Honeywell

J.P. MORGAN INDUSTRIALS CONFERENCE

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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 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 margin, on an overall Honeywell basis, which we define as segment profit divided by sales; organic sales growth, which we define as sales growth less the impacts from foreign currency translation and acquisitions and divestitures for the first 12 months following the transaction date; organic sales growth excluding COVID-driven mask sales, which we define as organic sales growth 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 an as noted in the presentation; free cash flow excluding Quantinuum, which we define as free cash flow less free cash flow attributable to Quantinuum; and adjusted earnings per share, which we adjust to exclude pension mark-to-market, changes in fair value for Garrett equity securities, an expense related to UOP matters, gain on the sale of the retail footwear business, and a non-cash charge associated with a further reduction in value of reimbursement receivables following Garrett’s emergence from bankruptcy on April 30, 2021, 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 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 presentation for reconciliations of non-GAAP financial measures to the most directly comparable GAAP measures.

KEY MESSAGES

1 Honeywell value creation framework is a differentiator

2 We are well-positioned for growth acceleration with strong macro tailwinds in core end markets and gains from incremental breakthrough initiatives

3 Our heritage of ESG is a strength which sets us apart

Best Outlook for Honeywell in Decades

HONEYWELL VALUE CREATION FRAMEWORK

1. Deep Experts of Our Domains	2. Innovators of Scalable Technologies	3. Leaders in High Growth Regions	4. Rigorous Operators
Expansive installed base and scale driving connected software, recurring, and services revenue streams	*Leveraging installed base; building breakthrough technologies and gaining share in core markets*	*Long-term track record of growth; local-for-local presence*	*Continuous improvement in operating efficiency; decisive action in all environments*

5. Disciplined Financial Stewards	6. Effective Capital Managers	7. Responsible Corporate Citizens
Consistent performance on organic growth, margin expansion, cash generation	*Disciplined capital deployment; active portfolio management*	*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

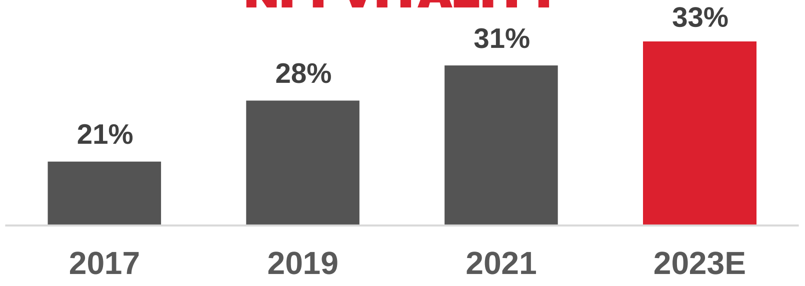
INVESTING IN INNOVATION

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

NPI VITALITY



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, Quantinuum, 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

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 (see "ESG/ESG Information/Identification of ESG-Oriented Offerings").

Making Substantial Progress on a More Sustainable Future

LONG-TERM FINANCIAL FRAMEWORK

LONG-TERM TARGETS	PRIOR TARGETS	UPDATED TARGETS
Sales Growth	**3% - 5%** Organic Growth	**4% - 7%** Organic Growth
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

NEXT LEG OF HONEYWELL TRANSFORMATION

- End Market Tailwinds... Plus
  - 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

Raising Targets for Long-Term Growth

Honeywell

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 Quantinuum

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 Quantinuum

Adjusted EPS
$8.40 - $8.70
Up 4% - 8%

Free Cash Flow
$4.7B - $5.1B*
$4.9B – $5.3B Excluding Quantinuum

**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, gain on sale of the retail footwear business, and a 3Q21 expense related to UOP matters. 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.

First Quarter on Track; Confident in Full Year Outlook

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

($M)	1Q21	2021
Aerospace	$ 2,632	$ 11,026
Honeywell Building Technologies	1,358	5,539
Performance Materials and Technologies	2,346	10,013
Safety and Productivity Solutions	2,118	7,814
Corporate and All Other	—	—
Net Sales	$ 8,454	$ 34,392
Aerospace	$ 762	$ 3,051
Honeywell Building Technologies	305	1,238
Performance Materials and Technologies	434	2,120
Safety and Productivity Solutions	303	1,029
Corporate and All Other	(29)	(226)
Segment Profit	$ 1,775	$ 7,212
Stock compensation expense [1]	(77)	(217)
Repositioning, Other [2,3]	(155)	(636)
Pension and other postretirement service costs [4]	(34)	(159)
Operating income	$ 1,509	$ 6,200
Segment profit	$ 1,775	$ 7,212
÷ Net sales	$ 8,454	$ 34,392
Segment profit margin %	21.0 %	21.0 %
Operating income	$ 1,509	$ 6,200
÷ Net sales	$ 8,454	$ 34,392
Operating income margin %	17.8 %	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) related to the warehouse automation business within the Safety and Productivity Solutions segment. These certain costs are specifically identifiable, not expected to recur upon completion of the projects, and excluded from the measure of segment performance.
(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, particularly pension mark-to-market expense as it is dependent on macroeconomic factors, such as interest rates and the return generated on invested pension plan assets. The information that is unavailable to provide a quantitative reconciliation could have a significant impact on our reported financial results. To the extent quantitative information becomes available without unreasonable effort in the future, and closer to the period to which the forward-looking measures pertain, a reconciliation of segment profit to operating income will be included within future filings.

RECONCILIATION OF EPS TO ADJUSTED EPS

	1Q21	2021	1Q22E	2022E
Earnings per share of common stock - assuming dilution (EPS) (1)	$ 2.03	$ 7.91	$1.80 - $1.90	$8.40 - $8.70
Pension mark-to-market expense (2)	—	0.05	No Forecast	No Forecast
Changes in fair value for Garrett equity securities (3)	—	(0.03)	—	—
Garrett related adjustments (4)	—	0.01	—	—
Gain on sale of retail footwear business (5)	(0.11)	(0.11)	—	—
Expense related to UOP Matters (6)	—	0.23	—	—
Adjusted earnings per share of common stock - assuming dilution	$ 1.92	$ 8.06	$1.80 - $1.90	$8.40 - $8.70

(1) For the three months ended March 31, 2021, adjusted earnings per share utilizes weighted average shares of approximately 704.5 million For the twelve months ended December 31, adjusted earnings per share utilizes weighted average shares of approximately 700.4 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 25% for 2021.

(3) 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.

(4) 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.

(5) 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. 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.

(6) 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.

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

($B)	2022E
Cash provided by operating activities	**~$5.7-$6.1**
Expenditures for property, plant and equipment	**~(1.2)**
Garrett cash receipts	**0.2**
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 cash receipts from Garrett. We define free cash flow excluding Quantinuum as free cash flow less free cash flow attributable to Quantinuum.

We believe that free cash flow and free cash flow excluding Quantinuum 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.