CREDIT SUISSE 10TH ANNUAL GLOBAL INDUSTRIALS CONFERENCE

NOVEMBER 30, 2022

GREG LEWIS
SENIOR VICE PRESIDENT AND
CHIEF FINANCIAL OFFICER

Honeywell

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, COVID-19 public health factors or impacts of the Russia-Ukraine conflict 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, the Russia-Ukraine conflict, 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 presentation contains financial measures presented on a non-GAAP basis. Honeywell's non-GAAP financial measures used in this presentation are as follows: Segment profit, on an overall Honeywell basis, a measure by which we assess operating performance, which we define as operating income adjusted for certain items as presented in the Appendix; Segment profit excluding the impact of Quantinuum; Segment margin, on an overall Honeywell basis; Segment margin excluding the impact of Quantinuum; Expansion in segment profit margin percentage; Expansion in segment profit margin percentage excluding Quantinuum; Organic sales growth; Organic sales growth excluding lost Russian Sales; Organic sales growth excluding COVID-driven mask sales and lost Russian sales; Free cash flow; Free cash flow excluding Quantinuum; Free cash Flow Margin; and Adjusted earnings per share, if and as noted in the presentation. Management believes that, when considered together with reported amounts, these measures are useful to investors and management in understanding our ongoing operations and in the analysis of ongoing operating trends. These measures should be considered in addition to, and not as replacements for, the most comparable GAAP measure. Certain measures presented on a non-GAAP basis represent the impact of adjusting items net of tax. The tax-effect for adjusting items is determined individually and on a case-by-case basis. Refer to the Appendix attached to this presentation for reconciliations of non-GAAP financial measures to the most directly comparable GAAP measures.

KEY MESSAGES

Transformed the Company Over the Last 6 Years	• Supply chain transformation and Honeywell Digital investments invaluable in turbulent 2022 • Honeywell Accelerator, our revitalized operating system, is empowering our business leaders
End-Market Exposures to Provide Resiliency	• ~65%[1] of Honeywell sales are in aerospace, energy, and non-residential end markets • Backlogs remain at all-time highs and provide fuel for volume growth as supply chains unlock
Deploying Capital Remains a Top Priority	• Balance sheet remains healthy; ample firepower for the right opportunities • Committed to deploy at least $25B over three years
Expect Outperformance in 2023	• Expect difficult operating environment to continue, but confident in the Honeywell playbook • We expect sales, margin, EPS, and free cash flow growth year over year
Raising the Bar on ESG	• Committed to carbon-neutral operations by 2035; addressing emissions across entire value chain • Stood up 2 sustainability business units in last 2 years; ~60% of R&D focused on ESG offerings

[1] *Based on 2021 sales*

Execution Culture and Favorable Portfolio Differentiate Honeywell

4Q AND FY 2022 OUTLOOK

4Q Guidance

Sales
$9.1B - $9.4B
Up 10% - 13% Organically
Up 11% - 14% Excluding Impact of Lost Russian Sales

Segment Margin
22.8% - 23.2%
Up 140 - 180 bps
Up 170 - 210 bps Excluding Impact of Quantinuum

Adjusted EPS
$2.46 - $2.56
Up 18% - 22%

Net Below the Line Impact
($61M) - $14M
Effective Tax Rate
~19%
Share Count
~676M

FY Guidance

Sales
$35.4B - $35.7B
Up 6% - 7% Organically
Up 8% - 9% Excluding Impact of COVID-Driven Mask Sales Declines and Lost Russian Sales
Prior: $35.5B - $36.1B, Up 5% - 7%

Segment Margin
21.6% - 21.8%
Up 60 - 80 bps
Up 90 - 110 bps Excluding Impact of Quantinuum
Prior: 21.3% - 21.7%, Up 30 - 70 bps

Adjusted EPS
$8.70 - $8.80
Up 8% - 9%
Prior: $8.55 - $8.80, Up 6% - 9%

Free Cash Flow
$4.7B - $5.1B
$4.9B - $5.3B Excluding Impact of Quantinuum
Prior: $4.7B - $5.1B

- Guidance predicated on no major change to the macroeconomic outlook for 2022

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 a 2Q22 expense related to UOP matters, 3Q YTD charges and accrual of reserves directly attributable to the initial suspension and wind down of businesses and operations in Russia, and 3Q22 gain on sale of a Russian entity. EPS V% also excludes the 1Q21 gain on sale of the retail footwear business, 2Q21 non-cash charge associated with the reduction in value of reimbursement receivables due from Garrett, a 3Q21 expense related to UOP matters, changes in fair value of equity securities, and a 4Q21 pension mark-to-market expense.

Strong Year Despite Much Volatility – Reaffirming Guidance

THE NEXT STAGE OF TRANSFORMATION

Act 1 – The Great Integration (2016 – 2021)

Digital
Dramatic ERP rationalization, 21 digital platforms deployed; $1B benefits

ISC
$1B cumulative manufacturing and material productivity since 2018

Connected
Launched standalone software business to support customers' digital transformation

Portfolio
Streamlined end markets, reduced exposure to cyclicality and dilutive margins

Act 2 – Growth Acceleration (2022+)

Innovation
Turning BTIs into business units, increasing ESG-oriented offerings

Digital
Accelerating value capture from software and digitization across our processes and offerings

Automation
Investing in automation to increase productivity, quality, and safety

M&A
Deploying capital to add differentiated, high-growth technologies

Previous Long-Term Targets (2019 – 2021)

3% - 5% Organic Sales Growth	**30 – 50 bps** Segment Margin Expansion
No Target Free Cash Flow Margin	**No Target** Capital Deployment

Updated Long-Term Targets (2022+)

4% - 7% Organic Sales Growth	**40 – 60 bps** Segment Margin Expansion
Mid-Teens Free Cash Flow Margin	**At least $25B** Capital Deployment

Laid the Foundation, Now Poised for Growth

HONEYWELL ESG HIGHLIGHTS

SNAPSHOT 2021-2022

>60% OF 2021 SALES were comprised of solutions that contribute to ESG-oriented outcomes[1]

~60% OF R&D SPEND IN 2021 was directed toward ESG-oriented outcomes[1]

ENVIRONMENT

Pledged to be carbon neutral in our facilities and operations by
2035

Committed to
SET A SCOPE 3 EMISSIONS TARGET
aligned with the Science Based Targets initiative (SBTi

0.25
total case incident rate (TCIR), a safety record over 4x better than the weighted average TCIR of the industries in which we operate

Spent more than
$4 BILLION
over the last 18 years to remediate and restore approximately 3,000acres to productive community use

>90%
reduction in Scope 1 and Scope 2 greenhouse gas intensity since 2004

6,100
sustainability projects completed since 2010, with more than $100M in annualized savings

160 MILLION
gallons of water saved in water-stressed regions since 2013 from more than 180 projects

~70%
energy efficiency improvement since 2004

[1]Methodology for identifying ESG-oriented solutions is available at investor.honeywell.com (see *(ESG/ ESG information/ identification of ESG-Oriented Offerings)*)

SOCIAL

Launched 8 Employee Networks, with more than
9,000
employees belonging to at least one

Provided **10,000+** households in rural India access to safe drinking water, sanitation, irrigation, and solar electricity as a result of a partnership with the Swades Foundation

Raised nearly
$1MILLION
for the Honeywell Ukraine Relief Fund to provide on-the-ground aid and employee support

Created and launched Honeywell Accelerator with over
150
learning modules and
42
role-specific learning journeys

Established innovative labs at seven universities in Turkey, Romania, Mexico, and Indonesia that serve more than
10,000
students per year

Distributed over
$15M
in relief funding to more than 2,600 employees and our communities around the world after natural disasters

Awarded more than
$2.5M
STEM-related scholarships

Completed more than
4,000
hours during Global Volunteering Month

Increased its score to
85 POINTS
in The Human Rights Campaign's annual Corporate Equity Index

GOVERNANCE

100%
of eligible employees completed the Code of Conduct certification and training

PUBLISHED MONTHLY EDITIONS
of Integrity Stories to encourage managers and their teams to openly discuss critical ethical issues in the workplace

36%
of our Board of Directors are women and
45%
are ethnically or racially diverse

Honeywell investigates and responds to
100%
of the allegations reported through ACCESS Integrity based on Honeywell's Code of Business Conduct, Supplier Code of Conduct and our Human Rights Policy

Rated a CPA-Zicklin
TRENDSETTER
by the Center for Political Accountability

MANAGED COMPLIANCE RISKS
of more than tens of thousands of suppliers around the globe and require all suppliers to adhere to the Supplier Code of Conduct

HONEYWELL CONNECT 2022

2 days of connections

22 live tech demos

136 customers

1,250 livestream attendees

All focused on
Honeywell Connected Enterprise

"Honeywell is Acting Like a Software Company Again" BARRON'S

"Honeywell Doubles Down on Industrial Software Technologies With New HCE Leadership, SaaS Offerings and Solutions" Forbes

Honeywell Solutions

HONEYWELL FORGE Performance+
- Asset Performance
- Worker Intelligence
- Site Performance
- Energy Performance
- Energy Optimization
- Global Operations

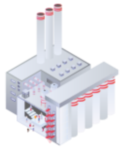
HONEYWELL FORGE Cybersecurity+
- Threat Detection
- Monitoring
- Risk Mitigation

HONEYWELL FORGE Sustainability+
- Emissions Management

Real World Outcomes

Commercial Real Estate
- Improve uptime
- Enhance building health
- Improve occupant experience

Retail Warehouse
- Increase capacity
- Improve labor productivity
- Reduce unplanned downtime



Industrials
- Increase labor productivity
- Enhance sustainability metrics
- Improved asset lifecycle

Life Sciences
- Improve manufacturing quality
- Strengthen regulatory compliance
- Integrate risk management

Aero
- Increase fuel efficiency
- Optimize MRO
- Streamline navigation data

Providing Software Solutions to Operational Problems

PRELIMINARY THOUGHTS ON 2023

Vertical Outlook

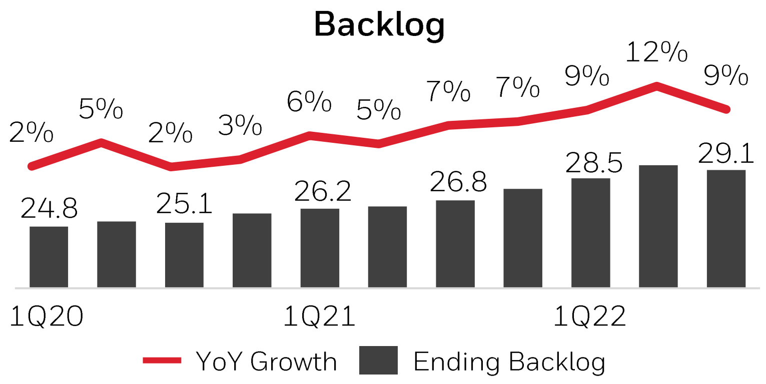
Continued **flight hour improvement**, defense returns to growth

Sustainability drives growth, tailwinds from **infrastructure investment**

Increase in customer capex across energy

Warehouse automation softness, **potential recession impact** in short-cycle

Resilient Portfolio



- Record 2022 orders and backlog
- 2022 backlog growth driven by Aerospace and PMT

Honeywell Outlook

Operational Drivers:

- Expected growth in top line with margin expansion; free cash flow growth roughly aligned with EPS growth rate (excluding pension income impact)
- Aerospace and PMT, our two largest businesses, will lead growth and profitability
- Moderate growth in HBT driven by sustainability and HGRs
- SPS volume will be down (Intelligrated), but margin rate will show substantial improvement

Other Key Dynamics:

- Sequential improvement continues in supply chain constraints
- Record backlog to draw from if market conditions deteriorate
- Anticipate a favorable acquisition market in 2023; expect portfolio shaping to continue
- Due to higher interest rates, pension will be a significant EPS headwind; plan substantially overfunded, no impact on cash

Well-Positioned, Resilient Portfolio Will Drive Growth in Revenue, Margin, and EPS

Honeywell

GREG LEWIS

SENIOR VICE PRESIDENT AND CHIEF FINANCIAL OFFICER

Greg Lewis has been Senior Vice President and Chief Financial Officer of Honeywell since 2018. In this role, Greg is responsible for leading global Finance, Treasury, Tax, Audit, Business Analysis and Planning, Controllership, Finance Transformation, Global Real Estate, and Investor Relations.

Over the last six years leading Enterprise Information Management and then as CFO, Greg has played a pivotal role in Honeywell's "great integration" as the company embarked on a substantial transformation to simplify its decision-making and drive greater operational excellence. Among these endeavors, Greg has led Honeywell in its digital transformation and data governance journey, establishing a robust data operating model and building a culture with data at the forefront for strategic decision making. In this time, Greg has also provided critical crisis management leadership in Honeywell's response to the COVID-19 pandemic and related economic environment.

Greg joined Honeywell in 2006, and since then, 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).

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) for Honeywell, CFO for Honeywell Process Solutions (HPS) and then CFO for the Automation and Control Solutions (ACS) segment.

Greg has a broad background in financial leadership across multiple industries. He began his career at Kraft Foods in 1991 and went onto leadership roles at the Stanley Works and Tyco International before joining Honeywell.

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 is also Six Sigma Green Belt Certified.

NON-GAAP FINANCIAL MEASURES

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

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

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

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

($M)	4Q21	2021
Aerospace	$ 2,896	$ 11,026
Honeywell Building Technologies	1,404	5,539
Performance Materials and Technologies	2,605	10,013
Safety and Productivity Solutions	1,752	7,814
Corporate and All Other	—	—
Net Sales	$ 8,657	$ 34,392
Aerospace	$ 839	$ 3,051
Honeywell Building Technologies	296	1,238
Performance Materials and Technologies	598	2,120
Safety and Productivity Solutions	189	1,029
Corporate and All Other	(71)	(226)
Segment Profit	$ 1,851	$ 7,212
Stock compensation expense (1)	(45)	(217)
Repositioning, Other (2,3)	(245)	(636)
Pension and other postretirement service costs (3)	(43)	(159)
Operating income	$ 1,518	$ 6,200
Segment profit	$ 1,851	$ 7,212
÷ Net sales	$ 8,657	$ 34,392
Segment profit margin %	21.4%	21.0%
Operating income	$ 1,518	$ 6,200
÷ Net sales	$ 8,657	$ 34,392
Operating income margin %	17.5%	18.0%

(1) Amounts included in Selling, general and administrative expenses.
(2) Includes repositioning, asbestos, environmental expenses, equity income adjustment, and other charges. For the three and 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 Productivity Solutions segment. These costs include incurred amounts and provisions for anticipated losses recognized 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 and Selling, general and administrative expenses.

We define segment profit, on an overall Honeywell basis, as operating income, excluding stock compensation expense, pension and other postretirement service costs, and repositioning and other charges. We define segment profit margin, on an overall Honeywell basis, as segment profit divided by net sales. We believe these measures are useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.

A quantitative reconciliation of 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 herein. Management cannot reliably predict or estimate, without unreasonable effort, the impact and timing on future operating results arising from items excluded from segment profit. 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.

RECONCILIATION OF SEGMENT PROFIT TO SEGMENT PROFIT MARGIN % EXCLUDING QUANTINUUM

($M)	4Q21	2021
Operating income	$ 1,518	$ 6,200
Add: Quantinuum operating loss(1)	21	62
Operating income Excluding Quantinuum	$ 1,539	$ 6,262
Segment profit	$ 1,851	$ 7,212
Add: Quantinuum Segment Loss (1)	21	62
Segment Profit Excluding Quantinuum	$ 1,872	$ 7,274
Net Sales	$ 8,657	$ 34,392
Less: Quantinuum Net Sales	2	5
Net Sales Excluding Quantinuum	$ 8,655	$ 34,387
Operating income margin % excluding Quantinuum	17.8 %	18.2 %
Segment profit margin % excluding Quantinuum	21.6 %	21.2 %
Expansion in operating income margin % excluding Quantinuum	Not Reported	Not Reported
Expansion in segment profit margin % excluding Quantinuum	Not Reported	Not Reported
Expansion in operating income margin %	Not Reported	Not Reported
Expansion in segment profit margin %	Not Reported	Not Reported

(1) For the three months ended December 31, 2021, and the twelve months ended December 31, 2021, Quantinuum operating loss and segment loss includes the operating loss and segment loss of Honeywell Quantum Solutions, a wholly-owned subsidiary of Honeywell, prior to the November 29, 2021, combination of Honeywell Quantum Solutions and Cambridge Quantum Computing, resulting in the formation of Quantinuum.

We define segment profit, on an overall Honeywell basis, as operating income, excluding stock compensation expense, pension and other postretirement service costs, and repositioning and other charges. We define segment profit excluding Quantinuum as segment profit excluding segment profit attributable to Quantinuum. We define segment profit margin excluding Quantinuum, as segment profit excluding Quantinuum divided by net sales excluding Quantinuum. We believe these measures are useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.

We define expansion in segment profit margin percentage as the year-over-year increase in segment profit margin percentage. We define expansion in segment profit margin percentage excluding Quantinuum as the year-over-year increase in segment profit margin percentage excluding Quantinuum. 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 and segment profit excluding the impact of Quantinuum, on an overall Honeywell basis, to operating income has not been provided for all forward-looking measures of segment profit and segment margin included herein. Management cannot reliably predict or estimate, without unreasonable effort, the impact and timing on future operating results arising from items excluded from segment profit. 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.

DEFINITION OF ORGANIC SALES % CHANGE

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, organic sales percent change excluding COVID-driven mask sales or organic sales percent change excluding COVID-driven mask sales and lost Russian sales 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.

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 lost Russian Sales as organic sales growth excluding any sales attributable to the substantial suspension and wind down of operations in Russia. We define organic sales growth excluding COVID-driven mask sales and lost Russian sales as organic sales growth excluding any sales attributable to COVID-driven masks and substantial suspension and wind down of operations in Russia. We believe organic sales growth excluding lost Russian sales, and organic sales growth excluding COVID-driven mask sales and lost Russian sales are useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.

RECONCILIATION OF EPS TO ADJUSTED EPS

	4Q21	FY2021	4Q22E	2022E
Earnings per share of common stock - diluted (1)	$ 2.05	$ 7.91	$2.46 - $2.56	$8.21 - $8.31
Pension mark-to-market expense (2)	0.05	0.05	No Forecast	No Forecast
Changes in fair value for Garrett equity securities (3)	(0.01)	(0.03)	—	—
Garrett related adjustments (4)	—	0.01	—	—
Gain on sale of retail footwear business (5)	—	(0.11)	—	—
Expense related to UOP Matters (6)	—	0.23	—	0.07
Russian-related Charges (7)	—	—	—	0.43
Gain on sale of Russian entity (8)	—	—	—	(0.01)
Adjusted earnings per share of common stock - diluted	$ 2.09	$ 8.06	$2.46 - $2.56	$8.70 - $8.80

(1) For the three months ended December 31, 2021, adjusted earnings per share utilizes weighted average shares of approximately 695.8 million. For the twelve months ended December 31, 2021, adjusted earnings per share utilizes weighted average shares of approximately 700.4 million. For the three months ended December 31, 2022, and twelve months ended December 31, 2022, expected earnings per share utilizes weighted average shares of approximately 676 million and 683 million, respectively.

(2) Pension mark-to-market expense uses a blended tax rate of 25%, net of tax expense of $10 million for 2021.

(3) For the three and twelve months ended December 31, 2021, the adjustments were $5 million and $19 million, net of tax expense of $0 million and $5 million, due to changes in fair value for Garrett equity securities.

(4) For the twelve months ended December 31, 2021, the adjustment was $7 million, without tax benefit, due to a non-cash charge associated with the reduction in value of reimbursement receivables following Garrett's emergence from bankruptcy on April 30, 2021.

(5) For twelve months ended December 31, 2021, the adjustment was $76 million, respectively, net of tax expense of $19 million, respectively, due to the gain on sale of the retail footwear business.

(6) For the twelve months ended December 31, 2022, the adjustment was $50 million, without tax benefit, due to an expense related to UOP matters. For the twelve months ended December 31, 2021, the adjustment was $160 million, without tax benefit, due to an expense related to UOP matters.

(7) For the twelve months ended December 31, 2022, the adjustment was $293 million, including a tax valuation allowance benefit of $2 million to exclude charges and the accrual of reserves related to outstanding accounts receivable and contract assets, impairment of intangible assets, foreign exchange revaluation, inventory reserves, the write-down of other assets, impairment of property, plant and equipment, employee severance, called guarantees, and a tax valuation allowance related to the initial suspension and wind down of our businesses and operations in Russia.

(8) For the twelve months ended December 31, 2022, the adjustment was $10 million, without tax benefit, due to the gain on sale of a Russian entity.

We believe adjusted earnings per share is a measure that is useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends. For forward looking information, management cannot reliably predict or estimate, without unreasonable effort, the pension mark-to-market expense as it is dependent on macroeconomic factors, such as interest rates and the return generated on invested pension plan assets. We therefore do not include an estimate for the pension mark-to-market expense. Based on economic and industry conditions, future developments and other relevant factors, these assumptions are subject to change.

RECONCILIATION OF EXPECTED CASH PROVIDED BY OPERATING ACTIVITIES TO EXPECTED FREE CASH FLOW AND EXPECTED FREE CASH FLOW EXCLUDING QUANTINUUM AND DEFINITION OF FREE CASH FLOW MARGIN

	2022E ($B)
Cash provided by operating activities	~$5.2 - $5.6
Expenditures for property, plant and equipment	~(0.9)
Garrett cash receipts	0.4
Free cash flow	~$4.7 - $5.1
Free Cash flow attributable to Quantinuum	0.2
Free cash flow excluding Quantinuum	~$4.9 - $5.3

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

We believe that free cash flow and free cash flow excluding Quantinuum are non-GAAP measures 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 measure can also be used to evaluate our ability to generate cash flow from operations and the impact that this cash flow has on our liquidity.