

Conference Title: BROA001_051424k -HONEYWELL INTERNATIONAL INC. Annual Meeting

Date: Tuesday, 14th May 2024

Operator: Welcome to Honeywell's Virtual Shareowner Meeting. Please note that this webcast will be recorded and will consist of copyrighted material. You may not record or rebroadcast these materials without the Company's consent. I will now turn the call over to the Honeywell team.

Anne Madden: Good morning and welcome to Honeywell's 2024 Annual Meeting of Shareowners. This is Anne Madden, senior vice president and general counsel of the Company. I hereby call this meeting to order. Proper notice of the date and time of the meeting has been given to all shareowners as of the record date. On the line, we have each of our director nominees, our Executive Chairman Darius Adamczyk, our Chief Executive Officer, and Director Vimal Kapur, our current Lead Director Scott Davis, retired Chairman and CEO of UPS. Our incoming Lead Director William Ayer, retired Chairman and CEO of Alaska Air Group. Duncan Angove, CEO of Blue Yonder Group, Kevin Burke, retired Chairman, President, and CEO of Consolidated Edison, Deborah Flint, President and CEO of the Greater Toronto Airports Authority. Mike Lamach, retired Chairman and CEO of Trane Technologies. Rose Lee, President and CEO of Cornerstone Building Brands. Grace Lieblein, former Vice President, Global Quality of General Motors. Robin Washington, former Executive Vice President and Chief Financial Officer of Gilead Sciences and Robin Watson, former CEO of John Wood Group PLC.

Members of our senior leadership team and representatives of Deloitte, our independent auditor, are also on the line. Jim Raitt from American Election Services and Sid Rodrigue from Broadridge have been appointed as inspectors of election for the meeting and have joined the meeting. They have certified that enough shares of common stock are present or represented by proxy, at today's meeting, to constitute a quorum for the transaction of business. Therefore, I now declare the meeting properly convened for consideration of the items of business set forth in the Proxy Statement.

The agenda for this meeting appears on your screen, and you can access the Rules of Conduct by clicking the link at the bottom right-hand corner of the screen. For those who wish to vote during the meeting, the polls will open for one minute, shortly after all proposals have been presented. Questions submitted in advance of the meeting that relate to one of the proposals to be voted on during the business portion of the meeting, will be addressed when the proposal is presented. There will also be a question-and-answer period at the end of the meeting. We will use that time to answer general questions submitted by our shareowners. To submit a question during the meeting, please use the text box on the virtual meeting portal. When submitting questions, please include your name and your email address. With that, I will turn the call over to our Executive Chairman, Darius Adamczyk and our CEO, Vimal Kapur, for opening remarks.

Darius Adamczyk: Thank you and good morning, everyone. The Board of Directors and I would like to welcome you to our Annual Meeting of Shareowners. I'm glad that you could all join us today. This is my last annual meeting before I conclude my tenure as Chairman of the Board next month. Looking back, 2023 was a year marked by strong growth and continued innovation across our business segments that will position us to lead for decades to come. Our progress this year further builds on a transformation that has occurred during my time at Honeywell, as we digitized and refined to become a resilient integrated operating company.

In 2023, we continued to deliver on our commitments to the market as we met or exceeded our original full year guidance, including full year sales increasing 3% or 4% on an organic basis. In addition, our operating income grew 10% with operating margin expansion of 120 basis points, and we achieved 8% growth in segment profit with 100 basis points of segment margin expansion. Our backlog also maintained record levels, ending 2023, up 8% at \$31.8 billion dollars. These strong results were achievable in large part because of the digital transformation we drove over the years that culminated in Vimal's realignment of our portfolio to three powerful megatrends: automation, the future of aviation and energy transition. Since then, we've

accelerated organic sales growth as well as inorganic capital deployment, enabling us to create greater value for you, our shareowners.

Honeywell's 2023 success has been underpinned by several additional factors, including our high-performance culture, our Honeywell Accelerator operating system, and of course, our innovative technologies and solutions that continue to drive our performance against our own goals and guidance. Vimal is approaching his first anniversary as Honeywell CEO, and he will succeed me as Chairman of the Board on June 7. I'm highly confident he will take Honeywell to the next level. He has been successful in every business he has run over his last three-plus decades at Honeywell and will undoubtedly achieve the same as he takes on the additional role of chairman. With that, I'm going to turn things over to Vimal and as always, I want to thank you for continuing to invest in Honeywell.

Vimal Kapur: Good morning, everyone, and thank you, Darius. I'm excited to continue to lead Honeywell and excited about our future. Before we look at what's ahead. I must first thank Darius for his tremendous leadership and vision. The transformation he led has helped shape Honeywell into the integrated operating company we are today, and I'm honored to continue this work. As we look ahead to the remainder of 2024, our strategy continues to be supported by alignment of our portfolio to our megatrends that we announced last October. Every decision we have made since, has been guided by that strategy. For example, our planned acquisition of Carrier's Global Access Solution business and Civitanavi System aligned to our commitment to deploy at least \$25 billion towards acquisitions, dividend, capital expenditures and share buyback through 2025.

We are committed to accelerating organic growth, driving innovation, optimizing our portfolio through further strategic capital deployment, and ultimately unlocking shareowner value. From new product innovations and the monetization of our vast install base to leveraging our local-for-local approach in high growth regions, there are countless opportunities ahead to continue enhancing our performance in alignment with our long-term growth strategy. Honeywell's future is

bright, and I'm incredibly optimistic about what's ahead. As we keep our high-performance journey going, our success is powered by our dedicated global team of 95,000 futureshapers who continuously execute on our goals and share my passion for serving our customers, strengthening our business, and growing shareholder value. I'm very confident that Honeywell will continue to outperform expectations, and I hope you're as excited as I am about what the future holds. Thank you again to Darius and our Board of Directors for their leadership and to you, our shareowners, for continuing to own our stock and support Honeywell as we move forward. I will now turn things back over to Darius.

Darius Adamczyk: Thanks, Vimal. Let's now proceed to the business of our meeting. The proposals we will vote on are fully described in our 2024 Proxy Statement. There are three management proposals to be voted on. The first proposal is the election of directors. The Proxy Statement contains information relating to the 12 nominees standing for election. The Board of Directors has recommended a vote for each of the 12 nominees. Anne, did we receive any questions or comments related to this proposal?

Anne Madden: No. We did not.

Darius Adamczyk: The second proposal is an Advisory Vote to Approve Executive Compensation. The Board of Directors has recommended a vote for this proposal. Anne, did we receive any questions or comments related to this proposal?

Anne Madden: No. We did not.

Darius Adamczyk: The third proposal is an Advisory Vote to approve the Audit Committee's Appointment of Deloitte & Touche LLP as the Company's independent accountants for 2024. The Board of Directors has recommended a vote for this proposal. Anne, did we receive any questions or comments related to this proposal?

Anne Madden: No. We did not.

Darius Adamczyk: We now move to one shareowner proposal that we received. The shareowner proposal is titled Independent Board Chairman. This proposal was submitted by Mr. Chevedden who will present the proposal. Mr. Chevedden will have three minutes to present the proposal. Operator, could you please open Mr. Chevedden's line?

Operator: The line is now open. Mr. Chevedden, please proceed.

John Chevedden: Hello, this is John Chevedden. Proposal for Independent Board Chairman. Shareowners request that the Board of Directors adopt an enduring policy and amend the governing documents in order that two separate people hold the office of the Chairman and the office of the CEO. Whenever possible, the Chairman of the Board shall be an Independent Director. Although it is best practice to adopt this proposal soon, this policy could be phased in when there is a contract renewal for our current CEO or for the next CEO transition. The roles of chairman and CEO are fundamentally different and should be held by two directors, a CEO and a chairman who is completely independent of the CEO and our company.

The job of the CEO is to manage the company. The job of the chairman is to oversee the CEO. This proposal topic won 52% support at Boeing and 54% support at Baxter International. Boeing then adopted this proposal topic. This proposal also won 44% support at the 2023 Honeywell Annual Meeting. The 44% support is all the more impressive because the 2023 proposal was not properly reproduced in the proxy by Honeywell. Plus, the Board of Directors put their hand on the scale and used shareholder money to distribute glossy advertising style materials to shareholders opposing the 2023 proposal, and it still got 44% support.

It is important to remember that it took much more Honeywell shareholder conviction based on the merits, to vote for this proposal topic in 2023, than to simply go along with the advice of the Honeywell Board of Directors. And Honeywell did not have the best choice for lead director. The outgoing Honeywell lead director, Mr. Scott Davis, with 18 years Honeywell director tenure, violates the most important attribute of a lead director, independence. As director tenure goes up, director independence goes down and Mr. Davis received the most against votes of any Honeywell director in 2022 and 2023. The ascending complexities of a conglomerate with \$130 billion in market capitalization, like Honeywell, increasingly demands that two people fill the two most important jobs at Honeywell on an enduring basis, chairman and CEO. Please vote yes to independent board chairman, proposal four.

Darius Adamczyk: Thank you, Mr. Chevedden. The Board recommends against this proposal. This proposal, in various iterations, has been proposed several times over the last 20 years, and shareowners have consistently voted against it. It is important for the Board to have the flexibility to determine the most effective leadership structure, using its best business judgment in light of Honeywell's circumstances at any given time. Under Honeywell's Corporate Governance Guidelines, the Board retains the flexibility to separate the Chairman and CEO roles if and when the board believes in its best business judgment that a separation will improve our performance or better serve our shareowners.

In connection with these determinations, the Board carefully weighs the views of its shareowners and after a determination is made, consistently engage with shareowners on this topic. We continue to hear a range of views during these meetings, with most shareowners expressing confidence that our board understands the importance of good corporate governance and is in the best position to make the right decisions regarding its ongoing leadership structure. Our Corporate Governance Guidelines require that we have an independent Lead Director whenever the chairperson is not an independent director.

In 2019, the Board formalized the leadership role of the Independent Lead Director so that it is equivalent to that of the independent Chairperson, providing for an effective counterweight when the Chairperson is not an independent director. The Board has elected William Ayer to serve as independent Lead Director. Bill has served on the Board as an independent director for nine years and brings to the role a deep knowledge of Honeywell and its transformation journey, balanced by the outside in perspectives of a shorter-tenured director. Once I retire on June 7, there will only be one non- (sic) independent director on the Board. I know that Vimal looks forward to working closely with Bill to ensure that the Board continues to provide effective oversight and strategic direction. Anne, did we receive any questions or comments related to this proposal that have not yet been addressed?

Anne Madden: No. We did not.

Darius Adamczyk: I now invite shareowners who wish to vote to do so by clicking the vote here button on your screen. The polls are now open for voting and will remain open for one minute. If you have already cast your vote by submitting a proxy or voting online, then you need not vote again unless you would like to change your vote. I now declare the polls closed on all items of business.

I've received a preliminary report of the inspectors of election who have certified the results of the voting to the time of the report.

The results are: each director nominee has received a majority of votes cast in the favor of his or her election. Each management proposal has passed. The shareowner proposal has not received a majority of votes cast and thus is not approved. Voting results will be posted on Honeywell's website and filed with the SEC on Form 8-K when they are available. The final report of the inspectors of election will be filed with the records of this meeting. This concludes the business portion of the meeting, which now is adjourned. I will now turn the meeting over to Anne to facilitate the Q&A portion of the meeting.

Anne Madden: Great. Thank you, Darius. During this Q&A session, I will read questions submitted to us by shareowners and invite you or Vimal to respond. In order to cover a wide range of topics, I will combine similar questions into one and limit this session to questions that are of general concern to all shareowners. We will respond to questions that are individual in nature by directly sending a message to the email address submitted with the question. So for the first question, Vimal, I will address this to you. How is the Company incorporating artificial intelligence or AI into its operations, and what efficiency gains have been realized as a result?

Vimal Kapur: Thanks. And Honeywell is committed to utilizing generative AI to enhance internal employee productivity, as well as to drive benefit in our commercial offerings. One of the primary use cases for generative AI is increasing engineering and coding efficiency, and we've begun to implement solutions in order to add capacity across the organization. We also use generative AI to harness, optimize, and transform existing digital (sic) infrastructure to drive solutions for ourselves and our customers using our differentiated IoT platform that we bring to the market through Honeywell Forge. We see AI as a material source of productivity and margin expansion and growth in the years ahead.

Anne Madden: Great. Thank you, Vimal. What measures are in place to mitigate risks arising from international conflicts or trade disputes?

Vimal Kapur: Honeywell utilizes a local for local commercial and manufacturing strategy, allowing us to better serve our customers, while we also ensure that international conflicts do not have an outsized impact on the company. We work closely with the US government to ensure that we are compliant with all sanctions. As an example, in 2022, we grew our sales by 6% on an organic basis despite exiting our business in Russia.

Anne Madden: Great. Thank you. The next question is about M&A. As a multi-industrial company, how are you thinking about your M&A strategy and synergies across your portfolio?

Vimal Kapur: So our M&A strategy is bolt-on M&A in the \$1 billion to \$7 billion range is our preferred method for capital deployment, and our deal pipeline remains strong. We are focused on M&A that aligns with our three megatrends: automation, the future of aviation and energy transition. And we have demonstrated that focus through multiple deals announced in the last year. In aerospace, we are acquiring Civitanavi System for approximately €200 million euros to reinforce our leading navigation solution and expand our footprint in Europe. In building automation, we agreed to acquire Carrier's Access Solution business for approximately \$5 billion dollars to expand our security portfolio and enhance our software and recurring revenue mix. And in industrial automation last year, we acquired Compressor Control Corporation for \$700 million dollars. CCC is a leading provider of turbomachinery controls and optimization solutions that integrates seamlessly into our process solution business and provides meaningful revenue synergy with Honeywell Forge.

Anne Madden: Great. Thanks, Vimal. Next up, what is the Company's plan for returning value to shareowners through dividends or share buybacks?

Vimal Kapur: While M&A is a focus for Honeywell, we are disciplined in balancing our overall capital deployment allocation to maximize shareholder value. We have consistently deployed more than 100% of our cash flow over the past two years to fund capital deployment, including dividends and share buybacks. We are committed to reducing our weighted average share count by at least 1% annually through share buybacks and have repurchased approximately \$4 billion of shares each year over the past three years. Additionally, we have raised our dividend 14 times over the past 13 years.

Anne Madden: Thank you. Next question is how does the Company plan to consistently achieve its long-term financial targets?

Vimal Kapur: Our long-term framework contemplates 4% to 7% of organic sales growth, 40 to 60 basis points of margin expansion, and 8% to 12% of adjusted EPS growth, while maintaining mid-teens free cash flow margin. We are focused on enhancing our innovation playbook, committing significant R&D spend to new product categories, and serving new customers with our products and solution innovations. This includes leveraging our sustainability expertise to drive commercial adoption of sustainable technologies, bringing our Honeywell Forge software solution to our vast install base, and more. In addition, we are using our Accelerator Operating System to deliver self-help action in productivity, commercial excellence, and cash generation. These actions, alongside our work to simplify our portfolio, give us confidence in our ability to achieve our financial targets.

Anne Madden: Thank you, Vimal. This next question speaks to ESG factors. And the question is, does Honeywell take ESG factors into consideration when determining executive pay?

Vimal Kapur: Absolutely. ESG factors have been a part of the qualitative assessment in our executive incentive compensation plan since 2020, demonstrating our multi-year history of committing to ESG principles and our track record of success in achieving our ESG goals. In 2023, 5% of each executive's annual bonus target was based on performance against an ESG scorecard that includes specific climate, inclusion and diversity and governance related goals. Specifically, the scorecard included metrics tied to achievement of our 10-10-10 climate goals, diversity of slate in our hiring process, and Code of Conduct training and certification. We believe that these specific objectives are critical to the achievement of our long-term strategic objectives. More information on this topic can be found on Compensation Discussion and Analysis section of our annual proxy report.

Anne Madden: Great. Thanks, Vimal. This next question involves Quantinuum, our quantum computing business. What progress has been made on turning Quantinuum into a public company, and what timeline do you expect for monetization?

Vimal Kapur: So in January this year, Quantinuum business announced its first equity raise since the merger of Honeywell Quantum Solutions and Cambridge Quantum Computing in 2021, securing \$300 million dollars at a pre-money valuation of \$5 billion dollars. This demonstrates Quantinuum's leading position in fault tolerant quantum computing. Quantinuum also recently announced a significant milestone, with Microsoft achieving the most reliable logical qubits on record, running more than 14,000 experiments without a single error. We are very encouraged by these commercial and technical markers as we continue on a path to eventual monetization of the business in a manner and on the right timetable to support Quantinuum's global leadership in quantum computing and maximize value for Honeywell shareowners.

Anne Madden: Great. Thank you, Vimal. Darius, this next question I will pose to you. What are the critical skills, experiences and attributes that the Board seeks in its candidates and how are they assessed and evaluated during the Board recruitment and evaluation process?

Darius Adamczyk: Honeywell's Board routinely reviews its collective experiences, skill sets, perspectives, and diversity to ensure the composition of the Board enables effective oversight. Primary responsibility for identifying and evaluating director of candidates and for recommending re-nomination of incumbent directors resides with Honeywell's governance committee, which we call the CGRC. The CGRC consists entirely of independent directors. Honeywell's independent Lead Director is formally charged with responsibility for new director recruitment, including responsibility for working with our CEO, chairman, the CGRC and the full Board to help identify and prioritize the specific skill sets, experience, and knowledge that director candidates should possess. When doing so, the Lead Director and the CGRC utilize a skill set matrix to review our

current Board composition against the attributes deemed important to oversee the Company's strategic objectives.

In addition to ensuring that director nominees possess the requisite skills and qualifications, the criteria established by the CGRC places an emphasis on ensuring that nominees demonstrate the right leadership traits, personality, work ethic, independence and diversity of background to align with Honeywell's performance culture and long-term strategic vision. In 2021, Honeywell adopted a formal requirement to interview diverse candidates prior to selecting new Board members. As we approach June 7, when Vimal will succeed me as chairman, I'm very confident he, in partnership with Bill Ayer, who will become our independent Lead Director at the conclusion of the meeting, will continue our tradition of thoughtful Board refreshment to identify and recruit exceptional directors with the experiences background and diversity of perspectives and values to deliver for our shareholders well into the future.

Anne Madden: Great. Thank you, Darius, and thank you, Vimal. We have now reached our allotted time.

We will respond to any unanswered questions of general concern to all shareowners by posting the questions and answers on our investor relations website soon after the meeting. Similar questions will be combined. Thank you again and I will now turn the meeting back over to Darius.

Darius Adamczyk: Thank you Anne. To all our shareowners, thank you for participating and for your continued support of Honeywell.

Operator: Ladies and gentlemen, this concludes today's meeting. Thank you all for joining and you may now disconnect your lines.