Honeywell Technologies at a Glance

June 2026

Honeywell Technologies

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), including statements related to the proposed separation of Honeywell from Honeywell Aerospace and the planned sales of the Productivity Solutions and Services and Warehouse and Workflow Solutions businesses. Forward-looking statements are those that address activities, events, or developments that we or our management intend, expect, project, believe, or anticipate 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, including Honeywell's current expectations, estimates, and projections regarding the proposed separation of Honeywell from Honeywell Aerospace and the planned sales of the Productivity Solutions and Services and Warehouse and Workflow Solutions businesses. 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, including the proposed separation of Honeywell from Honeywell Aerospace and the planned sales of the Productivity Solutions and Services and Warehouse and Workflow Solutions businesses, and the anticipated benefits of each. 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 changes in or application of trade and tax laws and policies, including the impacts of tariffs and other trade barriers and restrictions, lower GDP growth or recession in the U.S. or globally, supply chain disruptions, capital markets volatility, inflation, and certain regional conflicts, including ongoing conflicts in the Middle East, which 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. These forward-looking statements should be considered in light of the information included in this presentation, our Form 10-K and other filings with the Securities and Exchange Commission. Any forward-looking plans described herein are not final and may be modified or abandoned at any time.

Non-GAAP financial measures

This presentation contains financial measures presented on a non-GAAP basis. Honeywell Technologies' non-GAAP financial measures used in this presentation are as follows: Net sales excluding spin-off and divestiture impact; Segment profit, on an overall Honeywell Technologies basis; Segment profit excluding spin-off and divestiture impact; Segment profit of Industrial Automation excluding divestiture impact; Segment profit margin excluding spin-off and divestiture impact; Net sales excluding divestiture impact; Organic sales percent change; Last twelve months ("LTM") average organic growth; Adjusted earnings per share; Adjusted earnings per share excluding spin-off and divestiture impact; Adjusted earnings per share excluding spin-off and Quantinuum divestiture impact; Free cash flow; Free cash flow excluding spin-off and divestiture impact; Adjusted income before taxes; Adjusted income tax expense; and Adjusted effective tax rate, 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.

Introducing Honeywell Technologies

1 | Transformed portfolio into a pure-play automation leader

2 | Focused on mission-critical automation environments delivering value-based outcomes

3 | Growing and monetizing our installed base is the foundation of our differentiated business model

4 | Leveraging AI to lead the transition from automation to autonomy

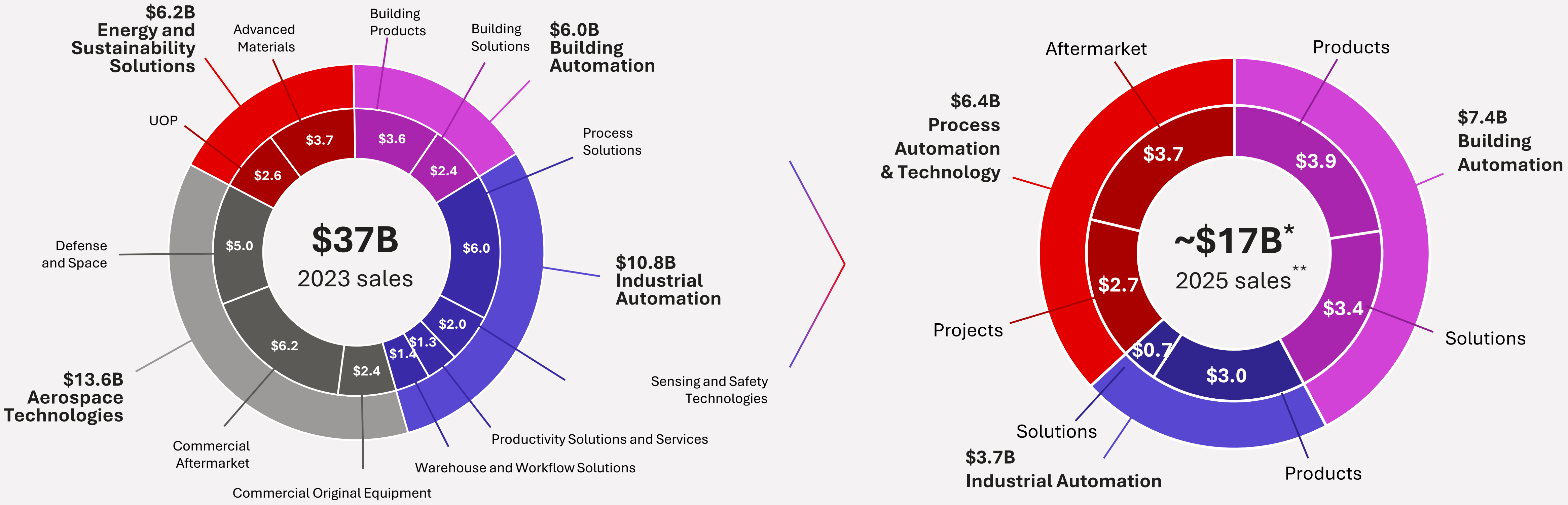
5 | Mature Honeywell Accelerator operating system enabling profitable growth

6 | Experienced leadership team with execution and growth mindset

Pure-play business leading the transition from automation to autonomy

Transformed into a focused, pure-play automation leader

We streamlined a complex portfolio… …into a cohesive, pure-play automation portfolio



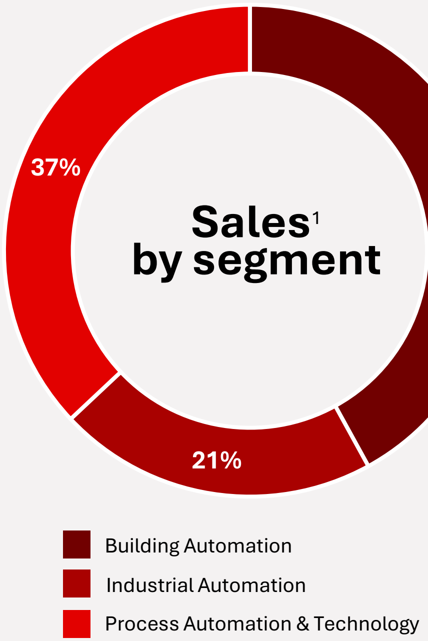
[1]Pro forma annual sales acquired or divested.
[2]Includes Johnson Matthey transaction which is expected to close in 3Q.
[3]Represents value of all legacy asbestos liabilities that were divested.
[4]Represents value raised from institutional investors on June 4th Quantinuum (Nasdaq: QNT) initial public offering (IPO).
*Represents composition of 2025 sales; Excludes $0.4B of sales from Personal Protective Equipment, which was sold in May 2025 and $2.1B of sales from Productivity Solutions and Services and Warehouse and Workflow Solutions, which are held for sale; Expect to complete divestitures in 2H 2026.
Note: Numbers may not tie due to rounding.
**Non-GAAP financial measure

Honeywell Technologies overview (NASDAQ: HON)

Global pure-play automation company delivering mission-critical outcomes for our customers

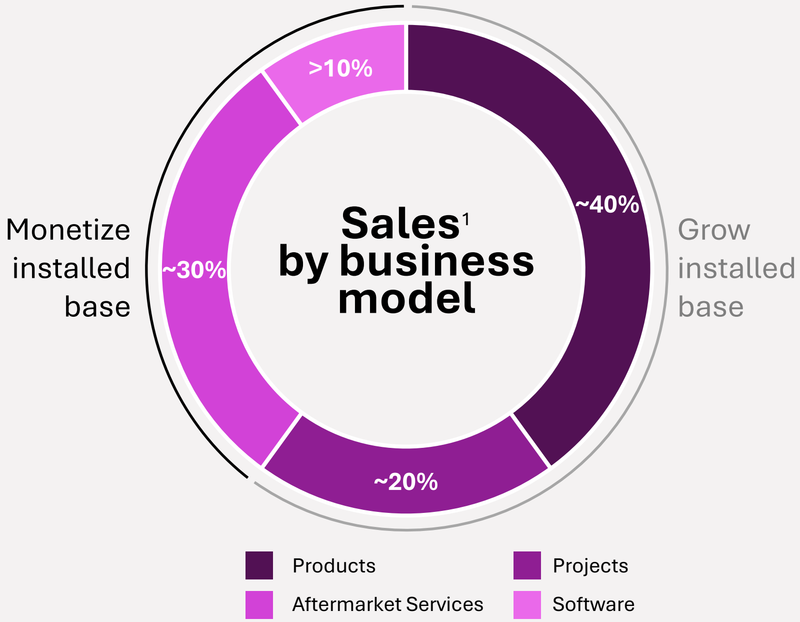
~$17B

Sales*[1]



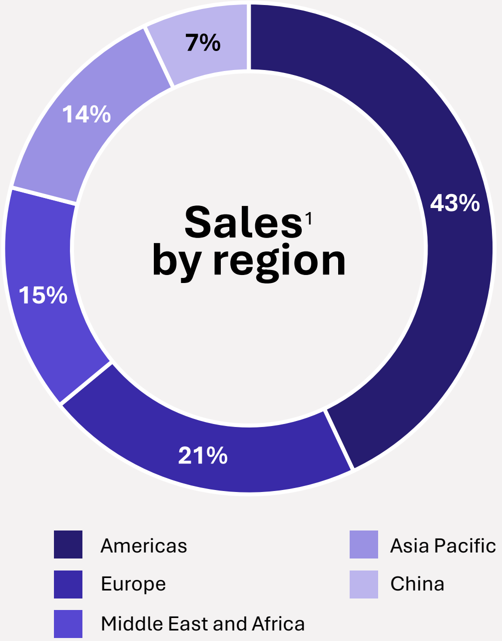
~$4B

Segment Profit *[2]



~21%

Segment Margin*[2]



*Non-GAAP financial measure

[1]Represents composition of 2025 sales; Excludes sales from Personal Protective Equipment (PPE), which was sold in May 2025 and sales from Productivity Solutions and Services (PSS) and Warehouse and Workflow Solutions (WWS), which are held for sale; Expect to complete divestitures in 2H 2026.

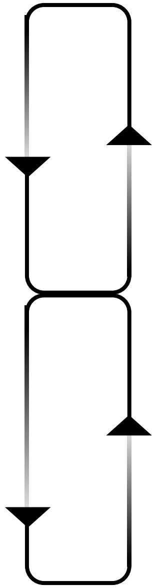
[2]2025 Segment profit and Segment margin exclude PPE, PSS, WWS and the impact of retained corporate assessment that was previously allocated to Aerospace. See Appendix for reconciliation of non-GAAP measures.

Automation pure play enabling safety, productivity, efficiency and uptime

Where we play

Technology stack

Information flows up and directives flow down in a continuous cycle



Industry segments and Honeywell Technologies' participation

Technology stack	Buildings	Process / Hybrid	Discrete
	Building Automation	Process Automation & Technology	
Software	✓	✓	✗
Controls	✓	✓	✗
		Industrial Automation	Industrial Automation
Sensing and measurement	✓	✓	✓

✓ HON participation ✗ No / limited HON participation

We compete where resiliency and reliability are paramount

Why we like these markets

Attractive market characteristics

- Aligned to compelling megatrends, including infrastructure buildout, energy security, skilled labor scarcity, AI and reshoring
- Attractive verticals with higher growth exist within these markets (e.g., life sciences, semiconductors, datacenters)
- Extensive installed base driving recurring services and software revenue
- Fragmentation in buildings and industrial end markets enabling opportunity to build scale
- Global presence providing growth opportunity and fixed cost leverage

Market dynamics

	Buildings	Industrial	Process
Market size[1]	**~$120B**	**~$35B**	**~$55B**
Market growth[2]	**4%**	**3%**	**3%**
Three-year HON organic growth targets	**MSD - HSD**	**MSD**	**MSD**
Key peers	ABB • AMETEK • Emerson • KBR Johnson Controls • Rockwell Automation Schneider Electric • Siemens		

[1]Represents 2026 Serviceable Addressable Markets.
[2]Represents 2026–2029 market growth rates, which are internal estimates based on external market research.

Committed to 4% - 6% organic growth, underpinned by distinctive business model and strategy execution

What are our distinctive advantages as a pure-play automation leader

Foundational strengths

Vast installed base
with large aftermarket entitlement

Global scale
with deep customer relationships and channel partnerships

Honeywell Accelerator operating system
provides tools, processes and best practices to operate smarter and faster

Honeywell Technologies

#1
in Building Automation and Process Technology

Top 3
in Process Automation and Industrial Automation

Differentiation

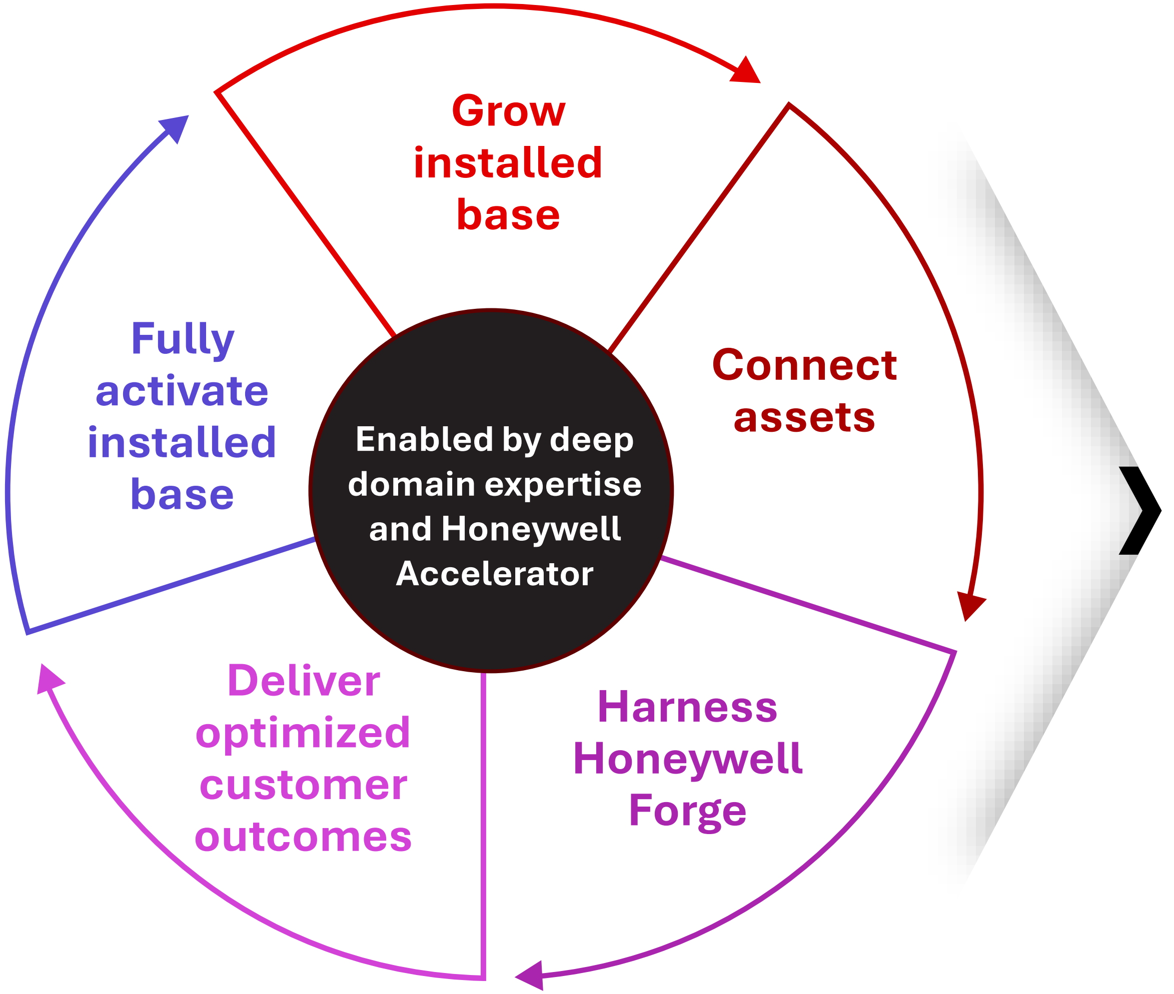
Deep domain expertise
leveraging world-class engineering resources

Proprietary Honeywell Forge
solution using unique database and continuous learning to optimize customer outcomes

Innovation across critical control points
in mission-critical environments

Solving challenges in mission-critical environments with asymmetric risk payoffs

How we create value



Grow installed base	*Monetize installed base*			
Grow installed base	**Connect assets**	**Harness Honeywell Forge**	**Deliver optimized customer outcomes**	**Fully activate installed base**
Extend with hardware at critical control points	Digitize installed base and feed data into HON Forge	Develop innovative, customized solutions	Drive advantaged decision-making and efficiency	Leverage solutions to accelerate shared value creation

Clear customer benefits:

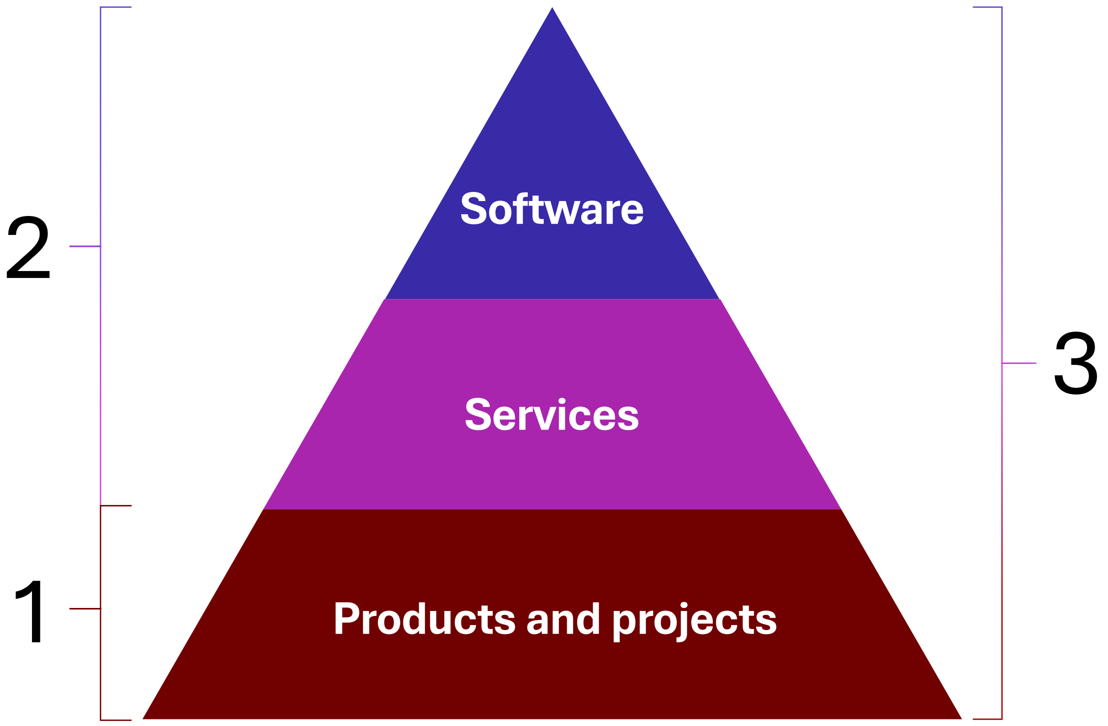
- **Enhances productivity** enabling profitable growth for customers
- **Extends asset life** by layering software and services into edge products
- **Optimizes outcomes** through continuous learning powered by Honeywell Forge

Driving higher services and software growth

Our framework for growth

Monetize installed base, enabled by Honeywell Forge
Outcomes-based services and software enhanced by AI-enabled solutions

Grow installed base
Maintain scale in mature verticals and increase share in high-growth verticals



Introduce new products
Targeted investments to drive faster innovations

4% - 6%
three-year organic growth target

Strategy aimed at accelerating profitable growth

Honeywell Forge: what it is and why it matters

Honeywell Technologies FORGE

What is it?
Our hardware-agnostic, open-architecture platform designed to harness the power of our extensive domain expertise to provide scalable, customizable, AI-enabled solutions that deliver actionable enterprise-level outcomes in real-time

Why does it matter?
We provide our customers with a secure, reliable, and consistent experience to deliver domain specific outcomes

- Frictionless connectivity
- Ontology (data + domain knowledge + AI models)
- Built for regulated industries
- Bridges IT and OT environments

	Connectivity Data-driven insights	HON Forge digital services Intelligent human assistance	HON Forge Performance+ Software-driven outcomes	Automation to autonomy Closed loop operations
Business model evolution	2020 >	2024 >	2025 >	2026E
	Basic visibility - equipment, controls, assets and processes	Basic workflow - improving the effectiveness of lifecycle services	Running operations efficiently	Pivoting from "controls for equipment" to "controls for humans for better decisions"
What is the offering?	Frictionless connectivity	Improving lifecycle performance - services	Improving asset, process and people performance	Running operations
Annual recurring software revenue	\$0.5B	\$0.8B	\$0.9B	\$1.1B

\$1B investment in Honeywell Forge is enabling the transition from automation to autonomy

OT: Operational Technology | ARR: Annual Recurring Revenue

Future opportunity as industry evolves from automation to autonomy

Current state

	Automation Rule-based	Augmentation	Autonomy Outcome-based
Knowledge	Human	AI Agent	AI Agent
Action	Human	Human	AI Agent
AI agent role	N/A	Gather and analyze data; make recommendations	Act under human supervision, i.e., physical AI
Honeywell evolution	**PAST**	**TODAY**	**POST 2026**

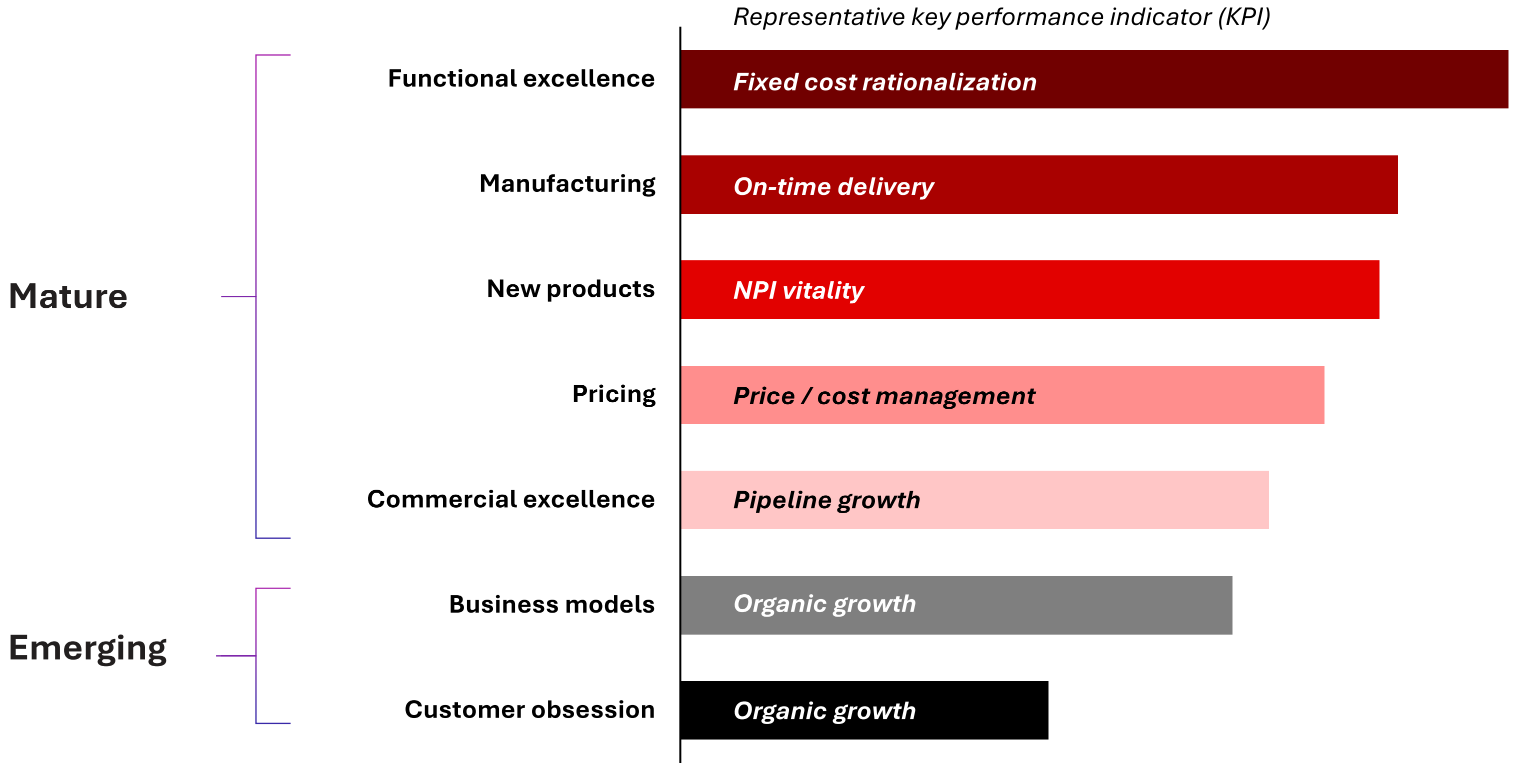
Honeywell Forge's rapid progress

Connections	0.3K → 324K **2020 to 2026E**
Assets	2.2M → 5.2M **Last six months**
Data	+1.4 TB **Daily**

Honeywell Forge enabling growth through autonomous solutions

Honeywell Accelerator operating system enabling profitable growth

Level of maturity / penetration within Honeywell Accelerator



2025 proof points

88% on-time to first promise, up from 63% in 2022

43% NPI vitality, up from 21% in 2017 [1,2]

3% avg. growth from price (2023 - 2025)

30% pipeline growth (2023 - 2025)

Over 2% LTM avg. organic growth* in 4Q25, up from (6%) in 1Q24

*Non-GAAP financial measure

Figures above, except for LTM avg. organic growth, exclude Productivity Solutions and Services (PSS) and Warehouse and Workflow Solutions (WWS), which are held for sale; Expect to complete divestitures in 2H 2026.

[1] NPI vitality refers to percent of sales derived from new products over a three-year period.

[2] NPI vitality for 2017 – 2021 includes Aerospace, Personal Protective Equipment, Advanced Materials, PSS and WWS, which are excluded in 2023 and 2025.

Operating system geared towards driving profitable growth

Best-in-class management team

Vimal Kapur
Chairman and CEO
HON Tenure: 37 years

Honeywell

Billal Hammoud
CEO, *Building Automation*
13 years

ESAB

Pete Lau
CEO, *Industrial Automation*
4 years

HUBBELL FARO

Jim Masso
CEO, *Process Automation*
1 year

GE APG

Ken West
CEO, *Process Technology*
7 years

PPG

Suresh Venkatarayalu
CTO and President, Connected Enterprise
31 years

Honeywell

Mike Stepniak
Chief Financial Officer
6 years

GE Baker Hughes

Sheila Jordan
Chief Digital Technology Officer
6 years

Symantec. CISCO

Eric Seidel
Chief Commercial Officer
9 years

IR Ingersoll Rand

Anne Madden
SVP, Portfolio Transformation
30 years

KPMG SHEARMAN & STERLING

Su Ping Lu
General Counsel
16 years

WILSON SONSINI

Karen Mattimore
Chief HR Officer
21 years

motorola

Scott Hillpot
Chief ISC Officer
18 years

Honeywell

Anant Maheshwari
CEO, Global Regions and Strategy
16 years

Microsoft

Brands and logos are trademarks of their respective owners | Companies representing previous relevant career experience of each member.

Strong leadership with shared vision for executing growth mindset

Business segments

Building Automation (BA) | Overview

2025 financial overview

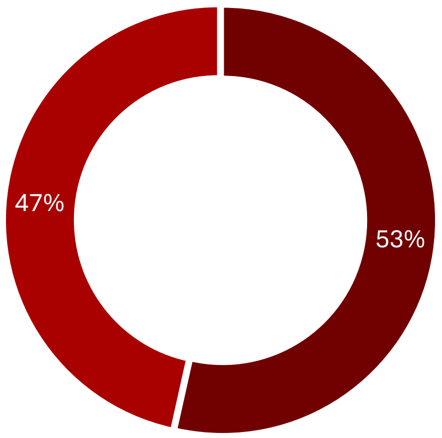
$7.4B
Sales

26.5%
Segment margin

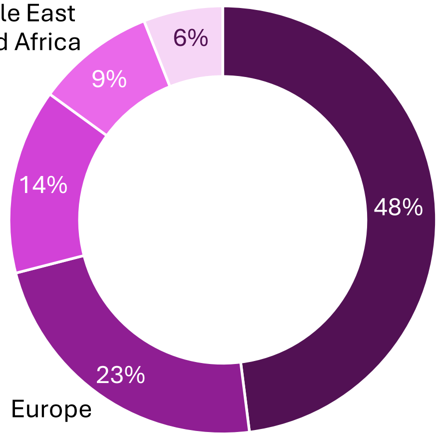
Business description

- Leading provider of integrated solutions spanning controls, software, install and services
- Equipment-agnostic offerings with large aftermarket opportunity
- Global footprint with distinctive channel partner network
- Exposure to higher-growth verticals (e.g., datacenters, healthcare, hospitality)
- Differentiated, connected building platform driving recurring revenue
- New product introductions fueled by increased R&D investment

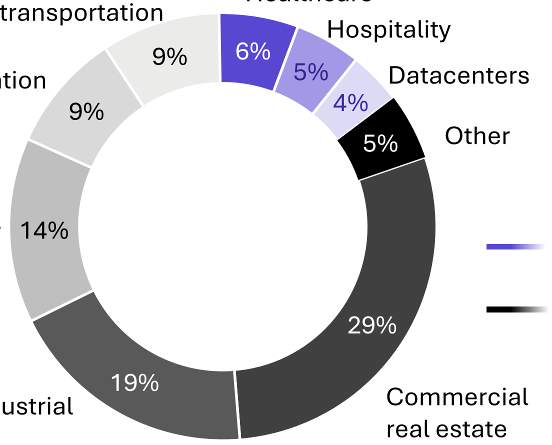
Business mix



Geographic mix



Vertical mix



Represents composition of 2025 sales.

Momentum driven by higher-growth verticals and regions

BA | Offerings by vertical

Leading position in controls and gateways	Tridium open connectivity platform	Multi-domain optimization	HON Forge proprietary software algorithms	Ecosystem and channel innovation

Education

- Building and energy management
- CCTV and access control
- Fire detection and public address and voice alarm (PAVA)

Airports

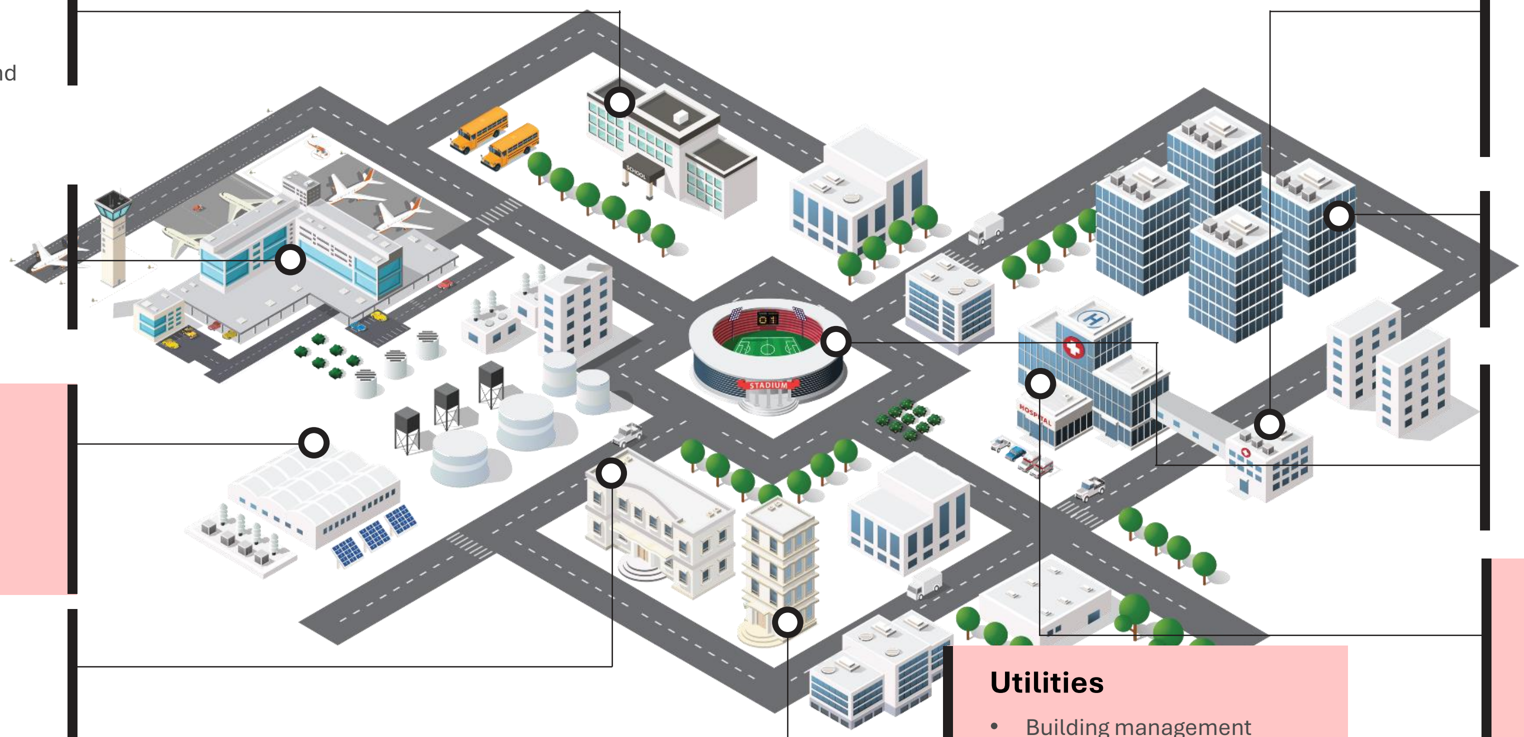
- Building and energy management
- Fire detection and PAVA
- CCTV and access control
- Airfield lighting
- Ground traffic management

Datacenters

- Environmental and energy management
- Advanced fire detection
- Integrated security

Hospitality

- Guestroom experience
- Energy management
- Guestroom access management
- Fire detection and PAVA



Healthcare

- Room pressurization controls
- Fire detection and PAVA
- Building and energy management
- Integrated security
- Command and control suite

Commercial real estate

- Cloud and local energy management
- Fire detection
- CCTV and access control

Stadiums

- CCTV and access control
- Fire detection and PAVA
- Building and energy management
- Command and control suite

Life sciences / semis

- Room pressurization controls
- Fire detection and PAVA
- Building and energy management
- Integrated security
- Validated environmental management

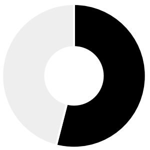
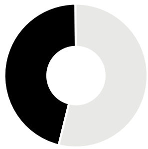
Utilities

- Building management
- Fire detection
- CCTV and access controls
- Demand response

Represents cross-segment selling opportunities

Delivering safety, security, and energy management offerings in mission-critical environments

BA | Products and solutions

	Composition of 2025 sales		Key applications	Key differentiators
Products		**Fire** 	• Fire control panel and detection systems • Advanced fire detection • Self testing and connected life safety solutions • Emergency notification systems	• Trusted brand in fire with well-established global channel • Remote operations, self-testing capabilities
		Security 	• Access control, global identification management, and electronic locks • Video management systems • Integrated security	• Leading brands with vast installed sites • Accelerating customer transition from on-prem to cloud
		Building management 	• Advanced controls (controllers, sensors) • Optimization software • Vertical solutions (Retail, Hospitality, Pharma)	• Proprietary engineering tools including open integration platform (Niagara) • Global network of channel partners
Solutions		**Projects** 	• Project design, management, engineering, installation, and commissioning of stand-alone or integrated building sub-systems	• Hardware-agnostic multi-domain optimization • Ability to execute complex projects at global scale and standardize implementation
		Services 	• Remote management and monitoring • Managed services • Honeywell Forge connected applications	• Leveraging Honeywell Forge platform to drive outcome-based solutions • Shifting from traditional field service to remote / hybrid model

Controls expertise addressing skilled labor shortage

BA | Medium-term framework

Three-year targets

MSD - HSD
Organic sales growth

~29%
Segment margin

Growth drivers	Honeywell Accelerator enables best-in-class execution

Focused vertical and regional play
- Grow installed base in high-growth and critical verticals
- Focus on customer outcomes and driving aftermarket services

NPI platforms to consistently drive innovation
- Fueled by DD% growth in R&D investment in 2025 and 2026
- Growth through software, solutions and customer co-creation

Connected buildings
- Implemented tiered solutions architecture for scalability
- Installed base monetization to increase customer lifetime value
- SaaS / services growth | Cloud native platforms

+

Ramp in demand-driven volume leverage following significant investments in R&D, capacity and people

Value pricing

Productivity

Margin-accretive offerings and verticals

Strategic priorities to drive growth momentum and margin expansion

Industrial Automation (IA) | Overview

2025 financial overview

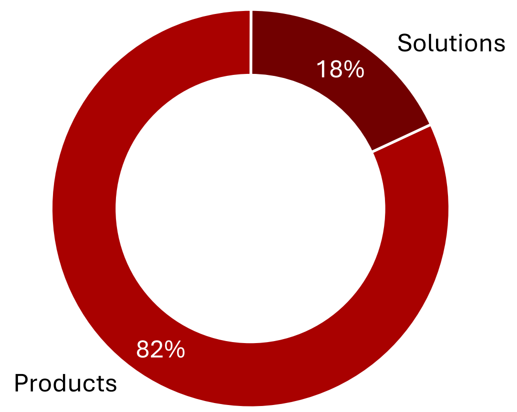
$3.7B
Sales

~20%
Segment margin*

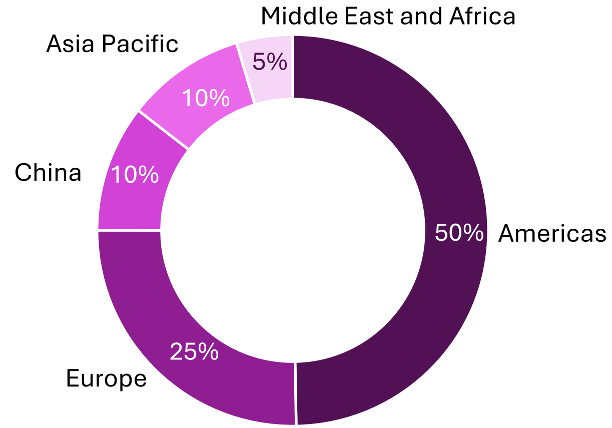
Business description

- Distinctive, mission-critical offerings in highly-regulated applications with exceptionally strong customer loyalty
- Offerings designed to prevent failures causing immediate material impact on safety, human life, operations, revenue or compliance
- Diversified vertical exposure aligned with secular growth trends
- Complementary business models with attractive installed base and services

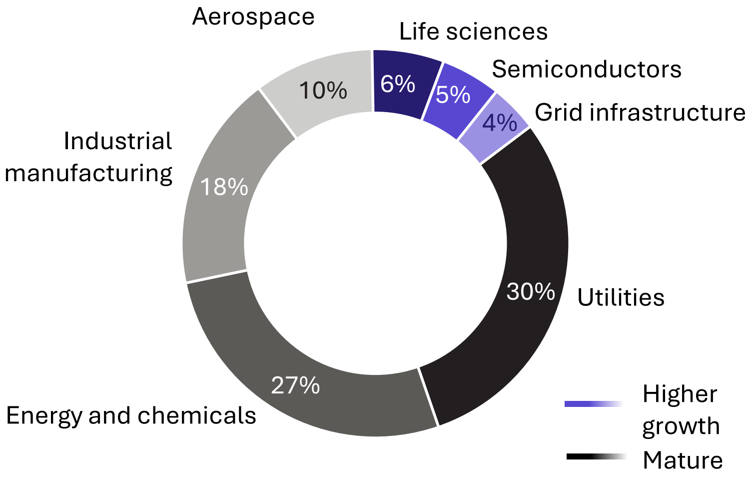
Business mix



Geographic mix



Vertical mix

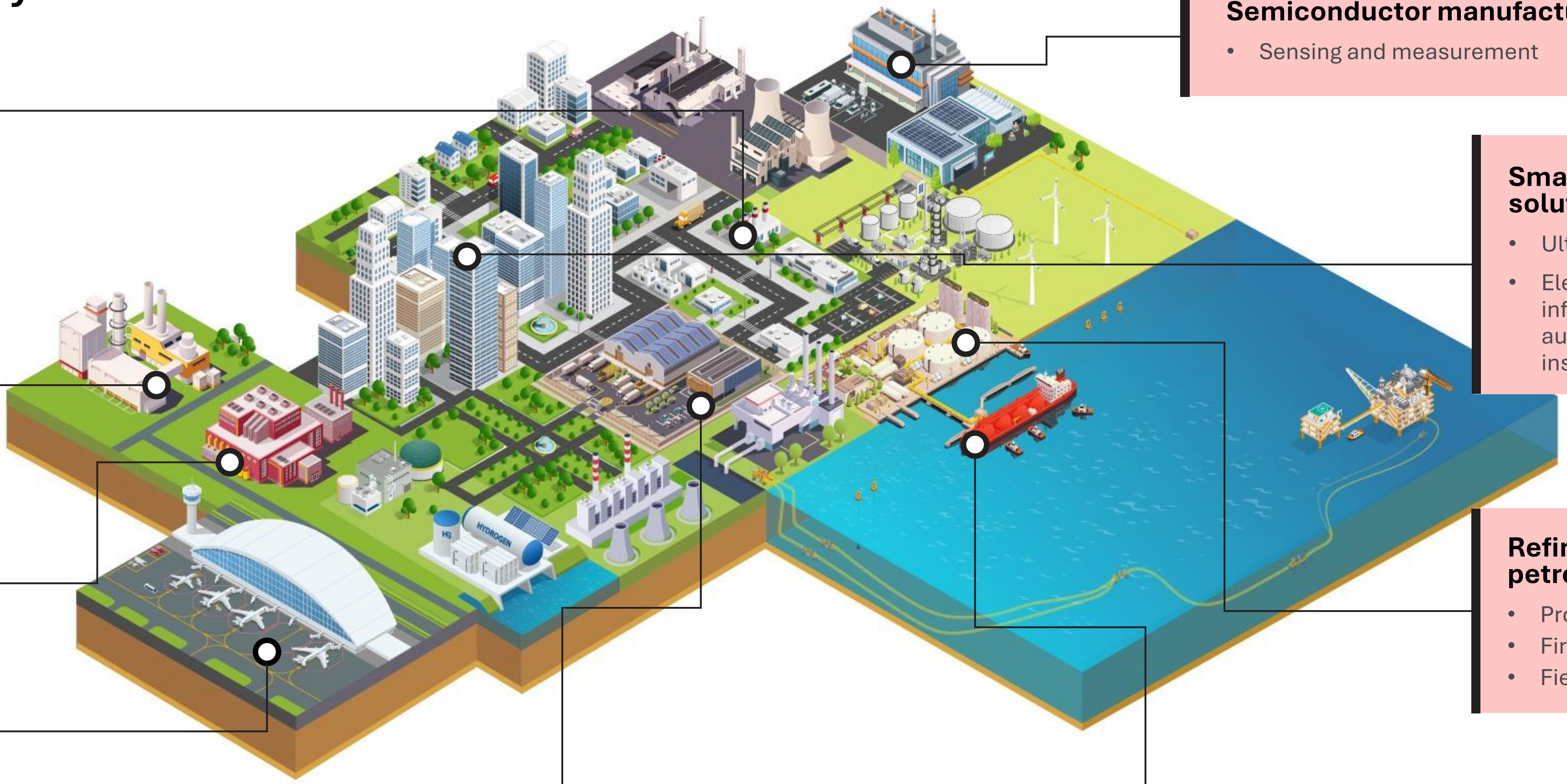


*Non-GAAP financial measure

Financials represent 2025 sales and segment profit, excluding $0.4B of sales from Personal Protective Equipment, which was sold in May 2025 and $2.1B of sales from Productivity Solutions and Services and Warehouse and Workflow Solutions, which are held for sale; Expect to complete divestitures in 2H 2026.

Sensing and measurement is foundational to the tech stack

IA | Offerings by vertical



Industrial safety
- Fixed and portable gas detection sensors

Life sciences, medical devices
- Sensors and solutions

Industrial plants
- Burner management systems
- Burners, fuel and air delivery

Semiconductor manufacturing
- Sensing and measurement

Smart grid utility solutions
- Ultrasonic gas meters
- Electric advanced metering infrastructure, grid automation, visibility and insights solutions

Refinery and petrochemicals
- Process safety systems
- Fire and gas systems
- Field instrumentation

Aerospace
- Precision position sensors
- Limit switches
- Toggles

Industrial OEMs
- Industrials sensors switches
- Pressure, gas, position, speed and force sensing

Marine, terminals and upstream
- Terminal and inventory management
- Level and temperature measurement solutions

Represents cross-segment selling opportunities

Broad portfolio of intelligent sensing and measurement solutions

IA | Products and solutions

	Measurement		Sensing
	Industrial	Utility	Industrial
Applications	High reliability and safety measurement for multi-industry applications (semiconductors, O&G, discrete)	High accuracy custody transfer measurement for electric, water and gas utilities	Sensing applications in semiconductors, life sciences, aerospace, datacenter and industrial
Representative products			
Composition of revenue[1]			

Solutions

Large installed base of 69.5M units (~17% under contract) with deep customer relationships	Stable, non-discretionary aftermarket demand driven by regulatory and safety requirements	High-margin business with strong cash conversion

[1] Represents composition of 2025 sales; Excludes $0.4B of Sales from Personal Protective Equipment, which was sold in May 2025 and $2.1B of Sales from Productivity Solutions and Services and Warehouse and Workflow Solutions, which are held for sale; Expect to complete divestitures in 2H 2026.

Mission-critical offerings that drive meaningful outcomes for industrial customers

IA | Medium-term framework

Three-year targets

MSD
Organic sales growth

~25%
Segment margin

Growth drivers	Honeywell Accelerator enables best-in-class execution

Participation in attractive markets and segments

- Mission-critical applications in regulated spaces tied to secular growth trends
- High serviceability, low price elasticity, high cost of switching
- Higher-growth vertical expansion

Services and software transformation

- Large installed base with full monetization over lifecycle
- Outcome-based solutions leveraging Honeywell Forge and AI

Strong innovation engine to maintain and grow share

- Increased R&D driving NPI in higher-growth verticals
- Customer co-innovation, customer focus and regionalization

+

Demand-driven volume leverage

Value pricing

Productivity

Margin-accretive offerings and verticals

Actionable growth and margin expansion levers powered by Honeywell Accelerator

Process Automation & Technology (PA&T) | Overview

2025 financial overview

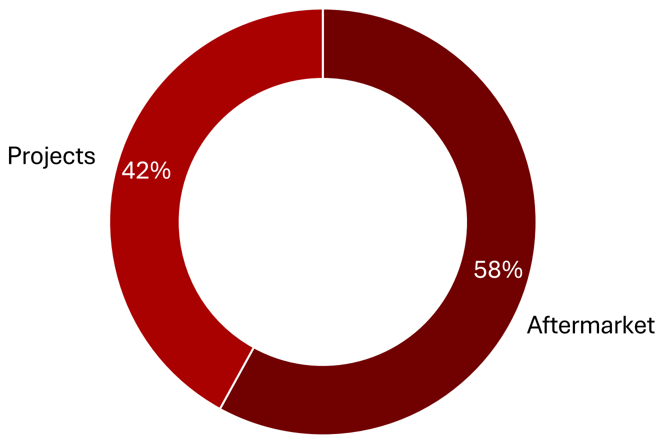
$6.4B
Sales

24.0%
Segment margin

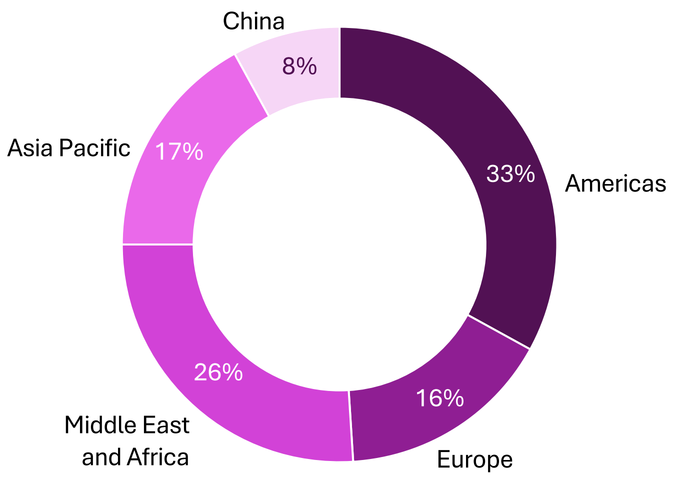
Business description

- End-to-end lifecycle solutions across physical and digital applications
- Global installed base, provides platform for recurring services and software revenue
- Differentiated domain expertise in energy, petrochemicals, grid and life sciences
- Connected AI-enabled, technology platform, enabling enterprise-level impact
- Operate in critical applications; growing from ~$55B serviceable addressable market

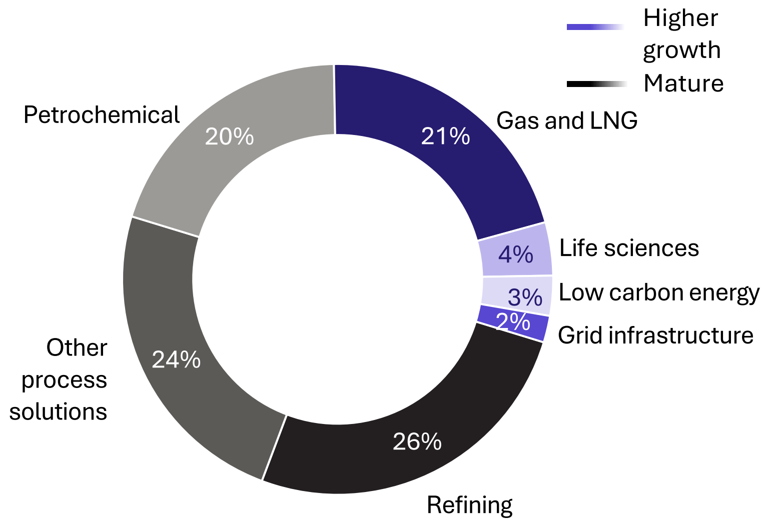
Business mix



Geographic mix



Vertical mix

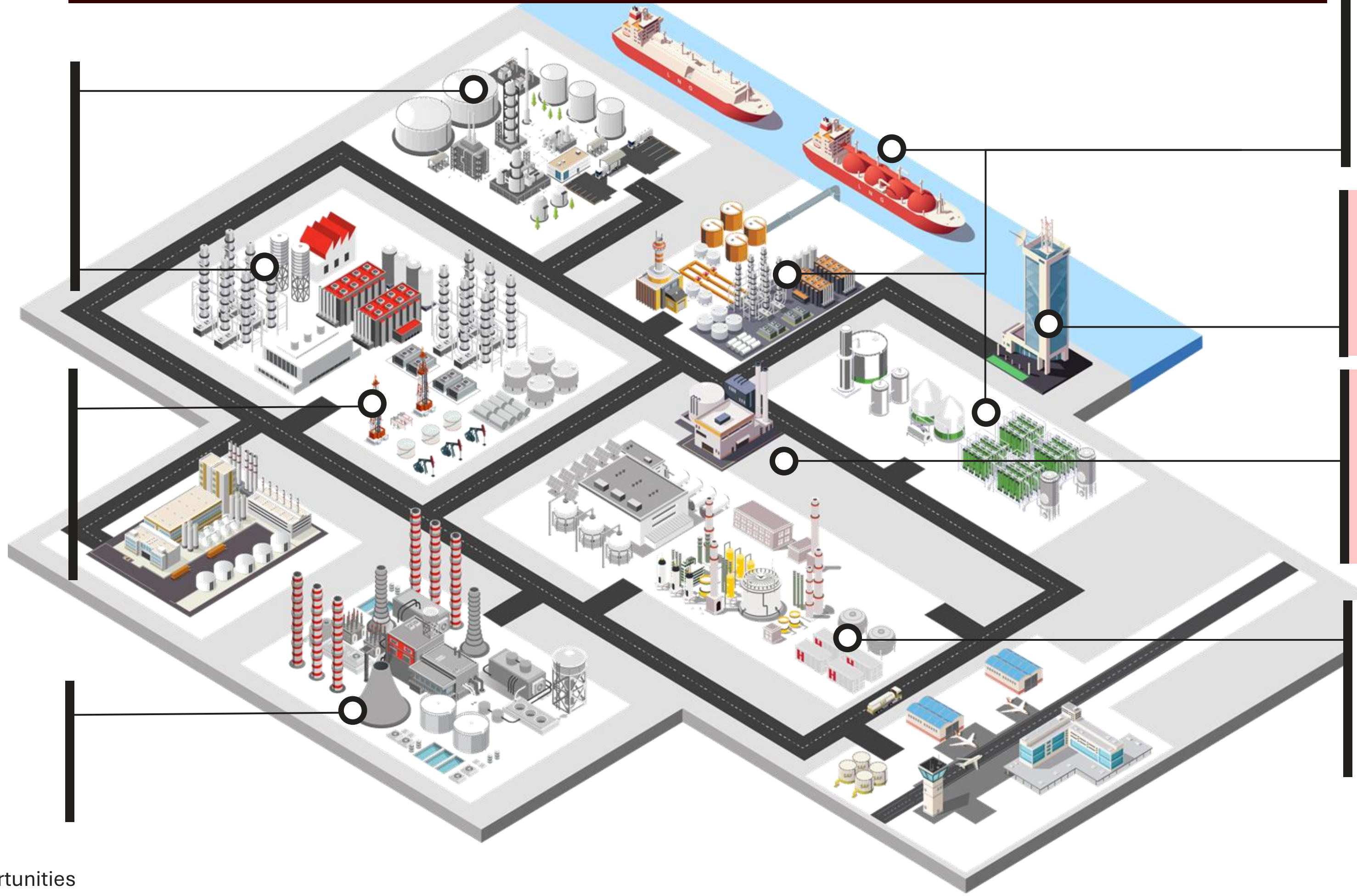


Represents composition of 2025 sales.

Leading position with attractive growth and margins

PA&T | Offerings by vertical

Services and expertise	Connected digital solutions	OT cybersecurity	Autonomous operations



Refining and petrochemicals
- Process technology and licensing
- Digital, optimization and connected solutions
- Catalysts and adsorbents
- Lifecycle services and operations support

Energy production
- Control, safety and wellhead systems
- Compression and rotating equipment controls
- Enterprise data and operations management
- Emissions, energy and sustainability

Other process and industrial
- Industrial adsorbents and materials
- Quality, safety and compliance
- Optimization and equipment performance

Gas and LNG
- Gas processing and treating
- Liquefaction and modular LNG
- Automation systems and software
- Rotating and mechanical equipment

Life sciences
- Automation systems
- Manufacturing execution and control
- Quality and compliance systems

Grid infrastructure
- Carbon capture and emissions reduction
- Power plant automation and controls
- Energy storage solutions

Biofuels and low carbon energy
- Renewable and sustainable fuels
- Hydrogen and clean energy solutions
- Automation, controls and digital suites

Represents cross-segment selling opportunities

OT: Operational Technology

Integrated process portfolio enabling digital transformations for customers

PA&T | Portfolio of integrated solutions

Line of business	Composition of 2025 sales	Value creation drivers	Cross-portfolio customer examples
Process technology and equipment		Proprietary technologies and engineering that enable customers to build advantaged facilities with superior economics and lower execution risk	ExxonMobil Chevron
Catalysts and adsorbents		Consumable performance materials that drive plant profitability while generating high-margin recurring revenue	Shell Adnoc
Aftermarket services		Lifecycle solutions that convert installed assets into durable, long-term service relationships	Saudi Aramco Marathon
Automation, control and safety systems		Mission-critical platforms that help ensure safe, reliable and optimized industrial operations	Reliance Industries Limited Boston Scientific
Digital and cybersecurity		Software and AI solutions that enhance productivity, resilience and sustainability across connected operations	AngloAmerican Daiichi Sankyo

Represents composition of 2025 Sales. Brands and logos are trademarks of their respective owners.

Value-enhancing, end-to-end process solutions

PA&T | Medium-term framework

Three-year targets

MSD	~25%
Organic sales growth	Segment margin

Growth drivers

Higher-growth verticals shifting business mix

- Unparalleled domain expertise coupled with vast installed base
- Increased global energy and energy security demand driving investment
- Expansion within LNG, life sciences, low carbon energy and grid infrastructure

Monetizing installed base

- End-to-end lifecycle capabilities from design to optimization driving 30+ years of high-margin sales runway
- Expanding annual recurring revenue through services and software growth
- Growing demand for OT cybersecurity offerings

Unlocking synergies through cross selling

- Integrated solutions, portfolio synergies and digital and services growth delivering incremental margin expansion

+

Honeywell Accelerator enables best-in-class execution

Demand-driven volume leverage

Value pricing

Productivity

Margin-accretive offerings and verticals

Strong project management

OT: Operational Technology

Integrated portfolio positions Process Automation & Technology for structurally differentiated growth

Financial overview and medium-term targets

Value creation engine

1 | 4% - 6% Organic growth	2 | 60+ bps Annual segment margin expansion	3 | Prudent capital allocation framework

Stronger top line

- Faster pace of new product introductions fueled by R&D investments
- Enhancing focus on higher-growth verticals
- Stronger pricing discipline

Enhanced profitability

- Right-sized cost structure post spin and plan to completely eliminate stranded costs in 12 months
- Leverage Honeywell Accelerator operating system, GBS and AI to drive margin expansion

Enabled by 90%+ FCF conversion

- Lower capex requirements
- Transfer of legacy asbestos and environmental liabilities
- ~100 bps working capital improvement annually
- Near-term debt repayment

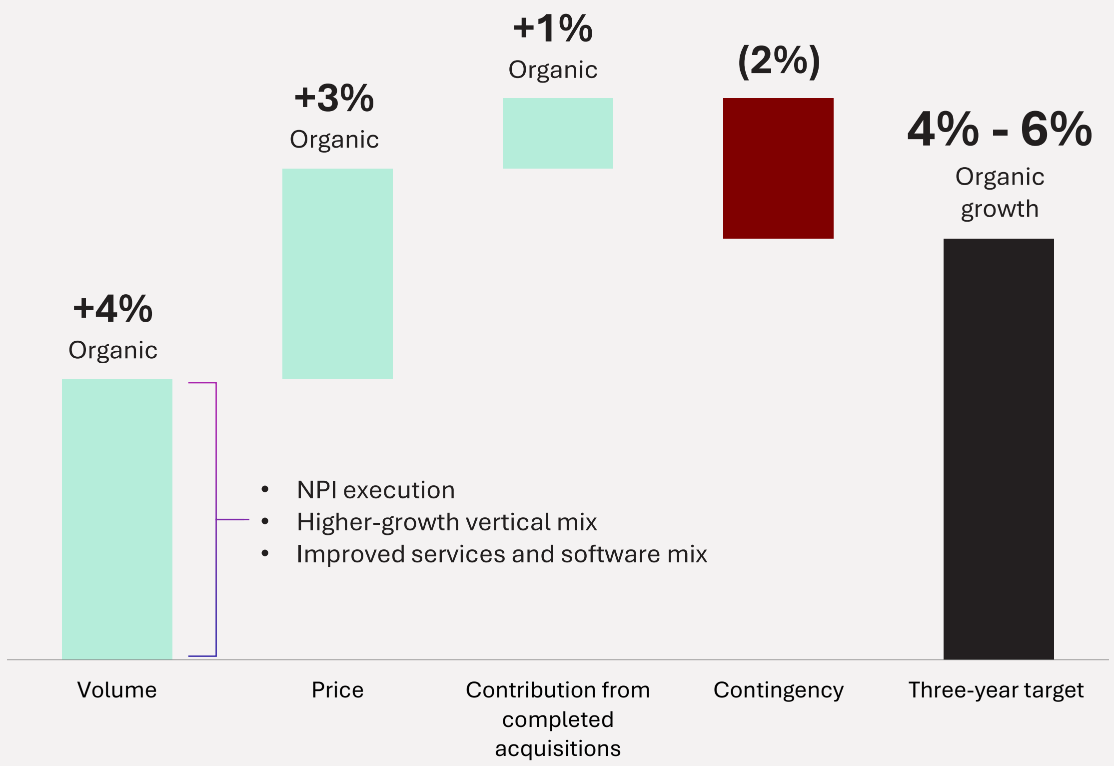
← Services and software annual recurring revenue →

GBS: Global Business Services

Strategy enables 10%+ annual earnings growth

Accelerating above-market sales growth

Growth framework



Growth drivers

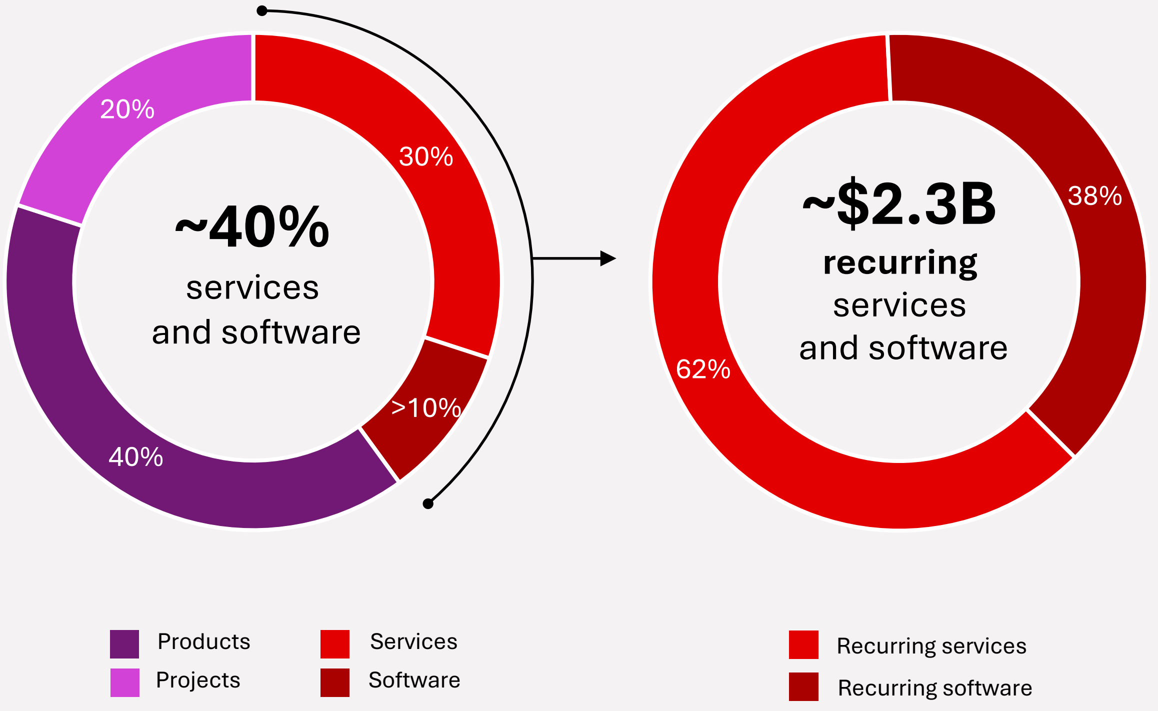
- Attractive positions in growing end markets where we demonstrate strong offering differentiation
- Emerging NPI strategy fueled by R&D step-up, driving double-digit NPI growth[1] in 2025
- 3% annual price offsetting inflation and tariffs
- Completed acquisitions contributing at least ~1 point of incremental organic growth through 2029
- Outlook serves as prudent baseline for performance

[1]Double-digit NPI growth in 2025 excludes Warehouse and Workflow Solutions and Productivity Solutions and Services.

Well-positioned for top quartile growth

Recurring services and software by the numbers

>$2B recurring services and software



Highlights

- Targeting >45% portfolio mix of services and software (up from ~40% today)
- ARR consists of software maintenance agreements, term licenses, services and digital AMS
- Recurring services and software includes ~$0.9B software ARR projected to grow 15% annually
- Honeywell Forge connecting over 6M assets across 324K sites globally for 32K customers
- Driving high-margin, recurring, predictable revenue streams

ARR: annualized value of recurring services and software
Note: Financials represent 2025 results for Honeywell (excluding aerospace, PSS, and WWS businesses)

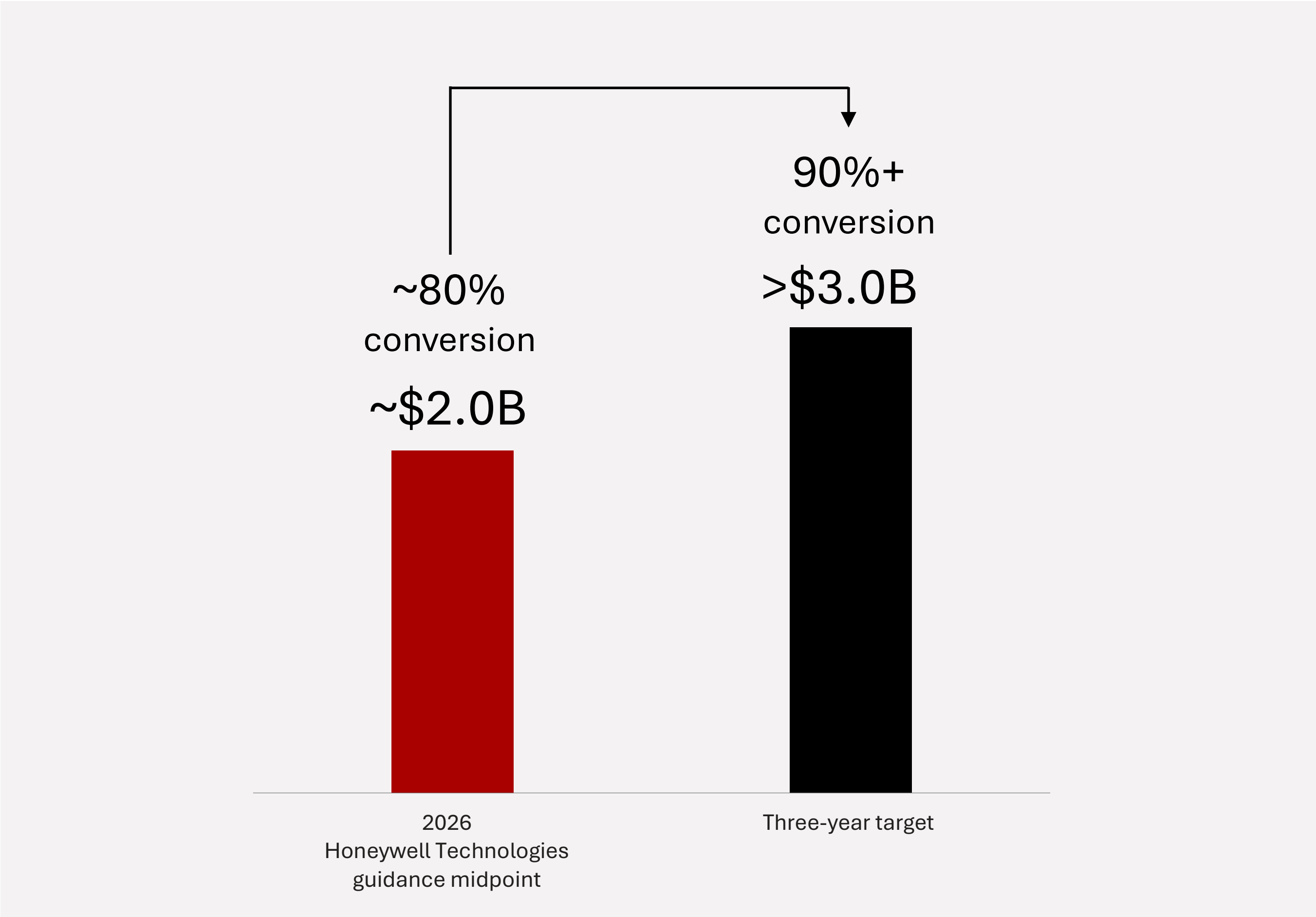
Recurring services and software a critical piece of our financial algorithm

Path to 60 bps annual margin expansion

	Target	Proof points
1 Price	3% - 4% annually	• Stronger discipline and execution • Revamped new product introduction engine • Enabled by customer centricity and product differentiation
2 Improving mix and NPI	>45% services and software revenue mix	• Mix benefit as cross-selling opportunities and NPI vitality increase • Shift to higher margin, recurring revenue streams to reduce cyclicality • Supported by Honeywell Forge
3 Cost productivity	~100 bps annually	• Honeywell Accelerator operating system • Back-to-basics execution mindset … we know how to expand margins • Incremental savings from reduction in number of legal entities and IT systems

Agile operating system with multiple levers to expand margin

Stronger free cash flow conversion



Targeting 90%+ conversion 2027 - 2029

- Now excludes non-cash pension income from adjusted earnings, +600 bps to FCF conversion in 2026
- Lower cash interest payments following debt paydown
- Assumes adjusted effective tax rate of ~19%; lower cash taxes
- Conversion improvement predominantly driven by high quality earnings growth, removal of stranded costs and accretion from divestitures
- ~1pt annual working capital improvement driven by improved inventory and collections performance

Improved free cash flow conversion

Strategically deploying capital

Near term

Prioritizing debt repayment to maintain strong, investment grade credit rating;
Targeting gross leverage **<3.0x** and flat share count

Medium-term priorities

Growth investments	Returning excess capital to shareholders	Bolt-on M&A
Capex ~3% of sales annually	~35% dividend payout ratio 1% annual share count reduction	Targeting acquisitions in $2B - $4B range

Clear capital allocation framework; prioritizing debt repayment near term

Medium-term framework

	Updated 2026 guidance	2H26 guidance	Three-year targets
Organic Growth Annual recurring revenue	2% - 3%	3% - 5%	**4% - 6%** ~15% annual recurring software revenue growth
Segment Margin Expansion	19.8% - 20.3% Up 220 - 270 bps[1]	20.9% - 21.6% Up 310 - 380 bps[1]	**~24%** ~60 bps average annual segment margin expansion
Adjusted EPS* Growth	$3.95 - $4.15 Up 22% - 28%[1]	$2.20 - $2.35 Up 22% - 31%[1]	**~$6.00** 10%+ annual adj. EPS growth
Free Cash Flow*[2] Conversion	~$2.0B	~$1.5B 95% conversion	**>$3B** 90%+ conversion

*Contains non-GAAP financial measures. See Appendix for reconciliation of non-GAAP measures.
[1]Estimated 2026 Segment Margin expansion and adjusted EPS growth reflect the impact of retained corporate assessment previously allocated to aerospace in 2025 and through Q2 2026.
[2]With respect to the company outlook for 2026, free cash flow adjusts for capital expenditures and spin-off and separation-related cost payments.

Financial framework supports three-year commitments

Why own Honeywell Technologies?

1 | A transformed and simplified Honeywell portfolio

2 | Differentiated pure-play, global automation leader benefitting from secular tailwinds

3 | Portfolio mix and business model approach enabling 10%+ annual adjusted earnings growth with 90%+ free cash flow conversion

4 | Optionality to compound future earnings with annual recurring revenue focus leveraging AI

5 | Execution culture coupled with mature Honeywell Accelerator operating system delivering results

Appendix

Acronyms

ARR: Annualized value of recurring services and software
BMS: Building Management Systems
DCIM: Datacenter Information Management Systems
EBI: Enterprise Buildings Integrator
EPMS: Electrical Power Management System
GBS: Global Business Services
HPS: Honeywell Process Solutions
HSS: Honeywell Sensing Solutions
HTS: Honeywell Thermal Solutions
IMC: Industrial Measurement and Controls
OT: Operational technology
OPEN: Operations performance and enterprise network
PPE: Personal Protective Equipment
PSS: Productivity Solutions and Services
SAM: Serviceable Addressable Markets
SME: Smart Energy
UOP: Universal Oil Products
WWS: Warehouse and Workflow Solutions

Appendix

Non-GAAP Financial Measures

The following information provides definitions and reconciliations of certain non-GAAP financial measures presented in this presentation 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. 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.

As indicated herein, certain forward-looking non-GAAP financial measures are not reconciled because management cannot reliably predict or estimate certain items for the reasons specified herein with respect to each non-GAAP financial measure.

Reconciliation of Net Sales to Net Sales Excluding Spin-off and Divestiture Impact

($M)	2025
Honeywell	
Net sales	$ 37,442
Less: Net sales attributable to Aerospace Technologies	17,510
Less: Net sales attributable to Productivity Solutions and Services	1,132
Less: Net sales attributable to Warehouse and Workflow Solutions	933
Less: Net sales attributable to Personal Protective Equipment(1)	382
Net sales excluding spin-off and divestiture impact	$ 17,485
Industrial Automation	
Net sales	$ 6,098
Less: Net sales attributable to Productivity Solutions and Services	1,132
Less: Net sales attributable to Warehouse and Workflow Solutions	933
Less: Net sales attributable to Personal Protective Equipment(1)	382
Net sales excluding spin-off and divestiture impact	$ 3,651
Industrial Automation - Products	
Net sales	$ 4,284
Less: Net sales attributable to Productivity Solutions and Services	903
Less: Net sales attributable to Personal Protective Equipment(1)	382
Net sales excluding spin-off and divestiture impact	$ 2,999
Industrial Automation - Solutions	
Net sales	$ 1,814
Less: Net sales attributable to Productivity Solutions and Services	229
Less: Net sales attributable to Warehouse and Workflow Solutions	933
Net sales excluding spin-off and divestiture impact	$ 652

1. For the twelve months ended December 31, 2025, reflects a $382 million impact to sales earned prior to the divestiture.

We define net sales excluding spin-off and divestiture impact as reported net sales less sales attributable to Aerospace Technologies business, which is expected to spin-off on June 29, 2026, sales attributable to the Productivity Solutions and Services and Warehouse and Workflow Solutions businesses, which are held for sale, and sales attributable to the Personal Protective Equipment business, which was sold in May 2025. We believe this measure is useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.

Reconciliation of Organic Sales Percent Change Excluding Spin-off Impact, Calculation of LTM Average Organic Growth

	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25
Honeywell											
Reported sales percent change	2%	4%	2%	2%	5%	6%	8%	9%	9%	7%	6%
Less: Impact of divestitures to the prior period	—%	—%	—%	—%	—%	—%	—%	—%	(1)%	(3)%	(3)%
Reported sales percent change, adjusted for impact of divestitures	2%	4%	2%	2%	5%	6%	8%	9%	10%	10%	9%
Less: Foreign currency translation	(1)%	—%	—%	—%	—%	—%	—%	(1)%	—%	—%	1%
Less: Acquisitions	—%	1%	—%	—%	1%	3%	6%	5%	5%	4%	1%
Less: Other[1]	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	(4)%
Organic sales percent change	3%	3%	2%	2%	4%	3%	2%	5%	5%	6%	11%
Less: Aerospace Technologies organic sales percent change[2]	7%	8%	9%	10%	9%	5%	(1)%	3%	—%	5%	9%
Organic sales percent change excluding spin-off impact	(4)%	(5)%	(7)%	(8)%	(5)%	(2)%	3%	2%	5%	1%	2%

		1Q24		2Q24		3Q24		4Q24		1Q25		2Q25		3Q25		4Q25
	2Q23	(4)%	3Q23	(5)%	4Q23	(7)%	1Q24	(8)%	2Q24	(5)%	3Q24	(2)%	4Q24	3%	1Q25	2%
	3Q23	(5)%	4Q23	(7)%	1Q24	(8)%	2Q24	(5)%	3Q24	(2)%	4Q24	3%	1Q25	2%	2Q25	5%
	4Q23	(7)%	1Q24	(8)%	2Q24	(5)%	3Q24	(2)%	4Q24	3%	1Q25	2%	2Q25	5%	3Q25	1%
	1Q24	(8)%	2Q24	(5)%	3Q24	(2)%	4Q24	3%	1Q25	2%	2Q25	5%	3Q25	1%	4Q25	2%
LTM average organic growth		(6)%		(6)%		(6)%		(3)%		(1)%		2%		3%		2%

1. Includes Flexjet-related litigation matters of $312 million, which are considered to be unusual and not indicative of the Company's ongoing performance
2. Excludes organic sales percent change attributable to the Aerospace Technologies business, which is expected to spin-off on June 29, 2026.

We define organic sales percent change as the year-over-year change in reported sales relative to the comparable period, adjusted for the impact of divestitures to the prior period, and excluding the impact on sales from foreign currency translation, acquisitions for the first 12 months following the transaction date, and certain other items that are unusual or non-recurring in nature. We define organic sales percent change excluding spin-off impact as the organic sales percent changes excluding organic sales percent change attributable to the Aerospace Technologies business. Last twelve months ("LTM") Average Organic Growth is calculated as the average of the prior four quarters' organic sales percent change excluding spin-off. We believe these measures are useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.

Reconciliation of Operating Income to Segment Profit Excluding Spin-off and Divestiture Impact, Calculation of Segment Profit Margin Excluding Spin-off and Divestiture Impact

	2025		
($M)	As Reported	Less: Spin-off and Divestiture Impact[1]	Excluding Spin-off and Divestiture Impact
Operating income	$ 5,573	$ 3,027	$ 2,546
Stock compensation expense[4]	196	43	153
Repositioning, other [2],[3]	675	231	444
Amortization of acquisition-related intangibles[6]	570	123	447
Pension and other postretirement service costs[3]	73	16	57
Acquisition-related costs[5]	2	—	2
Indefinite-lived intangible asset impairment[6]	44	—	44
Impairment of goodwill	724	724	—
Impairment of assets held for sale	270	270	—
Segment profit	$ 8,127	$ 4,434	$ 3,693
Segment profit	8,127		3,693
÷ Net sales	37,442		17,485
Segment profit margin %	21.7 %		21.1 %

1. Excludes the impacts attributable to the Aerospace Technologies business, which is expected to spin-off on June 29, 2026, the Productivity Solutions and Services and Warehouse and Workflow Solutions businesses, which are held for sale, and the Personal Protective Equipment business, which was sold in May 2025.
2. Includes repositioning, asbestos, environmental expenses, equity income adjustment, and other charges
3. Included in Cost of products and services sold and Selling, general and administrative expense
4. Included in Selling, general and administrative expenses
5. Included in Other (income) expense. Includes acquisition-related fair value adjustments to inventory and third-party transaction and integration costs.
6. Included in Cost of products and services sold.

We define operating income as net sales less total cost of products and services sold, research and development expenses, selling, general and administrative expenses, impairment of goodwill, and impairment of assets held for sale. We define segment profit, on an overall Honeywell basis, as operating income, excluding stock compensation expense, pension and other postretirement service costs, amortization of acquisition-related intangibles, certain acquisition- and divestiture-related costs and impairments, and repositioning and other charges. We define segment profit margin, on an overall Honeywell basis, as segment profit divided by net sales. These measures are each shown on an overall Honeywell basis and excluding spin-off and divestiture impacts, which we define as less the respective impacts attributable to the Aerospace Technologies business, which is expected to spin-off on June 29, 2026, attributable to the Productivity Solutions and Services and Warehouse and Workflow Solutions businesses, which are held for sale, and attributable to the Personal Protective Equipment (PPE) business, which was sold in May 2025. 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 operating income to segment profit, on an overall Honeywell basis, has not been provided for all forward-looking measures of segment profit and segment profit 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 operating income to segment profit will be included within future filings.

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.

Reconciliation of Industrial Automation Segment Profit to Segment Profit Excluding Divestiture Impact, Calculation of Segment Profit Margin Excluding Divestiture Impact

($M)		2025
Industrial Automation		
Segment profit	$	893
Net sales		6,098
Segment profit margin		14.6 %
Segment profit	$	893
Less: Divestiture impact[1]		150
Segment profit excluding divestiture impact	$	743
Net sales	$	6,098
Less: Productivity Solutions and Services net sales[1]		1,132
Less: Warehouse and Workflow Solutions net sales[1]		933
Less: Personal Protective Equipment net sales[1]		382
Net sales excluding divestiture impact	$	3,651
Segment profit margin excluding divestiture impact		20.4 %

1. Net sales and segment profit attributable to the Productivity Solutions and Services and Warehouse and Workflow Solutions businesses are excluded due to divestitures expected to close during the second half of 2026. Net sales and segment profit attributable to the Personal Protective Equipment business are excluded due to the divestiture completed in May 2025.

We define segment profit excluding divestiture impact as reported segment profit less segment profit attributable to the Productivity Solutions and Services and Warehouse and Workflow Solutions businesses, which are held for sale, and segment profit attributable to the Personal Protective Equipment business, which was sold in May 2025. We define net sales excluding divestiture impact as reported net sales less sales attributable to the Productivity Solutions and Services and Warehouse and Workflow Solutions businesses, which are held for sale, and sales attributable to the Personal Protective Equipment business, which was sold in May 2025. We define segment profit margin excluding divestiture impact as segment profit excluding divestiture impact divided by net sales excluding divestiture impact. We believe these measures are useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.

Reconciliation of EPS To Adjusted EPS Excluding Spin-off and Divestiture Impact

	2026E			2H26E
	Previous Guidance	Less: Spin-off and Divestiture Impact[1]	Guidance Excluding Spin-off and Divestiture Impact	Guidance
Earnings per share of common stock from continuing operations - diluted[2]	$8.87 - $9.17	$5.98 - $6.08	$2.89 - $3.09	$1.84 - $1.99
Pension income[3]	No Forecast	No Forecast	No Forecast	No Forecast
Amortization of acquisition-related intangibles[4]	0.75	0.11	0.64	0.32
Acquisition-related costs[5]	0.05	—	0.05	0.02
Divestiture-related costs	No Forecast	No Forecast	No Forecast	No Forecast
Debt restructuring costs[6]	0.36	—	0.36	—
ERP implementation costs[7]	0.02	—	0.02	0.02
Impairment of assets held for sale[8]	0.31	0.31	—	—
Loss (gain) on sale of business[9]	(0.01)	—	(0.01)	—
Adjusted earnings per share of common stock from continuing operations - diluted	$10.35 - $10.65	$6.40 - $6.50	$3.95 - $4.15	$2.20 - $2.35

Footnotes on following slide

Reconciliation of EPS To Adjusted EPS Excluding Spin-off and Divestiture Impact

1. Excludes the impacts attributable to the Aerospace Technologies business, which is expected to spin-off on June 29, 2026, and attributable to Quantinuum, due to its initial public offering on June 4, 2026.
2. For the twelve and six months ended December 31, 2026, expected earnings per share utilizes weighted average shares of approximately 639 million.
3. Beginning second quarter 2026, we will exclude the full amount of pension income, including the related tax effects, from adjusted earnings per share. Prior to the second quarter 2026, we excluded only pension mark-to-market expense, including the related tax effects, from adjusted earnings per share.
4. For the twelve months ended December 31, 2026, expected acquisition-related intangibles amortization excluding spin and divestiture impact includes approximately $480 million, net of tax benefit of approximately $115 million. For the twelve months ended December 31, 2026, expected adjusted acquisition-related intangibles amortization includes $405 million, net of tax benefit of approximately $95 million. For the six months ended December 31, 2026, expected acquisition-related intangibles amortization includes approximately $205 million, net of tax benefit of approximately $45 million.
5. For the twelve months ended December 31, 2026, the expected adjustment for acquisition-related costs, which is principally comprised of third-party transaction and integration costs and acquisition-related fair value adjustments to inventory, is approximately $35 million, net of tax benefit of approximately $10 million. For the six months ended December 31, 2026, the expected adjustment for acquisition-related costs, which is comprised of third-party transaction and integration costs, is approximately $10 million, without tax benefit.
6. For the twelve months ended December 31, 2026, the expected adjustment for debt restructuring costs is $230 million, net of tax benefit of $70 million.
7. For the twelve months ended December 31, 2026, the expected adjustment for ERP implementation costs is approximately $15 million, net of tax benefit of approximately $5 million. For the six months ended December 31, 2026, the expected adjustment for ERP implementation costs is approximately $10 million, without tax benefit.
8. For the twelve months ended December 31, 2026, the expected impairment charge of assets held for sale is $200 million, net of tax benefit of $63 million.
9. For the twelve months ended December 31, 2026, the expected gain on sale of personal protection equipment business is $5 million, net of tax expense of $1 million.

We define adjusted earnings per share as diluted earnings per share from continuing operations adjusted to exclude various charges as listed above. We define adjusted earnings per share excluding spin-off and divestiture impact as adjusted earnings per share less impact of adjusted earnings per share attributable to the Aerospace Technologies business, which is expected to spin-off on June 29, 2026, and attributable to Quantinuum, due to its initial public offering on June 4, 2026. We believe these are measures that are 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, pension income or the divestiture-related costs. Pension income is dependent on macroeconomic factors, such as interest rates and the return generated on invested pension plan assets. The divestiture-related costs are subject to detailed development and execution of separation restructuring plans for the announced separation of Honeywell from Honeywell Aerospace and sales of Productivity Solutions and Services and Warehouse and Workflow Solutions. We therefore do not include an estimate for pension income or divestiture-related costs. Based on economic and industry conditions, future developments, and other relevant factors, these assumptions are subject to change.

We define adjusted income before taxes as income before taxes from continuing operations adjusted for items presented above. We define adjusted income tax expense as income tax expense adjusted for tax impact of items presented above. We define adjusted effective tax rate as adjusted income tax expense divided by adjusted income before taxes.

We believe that adjusted effective tax rate is a non-GAAP measure that is useful to investors and management as an ongoing representation of our tax rate excluding one-off and unusual transactions. This measure can be used to evaluate our tax rate on our recurring operations. For forward looking information, we do not provide effective tax rate guidance on a GAAP basis as management cannot reliably predict or estimate, without unreasonable effort, the pension mark-to-market expenses and other one-off and unusual transactions.

Reconciliation of EPS To Adjusted EPS Excluding Spin-off and Quantinuum Divestiture Impact

	2025			2H25		
	As Reported	Less: Spin-off and Divestiture Impact[1]	Excluding Spin-off and Divestiture Impact	As Reported	Less: Spin-off and Divestiture Impact[1]	Excluding Spin-off and Divestiture Impact
Earnings per share of common stock from continuing operations - diluted[2]	$ 6.94	$ 5.19	$ 1.75	$ 2.80	$ 2.11	$ 0.69
Pension income[3]	(0.46)	(0.39)	(0.07)	(0.19)	(0.21)	0.02
Amortization of acquisition-related intangibles[4]	0.67	0.08	0.59	0.36	0.03	0.33
Acquisition-related costs[5]	0.05	—	0.05	0.05	—	0.05
Divestiture-related costs[6]	0.72	0.31	0.41	0.61	0.37	0.24
Indefinite-lived intangible asset impairment[7]	0.07	—	0.07	0.07	—	0.07
Impairment of goodwill[8]	1.13	—	1.13	1.13	—	1.13
Impairment of assets held for sale[9]	0.32	—	0.32	0.32	—	0.32
Loss (gain) on sale of business[10]	0.04	—	0.04	—	—	—
Gain related to Resideo indemnification and reimbursement agreement termination[11]	(1.25)	—	(1.25)	(1.25)	—	(1.25)
Adjustment to estimated future environmental liabilities[12]	0.25	0.22	0.03	0.25	0.22	0.03
Loss on settlement of divestiture of asbestos liabilities[13]	0.17	—	0.17	0.17	—	0.17
Flexjet-related litigation matters[14]	0.48	0.48	—	0.48	0.48	—
Adjusted earnings per share of common stock from continuing operations - diluted	$ 9.13	$ 5.89	$ 3.24	$ 4.80	$ 3.00	$ 1.80

Footnotes on following slide

Reconciliation of EPS To Adjusted EPS Excluding Spin-off and Quantinuum Divestiture Impact

1. Excludes the impacts attributable to the Aerospace Technologies business, which is expected to spin-off on June 29, 2026, and attributable to Quantinuum, due to its initial public offering on June 4, 2026.
2. For the twelve months ended December 31, 2025, adjusted earnings per share utilizes weighted average shares of approximately 642.8 million. For the six months ended December 31, 2025, adjusted earnings per share utilizes weighted average shares of approximately 640.8 million.
3. For the twelve ended December 31, 2025, pension income as reported was $293 million, net of tax expense of $88 million. For the twelve months ended December 31, 2025, pension income excluding spin-off and divestiture impact was $44 million, net of tax expense of $24 million. For the six months ended December 31, 2025, pension income was $120 million, net of tax expense of $36 million. For the six months ended December 31, 2025, pension expense excluding spin-off and divestiture impact was $16 million, net of tax expense of $6 million.
4. For the twelve months ended December 31, 2025, acquisition-related intangibles amortization includes $432 million, net of tax benefit of $138 million. For the twelve months ended December 31, 2025, acquisition-related intangibles amortization excluding spin-off and divestiture impact was $382 million, net of tax benefit of $121 million. For the six months ended December 31, 2025, acquisition-related intangibles amortization as reported was $230 million, net of tax benefit $73 million. For the six months ended December 31, 2025, acquisition-related intangibles amortization excluding spin-off and divestiture impact was $210 million, net of tax benefit $67 million.
5. For the twelve months ended December 31, 2025, the adjustment for acquisition-related costs, which is principally comprised of third-party transaction and integration costs and acquisition-related fair value adjustments to inventory, was $35 million, net of tax benefit of $10 million. For the six months ended December 31, 2025, the adjustment for acquisition-related costs, which is principally comprised of third-party transaction and integration costs and acquisition-related fair value adjustments to inventory, was $30 million, net of tax benefit of $9 million.
6. For the twelve months ended December 31, 2025, the adjustment for divestiture-related costs, which is principally comprised of third-party transaction costs, was $460 million as reported, net of tax benefit of approximately $61 million. For the twelve months ended December 31, 2025, divestiture-related costs excluding spin-off and divestiture impact was $261 million, net of tax expense of approximately $31 million. For the six months ended December 31, 2025, divestiture-related costs as reported was $393 million, net of tax benefit of approximately $59 million. For the six months ended December 31, 2025, divestiture-related costs excluding spin-off and divestiture impact was $154 million, net of tax benefit of approximately $28 million.
7. For the twelve and six months ended December 31, 2025, the impairment charge of indefinite-lived intangible assets associated with the Industrial Automation reportable segment was $44 million, without tax benefit.
8. For the twelve and six months ended December 31, 2025, the impairment charge of goodwill associated with the Industrial Automation reportable segment was $724 million, without tax benefit.
9. For the twelve and six months ended December 31, 2025, the impairment charge of assets held for sale was $209 million, net of tax benefit of $61 million.
10. For the twelve months ended December 31, 2025, the adjustment for loss on sale of the personal protective equipment business was $28 million, net of tax benefit of $2 million.
11. For the twelve and six months ended December 31, 2025, the gain related to the Resideo indemnification and reimbursement agreement termination was $802 million, without tax expense.
12. In the twelve months ended December 31, 2025, the Company enhanced its process for estimating environmental liabilities at sites undergoing active remediation, which led to earlier recognition of the estimated probable liabilities and an increase to estimated environmental liabilities. For the twelve and six months ended December 31, 2025, the adjustment to increase environmental liabilities as reported was $161 million, net of tax benefit of $50 million. For the twelve and six months ended December 31, 2025, the adjustment to increase environmental liabilities excluding spin-off and divestiture impact was $22 million, net of tax benefit $7 million.
13. For the twelve and six months ended December 31, 2025, the adjustment for loss on settlement of divestiture of asbestos liabilities was $112 million, net of tax benefit of $36 million.
14. For the twelve and six months ended December 31, 2025, the adjustment for the Flexjet-related litigation matters was $302 million, net of tax benefit of $71 million. Management considers the nature and significance of these litigation matters to be unusual and not indicative of the Company's ongoing performance.

Reconciliation of Expected Cash Provided by Operating Activities to Expected Free Cash Flow Excluding Spin-off and Divestiture Impact

	2026E			2H26E
($B)	Previous Guidance	Less: Spin-off and Divestiture Impact[1]	Guidance Excluding Spin-off and Divestiture Impact	Guidance Excluding Spin-off and Divestiture Impact
Cash provided by operating activities from continuing operations	~$4.4 - $4.7	(~2.4)	~$2.0 - $2.3	~$2.2 - $2.4
Capital expenditures	~(1.3)	~0.7	~(0.6)	~(1.0)
Spin-off and separation-related cost payments	~1.8	(~1.4)	~0.4	~0.2
Settlement of Flexjet -related litigation matters	~0.4	(~0.4)	—	—
Free cash flow	~$5.3 - $5.6	~$3.5	~$1.8 - $2.1	~$1.4 - $1.6

1. The forecasted cash flows attributable to the Aerospace Technologies business are excluded due to the expected spin-off on June 29, 2026. The forecasted cash flows attributable to Quantinuum are excluded due to its initial public offering on June 4,2026.

We define free cash flow as cash provided by operating activities from continuing operations less cash for capital expenditures and excluding spin-off and separation-related cost payments and the cash payment for settlement of Flexjet-related litigation matters. We define free cash flow excluding spin-off and divestiture impact as free cash flow less free cash flow attributable to the Aerospace Technologies business, which is expected to spin-off on June 29, 2026, and attributable to Quantinuum, due to its initial public offering on June 4, 2026.

We believe that free cash flow and free cash flow excluding spin-off and divestiture impact 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. These measures 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.