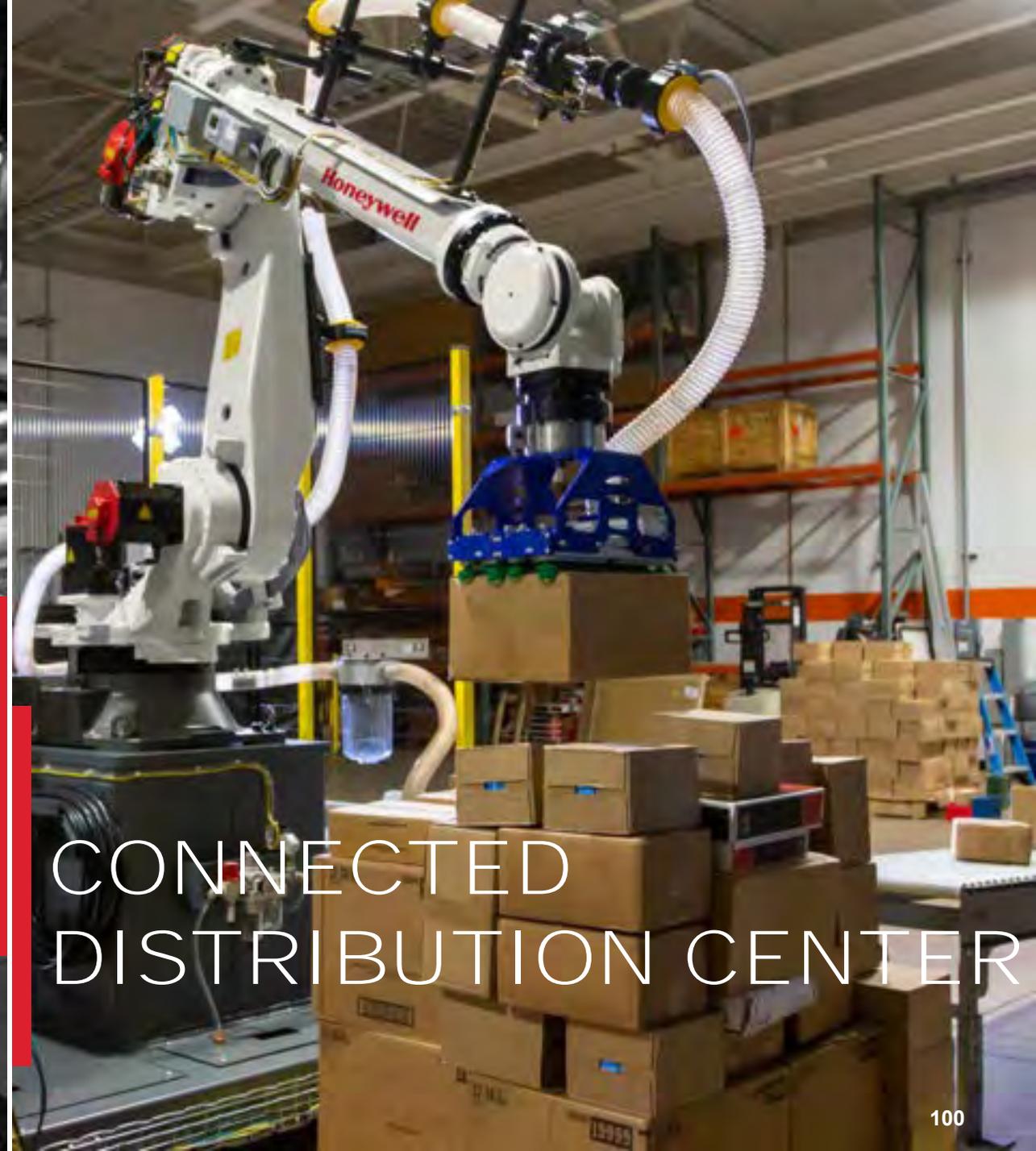
2022 Investor Conference – March 3, 2022



CONNECTED BUILDINGS



WAREHOUSE AUTOMATION



CONNECTED DISTRIBUTION CENTER



INDUSTRIAL PROCESS SOLUTIONS

2022 Investor Conference – March 3, 2022



CONNECTED PLANT

WHEN THE PANDEMIC HIT WE RE-ANCHORED OUR INNOVATION MACHINE



WE PIVOTED

We **pivoted faster** than the competition with fast and effective developments and launch of innovations in real time



WE ENGAGED

We **engaged in intense customer discovery** to understand what our customers needed in unprecedented times

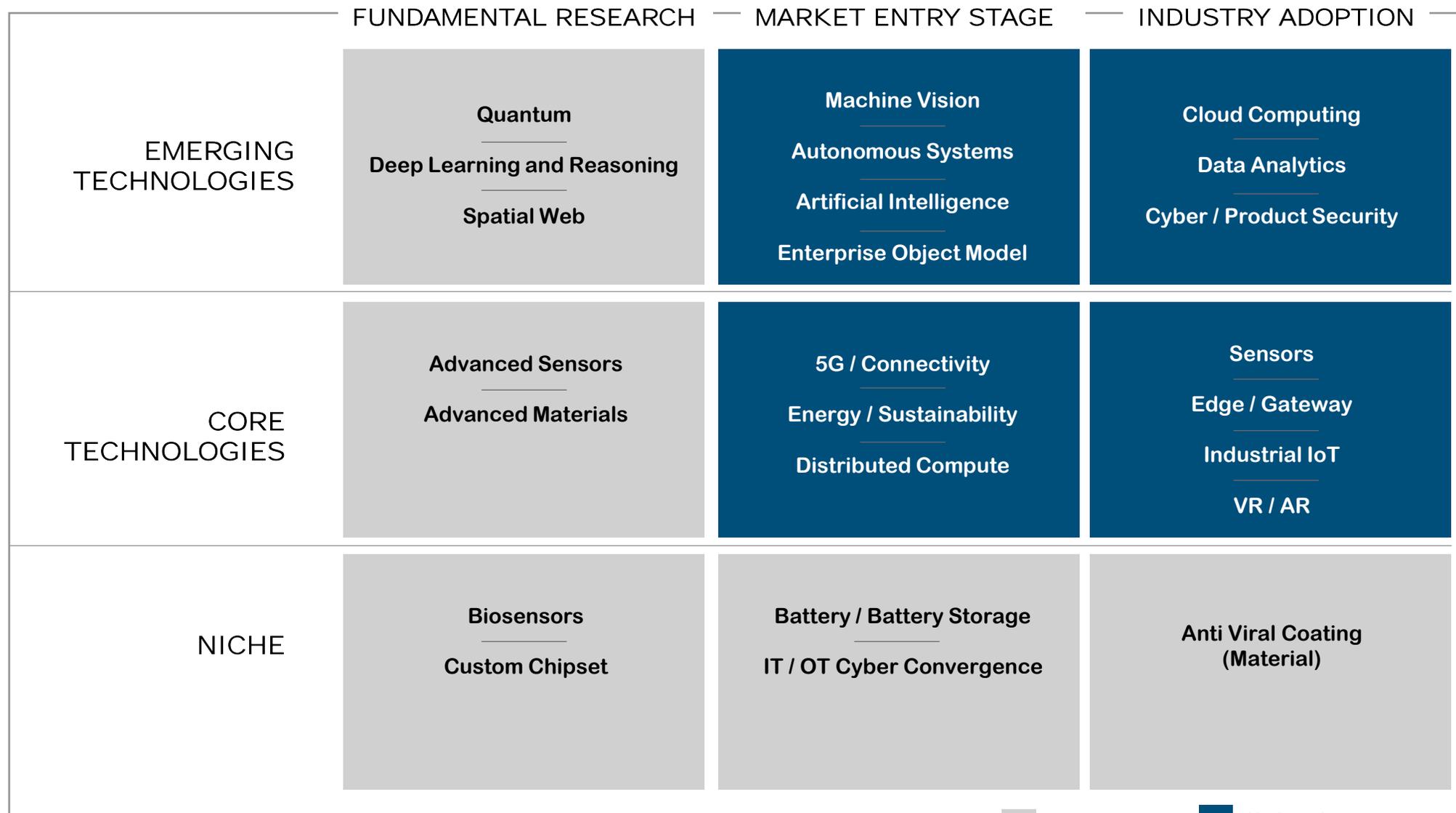


WE INNOVATED

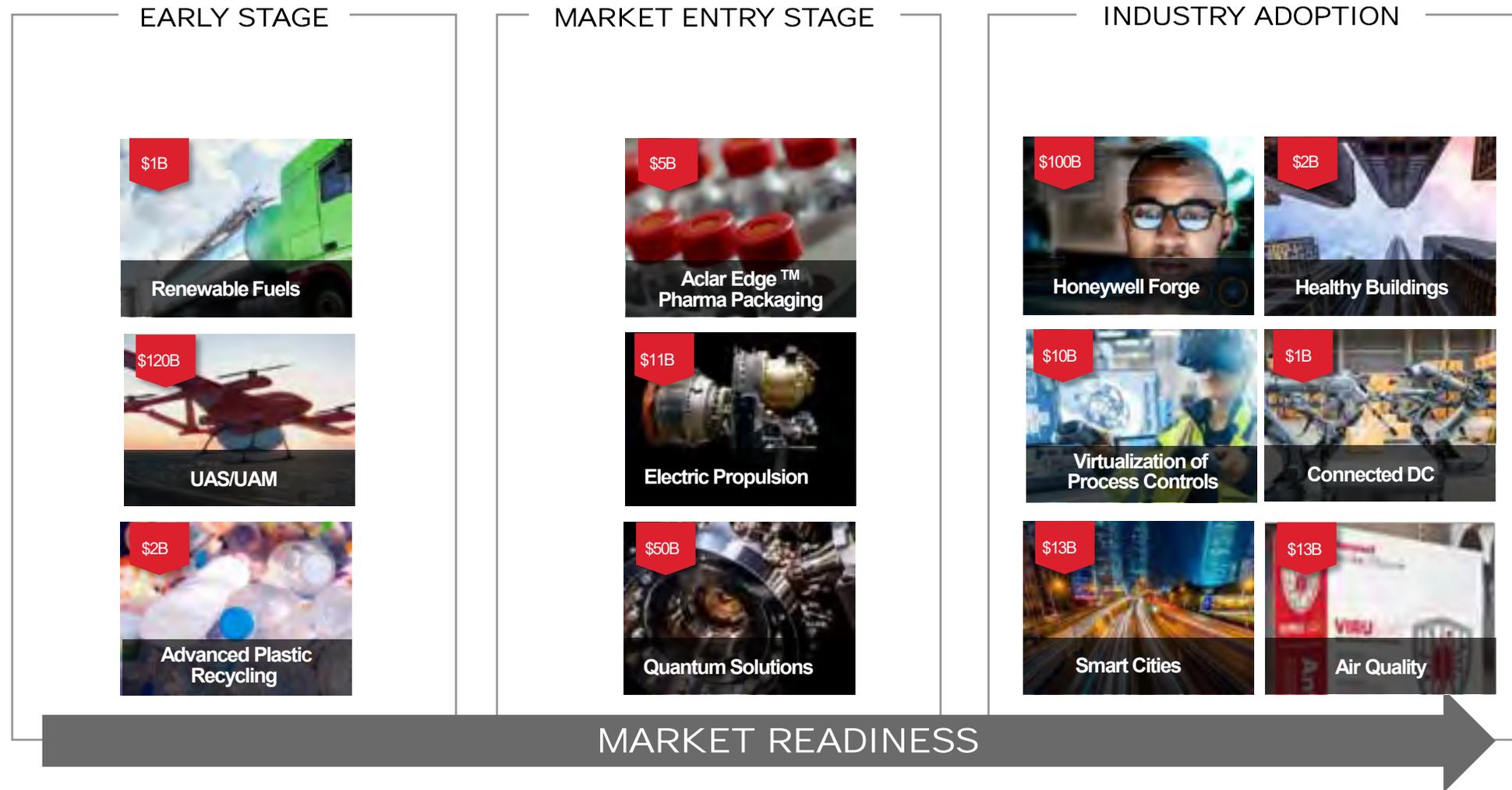
We **innovated with entrepreneurial energy**, and delivered innovation the world needed the most

NEXT FRONTIER

ADVANCING TECHNOLOGY, ACCELERATING FASTER

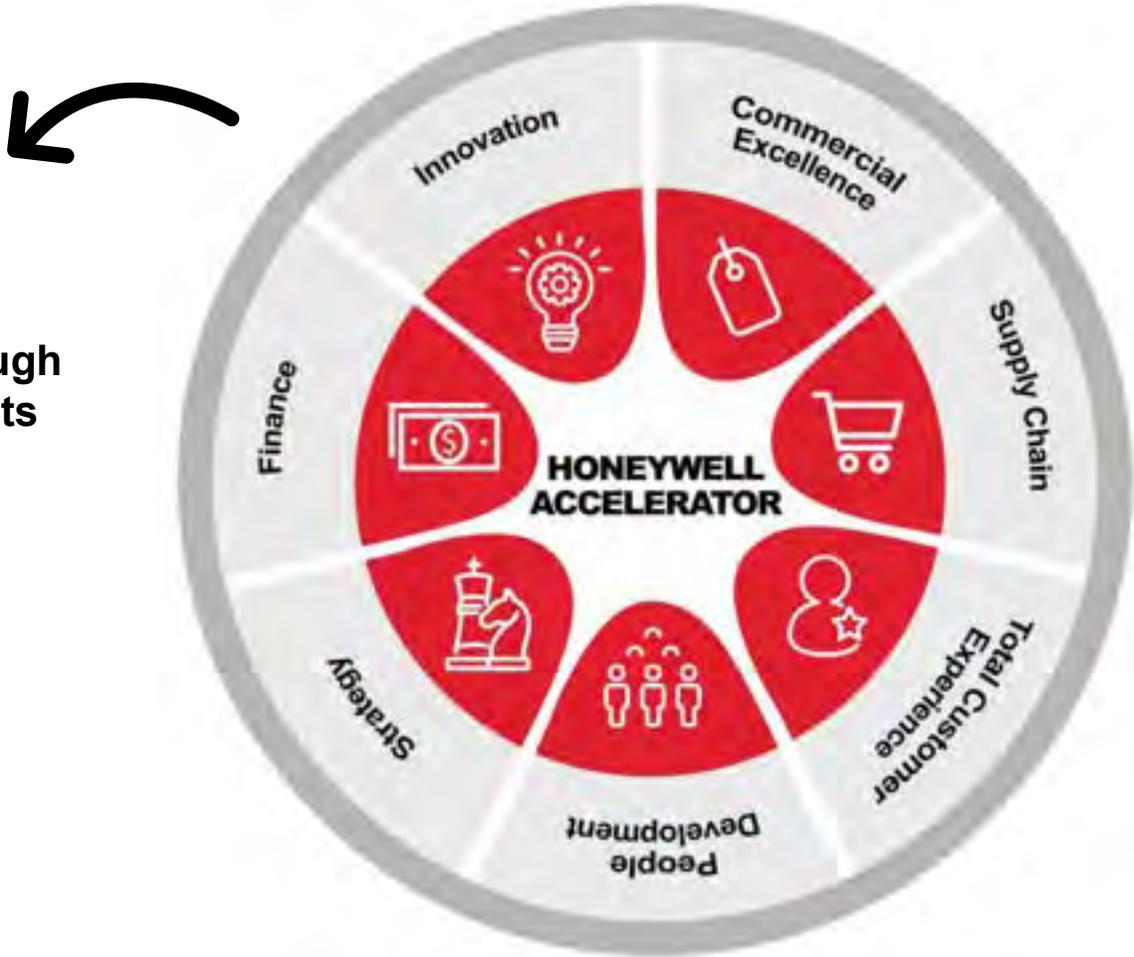


THE NEXT WAVE OF GROWTH



TO DRIVE INCREMENTAL AND BREAKTHROUGH GROWTH HONEYWELL ACCELERATOR – FOUNDATION

INNOVATION
Driving new, breakthrough offerings to our markets



TO DRIVE INCREMENTAL AND BREAKTHROUGH GROWTH

HONEYWELL PLAYBOOK

1



STRATEGY

Do you have clear well etched strategy to focus on innovation growth vectors beyond core?

2



PORTFOLIO

Do you constrain core to fund BTI, Brand New and Software? Do you rapidly pivot and make portfolio decisions frequently?

3



VALUE

Do you understand the unique value we are enabling for our customers?

4



BUSINESS MODEL

Are you pursuing opportunities that provide services and the potential for recurring revenue?

5



NPI MACHINERY

Are you validating solutions early with your customers through regular and incremental engagements / delivery? Leveraging Z21

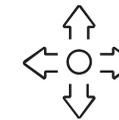
6



TECHNOLOGY

Do you have differentiated IP / Compelling Technology Roadmaps to win, gain market share and drive better pricing and margins?

7



COMMERCIALIZE

Do you have clear commercialization plan tracking pipeline, orders, training, win rates and tracking Rev Say/Do?

8



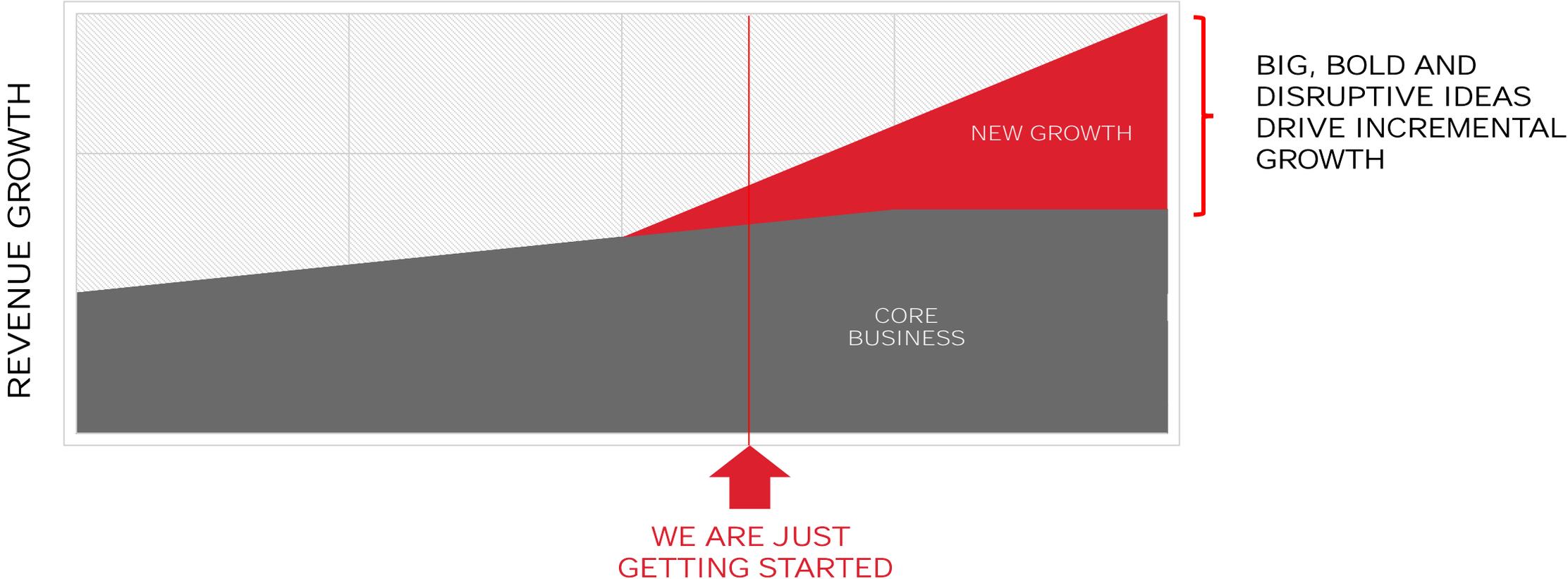
TALENT

Do you have talent strategy well aligned with business strategy and innovation plan?

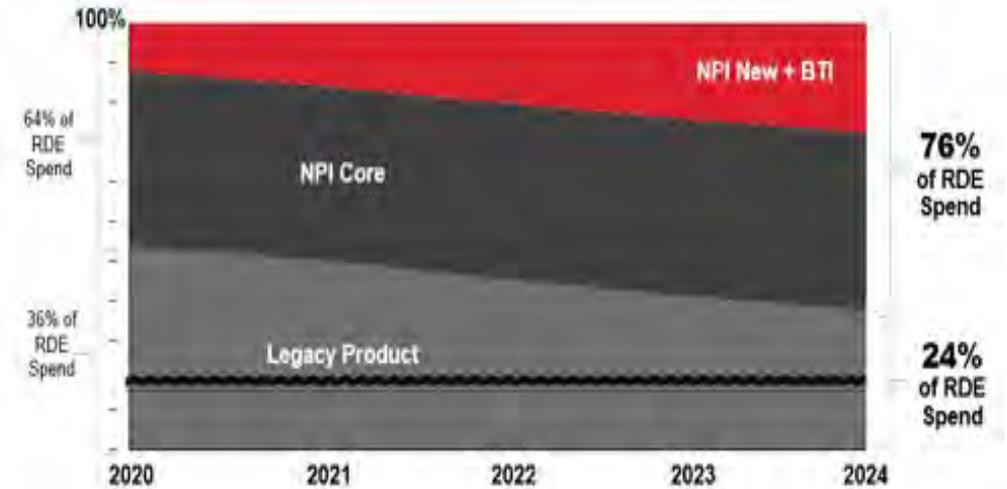
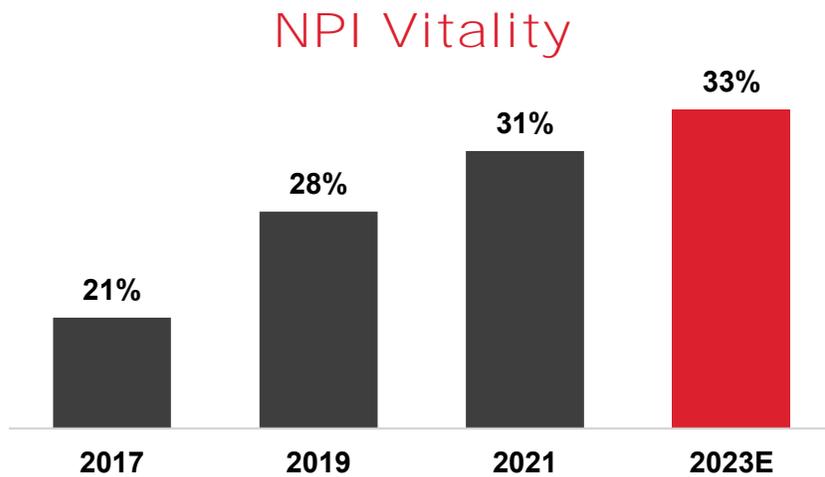
THE RECIPE FOR INNOVATION

The Eight Essentials of Innovation serve as an Important guidepost

TO DRIVE INCREMENTAL AND BREAKTHROUGH GROWTH TRANSFORMATIONAL GROWTH FRAMEWORK



BREAKTHROUGH INNOVATIONS WE ARE INCUBATING GROWTH BENDERS



NEW INNOVATIONS CONTRIBUTED NEARLY
\$1.3B OF GROWTH IN 2021 ALONE

AND ALSO CONTINUE TO... OUTPERFORM THE S&P 500

CONSISTENT INNOVATION AND EXECUTION RESULTS IN **TSR THAT OUTPERFORMS**



Note: Total Shareholder Return (TSR) from January 2, 2007 to October 13, 2021
 Source: S&P Capital IQ
 1) XLI represents Industrial Select Sector SPDR
 2) Peer average represents ITW, MMM, GE, and EMR

UAM / UAS

BUILDING THE FUTURE OF AERIAL MOBILITY

Honeywell

STEPHANE FYMAT

Vice President and General Manager, Urban Air Mobility and Unmanned Aerial Systems Business Unit



STRATEGY



OFFERINGS



PROGRAMS



PRICING



MARKETING



SELLING

WE NEED DISRUPTIVE INNOVATION IN TRANSPORTATION



OUR VISION



100-mile trip in 45 minutes by air taxi



Same-day package delivered anywhere
by autonomous air cargo

URBAN AIR TAXI

100 MILES IN 45 MINUTES



AIRPORT TRANSFER AND INTRACITY

JFK to Manhattan
UAM: 15 miles in 7 min
Car: 1 hour

SUPERCOMMUTING

Westport to Manhattan
UAM: 50 miles in 21 min
Car: 1.5 hours

ISLAND HOPPING

Boston to Martha's Vineyard
UAM: 70 miles in 29 min
Car + Ferry: 2.5 hours

REGIONAL MOBILITY

Manhattan to the Hamptons
UAM: 94 miles in 39 min
Car: 2.5 hours

AUTONOMOUS AERIAL LOGISTICS: SAME-DAY DELIVERY ANYWHERE

FLY DIRECT: takeoff vertically and fly from warehouse to warehouse – avoid traffic and airports delays

SCALE ECOMMERCE: deliver just-in-time to cut warehousing and pre-positioning costs

INCREASED EFFICIENCY: increase pilot productivity by 4x for middle-mile logistics

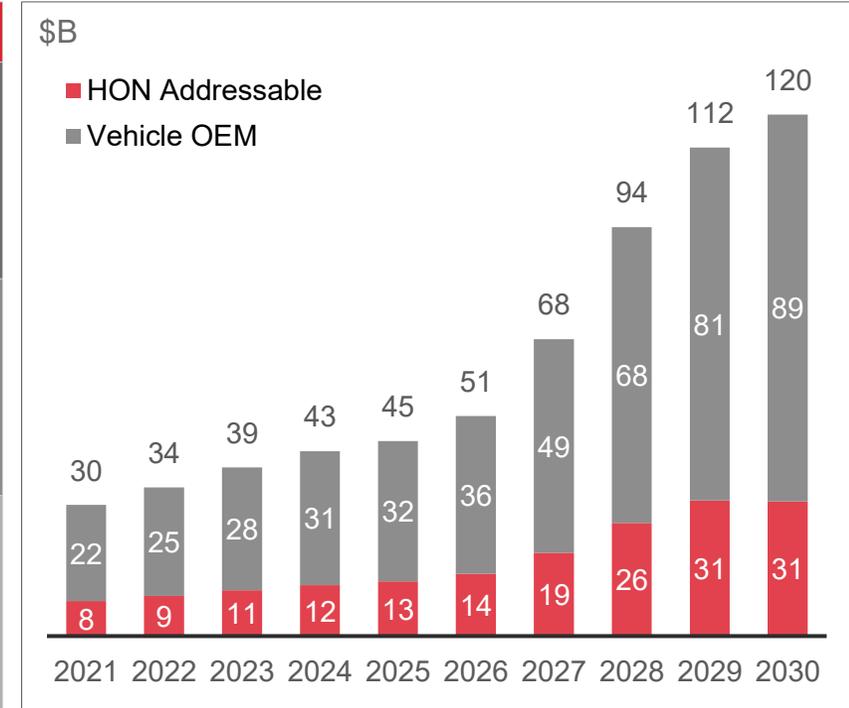
REDUCE COST: cut logistics last mile cost by 70% with delivery drones



MARKET SIZE



Segment	Examples	Start of Service	Approximate 2030 TAM
Air Taxi	Lilium, Vertical Aerospace, Beta, Volocopter, Wisk	2025	Vehicle: \$80 Billion HON Opportunity: \$20 Billion
Middle Mile Cargo	Pipistrel, Volansi, Elroy Air	2023	Vehicle: \$35 Billion HON Opportunity: \$10 Billion
Local Light Parcel	Google Wing, WingCopter, Amazon	2022	Vehicle: \$5 Billion HON Opportunity: \$1 Billion



Honeywell is Well Positioned to Address a \$30B+ Annual Market in 2030

HONEYWELL CREATES THE CRITICAL SYSTEMS THAT MAKE **DISRUPTIVE AVIATION POSSIBLE**

LOW COST: electrification, automation and vertical takeoff + fixed wing cruise flight **reduce operating cost by 50% - 80%**

QUIET OPERATIONS: small rotors with low tip speed leads to **100x quieter operations**

HIGH SAFETY: multiple rotors and automated flight control **eliminate single point failure** and supports robust vertical takeoff

SUSTAINABLE: all-electric powertrain **eliminates pollutants and carbon emissions** at point of application



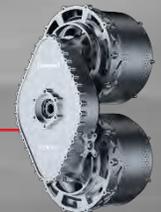
A new paradigm of **automated avionics and smart sensors simplifies flight**, expands the operator pool and builds a path to autonomy



Numerous motors and actuators require **fly-by-wire**. Honeywell has the only segment-dedicated solution



Miniaturized **thermal management** cools systems and keeps passengers comfortable



Compact, reliable **motors** producible at automotive scale. Fly further with **turbogenerators** and hybrid power

\$2-5M

Typical UAM Vehicle Price

\$200k-1.5M

Potential Honeywell Content*



Vehicles shown for illustration purposes; quoted value range does not reflect exact Honeywell system content on specific vehicles



\$0.8M-5M

Typical Heavy Autonomous Cargo Price

\$100K-1.5M

Potential Honeywell Content



\$25K-150K

Typical Delivery Drone Price

\$5K-60K

Potential Honeywell Content

HONEYWELL... IS WINNING



Won

Integrated avionics and fly-by-wire for Vertical Aerospace VA-4X high speed air taxi



Won

Integrated avionics and fly-by-wire for Lilium Jet 7 passenger regional air taxi



Won

Fly-by-wire and SATCOM for Pipistrel Nuuva 300 autonomous large cargo drone



Won

SATCOM for Pipistrel Nuuva 20 autonomous small cargo drone



Won

High assurance detect and avoid demo with major logistics operator



Won

Fly-by-wire for dual-use heavy cargo drone



Won

SATCOM for dual-use logistics drone



Won

SATCOM for Carbonix long range UAS

- **Over \$3.5 Billion in content wins; \$7 Billion in pipeline over next 5 years**
- Honeywell is the **leader** for avionics, electric propulsion and mechanical systems that make urban air mobility possible.
- Together with our aircraft partners, we have launched a **disruptive revolution** in aerial transportation and logistics



Honeywell creates the critical systems that make **disruptive aviation** possible
We are positioned to **address a \$30B+ annual market** in 2030

SUSTAINABILITY SOLUTIONS

Honeywell

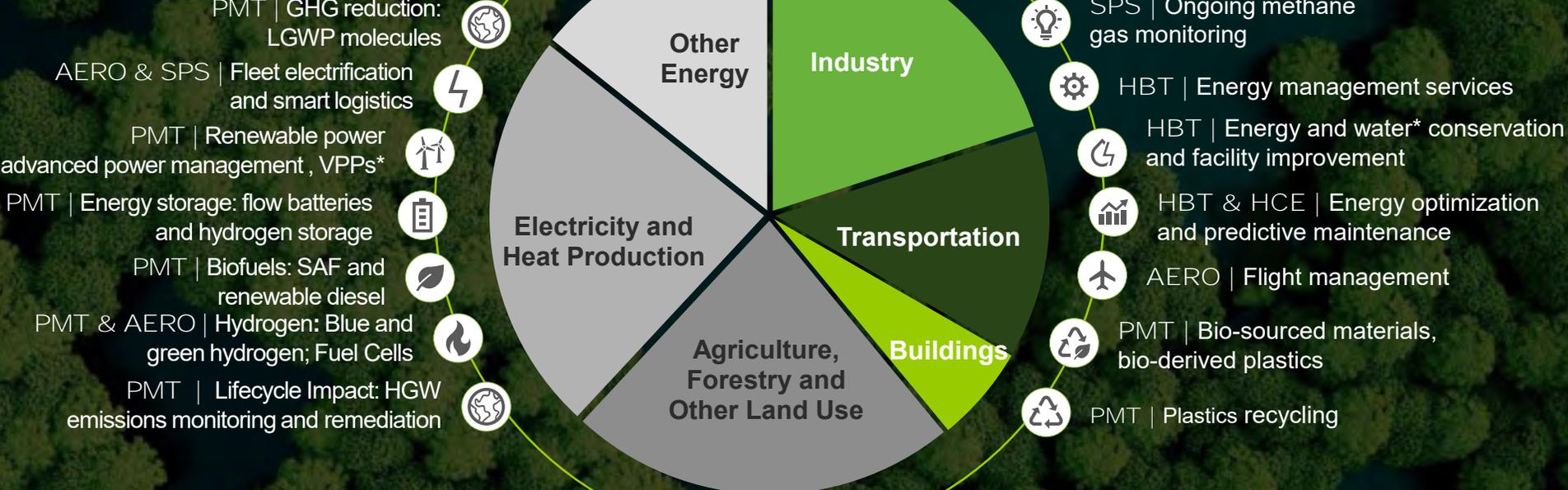
BEN OWENS

TARGETED SOLUTIONS FOR SECTORS PRODUCING

About 2/3's

OF THE WORLD'S GREENHOUSE GAS EMISSIONS

GLOBAL GHG EMISSIONS BY SECTOR





WASTE PLASTIC
NOT RECYCLED

50-75%

lower CO₂ emissions

Up to 90%

Potential recycling rate

ADVANCED
RECYCLING





CARBON
PRODUCED

>30 Million Tons
Installed CCS Capacity

Equivalent to removing
>7M passenger
vehicles/yr
from the road

CARBON
CAPTURED



PETROLEUM
FUELS



60-80%
lower CO₂ emissions

RENEWABLE
FUELS



COMMERCIAL BUILDINGS

10-20%
Energy savings

Healthy Buildings
Improved Indoor Air
Quality

CARBON NEUTRAL BUILDINGS





REFRIGERATION & COOLING



5-15%
Lower energy use

>250 Million Tons
CO₂ emissions avoided

LOWEST GWP REFRIGERANTS

HONEYWELL IS WINNING

Honeywell innovations driving energy transformation through carbon capture, buildings technologies, hydrogen solutions, advanced plastics recycling, long-term energy storage, globally friendly refrigerants and more...



United, Honeywell Invest in New Clean Tech Venture from Alder Fuels, Biggest in Aviation History



Whole Foods Adopts Honeywell Tech to Reduce Carbon Footprint at U.S. Stores



Port Esbjerg Deploys Honeywell Solution to Help Meet 70% Carbon Reduction Target



Honeywell Tech Enables Large U.S. Carbon Capture & Storage Project



Sacyr First to Use Revolutionary Plastics Recycling Technology



Duke Energy to Field Test New Flow Battery Technology



ENI Uses Ecofining Tech to Meet Europe's Biofuel Demand



Chevron Starts Up New Salt-based Alkylation Unit



QUANTINUUM

Presented by Tony Uttley, President & COO

March 2022

At Quantinuum

Our mission is to positively transform the world
using the power of quantum computing

Global Leader in Quantum Computing



Cambridge Quantum

Leader in Quantum Computing Software



Honeywell
Quantum Solutions

Leading Quantum Computing Hardware

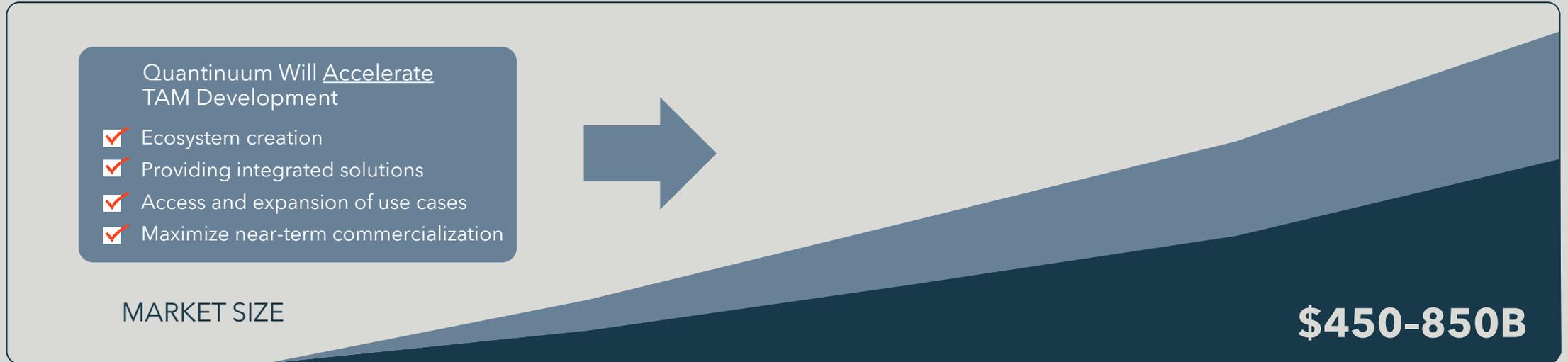


GLOBAL PRESENCE

Germany, Japan, United Kingdom, United States, adding location in France
400 employees...300+ Scientists and Engineers

Quantum Driving the 4th Industrial Revolution

Shaping a trillion dollar industry



Note: June 2021 TAM estimates based on BCG study and reflect end customer's operating income benefit from utilizing quantum solutions

We Are Accelerating QC Applications in Key Markets

\$550B TAM addressable with Quantinum products



Cybersecurity

\$20B

Encryption Software



**Pharma
& Healthcare**

\$110B

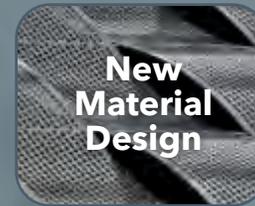
Drug Discovery



**Banking
& Finance**

\$10B

Risk / Portfolio Mgmt



**New
Material
Design**

\$170B

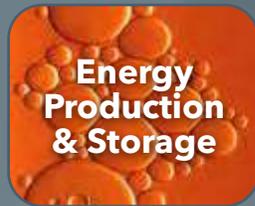
EV / OLED Batteries



**Carbon
Capture
& Storage**

\$4B

Carbon Capture



**Energy
Production
& Storage**

~\$20B

Hydrogen Storage



**Fertilizer
Production**

\$200B

Fertilizer Market



**Electric
Vehicles**

~\$20B

*Electric Vehicle
Market*

Real Products Solving Critical Real-world Issues

- Creating unique cybersecurity keys today
- Discovering new medicines and enabling individualized prescriptions
- Rapidly advancing organic LED technologies
- Extending electric vehicle battery range and charging efficiency
- Optimizing portfolio and risk management decisions
- Reducing energy consumption in fertilizer production

Note: Based on estimates generated by IDC, Gartner, BCG and other research organizations

Quantinuum Is The Quantum Leader

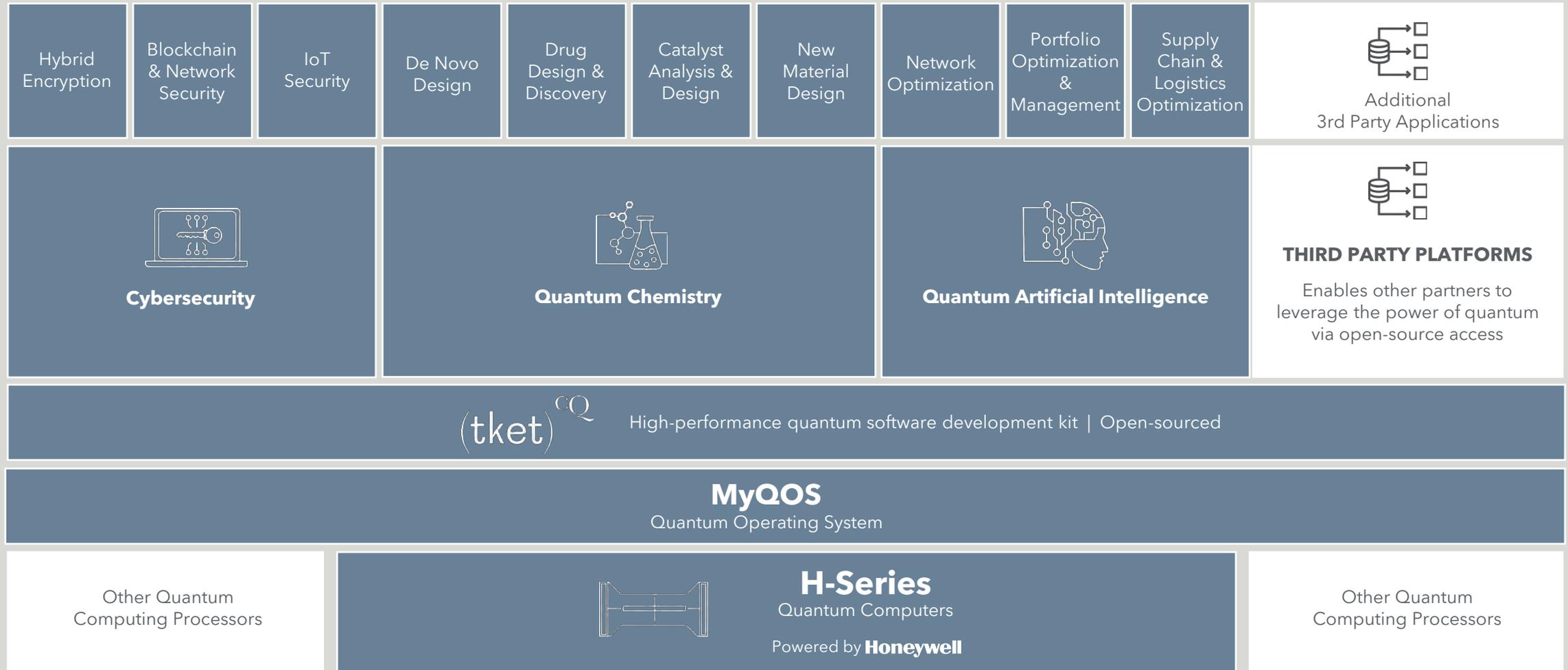


● Industry Accelerator	● Real Products and Domain Expertise	● Platform Inclusive	● Foundational Operating System	● Technological Superiority	● Demonstrated Scientific and Commercial Leadership
Uniquely able to accelerate the commercialization of value-creating applications within quantum computing	Market-ready offerings used by some of the world's largest companies Robust product roadmaps and expertise in the highest-value quantum use cases	Ability to remain hardware inclusive with our development platform Developing applications for H-Series, Google, IBM, Microsoft, OQC, IonQ, AWS and others	Our operating system provides a fundamental building block of quantum computing and make it more accessible to developers across the world	World's highest-performing hardware systems with roadmap to universal fault-tolerance and the ability to design architecture around application-specific outcomes	Outstanding reputation with globally renowned academic institutions and national labs A multiple of the number of experts than other standalone quantum computing companies

6 Pillars of Quantinuum's Leadership

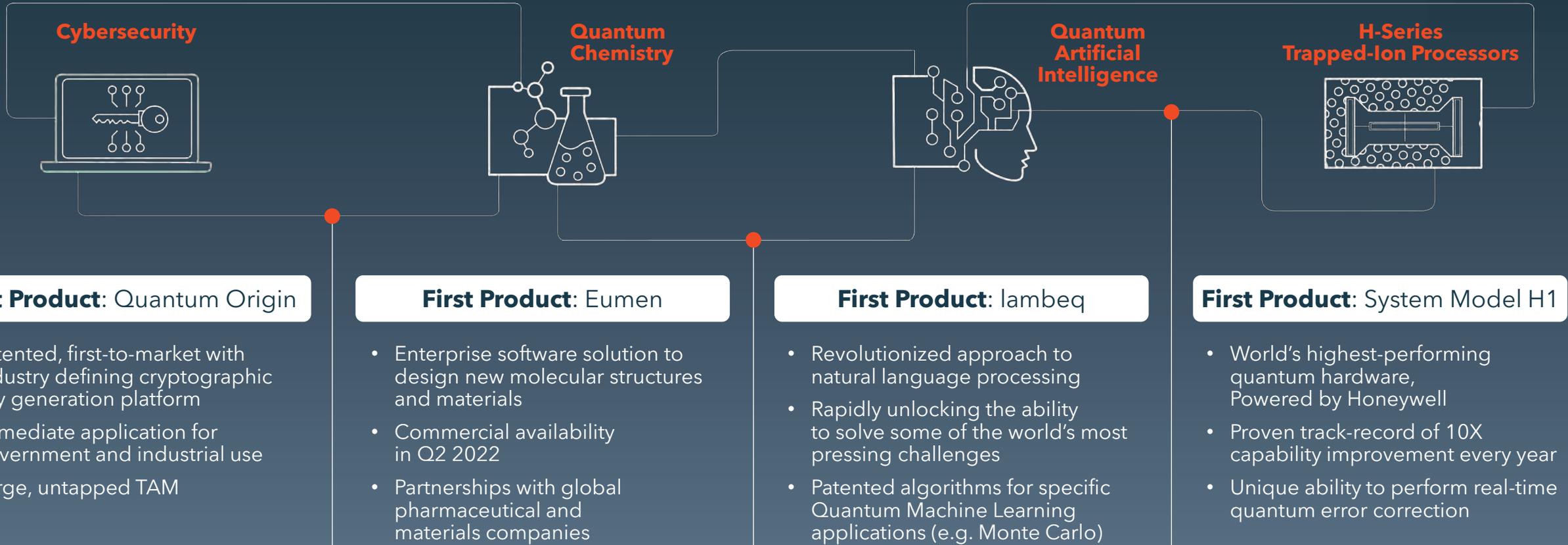
Quantum Pioneer Delivering Real Integrated Solutions

Built for platform inclusivity



Commercializing Critical IP For Long-Term Value Creation

Our products, technology, and people provide a demonstrable advantage in leading, growing, and accelerating quantum computing in key markets



Leading the Most Significant Computing Revolution in 60 Years

Real Customers Addressing Large, Near-Term Problems

Cybersecurity



Protecting Data on Blockchain Using Quantum-Proof Keys

IDB Inter-American Development Bank



Securing Mission Critical Infrastructure with Quantum

Top 5 US Oil & Gas Supermajor



Encrypting Network Data with Quantum-Proof Keys

Fujitsu

Chemistry



Mitigating Impact of Climate Change with Quantum

Total



Disrupting the Drug Design & Discovery Process

Roche



Designing Chemicals to Reduce Environment Impact

Honeywell

AI / ML



Job Scheduling Optimization for Steel Manufacturing

Nippon Steel



Optimal Packing for Global Freight Logistics

DHL



Optimizing Fluid Dynamics in Oil Recovery Processes

AkerBP

Quantinuum Owns Critical IP for Long-Term Value Capture

Cybersecurity

Quantum Origin: The world's first commercially available quantum-enhanced cryptographic key generation platform

Protecting Against Threats Today and in the Future:

- First commercially-relevant product derived from using a quantum computer
- Launched in December 2021
- Completely differentiated product within cybersecurity industry
- Strong traction - already being deployed by Fortune 500 corporations
- Patented technology meets the stringent demands of government and security agencies
- Available as a cloud service for immediate use in customer's current infrastructure
- Enhances security for today's classical as well as post-quantum keys
- Works with standard security technology and existing architectures

\$20B TAM

In an EXISTING Market

Select partner projects with retained IP

Fujitsu

Axiom

IDB

Inter-American
Development Bank

Thales

First-Mover Advantage in Significant Growth Market

Deepest Global Talent Pool: Quantum's Scarcest Resource

330+ Brightest Technical Quantum Minds from the Top Universities and Research Labs



Built on decades of excellence



Strong IP with 150+ patents across both software and hardware



1,000+ publications including 200+ peer-reviewed in leading journals



Critical process knowledge kept as trade secret to ensure protection

Business Model to Drive Accelerated Growth

2 Part Go-To-Market Model

1

Cyber

Market Penetration

- **Existing and growing** market, driven by a **increasing threat**
- **Released Quantum Origin** in December 2021
- **Quantum-computing enhanced encryption keys via subscription** through direct and partner sales
- **Multiple channel routes** with ability to integrated with major public clouds, private clouds or hybrid environments
- **Market adoption** does not require any quantum computing hardware advances

2

Software /
Solutions

*(Chemistry, Artificial
Intelligence and
Quantum Finance)*

Market Incubation (2022 - 2023)

- **Paid collaborations:** multi-year contracts with Fortune 500 partners for specific use cases
- **SaaS enterprise software:** launch of subscriptions for wide-scale deployment
- Development programs that lead to **molecular and materials IP** to which Quantinuum retains exclusive rights

Market Scaling (2024 - 2027)

- **Scaling:** focus on **existing** and **new verticals, larger projects** with strategic partners and a wider roll-out of SaaS offering
- **Integration with next generation hardware:** broad adoption of operating system and middleware
- Increasing **productization** to drive customer business system integrations



QUANTINUUM

FINANCIAL REVIEW

2022 INVESTOR CONFERENCE

GREG LEWIS
SENIOR VICE PRESIDENT
AND CHIEF FINANCIAL OFFICER

Honeywell

An aerial night view of a city skyline, featuring a prominent skyscraper in the center. The city is illuminated with various lights, and the sky is dark. The Honeywell logo is visible in the bottom left corner.

KEY MESSAGES

Second Year of Strong Execution in Difficult Operating Conditions

- **Strong performance** through pandemic downturn
- **Executed in 2021** through unprecedented inflation and supply chain challenges
- **Back to 2019 margin rate** and adjusted EPS on \$2.3B less sales
- Key strategic wins; backlog position up 7% vs. end of 2020 – strong tailwinds

Compelling Returns on Transformational Initiatives Driving Growth

- **Optimizing supply chain** and **leveraging the power of data** through Honeywell Transformation – cumulative benefits of >\$1.5B
- Delivering **cost management** and **productivity initiatives** through repositioning worth over \$900M in 2020 and 2021
- Consistently deploying capital to **high-return capex** projects

Strong Cash Generation Fueling Robust Cash Deployment

- Continued improvement in working capital – **1.9 turns improvement** in 2021
- Consistent **mid-teens free cash flow margins**
- Committed to deploy **at least \$25B** of capital over the next three years
- Opportunity to monetize Quantinuum in medium term

Compelling Financial Performance with Further Runway

2022 UPDATE

1Q GUIDANCE

Sales

\$8.1B - \$8.4B

Down (2%) - Up 1% Organically

*Flat – Up 3% Excluding Impact of
COVID-Driven Mask Sales Declines*

Segment Margin

20.6% - 21.0%

Down (40) - Flat bps

*Down (10) – Up 30 bps Excluding
Impact of Quantinum*

Adjusted EPS

\$1.80 – \$1.90

Down (6%) – (1%)

Net Below the Line Impact

(\$75M) – (\$30M)

Effective Tax Rate

~22%

Share Count

~697M

FY GUIDANCE

Sales

\$35.4B - \$36.4B

Up 4% - 7% Organically

*Up 5% - 8% Excluding Impact of
COVID-Driven Mask Sales Declines*

Segment Margin

21.1% - 21.5%

Up 10 - 50 bps

*Up 40 – 80 bps Excluding Impact of
Quantinum*

Adjusted EPS

\$8.40 - \$8.70

Up 4% - 8%

Free Cash Flow

\$4.7B - \$5.1B*

\$4.9B – \$5.3B Excluding Quantinum

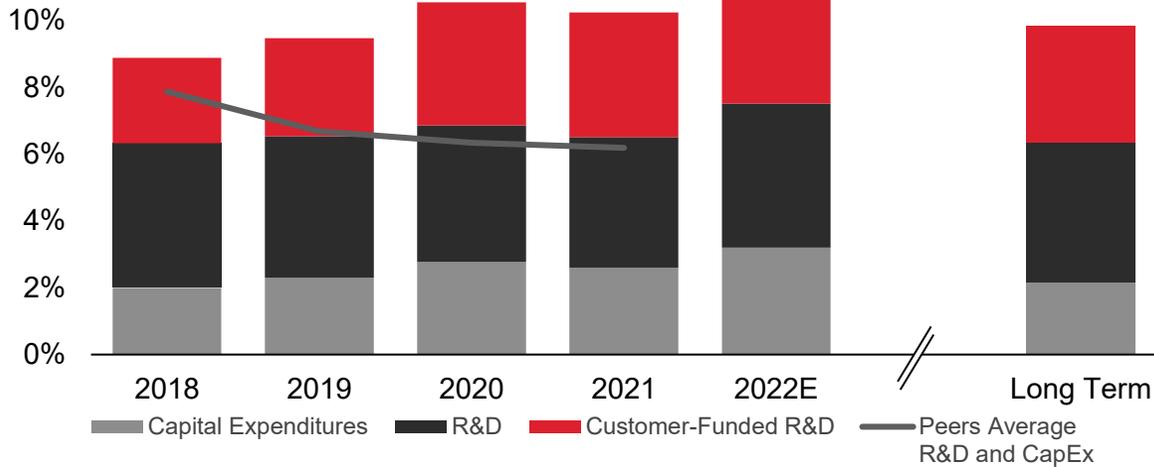
**Assumes R&D extenders are not enacted*

Net below the line impact is the difference between segment profit and income before tax. Impact includes interest and other financial charges, stock compensation expense, pension ongoing income, other post-retirement income, and repositioning and other charges. Adjusted EPS guidance excludes any potential future one-time items that we cannot reliably predict or estimate such as pension mark-to-market. Adjusted EPS V% guidance also excludes 4Q21 pension mark-to market, 2021 changes in fair value for Garrett equity securities, 2Q21 non-cash charges associated with the reduction in value of reimbursement receivables due from Garrett, 1Q21 gain on sale of the retail footwear business, and a 3Q21 expense related to UOP matters.

First Quarter on Track; Confident in Full Year Outlook

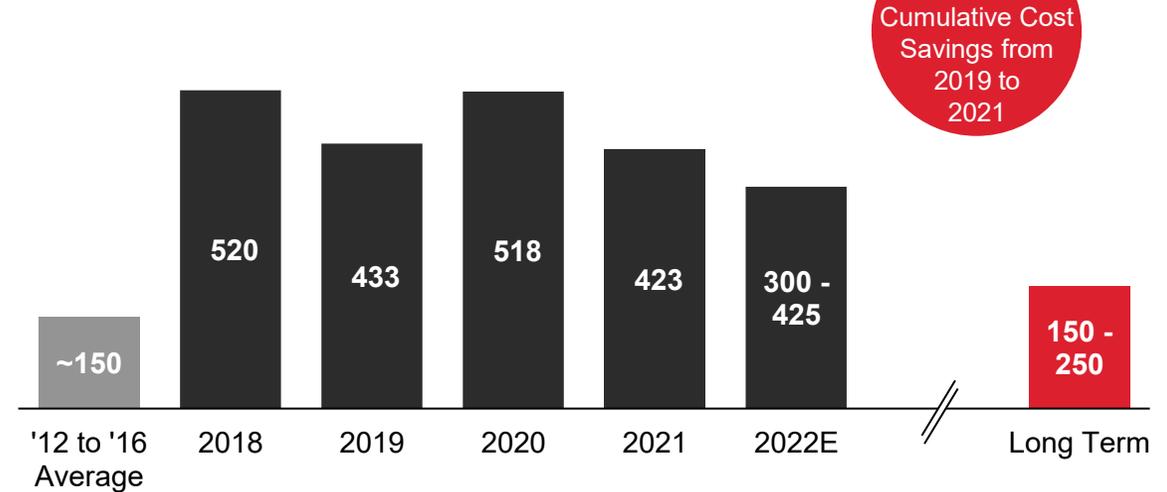
CONSISTENTLY INVESTING IN OUR BUSINESS

Capital Expenditures and R&D as a Percent of Sales



- Customer-funded R&D around 3% - 4% of sales
- Capex investments continue to generate our highest shareholder returns – 20% - 200%+
- Flex up investments in productivity, NPIs, and growth

Repositioning* (\$M)



- Permanently reduced fixed cost base during the pandemic
- Consistently deploying to high-return projects to support cost management and productivity initiatives
- Repositioning to moderate as transformation agenda evolves

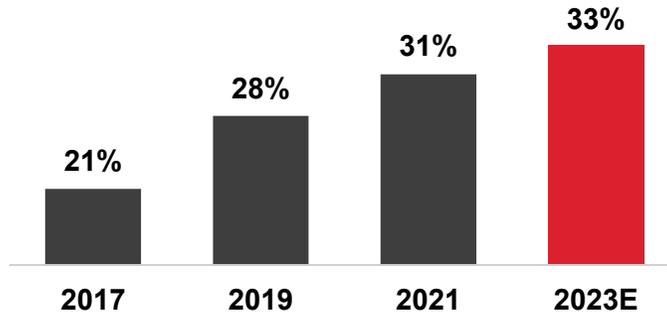
*Includes charges of \$105M in 2021 and \$30M - \$50M in 2022E for long-term contract labor cost inefficiencies due to severe supply chain disruptions relating to the warehouse automation business within Safety and Productivity Solutions
HON R&D includes customer-funded R&D; Peers include MMM, EMR, GE, and ITW; Source: S&P Capital IQ, excludes customer-funded R&D

Strong Track Record of Organic Investment While Expanding Margins

GROWTH LEVERS

NEW PRODUCT INTRODUCTIONS

NPI Vitality = Percent of total sales generated from organically developed new products introduced in the last three years



BREAKTHROUGH INITIATIVES

>\$2B
Sales generated from BTIs in execution over last 3 years

>\$200B
Total Addressable Market for BTI portfolio

>\$100M
Sales target for each BTI within 3 years of entering execution

SOFTWARE AND RELATED SALES MIX

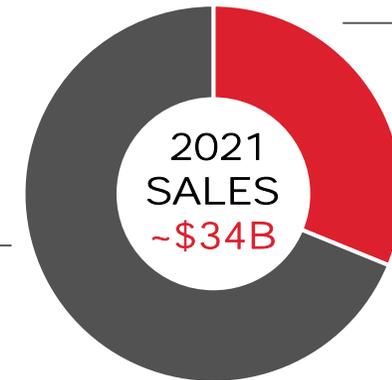
Embedded and Software-Enabled Offerings with Attached Hardware



Connected Software and Services
Double-Digit 2016 – 2021 Sales CAGR

RECURRING SALES MIX

Non-Recurring Revenue
~70% of Total Honeywell



Recurring Revenue
~30% of Total Honeywell

Recurring sales mix includes software and software-related sales, including SaaS, annual maintenance on perpetual software, and software-based service contracts; non-software solutions and services, including hardware right-to-use, and non-software service contracts; and recurring product orders with consistent replenishment such as product spares and consumables.

Multiple Levers to Drive Above-Market Growth

DIGITAL TRANSFORMATION EXAMPLES

CONTRACT DIGITIZATION

Opportunity

- Decentralized contract repository
- Non-standard templates and processes
- Need for contract analytics and risk management

Actions



**Consolidate
Data**



**Digitize Contract
Process**



**Unlock E2E
Data Insights**

Impact

- **Incremental margin** driven by automating price escalation and reducing vendor claims
- **>\$75M working capital benefit** driven by E-billing and terms management in 2021
- **\$10B in sales** renewed / generated in 2021 through new digital contracting process

DIGITAL COMMERCE

Opportunity

- Provide a rich, unified customer experience from awareness to purchase through support using standardized and scalable technology

Actions



**Leverage Marketing
Automation Technology**



**Digital
Purchase**



**Global Design
Model**

Impact

- 17% increase in qualified leads resulting in **\$3.5B in sales opportunities**
- **>\$15B sales** completed through digital transactions
- **24% increase** in Digital Commerce adoption in 2021; targeting a **110% increase** by end of 2022

Creating a Competitive Advantage with Differentiated, Digitized Experiences

SUPPLY CHAIN TRANSFORMATION EXAMPLES

MANUFACTURING AUTOMATION

Opportunity

- Increase factory utilization
- Enable growth
- Control margin eroders

Actions



Select 16 High Impact Sites



Deploy Core Process Automation



Drive Predictive Controls and Advanced Analytics

Impact

- **\$75M** expected annual recurring productivity savings
- Ability to quickly modulate factory output to mirror demand or supply fluctuations
- Plan to improve gross profit per square foot by **>55%** through 2024

PLANNING EXCELLENCE

Opportunity

- Enhance supply chain advance planning capabilities
- Build a global centralized planning organization
- Affect planning maturity in all businesses, globally

Actions



Deploy Global Planning Platform Architecture



Drive Continuous Planning Process Improvement



Build Global Planning Talent and Leadership

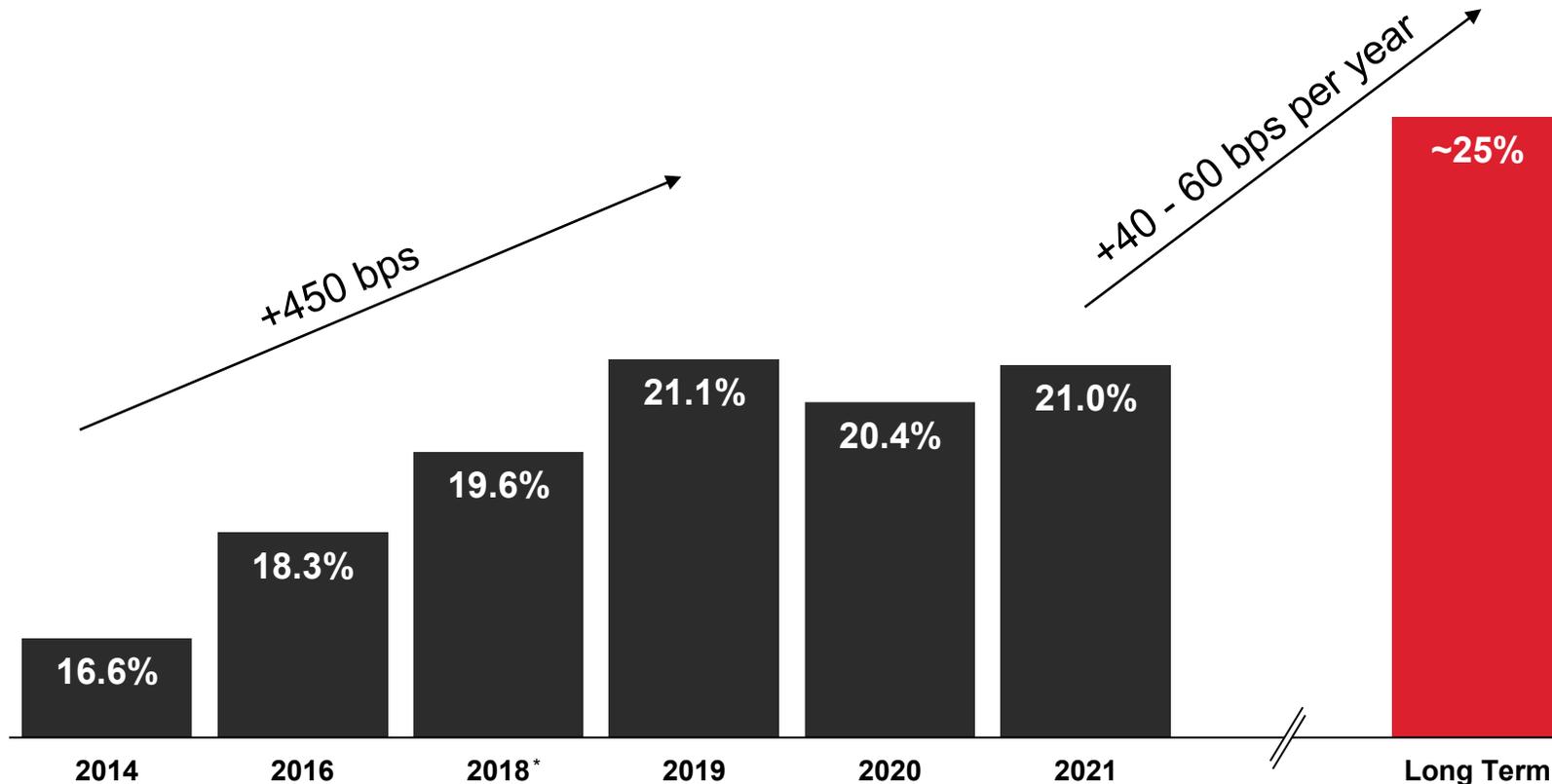
Impact

- **\$400M** expected inventory reduction from Digitized Planning platform
- Improved planning predictability driving **5% operating expense reduction**
- Enhanced global planning capabilities to **meet 95% of customers' requests on time or better**

Continuous Improvement in Operating Efficiency

SEGMENT MARGIN EXPANSION

Segment Margin



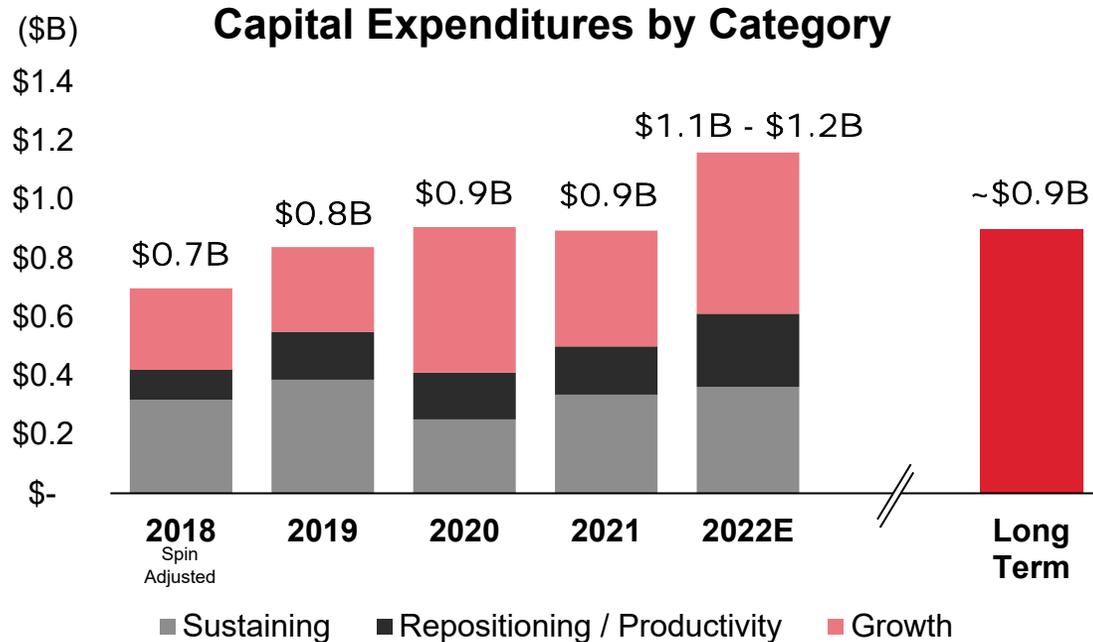
*Includes the impact of spins

MARGIN LEVERS

- Streamlined cost base / productivity playbook
- Leveraging Supply Chain Transformation and Honeywell Digital
- Favorable mix of high growth software and services
 - HCE, HBT, HPS
 - Intelligrated SW / AM
- Tailwinds in high margin businesses
 - Aerospace aftermarket
 - HBT, SPS products
 - UOP catalysts, HPS automation

Track Record of Strong Margin Expansion; Runway to Continued Expansion

INVESTING IN GROWTH CAPEX



- In 2022E, compared to the 2018 – 2021 average:
 - **51%** more growth capex
 - **2.4x** more automation and digitization investments
 - Lower sustaining spend as a percent of total capex
- Higher percentage of growth and productivity capex in the long term

EXAMPLES OF SUCCESSFUL ORGANIC INVESTMENTS

Solstice

- **>\$1B of R&D and growth capex** investment since 2008
- **\$1B sales in 2021** at accretive margins; **>20% IRR**

UOP Catalysts

- **Invested over \$75M** to build a new catalyst production facility
- Supported ~\$200M of catalyst sales since the facility went online in 2018; **>20% IRR**

OPPORTUNITIES IN THE PIPELINE

HTS7500 FLRAA Engine

- Selected to power the Lockheed Martin Sikorsky-Boeing DEFIANT X[®] helicopter
- Investing in state-of-the-art testing facilities to ensure peak reliability and performance

Advanced Plastics Recycling

- JVs with Sacyr and Avangard Innovative
- Commercialize UpCycle Process Technology which expands the types of plastics that can be recycled

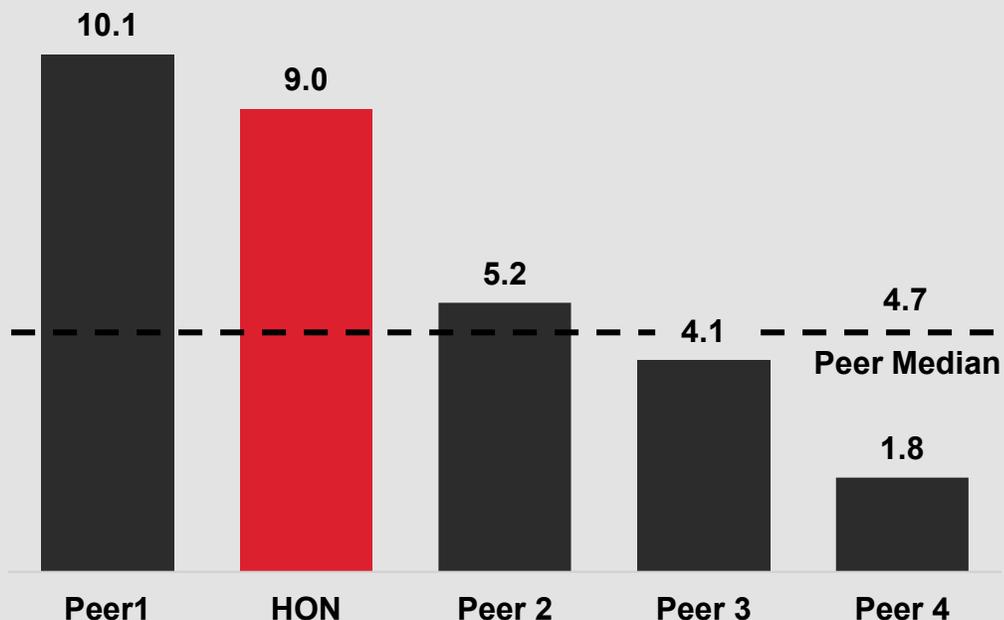
Strong Track Record of Driving Value / Growth

WORKING CAPITAL

RESULTS PROGRESSION

Above
Peer Median

2021 Working Capital Turns



COMMENTARY

1.9x
YoY Turns
Improvement

Working Capital Turns



Results

- Working capital improved 1.9 turns year-over-year
- Working capital initiatives helped drive FCF margin of 17%

2022 Focus Areas

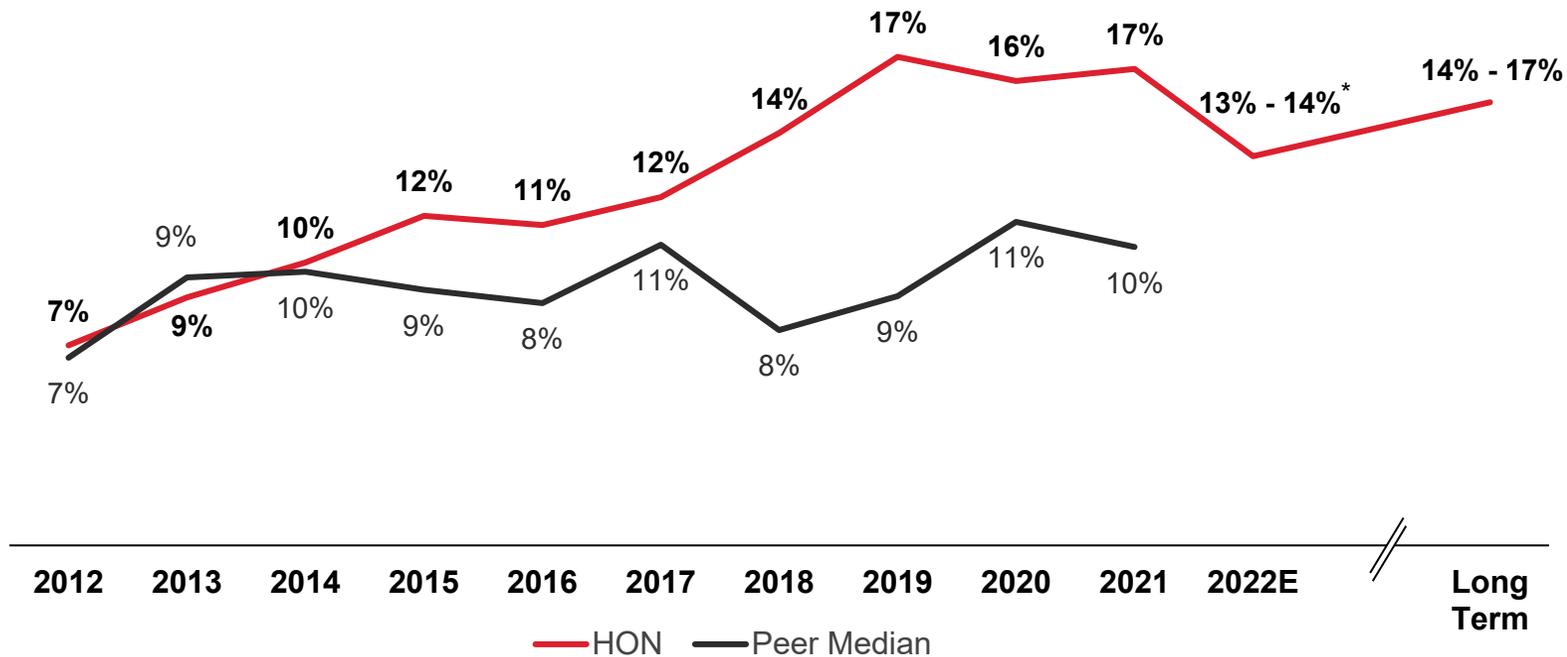
- Quote to cash end to end transformation will drive future improvements to collection efficiency and receivables
- Supply chain transformation to unlock further improvements in working capital; particularly in inventory

HON working capital turns calculated as annual sales divided by the average 13-month balance of working capital, defined as the sum of accounts receivable and inventory, net of accounts payable and customer advances. Source: Capital IQ. Peers include EMR, GE, ITW, and MMM.

Driving Improvements in Cash Flow Through Working Capital Rigor

FREE CASH FLOW PERFORMANCE

Adjusted FCF Margin



KEY POINTS

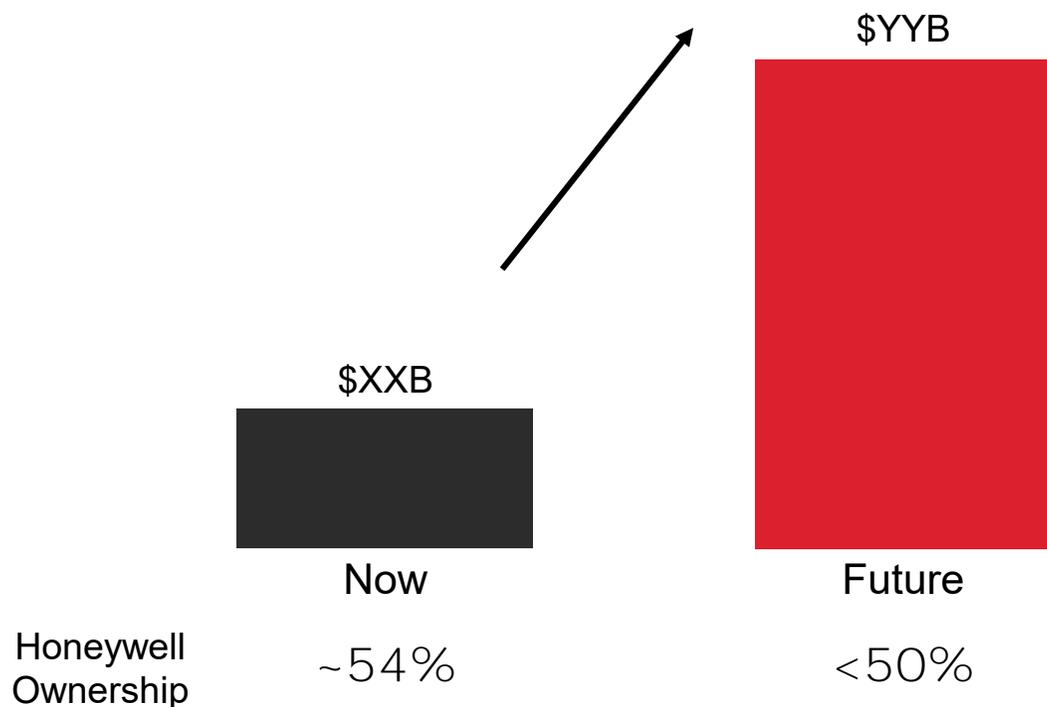
- Adjusted free cash flow margin has more than doubled in the past 10 years
- Supply chain transformation and Honeywell Digital enable working capital progress
- End-to-end value stream initiatives are the next leg of Honeywell Digital transformation
- Expecting long-term free cash flow margins in the mid-teens
- **Free cash flow is not the only source of future cash...**

*Substantial step up in growth capex in 2022 for growth investments
Peer group consists of the 16 compensation peers as defined in our 2021 proxy statement; Source: S&P Capital IQ.

Dramatically Improved Profile – Consistent Cash Generator

QUANTINUUM: POSITIONED TO BECOME INDEPENDENT

QUANTINUUM POTENTIAL VALUE



EYE TO THE FUTURE

- Our goal to bring Quantinum to the public market would position the company to:
 - Thrive as an independent company with the capitalization and investor profile it needs to reach its full growth potential
 - Continue to attract the best quantum talent and deploy capital consistent with a hyper-growth industry leader
- With Quantinum public, Honeywell would expect to deconsolidate through a combination of new investor dilution and potential monetization
 - Deconsolidation expected to remove near-term margin dilution and positively impact reported free cash flow
 - Opportunistically monetize Honeywell's stake over time to provide incremental capital for deployment
 - Quantinum will continue to represent a strategic investment for Honeywell as quantum computing will profoundly shape the future
- Demonstrates Honeywell's ability to successfully incubate an early-stage high-growth technology business, leveraging our Honeywell Ventures platform

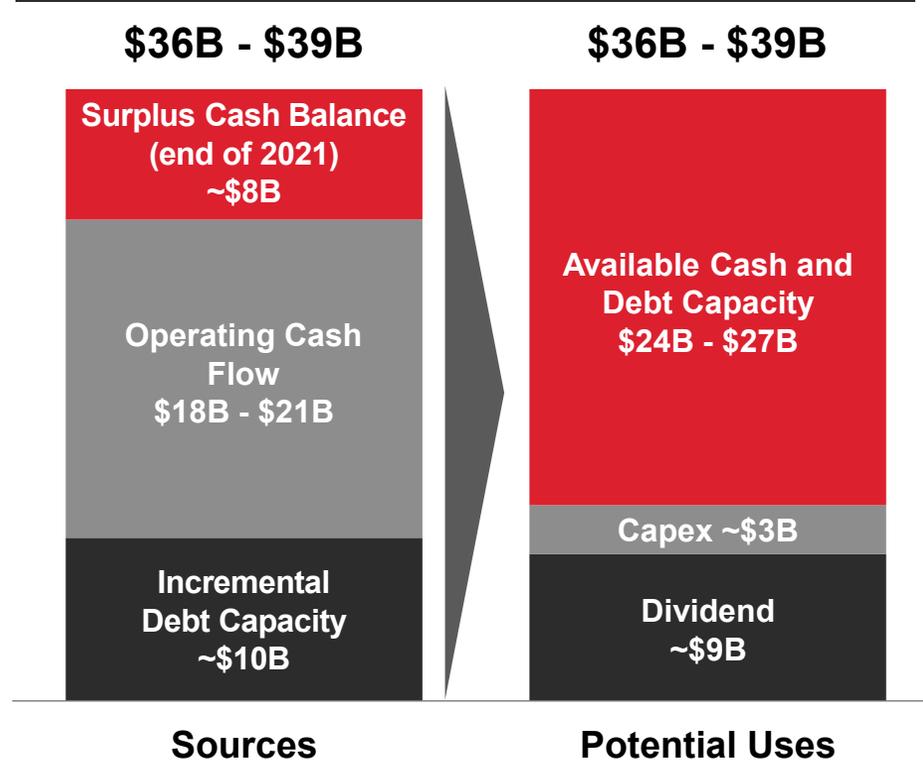
Opportunity to Unlock Tremendous Value for Shareholders

CAPITAL DEPLOYMENT STRATEGY

DEPLOYED CAPITAL IN EXCESS OF CASH FLOW



ROBUST 2022-2024 CAPITAL DEPLOYMENT CAPACITY



HIGHLIGHTS

Accelerated Deployment

- Consistently deploying capital in excess of cash flow
- Deployed \$2.6B in 2019 - 2021 to high return capital expenditures
- Repurchased \$11.5B in Honeywell shares between 2019 - 2021, reducing the weighted average share count by an average of over 2% per year

Well-Positioned for the Future

- Substantial ability to strategically deploy capital to M&A
- Maintain capacity to continue generating strong returns through share repurchases
- Dividend growth aligned with earnings growth

Committed to Deploy at least \$25B Over Next Three Years

2021 Capital Deployment includes a \$270M investment in Quantinum that is consolidated in our financial statements.

M&A FRAMEWORK

OBJECTIVES

M&A will continue to be an important part of our portfolio management program

- Evaluating and enhancing our current portfolio with a focus on growth and margin opportunities
- Proactive cultivation of targets across all areas of the business
- Disciplined process with a deal by deal focus to ensure we're delivering returns to all stakeholders

FRAMEWORK

- **Attractive bolt-ons to enhance existing offerings**
- **Technology / software assets that can scale within and across our businesses**
- **Attractive adjacencies that would benefit from our strengths; emphasis on lower cyclicity**
- **Review of areas that are no longer core to our long-term vision; active divestiture program**

KEY STRATEGIC CRITERIA

1. Expanding Core, Differentiated Platforms

2. Aligned to Long-Term Trends, including ESG

3. Enhancing Our Financial Profile

Ongoing Effort to Enhance Portfolio

SPARTA SYSTEMS ACQUISITION

STRATEGIC ASSESSMENT



2019 – 2021: Diversify to Growth Industry

- Digital transformation gaining momentum in biopharma and med tech manufacturing
- Global and sustainable growth in an essential, highly regulated industry
- Attractive space with clear right to play; relevant to multiple HON businesses (PMT, SPS, HBT)
- Market-leading eQMS, with SaaS and on-prem options and first-to-market AI / ML

Acquired Sparta Systems Feb 2021

IMMEDIATE SYNERGIES



2021: Ongoing Integration and Execution

- Several growth vectors including global expansion, co and cross-sell; HON adoption
- New offering with Automation products for Continuous Process Verification
- Measured integration playbook for assimilation (culture, people, product)
- Strong customer adoption
 - 38 new SaaS customers
 - 95% SaaS Gross Retention, 154% Net Retention (ARR)

Ahead of Plan / TVA

FUTURE OPPORTUNITY

>10%
Sales CAGR
2020 - 2022



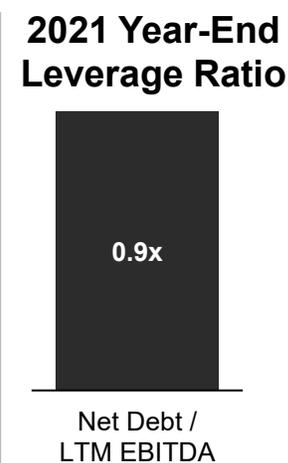
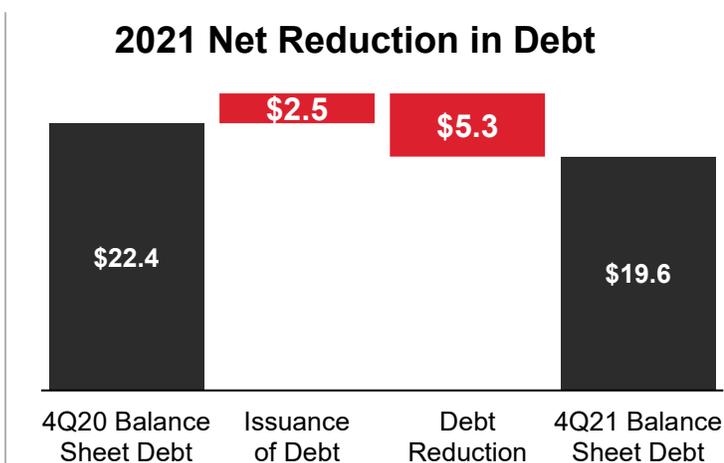
2021+ Drive Continued Growth and Build Connected Life Sciences

- Expanding presence and footprint globally (plan for >30% growth in headcount for 2022)
- Acquisition of Performix MES (2021)
- Unique in industry Connected Life Sciences play, including integrations with Cyber, Connected Buildings, Track and Trace, Advanced Materials, Industrial Controls, IoT
- Expanding set of relevant adjacencies, from R&D to post-market and care delivery

Sustained Double-Digit Growth

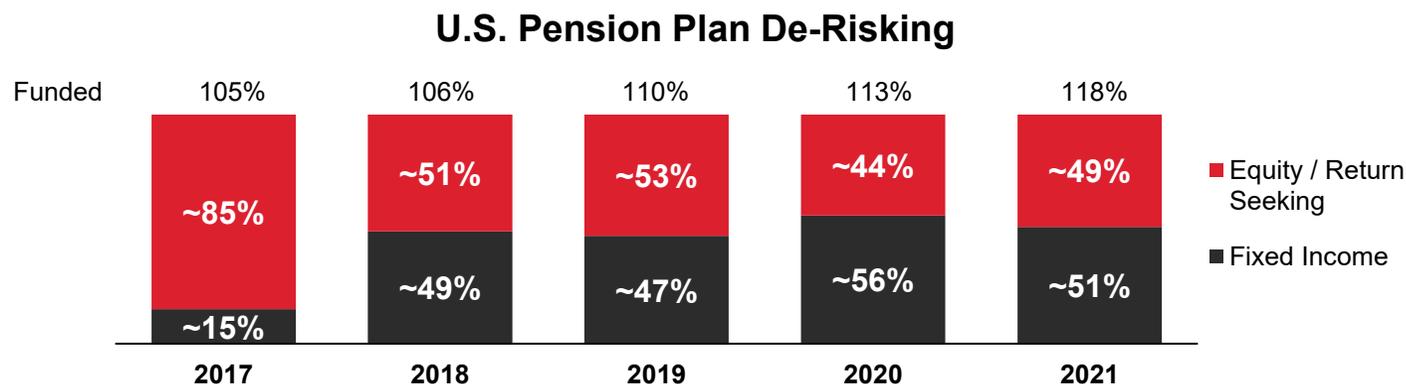
Accelerating Software Growth; Expected to Be Accretive to Earnings in 2022

BALANCE SHEET STRENGTH



KEY POINTS

- Premium, stable credit rating for over 20+ years
 - S&P: A
 - Moody's: A2
 - Fitch: A
- Leverage ratio allows flexibility to pursue bolt-on M&A
- Issued \$2.5B of bonds at attractive interest rates in 3Q21 ahead of anticipated rising rate environment
- Pension plan requires no funding
 - ~50% fixed income investments



Net debt is defined as balance sheet debt less cash and short-term investments.

Best In Class Balance Sheet with Reliable Credit

LONG-TERM FINANCIAL PLAN

4% - 7%
Organic Growth

- Recovery in core end markets and global GDP; big wins in breakthrough initiatives
- Software, services, and technology innovations in digitization, automation, and sustainability

40 - 60 bps
Segment Margin
Expansion per Year

- Tailwinds in higher margin businesses – Aerospace aftermarket, catalysts, building products
- Increasing software and services growth and mix
- Streamlined fixed cost base; supply chain and digital transformation benefits

Mid-Teens
Free Cash Flow Margin

- Honeywell Accelerator and transformation agenda continue to drive performance
- End-to-end value stream initiatives are the next leg of Honeywell Digital transformation

\$25B+
Capital Deployment
Over Next 3 Years

- Committed to upsized capital deployment over next 3 years
- Inorganic priority on M&A; \$4B share repurchases in 2022

Outstanding Long-Term Value Creation Algorithm

SUMMARY

- **Honeywell continues to execute in all economic environments**
- **Our rigorous operating system drives productivity and growth, while investing in the future**
- **We continue to generate strong cash flow to fuel capital deployment to high-return investments**
- **Confident in our ability to accelerate our financial algorithm, capital deployment**

Building on Strong Value Creation Track Record

Appendix



DARIUS ADAMCZYK

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Darius Adamczyk is Chairman and Chief Executive Officer of Honeywell, a leading software-industrial company that helps connect everything from aircraft, cars, buildings, manufacturing plants, supply chains, and workers to make our world smarter, safer, and more sustainable.

He was elected as Honeywell Chairman in April 2018. Before then, he was appointed as President and Chief Executive Officer in March 2017 after serving for a year as President and Chief Operating Officer. Darius' focus in these roles has been on accelerating Honeywell's organic growth, expanding margins, transforming the Company into a premier software-industrial, deploying capital effectively, and building a high-performance culture.

Darius joined the Company in 2008 when Metrologic, where he was serving as Chief Executive Officer, was acquired by Honeywell. He served as President of Honeywell Scanning and Mobility for four years, doubling the size of the business, before leading a turnaround over two years as President of Honeywell Process Solutions. In 2014, Darius was promoted to President and Chief Executive Officer of Honeywell Performance Materials and Technologies.

Before joining Honeywell, Darius held several leadership positions with Ingersoll Rand and Booz Allen Hamilton. He began his career as an electrical engineer at General Electric in 1988.

Born in Poland on February 8, 1966, Darius emigrated to the United States at age 11. He earned his MBA from Harvard University, a master's degree in computer engineering from Syracuse University, and a bachelor's degree in electrical and computer engineering from Michigan State University. Darius also completed the GE Edison Engineering Program, as well as numerous executive development courses at Wharton and Duke, among other institutions. He has received the Corporate Social Responsibility Award from the Foreign Policy Association as well as the John D. Ryder Electrical and Computer Engineering Alumni Award from Michigan State University. He was also named a "Best CEO" by Institutional Investor in its 2019 All-America Executive Team, and as a "Most Admired CEO" by Charlotte Business Journal in 2020.

Darius is Vice Chair of the U.S.-China Business Council, a member of the Business Roundtable Board of Directors, and a member of the Business Council and Aspen Economic Strategy Group. In addition, he was elected to the Board of Directors for Johnson & Johnson in 2022.



ANNE MADDEN

SENIOR VICE PRESIDENT, BUSINESS DEVELOPMENT AND GENERAL COUNSEL

Anne T. Madden became Senior Vice President and General Counsel for Honeywell in October 2017, where she has responsibility for the Company's global Legal function, which includes all global Legal matters, as well as oversight of global Compliance matters, global Government Relations, global Cyber and Physical Security, and Health, Safety, Environmental, Product Stewardship and Sustainability. Anne also served as Corporate Secretary from February 2018 to September 2019. In January 2020, Anne also regained responsibility for overseeing the Global M&A, Corporate Development and Ventures functions at Honeywell, which she led from 2002 to 2017. Anne also oversaw the operations of Honeywell Quantum Solutions (HQS), Honeywell's world leading quantum computing technology offering, from 2017 to 2021 and drove the recent merger between HQS and Cambridge Quantum to create the world's most advanced full stack quantum computing company, for which Anne serves on the Board of Directors. She is a member of the Honeywell senior leadership team and is a Company officer.

In 2002, Anne became Vice President, Corporate Development and Global Head of M&A for Honeywell, leading Honeywell's acquisition and divestiture activities on a global basis. During her over 15-year tenure in that role, Honeywell made over 100 acquisitions representing approximately \$15 billion in revenues and divested about 70 businesses representing \$9 billion of non-core revenues. Anne joined the former AlliedSignal in June 1996 as General Counsel, Fluorine Products. In December 1996, she became Vice President and General Counsel of Specialty Chemicals. In July 2000, she became Vice President and Deputy General Counsel, responsible for all of the legal affairs for Honeywell's Performance Materials and Technologies strategic business group.

Anne received Honeywell's Premier Achievement Award in 1997 and received Honeywell's Senior Leadership Award in 2005. She was recognized as a "Woman Worth Watching" by Profiles in Diversity Magazine in 2011 and again in 2019, received the NJ Biz "Best Fifty Women in Business" award in 2012, was named by Treasury and Risk Magazine as one of the Top Females in Finance in 2012, and was named a Chambers

General Counsel Global 100 Influencer in 2019. Anne is a member of the Association of General Counsel, a member of the Board of The Institute for Legal Reform and a member of The Council on Foreign Relations. Anne serves on the board of the Charlotte-Mecklenburg Police Foundation and has been selected as the 2021 Chair for the American Heart Association's Annual Charlotte Heart Ball.

Prior to joining Honeywell, Anne was in private practice at the New York law firm of Shearman & Sterling, focusing on M&A and Corporate Finance. Prior to joining Shearman & Sterling, Anne was an auditor in the Financial Services Group of KPMG Peat Marwick in New York.

Anne received an A.B. in English and American literature from Brown University, an M.S. in Accounting and an M.B.A. in Finance from the NYU Stern School of Business, and a J.D. from the Fordham University School of Law, where she was Managing Editor of the Law Review.

Anne and her husband Sean live in Charlotte, NC where Honeywell has its global headquarters. They have one daughter who is a college student in New York City.



QUE DALLARA

PRESIDENT AND CEO

HONEYWELL CONNECTED ENTERPRISE

Que Thanh Dallara is President and CEO of Honeywell Connected Enterprise (HCE), leading our efforts in software innovation, including IoT solutions, data analytics, and new business development. HCE brings together the best of Honeywell's heritage of invention with the potential of IoT technologies to solve our customers' toughest challenges.

She joined Honeywell in 2017 to lead the Commercial organization and help Honeywell grow faster than the market through the development and delivery of strategy, marketing, and sales practices. In 2018 she took on the HCE leadership role.

Prior to Honeywell, Que served in increasingly responsible roles at TE Connectivity, a \$12.2 billion global leader in connectivity and sensor solutions. Most recently, she served as Senior Vice President, Corporate Strategy and Analytics, where she led the strategic growth process, performance management of business units, and big data analytics. Prior to that, she was Vice President and General Manager of TE Connectivity's Managed Connectivity business, where she turned around and scaled up an incubator business in intelligent cabling systems. Earlier, Que was Vice President & General Manager of the Energy Americas business.

Before TE Connectivity, Que served Microsoft Corporation as Senior Director, Strategy, M&A, Integration, and Governance, for the Consumer Software and Services divisions. She drove strategies for Microsoft to enter mobile, search, online advertising, cloud services, and China. Que also held positions at itv|world, Telstra Corporation, and McKinsey & Company in Sydney, Australia.

Que earned a B.S. in Applied Mathematics and a Bachelor of Commerce, Finance, at the University of New South Wales, Australia. She earned an MBA at INSEAD in France. Que was named Business Insider's 2020 Top 100 People Transforming Business in North America and was named as part of the inaugural Forbes CEO Next 2021.



MIKE MADSEN

PRESIDENT AND CEO

HONEYWELL AEROSPACE

Mike Madsen became President and CEO of Honeywell Aerospace in October 2019. Based in Phoenix, Honeywell Aerospace products and services are found on virtually every commercial, defense and space aircraft, and its hardware and software solutions create more fuel efficient aircraft, more direct and on time flights, and safer skies and airports. Madsen has held a variety of executive roles over more than three decades in the business, leading multi billion dollar business units as well as global support functions. He is a change agent with a long track record of strong results in difficult environments and multiple disciplines.

Prior to his current role, he served as Vice President of Integrated Supply Chain for Aerospace with broad responsibility for the global supply chain and manufacturing facilities. Prior to that, he was President, Honeywell Aerospace Defense and Space, a business that serves original equipment manufacturer (OEM), aftermarket, military, government agency and commercial helicopter segments internationally. Before that, Madsen was Vice President of the Airlines Customer Business team within the Air Transport and Regional (AT&R) business. He advanced to that role after serving as Vice President for AT&R's Regional Aircraft and Aero Component business. Madsen's career at Honeywell started as an engine performance engineer in the Aerospace Engines business. Following this, he held a series of positions of increasing leadership responsibility in program management within Honeywell's Aerospace business. Madsen led development activities on a wide range of products ranging from solar dynamic power systems to cryogenic valves, launch vehicle actuation systems and aircraft pneumatic components. Madsen later served as a production program manager and product manager supporting Honeywell's aerospace components business, as well as Director of Program Management and Velocity Product Development for Honeywell's Business and General Aviation organization.

He earned his B.S. in aerospace engineering from Arizona State University and his M.B.A. from Duke University.



DOUG WRIGHT

PRESIDENT AND CEO

HONEYWELL BUILDING TECHNOLOGIES

In July 2021, Doug Wright was named President and CEO of Honeywell Building Technologies (HBT). HBT is a leader in the Internet of Things (IoT) and creates products, software and technologies found in more than 10 million buildings worldwide. Today, HBT is transforming the way buildings operate to help improve the quality of life.

Prior to being named to his current role, Doug was the President of HBT's global Fire & Security business. In that role, he was responsible for all operations, business strategy, P&L and growth for the Fire and Security business – efforts that work to keep people and places safer through integrated fire and security systems that provide early detection, enable a fast response, centralize decision making and that are easy to manage from anywhere.

Prior to joining Honeywell, Doug was Chief Executive Officer and Director for Source Photonics, an optical communications and compound semiconductor company serving datacom and telecom customers. While there, he led a business pivot toward hyperscale data centers, resulting in a doubling of revenue in just three years.

Previously, he worked for United Technologies as President of its Automation and Control Solutions business, leading a \$3 billion business covering building controls, fire and security technologies globally and led UTC's Fire & Security Asia Pacific organization as President. In that role, he led a \$1.5 billion business and executed more than 20 acquisitions in Asia, tripling revenues.

Doug also worked for Ingersoll Rand, holding multiple positions including President of its Asia Pacific Security Technologies team, Vice President and General Manager for Electronic Access Control, and Vice President and General Manager of its Vehicle Service Tool division. Early in his career at IR, he held roles across functions as a design engineer, business development manager, corporate strategy manager and M&A integration manager. In all, Doug worked for eight years in China across UTC and Ingersoll Rand.

Doug graduated with a Bachelor of Science in Mechanical Engineering from Virginia Tech and a Master of Business Administration from the University of North Carolina. He has been a licensed pilot since age 19.



VIMAL KAPUR

PRESIDENT AND CEO

PERFORMANCE MATERIALS AND TECHNOLOGIES

Vimal Kapur is President and CEO of Honeywell Performance Materials and Technologies (PMT), a business group that develops process technologies, automation solutions, advanced materials and industrial software that are transforming industries around the world. The business also delivers a portfolio of advanced solutions via Honeywell Connected Plant, which helps the company's industrial customers turn data into insight that enables plants to run more efficiently and reliably.

Vimal previously served for three years as President and CEO of Honeywell Building Technologies (HBT), a business with leading offerings that improve energy performance, air quality, and the safety and security of commercial buildings. Prior to Vimal's HBT leadership role, he served as President of Honeywell Process Solutions (HPS) where, in 2015, he led the business through an oil and gas downturn and positioned it to emerge as an even stronger competitor. Before that, Vimal was Vice President and General Manager of the Advanced Solutions line of business for HPS, where he built the foundation of a very strong software business.

Over a Honeywell career that has spanned more than three decades, Vimal has held several other key leadership positions, including Managing Director for Honeywell Automation India Limited (HAIL), where he led the former Automation and Control Solutions business. Vimal graduated from Thapar Institute of Engineering in Patiala, India, as an electronics engineer with a specialization in instrumentation.



GEORGE KOUTSAFTES

CHIEF OPERATING OFFICER

SAFETY AND PRODUCTIVITY SOLUTIONS

George Koutsaftes is Chief Operating Officer of Honeywell Safety and Productivity Solutions (SPS), an \$8 billion business with technologies that support the productivity and safety of more than half a billion workers worldwide.

Before his current role, George was President of Honeywell Advanced Materials (AM), a \$3 billion business that specializes in developing and manufacturing high-performance materials and solutions to address climate change, protect soldiers and law enforcement professionals, and drive productivity in the life science industry.

Prior to his role in AM, George led the Procurement function for Honeywell Performance Materials and Technologies, the parent group of AM and a global leader in providing advanced materials, process technologies and automation solutions. Prior to his procurement role, George was Global Business Director for the Refrigerants business in Fluorine Products. Before that role, he was the Vice President of Business Development and M&A for PMT, with responsibility for coordinating all acquisition, divestiture and JV activities for PMT.

George has more than 23 years of investment banking and financial management experience and has been a key player in transactions with over \$7 billion in aggregate value. Prior to joining Honeywell, George was a senior level M&A advisor working for Young and Partners, Eureka Capital Markets, and Arthur Andersen Corporate Finance.

George earned an M.B.A. in Finance (Beta Gamma Sigma) from Fordham University and a bachelor's of science degree in Accounting from Marist College. He is a Certified Public Accountant, is Six Sigma Green Belt Certified, and has held series 7 and 63 licenses. George is currently a member of Société de Chemie Industrielle-America and a member of the Association For Corporate Growth where he co-chairs quarterly Corporate Development Forums.



JEFF KIMBELL

SENIOR VICE PRESIDENT AND CHIEF COMMERCIAL OFFICER

Jeff Kimbell is Senior Vice President and Chief Commercial Officer.

In this role, he has broad responsibilities to drive organic growth by enhancing global sales and marketing capabilities.

Jeff has nearly three decades of leadership experience. Prior to joining Honeywell in 2019, Jeff served as a Partner in the Transformation Practice at McKinsey & Company, where he worked with companies facing operational and financial challenges and undergoing “good to great” transformations.

Before that, he was an Operating Partner at Silver Lake Partners, a global leader in technology and held a similar position at Cerberus Capital LP. Jeff started his career as a Manufacturing Team Manager and Engineering Project Manager at Procter & Gamble before becoming a strategy consultant at Bain & Company and holding executive roles at Dell EMC and Transamerica Corporation.

Jeff earned a B.S. in electrical engineering at Kansas State University and an M.B.A. at Dartmouth College.



SURESH VENKATARAYALU

CHIEF TECHNOLOGY OFFICER

Suresh Venkatarayalu is Chief Technology Officer (CTO).

In this role, Suresh is responsible for our end-to-end new product development and introduction processes, including efforts to develop new, breakthrough technologies and software for the Industrial Internet of Things. Suresh oversees Engineering, Research and Development functions as well as Honeywell Technology Solutions. He also serves as Vice President and Chief Technology Officer for Honeywell's Safety and Productivity Solutions (SPS) business group.

Suresh joined Honeywell in 1995 as a software engineer and systems analyst for Aerospace and then held a series of engineering and IT leadership positions. His previous roles included CTO for our former Automation and Control Solutions business group and President of Honeywell Technology Solutions where he was responsible for more than 50 percent of Honeywell's global technology design centers across India, China and the Czech Republic.

A graduate in computer science engineering from Bharathidasan University (India), Suresh has completed his post-graduation work in general management from the Indian Institute of Management in Kozhikode.



STEPHANE FYMAT

VICE PRESIDENT AND GENERAL MANAGER

URBAN AERIAL MOBILITY & UNMANNED AERIAL SYSTEMS

Stephane leads our unmanned aerial systems and urban air mobility business, which develops and integrates products uniquely addressing the emerging and disruptive segment of urban air taxis, unmanned cargo logistics and all types of unmanned aircraft.

Fymat joined Honeywell in 2017 and previously led the marketing and product management team at Honeywell's BendixKing business unit, Honeywell's avionics business for general aviation aircraft. Before joining Honeywell, he was founder and CEO of Smartplane, an advanced aerial mobility startup company. Fymat was also on the executive teams of Infracore and Passlogix, two growth stage Internet and cybersecurity companies. He also currently serves on the board of directors of The Perlan Project, which built a high-altitude glider and claimed the world altitude record for wing-borne flight.



TONY UTTLEY

PRESIDENT AND CHIEF OPERATING OFFICER

QUANTINUUM

Tony was President of Honeywell Quantum Solutions serving in that role since its inception. Previously, he was VP, GM for Honeywell's Residential Home Comfort Business. Before that role, Tony was the VP of Global Marketing & Strategy for Honeywell's Automation and Control Solutions (ACS) division. Prior to Honeywell, Tony was a Principal at Boston Consulting Group (BCG). For 10 years prior to BCG, he held management and engineering positions with NASA at the Johnson Space Center, Houston, Texas. Tony earned an MBA from the Kellogg School of Management, Northwestern University, and B.S. mechanical engineering from the University of Minnesota.



BEN OWENS

VICE PRESIDENT AND GENERAL MANAGER SUSTAINABLE TECHNOLOGY SOLUTIONS

Ben Owens is the Vice President and General Manager of Honeywell's Sustainable Technology Solutions (STS) business. The STS business is focused on developing offerings that address today's environmental, economic and social challenges through the development of innovations that meet the growing demand for sustainable technologies. Honeywell's solutions are paving the way for a lower carbon economy through processes and technologies that can efficiently recycle plastic waste, significantly improve energy storage, enable a hydrogen economy, lower the cost to capture and sequester carbon dioxide, and convert renewable feedstocks into cleaner-burning fuels.

Ben has been with Honeywell for 14 years and prior to his current role was the Vice President and General Manager of Honeywell UOP's Gas Processing business. In this role, Ben led the Gas Processing business to deliver offerings that ranged from pre-engineered modular units to highly integrated - multiple technologies units. These technologies enabled contaminant removal and natural gas liquids recovery to help maximize the value of gas streams.

Prior to this role, Ben was the Vice President and Chief Commercial Officer for Honeywell's Performance Materials & Technologies, a \$10B business group. In this role, he led the Honeywell Operating System focused on Strategy Development, New Product Development, Enterprise Information Management, Digital Marketing and Commercial Excellence. During his Honeywell career, Ben has held roles in Business Management, Strategic Marketing, Product Marketing and Operations Management.

Ben served as an Infantry officer in the United States Army and is a graduate of the United States Army Ranger School, its premier leadership school. Ben served overseas, leading American and foreign soldiers in combat operations, and was awarded the Bronze Star for meritorious service during Operation Iraqi Freedom.

Ben holds a Mechanical Engineering degree from the United States Military Academy, West Point and a Master's in Business Administration from the University of Texas at Austin. He is an Eagle Scout and volunteers with the Boy Scouts program that focusing on building character and citizenship.



EVAN VAN HOOK CHIEF SUSTAINABILITY OFFICER

Evan is Honeywell's Chief Sustainability Officer and a past recipient of Honeywell's Senior Leadership Award. He is a graduate of Yale Law School, and is both a former partner at the law firm Sidley & Austin and Assistant Commissioner of the New Jersey Department of Environmental Protection. He is on the Boards of NTESS, Veridi Parente and the Housatonic Valley Association. He has taught International Environmental Law at Columbia Law School and lectured at the United Nations ITR, and was a credentialed observer at UN FCCC COP 23 and COP 24. He has authored numerous articles on environmental topics, and is the co-author of *International Environmental Law: A Case Study Analysis* (Routledge 2019).



GAVIN TOWLER

VICE PRESIDENT AND CHIEF TECHNOLOGY OFFICER PERFORMANCE MATERIALS AND TECHNOLOGIES

Gavin Towler is the Vice President and Chief Technology Officer of Honeywell Performance Materials & Technologies (PMT) and also Vice President and Chief Technology Officer of Honeywell UOP. Honeywell PMT is a global leader in providing customers with high-performance specialty materials, process technologies and materials for petroleum refining, petrochemical production, and natural gas processing as well as products, services and solutions for industrial process automation.

Gavin has 30 years of broad experience of process and product design in the chemicals and fuels industries and has 77 US patents. He is co-author of “Chemical Engineering Design”, a textbook on process design, and is an Adjunct Professor at Northwestern University and the National University of Singapore, where he helps teach the senior design classes.

Gavin has a B.A. and M.Eng. in chemical engineering from Cambridge University and a Ph.D. from U.C. Berkeley. He is a Chartered Engineer and Fellow of the Institute of Chemical Engineers, a Fellow of the AIChE and a member of the United States National Academy of Engineering.



MIKE SPENCER

VICE PRESIDENT AND CHIEF FINANCIAL OFFICER

HONEYWELL CONNECTED ENTERPRISE

Mike Spencer is the Vice President and Chief Financial Officer (CFO) of Honeywell Connected Enterprise (HCE). He is responsible for all financial aspects of HCE across strategy, planning, operations, and investments. Mike also serves as a key member of the HCE leadership team in developing and implementing business plans to advance Honeywell's transformation into a premier software-industrial company. In addition, he facilitates the management operating system to drive financial performance.

Before joining Honeywell in early 2021, Mike spent nearly 15 years at Microsoft, serving in multiple capacities. For the last three years, he served as the General Manager of Investor Relations. He was responsible for relations, shareholder services, and communications with analysts and investors during this role. Before Investor Relations, Mike was the CFO and General Manager of Finance for the Office and Office 365 businesses after joining Microsoft from the Tellme Networks acquisition in 2007. In addition, he led the Tellme finance and accounting team post-acquisition for several years. Before his time at Microsoft, Mike worked in the data and telecommunications space in Silicon Valley.

Mike earned a bachelor's degree in finance from Marquette University and studied European business strategy and the European Union at the University of Antwerp in Belgium. When he isn't working, you can find him coaching Little League and Select ball teams or tending to his fruit trees, blueberry and raspberry patches, and vegetable garden. He resides in Atlanta, Georgia, with his wife and children.



JOHN WALDRON PRESIDENT AND CEO SAFETY AND PRODUCTIVITY SOLUTIONS

John Waldron is President and CEO of Honeywell Safety and Productivity Solutions (SPS).

The business's technologies support the productivity and safety of more than half a billion workers worldwide.

Previously, John has held roles with increasing responsibility at Honeywell, including President of Sensing and Productivity Solutions, President of Honeywell Scanning and Mobility (HSM) and Vice President and General Manager of the Americas for HSM.

Before then, as Vice President of Global Marketing for HSM, John was responsible for the overall direction and execution of the marketing function and served as Marketing Integration Leader for the acquisitions of Hand Held Products, Metrologic Instruments and EMS Technologies.

John began his career as an electrical engineer and then held several sales and marketing leadership positions in Honeywell Security Group and software industry.

John earned an MBA from the University of Notre Dame and a bachelor's degree in electrical engineering from the University of Dayton.



TORSTEN PILZ

SENIOR VICE PRESIDENT AND CHIEF SUPPLY CHAIN OFFICER

Torsten Pilz is Senior Vice President and Chief Supply Chain Officer.

Torsten has broad responsibilities for the integrated supply chain, including procurement and driving improvements in plant efficiency and working capital while continuing to enhance quality and delivery.

Prior to Honeywell, Torsten served as Vice President, Supply Chain, for SpaceX, where he was responsible for planning, purchasing, material management and logistics. He built and developed a team that supported dozens of launches a year as well as the development and production of the Falcon and Falcon Heavy Rockets, the Dragon Spacecraft and the SpaceX' satellite program. Prior to that, he served four years as Vice President, Worldwide Operations, at Amazon.

Before that, Torsten spent eight years at Henkel AG & Co. in a series of roles, culminating in his assignment as Senior Vice President, Global Operations, and Chief Executive Officer, Schwarzkopf & Henkel Production Europe GmbH. He also worked at Strategy& at PWC and Clariant AG.

Torsten earned B.S. and M.S. degrees, followed by a doctorate in chemical engineering at the Karlsruhe Institute of Technology in Germany.



TIM MAHONEY

SENIOR VICE PRESIDENT, ENTERPRISE TRANSFORMATION

Tim Mahoney is Senior Vice President of Enterprise Transformation.

In this role, he has responsibility for driving the digitization of Honeywell's core support functions and promoting common processes, data management and systems to better serve customers while operating more efficiently.

Tim has more than three decades of aerospace industry experience. Prior to his current role, he served 10 years as President and CEO of Honeywell Aerospace, a technology and services leader in three main sectors: Air Transport and Regional, Business and General Aviation and Defense and Space.

Previously, Tim served as President of the Business and General Aviation business and before that as President of the Air Transport and Regional business, where he strengthened customer relationships and development program execution on major systems for new aircraft platforms. Among other senior positions, Tim led the Aviation Aftermarket Services business and the Enterprise Resource Planning project. He joined Honeywell in 1997 after a 20-year career at United Technologies within the Sikorsky Aircraft division.

Tim earned a Bachelor of Science degree in mechanical engineering from the University of South Florida. He later graduated from the Defense Systems Management College and Harvard Business School's Program for Management Development.



SHEILA JORDAN

CHIEF DIGITAL TECHNOLOGY OFFICER

Sheila Jordan is Chief Digital Technology Officer for Honeywell. In this role, she is responsible for driving digital technology transformation across the company. She has broad oversight and responsibility for IT infrastructure and services, as well as expansion of software development in support of Honeywell's digital initiatives, go-to-market offerings, and the solution needs of its customers.

Before Honeywell, Sheila was Senior Vice President and Chief Information Officer at Symantec, where she was responsible for Symantec's IT strategy and operations. Prior to that, Sheila served as Senior Vice President of Communication and Collaboration IT at Cisco Systems. She also worked for Walt Disney World, where she held the position of Senior Vice President of Destination Disney.

Sheila is the recipient of multiple industry awards and recognitions, including a 2019 Women of Influence Award from Silicon Valley Business Journal. She was recognized as one of the Top 25 Women Leaders in Cybersecurity in 2019 by The Software Report and one of the Top 100 Women in Technology by Technology Magazine in 2021.

Sheila earned a bachelor's degree from the University of Central Florida and an MBA from the Florida Institute of Technology. She is on the Board of Directors for FactSet, a financial data and software company, and the CMS Foundation, the official nonprofit partner for Charlotte-Mecklenburg Schools in North Carolina.

Sheila is also the 2021-2022 Co-Chair of the American Heart Association's Charlotte Go Red for Women and the author of a book called *You Are NOT Ruining Your Kids: A Positive Perspective on the Working*



GREG LEWIS

SENIOR VICE PRESIDENT AND CHIEF FINANCIAL OFFICER

Greg Lewis is Senior Vice President and Chief Financial Officer (CFO) of Honeywell. Since joining Honeywell in 2006, Greg has held a series of finance leadership roles. Prior to becoming CFO, he was Vice President of Corporate Finance, where he led Treasury, Tax, Audit, Business Analysis and Planning, Investor Relations, M&A, Real Estate, Pension, Finance Operations and Enterprise Information Management (EIM). He focused on building a culture of managing data and information as a strategic asset.

Upon joining Honeywell, he first served as CFO of the former Specialty Products unit within Performance Materials and Technologies (PMT). Subsequently, he served as Vice President of Business Analysis and Planning (BAP), CFO for Honeywell Process Solutions (HPS) and then CFO for the Automation and Control Solutions (ACS) segment.

With a broad background in financial leadership across multiple industries, Greg began his career at Kraft Foods in 1991 and went on to roles at The Stanley Works and Tyco International.

Greg holds a master's degree in business administration from Fordham University and a bachelor's degree in finance from the University of Connecticut. He also is Six Sigma Green Belt Certified.

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

(\$M)	2014	2015	2016	2017	2018	2019	2020	2021	1Q21
Segment Profit	\$6,696	\$7,256	\$7,186	\$7,690	\$8,190	\$7,739	\$6,665	\$7,212	\$1,775
Stock compensation expense ⁽¹⁾	(187)	(175)	(184)	(176)	(175)	(153)	(168)	(217)	(77)
Repositioning, Other ^(2,3)	(590)	(569)	(674)	(962)	(1100)	(598)	(641)	(636)	(155)
Pension and other postretirement service costs ⁽⁴⁾	(297)	(274)	(277)	(249)	(210)	(137)	(160)	(159)	(34)
Operating income	<u>\$5,622</u>	<u>\$6,238</u>	<u>\$6,051</u>	<u>\$6,303</u>	<u>\$6,705</u>	<u>\$6,851</u>	<u>\$5,696</u>	<u>\$6,200</u>	<u>\$1,509</u>
Segment profit	\$6,696	\$7,256	\$7,186	\$7,690	\$8,190	\$7,739	\$6,665	\$7,212	\$1,775
÷ Net sales	<u>\$40,306</u>	<u>\$38,581</u>	<u>\$39,302</u>	<u>\$40,534</u>	<u>\$41,802</u>	<u>\$36,709</u>	<u>\$32,637</u>	<u>\$34,392</u>	<u>\$8,454</u>
Segment profit margin %	<u>16.6%</u>	<u>18.8%</u>	<u>18.3%</u>	<u>19.0%</u>	<u>19.6%</u>	<u>21.1%</u>	<u>20.4%</u>	<u>21.0%</u>	<u>21.0%</u>
Operating income	\$5,622	\$6,238	\$6,051	\$6,303	\$6,705	\$6,851	\$5,696	\$6,200	\$1,509
÷ Net sales	<u>\$40,306</u>	<u>\$38,581</u>	<u>\$39,302</u>	<u>\$40,534</u>	<u>\$41,802</u>	<u>\$36,709</u>	<u>\$32,637</u>	<u>\$34,392</u>	<u>\$8,454</u>
Operating income margin %	<u>14.0%</u>	<u>16.2%</u>	<u>15.4%</u>	<u>15.6%</u>	<u>16.0%</u>	<u>18.7%</u>	<u>17.5%</u>	<u>18.0%</u>	<u>17.8%</u>

(1) Amounts included in Selling, general and administrative expenses.

(2) Includes repositioning, asbestos, environmental expenses, equity income adjustment, and other charges. For the twelve months ended December 31, 2021, other charges include \$105 million of incremental long-term contract labor cost inefficiencies due to severe supply chain disruptions (attributable to the COVID-19 pandemic) relating to the warehouse automation business within the Safety and Product Solutions segment. These costs include incurred amounts and provisions for anticipated losses recognized during the fourth quarter when total estimated costs at completion for certain of the business' long-term contracts exceeded total estimated revenue. These certain costs represent unproductive labor costs due to unexpected supplier delays and the resulting downstream installation issues, demobilization and remobilization of contract workers, and resolution of contractor disputes.

(3) Amounts included in Cost of products and services sold, Selling, general and administrative expenses, and Other income/expense.

(4) Amounts included in Cost of products and services sold and Selling, general and administrative expenses.

We define segment profit as operating income, excluding stock compensation expense, pension and other postretirement service costs, and repositioning and other charges. 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 segment profit, on an overall Honeywell basis, to operating income has not been provided for all forward-looking measures of segment profit and segment margin included herewithin. Management cannot reliably predict or estimate, without unreasonable effort, the impact and timing on future operating results arising from items excluded from segment profit. 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 segment profit to operating income will be included within future filings.

CALCULATION OF SEGMENT PROFIT EXCLUDING SPIN-OFF IMPACT AND SEGMENT MARGIN EXCLUDING SPIN-OFF IMPACT

<i>(\$M)</i>	<u>2018</u>
Segment Profit	\$8,190
Spin-off Impact ⁽¹⁾	<u>(1,011)</u>
Segment profit excluding spin-off impacts	<u><u>7,179</u></u>
Sales	\$41,802
Spin-off Impact ⁽¹⁾	<u>(6,551)</u>
Sales excluding spin-off impacts	<u><u>35,251</u></u>
Segment margin excluding spin-off impacts	<u><u>20.4%</u></u>

- (1) Amount computed as the portion of Aerospace and Honeywell Building Technologies segment profit and sales in the applicable prior year period for Transportation Systems and Homes and Global Distribution spin-off businesses.

RECONCILIATION OF ORGANIC SALES PERCENT CHANGE

Honeywell	2014	2015	2016	2017	2018	2019	2020	2021
Reported sales % change	3%	(4%)	2%	3%	3%	(12%)	(11%)	5%
Less: Foreign currency translation	-	(4%)	(1%)	-	1%	(1%)	-	1%
Less: Acquisitions, divestitures and other, net	-	-	4%	(1%)	(4%)	(16%)	-	-
Organic sales % change	<u>3%</u>	<u>0%</u>	<u>(1%)</u>	<u>4%</u>	<u>6%</u>	<u>5%</u>	<u>(11%)</u>	<u>4%</u>

We define organic sales percent 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.

We define Organic sales growth excluding COVID-driven mask sales as Organic sales growth excluding any sales attributable to COVID-driven mask sales. We believe Organic sales growth excluding COVID-driven mask sales 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 CASH PROVIDED BY OPERATING ACTIVITIES TO ADJUSTED FREE CASH FLOW, CALCULATION OF ADJUSTED FREE CASH FLOW CONVERSION, CALCULATION OF ADJUSTED FREE CASH FLOW MARGIN

(\$M)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Cash provided by operating activities	\$3,517	\$4,335	\$5,080	\$5,519	\$5,498	\$5,966	\$6,434	\$6,897	\$6,208	\$6,038
Expenditures for property, plant and equipment	(884)	(947)	(1,094)	(1,073)	(1,095)	(1,031)	(828)	(839)	(906)	(895)
Garrett cash receipts	-	-	-	-	-	-	-	-	-	586
Free cash flow	2,633	3,388	3,986	4,446	4,403	4,935	5,606	6,058	5,302	5,729
Separation cost payments	-	-	-	-	-	-	424	213	-	-
Adjusted free cash flow	<u>\$2,633</u>	<u>\$3,388</u>	<u>\$3,986</u>	<u>\$4,446</u>	<u>\$4,403</u>	<u>\$4,935</u>	<u>\$6,030</u>	<u>\$6,271</u>	<u>\$5,302</u>	<u>\$5,729</u>
Net income attributable to Honeywell	\$2,926	\$3,922	\$4,262	\$4,771	\$4,812	\$1,545	\$6,765	\$6,143	\$4,779	\$5,542
Pension mark-to-market expense ⁽¹⁾	627	38	179	43	215	67	28	94	33	30
Debt refinancing expense ⁽¹⁾	-	-	-	-	93	-	-	-	-	-
Separation costs, includes net tax impacts	-	-	-	-	-	14	732	-	-	-
U.S. Tax Reform	-	-	-	-	-	3,891	(1,494)	(281)	-	-
Separation related tax adjustment	-	-	-	-	-	-	-	-	(186)	-
Garrett related adjustment ⁽²⁾	-	-	-	-	-	-	-	-	427	7
Gain on Sale of Retail Footwear Business	-	-	-	-	-	-	-	-	-	(76)
Changes in fair value for Garrett equity securities	-	-	-	-	-	-	-	-	-	(19)
UOP Matters	-	-	-	-	-	-	-	-	-	160
Adjusted net income attributable to Honeywell	<u>\$3,553</u>	<u>\$3,960</u>	<u>\$4,441</u>	<u>\$4,814</u>	<u>\$5,120</u>	<u>\$5,517</u>	<u>\$6,031</u>	<u>\$5,956</u>	<u>\$5,053</u>	<u>\$5,644</u>
Cash provided by operating activities	\$3,517	\$4,335	\$5,080	\$5,519	\$5,498	\$5,966	\$6,434	\$6,897	\$6,208	\$6,038
÷ Net income attributable to Honeywell	\$2,926	\$3,922	\$4,262	\$4,771	\$4,812	\$1,545	\$6,765	\$6,143	\$4,779	\$5,542
Operating cash flow conversion	<u>120%</u>	<u>111%</u>	<u>119%</u>	<u>116%</u>	<u>114%</u>	<u>386%</u>	<u>95%</u>	<u>112%</u>	<u>130%</u>	<u>109%</u>
Adjusted free cash flow	\$2,633	\$3,388	\$3,986	\$4,446	\$4,403	\$4,935	\$6,030	\$6,271	\$5,302	\$5,729
÷ Adjusted net income attributable to Honeywell	\$3,553	\$3,960	\$4,441	\$4,814	\$5,120	\$5,517	\$6,031	\$5,956	\$5,053	\$5,644
Adjusted free cash flow conversion %	<u>74%</u>	<u>86%</u>	<u>90%</u>	<u>92%</u>	<u>86%</u>	<u>89%</u>	<u>100%</u>	<u>105%</u>	<u>105%</u>	<u>102%</u>
Cash provided by operating activities	\$3,517	\$4,335	\$5,080	\$5,519	\$5,498	\$5,966	\$6,434	\$6,897	\$6,208	\$6,038
+ Net Sales	\$37,665	\$39,055	\$40,306	\$38,581	\$39,302	\$40,534	\$41,802	\$36,709	\$32,637	\$34,392
Operating cash flow margin %	<u>9%</u>	<u>11%</u>	<u>13%</u>	<u>14%</u>	<u>14%</u>	<u>15%</u>	<u>15%</u>	<u>19%</u>	<u>19%</u>	<u>18%</u>
Adjusted free cash flow	\$2,633	\$3,388	\$3,986	\$4,446	\$4,403	\$4,935	\$6,030	\$6,271	\$5,302	\$5,729
+ Net Sales	\$37,665	\$39,055	\$40,306	\$38,581	\$39,302	\$40,534	\$41,802	\$36,709	\$32,637	\$34,392
Adjusted free cash flow margin %	<u>7%</u>	<u>9%</u>	<u>10%</u>	<u>12%</u>	<u>11%</u>	<u>12%</u>	<u>14%</u>	<u>17%</u>	<u>16%</u>	<u>17%</u>

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RECONCILIATION OF CASH PROVIDED BY OPERATING ACTIVITIES TO ADJUSTED FREE CASH FLOW, CALCULATION OF ADJUSTED FREE CASH FLOW CONVERSION, CALCULATION OF ADJUSTED FREE CASH FLOW MARGIN (CONTINUED)

- (1) Pension mark-to-market uses a blended tax rate of 35%, 25.5%, 28.1%, 36.1%, 21.3%, 23%, 24%, 24%, 25%, and 25% for 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, and 2021, respectively. Debt refinancing expense uses a tax rate of 26.5%.
- (2) For the twelve months ended December 31, 2021, the adjustment was \$7 million net of tax due to a non-cash charge associated with a further reduction in value of reimbursement receivables following Garrett's emergence from bankruptcy on April 30, 2021. For the twelve months ended December 31, 2020, adjustment was \$427 million net of tax due to the non-cash charges associated with the reduction in value of reimbursement receivables due from Garrett, net of proceeds from settlement of related hedging transactions.

We define free cash flow as cash provided by operating activities less cash expenditures for property, plant and equipment plus cash receipts from Garrett. We define adjusted free cash flow conversion as adjusted free cash flow divided by adjusted net income attributable to Honeywell. We define adjusted free cash flow margin as adjusted free cash flow divided by net sales.

We believe that free cash flow is a non-GAAP metric 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 metric 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. For forward looking information, we do not provide cash flow conversion guidance on a GAAP basis as management cannot reliably predict or estimate, without unreasonable effort, the pension mark-to-market expense and the changes in fair value for Garrett equity securities. Pension mark-to-market is dependent on macroeconomic factors, such as interest rates and the return generated on invested pension plan assets. Based on economic and industry conditions, future developments and other relevant factors, these assumptions are subject to change. Changes in fair value for Garrett equity securities cannot be forecasted due to the inherent nature of changing conditions in the overall market.

RECONCILIATION OF EPS TO ADJUSTED EPS

	2018	2019	2020	2021	1Q21	1Q22E	2022E
Earnings (loss) per share of common stock - assuming dilution (EPS) ⁽¹⁾	\$ 8.98	\$ 8.41	\$ 6.72	\$ 7.91	\$ 2.03	\$1.80 - \$1.90	\$8.40 - \$8.70
Pension mark-to-market expense ⁽²⁾	\$ 0.04	\$ 0.13	\$ 0.04	\$ 0.05	-	No Forecast	No Forecast
Separation related tax adjustment ⁽³⁾	-	-	(0.26)	-	-	-	-
Changes in fair value for Garrett equity securities ⁽⁴⁾	-	-	-	(0.03)	-	-	-
Garrett related adjustment ⁽⁵⁾	-	-	0.60	0.01	-	-	-
Impacts from U.S. Tax Reform	(1.98)	(0.38)	-	-	-	-	-
Gain of sale of retail footwear business ⁽⁶⁾	-	-	-	(0.11)	(0.11)	-	-
Expense related to UOP Matters ⁽⁷⁾	-	-	-	0.23	-	-	-
Separation Costs ⁽⁸⁾	0.97	-	-	-	-	-	-
Adjusted earnings per share of common stock - assuming dilution	\$ 8.01	\$ 8.16	\$ 7.10	\$ 8.06	\$ 1.92	\$1.80 - \$1.90	\$8.40 - \$8.70
Less: EPS, attributable to spin-offs	\$ 0.62	-	-	-	-	-	-
Adjusted earnings per share of common stock - assuming dilution, excluding spin-off impact	\$ 7.39	\$ 8.16	\$ 7.10	\$ 8.06	\$ 1.92	\$1.80 - \$1.90	\$8.40 - \$8.70

- (1) For the twelve months ended December 31, 2021, 2020, 2019 and 2018, adjusted earnings per share utilizes weighted average shares of approximately 700.4 million, 711.2 million, 730.3 million and 753.0 million. For the three months ended March 31, 2021, adjusted earnings per share utilizes weighted average shares of approximately 704.5 million. For the three months ended March 31, 2022 and twelve months ended December 31, 2022, expected earnings per share utilizes weighted average shares of approximately 697 million and 693 million, respectively.
- (2) Pension mark-to-market expense uses a blended tax rate of 24%, 24%, 25%, and 25% in 2018, 2019, 2020, and 2021.
- (3) For the twelve months ended December 31, 2020, separation-related tax adjustment of \$186 million (\$186 million net of tax) includes the favorable resolution of a foreign tax matter related to the spin-off transactions.
- (4) For the twelve months ended December 31, 2021, the adjustment was \$19 million net of tax due to changes in fair value for Garrett equity securities.
- (5) For the twelve months ended December 31, 2021, the adjustment was \$7 million net of tax due to a non-cash charge associated with a further reduction in value of reimbursement receivables following Garrett's emergence from bankruptcy on April 30, 2021. For the twelve months ended December 31, 2020, the adjustment was \$427 million net of tax due to the non-cash charges associated with the reduction in value of reimbursement receivables due from Garrett, net of proceeds from settlement of related hedging transactions.
- (6) For the twelve months ended December 31, 2021, the adjustment was \$76 million net of tax due to the gain on sale of the retail footwear business. For the three months ended March 31, 2021, the adjustment was \$72 million net of tax due to the gain on sale of the retail footwear business.
- (7) For the twelve months ended December 31, 2021, the adjustment was \$160 million with no tax benefit due to an expense related to UOP matters.
- (8) For the twelve months ended December 31, 2018, separation costs of \$732 million including net tax impacts.

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 and the changes in fair value for Garrett equity securities. Pension mark-to-market expense is dependent on macroeconomic factors, such as interest rates and the return generated on invested pension plan assets. Based on economic and industry conditions, future developments and other relevant factors, these assumptions are subject to change. Changes in fair value for Garrett equity securities cannot be forecasted due to the inherent nature of changing conditions in the overall market.

RECONCILIATION OF CASH PROVIDED BY OPERATING ACTIVITIES TO FREE CASH FLOW, FREE CASH FLOW TO FREE CASH FLOW EXCLUDING QUANTINUUM

<i>(\$B)</i>	2022E
Cash provided by operating activities	~\$5.7-\$6.1
Expenditures for property, plant and equipment	~(1.2)
Garrett cash receipts	<u>0.2</u>
Free Cash Flow	~\$4.7 - \$5.1
Free Cash flow attributable to Quantinum	<u>~0.2</u>
Free cash flow excluding Quantinum	<u><u>~4.9 - \$5.3</u></u>

We define free cash flow as cash provided by operating activities less cash expenditures for property, plant and equipment plus cash receipts from Garrett. We define free cash flow excluding Quantinum as free cash flow less free cash flow attributable to Quantinum.

We believe that free cash flow and free cash flow excluding Quantinum are non-GAAP metrics that are 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 metric 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 INCOME BEFORE TAXES TO EBITDA

<i>(\$M)</i>	2021
Income Before Taxes	\$7,235
Interest and other financial charges	343
Interest income	102
Depreciation and amortization	1,223
EBITDA	<u>\$8,903</u>

We define EBITDA as Income before taxes adjusted for Interest and other financial charges, Interest income and Depreciation and amortization.

We believe that EBITDA is a measure useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.

Honeywell