HONEYWELL PORTFOLIO UPDATE

OCTOBER 8, 2024

Honeywell

THE
FUTURE
IS
WHAT
WE
MAKE IT

Honeywell

FORWARD LOOKING STATEMENTS

We describe many of the trends and other factors that drive our business and future results in this presentation. Such discussions contain forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act). Forward-looking statements are those that address activities, events, or developments that management intends, expects, projects, believes, or anticipates will or may occur in the future. They are based on management's assumptions and assessments in light of past experience and trends, current economic and industry conditions, expected future developments, and other relevant factors, many of which are difficult to predict and outside of our control. They are not guarantees of future performance, and actual results, developments and business decisions may differ significantly from those envisaged by our forward-looking statements. We do not undertake to update or revise any of our forward-looking statements, except as required by applicable securities law. Our forward-looking statements are also subject to material risks and uncertainties, including ongoing macroeconomic and geopolitical risks, such as lower GDP growth or recession, capital markets volatility, inflation, and certain regional conflicts, that can affect our performance in both the near- and long-term. In addition, no assurance can be given that any plan, initiative, projection, goal, commitment, expectation, or prospect set forth in this presentation can or will be achieved. Some of the important factors that could cause Honeywell's actual results to differ materially from those projected in any such forward-looking statements include, but are not limited to: (i) the ability of Honeywell to effect the spin-off transaction described above and to meet the conditions related thereto; (ii) the possibility that the spin-off transaction will not be completed within the anticipated time period or at all; (iii) the possibility that the spin-off transaction will not achieve its intended benefits; (iv) the impact of the spin-off transaction on Honeywell's businesses and the risk that the spin-off transaction may be more difficult, time-consuming or costly than expected, including the impact on Honeywell's resources, systems, procedures and controls, diversion of management's attention and the impact and possible disruption of existing relationships with regulators, customers, suppliers, employees and other business counterparties; (v) the possibility of disruption, including disputes, litigation or unanticipated costs, in connection with the spin-off transaction; (vi) the uncertainty of the expected financial performance of Honeywell or the new company following completion of the spin-off transaction; (vii) negative effects of the announcement or pendency of the spin-off transaction on the market price of Honeywell's securities and/or on the financial performance of Honeywell; (viii) the ability to achieve anticipated capital structures in connection with the spin-off transaction, including the future availability of credit ad factors that may affect such availability; (ix) the ability to achieve anticipated credit ratings in connection with the spin-off transaction; (x) the ability to achieve anticipated tax treatments in connection with the spin-off transaction and future, if any, divestitures, mergers, acquisitions and other portfolio changes and the impact of changes in relevant tax and other laws; (xi) the failure to realize expected benefits and effectively manage and achieve anticipated synergies and operational efficiencies in connection with the spin-off transaction and completed and future, if any, divestitures, mergers, acquisitions, and other portfolio management, productivity and infrastructure actions; (xii) the risks and uncertainties, including increased costs and the ability to obtain raw materials and meet customer needs from, among other events, pandemics and responsive actions; (xiii) adverse changes in worldwide economic, political, regulatory, international trade, geopolitical, capital markets and other external conditions; and other factors beyond Honeywell's control, including inflation, recession, military conflicts, natural and other disasters or weather-related events, that impact the operations of the company, its customers and/or its suppliers; (xiv) the ability to offset increases in cost of inputs, including raw materials, energy and logistics; (xv) the risks, including ability to achieve, and costs associated with Honeywell's sustainability strategy, including the actual conduct of the company's activities and results thereof, and the development, implementation, achievement or continuation of any goal, program, policy or initiative discussed or expected; (xvi) other risks to Honeywell's business and operations, including the risk of impairment; and (xvii) other risk factors discussed in Honeywell's most recent annual report and subsequent current and periodic reports filed with the U.S. Securities and Exchange Commission (the "SEC"). Unlisted factors may present significant additional obstacles to the realization of forward-looking statements. Consequences of material differences in results as compared with those anticipated in the forward-looking statements could include, among other things, business or supply chain disruption, operational problems, financial loss, legal liability to third parties and similar risks, any of which could have a material adverse effect on Honeywell's consolidated financial condition, results of operations, credit rating or liquidity. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. Honeywell assumes no obligation to publicly provide revisions or updates to any forward-looking statements whether as a result of new information, future developments or otherwise, should circumstances change, except as otherwise required by securities and other applicable laws. These forward-looking statements should be considered in light of the information included in this presentation and our other filings with the SEC. Any forward-looking plans described herein are not final and may be modified or abandoned at any time.

NON-GAAP FINANCIAL MEASURES

Honeywell uses certain non-GAAP financial measures, including organic sales growth, free cash flow, EBITDA and adjusted earnings per share. Organic sales growth is defined 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. Free cash flow is defined as cash provided by operating activities less cash for capital expenditures. EBITDA is defined as earnings before interest, tax, depreciation and amortization. Adjusted earnings per share for the third quarter of 2024 is expected to be defined as diluted earnings per share, excluding amortization of acquisition-related intangibles, acquisition-related costs, and divestiture-related costs and impairments. For the third quarter of 2024, we are clarifying our previous definition of adjusted earnings per share to exclude divestiture-related costs and impairments. Acquisition amortization and acquisition and divestiture-related costs are significantly impacted by the timing, size, and number of acquisitions or divestitures we complete and are not on a predictable cycle and we make no comment as to when or whether any future acquisitions or divestitures may occur. We believe excluding these costs provides investors with a more meaningful comparison of operating performance over time and with both acquisitive and other peer companies. 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.

TODAY'S STRATEGIC UPDATE

- Spinning Advanced Materials: further progresses efforts to simplify Honeywell portfolio
- Standalone Advanced Materials to benefit from more strategic focus and flexible capital allocation
- Remaining HON portfolio, including recent acquisitions, more focused, less capital intensive
- Tax-free spin expected to be completed by end of 2025 or early 2026

Continuing to Optimize the Portfolio

SPIN RATIONALE

Honeywell continues to simplify its portfolio with sharper focus on its three compelling megatrends

A well-capitalized and financially flexible Advanced Materials to pursue growth opportunities through investment cycles

Enhances Honeywell's financial profile in terms of organic growth, lesser cyclicality and lower capital intensity

Enables Advanced Materials to focus on developing new, more sustainable solutions and products via next-generation chemistry

Creating a Leading Specialty Chemicals and Materials Pure-Play

CREATING A LEADER IN ADVANCED MATERIALS

COMPETITIVE ADVANTAGES

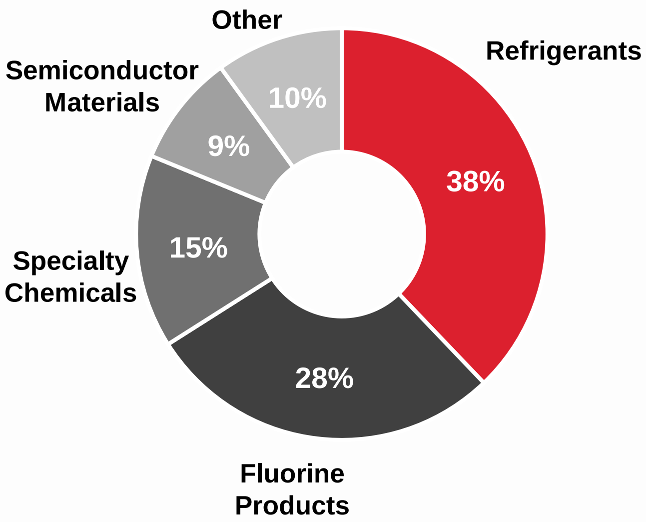
- Leading positions across variety of end markets, supported by a compelling IP portfolio (>4,000 patents) of advanced materials technologies
- Deep relationships with blue chip customers; driving differentiated solutions to their most difficult problems
- Large-scale, efficient manufacturing base with approximately $1B invested over the past 8 years
- Key positions in transition to low-carbon solutions that meet customer carbon reduction goals
- Trusted provider of high-end armor technology to protect in law enforcement and military applications
- Only domestic supply of non-biomass feedstock for clean electric power generation with favorable supply / demand outlook

FINANCIAL OVERVIEW[1]

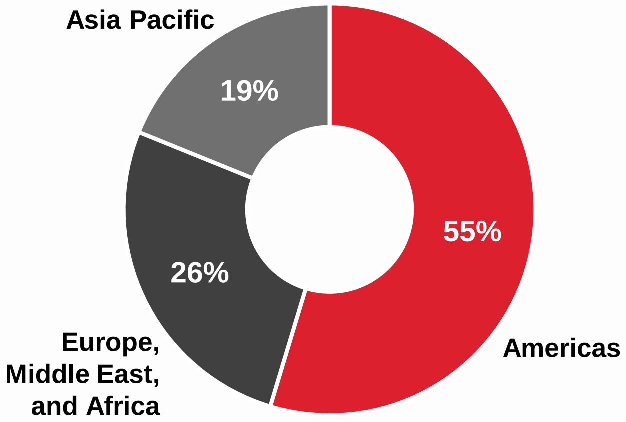
~$3.8B
Sales

>25%
EBITDA Margin

Vertical Mix



Geographic Mix



[1]All sales and EBITDA figures represent 2024 expected results derived from internal management reporting, further adjusted for preliminary cost and expense allocations, including corporate expenses. These figures will be refined prior to the transactions. We define EBITDA as adjusted income before taxes adjusted for interest and other financial charges, interest income, and depreciation and amortization.

Unique Financial Profile in Specialty Chemicals with Market-Leading Solutions

LEADING POSITIONS AND FAVORABLE MACROS

FLUORINE PRODUCTS

Products / Brands:

Solstice, Enovate, Genetron

Why AM Wins

- Leading position in U.S. HFO production, driving transition from HFC

Macro Drivers

- Increasing demand for LGWP* refrigerants bolstered by regulatory requirements

ELECTRONIC MATERIALS

Products / Brands:

Solvents, Polymers, Sputtering Targets

Why AM Wins

- Leveraging U.S. manufacturing base and unique technologies to create differentiated solutions

Macro Drivers

- Growing demand in electronic materials driven by high-end computing, AI and 5G

INDUSTRIAL-GRADE FIBERS

Products / Brands:

Spectra, Gold Shield

Why AM Wins

- Leading position globally for high-end armor technology and a variety of other industrial-grade fibers

Macro Drivers

- Strong demand for latest generation technology that protects troops, police

HEALTHCARE

Products / Brands:

Aclar, Aclar Accel

Why AM Wins

- Leading position in pharmaceutical packaging, highest moisture barrier of any clear thermoplastic film

Macro Drivers

- Increasing need for highly-engineered solutions for healthcare applications

**Low Global Warming Potential*

Compelling Financial Profile with IP-Protected Portfolio and Regulatory-Driven Demand

PROGRESSING ON STRATEGIC PRIORITIES

1 ACCELERATE ORGANIC GROWTH

- Innovation playbook
- High growth regions
- Monetize installed base and scale software

2 EVOLVE ACCELERATOR OPERATING SYSTEM

- Integrated operating company
- Enhancing growth, margins, and cash generation
- Taking digital operations to the next level

3 OPTIMIZE PORTFOLIO

- Bolt-on acquisitions
- Divest non-core / simplify
- ↑ Recurring sales / gross margin

FOCUSED ON DELIVERING PROFITABLE GROWTH AND STRONG CASH GENERATION

Strategy to Drive Accelerated Value Creation

PORTFOLIO TIMELINE SINCE 2023

- Acquisition of CCC (IA) — *Jun 2023*
- Acquisition of SCADAfence (IA) — *Aug 2023*
- Business Resegmentation — *Oct 2023*
- Acquisition of Access Solutions (BA) — *Jun 2024*
- Acquisition of Civitanavi (AT) — *Aug 2024*
- Acquisition of CAES (AT) — *Sep 2024*
- Acquisition of Air Products LNG (ESS) — *Sep 2024*
- **Announced Spin of Advanced Materials** — ***Today***

EXECUTING ON PORTFOLIO STRATEGY

- M&A an important lever to strengthen alignment to our three compelling megatrends
- Approximately **$10B** in acquisitions announced since start of 2023 with accretive growth profiles
- Remain focused on bolt-on acquisitions in the $1B-7B range and divestitures not strategically aligned

POSITIVELY IMPACTING FINANCIAL RESULTS

- Added ~$2B of run-rate revenue over ~18 months, increasing alignment to three compelling megatrends
- Spin impact on HON earnings to be mitigated over time by expected further acquisitions, share repurchases, and stranded cost reductions

Portfolio Optimization Momentum Building – Work Not Yet Finished

THREE COMPELLING MEGATRENDS

AUTOMATION

Infrastructure
Buildings
Energy
Retail
Warehouse

Creating the buildings and factories of the future through automation, digitalization, and relentless innovation

FUTURE OF AVIATION

Air Transport
Advanced Aerial Mobility
Defense
Business and General Aviation
Space

Powering the future of aviation with our safe, precise, energy efficient, sustainable, and innovative aerospace portfolio spanning takeoff to landing

ENERGY TRANSITION

Energy Transformation
Liquified Natural Gas
Petrochemicals
Refining

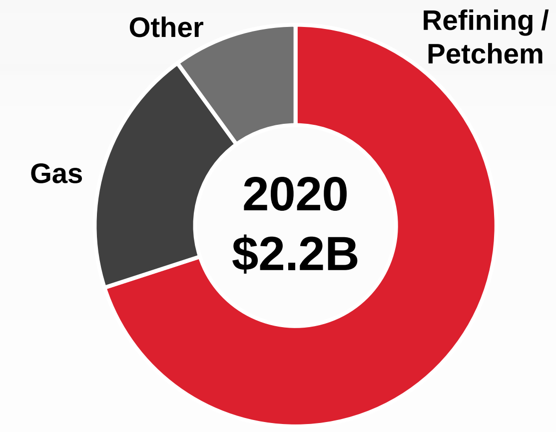
Delivering leading solutions for the energy transition, greenhouse gas reduction, and conversion to sustainable materials

Continuing to Streamline Portfolio Focus on Attractive Megatrends

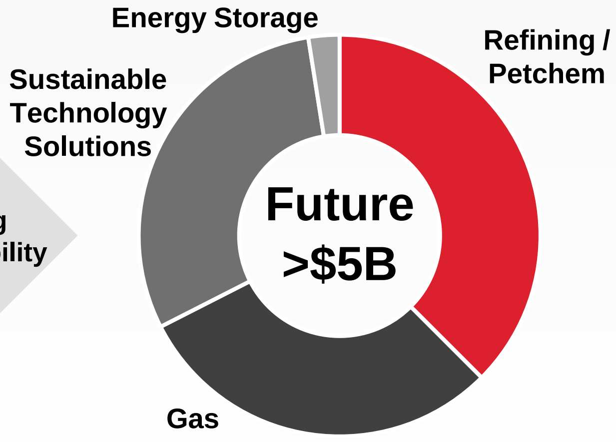
ENERGY AND SUSTAINABILITY SOLUTIONS ROADMAP

ENERGY AND SUSTAINABILITY SOLUTIONS[1] MIX

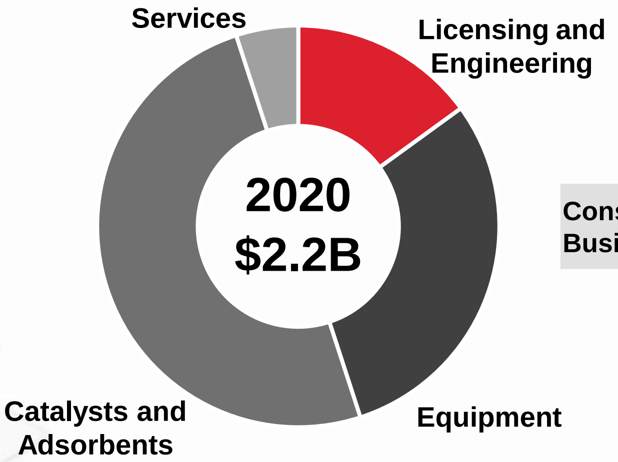
END MARKET MIX



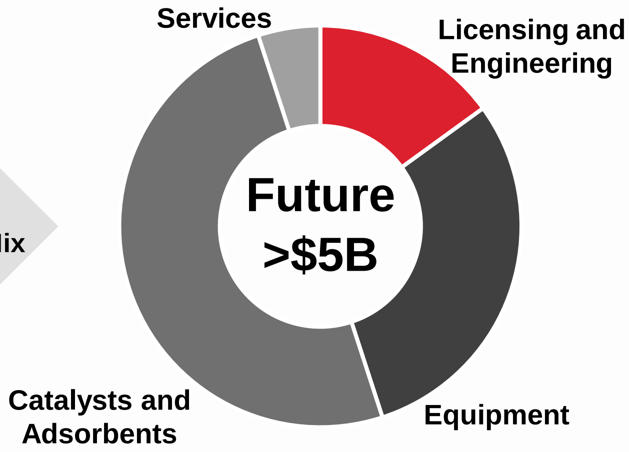
Increasing Sustainability



BUSINESS MODEL MIX



Consistent Business Mix



KEY GROWTH VERTICALS

Expanding through leadership positions in emerging energy transition verticals

- Renewable Fuels
- Carbon Capture / Blue Hydrogen
- Green Hydrogen
- Plastics Circularity
- Energy Storage

INORGANIC PRIORITIES

Portfolio additions focused on:

- Critical technology that enables lower cost of energy production and market expansion
- High growth potential technology adjacent to existing portfolio
- Maintaining favorable mix balance between licensing, services and equipment
- End-to-end solutions that help drive the energy transition

Delivering the World's Future Sustainable Energy Outcomes Today

[1]2020 revenue for ESS adjusted for removal of Advanced Materials.

SPIN IMPACT ON HONEYWELL

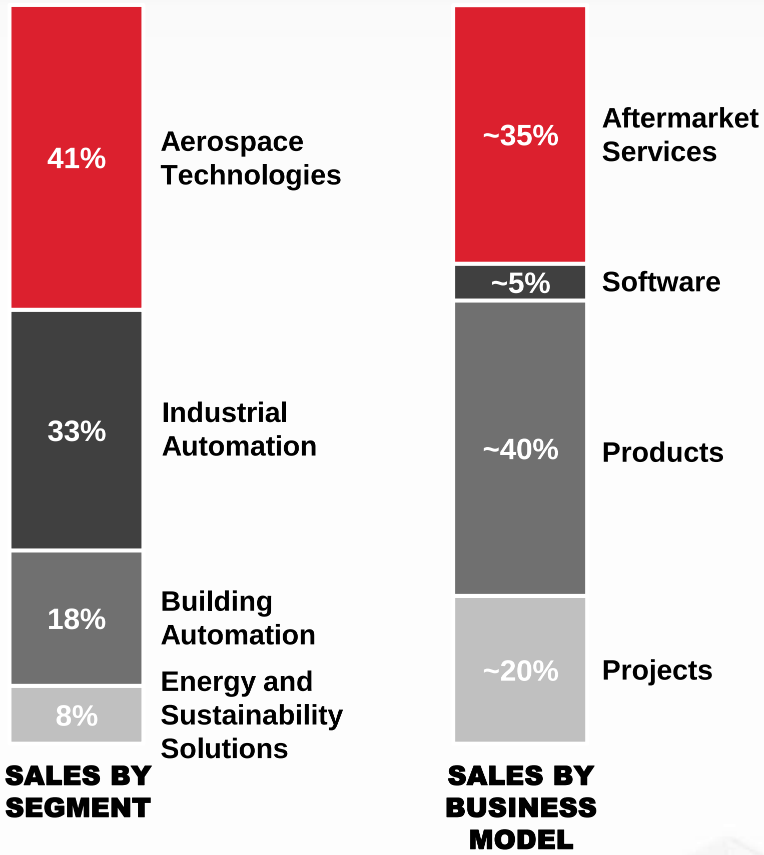
FURTHER OPTIMIZING HONEYWELL PORTFOLIO

- Increasing portfolio alignment to **three compelling megatrends** through reduced end market exposures
- Remaining portfolio superior fit for **Accelerator** business model
- **Simplifying supply chain** with smaller, less complex, and less capital-intensive manufacturing footprint

HON FINANCIAL IMPACT FROM THE SPIN

- Improved organic growth profile
- Neutral segment margin profile impact
- Modestly reducing cyclicality of revenue
- Enhanced free cash flow generation capability

HON PORTFOLIO POST-SPIN[1]

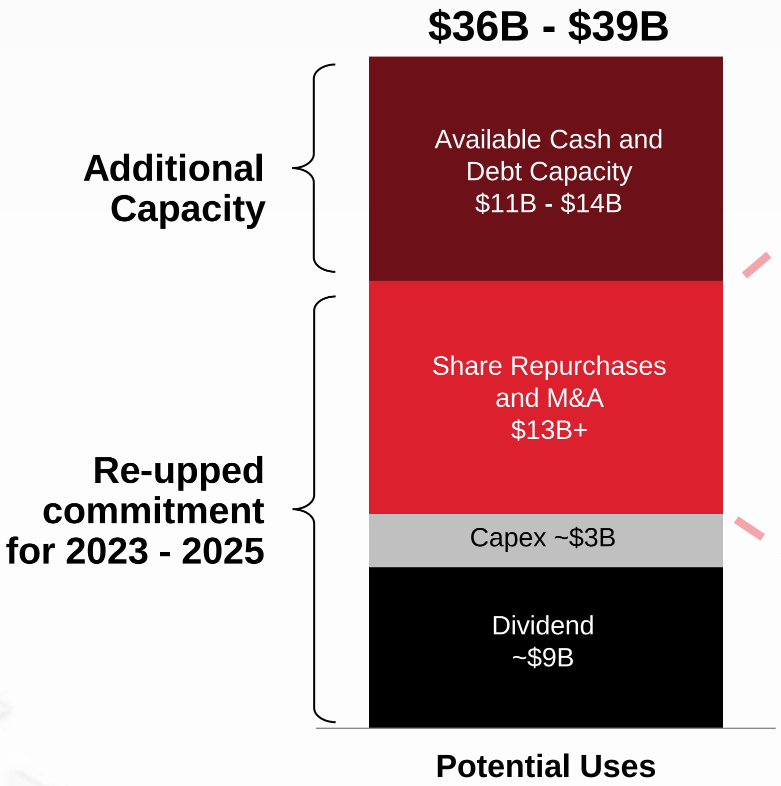


[1]*Data represents 2023 sales with Advanced Materials excluded. Does not include 2024 acquisitions.*

Unlocking Incremental Shareholder Value

CAPITAL DEPLOYMENT

2023 - 2025 TARGET



We define EBITDA as adjusted income before taxes adjusted for interest and other financial charges, interest income, and depreciation and amortization.

PROGRESS TOWARD COMMITMENT

M&A

APPROXIMATELY $10B ANNOUNCED SINCE 2023

Automation	Future of Aviation	Energy Transition
LENEL:S2 / Onity / Supra	CAES PIONEERING ADVANCED ELECTRONICS	AIR PRODUCTS LNG
SCADAfence	CIVITANAVI SYSTEMS®	
COMPRESSOR CONTROLS CORPORATION		

SHARE REPURCHASES

$3.7B
Repurchases in 2023

2.2% share count reduction

$1.2B
YTD Repurchases in 2024

On track for **~2%** share count reduction

Capital Deployment Cadence Unaltered by Advanced Materials Spin

SUMMARY

- **Portfolio changes are key enabler of acceleration in HON's financial performance, including organic growth**
- **Standalone Advanced Materials to benefit from more flexible capital allocation and strategic focus**
- **Significant progress on key priorities over past year, particularly on portfolio, with more to come**

Executing on Strategy to Drive Long-Term Value Creation for Shareholders

Appendix

CONTINUING OUR PORTFOLIO EVOLUTION

	2024 BOLT-ON ACQUISITIONS			SPIN
	Access Solutions	CAES	APD LNG	Advanced Materials
Transaction Size (or Enterprise Value)	($5.0B)	($1.9B)	($1.8B)	TBD
Closing Date	Jun 2024	Sep 2024	Sep 2024	Late 2025 / Early 2026
2024E Run Rate Revenue	$0.7B	$0.8B	$0.3B	($3.8B)
Organic Growth Rate[1]	MSD - HSD	HSD	HSD	MSD

[1] *Long-term expected organic growth rates*

Improving Organic Growth and Margin Profiles Through Portfolio Transformation

Honeywell