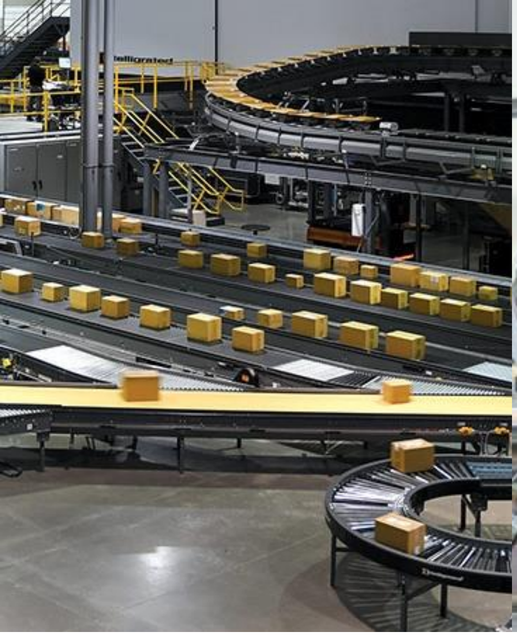




FOURTH QUARTER 2021 EARNINGS AND 2022 OUTLOOK

FEBRUARY 3, 2022

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, 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 and as noted in the presentation; free cash flow excluding Quantinuum, which we define as free cash flow less free cash flow attributable to Quantinuum; free cash flow margin, which we define as free cash flow divided by net sales; and 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, 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.

2021 RESULTS

	FY 2021 Actual	4Q 2021 Actual	4Q 2021 Guidance
Adjusted Earnings Per Share	$8.06	$2.09	$2.03 – $2.13
Organic Sales Growth	4%	(2%)	(4%) – Flat
Segment Margin Expansion	60 bps	30 bps	10 – 60 bps
Free Cash Flow	$5.7B Up 8% YoY	$2.6B Up 4% YoY	
Capital Deployment	$8.5B Share Repurchases, Dividends, Capital Expenditures, and M&A	$2.1B Share Repurchases, Dividends, Capital Expenditures, and M&A	

4Q 2021 Highlights

- Delivered adjusted EPS commitment; strong "say / do"
- Organic sales down (2%) due to supply and labor shortages; (2%) impact to reported sales due to lower COVID-mask demand, (~3%) impact from six fewer days in fiscal 4Q21 vs 4Q20
- Expanded margins 30 bps despite lower volume
- $2.1B capital deployed to share repurchases, dividends, high-return capex, and M&A

Full Year Highlights

- Double-digit adjusted EPS growth year over year
- Organic growth in SPS, HBT, and PMT despite supply and labor constraints
- 60 bps segment margin expansion driven by Aero, PMT, and HBT
- Above high end of initial guidance for EPS and free cash flow
- Highest capital deployment in six years with four acquisitions completed

Adjusted EPS excludes pension mark-to-market expense, changes in fair value for Garrett equity securities, non-cash charges associated with the reduction in value of reimbursement receivables due from Garrett, gain on the sale of the retail footwear business, and an expense related to UOP matters. Capital deployment includes a $270M investment in Quantinuum that is consolidated in our financial statements.

Overdelivered On Our Commitments in 2021 Despite Headwinds

SUSTAINABLE TECHNOLOGY SOLUTIONS WINS

Plastics Recycling

- Honeywell's **UpCycle Process Technology expands the types of plastics that can be recycled** and can produce feedstock used to make recycled plastics with a lower carbon footprint
- Announced intent to form a **joint venture with Avangard Innovative, America's largest plastics recycler,** to build an advanced recycling plant in Texas that utilizes UpCycle Process Technology

Next-Generation Batteries

- Honeywell provides **smart energy storage solutions** to address the needs of a wide range of commercial and industrial customers
- Partnered with FREYR Battery to help enable customers to transition to clean power generation, **producing batteries that can be used at large solar and wind renewable power generation sites**

Low-Cost Carbon Capture

- Honeywell UOP provides process and separation technologies with the capacity to **capture and sequester CO_2**
- Agreed to leverage UT Austin's proprietary advanced solvent technology to **create a new offering for power, steel, cement, and other industrial plants to lower emissions from combustion flue gases**

Green Fuels

- Honeywell UOP's innovative renewable technologies produce **high quality, drop-in fuels from sustainable sources**
- **6 recent wins in UOP's Ecofining™** renewable fuels technology, including a large multinational oil company
- Using Ecofining™, Diamond Green Diesel's expansion, DGD2, with a capacity of 430M gallons of Renewable Diesel per year, started up ahead of schedule and on budget; DGD3 due 2H23, brings total capacity to 1.2B gallons per year

Continued Innovation to Drive the Energy Transition

DEPLOYING CAPEX AND OPEX FOR GROWTH

2022 Outlook	vs. Prior Periods (at midpoint)	Notable 2022 Investment Priorities	
Capital Expenditures *$1.1B - $1.2B*	*Up ~$0.2B, ~25% YoY* *Up ~25% vs. prior 3yr*	**Advanced Recycling Joint Ventures** *JVs with Sacyr and Avangard Innovative that utilize UpCycle Process Technology* **Solstice Capacity Expansion** *2x capacity expansion for Solstice® ze, ultra-low-global-warming- solution* **Quantinuum** *Build-out of additional generations of commercial and development quantum computers*	20% – 100%+ expected IRR on growth capex and R&D
Research & Development *$1.5B – $1.6B*	*Up ~$0.2B, ~15% YoY* *Up ~10% vs. prior 3yr*	**STS Innovation Investment** *Innovation in energy storage, green fuels, advanced plastics recycling, hydrogen* **Next-Generation Flight Deck** *First cloud-connected cockpit system, customizable for virtually all aircraft* **New Engine Programs** *Investment in new engine development* **Momentum Warehouse Execution System** *Next gen software platform empowering distribution centers with dynamic intelligence* **Quantinuum** *Additional scientists and engineers for both software and hardware development*	
Digital Capabilities *~$1.0B*	*Up ~$75M, ~10% YoY*	**Honeywell Digital** *Digitizing end-to-end streams across the enterprise to capture value* **Cybersecurity Investment** *New capabilities in malware prevention, supplier security, and phishing protection*	

Investing in the Future with High Double-Digit Returns

INTRODUCING QUANTINUUM

QUANTINUUM

150+ Technical Patents

~400 Brightest Quantum Minds

~$2B Sales by 2026

~$1T TAM by 2050

Integrated, full-stack technology **solving the world's most pressing challenges** in critical markets:

Cybersecurity

Pharma & Healthcare

New Material Design

Banking & Finance

Carbon Capture & Storage

Energy Production & Storage

Fertilizer Production

Electric Vehicles

New Cybersecurity Product Rolling Out

- **Quantum** (origin) is the world's first commercial product built using quantum computers that delivers outcomes that classical computers could not achieve
- Quantum Origin is a quantum-enhanced cryptographic key generation platform to protect data from advancing threats

Quantinuum Combination Complete

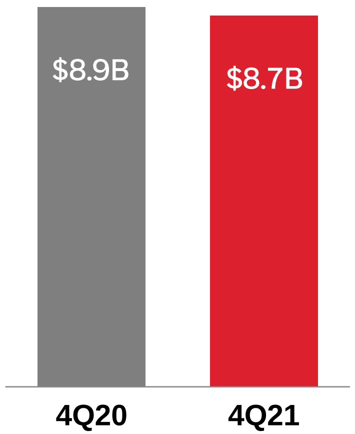
- Honeywell with an initial **54%** ownership stake; invested an additional **$270M** upon completion of combination
- Net P&L investment of **~($60M)** in 2021 and expected **~($150M)** in 2022; primarily R&D
- Expecting 2022 sales of **$20M+** and year-over-year margin impact to HON of **(30 bps)**

Quantinuum is the Best Positioned Company to Lead Quantum Computing

4Q 2021 FINANCIAL SUMMARY

Sales

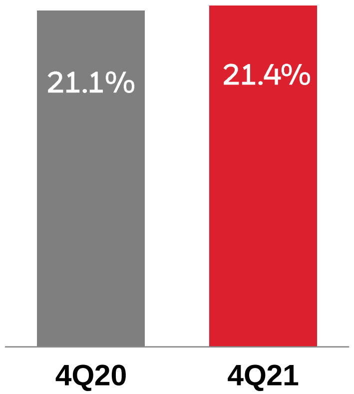
Down (2%)
Organic



+ Strong pricing actions
- Supply and labor constraints
- (2%) impact on reported sales from lower COVID-mask demand, (~3%) impact from six fewer days in fiscal 4Q21 vs 4Q20

Segment Margin

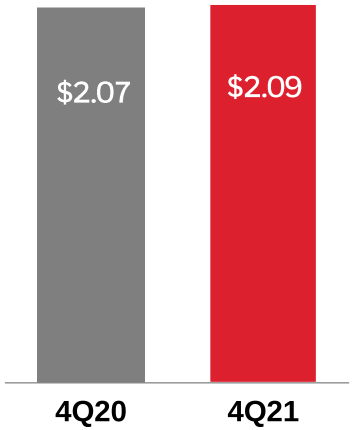
Up 30 bps



+ Pricing offset inflation
- Volume deleverage
+ 430 bps expansion in PMT
- Intelligrated inefficiencies; supply chain disruption

Adjusted EPS

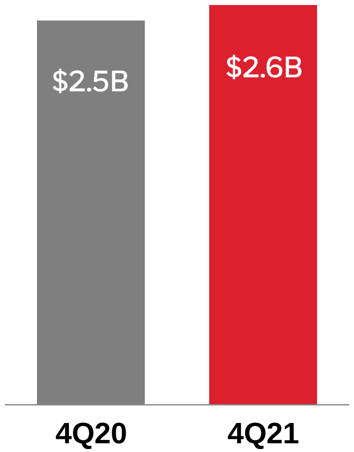
Up 1%



- Lower volumes and segment profit
+ Higher pension income
- Higher repositioning and other
- Higher adjusted tax rate
+ Lower share count (696M vs 710M)

Free Cash Flow

Up 4%



- Lower adjusted net income
+ Decreased working capital
+ $211M cash receipt from Garrett
+ Deployed $2.1B to share repurchases, dividends, capex, and M&A

Adjusted EPS and adjusted EPS V% exclude pension mark-to-market expense, changes in fair value for Garrett equity securities, and non-cash charges associated with the reduction in value of reimbursement receivables due from Garrett. Capital deployment includes a $270M investment in Quantinuum that is consolidated in our financial statements.

Preserving Margin Despite Supply and COVID Challenges

2022 SEGMENT OUTLOOK

	Primary End Market	Market Indicator	HON Organic Growth Rate	Segment Commentary
Aero	Commercial Aerospace Defense & Space	↗ →	HSD	• Commercial flight hours continue to improve sequentially • Strong original equipment demand due to narrowbody recovery and new business aviation platforms coming into service • Defense budget spending stable
HBT	Non-Residential	↗	HSD	• Continued return to public spaces increasing demand for Healthy Building solutions • Non-residential construction spending stable • Increased infrastructure spending
PMT	Oil & Gas / PetroChem Specialty Chemicals	↗ ↗	MSD - HSD	• Process automation orders strength • UOP growth led by catalyst reloads in refining markets • Increased focus on sustainability and efficiency creating tailwinds for sustainable technology solutions
SPS	Industrial Productivity	↗	~Flat	• Strong demand in productivity solutions and services, advanced sensing technologies, and gas detection • Intelligrated ~flat after 50% growth in 2021; shift focus to profitability in 2022 after hypergrowth • Lower COVID-related mask demand

End Markets Support Organic Growth in 2022 with 2H22 Acceleration

FY 2022 OUTLOOK

FY Guidance

Sales	Segment Margin
$35.4B - $36.4B	21.1% - 21.5%
Up 4% - 7% Organically	*Up 10 - 50 bps*
Up 5% - 8% Excluding Impact of COVID-Driven Mask Sales Declines	*Up 40 – 80 bps Excluding Impact of Quantinuum*

Adjusted EPS	Free Cash Flow
$8.40 - $8.70	$4.7B - $5.1B*
Up 4% - 8%	*$4.9B – $5.3B Excluding Quantinuum*

What We Expect

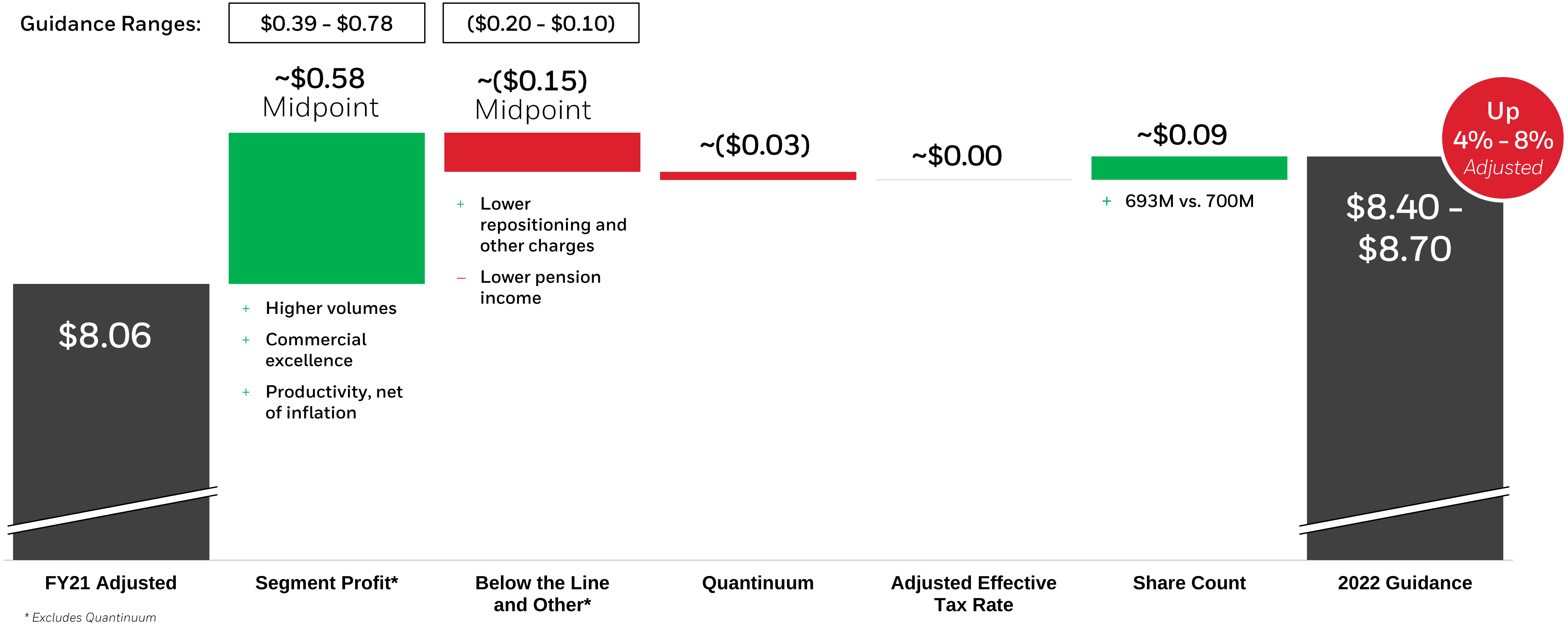
- Price driving ~4% of sales growth
- (1%) sales headwind for COVID-driven mask sales declines
- FX resulting in a (1%) impact to reported sales
- Minimal improvement in supply chain constraints in 1H22; gradual improvement in 2H22
- Segment margin expansion across all four segments
- Minimum 1% share count reduction
- Continued focus on capital deployment

**Assumes R&D extenders are not enacted*

Adjusted EPS guidance excludes any potential future one-time items that we cannot reliably predict or estimate such as pension mark-to-market or changes in fair value for Garrett equity securities. Adjusted EPS V% guidance also excludes 4Q21 pension mark-to market, 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.

Honeywell Growth Algorithm Intact in 2022

2022 EARNINGS PER SHARE BRIDGE

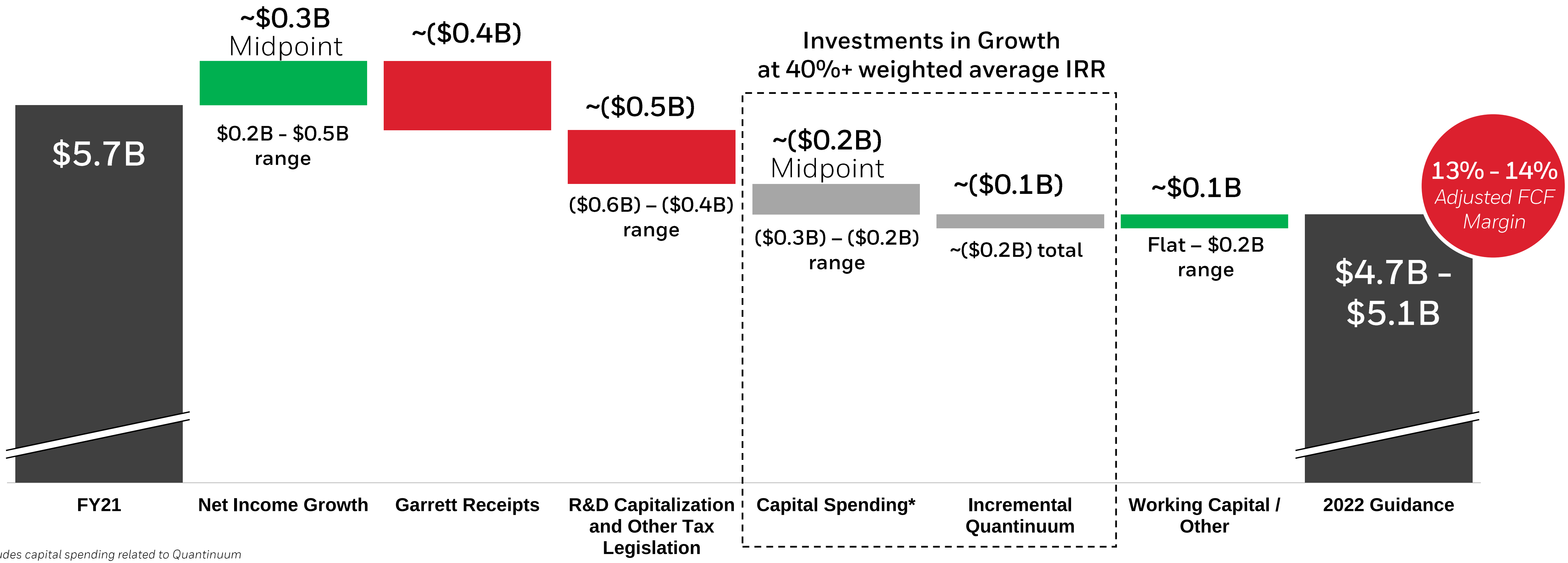


** Excludes Quantinuum*

Adjusted EPS and EPS V% guidance excludes the impact of 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, and gain on the sale of the retail footwear business.

Operational Execution Driving Value for Shareholders

2022 FREE CASH FLOW BRIDGE



Excludes capital spending related to Quantinuum

Free Cash Flow Growth Offset by Non-Operational Factors and High-IRR Investment

1Q 2022 OUTLOOK

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

What We Expect

- Price driving ~4% of sales growth
- 2% sales headwind for COVID-driven mask sales declines
- Tough Intelligrated comps, growth in the second half
- FX resulting in a (2%) impact to reported sales
- Minimal improvement in supply chain constraints
- Capacity for $120M to $160M of repositioning
- Supply chain, inventory will dampen cash generation

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. Adjusted EPS V% also excludes the 1Q21 gain on sale of the retail footwear business.

Focus on Executing Through Challenging First Quarter Environment

HONEYWELL CORPORATE GOVERNANCE

Board and Executive Management Composition

36% Directors are women
Compared to 27% comp peer median

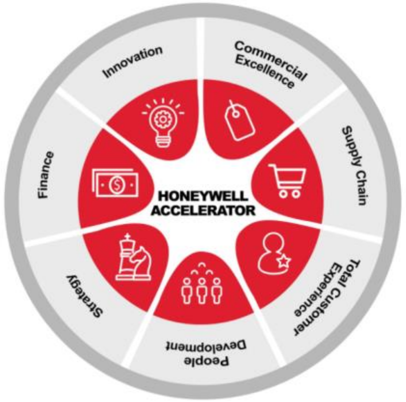
45% Directors are ethnically or racially diverse
Compared to 18% comp peer median

91% Directors are independent

>50% Executive officers are diverse by ethnic background, non-US birthplace, or gender

Honeywell Accelerator

Launched a revitalized operating system providing a centralized source of educational and training materials and best practices designed to further **develop our employees** and enhance the way we **manage, govern, and operate** the business day-to-day



Board of Directors Update

Rose Lee
President and CEO, Cornerstone Building Brands

- Honeywell's board of directors has elected Rose Lee to its board of directors as an independent director
- Lee has extensive environmental, social, and governance (ESG) expertise
- Focused on improving sustainability through water, shelter, and safety solutions; spearheaded initiatives to advance minorities, women, and veterans

Peer group medians are based on data made publicly available by companies in our compensation peer group (as defined in our 2021 proxy statement).

Robust Governance Framework Across All Levels of the Organization

SUMMARY

- Overdelivered on our 2021 financial commitments in a challenging environment
- Increased capital deployment; balance sheet well-positioned for further acceleration
- Macro setup favorable for our end markets; a tale of two halves
- ESG focus foundational to strategy and performance

Honeywell

2022 Investor Day
Charlotte, NC | March 3

Honeywell's Chairman and CEO Darius Adamczyk and senior leaders will discuss the company's business strategy, innovations, breakthrough growth opportunities, and long-term targets. Our business leadership teams will highlight our technology and innovations across the portfolio through interactive technology demonstrations.

Well-Positioned for Acceleration

Appendix

4Q 2021 SALES GROWTH

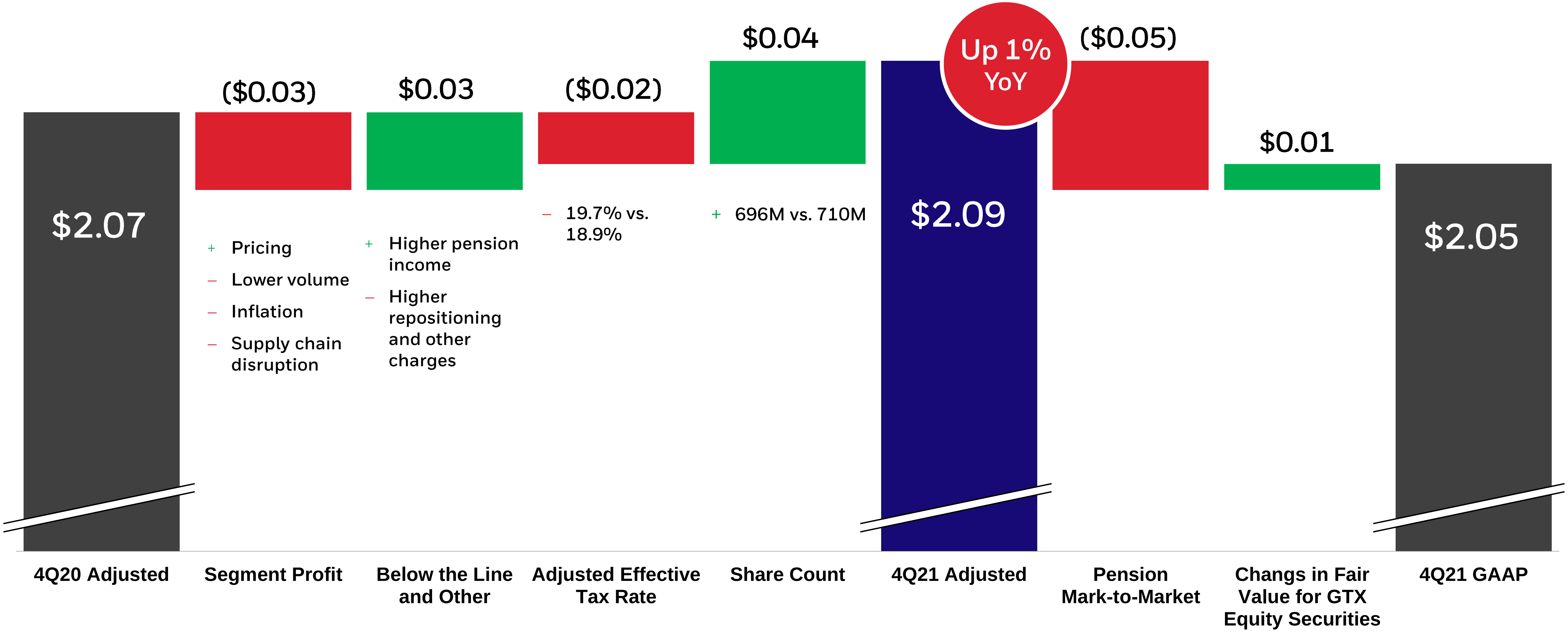
	4Q Reported	4Q Organic	FY Reported	FY Organic
Aerospace	**(3%)**	**(3%)**	**(4%)**	**(5%)**
Commercial Aviation Original Equipment	8%	7%	(11%)	(12%)
Commercial Aviation Aftermarket	16%	16%	9%	9%
Defense and Space	(17%)	(18%)	(11%)	(12%)
Honeywell Building Technologies	**(2%)**	**(1%)**	**7%**	**4%**
Products	(2%)	(2%)	9%	6%
Building Solutions	(1%)	(1%)	4%	0%
Performance Materials And Technologies	**2%**	**2%**	**6%**	**3%**
UOP	7%	7%	8%	6%
Honeywell Process Solutions	(2%)	(3%)	0%	(4%)
Advanced Materials	4%	5%	15%	13%
Safety And Productivity Solutions	**(10%)**	**(6%)**	**21%**	**22%**
Safety and Retail	(37%)	(31%)	(1%)	5%
Productivity Solutions and Services	22%	23%	27%	25%
Warehouse and Workflow Solutions	0%	0%	50%	49%
Advanced Sensing Technologies	13%	13%	5%	3%

4Q 2021 SEGMENT RESULTS

($M)	Sales	Segment Margin Change (bps)	Commentary
Aero	**$2,896** *Down (3%) Organic*	**29.0%** *Up 140 bps*	• Double digit commercial aviation aftermarket growth supported by continued flight hour recovery; strong demand in commercial business aviation OE • Lower U.S. defense volumes partially offset by growth in international defense • Margin expansion as a result of pricing, improved business mix with higher aftermarket sales, and productivity partially offset by higher cost of materials
HBT	**$1,404** *Down (1%) Organic*	**21.1%** *Down (30) bps*	• Continued supply chain challenges constraining top line growth • Double-digit backlog growth driven by building solutions • Margin contraction as a result of lower volume leverage and cost inflation, mostly offset by favorable pricing
PMT	**$2,605** *Up 2% Organic*	**23.0%** *Up 430 bps*	• Strong catalyst and gas processing shipments in UOP; double-digit orders growth • HPS projects recovery delayed; double-digit orders growth, a positive indicator for 2022 • Margin expansion driven by favorable pricing and productivity, net of inflation
SPS	**$1,752** *Down (6%) Organic*	**10.8%** *Down (450) bps*	• Double-digit growth in productivity solutions and services and advanced sensing technologies • Headwind from decreased COVID-related mask demand • Supply chain disruptions causing inefficiencies in Intelligrated

Strong Demand and Execution, but Supply Constraints Persist

4Q 2021 EARNINGS PER SHARE BRIDGE



Adjusted EPS and adjusted EPS V% exclude pension mark-to-market expense, changes in fair value for Garrett equity securities, and non-cash charges associated with the reduction in value of reimbursement receivables due from Garrett.

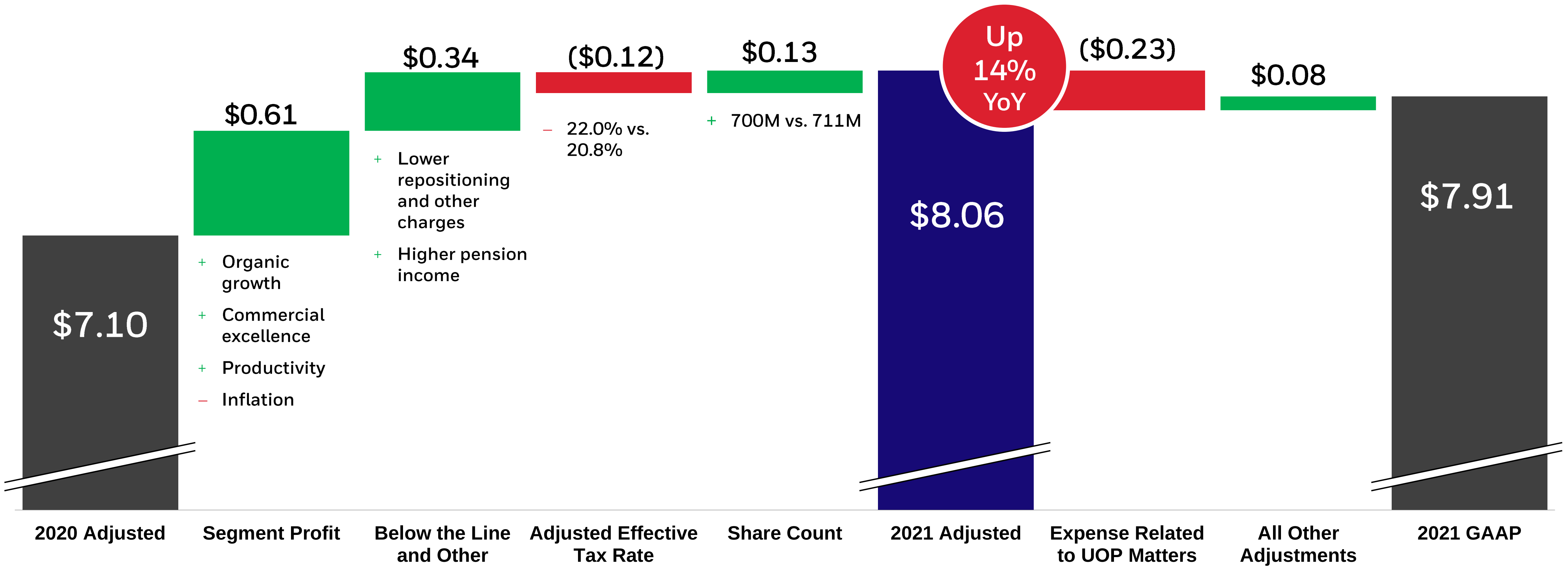
4Q21 EPS Up Despite Lower Volumes

FY 2021 SEGMENT RESULTS

($M)	Sales	Segment Margin Change (bps)	Commentary
Aero	$11,026 *Down (5%) Organic*	27.7% *Up 250 bps*	• Recovery in commercial aviation aftermarket underway; sequential improvement each quarter • Defense and space down as a result of lower demand and supply chain constraints
HBT	$5,539 *Up 4% Organic*	22.4% *Up 120 bps*	• Increased demand for healthy building solutions with over $400M in orders • Double-digit growth in the first half of the year; semiconductor supply limited the second half
PMT	$10,013 *Up 3% Organic*	21.2% *Up 160 bps*	• Completed strategic acquisitions to expand life sciences portfolio (Sparta and Performix) • UOP strength led by increased catalyst shipments
SPS	$7,814 *Up 22% Organic*	13.2% *Down (80) bps*	• Hypergrowth in Intelligrated; supply chain disruptions in the second half of the year • Over 25% growth in productivity solutions and services

Significant Progress Made During the First Year of Recovery

2021 EARNINGS PER SHARE BRIDGE



Adjusted EPS and adjusted EPS V% exclude pension mark-to-market expense, a separation related tax adjustment, changes in fair value for Garrett equity securities, non-cash charges associated with the reduction in value of reimbursement receivables due from Garrett, gain on the sale of the retail footwear business, and an expense related to UOP matters.

Substantial EPS Growth During First Year of Recovery

FY 2021 GUIDANCE PROGRESSION

	Initial Guidance (as of 4Q20 Earnings Call)	Revised Guidance (as of 1Q21 Earnings Call)	Revised Guidance (as of 2Q21 Earnings Call)	Revised Guidance (as of 3Q21 Earnings Call)	Actual Results
Sales *Organic Growth*	**$33.4B - $34.4B** *Up 1% - 4%*	**$34.0B - $34.8B** *Up 3% - 5%*	**$34.6B - $35.2B** *Up 4% - 6%*	**$34.2B - $34.6B** *Up 4% - 5%*	**$34.4B** *Up 4%*
Segment Margin *Margin Expansion*	**20.7% - 21.1%** *Up 30 - 70 bps*	**20.7% - 21.1%** *Up 30 - 70 bps*	**20.8% - 21.1%** *Up 40 - 70 bps*	**20.9% - 21.1%** *Up 50 - 70 bps*	**21.0%** *Up 60 bps*
Net BTL	($130M) - $20M	($130M) - $20M	($110M) - $40M	$40M - $125M	$111M
Effective Tax Rate	21% - 22%	21% - 22%	21% - 22%	~22%	22%
Share Count	~705M	~705M	~703M	~701M	700M
Adjusted EPS *Adjusted Growth*	**$7.60 - $8.00** *Up 7% - 13%*	**$7.75 - $8.00** *Up 9% - 13%*	**$7.95 - $8.10** *Up 12% - 14%*	**$8.00 - $8.10** *Up 13% - 14%*	**$8.06** *Up 14%*
Free Cash Flow	**$5.1B - $5.5B**	**$5.2B - $5.5B**	**$5.3B - $5.6B**	**$5.3B - $5.6B**	**$5.7B**

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 and adjusted EPS V% exclude pension mark-to-market expense, changes in fair value for Garrett equity securities, non-cash charges associated with the reduction in value of reimbursement receivables due from Garrett, gain on the sale of the retail footwear business, and an expense related to UOP matters.

Overdelivered On Initial EPS and FCF Guidance Despite Challenging Environment

2022 PLANNING ASSUMPTIONS

- Favorable setup across end markets: commercial flight hours improve, increased investment to support energy transition
- Continued macro challenges from supply chain, especially in 1H; uptick in semiconductor availability in 2H
- Emphasis on price / cost as inflationary environment continues
- Global economic environment improves throughout 2022; stable geopolitical environment
- COVID-19 case rates decrease due to distribution of vaccines and boosters
- Higher cash taxes from R&D capitalization legislation (majority of the $500M impact) and other law changes

Demand Remains Strong; External Factors Create Pressure

ADDITIONAL 2022 INPUTS

	2021	2022E	1Q22E	Commentary
Pension / OPEB	$1,154M	~$1,050M	~$260M	• Maintaining asset base with higher discount rates, resulting in lower pension income
Repositioning and Other	($418M)	($300M - $425M)	($120M - $160M)	• Retaining capacity for high-return repo projects; 2022 includes $30M – $50M labor cost inefficiencies
Other Below the Line	($625M)	($700M - $725M)	($170M - $175M)	• Asbestos, environmental expenses net of spin reimbursements, net interest, F/X, stock option expense, RSU expense, M&A, and other expenses
Total Below the Line	$111M	($100M) - $50M	($30M - $75M)	
Adjusted Effective Tax Rate	22%	~22%	~22%	
Share Count	700M	~693M	~697M	• Minimum 1% share count reduction
Corporate and Quantinuum	($226M)	($400M - $450M)	($75M - $90M)	• 2022 includes full year net P&L investment in Quantinuum

QUANTINUUM REPORTING STRUCTURE

2021	Impact YoY	2022
Aero Quantum operating loss (~$60M)	+50 bps margin	Aero
HBT	Moving financials to Corporate	HBT
PMT		PMT
SPS		SPS
Corporate		**Corporate** Quantum operating loss (~$150M)
Honeywell	(30 bps) margin (~$0.03) EPS*	**Honeywell**

2022 Estimated Financials	
Sales	$20M+
Net P&L Investment	(~$150M)
YoY Margin Impact to HON	(30 bps)
EPS Contribution	($0.07)
YoY EPS Impact to HON	(~$0.03)
Free Cash Flow	(~$175M)

*After non-controlling interest

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

($M)	4Q20	4Q21	1Q21	2020	2021
Aerospace	$ 2,978	$ 2,896	$ 2,632	$ 11,544	$ 11,026
Honeywell Building Technologies	1,426	1,404	1,358	5,189	5,539
Performance Materials and Technologies	2,556	2,605	2,346	9,423	10,013
Safety and Productivity Solutions	1,940	1,752	2,118	6,481	7,814
Corporate and All Other	—	—	—	—	—
Net Sales	$ 8,900	$ 8,657	$ 8,454	$ 32,637	$ 34,392
Aerospace	$ 822	$ 839	$ 762	$ 2,904	$ 3,051
Honeywell Building Technologies	305	296	305	1,099	1,238
Performance Materials and Technologies	478	598	434	1,851	2,120
Safety and Productivity Solutions	297	189	303	907	1,029
Corporate and All Other	(23)	(71)	(29)	(96)	(226)
Segment Profit	$ 1,879	$ 1,851	$ 1,775	$ 6,665	$ 7,212
Stock compensation expense (1)	(50)	(45)	(77)	(168)	(217)
Repositioning, Other (2,3)	(111)	(245)	(155)	(641)	(636)
Pension and other postretirement service costs (4)	(42)	(43)	(34)	(160)	(159)
Operating income	$ 1,676	$ 1,518	$ 1,509	$ 5,696	$ 6,200
Segment profit	$ 1,879	$ 1,851	$ 1,775	$ 6,665	$ 7,212
÷ Net sales	$ 8,900	$ 8,657	$ 8,454	$ 32,637	$ 34,392
Segment profit margin %	21.1 %	21.4 %	21.0 %	20.4 %	21.0 %
Operating income	$ 1,676	$ 1,518	$ 1,509	$ 5,696	$ 6,200
÷ Net sales	$ 8,900	$ 8,657	$ 8,454	$ 32,637	$ 34,392
Operating income margin %	18.8 %	17.5 %	17.8 %	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) 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 ORGANIC SALES % CHANGE

	4Q21	2021
Honeywell		
Reported sales % change	(3)%	5%
Less: Foreign currency translation	(1)%	1%
Less: Acquisitions, divestitures and other, net	—%	—%
Organic sales % change	(2)%	4%
Aerospace		
Reported sales % change	(3)%	(4)%
Less: Foreign currency translation	—%	1%
Less: Acquisitions, divestitures and other, net	—%	—%
Organic sales % change	(3)%	(5)%
Honeywell Building Technologies		
Reported sales % change	(2)%	7%
Less: Foreign currency translation	(1)%	3%
Less: Acquisitions, divestitures and other, net	—%	—%
Organic sales % change	(1)%	4%
Performance Materials and Technologies		
Reported sales % change	2%	6%
Less: Foreign currency translation	(1)%	2%
Less: Acquisitions, divestitures and other, net	1%	1%
Organic sales % change	2%	3%
Safety and Productivity Solutions		
Reported sales % change	(10)%	21%
Less: Foreign currency translation	—%	2%
Less: Acquisitions, divestitures and other, net	(4)%	(3)%
Organic sales % change	(6)%	22%

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 percent change 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 EPS TO ADJUSTED EPS

	4Q20	4Q21	1Q21	2020	2021	1Q22E	2022E
Earnings per share of common stock - assuming dilution (EPS) (1)	**$ 1.91**	**$ 2.05**	**$ 2.03**	**$ 6.72**	**$ 7.91**	**$1.80 - $1.90**	**$8.40 - $8.70**
Pension mark-to-market expense (2)	**0.05**	**0.05**	**—**	**0.04**	**0.05**	**No Forecast**	**No Forecast**
Separation related tax adjustment (3)	**—**	**—**	**—**	**(0.26)**	**—**	**—**	**—**
Changes in fair value for Garrett equity securities (4)	**—**	**(0.01)**	**—**	**—**	**(0.03)**	**—**	**—**
Garrett related adjustments (5)	**0.11**	**—**	**—**	**0.60**	**0.01**	**—**	**—**
Gain on sale of retail footwear business (6)	**—**	**—**	**(0.11)**	**—**	**(0.11)**	**—**	**—**
Expense related to UOP Matters (7)	**—**	**—**	**—**	**—**	**0.23**	**—**	**—**
Adjusted earnings per share of common stock - assuming dilution	**$ 2.07**	**$ 2.09**	**$ 1.92**	**$ 7.10**	**$ 8.06**	**$1.80 - $1.90**	**$8.40 - $8.70**

(1) For the three months ended December 31, 2021 and 2020, adjusted earnings per share utilizes weighted average shares of approximately 695.8 million and 710.0 million. For the three months ended March 31, 2021, adjusted earnings per share utilizes weighted average shares of approximately 704.5 million For the twelve months ended December 31, 2021 and 2020, adjusted earnings per share utilizes weighted average shares of approximately 700.4 million and 711.2 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 and 2020.

(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 three and twelve months ended December 31, 2021, the adjustments were $5 million and $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 three and twelve months ended December 31, 2020, adjustments were $77 million and $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.

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

($M)	4Q21	2021
Cash provided by operating activities	**$ 2,663**	**$ 6,038**
Expenditures for property, plant and equipment	**(281)**	**(895)**
Garrett cash receipts	**211**	**586**
Free cash flow	**$ 2,593**	**$ 5,729**

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 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.

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

($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
Cash provided by operating activities	~$5.7-$6.1
Net Sales	$35.4 - $36.4
Operating cash flow margin%	16% - 17%
Free cash flow	~$4.7 - $5.1
Net Sales	$35.4 - $36.4
Free cash flow margin %	13% - 14%

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.

Honeywell