

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10

**GENERAL FORM FOR REGISTRATION OF SECURITIES
PURSUANT TO SECTION 12(b) OR 12(g)
OF THE SECURITIES EXCHANGE ACT OF 1934**

Solstice Advanced Materials, LLC*
(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

33-2919563
(I.R.S. Employer
Identification Number)

115 Tabor Road
Morris Plains, New Jersey
(Address of Principal Executive Offices)

07950
(Zip Code)

Registrant's telephone number, including area code:

(704) 627-6200

Securities to be registered pursuant to Section 12(b) of the Act:

Title of Each Class to be so Registered	Name of Each Exchange on Which Each Class is to be Registered
Common Stock, par value \$0.01 per share	The Nasdaq Stock Market LLC

Securities to be registered pursuant to Section 12(g) of the Act:

None.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company.

See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐
Non-accelerated filer ☒

Accelerated filer ☐
Smaller reporting company ☐
Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

* Solstice Advanced Materials, LLC will convert into a corporation and will be renamed Solstice Advanced Materials Inc. prior to the completion of the Spin-Off (as defined in [Exhibit 99.1](#)).

Solstice Advanced Materials, LLC
Information Required in Registration Statement
Cross-Reference Sheet between the Information Statement and Items of Form 10

Certain information required to be included in this Form 10 is incorporated by reference to specifically-identified portions of the body of the information statement filed herewith as Exhibit 99.1 and which will be delivered to shareowners. None of the information contained in the information statement shall be incorporated by reference herein or deemed to be a part hereof unless such information is specifically incorporated by reference.

Item 1. Business.

The information required by this item is contained under the sections of the information statement entitled “Information Statement Summary,” “The Spin-Off,” “Capitalization,” “Business,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” “Certain Relationships and Related Party Transactions” and “Where You Can Find More Information.” Those sections are incorporated herein by reference.

Item 1A. Risk Factors.

The information required by this item is contained under the sections of the information statement entitled “Risk Factors” and “Cautionary Statement Concerning Forward-Looking Statements.” Those sections are incorporated herein by reference.

Item 2. Financial Information.

The information required by this item is contained under the sections of the information statement entitled “Capitalization,” “Selected Historical and Unaudited Pro Forma Combined Financial Data,” “Unaudited Pro Forma Combined Financial Information,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Description of Material Indebtedness.” Those sections are incorporated herein by reference.

Item 3. Properties.

The information required by this item is contained under the section of the information statement entitled “Business—Properties.” That section is incorporated herein by reference.

Item 4. Security Ownership of Certain Beneficial Owners and Management.

The information required by this item is contained under the section of the information statement entitled “Security Ownership of Certain Beneficial Owners and Management.” That section is incorporated herein by reference.

Item 5. Directors and Executive Officers.

The information required by this item is contained under the section of the information statement entitled “Management and Board of Directors.” That section is incorporated herein by reference.

Item 6. Executive Compensation.

The information required by this item is contained under the sections of the information statement entitled “Management and Board of Directors,” “Director Compensation” and “Compensation Discussion and Analysis.” Those sections are incorporated herein by reference.

Item 7. Certain Relationships and Related Transactions, and Director Independence.

The information required by this item is contained under the sections of the information statement entitled “Risk Factors,” “Management and Board of Directors” and “Certain Relationships and Related Party Transactions.” Those sections are incorporated herein by reference.

Item 8. Legal Proceedings.

The information required by this item is contained under the sections of the information statement entitled “Business—Legal Proceedings,” Note 19 “Commitments and Contingencies” to the audited combined financial statements and Note 14 “Commitments and Contingencies” to the unaudited condensed combined financial statements. Those sections are incorporated herein by reference.

Item 9. Market Price of and Dividends on the Registrant’s Common Equity and Related Stockholder Matters.

The information required by this item is contained under the sections of the information statement entitled “The Spin-Off,” “Dividend Policy,” “Security Ownership of Certain Beneficial Owners and Management” and “Description of Our Capital Stock.” Those sections are incorporated herein by reference.

Item 10. Recent Sales of Unregistered Securities.

The information required by this item is contained under the section of the information statement entitled “Description of Our Capital Stock.”

Item 11. Description of Registrant’s Securities to be Registered.

The information required by this item is contained under the sections of the information statement entitled “Description of Our Capital Stock.” That section is incorporated herein by reference.

Item 12. Indemnification of Directors and Officers.

The information required by this item is contained under the sections of the information statement entitled “Description of Our Capital Stock” and “Certain Relationships and Related Party Transactions—Agreements with Honeywell—Separation and Distribution Agreement.” Those sections are incorporated herein by reference.

Item 13. Financial Statements and Supplementary Data.

The information required by this item is contained under the sections of the information statement entitled “Non-GAAP Financial Information,” “Selected Historical and Unaudited Pro Forma Combined Financial Data,” “Unaudited Pro Forma Combined Financial Information” and “Index To Combined Financial Statements” and the financial statements referenced therein. Those sections and such financial statements and related notes are incorporated herein by reference.

Item 14. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 15. Financial Statements and Exhibits.

(a) Financial Statements

The information required by this item is contained under the sections of the information statement entitled “Index to Combined Financial Statements,” “Unaudited Pro Forma Combined Financial Information” and the financial

statements referenced therein. Those sections and such financial statements and related notes are incorporated herein by reference.

(b) Exhibits

The following documents are filed as exhibits hereto:

Exhibit Number	Exhibit Description
2.1	Form of Separation and Distribution Agreement by and between Honeywell International Inc. and the registrant*
3.1	Form of Amended and Restated Certificate of Incorporation of the registrant
3.2	Form of Restated By-laws of the registrant
10.1	Form of Transition Services Agreement by and between Honeywell International Inc. and the registrant*
10.2	Form of Tax Matters Agreement by and between Honeywell International Inc. and the registrant*
10.3	Form of Employee Matters Agreement by and between Honeywell International Inc. and the registrant*
10.4	Form of Intellectual Property Cross-License Agreement by and between Honeywell International Inc. and the registrant*
10.5	Form of Trademark License Agreement by and between Honeywell International Inc. and the registrant*
10.6	Form of Accelerator License Agreement by and between Honeywell International Inc. and the registrant*
10.7	Form of the registrant's 2025 Stock Incentive Plan
10.8	Form of the registrant's Severance Plan for Designated Officers
10.9	Offer Letter for David Sewell*
10.10	Offer Letter for Jason Clifford
10.11	Offer Letter for Jeffrey Dormo
10.12	Offer Letter for Simon Mawson
10.13	Offer Letter for Tina Pierce
10.14	Offer Letter for Brian Rudick
21.1	Subsidiaries of the registrant
99.1	Information Statement of the registrant, preliminary and subject to completion, dated August 21, 2025
99.2	Form of Notice of Internet Availability of Information Statement Materials**

* Certain schedules and similar attachments have been omitted pursuant to Item 601(b)(2) of Regulation S-K. The registrant hereby undertakes to furnish copies of any of the omitted schedules and similar attachments upon request by the U.S. Securities and Exchange Commission.

** To be filed by amendment.

SIGNATURE

Pursuant to the requirements of Section 12 of the Securities Exchange Act of 1934, the registrant has duly caused its Registration Statement on Form 10 to be signed on its behalf by the undersigned, thereunto duly authorized.

SOLSTICE ADVANCED MATERIALS, LLC

By: /s/ Jake Wasserman

Name: Jake Wasserman

Title: Authorized Person

Dated: August 21, 2025

SEPARATION AND DISTRIBUTION AGREEMENT

by and between

SOLSTICE ADVANCED MATERIALS INC.

and

HONEYWELL INTERNATIONAL INC.

Dated as of

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SEPARATION AND DISTRIBUTION AGREEMENT

SEPARATION AND DISTRIBUTION AGREEMENT (this “Agreement”), dated as of , by and between Honeywell International Inc., a Delaware corporation (“RemainCo”), and Solstice Advanced Materials Inc. (f/k/a Solstice Advanced Materials, LLC), a Delaware corporation (“SpinCo”). Each of RemainCo and SpinCo is sometimes referred to herein as a “Party” and collectively, as the “Parties.”

WITNESSETH:

WHEREAS, RemainCo, acting through its direct and indirect Subsidiaries, currently conducts (a) the SpinCo Business and (b) the RemainCo Business;

WHEREAS, the Board of Directors of RemainCo (the “Board”) has determined that it is appropriate, desirable and in the best interests of RemainCo and its stockholders to separate RemainCo into two separate, publicly traded companies, one for each of (a) the SpinCo Business, which shall be owned and conducted, directly or indirectly, by SpinCo, and (b) the RemainCo Business, which shall be owned and conducted, directly or indirectly, by RemainCo;

WHEREAS, in order to effect such separation, the Board has determined that it is appropriate, desirable and in the best interests of RemainCo and its stockholders (a) to undertake a series of transactions with respect to the allocation and transfer or assignment of Assets and Liabilities, including by means of the Conveyancing and Assumption Instruments, resulting in (i) RemainCo and/or one or more members of the RemainCo Group, collectively, owning all of the RemainCo Assets, assuming (or retaining or indemnifying the SpinCo Indemnitees against) all of the RemainCo Liabilities and, except as provided in any Ancillary Agreement, operating the RemainCo Business and (ii) SpinCo and/or one or more members of the SpinCo Group, collectively, owning all of the SpinCo Assets, assuming (or retaining or indemnifying the RemainCo Indemnitees against) all of the SpinCo Liabilities and, except as provided in any Ancillary Agreement, operating the SpinCo Business, in each case (clauses (a)(i) and (a)(ii)) (such transactions described in this clause (a), the “Internal Reorganization”), and (b) thereafter, for RemainCo to distribute on the Distribution Date to the holders of RemainCo Common Stock as of the close of business on the Distribution Record Date, on a pro rata basis and on the basis of shares of SpinCo Common Stock for every outstanding shares of RemainCo Common Stock, all of the then issued and outstanding shares of SpinCo Common Stock (such transactions described in this clause (b), the “Distribution”);

WHEREAS, in connection with the Internal Reorganization, the Board has determined that it is appropriate, desirable and in the best interests of RemainCo and its stockholders for SpinCo to make the SpinCo Cash Distribution;

WHEREAS, SpinCo has been formed for this purpose and has not engaged in activities except those in connection with the transactions contemplated by the Internal Reorganization, the consummation of the transactions contemplated by this Agreement and those activities necessary in connection with its startup as an independent company (including activities with respect to the SpinCo Financing Arrangements and the distribution of the SpinCo Common Stock);

WHEREAS, for U.S. federal income Tax purposes, it is intended that the SpinCo Spin Contribution and the Distribution, taken together, qualify for non-recognition of gain and loss pursuant to Section 355, Section 361 and Section 368(a)(1)(D) of the Internal Revenue Code of 1986, as amended (the “Code”); and

WHEREAS, each of RemainCo and SpinCo has determined that it is necessary and desirable to agree to the principal corporate transactions required to effect the Internal Reorganization (to the extent not already effected prior to the date hereof), the SpinCo Cash Distribution and the Distribution and to agree to other agreements that will govern certain other matters following the Effective Time.

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements, provisions and covenants contained in this Agreement, the Parties hereby agree as follows:

ARTICLE I

DEFINITIONS AND INTERPRETATION

Section 1.1 General. As used in this Agreement, the following terms shall have the following meanings:

(1) “Accelerator License Agreement” shall mean the Accelerator License Agreement, dated as of , by and between RemainCo and SpinCo.

(2) “Acceptable Alternative Arrangement” shall have the meaning set forth in Section 2.2(d)(i).

(3) “Action” shall mean any demand, action, claim, cause of action, suit, countersuit, arbitration, inquiry, case, litigation, subpoena, proceeding or investigation (whether civil, criminal or administrative) by or before any court or grand jury, any Governmental Entity or any arbitration or mediation tribunal or authority.

(4) “Adversarial Action” means (i) an Action by a member of the RemainCo Group, on the one hand, against a member of the SpinCo Group, on the other hand, or (ii) an Action by a member of the SpinCo Group, on the one hand, against a member of the RemainCo Group, on the other hand.

(5) “Affiliate” shall mean, when used with respect to a specified Person, a Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with such specified Person. For the purposes of this definition, “control” (including the terms “controlled by” and “under common control with”), when used with respect to any specified Person shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or other interests, by Contract or otherwise. It is expressly agreed that no Party or member of either Group shall be deemed to be an Affiliate of the other Party or member of such other Party’s Group solely by reason of having one or more

directors in common or by reason of having been under common control of RemainCo or RemainCo's stockholders prior to, or in case of SpinCo's stockholders, after the Effective Time.

(6) "Agent" shall mean EQ Shareowner Services.

(7) "Agreement" shall have the meaning set forth in the preamble hereto.

(8) "Ancillary Agreements" shall mean all of the written Contracts, instruments, assignments or other arrangements (other than this Agreement) entered into in connection with the transactions contemplated hereby, including the Tax Matters Agreement, the Transition Services Agreement, the Employee Matters Agreement, the IP Cross-License Agreement, the Trademark License Agreement, the Accelerator License Agreement, the Intergroup Leases and the agreements or other continuing arrangements set forth on Schedule 1.1(8) and any other agreements to be entered into by and between any member of the SpinCo Group and any member of the RemainCo Group, at, prior to or after the Distribution in connection with the Distribution, but shall exclude the Conveyancing and Assumption Instruments.

(9) "Applicable RemainCo CSI Draw Date" shall have the meaning set forth in Section 2.10(d)(ii).

(10) "Applicable SpinCo CSI Draw Date" shall have the meaning set forth in Section 2.10(d)(i).

(11) "Appropriate Remediation Standard" shall have the meaning set forth in Section 6.11(d)(vi).

(12) "Arbitral Tribunal" shall have the meaning set forth in Section 8.1(c)(i).

(13) "Assets" shall mean all right, title and ownership interests in and to all properties, claims, Contracts, businesses or assets (including goodwill), wherever located (including in the possession of vendors or other third parties or elsewhere), of every kind, character and description, whether real, personal or mixed, tangible or intangible, whether accrued, contingent or otherwise, in each case, whether or not recorded or reflected or required to be recorded or reflected on the books and records or financial statements of any Person, including the following (regardless of any potential overlap):

(i) all Information;

(ii) all tangible personal property and interests therein (including machinery, equipment, tools and vehicles);

(iii) all raw materials, works-in-process, supplies, ingredients, inputs, parts, packaging, finished goods and products and other inventories;

(iv) all rights, title and interest in and to real property of whatever nature, including all land and land improvements, structures, buildings and building improvements, tidelands or other marine leases, other improvements, fixtures, rights of

ingress and egress, rights under any covenants, conditions and/or restrictions, all contract rights, if any, relating to the operation of the land or any improvements thereon, all riparian rights, surface and underground water rights, and any and all other water rights pertaining to the land, and any and all licenses, permits, registrations, approvals and authorizations which have been issued by any Governmental Entity related to the land and all easements and rights of way pertaining thereto or accruing to the benefit thereof and appurtenances located thereon or associated therewith;

(v) all interests in any capital stock of, or other equity interests in, any Person;

(vi) all Contracts and any rights or claims (whether accrued or contingent) arising under any Contracts;

(vii) all Credit Support Instruments;

(viii) all written (including in electronic form) technical information, data, specifications, research and development information, engineering drawings and specifications, operating and maintenance manuals, and materials and analyses prepared by consultants and other third parties;

(ix) all Intellectual Property;

(x) all IT Assets and IT Contracts;

(xi) all Personal Data;

(xii) all Cash and Cash Equivalents, notes, interest receivables and other financial assets and derivative instruments;

(xiii) all accounts and notes receivable;

(xiv) all credits, prepaid expenses, rebates, deferred charges, advance payments, security deposits and prepaid items;

(xv) all accruals, counterclaims, insurance claims, rights to coverage under applicable insurance policies, warranties, contractual indemnities, control rights and other rights similar to the foregoing; and

(xvi) all Permits, Consents and Registrations.

Except as otherwise specifically set forth herein or in the Tax Matters Agreement or the Employee Matters Agreement, the rights and obligations of the Parties with respect to (a) Taxes shall be governed by the Tax Matters Agreement and (b) any assets of the nature described in the preceding sentence of this definition that are allocated pursuant to the Employee Matters Agreement shall be governed by the Employee Matters Agreement, and, therefore, Taxes (including any Tax Attributes) and such assets shall not be treated as Assets governed by this Agreement.

- (14) “Assume” shall have the meaning set forth in Section 2.2(c) and the term “Assumption” shall have its correlative meaning.
- (15) “Audited Party” shall have the meaning set forth in Section 5.1(c).
- (16) “Board” shall have the meaning set forth in the recitals hereto.
- (17) “Business” shall mean (a) with respect to SpinCo and/or one or more members of the SpinCo Group, the SpinCo Business, or (b) with respect to RemainCo and/or one or more members of the RemainCo Group, the RemainCo Business.
- (18) “Business Day” shall mean any day that is not a Saturday, a Sunday or any other day on which banks are required or authorized by Law to be closed in New York, New York.
- (19) “Cash and Cash Equivalents” shall mean (a) cash and (b) checks, certificates of deposit having a maturity of less than one year, money orders, bills of exchange, marketable securities, money market funds, commercial paper, short-term instruments, funds in time and demand deposits or similar accounts, and any evidence of indebtedness issued or guaranteed by any Governmental Entity, minus the amount of any outbound checks, plus the amount of any deposits in transit.
- (20) “Code” shall have the meaning set forth in the recitals hereto.
- (21) “Collective Benefit Services” shall have the meaning set forth in Section 7.7(a).
- (22) “Commission” shall mean the United States Securities and Exchange Commission.
- (23) “Confidential Information” shall mean all non-public, confidential or proprietary Information concerning a Party and/or its Subsidiaries or with respect to SpinCo, the SpinCo Business, any SpinCo Asset or any SpinCo Liabilities, or with respect to RemainCo, the RemainCo Business, any RemainCo Assets or any RemainCo Liabilities, which, prior to or following the Effective Time, has been disclosed by a Party or its Subsidiaries to the other Party or its Subsidiaries, or otherwise has come into the possession of, the other, including pursuant to the access provisions of Article VII or any other provision of this Agreement, including any data or documentation resident, existing or otherwise provided in a database or in a storage medium, permanent or temporary, intended for confidential, proprietary and/or privileged use by a Party (except to the extent that such Information can be shown to have been (a) in the public domain or known to the public through no fault of the receiving Party or its Subsidiaries, (b) lawfully acquired by the receiving Party or its Subsidiaries from other sources not known to be subject to confidentiality obligations with respect to such Confidential Information or (c) independently developed by the receiving Party or its Affiliates after the Distribution without reference to or use of any Confidential Information). As used herein, by example and without limitation, Confidential Information shall mean any Information of a Party marked as confidential, proprietary and/or privileged.

(24) “Consents” shall mean any consents, waivers, notices, reports or other filings obtained, made or to be obtained from or made, including with respect to any Contract, or any registrations, licenses, permits, approvals, authorizations obtained or to be obtained from, or approvals from, or notification requirements to, any Person including a Governmental Entity.

(25) “Contract” shall mean any agreement, contract, subcontract, obligation, note, indenture, instrument, option, lease, sublease, promise, arrangement, release, warranty, license, sublicense, insurance policy, purchase order or legally binding commitment or undertaking of any nature (whether written or oral and whether express or implied).

(26) “Controller” shall mean, in addition to any definition for any corollary term provided by Data Protection Laws, the Person who or that determines the purposes and means of the Processing of Personal Data.

(27) “Conveyancing and Assumption Instruments” shall mean, collectively, the various Contracts and other documents entered into prior to the Effective Time and to be entered into to effect the Transfer of Assets and the Assumption of Liabilities in the manner contemplated by this Agreement and the Internal Reorganization, or otherwise relating to, arising out of or resulting from the Transfer of Assets and/or Assumption of Liabilities between members of each Group, in such form or forms as the applicable parties thereto agree, which shall be on an “as is”, “where is” and “with all faults” basis, and in the case of Conveyancing and Assumption Instruments relating to real property, subject to the further provisions of Section 2.7.

(28) “Copyrights” shall mean copyrightable works, copyrights (including in product label or packaging artwork or templates), moral rights, mask work rights, database rights and design rights, in each case, whether or not registered, and registrations and applications for registration thereof.

(29) “Corrective Action Performing Party” shall have the meaning set forth in Section 6.11(e).

(30) “Credit Support Instruments” shall mean any letters of credit, performance bonds, surety bonds, bankers acceptances or other similar arrangements.

(31) “Damages” shall mean any loss, damage, injury, claim, demand, payments (including those arising out of any settlement or judgment relating to any proceeding), award, fine, penalty, Tax, fee (including reasonable out of pocket attorneys’ or advisors’ fees and disbursements incurred in the defense thereof), charge, cost (including reasonable costs of investigation) or expense of any nature, excluding, except as set forth in Section 8.1(c)(v), any incidental, indirect, special, exemplary, punitive or consequential damages (including lost revenues or profits), but including amounts paid or payable to third parties in respect of any third-party claim for which indemnification hereunder is otherwise required (including components of such third-party claim relating to incidental, indirect, special, exemplary, punitive or consequential damages (including lost revenues or profits)).

(32) “Data Protection Laws” shall mean the following to the extent applicable from time to time: (a) the California Consumer Privacy Act, as amended by the California Privacy Rights Act, (b) the General Data Protection Regulation (2016/679) (“GDPR”) and the GDPR as transposed into the national laws of the United Kingdom (“UK GDPR”), (c) any national law supplementing the GDPR and UK GDPR and (d) any other data protection or privacy Laws or binding codes of practice issued by or with the approval of a relevant data protection authority applicable to the Processing of Personal Data (as amended and/or replaced from time to time).

(33) “Data Subject” shall mean, in addition to any definition for any corollary term provided by Data Protection Laws, any identified or identifiable natural person to whom the Personal Data Processed pursuant to this Agreement or any Ancillary Agreement relates.

(34) “Decision on Interim Relief” shall have the meaning set forth in Section 8.1(c)(ix).

(35) “Deemed SpinCo Spin Contribution” shall mean the Transfer of Assets to and Assumption of Liabilities by SpinCo that will be deemed to occur for U.S. federal income Tax purposes as a result of the conversion of SpinCo from a limited liability company organized under the laws of the State of Delaware to a corporation organized under the laws of the State of Delaware.

(36) “Designated Ancillary Agreements” shall mean the Employee Matters Agreement and the Tax Matters Agreement.

(37) “Determination” shall have the meaning set forth in the Tax Matters Agreement.

(38) “Discontinued and/or Divested Operations and Businesses” shall mean any (a)(v) company, (w) business, (x) business unit, (y) product line or (z) business operation operated or conducted, and (b) any site or plant (and in each case (clauses (a)(v) through (z) and (b)) any portion thereof) that was owned, leased, occupied or otherwise used by (or on behalf of) any member of any Group (or any predecessor thereto) or any former Subsidiary thereof (or for which any member of any Group has become liable other than to the extent related to the conduct of the SpinCo Business and RemainCo Business) at any time prior to the Distribution Date and that was not owned, operated or conducted or, with respect to plants and sites, used by (or on behalf of) a member of a Group in the active conduct of the SpinCo Business or RemainCo Business as of the Distribution Date, in each case, whether as a result of sale, transfer, conveyance or other disposition or abandonment, closure, discontinuation or other cessation (other than any temporary cessation or closure set forth on Schedule 1.1(38) and any temporary cessation or closure of a site (or any portion thereof) that has been resolved by the placement of such site or portion thereof back into active use by the Group to which such Asset has been allocated pursuant to this Agreement (but in the case of Assets subject to an Intergroup Lease, by the lessee Party) prior to the Distribution (as evidenced in writing prior to the Distribution) of any (I)(v) company, (w) business, (x) business unit, (y) product line or (z) business operation operated or conducted and (II) any site or plant (and in each case (clauses (I)(v) through (z) and (II)) any portion thereof) (clause (b), a “Legacy Site”).

(39) “Dispute” shall have the meaning set forth in Section 8.1(a).

(40) “Distribution” shall have the meaning set forth in the recitals hereto.

(41) “Distribution Date” shall mean .

(42) “Distribution Disclosure Documents” shall mean any registration statement (including any registration statement on Form 10 and all exhibits thereto (including the SpinCo Information Statement) or on Form S-8 related to securities to be offered under any employee benefit plan) and any current reports on Form 8-K filed or furnished with the Commission by SpinCo in connection with the Distribution or by RemainCo solely to the extent such documents relate to the Distribution, but excluding the Financing Disclosure Documents.

(43) “Distribution Record Date” shall mean .

(44) “Effective Time” shall mean 12:01 a.m., New York City Time, on the Distribution Date.

(45) “Emergency Arbitrator” shall mean an emergency arbitrator appointed by the ICDR in accordance with the Rules, as specified in Section 8.1.

(46) “Employee Matters Agreement” shall mean the Employee Matters Agreement, dated as of , by and between RemainCo and SpinCo.

(47) “Employee Records” shall have the meaning set forth in the Employee Matters Agreement.

(48) “Employee Related Liabilities” shall have the meaning set forth in the definition of “Liabilities”.

(49) “Engineering Models and Databases” shall mean (a) physical property databases, (b) empirical or mathematical dynamic or steady state models of processes, equipment and/or reactions and databases containing data resulting from such models, (c) computations of equipment or unit operation operating conditions including predictive or operational behavior and (d) databases with historical operational data.

(50) “Environmental Laws” shall mean all Laws relating to pollution or protection of the environment or, as such relates to exposure to Hazardous Substances, to human health or safety, including Laws relating to the exposure to, or Release, threatened Release or the presence of Hazardous Substances, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, transport or handling of Hazardous Substances and all Laws with regard to recordkeeping, notification, disclosure and reporting requirements respecting Hazardous Substances, and all Laws relating to endangered or threatened species of fish, wildlife and plants and damage to and the protection of natural resources.

(51) “Environmental Liabilities” shall mean any Liabilities, arising out of or resulting from any Environmental Law, Contract or agreement relating to the environment, Hazardous

Substances or human exposure to Hazardous Substances, including (a) judgments, settlements, complaints, Damages, costs or expenses, including fees and expenses of counsel, whether or not arising out of, relating to or in connection with any Actions, (b) costs of defense and other responses to any administrative or judicial action (including notices, claims, complaints, suits and other assertions of liability), (c) responsibility for any investigation, remediation, monitoring or cleanup costs, response costs, removal costs, injunctive relief, natural resource damages, and any other environmental compliance or remedial measures, and (d) costs and expenses relating to correcting violations of or non-compliance with applicable Environmental Laws.

(52) “Environmental Permit” shall mean any Permit issued under any Environmental Laws.

(53) “Financing Disclosure Documents” shall mean any prospectus, offering memorandum, offering circular (including franchise offering circular or any similar disclosure statement) or similar disclosure document, whether or not filed with the Commission or any other Governmental Entity, which offers for sale or registers the Transfer or distribution of securities or indebtedness of the SpinCo Group.

(54) “Force Majeure Event” shall mean, with respect to a Party, an event beyond the control of such Party (or any Person acting on its behalf), which by its nature could not have been foreseen by such Party (or such Person), or, if it could have been foreseen, was unavoidable, and includes acts of God, storms, floods, riots, pandemics, fires, sabotage, civil commotion or civil unrest, interference by civil or military authorities, acts of war (declared or undeclared) or armed hostilities or other national or international calamity or one or more acts of terrorism or failure of energy sources or distribution facilities.

(55) “GDPR” shall have the meaning set forth in the definition of “Data Protection Laws”.

(56) “General Dispute Notice” shall have the meaning set forth in Section 8.1(b)(i).

(57) “General Negotiation Period” shall have the meaning set forth in Section 8.1(b)(i).

(58) “Governmental Entity” shall mean any nation or government, any state, municipality or other political subdivision thereof and any entity, body, agency, commission, department, board, bureau or court, whether domestic, foreign, multinational or supranational exercising executive, legislative, judicial, regulatory, self-regulatory or administrative functions of or pertaining to government and any executive official thereof.

(59) “Group” shall mean (a) with respect to SpinCo, the SpinCo Group, and (b) with respect to RemainCo, the RemainCo Group.

(60) “Guaranty Release” shall have the meaning set forth in Section 2.10(b).

(61) “Hazardous Substances” shall mean (a) any substances defined, listed, classified or regulated as “hazardous substances,” “hazardous wastes,” “hazardous materials,” “extremely

hazardous wastes,” “restricted hazardous wastes,” “toxic substances,” “pollutants,” “solid wastes,” “contaminants,” “radioactive materials,” “petroleum,” “oils” or designations of similar import under any Environmental Law, or (b) any other chemical, material or substance for which standards of conduct are, or liability can be, imposed under any Environmental Law, including per- or polyfluoroalkyl substances.

(62) “ICDR” shall have the meaning set forth in Section 8.1(c).

(63) “Indebtedness” shall mean, with respect to any Person, (a) the principal value, prepayment and redemption premiums and penalties and other breakage costs (if any), unpaid fees and other monetary obligations (including interest) in respect of any indebtedness for borrowed money, whether short term (including overdrawn bank accounts) or long term, and all obligations evidenced by bonds, debentures, notes, other debt securities or similar instruments, (b) any indebtedness arising under any capital leases (excluding any real estate leases), whether short term or long term, (c) all liabilities secured by any Security Interest on any assets of such Person, (d) all liabilities under any interest rate protection agreement, interest rate future agreement, interest rate option agreement, interest rate swap agreement or other similar agreement designed to protect such Person against fluctuations in interest rates, (e) all interest bearing indebtedness for the deferred purchase price of property or services, (f) all liabilities under any Credit Support Instruments, (g) all interest, fees and other expenses owed with respect to indebtedness described in the foregoing clauses (a) through (f), and (h) without duplication, all guarantees of indebtedness referred to in the foregoing clauses (a) through (g).

(64) “Indemnifiable Loss” and “Indemnifiable Losses” shall mean any and all Damages, losses, deficiencies, Liabilities, obligations, penalties, judgments, settlements, claims, payments, fines, interest, costs and expenses (including the costs and expenses of any and all Actions and demands, assessments, judgments, settlements and compromises relating thereto and the reasonable costs and expenses of attorneys’, accountants’, consultants’ and other professionals’ fees and expenses incurred in the investigation or defense thereof or the enforcement of rights hereunder).

(65) “Indemnifying Party” shall have the meaning set forth in Section 6.4(a).

(66) “Indemnitee” shall have the meaning set forth in Section 6.4(a).

(67) “Indemnity Payment” shall have the meaning set forth in Section 6.8(a).

(68) “Information” shall mean information, content, and data in written, oral, electronic, computerized, digital or other tangible or intangible media, including (a) books and records, whether accounting, legal or otherwise; ledgers, studies, reports, surveys, designs, specifications, drawings, blueprints, diagrams, models, prototypes, samples and flow charts; marketing plans, customer names and information (including prospects); technical information, including such information relating to the design, operation, maintenance, testing, test results, development, and manufacture of any Party’s or its Group’s products or facilities (including product or facility specifications and documentation; engineering, design, and manufacturing drawings, diagrams, layouts, maps and illustrations; formulations and material specifications;

laboratory studies and benchmark tests; quality assurance policies procedures and specifications; maintenance and inspection procedures and records; evaluation and/validation studies; process control and/or shop-floor control strategy, logic or algorithms; assembly code, Software, firmware, programming data, databases, and all information referred to in the same); product costs, margins and pricing; product marketing studies and strategies; product stewardship and safety; all other Know-How related to research, engineering, development and manufacturing; communications, correspondence, materials, product literature, artwork, files and documents; (b) information contained in Patents and Know-How; and (c) financial and business information, including earnings reports and forecasts, macro-economic reports and forecasts, all cost information (including supplier records and lists), sales and pricing data, business plans, market evaluations, surveys, credit-related information, and other such information as may be needed for reasonable compliance with reporting, disclosure, filing or other requirements, including under applicable securities laws or regulations of securities exchanges.

(69) “Insurance Policies” shall mean all insurance policies of any member of a Group, including any self-insurance policies, fronted insurance policies and captive insurance policies.

(70) “Insurance Proceeds” shall mean those monies (a) received by an insured from an insurer or (b) paid by an insurer on behalf of an insured, in either case net of any applicable premium adjustment, retrospectively-rated premium, deductible, retention or cost of reserve paid or held by or for the benefit of such insured.

(71) “Insurer” shall mean the insuring entity issuing and/or subscribing to one or more Insurance Policies.

(72) “Intellectual Property” shall mean any and all rights (created or arising in any jurisdiction anywhere in the world, whether statutory, common law, or otherwise) to the extent arising from or related to intellectual property, including (a) Patents, (b) Trademarks, (c) Copyrights, (d) rights in Know-How, (e) rights in Software and data, (f) all other intellectual property or proprietary rights, (g) all registrations and applications for registration of any of the foregoing clauses (a) through (f), and (h) all actions and rights to sue at law or in equity for any past, present or future infringement, misappropriation or other violation of any of the foregoing.

(73) “Intentionally Delayed SpinCo Assets” shall have the meaning set forth in the definition of “SpinCo Assets”.

(74) “Intergroup Accounts” shall have the meaning set forth in Section 2.3.

(75) “Intergroup Leases” shall mean the Contracts set forth on Schedule 1.1(75).

(76) “Interim Relief” shall have the meaning set forth in Section 8.1(c)(ix).

(77) “Internal Control Audit and Management Assessments” shall have the meaning set forth in Section 5.1(b).

(78) “Internal Reorganization” shall have the meaning set forth in the recitals hereto.

(79) “IP Cross-License Agreement” shall mean the Intellectual Property Cross-License Agreement, dated as of , by and between RemainCo and SpinCo (or their respective Affiliates).

(80) “IT Assets” shall mean all copies of Software, computer systems, telecommunications equipment, databases, internet protocol addresses, and documentation, reference, resource and training materials to the extent relating thereto, other than, in each case, Intellectual Property contained therein.

(81) “IT Contracts” shall mean all Contracts (including Contract rights) relating to any IT Assets (including software license agreements, source code escrow agreements, support and maintenance agreements, electronic database access contracts, domain name registration agreements, website hosting agreements, software or website development agreements, outsourcing agreements, service provider agreements, interconnection agreements, Permits, radio licenses and telecommunications agreements).

(82) “Joint Actions” shall have the meaning set forth in Section 6.9(d).

(83) “Key Employee” shall have the meaning set forth on Schedule 5.6(a).

(84) “Know-How” shall mean all confidential or proprietary information, including trade secrets, know-how and technical data, including any that comprise financial, business, scientific, technical, economic or engineering information and instructions, including any confidential or proprietary raw materials, material lists, raw material specifications, manufacturing or production files or specifications, plans, drawings, blueprints, design tools, quality assurance and control procedures, simulation capability, research data, manuals, compilations, reports, including technical reports and research reports, analyses, formulas, formulations, designs, prototypes, methods, techniques, processes, rights in research, development, manufacturing, financial, marketing and business data, pricing and cost information, customer and supplier lists and information, procedures, inventions and invention disclosure documents, as well as Plant Operating Documents, and Engineering Models and Databases, in each case, other than Patents.

(85) “Law” shall mean any U.S. or non-U.S. federal, national, supranational, state, provincial, local or similar statute, constitution, law, ordinance, regulation, rule, code, income tax treaty, order, requirement or rule of law (including common law) or other binding directives promulgated, issued, entered into or taken by any Governmental Entity.

(86) “Legacy SpinCo Environmental Liabilities” shall mean (A) any and all Environmental Liabilities relating to, arising out of or resulting from any ownership or operation of any SpinCo Legacy Site, including those Liabilities set forth on Schedule 1.1(86); (B) any and all Environmental Liabilities that are SpinCo Discontinued and/or Divested Operations and Business Liabilities and (C) any and all Off-Site Environmental Liabilities to the extent related to or arising out of wastes generated by the SpinCo Discontinued and/or Divested Operations and Businesses.

(87) “Liabilities” shall mean any and all Indebtedness, liabilities, costs, expenses, interest and obligations, whether accrued or fixed, absolute or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, reserved or unreserved, or determined or determinable, including those arising under any Law (including Environmental Law), Action, whether asserted or unasserted, or order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Entity and those arising under any Contract or any fines, Damages or equitable relief which may be imposed and including all costs and expenses related thereto. Except as otherwise specifically set forth herein, the rights and obligations of the Parties with respect to Taxes and with respect to liabilities of the nature described in the preceding sentence of this definition that are allocated pursuant to the Employee Matters Agreement (“Employee Related Liabilities”) shall be governed by the Tax Matters Agreement and Employee Matters Agreement, respectively, and, therefore, Taxes and Employee Related Liabilities shall not be treated as Liabilities governed by this Agreement other than for purposes of indemnification related to the Distribution Disclosure Documents.

(88) “Liable Party” shall have the meaning set forth in Section 2.9(b).

(89) “Managing Party” shall have the meaning set forth in Section 6.9(d).

(90) “Mixed Contract” shall mean any Contract to which any member of the RemainCo Group or SpinCo Group is party that is related to both the SpinCo Business, on the one hand, and the RemainCo Business, on the other hand (in each case, other than in a de minimis respect).

(91) “Nasdaq” shall mean, as the case may be, The Nasdaq Global Market or Nasdaq Stock Market LLC.

(92) “Negotiation Period” shall mean the General Negotiation Period.

(93) “New York Court” shall have the meaning set forth in Section 8.1(c)(x).

(94) “Non-Assumable Third Party Claims” shall have the meaning set forth in Section 6.4(b).

(95) “Non-Managing Party” shall have the meaning set forth in Section 6.9(d).

(96) “Non-Performing Impacted Party” shall have the meaning set forth in Section 6.11(d)(i).

(97) “Non-Performing Site Controller” shall have the meaning set forth in Section 6.11(d)(ii).

(98) “Non-Shared Contract” shall mean any Mixed Contract that is an IT Asset, IT Contract or set forth on Schedule 1.1(98).

(99) “Non-Transferred Permit” shall have the meaning set forth in Section 5.5(a).

(100) “Notice Recipient” shall have the meaning set forth in Section 2.2(d)(vi).

(101) “Notifying Party” shall have the meaning set forth in Section 2.2(d)(vi).

(102) “Off-Site Environmental Liabilities” shall mean any and all Environmental Liabilities arising or associated with any third-party location that is not as of the time of the Distribution nor has ever been owned, leased or operated by RemainCo or any of its Subsidiaries to the extent arising out of occurrences prior to the time of the Distribution; provided, that for purposes of clarification, Off-Site Environmental Liabilities shall not include Liability arising or associated with any third-party locations or environmental media that have been impacted by Hazardous Substances Released from any property owned, leased or operated by RemainCo or any of its Subsidiaries at or prior to the time of the Distribution.

(103) “Other Party” shall have the meaning set forth in Section 2.9(a).

(104) “Other Party’s Auditors” shall have the meaning set forth in Section 5.1(b).

(105) “Other Surviving Intergroup Accounts” shall have the meaning set forth in Section 2.3.

(106) “Partial Assignment” shall have the meaning set forth in Section 2.2(d)(i).

(107) “Party” or “Parties” shall have the meaning set forth in the preamble hereto.

(108) “Patent” shall mean patents, patent applications (including patents issued thereon) and statutory invention registrations, patents of importation, patents of improvement, certificates of addition, design patents and utility models, including provisionals, reissues, divisionals, continuations, continuations-in-part, extensions, renewals and reexaminations thereof.

(109) “Performing Party” shall have the meaning set forth in Section 6.11(c)(iii).

(110) “Permit Transferee” shall mean SpinCo or RemainCo, or another member of their respective Group, that requires, as a result of the transactions contemplated by this Agreement, a Permit, including any Environmental Permit, to be transferred or issued to it with respect to the properties, businesses, and operations being conveyed or Transferred to it in accordance with this Agreement.

(111) “Permit Transferor” shall mean each of SpinCo or RemainCo or another member of its respective Group, as applicable, that currently holds a Permit, including any Environmental Permit, that as a result of the transactions contemplated by this Agreement, must be transferred, or in respect of which a new Permit must be issued, to a member of the SpinCo Group or RemainCo Group, or a relevant subsidiary, in connection with the transfer of any properties, businesses, or operations of the SpinCo Group or RemainCo Group, respectively, in accordance with this Agreement.

(112) “Permits” shall mean permits, approvals, authorizations, consents (including quotas), licenses, registrations, exemptions or certificates issued by any Governmental Entity (other than Registrations, which are addressed separately).

(113) “Person” shall mean any natural person, firm, individual, corporation, business trust, joint venture, association, bank, land trust, trust company, company, limited liability company, partnership or other organization or entity, whether incorporated or unincorporated, or any Governmental Entity.

(114) “Personal Data” shall mean (a) any information that can identify, relate to, describe, be associated with, or be reasonably capable of being associated with a particular individual, and (b) any information that constitutes “personal information,” “personal data,” “personally identifiable information” or other corollary term under Data Protection Laws.

(115) “Personal Data Breach” shall mean the accidental or unlawful destruction, loss, alteration, unauthorized disclosure, exfiltration, or theft of, or access to, Personal Data, or other corollary terms under Data Protection Laws.

(116) “Plant Operating Documents” shall mean (a) plot plans, (b) construction, technical, engineering, electrical, instrument drawings, as-built or as-modified drawings including piping and instrument diagrams, 3-D (three-dimensional) models, wiring diagrams, flowsheets, structural designs, map and physical layouts, (c) process flow diagrams, (d) process control schematics, process control and/or shop-floor control strategies, logic or algorithms, (e) standard operating procedures, maintenance and inspection procedures and records, safety audit reports, investigations, safety incident investigation reports, process hazard reviews, capital projects, upgrades, improvements, designs for such projects, upgrades and/or improvements and (f) standard operating instructions and operating data (including product quality and safety data and maintenance and inspection data).

(117) “Pre-Distribution RemainCo Insurance Policies” shall have the meaning set forth in Section 9.1(a).

(118) “Pre-Distribution RemainCo Liabilities” shall have the meaning set forth in Section 9.1(b).

(119) “Pre-Distribution SpinCo Insurance Policies” shall have the meaning set forth in Section 9.1(b).

(120) “Pre-Distribution SpinCo Liabilities” shall have the meaning set forth in Section 9.1(a).

(121) “Privilege” shall have the meaning set forth in Section 7.7(a).

(122) “Privileged Information” shall have the meaning set forth in Section 7.7(a).

(123) “Processing” (and its cognates) shall mean, in addition to any definition for any corollary term provided by Data Protection Laws, any operation or set of operations which is

performed on Personal Data or on sets of Personal Data, whether or not by automated means, such as collection, recording, organization, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction.

(124) “Public Reports” shall have the meaning set forth in Section 5.1(d).

(125) “Real Property Restrictions” shall have the meaning set forth in Section 2.7(b).

(126) “Records” shall mean any Contracts, documents, books, records or files.

(127) “Registrations” shall mean all registrations, consents, approvals, licenses or other authorizations required by applicable Law and/or granted by or from any Governmental Entity which permit the manufacture for commercial sale, sale or distribution of a product.

(128) “Regulations” shall have the meaning set forth in the Tax Matters Agreement.

(129) “Release” shall mean any release, spill, emission, discharge, leaking, pumping, injection, deposit, disposal, dispersal, leaching or migration into the indoor or outdoor environment (including ambient air, surface water, groundwater and surface or subsurface strata) or into or out of any property, including the movement of Hazardous Substances through or in the air, soil, surface water, groundwater or property.

(130) “RemainCo” shall have the meaning set forth in the preamble hereto.

(131) “RemainCo Accounts” shall have the meaning set forth in Section 2.11(a).

(132) “RemainCo Assets” shall mean any and all right, title and interest in and to any and all Assets of (x) any member of the SpinCo Group at the time of the Distribution, and (y) any member of the RemainCo Group at the time of the Distribution, in each case, other than the SpinCo Assets, including, but not limited to, those Assets specified below in clauses (i) – (vii) (such specified Assets, the “Specified RemainCo Assets”) (provided, however, that RemainCo Assets shall not include Tax Attributes or Tax Records, which shall be governed by the Tax Matters Agreement, or Assets allocated pursuant to the Employee Matters Agreement, which shall be governed thereby):

(i) (A) all interests in the capital stock of, or any other equity interests in the members of the RemainCo Group (other than RemainCo), (B) all interests in the capital stock of, or any other equity, partnership, membership, joint venture and similar interests in any Person (other than the members of the SpinCo Group and the SpinCo Joint Ventures and Minority Investments), in each case (clauses (A) and (B)), including any and all rights related thereto;

(ii) the Assets set forth on Schedule 1.1(132)(ii);

(iii) any and all rights and interests of the RemainCo Group under this Agreement;

(iv) other than the SpinCo Contracts, the SpinCo Shared Contracts and any IT Contracts, any and all Contracts to which RemainCo or any of its Subsidiaries is a party or by which it or any of its Subsidiaries or any of their respective Assets is bound, whether or not in writing, including those set forth on Schedule 1.1(132)(iv); provided, however, that any RemainCo Shared Contracts shall be subject to Section 2.2(d);

(v) any and all Intellectual Property (excluding IT Assets and IT Contracts, which for clarity are governed by Section 1.1(132)(vi)) owned by RemainCo or SpinCo, or any of their respective Affiliates, that is (A) not a Specified SpinCo Asset, (B) a RemainCo House Mark or (C) set forth on Schedule 1.1(132)(v);

(vi) any and all IT Assets and IT Contracts owned, licensed to or by, or held by RemainCo or SpinCo, or any of their respective Affiliates, that are (A) not Specified SpinCo Assets or (B) set forth on Schedule 1.1(132)(vi); and

(vii) any and all Assets in respect of accruals, counterclaims, insurance claims, rights to coverage under applicable insurance policies, warranties, contractual indemnities, control rights and other rights similar to the foregoing, in each case, to the extent related to any RemainCo Liability, including those set forth on Schedule 1.1(132)(vii).

In the event of any inconsistency or conflict which may arise in the application or interpretation of any of the foregoing provisions and the provisions of the definition of SpinCo Assets, such inconsistency shall be resolved using the following order of precedence: any Specified RemainCo Asset listed on Schedules 1.1(139), 1.1(132)(i)(B), 1.1(132)(ii), 1.1(132)(v), 1.1(132)(vi), and 1.1(132)(vii) constitutes a RemainCo Asset. Notwithstanding anything to the contrary herein, this Agreement and the Ancillary Agreements do not purport to transfer ownership of any of the Parties' insurance policies, and any assignment of rights to coverage under such insurance policies is governed by Article IX herein.

(133) "RemainCo Business" shall mean all businesses, operations and activities (whether covered independently or in association with one or more third parties through a partnership, joint venture or other mutual enterprise) other than the SpinCo Business, in each case as conducted prior to the Distribution Date by any member of the SpinCo Group or RemainCo Group (or any of their respective predecessors), including Honeywell UOP and Honeywell Sustainable Technology Solutions.

(134) "RemainCo Common Stock" shall mean the issued and outstanding shares of Common Stock, par value \$1.00 per share, of RemainCo.

(135) "RemainCo Controlled Existing Actions" shall have the meaning set forth in Section 6.9(c).

(136) "RemainCo Counsel" shall have the meaning set forth in Section 7.9.

(137) "RemainCo CSIs" shall have the meaning set forth in Section 2.10(d).

(138) “RemainCo Environmental Liabilities” shall mean all Environmental Liabilities other than the SpinCo Environmental Liabilities.

(139) “RemainCo Group” shall mean (a) RemainCo, (b) each Person (other than any member of the SpinCo Group) that is a direct or indirect Subsidiary of RemainCo immediately prior to the Distribution (but after giving effect to the Internal Reorganization) and (c) each Person that becomes a Subsidiary of RemainCo following the Distribution; provided that the RemainCo Group shall not include the Persons on Schedule 1.1(168).

(140) “RemainCo House Marks” shall mean the Trademarks HONEYWELL and the Honeywell Logo, and any and all derivatives, abbreviations, translations, localizations and other variations of any of the foregoing and any confusingly similar Trademarks.

(141) “RemainCo Indemnitees” shall mean each member of the RemainCo Group and each of their Affiliates from and after the Effective Time and each member of the RemainCo Group’s and their respective current, former and future Affiliates’ respective directors, officers, employees and agents and each of the heirs, executors, successors and assigns of any of the foregoing.

(142) “RemainCo Liabilities” shall mean any and all Liabilities of (x) any member of the SpinCo Group at the time of the Distribution, and/or (y) any member of the RemainCo Group at the time of the Distribution, in each case, other than the SpinCo Liabilities, including, but not limited to, those Liabilities specified below in clauses (i) – (vi) (such specified Liabilities, the “Specified RemainCo Liabilities”), in each case, regardless of (1) when or where such Liabilities arose or arise, (2) where or against whom such Liabilities are asserted or determined, (3) regardless of whether arising from or alleged to arise from negligence, gross negligence, recklessness, violation of Law, fraud or misrepresentation by any member of the SpinCo Group or RemainCo Group, as the case may be, or any of their past or present respective directors, officers, employees, agents, Subsidiaries or Affiliates and (4) which entity is named in any Action associated with any Liability (except for Liabilities related to Taxes and Employee Related Liabilities which are governed exclusively by the Tax Matters Agreement and the Employee Matters Agreement, respectively):

(i) any and all Liabilities that are expressly assumed by or allocated to the RemainCo Group pursuant to this Agreement or any Ancillary Agreement, including any obligations and Liabilities of any member of the RemainCo Group under this Agreement or any Ancillary Agreement, including those pursuant to Section 10.5 hereof;

(ii) any and all Liabilities (including under applicable federal and state securities Laws) relating to, arising out of or resulting from statements expressly relating to the RemainCo Business in (A) the Distribution Disclosure Documents, including the SpinCo Form 10, filed or furnished with the Commission in connection with the Distribution or (B) the Financing Disclosure Documents;

(iii) any of the Liabilities set forth on Schedule 1.1(142)(iii);

(iv) any and all Liabilities related to, arising out of or resulting from (a) the Actions set forth on Schedule 1.1(142)(iv), (a) and (b) the Joint Actions set forth on Schedule 1.1(142)(iv)(b); but in the case of this clause (b), to the extent related to the RemainCo Business or the RemainCo Assets or (without giving effect to this clause (b)) the RemainCo Liabilities;

(v) any and all RemainCo Environmental Liabilities (subject to Section 6.11);

(vi) any and all Liabilities for Indebtedness of the type described in clauses (a), (d) and (g) (but in case of clause (g) solely with respect to clauses (a) and (d)) of the definition of Indebtedness of RemainCo or any of its Subsidiaries that was incurred by any member of the RemainCo Group (and any such Indebtedness guaranteed by any of RemainCo's Subsidiaries that is a member of the RemainCo Group); and

(vii) any and all Liabilities relating to, arising out of or resulting from any indemnification obligations to any current or former director or officer of the RemainCo Group (other than any Liability of any current or former director or officer of the RemainCo Group under the securities laws with respect to the Distribution Disclosure Documents or the Financing Disclosure Documents).

In the event of any inconsistency or conflict which may arise in the application or interpretation of any of the foregoing provisions and the provisions of the definition of SpinCo Liabilities, such inconsistency shall be resolved using the following order of precedence: (i) any Specified RemainCo Liability listed on Schedules 1.1(142)(iii) and 1.1(142)(vi) constitutes a RemainCo Liability and (ii) any Liability listed on Schedule 1.1(142)(iv) shall give rise to a rebuttable presumption in favor of SpinCo that such Liability relates to the RemainCo Business and/or RemainCo Assets. In addition, the allocation set forth in clause (v) of this definition of "RemainCo Liabilities" is not intended to affect or impact the share of any such Environmental Liability attributable to third parties.

(143) "RemainCo Shared Contracts" shall mean any and all Shared Contracts that are not SpinCo Shared Contracts.

(144) "Response Action" shall have the meaning set forth in Section 6.11(c)(i).

(145) "Restricted Real Property" shall have the meaning set forth in Section 2.7(b).

(146) "Rules" shall have the meaning set forth in Section 8.1(c).

(147) "Security Interest" shall mean any mortgage, security interest, pledge, lien, charge, claim, option, right to acquire, voting or other restriction, right-of-entry, covenant, condition, easement, encroachment, restriction on transfer, or other encumbrance of any nature whatsoever, excluding restrictions on transfer under securities Laws and licenses of Intellectual Property.

(148) “Shared Contract” shall mean any Mixed Contract that is not a Non-Shared Contract.

(149) “Shared Permit” shall have the meaning set forth in Section 5.5(a).

(150) “Software” shall mean all computer programs (whether in source code, object code, or other form), software implementations of algorithms, and related documentation, including flowcharts and other logic and design diagrams, technical, functional and other specifications, and user and training materials to the extent related to any of the foregoing.

(151) “Specified RemainCo Assets” shall have the meaning set forth in the definition of “RemainCo Assets”.

(152) “Specified RemainCo Liabilities” shall have the meaning set forth in the definition of “RemainCo Liabilities”.

(153) “Specified SpinCo Assets” shall have the meaning set forth in the definition of “SpinCo Assets”.

(154) “SpinCo” shall have the meaning set forth in the preamble hereto.

(155) “SpinCo Accounts” shall have the meaning set forth in Section 2.11(a).

(156) “SpinCo Assets” shall mean any and all right, title and interest in and to the following Assets of (x) any member of the SpinCo Group at the time of the Distribution and (y) any member of the RemainCo Group at the time of the Distribution (provided, however, that SpinCo Assets shall not include Tax Attributes or Tax Records, which shall be governed by the Tax Matters Agreement, or Assets allocated pursuant to the Employee Matters Agreement, which shall be governed thereby):

(i) (A) all interests in the capital stock of, or any other equity interests in each member of the SpinCo Group (other than SpinCo), including those set forth on Schedule 1.1(156)(i)(A) and (B) the interests in the capital stock of, or any other equity, partnership, membership, joint venture and similar interests in the Persons as set forth on Schedule 1.1(156)(i)(B), under the caption “Joint Ventures and Minority Interests” (the “SpinCo Joint Ventures and Minority Investments”), in each case (clauses (A) and (B)), including any and all rights related thereto;

(ii) the Assets set forth on Schedule 1.1(156)(ii);

(iii) any and all rights and interests of the SpinCo Group under this Agreement;

(iv) (A) all rights, title and interest in and to the owned real property set forth on Schedule 1.1(156)(iv)(A), including, in each case, all land and land improvements, structures, buildings and building improvements, tidelands or other marine leases, other improvements, fixtures, rights of ingress and egress, rights under any covenants, conditions and/or restrictions, all contract rights, if any, relating to the operation of the

land or any improvements thereon, all riparian rights, surface and underground water rights, and any and all other water rights pertaining to the land, and any and all licenses, permits, registrations, approvals and authorizations which have been issued by any Governmental Entity related to the land and all easements and rights of way pertaining thereto or accruing to the benefit thereof and appurtenances located thereon or associated therewith (except to the extent otherwise set forth on Schedule 1.1(156)(iv)(A) under the caption “Other Parties in Possession”) (the “SpinCo Owned Real Property”) and (B) all rights, title and interest in, and to and under the leases or subleases of the real property set forth on Schedule 1.1(156)(iv)(B), including, in each case, to the extent provided for in such leases, any land and land improvements, structures, buildings and building improvements, tidelands or other marine leases, other improvements, fixtures, rights of ingress and egress, rights under any covenants, conditions and/or restrictions, all contract rights, if any, relating to the operation of the land or any improvements thereon, all riparian rights, surface and underground water rights, and any and all other water rights pertaining to the land, and any and all licenses, permits, registrations, approvals and authorizations which have been issued by any Governmental Entity related to the land and all easements and rights of way pertaining thereto or accruing to the benefit thereof and appurtenances (except to the extent otherwise set forth on Schedule 1.1(156)(iv)(B) under the caption “Other Parties in Possession”) (the “SpinCo Leased Real Property” and together with the SpinCo Owned Real Property, the “SpinCo Real Property”);

(v) any and all SpinCo Shared Contracts; provided, however, that any such SpinCo Shared Contracts shall be subject to Section 2.2(d);

(vi) any and all Intellectual Property (excluding IT Assets and IT Contracts, which for clarity are governed by Section 1.1(156)(viii)) owned by RemainCo or SpinCo, or any of their respective Affiliates, that is (A) a Patent set forth on Schedule 1.1(156)(vi), (B) Intellectual Property (other than Patents) that is exclusively related to, used or held for use in the conduct of the SpinCo Business (excluding the Intellectual Property set forth on Schedule 1.1(132)(v) and the RemainCo House Marks), or (C) set forth on Schedule 1.1(156)(vi);

(vii) any and all Assets in respect of accruals, counterclaims, insurance claims, rights to coverage under applicable insurance policies, warranties, contractual indemnities, control rights and other rights similar to the foregoing, in each case, to the extent related to any SpinCo Liability, including those set forth on Schedule 1.1(156)(vii);

(viii) any and all IT Assets and IT Contracts owned, licensed to or by, or held by RemainCo or SpinCo, or any of their respective Affiliates, that are (A) exclusively related to, used or held for use in the conduct of the SpinCo Business (excluding IT Assets and IT Contracts set forth on Schedule 1.1(132)(v)), or (B) set forth on Schedule 1.1(156)(viii);

(ix) other than any IT Contracts, any and all SpinCo Contracts;

(x) other than Intellectual Property, IT Assets and IT Contracts, any and all (A) Information to the extent related to the SpinCo Business or any SpinCo Asset or SpinCo Liability, (B) books and records held at the SpinCo Real Property (unless at a portion of such site leased to a member of the RemainCo Group pursuant to an Intergroup Lease) and (C) corporate or similar legal entity books and records of any Person described in clause (i) of this definition of “SpinCo Assets” (subject to any agreements with third parties as to the ownership of corporate or similar legal entity books and records for any SpinCo Joint Ventures and Minority Investments);

(xi) the Assets set forth on Schedule 1.1(156)(xi) (the “Intentionally Delayed SpinCo Assets”);

(xii) (I) all Cash and Cash Equivalents, notes, interest receivables and other financial assets owned by any member of the SpinCo Group, and (II) all derivative instruments owned by any member of the SpinCo Group;

(xiii) (I) all accounts and notes receivable to the extent related to the SpinCo Business (provided, however, that any such accounts receivable represented by an invoice of less than \$1,000,000 shall not constitute SpinCo Assets pursuant to this clause (xiii) if the aggregate amount of accounts receivable related to any Business in more than a de minimis respect represented by such invoice is primarily related to the RemainCo Business), and (II) all accounts receivable (other than those not related to any Business in more than a de minimis respect) represented by an invoice of less than \$1,000,000 if the aggregate amount of accounts receivable related to any Business in more than a de minimis respect represented by such invoice is primarily related to the SpinCo Business;

(xiv) all credits, prepaid expenses, rebates, deferred charges, advance payments, security deposits and prepaid items, in each case to the extent they are used or held for use in, or arise out of, the operation or conduct of the SpinCo Business (including such portion of any credits, prepaid expenses, rebates, deferred charges, advance payments, security deposits and prepaid items of the RemainCo Group to the extent they are used or held for use in, or arise out of, the operation or conduct of the SpinCo Business), including those set forth on Schedule 1.1(156)(xiv);

(xv) any and all Permits, Consents and Registrations, in each case, that are exclusively related to, used in or held for use in the conduct of the SpinCo Business, including those set forth on Schedule 1.1(156)(xv);

(xvi) if and to the extent not addressed by the Assets described in clauses (i) through (xv) of this definition (such specified Assets, the “Specified SpinCo Assets”), and subject to the express terms thereof, any and all Assets primarily related to, used in or held for use in the conduct of the SpinCo Business, including in the following categories,

but, in each case, excluding Intellectual Property, IT Assets, IT Contracts and the Specified RemainCo Assets:

(a) except for IT Assets and IT Contracts, all tangible personal property and interests therein (including machinery, equipment, tools and vehicles), in each case, that are primarily related to, used in or held for use in the conduct of the SpinCo Business; and

(b) all raw materials, works-in-process, supplies, ingredients, inputs, parts, packaging, finished goods and products and other inventories (including any goods, products or other inventories held at any location controlled by a member of either Group or held by a customer on consignment for a member of either Group, any goods, products or other inventories purchased by a member of either Group that are in transit and any goods, products or other inventories sold to or loaned to a customer or third party that are in transit to be returned to a member of either Group), in each case, that are primarily related to, used in or held for use in the conduct of the SpinCo Business.

In the event of any inconsistency or conflict which may arise in the application or interpretation of any of the foregoing provisions and the provisions of the definition of RemainCo Assets, such inconsistency shall be resolved using the following order of precedence: (i) any Specified SpinCo Asset listed on Schedules 1.1(168), 1.1(156)(i)(B), 1.1(156)(ii), 1.1(156)(iv)(A) and (B) (except to the extent otherwise set forth on Schedules 1.1(156)(iv)(A) and (B) under the heading “Other Parties in Possession”), 1.1(156)(vi), 1.1(156)(vii), 1.1(156)(viii), 1.1(156)(xi), 1.1(156)(xiv) and 1.1(156)(xv), constitutes a SpinCo Asset, (ii) any Contract listed on Schedule 1.1(160)(ii), constitutes a SpinCo Asset, and (iii) any Shared Contract listed on Schedule 1.1(176), constitutes a SpinCo Asset (subject to Section 2.2(d)). Notwithstanding anything to the contrary herein, this Agreement and the Ancillary Agreements do not purport to transfer ownership of any of the Parties’ insurance policies, and any assignment of rights to coverage under such insurance policies is governed by Article IX herein.

(157) “SpinCo Business” shall mean the Refrigerants & Applied Solutions segment (which includes the manufacture of refrigerant materials, hydrofluoroolefins (HFOs), HFO blends and hydrofluorocarbons (HFCs), including low global warming potential (LGWP) refrigerants and heating solutions, blowing agents, aerosol propellants, cleaning solvents and LGWP products, including those distributed and sold through the Solstice® and Genetron® brands, and the manufacture of healthcare materials, including barrier protection materials, including those distributed and sold through the Aclar® brand) and the Electronic & Specialty Materials segment (which includes the manufacture of electronic materials and industrial-grade fibers, including sputtering targets and lightweight high-strength fibers, including those distributed and sold through the Spectra® brand), in each case as conducted prior to the Distribution Date by any member of the SpinCo Group or RemainCo Group (or any of their respective predecessors).

(158) “SpinCo Cash Distribution” shall mean the cash distribution to be made by SpinCo to RemainCo as set forth on Schedule 1.1(158).

(159) “SpinCo Common Stock” shall mean the issued and outstanding shares of Common Stock, par value \$0.01 per share, of SpinCo.

(160) “SpinCo Contracts” shall mean Contracts to which RemainCo or any of its Subsidiaries is a party or by which it or any of its Subsidiaries or any of their respective Assets is bound, whether or not in writing, which fall within any of the following categories:

(i) any and all Contracts that relate exclusively to the SpinCo Business, the SpinCo Assets and/or the SpinCo Liabilities and are not related (other than in a de minimis respect) to the RemainCo Business, any RemainCo Asset or any RemainCo Liability; and

(ii) any and all Contracts set forth on Schedule 1.1(160)(ii).

(161) “SpinCo Controlled Existing Actions” shall have the meaning set forth in Section 6.9(b).

(162) “SpinCo CSIs” shall have the meaning set forth in Section 2.10(d).

(163) “SpinCo Discontinued and/or Divested Operations and Business Liabilities” shall mean any and all Liabilities to the extent arising out of or related to (including any indemnification Liabilities arising under Contracts related to, except for any indemnification Liabilities arising out of, resulting from and/or related to the SpinCo Business, SpinCo Assets, SpinCo Liabilities, RemainCo Business, RemainCo Assets or RemainCo Liabilities) any SpinCo Discontinued and/or Divested Operations and Businesses of any member (at any point in time) of RemainCo (or any of their respective predecessors).

(164) “SpinCo Discontinued and/or Divested Operations and Businesses” shall mean (a) the companies, businesses, business units, product lines or business operations set forth on Schedule 1.1(164)(a) and (b) any Discontinued and/or Divested Operations and Businesses that, at the time of sale, transfer, conveyance or other disposition or abandonment, closure, discontinuation or other cessation thereof, were primarily managed by or primarily associated with the SpinCo Business or any portion thereof as then conducted.

(165) “SpinCo Environmental Liabilities” means (a) any and all Environmental Liabilities relating to, arising out of or resulting from any ownership or operation of any SpinCo Real Property; (b) any and all Environmental Liabilities relating to, arising out of, or resulting from the SpinCo Business; (c) any and all Legacy SpinCo Environmental Liabilities; and (d) any and all Off-Site Environmental Liabilities to the extent related to or arising out of wastes generated by the SpinCo Business or at the SpinCo Real Property.

(166) “SpinCo Financing Arrangements” shall mean the financing arrangements described on Schedule 1.1(166).

(167) “SpinCo Form 10” shall mean the registration statement on Form 10 (including the SpinCo Information Statement) filed by SpinCo with the Commission in connection with the Distribution, including any amendment or supplement thereto.

(168) “SpinCo Group” shall mean (a) SpinCo, (b) each Person (other than any member of the RemainCo Group) that is a direct or indirect Subsidiary of SpinCo immediately prior to the Distribution (but after giving effect to the Internal Reorganization) and (c) each Person that becomes a Subsidiary of SpinCo following the Distribution, including those Persons listed on Schedule 1.1(168) under the caption “Subsidiaries”.

(169) “SpinCo Indemnitees” shall mean each member of the SpinCo Group and each of their Affiliates from and after the Effective Time and each member of the SpinCo Group’s and their respective current, former and future Affiliates’ respective directors, officers, employees and agents and each of the heirs, executors, successors and assigns of any of the foregoing.

(170) “SpinCo Information Statement” shall mean the Information Statement attached as an exhibit to the SpinCo Form 10 sent to the holders of shares of RemainCo Common Stock in connection with the Distribution, including any amendment or supplement thereto.

(171) “SpinCo Leased Real Property” shall have the meaning set forth in the definition of “SpinCo Assets”.

(172) “SpinCo Legacy Site” shall mean any (a) site or plant (or portion thereof) set forth on Schedule 1.1(172)(a) and (b) other Legacy Site that, at the time of sale, transfer, conveyance or other disposition or abandonment, closure, discontinuation or other cessation thereof, was primarily managed by or primarily associated with the SpinCo Business or any portion thereof as then conducted.

(173) “SpinCo Liabilities” shall mean any and all Liabilities of (x) any member of the SpinCo Group at the time of the Distribution and/or (y) any member of the RemainCo Group at the time of the Distribution, in the following categories, in each case, regardless of (1) when or where such Liabilities arose or arise, (2) where or against whom such Liabilities are asserted or determined, (3) regardless of whether arising from or alleged to arise from negligence, gross negligence, recklessness, violation of Law, fraud or misrepresentation by any member of the SpinCo Group or RemainCo Group, as the case may be, or any of their past or present respective directors, officers, employees, agents, Subsidiaries or Affiliates and (4) which entity is named in any Action associated with any Liability (except for Liabilities related to Taxes and Employee Related Liabilities which are governed exclusively by the Tax Matters Agreement and the Employee Matters Agreement, respectively):

(i) any and all Liabilities that are expressly assumed by or allocated to the SpinCo Group pursuant to this Agreement or any Ancillary Agreement, including any obligations and Liabilities of any member of the SpinCo Group under this Agreement or any Ancillary Agreement, including those pursuant to Section 10.5 hereof;

(ii) any and all Liabilities (including under applicable federal and state securities Laws) relating to, arising out of or resulting from (A) the Distribution Disclosure Documents, including the SpinCo Form 10, filed or furnished with the Commission in connection with the Distribution, (B) the Financing Disclosure Documents in connection with any offer for sale or registration of the Transfer or distribution of securities or indebtedness of the SpinCo Group, including in connection with the SpinCo Financing Arrangements, except, in each of clauses (A) and (B), for statements expressly relating to the RemainCo Business, or (C) the SpinCo Financing Arrangements

(iii) any of the Liabilities set forth on Schedule 1.1(173)(iii);

(iv) any and all SpinCo Environmental Liabilities (subject to Section 6.11);

(v) other than SpinCo Environmental Liabilities, any and all SpinCo Discontinued and/or Divested Operations and Businesses Liabilities;

(vi) any and all Liabilities relating to, arising out of or resulting from any services provided or being provided to, on behalf of or for the benefit of, the SpinCo Group, regardless of whether a member of the RemainCo Group or SpinCo Group, or their respective personnel, procured or provided or is procuring or providing such services, including any services provided in connection with the audit, preparation, printing, filing, delivery and/or public dissemination of any financial statements of the SpinCo Group;

(vii) any and all Liabilities for Indebtedness of the type described in clauses (a), (d) and (g) (but in case of clause (g) solely with respect to clauses (a) and (d)) of the definition of Indebtedness of RemainCo or any of its Subsidiaries that was incurred by any member of the SpinCo Group (and any such Indebtedness guaranteed by any of RemainCo's Subsidiaries that is a member of the SpinCo Group), including those set forth on Schedule 1.1(173)(vii);

(viii) (I) any and all checks issued but not drawn and accounts payable to the extent related (other than in de minimis respects) to the SpinCo Business (provided, however, that any such accounts payable represented by an invoice of less than \$1,000,000 shall not constitute SpinCo Liabilities pursuant to this clause (viii) if the aggregate amount of accounts payable represented by such invoice is primarily related to the RemainCo Business), and (II) all accounts payable represented by an invoice of less than \$1,000,000 if the aggregate amount of accounts payable represented by such invoice is primarily related to the SpinCo Business (except for any such accounts payable represented by such invoice that are not related to any Business in more than a de minimis respect);

(ix) any and all Liabilities relating to, arising out of or resulting from any (x) indemnification obligations to any current or former director or officer of the SpinCo Group and/or (y) ownership of the SpinCo Joint Ventures and Minority Investments,

including any Liabilities relating to, arising out of or resulting from any credit agreement, guarantee, indemnity or Credit Support Instrument given or obtained for the benefit of any SpinCo Joint Venture and Minority Investment;

(x) any and all Liabilities related to, arising out of or resulting from (a) the Actions set forth on Schedule 1.1(173)(x) (a) or any other Actions exclusively related to the SpinCo Business, SpinCo Assets or (without giving effect to this Section 1.1(173)(x)) SpinCo Liabilities and (b) the Joint Actions set forth on Schedule 1.1(173)(x)(b), but in the case of this clause (b), to the extent related to the SpinCo Business or the SpinCo Assets or (without giving effect to this Section 1.1(173)(x)) the SpinCo Liabilities; and

(xi) if and to the extent not addressed by the Liabilities described in clauses (i) through (x) of this definition, any and all Liabilities to the extent relating to, arising out of or resulting from the SpinCo Business or the SpinCo Assets (in each case, excluding the Specified RemainCo Liabilities).

In the event of any inconsistency or conflict which may arise in the application or interpretation of any of the foregoing provisions and the provisions of the definition of RemainCo Liabilities, such inconsistency shall be resolved using the following order of precedence: (i) any Specified SpinCo Liability listed on Schedules 1.1(173)(iii), (173)(vii) and 1.1(173)(x)(a) constitutes a SpinCo Liability and (ii) any Liability listed on Schedule 1.1(142)(iv) shall give rise to a rebuttable presumption in favor of RemainCo that such Liability relates to the SpinCo Business and/or SpinCo Assets. In addition, the allocation set forth in clause (iv) of this definition of “SpinCo Liabilities” is not intended to affect or impact the share of any such Environmental Liability attributable to third parties.

(174) “SpinCo Owned Real Property” shall have the meaning set forth in the definition of “SpinCo Assets”.

(175) “SpinCo Real Property” shall have the meaning set forth in the definition of “SpinCo Assets”.

(176) “SpinCo Shared Contracts” shall mean any and all Shared Contracts that are primarily related to the SpinCo Business, including those set forth on Schedule 1.1(176).

(177) “SpinCo Spin Contribution” means the Deemed SpinCo Spin Contribution and any other contribution to SpinCo by RemainCo in connection with, or in anticipation of, the Distribution.

(178) “Subsidiary” shall mean with respect to any Person (a) a corporation, greater than fifty percent (50%) of the voting or capital stock of which is, as of the time in question, directly or indirectly owned by such Person and (b) any other partnership, joint venture, association, joint stock company, trust, unincorporated organization or other entity in which such Person, directly or indirectly, owns greater than fifty percent (50%) of the equity or economic interest thereof or has the power to elect or direct the election of greater than fifty percent (50%) of the members of the governing body of such entity or otherwise has control over such entity (*e.g.*, as the managing

partner of a partnership); provided that Subsidiaries shall not include the SpinCo Joint Ventures and Minority Investments.

(179) “Tax” or “Taxes” shall have the meaning set forth in the Tax Matters Agreement.

(180) “Tax Attributes” shall have the meaning set forth in the Tax Matters Agreement.

(181) “Tax Contest” shall have the meaning set forth in the Tax Matters Agreement.

(182) “Tax Matters Agreement” shall mean the Tax Matters Agreement, dated as of , by and between RemainCo and SpinCo.

(183) “Tax Record” shall have the meaning set forth in the Tax Matters Agreement.

(184) “Tax Return” shall have the meaning set forth in the Tax Matters Agreement.

(185) “Taxing Authority” shall have the meaning set forth in the Tax Matters Agreement.

(186) “Third Party Claim” shall have the meaning set forth in Section 6.4(a).

(187) “Third Party Proceeds” shall have the meaning set forth in Section 6.8(a).

(188) “Trademark License Agreement” shall mean the Trademark License Agreement, dated as of , by and between RemainCo and SpinCo (or their respective Affiliates).

(189) “Trademarks” shall mean trademarks, certification marks, service marks, trade names, domain names, favicons, social media addresses, service names, trade dress and logos, including all goodwill associated therewith, in each case whether or not registered, and registrations and applications for registration thereof, and all reissues, extensions and renewals of any of the foregoing.

(190) “Transfer” shall have the meaning set forth in Section 2.2(b)(i) and the term “Transferred” shall have its correlative meaning.

(191) “Transfer Taxes” shall have the meaning set forth in the Tax Matters Agreement.

(192) “Transition Services Agreement” shall mean the Transition Services Agreement, dated as of , by and between RemainCo and SpinCo (or their respective Affiliates).

(193) “UK GDPR” shall have the meaning set forth in the definition of “Data Protection Laws”.

Section 1.2 References; Interpretation. For the purposes of this Agreement, (a) words in the singular shall be held to include the plural and vice versa, and words of one gender shall be held to include the other gender as the context requires; (b) references to the terms Article, Section, paragraph, clause, Exhibit and Schedule are references to the Articles,

Sections, paragraphs, clauses, Exhibits and Schedules to this Agreement unless otherwise specified; (c) the terms “hereof,” “herein,” “hereby,” “hereto,” and derivative or similar words refer to this entire Agreement, including the Schedules and Exhibits hereto; (d) references to “\$” shall mean U.S. dollars; (e) the word “including” and words of similar import when used in this Agreement shall mean “including without limitation,” unless otherwise specified; (f) the word “or” shall not be exclusive (unless the context indicates otherwise); (g) references to “written” or “in writing” include in electronic form; (h) the Parties have each participated in the negotiation and drafting of this Agreement, and except as otherwise stated herein, if an ambiguity or question of interpretation should arise, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or burdening any Party by virtue of the authorship of any of the provisions in this Agreement; (i) a reference to any Person includes such Person’s successors and permitted assigns; (j) any reference to “days” means calendar days unless Business Days are expressly specified; (k) when calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded and if the last day of such period is not a Business Day, the period shall end on the next succeeding Business Day; (l) any statute or Contract defined or referred to herein means such statute or Contract as from time to time amended, modified or supplemented, unless otherwise specifically indicated; (m) the use of the phrases “the date of this Agreement”, “the date hereof”, “of even date herewith” and terms of similar import shall be deemed to refer to the date set forth in the preamble to this Agreement; (n) the phrase “ordinary course of business” shall be deemed to be followed by the words “consistent with past practice” whether or not such words actually follow such phrase; (o) where a word or phrase is defined herein, each of its other grammatical forms shall have a corresponding meaning; and (p) any consent given by any party hereto pursuant to this Agreement shall be valid only if contained in a written instrument signed by such Party. Unless the context requires otherwise, references in this Agreement to “SpinCo” shall also be deemed to refer to the applicable member of the SpinCo Group, references to “RemainCo” shall also be deemed to refer to the applicable member of the RemainCo Group and, in connection therewith, any references to actions or omissions to be taken, or refrained from being taken, as the case may be, by SpinCo or RemainCo shall be deemed to require SpinCo or RemainCo, as the case may be, to cause the applicable members of the SpinCo Group or the RemainCo Group, respectively, to take, or refrain from taking, any such action.

Section 1.3 Effective Time; Suspension.

(a) This Agreement shall be effective as of the Effective Time.

(b) Notwithstanding Section 1.3(a) above, solely as between any of the Parties that are Affiliates, the provisions of, and the obligations under, this Agreement shall be suspended as between such Parties until the Distribution, other than for Sections 2.1, 2.2, 2.3, 2.11, 2.12, Article III, Article IV, Section 5.5 and Article X each of which will be effective as of the Effective Time.

ARTICLE II

THE SEPARATION

Section 2.1 General. Subject to the terms and conditions of this Agreement, each Party shall use, and shall cause the other members of its Group and its respective then-Affiliates to use, their respective reasonable best efforts to consummate the transactions contemplated hereby (including the Internal Reorganization), a portion of which have already been implemented prior to the date hereof.

Section 2.2 Transfer of Assets; Assumption and Satisfaction of Liabilities.

(a) Prior to the Effective Time, the Parties shall and shall cause the other members of their respective Group and their respective then-Affiliates to complete the Internal Reorganization (other than as set forth on Schedule 2.2(a)).

(b) Prior to the Effective Time and, in each case, pursuant to the Conveyancing and Assumption Instruments and, in connection with the Internal Reorganization:

(i) Subject to Section 2.5 (*Transfers Not Effected On or Prior to the Effective Time; Transfers Deemed Effective as of the Effective Time*) and Section 2.2(d) (*Treatment of Shared Contracts*), RemainCo shall, and shall cause the other members of its Group to, as applicable, transfer, contribute, assign and/or convey or cause to be transferred, contributed, assigned and/or conveyed ("Transfer") to SpinCo or another member of the SpinCo Group all of its and the other members of its Group's right, title and interest in and to the SpinCo Assets and the applicable member(s) of the SpinCo Group, as applicable, shall accept from RemainCo and the applicable members of the RemainCo Group, all of RemainCo's and the other members of the RemainCo Group's respective direct or indirect rights, title and interest in and to the SpinCo Assets, respectively; and

(ii) Subject to Section 2.5 (*Transfers Not Effected On or Prior to the Effective Time; Transfers Deemed Effective as of the Effective Time*) and Section 2.2(d) (*Treatment of Shared Contracts*), SpinCo shall, and shall cause the other members of its Group to, as applicable, Transfer to RemainCo or another member of the RemainCo Group all of its and the other members of its Group's right, title and interest in and to the RemainCo Assets and the applicable member(s) of the RemainCo Group, as applicable, shall accept from SpinCo and the applicable members of the SpinCo Group, all of SpinCo's and the other members of the SpinCo Group's respective direct or indirect rights, title and interest in and to the RemainCo Assets, respectively.

(c) Assumption of Liabilities. Subject to Section 2.5 (*Transfers Not Effected On or Prior to the Effective Time; Transfers Deemed Effective as of the Effective Time*) and Section 2.2(d) (*Treatment of Shared Contracts*), (i) RemainCo shall, or shall cause a member of the RemainCo Group to, accept, assume (or, as applicable, retain) and perform, discharge and fulfill, in accordance with their respective terms ("Assume"), all of the RemainCo Liabilities and

(ii) SpinCo shall, or shall cause a member of the SpinCo Group to, Assume all of the SpinCo Liabilities.

(d) Treatment of Shared Contracts. Without limiting the generality of the obligations set forth in Section 2.2(b):

(i) Unless the benefits of a Shared Contract are conveyed to the applicable Party (or member of its Group) pursuant to an Ancillary Agreement, (A) any Contract that is a Shared Contract, shall be assigned in part to the applicable member(s) of the applicable Group, if so assignable, or appropriately amended, bifurcated, replicated or otherwise modified prior to, on or after the Effective Time, so that each Party or the members of their respective Groups shall be entitled to the rights and benefits, and shall Assume the related portion of any Liabilities, inuring to their respective Businesses (each, a “Partial Assignment”); provided, however, that (x) in no event shall any member of either Group be required to assign (or amend) any Shared Contract in its entirety or to assign a portion of any Shared Contract (including any Policy) which is not assignable (or cannot be amended or otherwise modified) by its terms (including any terms imposing Consents or conditions on an assignment where such Consents or conditions have not been obtained or fulfilled) (including those set forth on Schedule 2.2(d)) or under applicable Law and (y) if any Shared Contract cannot be so partially assigned by its terms or otherwise, cannot be amended, bifurcated, replicated or otherwise modified, or if such assignment or amendment, bifurcation, replication or modification would impair the benefit the parties thereto derived from such Shared Contract, the Parties shall, and shall cause each of their respective Subsidiaries to, following the Distribution and until the earlier of one year after the Distribution Date and such time as the Partial Assignment of such Shared Contract as contemplated by the foregoing is effected, take such other reasonable and permissible actions to cause a member of the RemainCo Group or the SpinCo Group, as the case may be, to, in each case, (I) receive the benefit of that portion of each Shared Contract that relates to the SpinCo Business or the RemainCo Business, as the case may be (in each case, to the extent so related) as if such Shared Contract had been assigned to (or amended or otherwise modified for the benefit of) a member of the applicable Group pursuant to this Section 2.2(d) (including, enforcing on the applicable Group’s behalf any and all of such Group’s rights against such third party under such Shared Contract solely to the extent related to the applicable Group’s respective Business (or applicable portion thereof)) and (II) bear the burden of the corresponding Liabilities (including any Liabilities that may arise by reason of such arrangement) as if such Liabilities had been Assumed by a member of the applicable Group pursuant to this Section 2.2(d), including expenses related to enforcing rights under such Shared Contract against the third party counterparty thereto solely to the extent related to the applicable Group’s respective Business (or applicable portion thereof); and indemnifying each other Group against all Indemnifiable Losses to the extent arising out of any actions (or omissions to act) taken by such other Group with respect to such Shared Contract at the direction of such first Party (except to the extent arising out of or related to gross negligence, fraud or willful misconduct by such other Group) (in the event that any rights in connection with a Force Majeure Event

or similar event are exercised under a Shared Contract, the benefits and burdens with respect to such Shared Contract (as modified by such Force Majeure Event or similar event) shall, if reasonably practicable, be shared proportionally or, if not reasonably practicable, in such other manner as would be most equitable, among the Groups related to such Contract (or in any other manner as may be agreed in good faith by the relevant Parties whose Group is related to such contract), in each case, to the extent so related to the SpinCo Business or the RemainCo Business), and (B) to the extent that the Parties cannot effect a Partial Assignment in accordance with this Section 2.2(d), or cannot implement the arrangements set forth in clause (A), within one hundred and eighty (180) days of the Distribution Date, the Parties shall use commercially reasonable efforts to, if requested by any Party, following the Distribution and until the earlier of one year after the Distribution Date and such time as the Partial Assignment of such Shared Contract as contemplated by the foregoing is effected, seek mutually acceptable alternative arrangements (including subcontracting, sublicensing, subleasing or back-to-back agreement) for the purpose of allocating rights, liabilities and obligations to each Group under such Shared Contract reflecting the principles set forth in clause (A) of this provision (an “Acceptable Alternative Arrangement”).

(ii) Each Party shall, and shall cause the other members of its Group to, use its commercially reasonable efforts to obtain the required Consents to complete a Partial Assignment of any Shared Contract as contemplated by this Agreement. Notwithstanding anything herein to the contrary, no Partial Assignment of any Shared Contract or Acceptable Alternative Arrangement shall be completed if it would violate any applicable Law or the rights of any third party to such Shared Contract.

(iii) To the extent permitted by applicable Law, each of RemainCo and SpinCo shall, and shall cause the members of its respective Group to, (A) treat for all Tax purposes the portion of each Shared Contract inuring to its respective Businesses as Assets owned by, and/or Liabilities of, as applicable, such Party or the members of such Party’s Group, as applicable, not later than the Distribution and (B) neither report nor take any Tax position (on a Tax Return or otherwise) inconsistent with such treatment (unless required by a change in applicable Tax Law or good faith resolution of a Tax Contest).

(iv) With respect to Liabilities pursuant to, under or relating to a Shared Contract to the extent relating to occurrences from and after the Distribution, such Liabilities shall, unless otherwise allocated pursuant to this Agreement or any Ancillary Agreement, be allocated among RemainCo and SpinCo as follows:

(A) If such Liability is incurred (x) exclusively in respect of the SpinCo Business, such Liability shall be allocated to SpinCo or the applicable member of its Group, or (y) exclusively in respect of the RemainCo Business, such Liability shall be allocated to RemainCo or the applicable member of its Group;

(B) If such Liability cannot be so allocated under clause (A) above, such Liability shall be allocated to RemainCo or SpinCo, as the case

may be, based on the relative proportions of total benefit received (over the term of the Shared Contract remaining as of the date of the Distribution) by the SpinCo Business or the RemainCo Business, respectively, under the relevant Shared Contract after the Distribution; and

(C) Notwithstanding the foregoing in clauses (A) and (B) above, each of SpinCo or RemainCo shall be responsible for any and all such Liabilities to the extent arising from its (or its Subsidiary's) breach after the Distribution of the relevant Shared Contract.

(v) None of RemainCo, SpinCo or any of the members of their respective Group or their Affiliates shall be required to commence any litigation or offer or pay any money or otherwise grant any accommodation (financial or otherwise) to any third party to (x) obtain any new Contract or Partial Assignment with respect to any Shared Contract, as the case may be or (y) obtain any Consent necessary to enter into an Acceptable Alternative Arrangement; provided, however, any Party to which the benefit of a new Contract, Partial Assignment or Acceptable Alternative Arrangement would inure pursuant to this Section 2.2(d) may request that the Party that is allocated such Shared Contract as a SpinCo Asset or RemainCo Asset commence litigation, which request shall be considered in good faith by such Party; provided, further, that such Party's good faith determination not to commence litigation shall not in and of itself constitute a breach of this Section 2.2(d)(v), but the foregoing shall not preclude consideration of a Party's good faith for purposes of determining compliance with Section 2.2(d)(v).

(vi) From and after the Effective Time, the Party to whose Group a Shared Contract has been allocated shall not (and shall cause the other members of its Group not to), without the consent of the other Party (such consent not to be unreasonably withheld, conditioned or delayed) (x) waive any rights under such Shared Contract to the extent related to the Business, Assets or Liabilities of such other Party, (y) terminate (or consent to be terminated by the counterparty) such Shared Contract except in connection with (A) the expiration of such Shared Contract in accordance with its terms (it being understood that sending a notice of non-renewal to the counterparty to such Shared Contract in accordance with the terms of such Shared Contract is expressly permitted) or (B) a partial termination of such Shared Contract that would not reasonably be expected to impact any rights under such Shared Contract related to the Business, Assets or Liabilities of such other Party or any of its Subsidiaries, or (z) amend, modify or supplement such Shared Contract in a manner material (relative to the existing rights and obligations related to such other Party's Business, Assets or Liabilities under such Shared Contract) and adverse to the Business, Assets or Liabilities of such other Party or any of its Subsidiaries. From and after the Effective Time, if a member of a Group (the "Notice Recipient") receives from a counterparty to a Shared Contract a formal notice of breach of such Shared Contract that would reasonably be expected to impact another Group, the Notice Recipient shall provide written notice to the other Party as soon as reasonably practicable (and in no event later than five (5) Business Days

following receipt of such notice) and the Parties shall consult with respect to the actions proposed to be taken regarding the alleged breach. If a Group (the “Notifying Party”) sends to a counterparty to a Shared Contract a formal notice of breach of such Shared Contract that would reasonably be expected to impact another Group, the Notifying Party shall provide written notice to the other Party as soon as reasonably practicable (and in any event no less than five (5) Business Days prior to sending such notice of breach to the counterparty), and the Parties shall consult with each other regarding such alleged breach. From and after the Effective Time, no Party shall (and shall cause the other members of its Group not to) breach any Shared Contract to the extent such breach would reasonably be expected to result in a loss of rights, or acceleration of obligations, of any member of the other Party’s Group (or related to its Business, Assets or Liabilities under such Shared Contract) pursuant to (I) such Shared Contract, (II) any Partial Assignment related to such Shared Contract or (III) any other Contract with the counterparty to such Shared Contract (or any of its Affiliates) in existence at the time of the Distribution that contains cross-default or similar provisions related to such Shared Contract.

(e) Consents. Each Party shall, and shall cause each member of its respective Group to, use its commercially reasonable efforts to obtain the required Consents for the Transfer of any Assets, Contracts, licenses, permits and authorizations issued by any Governmental Entity or parts thereof as contemplated by this Agreement, including those Consents set forth on Schedule 2.2(e). Notwithstanding anything herein to the contrary, no Contract or other Asset shall be transferred if it would violate applicable Law or, in the case of any Contract, the rights of any third party to such Contract; provided that Sections 2.2(d) and 2.5, to the extent provided therein, shall apply thereto.

(f) Each Party understands and agrees on behalf of itself and each member of its Group that certain of the Transfers referenced in Section 2.2(b) or Assumptions referenced in Section 2.2(c) have heretofore occurred and, as a result, no additional Transfers or Assumptions by any member of the RemainCo Group or SpinCo Group, as applicable, shall be deemed to occur upon the execution of this Agreement with respect thereto. To the extent that a member of the RemainCo Group or the SpinCo Group, as applicable, owns a RemainCo Asset or SpinCo Asset, respectively, as of the Effective Time, there shall be no need for such member to Transfer such Asset in connection with the operation of Section 2.2(b). Moreover, to the extent that a member of the RemainCo Group or the SpinCo Group, as applicable, is liable for any RemainCo Liability or SpinCo Liability, respectively, at the Effective Time, there shall be no need for such member to Assume such Liability in connection with the operation of Section 2.2(c).

(g) Prior to the Effective Time, SpinCo shall make, or cause to be made, the SpinCo Cash Distribution by wire payment of immediately available funds to one or more accounts designated by RemainCo.

Section 2.3 Intergroup Accounts. Except as set forth in Section 6.1(b), any and all intercompany receivables, payables, loans and balances (other than (x) as specifically provided for under this Agreement or under any Ancillary Agreement or (y) as otherwise set

forth on Schedule 2.3 (the matters set forth on Schedule 2.3, the “Other Surviving Intergroup Accounts”)) between any member of the RemainCo Group or SpinCo Group, on the one hand, and any member of the other Group, on the other hand, which exist as of immediately prior to the Distribution (the “Intergroup Accounts”), shall, prior to the Effective Time, be satisfied and/or settled in full by means of a cash payment, dividend, capital contribution, a combination of the foregoing, or otherwise canceled and terminated or extinguished, and, if not settled prior to such time, shall be deemed terminated and released at such time. The Other Surviving Intergroup Accounts (a) shall be an obligation of the relevant Party (or the relevant member of such Party’s Group), each responsible for fulfilling its (or a member of such Party’s Group’s) obligations in accordance with the terms and conditions applicable to such obligation or if such terms and conditions are not set forth in writing, such obligation shall be satisfied within the payment terms set forth therefor on Schedule 2.3 or thirty (30) days of a written request by the beneficiary of such obligation given to the corresponding obligor thereunder, and (b) shall be for each relevant Party (or the relevant member of such Party’s Group) an obligation to a third party and shall no longer be an intercompany account.

Section 2.4 Limitation of Liability; Intergroup Contracts.

(a) No Party shall have any Liability to the other Party in the event that any information exchanged or provided pursuant to this Agreement (but excluding any such information included in a Distribution Disclosure Document or Financing Disclosure Document) which is an estimate or forecast, or which is based on an estimate or forecast, is found to be inaccurate.

(b) Except as set forth in Section 2.4(c), no Party or any other member of its Group shall be liable to the other Party or any other member of such other Party’s Group based upon, arising out of or resulting from any Contract, arrangement, course of dealing or understanding existing on or prior to the Distribution Date (other than this Agreement, the Ancillary Agreements and the Other Surviving Intergroup Accounts) and each Party (on behalf of itself and each other member of its Group) hereby terminates any and all Contracts, arrangements, course of dealings or understandings between or among it or any of its other Group members, on the one hand, and the other Party or any of its respective Group members, on the other hand, effective as of the Effective Time (other than this Agreement, the Ancillary Agreements, the Other Surviving Intergroup Accounts, and the Conveyancing and Assumption Instruments, and such Contracts, arrangements, courses of dealing or understandings with respect to goods in transit for which title has not transferred to the RemainCo Group (if in respect of assets that would otherwise be RemainCo Assets) or the SpinCo Group (if in respect of assets that would otherwise be SpinCo Assets) at the time of the Distribution). No such terminated Contract, arrangement, course of dealing or understanding (including any provision thereof which purports to survive termination) shall be of any further force or effect after the Distribution. Each Party shall, and shall cause the other members of its Group to, execute and deliver such agreements, instruments and other papers as may be required to terminate any such Contract, arrangement, course of dealing or understanding pursuant to this Section 2.4(b) if so requested by the other Party.

(c) The provisions of Section 2.4(b) shall not apply to any of the following Contracts, arrangements, course of dealings or understandings (or to any of the provisions thereof): any agreements, arrangements, commitments or understandings to which any Person other than the Parties and their respective Affiliates is a Party (it being understood that (x) to the extent that the rights and obligations of the Parties and the members of their respective Groups under any such Contracts constitute SpinCo Assets or SpinCo Liabilities, or RemainCo Assets or RemainCo Liabilities, such Contracts shall be assigned or retained pursuant to Article II, and (y) the obligations of any member of a Group to the other Group shall be deemed terminated as of time of the Distribution with no further liability to such other Group as a result thereof).

(d) If any Contract, arrangement, course of dealing or understanding is terminated pursuant to Section 2.4(b), and, but for the mistake or oversight of any Party, would have been listed as an Ancillary Agreement or other continuing arrangement on Schedule 1.1(8) and is reasonably necessary for such affected Party to be able to continue to operate its Business in substantially the same manner in which such Businesses were operated prior to the Distribution, then, at the request of such affected Party made within twelve (12) months following the Distribution, the Parties shall negotiate in good faith to determine whether and to what extent (including the terms and conditions relating thereto), if any, notwithstanding such termination, such Contract, arrangement, course of dealing or understanding should continue, or as appropriate, be re-instated, following the Distribution; provided, however, that any Party may determine, in its sole discretion, not to re-instate or otherwise continue any such Contract, arrangement, course of dealing or understanding.

(e) Each of the Parties shall take the actions set forth on Schedule 2.4(e) subject to the terms and conditions therein.

Section 2.5 Transfers Not Effected On or Prior to the Effective Time; Transfers Deemed Effective as of the Effective Time.

(a) To the extent that any Transfers or Assumptions contemplated by this Article II, including the Transfers of the Intentionally Delayed SpinCo Assets, shall not have been consummated at or prior to the Effective Time, the Parties shall use commercially reasonable efforts to effect such Transfers or Assumptions as promptly following the Effective Time as shall be practicable. Nothing herein shall be deemed to require or constitute the Transfer of any Assets or the Assumption of any Liabilities which by their terms or operation of Law cannot be Transferred; provided, however, that the Parties and their respective Subsidiaries shall cooperate and use commercially reasonable efforts to seek to obtain, in accordance with applicable Law, any necessary Consents for the Transfer of all Assets and Assumption of all Liabilities contemplated to be Transferred and Assumed pursuant to this Article II to the fullest extent permitted by applicable Law, including the Consents set forth on Schedule 2.2(e). In the event that any such Transfer of Assets or Assumption of Liabilities has not been consummated, from and after the Effective Time (i) the Party (or relevant member in its Group) retaining such Asset shall thereafter hold (or shall cause such member in its Group to hold) such Asset in trust for the use and benefit of the Party entitled thereto (at the expense of the Party entitled thereto)

and (ii) the Party intended to Assume such Liability shall, or shall cause the applicable member of its Group to, pay or reimburse the Party retaining such Liability for all amounts paid or incurred in connection with the retention of such Liability. To the extent the foregoing applies to any Contracts (other than Shared Contracts, which shall be governed solely by Section 2.2(d)) to be assigned for which any necessary Consents are not received prior to the Effective Time, the treatment of such Contracts shall also be subject to Section 2.9 and Section 2.10, to the extent applicable. In addition, the Party retaining such Asset or Liability (or relevant member of its Group) shall (or shall cause such member in its Group to) treat, insofar as reasonably possible and to the extent permitted by applicable Law, such Asset or Liability in the ordinary course of business and take such other actions as may be reasonably requested by the Party to which such Asset is to be Transferred or by the Party responsible for Assuming such Liability in order to place such Party, insofar as reasonably possible and to the extent permitted by applicable Law, in the same position as if such Asset or Liability had been Transferred or Assumed as contemplated hereby and so that all the benefits and burdens relating to such Asset or Liability, including possession, use, risk of loss, potential for income and gain, and dominion, control and command over such Asset or Liability, are to inure from and after the Effective Time to the relevant member or members of the RemainCo Group or SpinCo Group entitled to the receipt of such Asset or required to Assume such Liability. In furtherance of the foregoing, each Party agrees (on behalf of itself and each other member of its Group) that, as of the Effective Time, subject to Section 2.2(c) and Section 2.9(b), each Party and/or each member of its Group shall (A) be deemed to have acquired complete and sole beneficial ownership over all of the Assets, together with all rights, powers and privileges incident thereto, and shall be deemed to have Assumed in accordance with the terms of this Agreement all of the Liabilities, and all duties, obligations and responsibilities incident thereto, which such Party is entitled to acquire or required to Assume pursuant to the terms of this Agreement and (B) (I) enforce at the other Party's (or relevant member of its Group's) request, or allow the other Party's Group to enforce in a commercially reasonable manner, any rights of the Party or its Group under such Assets and Liabilities against any other Persons, (II) not waive any rights related to such Assets or Liabilities to the extent related to the Business, Assets or Liabilities of the other Party's Group, (III) not terminate (or consent to be terminated by the counterparty) any Contract that constitutes such Asset except in connection with the expiration of such Contract in accordance with its terms, (IV) not amend, modify or supplement any Contract that constitutes such Asset and (V) provide written notice to the other Party as soon as reasonably practicable (and in no event later than five (5) Business Days following receipt) after receipt of any formal notice of breach received from a counterparty to any Contract that constitutes such Asset; provided that the costs and expenses incurred by the responding Party or its Group in respect of any request by the other Party in respect of such Assets or Liabilities shall be borne solely by the requesting Party or its Group.

(b) If and when the Consents and/or conditions, the conflict, absence, non-satisfaction, existence or potential violation of which caused the deferral of Transfer of any Asset or deferral of the Assumption of any Liability pursuant to Section 2.5(a), are obtained or satisfied, the Transfer, assignment, Assumption or novation of the applicable Asset or Liability shall be effected by the applicable Party (or relevant member of its Group) as promptly as reasonably practicable, without further consideration in accordance with and subject to the terms of this Agreement (including Sections 2.2 and 2.5) and/or the applicable Ancillary Agreement,

and shall, to the extent possible without the imposition of any undue or otherwise unreasonable cost on any Party, be deemed to have become effective as of the Effective Time.

(c) The Party (or relevant member of its Group) retaining any Asset or Liability due to the deferral of the Transfer of such Asset or the deferral of the Assumption of such Liability pursuant to Section 2.5(a) or otherwise shall (i) not be obligated, in connection with the foregoing, to expend any money unless the necessary funds are advanced, assumed, or agreed in advance to be reimbursed by the Party (or relevant member of its Group) entitled to such Asset or the Person intended to be subject to such Liability, other than reasonable attorneys' fees and recording or similar or other incidental fees, all of which shall be promptly reimbursed by the Party (or relevant member of its Group) entitled to such Asset or the Person intended to be subject to such Liability and (ii) be indemnified for all Indemnifiable Losses or other Liabilities arising out of any actions (or omissions to act) of such retaining Party taken at the direction of the other Party (or relevant member of its Group) in connection with and relating to such retained Asset or Liability, as the case may be. Except as otherwise expressly provided herein, none of RemainCo or SpinCo or any of their respective Affiliates shall be required to commence any litigation or offer or pay any money or otherwise grant any accommodation (financial or otherwise) to any third party with respect to any Assets or Liabilities not Transferred as of the Effective Time; provided, however, that any Party to which such Asset or Liability has not been Transferred or Assumed, respectively, due to the deferral of the Transfer of such Asset or the deferral of the Assumption of such Liability, may request that the Party retaining such Asset or Liability commence litigation, which request shall be considered in good faith by the Party retaining such Asset or Liability; provided, further, that a Party's good faith determination not to commence litigation shall not in and of itself constitute a breach of this Section 2.5(c), but the foregoing shall not preclude consideration of a Party's good faith for purposes of determining compliance with this Section 2.5(c).

(d) Notwithstanding anything else set forth in this Section 2.5 to the contrary, (i) neither RemainCo nor any of its Subsidiaries shall be required by this Section 2.5 to take any action that may, in the good faith judgment of RemainCo, (x) result in a violation of any obligation which RemainCo or any such Subsidiary has to any third party or (y) violate applicable Law, and (ii) neither SpinCo nor any of its Subsidiaries shall be required by this Section 2.5 to take any action that may, in the good faith judgment of SpinCo, (x) result in a violation of any obligation which SpinCo or any such Subsidiary has to any third party or (y) violate applicable Law.

(e) The failure to obtain a Consent shall not in and of itself constitute a breach of this Agreement; provided that the foregoing shall not preclude consideration of a Party's efforts in pursuing such Consent for purposes of determining compliance with this Section 2.5.

(f) To the extent permitted by applicable Law, with respect to Assets and Liabilities described in Section 2.5(a), each of RemainCo and SpinCo shall, and shall cause the members of its respective Group to, (i) treat for all Tax purposes (A) the deferred Assets as assets having been Transferred to and owned by the Party entitled to such Assets not later than

the Distribution and (B) the deferred Liabilities as liabilities having been Assumed and owned by the Person intended to be subject to such Liabilities not later than the Distribution and (ii) neither report nor take any Tax position (on a Tax Return or otherwise) inconsistent with such treatment (unless required by a change in applicable Tax Law or good faith resolution of a Tax Contest).

Section 2.6 Wrong Pockets; Mail & Other Communications; Payments.

(a) Subject to Section 2.5 (*Transfers Not Effected On or Prior to the Effective Time; Transfers Deemed Effective as of the Effective Time*) and Section 2.2(d) (*Treatment of Shared Contracts*), (i) if at any time within thirty-six (36) months after the Distribution Date (other than with respect to Intentionally Delayed SpinCo Assets in respect of which this covenant shall survive without regard to such thirty-six (36) month limitation until fully performed), any Party discovers that any SpinCo Asset is held by any member of the RemainCo Group or any of its respective then-Affiliates, RemainCo shall, and shall cause the other members of its Group and its and their then-Affiliates to, use their respective reasonable best efforts to promptly procure the Transfer of the relevant SpinCo Asset to SpinCo or an Affiliate of SpinCo designated by SpinCo for no additional consideration; or (ii) if at any time within thirty-six (36) months after the Distribution, any Party discovers that any RemainCo Asset is held by any member of the SpinCo Group or any of its then-Affiliates, SpinCo shall, and shall cause the other members, its Group and its and their respective then-Affiliates to, use their respective reasonable best efforts to promptly procure the Transfer of the relevant RemainCo Asset to RemainCo or an Affiliate of RemainCo designated by RemainCo for no additional consideration; provided that in the case of clause (i), neither RemainCo nor any of its Affiliates, or in the case of clause (ii), neither SpinCo nor any of its Affiliates, shall be required to commence any litigation or offer or pay any money or otherwise grant any accommodation (financial or otherwise) to any third party. If reasonably practicable and permitted under applicable Law, such Transfer may be effected by rescission of the applicable portion of a Conveyancing and Assumption Instrument as may be agreed by the relevant Parties.

(b) At any time on or prior to the thirty-six (36) month anniversary of the Distribution Date, if any Party or any member of its Group or (or any of its or their respective then-Affiliates) owns any Asset, that, although not Transferred pursuant to this Agreement, is agreed by such Party and the other Party in their good faith judgment to be an Asset that more properly belongs to such other Party or a member of its Group, or is an Asset that such other Party or a member of its Group was intended to have the right to continue to use (other than, as between any two Parties, or any Asset acquired from an unaffiliated third party by a Party or member of such Party's Group following the Distribution), then the Party or a member of its Group (or applicable then-Affiliate) owning such Asset shall, as applicable, (i) Transfer any such Asset to the Party or a member of its Group identified as the appropriate transferee and following such Transfer, such Asset shall be a SpinCo Asset or RemainCo Asset, as the case may be, or (ii) grant such mutually agreeable rights with respect to such Asset to permit such continued use, subject to, and consistent with this Agreement, including with respect to Assumption of associated Liabilities. If reasonably practicable and permitted under applicable law, such Transfer may be effected by rescission of the applicable portion of a Conveyancing and Assumption Instrument as may be agreed by the relevant Parties.

(c) After the Effective Time, each Party (or any member of its Group and any of its or their respective then-Affiliates) may receive mail, packages and other communications properly belonging to the other Party (or any member of its Group). Accordingly, at all times after the Effective Time, each Party (or any member of its Group and any of its or their respective then-Affiliates) is hereby authorized to receive and, to the extent reasonably necessary to identify the proper recipient in accordance with this Section 2.6(c), open all mail, packages and other communications received by such Party (or member of its Group or its or their then-Affiliate) that belongs to such other Party (or member of such other Party's Group), and to the extent that they do not relate to the business of the receiving Party, the receiving Party shall as promptly as reasonably practicable deliver or cause to be delivered such mail, packages or other communications (or, in case the same also relates to the business of the receiving Party or the other Party, copies thereof) to such other Party as provided for in Section 10.6; provided that, if a Party (or any member of its Group and any of its or their respective then-Affiliates) receives any claim or demand against the other Party (or any member of such other Party's Group), or any notice or other communication regarding any Action involving the other Party (or any member of such other Party's Group), such Party shall and shall cause the other members of its Group to, as promptly as practicable (and, in any event, use commercially reasonable efforts to do so within fifteen (15) days after receipt thereof) notify such other Party (including such other Party's legal department) of the receipt of such claim, demand, notice or other communication, and shall promptly deliver such claim, demand, notice or other communication (or, in case the same also relates to the business of the receiving Party or the other Party, copies thereof) to such other Party; provided, however, that the failure to provide such notice shall not constitute a breach of this Section 2.6(c) except to the extent that any such Party shall have been actually prejudiced as a result of such failure. The provisions of this Section 2.6(c) are not intended to, and shall not, be deemed to constitute an authorization by any Party or any other member of either Group (or any of their Affiliates from time to time) to permit the other to accept service of process on its behalf and no Party is or shall be deemed to be the agent of the other Party or any other member of either Group or any of their respective then-Affiliates for service of process purposes.

(d) After the Distribution, SpinCo shall, or shall cause the other members of its Group and its and any of its respective then-Affiliates to, promptly pay or deliver to RemainCo (or its designee) any monies or checks that have been received by SpinCo (or another member of its Group or its or its respective then-Affiliates) after the Distribution to the extent they are (or represent the proceeds of) a RemainCo Asset (it being understood and agreed that any such amounts shall be paid and delivered on a monthly basis for the first six (6) months following the Distribution Date, and thereafter on a quarterly basis, in each case to the applicable members of the RemainCo Group; provided that if the aggregate amount not yet paid or delivered exceeds \$20,000,000 before such monthly or quarterly payment and delivery, as applicable, such amount shall be paid and delivered to the applicable members of the RemainCo Group within fourteen (14) days).

(e) After the Distribution, RemainCo shall, or shall cause the other members of its Group and its and any of its respective then-Affiliates to, promptly pay or deliver to SpinCo (or its designee) any monies or checks that have been received by RemainCo (or

another member of its Group or its or its respective then-Affiliates) after the Distribution to the extent they are (or represent the proceeds of) a SpinCo Asset (it being understood and agreed that any such amounts shall be paid and delivered on a monthly basis for the first six (6) months following the Distribution Date, and thereafter on a quarterly basis, in each case to the applicable members of the SpinCo Group; provided that if the aggregate amount not yet paid or delivered exceeds \$20,000,000 before such monthly or quarterly payment and delivery, such amount shall be paid and delivered to the applicable members of the SpinCo Group within fourteen (14) days).

Section 2.7 Conveyancing and Assumption Instruments.

(a) In connection with, and in furtherance of, the Transfers of Assets and the acceptance and Assumptions of Liabilities contemplated by this Agreement, the Parties shall execute or cause to be executed, on or prior to the Distribution, by the appropriate entities, the Conveyancing and Assumption Instruments necessary to evidence the valid and effective Assumption by the applicable Party of its Assumed Liabilities and the valid Transfer to the applicable Party or member of such Party's Group of all right, title and interest in and to its accepted Assets, in substantially the form contemplated hereby for Transfers and Assumptions to be effected pursuant to Delaware Law or the Laws of one of the other states of the United States or, if not appropriate for a given Transfer or Assumption, and for Transfers and Assumptions to be effected pursuant to non-U.S. Laws, in such other form as the Parties shall reasonably agree; provided that Section 6.4(f) shall apply to each Transfer and Assumption contemplated by this Agreement.

(b) With respect to the transfer, directly or indirectly, in connection with the transactions contemplated hereby, of any SpinCo Real Property (or any portion thereof), the restrictions set forth on Exhibit A attached hereto (the "Real Property Restrictions") shall apply unless (A) such SpinCo Real Property is set forth on Schedule 2.7(b) or (B) (i) the transferee of such SpinCo Real Property reasonably determines that compliance with one or more of the Real Property Restrictions is not necessary based on the facts and circumstances existing at the time and notifies the applicable transferor thereof, and (ii) such transferor consents in writing thereto (such consent not to be unreasonably withheld, conditioned or delayed) (any such restricted SpinCo Real Property, the "Restricted Real Property"). In furtherance of the foregoing, prior to the Distribution, the transferor of any Restricted Real Property shall be entitled to, in its reasonable discretion, taking into account applicable Law and practicality, exclude or modify to be less stringent any or all of the Real Property Restrictions in the respective Conveyancing and Assumption Instrument. With respect to any Restricted Real Property that constitutes a SpinCo Asset or RemainCo Asset, SpinCo (or the applicable member of its Group) or RemainCo (or the applicable member of its Group), respectively, may, in its discretion, request that the transferor of such Restricted Real Property remove one or more Real Property Restrictions in the event that facts and circumstances reasonably warrant such removal, and, provided that the transferor of such Restricted Real Property consents in writing to such removal (such consent not to be unreasonably withheld, conditioned or delayed), the transferor shall (or if the transferor is a member of a Party's Group, such Party shall cause such transferor to), at the expense of the requesting Party (or applicable member of its Group), reasonably cooperate to remove such Real Property Restrictions. Unless and until the Real Property

Restrictions have been removed, each Party shall, and shall cause the other members of its Group and its and their respective transferees to, comply with the Real Property Restrictions, unless in the reasonable discretion of the Parties, enforcement of the applicable Real Property Restrictions is not necessary based on the facts and circumstances existing at the time.

Section 2.8 Further Assurances.

(a) In addition to and without limiting the actions specifically provided for elsewhere in this Agreement and subject to the limitations expressly set forth in this Agreement, including Section 2.5, each of the Parties shall, and shall cause the other members of its Group to, cooperate with each other and use commercially reasonable efforts, at and after the Effective Time, to take, or to cause to be taken, all actions, and to do, or to cause to be done, all things reasonably necessary on its part under applicable Law or contractual obligations to consummate and make effective the transactions contemplated by this Agreement.

(b) Without limiting the foregoing, at and after the Effective Time, each Party shall, and shall cause the other members of its Group to, cooperate with the other Party (or the relevant member of its Group), and without any further consideration, but at the expense (unless allocated to the Group of the requested Party pursuant to the other terms of this Agreement) of the requesting Party (or the relevant member of its Group) (except as provided in Sections 2.2(d)(v) and 2.5(c)) from and after the Effective Time, to execute and deliver, or use commercially reasonable efforts to cause to be executed and delivered, all instruments, including instruments of Transfer, and to make all filings with, and to obtain all Consents, any permit, license, Contract, indenture or other instrument (including any Consents), and to take all such other actions as such Party (or the relevant member of its Group) may reasonably be requested to take by the other Party (or the relevant member of its Group) from time to time, consistent with the terms of this Agreement, in order to effectuate the provisions and purposes of this Agreement and the Transfers of the applicable Assets and the assignment and Assumption of the applicable Liabilities and the other transactions contemplated hereby. Without limiting the foregoing, each Party shall, and shall cause the other members of its Group to, at the reasonable request, cost and expense (unless allocated to the Group of the requested Party (or other member of its Group) pursuant to the other terms of this Agreement) of the other Party, take such other actions as may be reasonably necessary to vest in such other Party (or other member of its Group) such title and such rights as possessed by the transferring Party (or its Group) to the Assets allocated to such Party (or member of its Group) under this Agreement, free and clear of any Security Interest.

Section 2.9 Novation of Liabilities.

(a) Each Party, at the request of the other Party (such other Party, the “Other Party”), shall use commercially reasonable efforts to obtain, or to cause to be obtained, any Consent, release, substitution or amendment required to novate or assign to the fullest extent permitted by Law all obligations under Contracts (other than Shared Contracts, which shall be governed by Section 2.2(d)), and other obligations or Liabilities (other than with regard to guarantees or Credit Support Instruments, which shall be governed by Section 2.10) for which a member of such Party’s Group and a member of the Other Party’s Group are jointly or severally liable and that do not constitute Liabilities of such Other Party as provided in this

Agreement, or to obtain in writing the unconditional release of the Other Party to such arrangements (other than any member of the Group who Assumed or retained such Liability as set forth in this Agreement), so that, in any such case, the members of the applicable Group will be solely responsible for such Liabilities; provided, however, that no Party shall be obligated to pay any consideration therefor to any third party from whom any such Consent, substitution or amendment is requested (unless such Party is fully reimbursed by the requesting Party). Upon either Party's reasonable request (not to exceed twice per fiscal quarter) after the Distribution, the Other Party shall deliver to such requesting Party a list of the Consents, releases, substitutions or amendments required to novate or assign to the fullest extent permitted by Law all obligations under Contracts (other than Shared Contracts, which shall be governed by Section 2.2(d)), and other obligations or Liabilities (other than with regard to guarantees or Credit Support Instruments, which shall be governed by Section 2.10) for which a member of such Party's Group and a member of the Other Party's Group are jointly or severally liable and that do not constitute Liabilities of such Other Party as provided in this Agreement, along with the status and anticipated timing for obtaining such Consents, releases, substitutions or amendments required.

(b) If the Parties are unable to obtain, or to cause to be obtained, any such required Consent, release, substitution or amendment, the Other Party or a member of such Other Party's Group shall continue to be bound by such Contract or other obligation that does not constitute a Liability of such Other Party and, unless not permitted by Law or the terms thereof, as agent or subcontractor for such Party, the Party or member of such Party's Group who Assumed or retained such Liability as set forth in this Agreement (the "Liable Party") shall, or shall cause a member of its Group to, directly pay, perform and discharge fully all the obligations or other Liabilities of such Other Party or member of such Other Party's Group thereunder from and after the Effective Time. The Other Party shall, without further consideration, promptly pay and remit, or cause to be promptly paid or remitted, to the Liable Party or to another member of the Liable Party's Group, all money, rights and other consideration received by it or any member of its Group in respect of such performance by the Liable Party (unless any such consideration is an Asset of such Other Party pursuant to this Agreement). If and when any such Consent, release, substitution or amendment shall be obtained or such agreement, lease or other rights or obligations shall otherwise become assignable or able to be novated, the Other Party shall promptly Transfer all rights, obligations and other Liabilities thereunder of any member of such Other Party's Group to the Liable Party or to another member of the Liable Party's Group without payment of any further consideration and the Liable Party, or another member of such Liable Party's Group, without the payment of any further consideration, shall Assume such rights and Liabilities. Each of the Parties shall, and shall cause their respective Subsidiaries to, take all actions and do all things reasonably necessary on its part, or such Subsidiaries' part, under applicable Law or contractual obligations to consummate and make effective the transactions contemplated by this Section 2.9(b).

Section 2.10 Guarantees and Credit Support Instruments.

(a) (i) RemainCo shall, and shall cause the other members of its Group to, (with the reasonable cooperation of SpinCo) use commercially reasonable efforts to (A) cause a member of the RemainCo Group to be substituted in all respects for a member of the SpinCo

Group, and/or (B) have all members of the SpinCo Group removed or released as guarantor of or obligor for any RemainCo Liability (including any credit agreement, guarantee (including guarantees for performance or payment under Contracts), indemnity or Credit Support Instrument given or obtained by any member of the SpinCo Group for the benefit of any member of the RemainCo Group) to the fullest extent permitted by applicable Law, including in respect of the guarantees set forth on Schedule 2.10(a)(i), and (ii) SpinCo shall, and shall cause the other members of its Group to, (with the reasonable cooperation of RemainCo) use commercially reasonable efforts to (A) cause a member of the SpinCo Group to be substituted in all respects for a member of the RemainCo Group, and/or (B) have all members of the RemainCo Group removed or released as guarantor of or obligor for any SpinCo Liability (including any credit agreement, guarantee (including guarantees for performance or payment under Contracts), indemnity or Credit Support Instrument given or obtained by any member of the RemainCo Group for the benefit of any member of the SpinCo Group) to the fullest extent permitted by applicable Law, including in respect of those guarantees set forth on Schedule 2.10(a)(ii), in each case (clauses (i) and (ii)), on or prior to the Distribution Date or as soon as reasonably practicably thereafter, but in any event within twelve (12) months of the Distribution Date, in respect of Credit Support Instruments, or within twenty-four (24) months of the Distribution Date, in respect of any credit agreement, guarantee, or indemnity; provided that failure to effectuate the foregoing within twelve (12) months of the Distribution Date, in respect of Credit Support Instruments, or within twenty-four (24) months of the Distribution Date, in respect of any credit agreement, guarantee, or indemnity, shall not relieve any Party (or the other members of its applicable Group) of any obligation under this Section 2.10(a), and such Party shall, and shall cause the other members of its Group to, continue to use commercially reasonable efforts to take the actions contemplated by this Section 2.10(a). Except as otherwise provided in Section 2.10(b), no member of the SpinCo Group or RemainCo Group or any of their respective Affiliates from time to time shall be required to commence any litigation or offer or pay any money or otherwise grant any accommodation (financial or otherwise) to any third party with respect to any such guarantees.

(b) On or prior to the Distribution Date or as soon as reasonably practicable thereafter, but in any event within twenty-four (24) months of the Distribution Date, to the extent required to obtain a release from a guaranty (a “Guaranty Release”) (i) of any member of the RemainCo Group, then SpinCo shall, and shall cause the other members of the SpinCo Group to, as applicable, execute a guaranty agreement in the form of the existing guaranty, except to the extent that such existing guaranty contains representations, covenants or other terms or provisions either (A) with which any member of the SpinCo Group would be reasonably unable to comply or (B) which would be reasonably expected to be breached, and (ii) of any member of the SpinCo Group, then RemainCo shall, and shall cause the other members of the RemainCo Group to, as applicable, execute a guaranty agreement in the form of the existing guaranty, except to the extent that such existing guaranty contains representations, covenants or other terms or provisions either (A) with which any member of the RemainCo Group would be reasonably unable to comply or (B) which would be reasonably expected to be breached; provided that failure to effectuate the foregoing within twenty-four (24) months of the Distribution Date shall not relieve any Party (or the other members of its applicable Group) of

any obligation under this Section 2.10(b), and such Party shall, and shall cause the other members of its Group to, continue to take the actions contemplated by this Section 2.10(b).

(c) If either of RemainCo or SpinCo is unable to obtain, or to cause to be obtained, any such required removal as set forth in clauses (a) and (b) of this Section 2.10, (i) the Party whose Group is the relevant beneficiary shall indemnify and hold harmless the guarantor or obligor for any Indemnifiable Loss arising from or relating thereto (in accordance with the provisions of Article VI) and shall or shall cause one of the other members of its Group, as agent or subcontractor for such guarantor or obligor to pay, perform and discharge fully all of the obligations or other Liabilities of such guarantor or obligor thereunder, (ii) each of RemainCo and SpinCo agrees not to (and to cause the members of their respective Groups not to) renew or extend the term of, increase its obligations under, or Transfer to a third party, any guarantees or Credit Support Instruments, for which the other Party is or may be liable, without the prior written consent of such other Party (such consent not to be unreasonably withheld, delayed or conditioned), unless all obligations of such other Party and the other members of such Party's Group with respect thereto are thereupon terminated by documentation reasonably satisfactory in form and substance to such Party; provided, however, with respect to guarantees included in leases for real property, in the event a Guaranty Release is not obtained and such Party wishes to extend the term of such guaranteed lease, then such Party shall have the option of extending the term until a date not to exceed the fourth (4th) anniversary of the Distribution Date if it provides such security as is reasonably satisfactory to the guarantor under such guaranteed lease, and (iii) the relevant beneficiary shall pay to the guarantor or obligor a fee payable at the end of each calendar quarter (the first of such payments being due on the last Business Day of the first full calendar quarter that ends on or after the date that is twenty-four (24) months after the Distribution Date) based on a rate of: (x) in the case of guarantees of performance or indemnity under a Contract, \$1,000 per calendar quarter per Contract for which such performance guarantee or indemnity has not been removed (provided, that if such performance guarantee or indemnity is removed during the course of a given calendar quarter, such rate shall be pro-rated in accordance with the number of calendar days such performance guarantee or indemnity remained in effect), (y) in the case of guarantees of a discrete payment amount or other discrete monetary amount (including guarantees included in leases for real property), % per annum on the applicable guaranteed amount (provided that if such payment or other discrete monetary amount guarantee is removed during the course of a given calendar quarter, such rate shall be pro-rated in accordance with the number of calendar days such payment or other discrete monetary amount guarantee remained in effect), and (z) in the case of guarantees (including revolving credit agreements and indefinite quantity vendor contracts) of variable amounts, % per annum of an amount in respect of such Contract to be mutually agreed between RemainCo and SpinCo in accordance with Schedule 2.10(c).

(d) Each Party shall, and shall cause the other members of their respective Groups to cooperate and (i) SpinCo shall, and shall cause the other members of its Group to, use commercially reasonable efforts to replace all Credit Support Instruments issued or procured by RemainCo or other members of the RemainCo Group, on behalf of or in favor of any member of the SpinCo Group or the SpinCo Business, including in respect of those Credit Support Instruments set forth on Schedule 2.10(d)(i) (the "SpinCo CSIs"), as promptly as

practicable with Credit Support Instruments from SpinCo or a member of the SpinCo Group as of the Effective Time, but in any event within twelve (12) months of the Distribution Date, and (ii) RemainCo shall, and shall cause the other members of its Group to, use commercially reasonable efforts to replace all Credit Support Instruments issued or procured by SpinCo or other members of the SpinCo Group, on behalf of or in favor of any member of the RemainCo Group or the RemainCo Business, including in respect of those Credit Support Instruments set forth on Schedule 2.10(d)(ii) (the “RemainCo CSIs”), as promptly as practicable with Credit Support Instruments from RemainCo or a member of the RemainCo Group as of the Effective Time, but in any event within twelve (12) months of the Distribution Date; provided that, in each case, failure to effectuate the foregoing within twelve (12) months of the Distribution Date shall not relieve any Party (or the other members of its applicable Group) of any obligation under this Section 2.10(d), and such Party shall, and shall cause the other members of its Group to, continue to take the actions contemplated by this Section 2.10(d):

(i) With respect to any SpinCo CSIs that remain outstanding after the Effective Time, (x) SpinCo shall, and shall cause the members of the SpinCo Group to, jointly and severally, indemnify and hold harmless the RemainCo Indemnitees for any Liabilities arising from or relating to such SpinCo CSIs, including any fees in connection with the issuance and maintenance thereof and any funds drawn by (or for the benefit of), or disbursements made to, the beneficiaries of such SpinCo CSIs in accordance with the terms thereof, plus, unless reimbursed within twenty-four (24) hours of being drawn by (or for the benefit of) or disbursements made to the beneficiaries of such SpinCo CSIs (the “Applicable SpinCo CSI Draw Date”), a ticking fee based on a rate of % applied to the number of days elapsed between the date drawn and the date actually indemnified (inclusive of each of the Applicable SpinCo CSI Draw Date and the day actually indemnified), (y) SpinCo shall pay to RemainCo a fee payable at the end of each calendar quarter (the first of such payments being due on the last Business Day of the first full calendar quarter that is twelve (12) months after the Distribution Date), based on a rate of % per annum on the average outstanding balance during such quarter of any outstanding SpinCo CSIs issued by RemainCo or any member of the RemainCo Group, respectively, and (z) without the prior written consent of RemainCo, SpinCo shall not, and shall not permit any member of the SpinCo Group to, enter into, renew or extend the term of, increase its obligations under, or transfer to a third party, any loan, lease, Contract or other obligation in connection with which RemainCo or any member of the RemainCo Group, respectively, has issued any Credit Support Instruments which remain outstanding. None of RemainCo or the members of the RemainCo Group will have any obligation to renew any Credit Support Instruments issued or procured on behalf of or in favor of any member of the SpinCo Group or the SpinCo Business after the expiration of such SpinCo CSI.

(ii) With respect to any RemainCo CSIs that remain outstanding after the Effective Time, (x) RemainCo shall, and shall cause the members of the RemainCo Group to, jointly and severally, indemnify and hold harmless the SpinCo Indemnitees for any Liabilities arising from or relating to such RemainCo CSIs, including any fees in connection with the issuance and maintenance thereof and any funds drawn

by (or for the benefit of), or disbursements made to, the beneficiaries of such RemainCo CSIs in accordance with the terms thereof, plus, unless reimbursed within twenty-four (24) hours of being drawn by (or for the benefit of) or disbursements being made to the beneficiaries of such RemainCo CSIs (the “Applicable RemainCo CSI Draw Date”), a ticking fee based on a rate of % applied to the number of days elapsed between the Applicable RemainCo CSI Draw Date and the date actually indemnified (inclusive of each of the Applicable RemainCo CSI Draw Date and the day actually indemnified), (y) RemainCo shall pay to SpinCo a fee payable at the end of each calendar quarter (the first of such payments being due on the last Business Day of the first full calendar quarter that is twelve (12) months after the Distribution Date) based on a rate of % per annum on the average outstanding balance during such quarter of any outstanding RemainCo CSIs issued by SpinCo or any member of the SpinCo Group, respectively, and (z) without the prior written consent of SpinCo, RemainCo shall not, and shall not permit any member of the RemainCo Group to, enter into, renew or extend the term of, increase its obligations under, or transfer to a third party, any loan, lease, Contract or other obligation in connection with which SpinCo or any member of the SpinCo Group, respectively, has issued any Credit Support Instruments which remain outstanding. None of SpinCo or the members of the SpinCo Group will have any obligation to renew any Credit Support Instruments issued or procured on behalf of or in favor of any member of the RemainCo Group or the RemainCo Business after the expiration of such RemainCo CSI.

Section 2.11 Bank Accounts; Cash Balances.

(a) Each of RemainCo and SpinCo shall, and shall cause the respective members of their Group to, use their commercially reasonable efforts to take all actions necessary to amend all Contracts governing each bank and brokerage account owned by SpinCo and any other member of the SpinCo Group (collectively, the “SpinCo Accounts”), so that from and after the Effective Time such SpinCo Accounts, if currently linked (whether by automatic withdrawal, automatic deposit or any other authorization to transfer funds from or to, hereinafter “linked”) to any bank or brokerage account owned by RemainCo or any member of the RemainCo Group (collectively, the “RemainCo Accounts”) are de-linked from such SpinCo Accounts.

(b) Each of RemainCo and SpinCo shall, and shall cause the respective members of their Group to, use their commercially reasonable efforts to take all actions necessary to amend all Contracts governing the RemainCo Accounts so that from and after the Effective Time, such RemainCo Accounts, if currently linked to any SpinCo Account, are de-linked from such SpinCo Accounts.

(c) With respect to any outstanding checks issued by RemainCo, SpinCo or any of the respective members of their Group prior to the Effective Time, such outstanding checks shall be honored from and after the Effective Time by the Person or Group owning the account on which the check is drawn, without modifying in any way the allocation of

Liability (and rights to reimbursement) for such amounts under this Agreement or any Ancillary Agreement.

Section 2.12 Disclaimer of Representations and Warranties. EACH OF REMAINCO (ON BEHALF OF ITSELF AND EACH MEMBER OF THE REMAINCO GROUP) AND SPINCO (ON BEHALF OF ITSELF AND EACH MEMBER OF THE SPINCO GROUP) UNDERSTANDS AND AGREES THAT, EXCEPT AS EXPRESSLY SET FORTH HEREIN OR IN ANY ANCILLARY AGREEMENT, NO PARTY TO THIS AGREEMENT, ANY ANCILLARY AGREEMENT OR ANY OTHER AGREEMENT OR DOCUMENT CONTEMPLATED BY THIS AGREEMENT, ANY ANCILLARY AGREEMENTS OR OTHERWISE, IS REPRESENTING OR WARRANTING IN ANY WAY AS TO THE ASSETS, BUSINESSES, INFORMATION OR LIABILITIES CONTRIBUTED, TRANSFERRED OR ASSUMED AS CONTEMPLATED HEREBY OR THEREBY, AS TO ANY CONSENTS REQUIRED IN CONNECTION HERewith OR THEREWITH, AS TO THE VALUE OR FREEDOM FROM ANY SECURITY INTERESTS OF, AS TO NONINFRINGEMENT, VALIDITY OR ENFORCEABILITY OR ANY OTHER MATTER CONCERNING, ANY ASSETS OF SUCH PARTY, OR AS TO THE ABSENCE OF ANY DEFENSES OR RIGHT OF SETOFF OR FREEDOM FROM COUNTERCLAIM WITH RESPECT TO ANY ACTION OR OTHER ASSET, INCLUDING ACCOUNTS RECEIVABLE, OF ANY PARTY, OR AS TO THE LEGAL SUFFICIENCY OF ANY CONTRIBUTION, ASSIGNMENT, DOCUMENT, CERTIFICATE OR INSTRUMENT DELIVERED HEREUNDER TO CONVEY TITLE TO ANY ASSET OR THING OF VALUE UPON THE EXECUTION, DELIVERY AND FILING HEREOF OR THEREOF. EXCEPT AS MAY EXPRESSLY BE SET FORTH HEREIN OR THEREIN, ALL SUCH ASSETS ARE BEING TRANSFERRED ON AN “AS IS”, “WHERE IS” AND “WITH ALL FAULTS” BASIS (AND, IN THE CASE OF ANY REAL PROPERTY, WITHOUT LIABILITIES OR WARRANTIES EXCEPT AS OTHERWISE SET FORTH IN THIS AGREEMENT) AND THE RESPECTIVE TRANSFEREES SHALL BEAR THE ECONOMIC AND LEGAL RISKS THAT (I) ANY CONVEYANCE SHALL PROVE TO BE INSUFFICIENT TO VEST IN THE TRANSFEREE GOOD TITLE, FREE AND CLEAR OF ANY SECURITY INTEREST OR OTHER MATTER WHETHER OR NOT OF RECORD AND (II) ANY NECESSARY CONSENTS ARE NOT OBTAINED OR THAT ANY REQUIREMENTS OF LAWS OR JUDGMENTS ARE NOT COMPLIED WITH.

ARTICLE III

CERTAIN ACTIONS AT OR PRIOR TO THE DISTRIBUTION

Section 3.1 Certificate of Incorporation; Bylaws. At or prior to the Effective Time, all necessary actions shall be taken to effect the conversion of SpinCo from a limited liability company organized under the laws of the State of Delaware to a corporation organized under the laws of the State of Delaware and to adopt the form of Amended and Restated Certificate of Incorporation and Amended and Restated By-laws filed by SpinCo with the Commission as exhibits to the SpinCo Form 10, subject to any changes thereto determined to be made by RemainCo prior to the Effective Time in its sole discretion.

Section 3.2 Directors. At or prior to the Effective Time, RemainCo shall take all necessary action to cause the Board of Directors of SpinCo to consist of the individuals identified in the SpinCo Information Statement as directors of SpinCo.

Section 3.3 Officers. At or prior to the Effective Time, RemainCo shall take all necessary action to cause the individuals identified as such in the SpinCo Information Statement to be officers of SpinCo as of the Distribution Date.

Section 3.4 Resignations. At or prior to the Distribution, each of RemainCo and SpinCo shall cause all of its employees and all employees of its respective Subsidiaries (excluding any employees of any member of its respective Group) to resign, effective as of the Distribution, from all positions as officers or directors of any member of the other Groups (and any other Person where such position is as a designee or representative of the other Groups) in which they serve.

Section 3.5 Ancillary Agreements. At or prior to the Effective Time, each of RemainCo and SpinCo shall enter into, and/or (where applicable) shall cause a member or members of their respective Group to enter into, the Ancillary Agreements and any other Contracts in respect of the Distribution reasonably necessary or appropriate in connection with the transactions contemplated hereby and thereby.

ARTICLE IV

THE DISTRIBUTION

Section 4.1 Stock Dividends to RemainCo.

(a) In connection with the Distribution, (i) on or prior to the Distribution Date, SpinCo shall issue to RemainCo, as a stock dividend, such number of shares of SpinCo Common Stock (or RemainCo and SpinCo shall take or cause to be taken such other appropriate actions to ensure that RemainCo has the requisite number of shares of SpinCo Common Stock) as will be required so that the total number of shares of SpinCo Common Stock held by RemainCo immediately prior to the Distribution is equal to the total number of shares of SpinCo Common Stock distributable in the Distribution, and (ii) on the Distribution Date, subject to the conditions and other terms set forth in this Article IV, RemainCo shall cause the Agent to distribute all of the then issued and outstanding shares of SpinCo Common Stock to holders of RemainCo Common Stock as of the close of business on the Distribution Record Date, and to credit the appropriate class and number of such shares of SpinCo Common Stock to book entry accounts for each such holder or designated transferee or transferees of such holder of SpinCo Common Stock. For stockholders of RemainCo who own RemainCo Common Stock through a broker or other nominee, their shares of SpinCo Common Stock will be credited to their respective accounts by such broker or nominee. Each holder of RemainCo Common Stock as of the close of business on the Distribution Record Date (or such holder's designated transferee or transferees) will be entitled to receive in the Distribution shares of SpinCo Common Stock for every shares of RemainCo Common Stock held by such stockholder. No action by any such stockholder (or such stockholder's designated transferee or transferees)

shall be necessary for such stockholder (or such stockholder's designated transferee or transferees) to receive the applicable number of shares of (and, if applicable, cash in lieu of any fractional shares) SpinCo Common Stock such stockholder is entitled to in the Distribution.

Section 4.2 Fractional Shares. RemainCo stockholders holding a number of shares of RemainCo Common Stock as of the close of business on the Distribution Record Date which would entitle such stockholders to receive less than one whole share of SpinCo Common Stock in the Distribution, will receive cash in lieu of fractional shares. Fractional shares of SpinCo Common Stock will not be distributed in the Distribution nor credited to book-entry accounts. The Agent shall, as soon as practicable after the Distribution Date, (a) determine the number of whole shares and fractional shares of SpinCo Common Stock allocable to each holder of record or beneficial owner of RemainCo Common Stock as of the close of business on the Distribution Record Date, (b) aggregate all such fractional shares into whole shares and sell the whole shares obtained thereby in open market transactions, in each case, at then prevailing trading prices on behalf of holders who would otherwise be entitled to fractional share interests, and (c) distribute to each such holder, or for the benefit of each such beneficial owner, such holder or owner's ratable share of the net proceeds of such sale, based upon the average gross selling price per share of SpinCo Common Stock after making appropriate deductions for any amount required to be withheld for U.S. federal income tax purposes, for applicable Transfer Taxes and for the costs and expenses of such sale and distribution, including brokers fees and commissions. None of RemainCo, SpinCo or the Agent will guarantee any minimum sale price for the fractional shares of SpinCo Common Stock. None of RemainCo or SpinCo will pay any interest on the proceeds from the sale of fractional shares. The Agent acting on behalf of the applicable Party will have the sole discretion to select the broker-dealers through which to sell the aggregated fractional shares and to determine when, how and at what price to sell such shares. Neither the Agent nor the broker-dealers through which the aggregated fractional shares are sold shall be Affiliates of RemainCo or SpinCo.

Section 4.3 Sole Discretion of RemainCo. RemainCo shall, in its sole and absolute discretion, determine the Distribution Date and all other terms of the Distribution, including the form, structure and terms of any transactions and/or offerings to effect each Distribution and the timing of and conditions to the consummation thereof. In addition, RemainCo may, in accordance with Section 10.11, at any time and from time to time until the completion of each Distribution decide to abandon any or all of the Distribution or modify or change the terms of each Distribution, including by accelerating or delaying the timing of the consummation of all or part of any Distribution. Without limiting the foregoing and notwithstanding anything to the contrary in this Agreement, RemainCo shall have the right not to complete any Distribution if, at any time prior to the Distribution, the Board shall have determined, in its sole discretion, that any Distribution is not in the best interests of RemainCo or its stockholders, that a sale or other alternative is in the best interests of RemainCo or its stockholders or that it is not advisable at that time for the SpinCo Business to separate from RemainCo.

Section 4.4 Conditions to Distribution. Subject to Section 4.3, the obligation of RemainCo to consummate the Distribution is subject to the prior or simultaneous satisfaction, or,

to the extent permitted by applicable Law, waiver by RemainCo in its sole and absolute discretion, of the following conditions. None of SpinCo or any other member of the SpinCo Group with respect to the Distribution or any third party shall have any right or claim to require the consummation of the Distribution, which shall be effected at the sole discretion of the Board. Any determination made by RemainCo prior to the Distribution concerning the satisfaction or waiver of any or all of the conditions set forth in this Section 4.4 shall be conclusive and binding on the Parties. The conditions are for the sole benefit of RemainCo and shall not give rise to or create any duty on the part of RemainCo or the Board to waive or not waive any such condition. Each Party will use its commercially reasonable efforts to keep the other Party apprised of its efforts with respect to, and the status of, each of the following conditions:

(a) the Commission shall have declared effective the SpinCo Form 10, of which the SpinCo Information Statement forms a part, and no stop order relating to the registration statement will be in effect, no proceedings seeking such stop order shall be pending before or threatened by the Commission, and the SpinCo Information Statement (or a Notice of Internet Availability of the SpinCo Information Statement) shall have been distributed to holders of RemainCo Common Stock;

(b) the SpinCo Common Stock to be delivered in the Distribution shall have been approved for listing on the Nasdaq, subject to official notice of issuance;

(c) RemainCo shall have received a written opinion from Skadden, Arps, Slate, Meagher & Flom LLP and Ernst & Young LLP, in form and substance satisfactory to RemainCo (in its sole discretion), substantially to the effect that, among other things, the Distribution, together with the SpinCo Spin Contribution, will qualify for non-recognition of gain and loss pursuant to Section 355, Section 361 and Section 368(a)(1)(D) of the Code;

(d) RemainCo shall have received an opinion from the independent appraisal firm set forth on Schedule 4.4(d) or another independent appraisal firm as determined by the Board, in form and substance satisfactory to RemainCo, confirming that (i) following the Distribution, RemainCo, on the one hand, and SpinCo, on the other hand, will be solvent and adequately capitalized, (ii) RemainCo has adequate surplus under Delaware Law to declare the Distribution and (iii) SpinCo has adequate surplus under Delaware Law to declare the SpinCo Cash Distribution, in each of clauses (i) and (ii) after giving effect to the SpinCo Cash Distribution;

(e) no order, injunction or decree issued by any Governmental Entity of competent jurisdiction, or other legal restraint or prohibition preventing the consummation of all or any portion of the Distribution or any of the related transactions shall be pending, threatened, issued or in effect, and no other event outside the control of RemainCo shall have occurred or failed to occur that prevents the consummation of all or any portion of the Distribution;

(f) the Internal Reorganization shall have been effectuated prior to the Distribution, except for such steps (if any) as RemainCo, in its sole discretion, shall have determined need not be completed or may be completed after the Effective Time;

(g) the Board shall have declared the Distribution and approved all related transactions, which approval may be given or withheld at its absolute and sole discretion (and such declaration or approval shall not have been withdrawn);

(h) RemainCo, as SpinCo's sole stockholder immediately prior to the Distribution, shall have elected the board of directors of SpinCo, as described in the SpinCo Information Statement, effective immediately upon the Distribution;

(i) the directors of RemainCo set forth on Schedule 4.4(i) shall have resigned from the Board effective upon the Distribution;

(j) (i) SpinCo shall have, and shall have caused its applicable Subsidiaries to have, entered into all Ancillary Agreements to which it and/or such Subsidiary is contemplated to be a party, and (ii) RemainCo shall have, and shall have caused its applicable Subsidiaries to have, entered into all Ancillary Agreements to which it and/or such Subsidiary is contemplated to be a party;

(k) the financing for the SpinCo Financing Arrangements shall be available on terms acceptable to RemainCo and SpinCo shall have completed the SpinCo Financing Arrangements and received the proceeds in respect thereof and SpinCo shall have completed the SpinCo Cash Distribution; and

(l) no events or developments shall have occurred or shall exist that, in the sole and absolute judgment of the Board, make it inadvisable to effect the Distribution or would result in the Distribution and related transactions not being in the best interest of RemainCo or its stockholders.

Section 4.5 Effectiveness of Distribution. Unless otherwise determined by RemainCo prior to the Distribution, the Distribution shall be deemed to occur at 12:01 a.m., New York City Time, on the Distribution Date.

ARTICLE V

CERTAIN COVENANTS

Section 5.1 Auditors and Audits; Annual and Quarterly Financial Statements and Accounting. Each Party agrees (on behalf of itself and each other member of its Group) that, following the Distribution until the completion of each Party's audit for the fiscal year ending December 31 of the calendar year in which the Distribution Date occurs, and in any event solely with respect to (x) any statutory audit with respect to any fiscal year ending prior to the Distribution or for any portion of a fiscal year prior to the Distribution, in each case, in respect of which the Party requesting such reasonable assistance and access was an Affiliate (or relevant member of its Group) of the other Party's Group, (y) the preparation and audit of each of the Party's financial statements for the year ended December 31 of the calendar year in which the Distribution occurs (and, if the Distribution occurs in the first quarter of a fiscal year, also for the previous fiscal year) or amendments thereto, or the printing, filing and public dissemination

thereof, and (z) the audit of each Party's internal controls over financial reporting and management's assessment thereof and management's assessment of each Party's disclosure controls and procedures in respect of the year ended December 31 of the calendar year in which the Distribution occurs (and, if the Distribution occurs in the first quarter of a fiscal year, also for the previous fiscal year); provided, that in the event that any Party changes its auditors within one (1) year of the completion of each Party's audit for the first full fiscal year occurring after the Distribution Date, then such Party may request reasonable access on the terms set forth in this Section 5.1 for a period of up to one hundred and eighty (180) days from such change; provided, further, that, notwithstanding the foregoing, access of the type described in this Section 5.1 shall be afforded by and to each of the Parties (from time to time following the Distribution), as applicable, to the extent reasonably necessary to respond (and for the limited purpose of responding) to any written request or official comment from a Governmental Entity, such as in connection with responding to a comment letter from the Commission, or as reasonably necessary to meet a filing, reporting or similar obligation required under applicable Law (including under Public Reports):

(a) Timetable for Completion of Audit. (i) SpinCo shall use commercially reasonable efforts to enable its auditors to complete their audit for the fiscal year ending December 31 of the calendar year in which the Distribution occurs on a timetable that enables RemainCo to meet its timetable for the printing, filing and public dissemination of RemainCo's annual financial statements for such fiscal year, and (ii) RemainCo shall use commercially reasonable efforts to enable their auditors to complete their audit for the fiscal year ending December 31 of the calendar year in which the Distribution occurs on a timetable that enables SpinCo to meet its timetable for the printing, filing and public dissemination of SpinCo's annual financial statements for such fiscal year;

(b) Annual Financial Statements. (i) each Party shall provide or provide access to the other Party on a timely basis all Information reasonably required to meet such other Party's schedule for the preparation, printing, filing, and public dissemination of such other Party's annual financial statements for the fiscal year ending December 31 of the calendar year in which the Distribution occurs (and, if the Distribution occurs in the first quarter of a fiscal year, also for the previous fiscal year) and for management's assessment of the effectiveness of such Party's disclosure controls and procedures and its internal controls over financial reporting in accordance with Items 307 and 308, respectively, of Regulation S-K and, to the extent applicable to such Party, its auditor's audit of its internal controls over financial reporting and management's assessment thereof in accordance with Section 404 of the Sarbanes-Oxley Act of 2002 and the Commission's and Public Company Accounting Oversight Board's rules and auditing standards thereunder, if required (such assessments and audit being referred to as the "Internal Control Audit and Management Assessments") for the fiscal year ending December 31 of the calendar year in which the Distribution occurs (and, if the Distribution occurs in the first quarter of a fiscal year, also for the previous fiscal year), and (ii) without limiting the generality of the foregoing clause (i), each Party shall provide all required financial and other Information with respect to itself and its Subsidiaries to its auditors in a sufficient and reasonable time and in sufficient detail to permit its auditors to take all steps and perform all reviews necessary to provide sufficient assistance to the other Party's auditors (each such other

Party's auditors, collectively, the "Other Party's Auditors") with respect to Information to be included or contained in such other Party's annual financial statements for the fiscal year ending December 31 of the calendar year in which the Distribution occurs (or, if the Distribution occurs in the first quarter of a fiscal year, the previous fiscal year) and to permit the Other Party's Auditors and management to complete the Internal Control Audit and Management Assessments, if required;

(c) Access to Personnel and Records. subject to the confidentiality provisions of this Agreement (including those set forth in Article VII) and to the extent it relates to the time prior to the Distribution, (i) each Party shall authorize and request its respective auditors to make reasonably available to the Other Party's Auditors both the personnel who performed or are performing the annual audits of such audited Party (each such Party with respect to its own audit, the "Audited Party") and work papers related to the annual audits of such Audited Party, in all cases within a reasonable time prior to such Audited Party's auditors' opinion date, so that the Other Party's Auditors are able to perform the procedures they reasonably consider necessary to take responsibility for the work of the Audited Party's auditors as it relates to their auditors' report on such other Party's financial statements, all within sufficient time to enable such other Party to meet its timetable for the printing, filing and public dissemination of its annual financial statements with the Commission for the fiscal year ending December 31 of the calendar year in which the Distribution occurs (or, if the Distribution occurs in the first quarter of a fiscal year, the previous fiscal year), and (ii) each Party shall use commercially reasonable efforts to make reasonably available to the Other Party's Auditors and management its personnel and Records in a reasonable time prior to the Other Party's Auditors' opinion date and other Party's management's assessment date so that the Other Party's Auditors and other Party's management are able to perform the procedures they reasonably consider necessary to conduct the Internal Control Audit and Management Assessments; provided, however, that for matters pertaining to the provision of Tax Records, the Tax Matters Agreement shall govern;

(d) Current, Quarterly and Annual Reports. (i) at least three (3) Business Days prior to the earlier of public dissemination or filing with the Commission, each Party shall deliver to the other Party a reasonably complete draft of any earnings news release or any filing with the Commission containing financial statements for the related year in which the Distribution occurs (or, if the Distribution occurs in the first quarter of a fiscal year, the previous fiscal year) and the calendar year preceding such year, including current reports on Form 8-K, quarterly reports on 10-Q and annual reports on Form 10-K or any other annual report purporting to fulfill the requirements of 17 CFR 240-14c-3 (such reports, collectively, the "Public Reports"); provided, however, that each Party may continue to revise its respective Public Report prior to the filing thereof, which changes will be delivered to the other Party as soon as reasonably practicable; provided, further, that each Party's personnel will actively and reasonably consult with the other Party's personnel regarding any proposed changes to its respective Public Report and related disclosures prior to the anticipated filing with the Commission, with particular focus on any changes which would reasonably be expected to have an effect upon the other Party's financial statements or related disclosures, (ii) each Party shall notify the other Party, as soon as reasonably practicable after becoming aware thereof, of any

material accounting differences between the financial statements to be included in such Party's annual report on Form 10-K and the pro-forma financial statements included, as applicable, in the SpinCo Form 10 or the Form 8-K to be filed by RemainCo with the Commission on or about the time of each Distribution, and (iii) if any such differences are notified by any Party, the Parties shall confer and/or meet as soon as reasonably practicable thereafter, and in any event prior to the filing of any Public Report, to consult with each other in respect of such differences and the effects thereof on the Parties' applicable Public Reports; and

(e) Compensation Programs. to the extent (i) SpinCo's 2026 proxy statement or Form 10-K for the fiscal year ended December 31 of the calendar year in which the Distribution occurs discusses compensation programs of RemainCo, it shall substantially conform such discussion to RemainCo's proxy statement and/or Form 10-K for the applicable period; and (ii) RemainCo's 2026 proxy statement or Form 10-K for the fiscal year ended December 31 of the calendar year in which the Distribution occurs discusses compensation programs of SpinCo, it shall substantially conform such discussion to SpinCo's proxy statement and/or Form 10-K for the applicable period.

Nothing in this Section 5.1 shall require any Party to violate any Contract with any third party regarding the confidentiality of confidential and proprietary Information relating to that third party or its business; provided, however, that in the event that a Party is required under this Section 5.1 to disclose any such Information, such Party shall use commercially reasonable efforts to seek to obtain such third party's written consent to the disclosure of such Information.

Section 5.2 Separation of Information.

(a) Except as set forth on Schedule 5.2(a), SpinCo shall, and shall cause the other members of the SpinCo Group to, use commercially reasonable efforts to deliver to RemainCo (or its designee) as promptly as practicable all Information that constitutes a RemainCo Asset but is commingled in any member of the SpinCo Group's current records or archives (whether stored with a third party or directly by any member of the SpinCo Group) (SpinCo may redact Information that is a SpinCo Asset to which a member of the RemainCo Group does not have a license pursuant to any Ancillary Agreement (to the extent such Information is not reasonably necessary to exercise a license pursuant to any Ancillary Agreement) or access thereto pursuant to any Designated Ancillary Agreement or that is not otherwise related to the RemainCo Business); provided that with respect to any Information to which a member of the RemainCo Group has a license pursuant to any Ancillary Agreement (or such Information is reasonably necessary to exercise such license) or access thereto pursuant to any Designated Ancillary Agreement, such Information shall be delivered only to the extent of such license (or such reasonable need for related Information) or access thereto and otherwise subject to the terms of the applicable Ancillary Agreement or Designated Ancillary Agreement.

(b) If RemainCo identifies in writing particular Information (whether in written, electronic documentary or other archival documentary form) that RemainCo reasonably believes constitutes a RemainCo Asset (or to which a member of its Group has a license pursuant to an Ancillary Agreement (or such Information is reasonably necessary to exercise such license) or access thereto pursuant to a Designated Ancillary Agreement) or is

otherwise related to the RemainCo Business but is held by or on behalf of any member of the SpinCo Group (or any transferee thereof), SpinCo shall, and shall cause any other applicable member of the SpinCo Group to, request that the archive holder deliver such item to SpinCo for review as soon as reasonably practicable, and SpinCo shall review such request and deliver the requested material to RemainCo as promptly as reasonably practicable and in any event within fifteen (15) Business Days of receiving the material from the archive holder; provided that if the requested material is not specific and requires a longer period of review in light of the breadth of the request, SpinCo shall deliver the material to RemainCo as promptly as reasonably practicable and shall notify RemainCo of the expected timeframe to allow RemainCo to narrow such request if desired; provided, further, that with respect to any Information to which a member of the RemainCo Group has a license pursuant to any Ancillary Agreement (or such Information is reasonably necessary to exercise such license) or access thereto pursuant to any Designated Ancillary Agreement, such Information shall be delivered only to the extent of such license (or such reasonable need for related Information) or access thereto and otherwise subject to the terms of the applicable Ancillary Agreement or Designated Ancillary Agreement; provided, further, that if such requested material does not constitute a RemainCo Asset (and a member of the RemainCo Group is not otherwise granted a license pursuant to an Ancillary Agreement (and such Information is not reasonably necessary to exercise such license) or access thereto pursuant to a Designated Ancillary Agreement) or is not otherwise related to the RemainCo Business, SpinCo shall not deliver the material to RemainCo, but shall provide RemainCo with an explanation in reasonable detail of such determination and discuss with RemainCo in good faith.

(c) Except as set forth on Schedule 5.2(c), RemainCo shall, and shall cause the other members of the RemainCo Group to, use commercially reasonable efforts to deliver to SpinCo (or its designee) as promptly as practicable all Information that constitutes a SpinCo Asset but is commingled in any member of the RemainCo Group's current records or archives (whether stored with a third party or directly by any member of the RemainCo Group) (RemainCo may redact Information that is a RemainCo Asset to which a member of the SpinCo Group does not have a license pursuant to any Ancillary Agreement (to the extent such Information is not reasonably necessary to exercise a license pursuant to any Ancillary Agreement) or access thereto pursuant to any Designated Ancillary Agreement or that is not otherwise related to the SpinCo Business); provided that with respect to any Information to which a member of the SpinCo Group, as applicable, has a license pursuant to any Ancillary Agreement (or such Information is reasonably necessary to exercise such license) or access thereto pursuant to any Designated Ancillary Agreement, such Information shall be delivered only to the extent of such license (or such reasonable need for related Information) or access thereto and otherwise subject to the terms of the applicable Ancillary Agreement or Designated Ancillary Agreement.

(d) If SpinCo identifies in writing particular Information (whether in written, electronic documentary or other archival documentary form) that SpinCo reasonably believes constitutes a SpinCo Asset (or to which a member of its Group has a license pursuant to an Ancillary Agreement (or such Information is reasonably necessary to exercise such license) or access thereto pursuant to a Designated Ancillary Agreement) or is otherwise related to the SpinCo Business but is held by or on behalf of any member of the RemainCo Group (or any

transferee thereof), RemainCo shall, and shall cause any other applicable member of the RemainCo Group to, request that the archive holder deliver such item to RemainCo for review as soon as reasonably practicable, and RemainCo shall review such request and deliver the requested material to SpinCo as promptly as reasonably practicable and in any event within fifteen (15) Business Days of receiving the material from the archive holder; provided that if the requested material is not specific and requires a longer period of review in light of the breadth of the request, RemainCo shall deliver the material to SpinCo as promptly as reasonably practicable and shall notify SpinCo of the expected timeframe to allow SpinCo to narrow such request if desired; provided, further, that with respect to any Information to which a member of the SpinCo Group has a license pursuant to any Ancillary Agreement (or such Information is reasonably necessary to exercise such license) or access thereto pursuant to any Designated Ancillary Agreement, such Information shall be delivered only to the extent of such license (or such reasonable need for related Information) or access thereto and otherwise subject to the terms of the applicable Ancillary Agreement or Designated Ancillary Agreement; provided, further, that if such requested material does not constitute a SpinCo Asset (and a member of the SpinCo Group is not otherwise granted a license pursuant to an Ancillary Agreement (and such Information is not reasonably necessary to exercise such license) or access thereto pursuant to a Designated Ancillary Agreement) or is not otherwise related to the RemainCo Business, RemainCo shall not deliver the material to SpinCo, but shall provide SpinCo with an explanation in reasonable detail of such determination and discuss with SpinCo in good faith.

Section 5.3 Nonpublic Information. Each Party acknowledges on behalf of itself and the other members of its Group that Information provided under Section 5.1 may constitute material, nonpublic information, and trading in the securities of a member of either Group (or the securities of such Person's Affiliates, or partners) while in possession of such material, nonpublic material information may constitute a violation of the U.S. federal securities Laws.

Section 5.4 Cooperation. For a period of twelve (12) months following the Distribution Date and subject to the terms and limitations contained in this Agreement and the Ancillary Agreements, each Party shall, and shall cause the other members of its Group, their respective then-Affiliates, each of its and their respective Affiliates and its and their employees to (a) provide reasonable cooperation and assistance to the other Party (and any member of such Party's Group) in connection with the completion of the Internal Reorganization and the transactions contemplated herein and in each Ancillary Agreement (including assisting in the preparation of the Distribution), (b) reasonably assist each Party (or member of its respective Group) in the orderly and efficient transition in becoming an independent company, (c) reasonably assist the other Party (or member of its respective Group) to the extent such Party (or member of such Party's Group) is providing or has provided services, as applicable, pursuant to the Transition Services Agreement, in connection with requests for Information from, audits or other examinations of, such other Party (or member of such Party's Group) by a Governmental Entity, and (d) provide reasonable cooperation and assistance to the other Party (and any member of its respective Group) in (i) seeking and obtaining all Consents of Governmental Entities under applicable Law with respect to the transactions contemplated by this Agreement and (ii) gathering, preparing and submitting any Information or documentary material that may be

requested by any Governmental Entity in connection with obtaining such Consents, in each case (clauses (a) through (d)), at no additional cost to the Party (or member of such Party's Group) requesting such assistance other than for the actual out-of-pocket costs (which shall not include the costs of salaries and benefits of employees of such Party (or its Group) or any pro rata portion of overhead or other costs of employing such employees which would have been incurred by such employees' employer regardless of the employees' service with respect to the foregoing) incurred by any such Party (or its Group), if applicable. The cooperation and assistance provided for in this Section 5.4 shall not be required to the extent such cooperation and assistance would result in an undue burden on any Party (or any member of its Group) or would unreasonably interfere with any of its employees' normal functions and duties. In furtherance of, and without limiting, the foregoing, each Party shall, and shall cause the other members of its Group (or their then-current Affiliates) to, make reasonably available those employees with particular knowledge of any function or service of which the other Party was not allocated the employees involved in such function or service in connection with the Internal Reorganization (including employee benefits functions, risk management, etc.).

Section 5.5 Permits and Financial Assurance.

(a) Prior to the Distribution, the Permit Transferor shall be responsible for preparing and submitting, on a timely basis, all filings required to effect, as applicable (i) the Transfer to the applicable Permit Transferee of all permits, including Environmental Permits, that constitute Assets that are allocated to the Permit Transferee's Group pursuant to this Agreement, and (ii) the issuance of all permits, including Environmental Permits, necessary for the conduct of the Business of the Permit Transferee's Group as it is conducted as of the time of the Distribution after giving effect to the Ancillary Agreements. The Permit Transferee shall cooperate with the Permit Transferor with respect to the filing of such transfer or reissuance requests, including executing any necessary forms as required and providing Information in the Permit Transferee's possession to the Permit Transferor that is necessary for any such transfer or reissuance request. Following the Distribution, notwithstanding Section 2.6, the Permit Transferor shall, and shall cause the other members of its Group to, use commercially reasonable efforts to (A) assist the Permit Transferee by providing any Information necessary to allow the Permit Transferee to apply to the applicable Governmental Entity for issuance of a new permit, including Environmental Permits, to the Permit Transferee, to the extent that such application was not submitted prior to the Distribution pursuant to this Section 5.5(a), (B) of the type in clauses (i) and (ii) above, maintain each permit, including any Environmental Permit, that was not Transferred to the Permit Transferee prior to the Distribution (a "Non-Transferred Permit"), in full force and effect in all material respects in the ordinary course of business consistent with past practice (or, if greater, the level of effort agreed to maintain and administer its own permits, including any Environmental Permit) and taking into account the transactions contemplated by this Agreement, until such time as the permit has been transferred or reissued to the Permit Transferee; provided, that the Permit Transferor's obligation hereunder is conditioned on the Permit Transferee undertaking prompt action to apply for and prosecute the reissuance or a transfer of said Non-Transferred Permit, (C) cooperate in any reasonable and lawful arrangement designed to provide to the Permit Transferee the benefits arising under each Non-Transferred Permit, including accepting such reasonable direction as the Permit Transferee shall request of

the Permit Transferor, and (D) enforce at the Permit Transferee's reasonable request, or allow the Permit Transferee to enforce in a commercially reasonable manner, any rights of the Permit Transferor under such Non-Transferred Permit (to the extent related to the Business of the Permit Transferee); provided that (x) the costs and expenses incurred by the Permit Transferor related to the foregoing clauses (A) and (B) shall be borne solely by the Permit Transferor and (y) the costs and expenses incurred by the Permit Transferor related to the foregoing clauses (C) and (D) shall be borne solely by the Permit Transferee. Following the Distribution, the Permit Transferee shall be responsible for compliance by the Business of its Group with all of the terms and conditions of any permit, including any Environmental Permit, which is a Non-Transferred Permit. The Permit Transferee shall be responsible for all Liabilities related thereto and shall indemnify the Permit Transferor pursuant to Article VI for all Indemnifiable Losses to the extent relating to or arising in connection with or resulting from a Permit, including any Environmental Permit, which is a Non-Transferred Permit due to the Business of its Group, including fines or penalties arising from violations by its Group of any terms and/or conditions of the Non-Transferred Permit. The covenants and agreements set forth in this Section 5.5(a) of a Permit Transferor or Permit Transferee that (x) is a member of the RemainCo Group shall constitute RemainCo Liabilities, and (y) is a member of the SpinCo Group shall constitute SpinCo Liabilities. Notwithstanding Section 2.5 or Section 2.6, but in furtherance of the foregoing, in the case of any Permits (including Environmental Permits) which are related to both of the RemainCo Business and SpinCo Business (a "Shared Permit"), the holder of such Shared Permit shall be entitled to elect whether to (I) Transfer the applicable Shared Permit to a member of the other Party's Group (as designed by such Party) and procure for itself any new Permits or (II) procure the issuance for the other Party of such new Permits, including Environmental Permits, related to the existing Shared Permits (to the extent necessary for the conduct of the Business of such other Party's Group as it is conducted as of the time of the Distribution after giving effect to the Ancillary Agreements); provided that, in each case, if there is any delay in the Transfer or procurement of such Permit, clauses (A) through (D) of this Section 5.5(a) shall continue to apply.

(b) Subject to Article VI, to the extent required by applicable Law and as soon as practicable after the Distribution, but in any event no later than the applicable period provided by applicable Law or, if no such date is set forth in applicable Law, then no later than thirty (30) days after the Distribution, each of SpinCo and RemainCo, as the case may be, shall, or shall cause another member of its Group to, (i) take such action as may be required to obtain, replace or amend financial assurance with respect to Environmental Liabilities that constitute SpinCo Liabilities or RemainCo Liabilities and (ii) submit to the appropriate regulatory agencies documentation satisfactory to such agencies that it has taken such action required under clause (i). A schedule of the known financial assurance related to SpinCo Environmental Liabilities for which action is required under this Section 5.5(b) is set forth on Schedule 5.5, which schedule may be amended after the Distribution should either Party become aware that SpinCo or RemainCo is required, as a result of the transactions contemplated by this Agreement, to obtain, replace or amend any financial assurance. Subject to Article VI, to the extent that the Environmental Liability underlying such financial assurance is a SpinCo Liability or RemainCo Liability, SpinCo or RemainCo, respectively, shall remain liable for the costs and expenses

associated with such financial assurance, even in circumstances where an Indemnitee is required as a matter of applicable Law to obtain such financial assurance.

Section 5.6 Non-Solicit.

(a) SpinCo agrees that, for a period of eighteen (18) months following the Distribution Date, it shall not, and shall cause the members of the SpinCo Group not to, without the prior written consent of RemainCo, directly or through others, on its own behalf or in the service or on behalf of others, hire or attempt to hire, whether as an employee, consultant, independent contractor or otherwise, any (i) Key Employee of the RemainCo Group or (ii) former Key Employee of the RemainCo Group who was on the payroll of the RemainCo Group within six (6) months of the date of such hiring or attempted hiring by SpinCo or any member of the SpinCo Group; provided that SpinCo and any member of the SpinCo Group may (x) engage in general solicitations for employment by use of advertisements in the media that are not specifically directed at employees of the RemainCo Group and, following the date that is six (6) months following the Distribution Date, hire any employee or former employee of the RemainCo Group, including any Key Employee or former Key Employee of the RemainCo Group, in response to any such general solicitation or (y) hire any employee or former employee of the RemainCo Group, including any Key Employee or former Key Employee of the RemainCo Group, if such employee was terminated by the RemainCo Group due to a reduction in force, including any plant closures, mass layoffs or position elimination; provided, further, that the Parties may mutually agree on additional exceptions to the non-solicitation restrictions set forth in this Section 5.6.

(b) RemainCo agrees that, for a period of eighteen (18) months following the Distribution Date, it shall not, and shall cause the members of the RemainCo Group not to, without the prior written consent of SpinCo, directly or through others, on its own behalf or in the service or on behalf of others, hire or attempt to hire, whether as an employee, consultant, independent contractor or otherwise, any (i) Key Employee of the SpinCo Group or (ii) former Key Employee of the SpinCo Group who was on the payroll of the SpinCo Group within six (6) months of the date of such hiring or attempted hiring by RemainCo or any member of the RemainCo Group; provided that RemainCo and any member of the RemainCo Group may (x) engage in general solicitations for employment by use of advertisements in the media that are not specifically directed at employees of the SpinCo Group and, following the date that is six (6) months following the Distribution Date, hire any employee or former employee of the SpinCo Group, including any Key Employee or former Key Employee of the SpinCo Group, in response to any such general solicitation or (y) hire any employee or former employee of the SpinCo Group, including any Key Employee or former Key Employee of the SpinCo Group, if such employee was terminated by the SpinCo Group due to a reduction in force, including any plant closures, mass layoffs or position elimination; provided, further, that the Parties may mutually agree on additional exceptions to the non-solicitation restrictions set forth in this Section 5.6.

(c) If a final and non-appealable judicial determination is made that any provision of this Section 5.6 constitutes an unreasonable or otherwise unenforceable restriction with respect to any particular jurisdiction, the provisions of this Section 5.6 will not be

rendered void but will be deemed to be modified solely with respect to the applicable jurisdiction to the minimum extent necessary to remain in force and effect for the greatest period and to the greatest extent that such court determines constitutes a reasonable restriction under the circumstances.

Section 5.7 Other Covenants. The Parties hereby agree to, and to cause the members of its respective Group (as applicable) to, take the actions as specified on Schedule 5.7.

ARTICLE VI

INDEMNIFICATION

Section 6.1 Release of Pre-Distribution Claims.

(a) Except (i) as provided in Section 6.1(b), (ii) as may be otherwise expressly provided in this Agreement and (iii) for any matter for which any Indemnitee is entitled to indemnification pursuant to this Article VI, each Party, on behalf of itself and each member of its Group, and to the extent permitted by Law, all Persons who at any time prior to the Distribution were directors, officers, agents or employees of any member of its respective Group (in their respective capacities as such), in each case, together with their respective heirs, executors, administrators, successors and assigns, (x) do hereby knowingly, unconditionally and irrevocably but effective at the time of and conditioned upon the occurrence of the Distribution, and (y) at the time of the Distribution shall, fully remise, release and forever discharge the other Party and the other members of such other Party's Group and their respective successors and all Persons who at any time prior to the Distribution were shareholders, directors, officers or employees of any member of such other Party's Group (in their capacity as such), in each case, together with their respective heirs, executors, administrators, successors and assigns from any and all Liabilities whatsoever, whether at Law or in equity, whether arising under any Contract, by operation of Law or otherwise, in each case, existing or arising from any acts or events occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed on or before the Distribution, including in connection with the Internal Reorganization, the Distribution and any of the other transactions contemplated hereunder and under the Ancillary Agreements; provided, however, that no employee shall be remised, released and discharged to the extent that such Liability relates to, arises out of or results from intentional misconduct by such employee.

(b) Nothing contained in this Agreement, including Section 6.1(a) or Section 2.4, shall impair or otherwise affect any right of any Party, any member of either Group, or any Party's or member of a Group's respective heirs, executors, administrators, successors and assigns to enforce this Agreement, any Ancillary Agreement or any agreements, arrangements, commitments or understandings that continue in effect after the Distribution pursuant to the terms of this Agreement or any Ancillary Agreement. In addition, nothing contained in Section 6.1(a) shall release any Person from:

(i) any Liability Assumed, Transferred or allocated to a Party or a member of such Party's Group pursuant to or as contemplated by, or any other

Liability of any member of such Group under, this Agreement or any Ancillary Agreement, including (A) with respect to SpinCo, any SpinCo Liability, and (B) with respect to RemainCo, any RemainCo Liability;

(ii) any Liability in respect of any Other Surviving Intergroup Account;

(iii) any Liability in respect of any Contract that is entered into after the Distribution Date between one Party (or a member of such Party's Group), on the one hand, and the other Party (or a member of such Party's Group), on the other hand;

(iv) any Liability that the Parties may have with respect to indemnification pursuant to this Agreement or any Ancillary Agreement or otherwise for claims or Actions brought against any Indemnitee by third Persons, which Liability shall be governed by the provisions of this Agreement and, in particular, this Article VI or, in the case of any Liability arising out of an Ancillary Agreement, the applicable provisions of the Ancillary Agreement; or

(v) any Liability the release of which would result in a release of any Person other than the Persons released in Section 6.1(a); provided that the Parties agree not to bring any Action or permit any other member of their respective Group to bring any Action against a Person released in Section 6.1(a) with respect to such Liability.

In addition, nothing contained in Section 6.1(a) shall release (x) RemainCo from indemnifying any director, officer or employee of SpinCo who was a director, officer or employee of RemainCo or any of its Subsidiaries on or prior to the Distribution, to the extent such director, officer or employee is or becomes a named defendant in any Action with respect to which he or she was entitled to such indemnification pursuant to obligations existing prior to the Distribution; it being understood that if the underlying obligation giving rise to such Action is a SpinCo Liability, SpinCo shall indemnify RemainCo for such Liability (including RemainCo's costs to indemnify the director, officer or employee) in accordance with the provisions set forth in this Article VI, and (y) SpinCo from indemnifying any director, officer or employee of RemainCo who was a director, officer or employee of SpinCo or any of its Subsidiaries on or prior to the Distribution, as the case may be, to the extent such director, officer or employee is or becomes a named defendant in any Action with respect to which he or she was entitled to such indemnification pursuant to obligations existing prior to the Distribution; it being understood that if the underlying obligation giving rise to such Action is a RemainCo Liability, RemainCo shall indemnify SpinCo for such Liability (including SpinCo's costs to indemnify the director, officer or employee) in accordance with the provisions set forth in this Article VI.

(c) From and after the Effective Time, each Party shall not, and shall not permit any member of its Group, or any of their respective Affiliates, to, make any (or fail to withdraw any previously existing) claim, demand or offset, or commence any (or fail to withdraw any previously existing) Action asserting any claim, demand or offset, including any claim for indemnification, against the other Party or any member of such other Party's Group, or

any other Person released pursuant to Section 6.1(a) or their respective successors with respect to any Liabilities released pursuant to Section 6.1(a).

(d) It is the intent of each Party, by virtue of the provisions of this Section 6.1, to provide for, at the Effective Time, a knowing, unconditional and irrevocable and full and complete release and discharge of all Liabilities existing or arising from all acts and events occurring or failing to occur or alleged to have occurred or to have failed to occur and all conditions existing or alleged to have existed on or before the Distribution, whether known or unknown, between any Party (and/or a member of such Party's Group), on the one hand, and the other Party (and/or a member of such Party's or parties' Group), on the other hand (including any contractual agreements or arrangements existing or alleged to exist between or among any such members on or before the Distribution), except as specifically set forth in Sections 6.1(a) and 6.1(b). At any time, at the reasonable request of the other Party, each Party shall cause each member of its respective Group and, to the extent practicable each other Person on whose behalf it released Liabilities pursuant to this Section 6.1 to execute and deliver releases reflecting the provisions hereof.

(e) Each of SpinCo and RemainCo, on behalf of itself and the members of its respective Group, hereby knowingly, unconditionally and irrevocably waives any claims, rights of termination and any other rights under any Ancillary Agreement related to or arising out of the Internal Reorganization or the Distribution (including with respect to any "change of control" or similar provision or due to any Party no longer being an Affiliate of the other Party), and agrees that any change in rights or obligations that would automatically be effective as a result thereof be deemed amended to no longer apply (and that Section 2.8 shall apply in respect of such amendments).

Section 6.2 Indemnification by RemainCo. In addition to any other provisions of this Agreement requiring indemnification and except as otherwise specifically set forth in any provision of this Agreement, following the Distribution, RemainCo shall and shall cause the other members of the RemainCo Group to indemnify, defend and hold harmless the SpinCo Indemnitees from and against any and all Indemnifiable Losses of the SpinCo Indemnitees, to the extent relating to, arising out of or resulting from (a) the RemainCo Liabilities or any Third Party Claim that would, if resolved in favor of the claimant, constitute a RemainCo Liability or (b) any breach by RemainCo of any provision of this Agreement, in each case, excluding any payment obligations arising out of self-insurance policies, fronted insurance policies or captive insurance policies maintained by the SpinCo Group to which any member of the RemainCo Group has access pursuant to Section 9.1(a).

Section 6.3 Indemnification by SpinCo. In addition to any other provisions of this Agreement requiring indemnification and except as otherwise specifically set forth in any provision of this Agreement, following the Distribution, SpinCo shall and shall cause the other members of the SpinCo Group to indemnify, defend and hold harmless the RemainCo Indemnitees from and against any and all Indemnifiable Losses of the RemainCo Indemnitees, to the extent relating to, arising out of or resulting from (a) the SpinCo Liabilities or any Third Party Claim that would, if resolved in favor of the claimant, constitute a SpinCo Liability or

(b) any breach by SpinCo of any provision of this Agreement, in each case, excluding any payment obligations arising out of self-insurance policies, fronted insurance policies or captive insurance policies maintained by the RemainCo Group to which any member of the SpinCo Group has access pursuant to Section 9.1(b).

Section 6.4 Procedures for Third Party Claims.

(a) If a claim or demand is made against a RemainCo Indemnitee or a SpinCo Indemnitee (each, an “Indemnitee”) by any Person who is not a member of the SpinCo Group or RemainCo Group (a “Third Party Claim”) as to which such Indemnitee is or may be entitled to indemnification pursuant to this Agreement, such Indemnitee shall notify the Party which is or may be required pursuant to this Article VI to make such indemnification (the “Indemnifying Party”) in writing, and in reasonable detail, of the Third Party Claim as promptly as practicable (and in any event within thirty (30) days) after receipt by such Indemnitee of written notice of the Third Party Claim. Thereafter, the Indemnitee shall deliver to the Indemnifying Party, as promptly as practicable (and in any event within five (5) Business Days) after the Indemnitee’s receipt thereof, copies of all notices and documents (including court papers) received by the Indemnitee relating to the Third Party Claim. Notwithstanding the foregoing, failure to provide such written notice or copies shall not release the Indemnifying Party from any of its obligations except and solely to the extent the Indemnifying Party shall have been actually materially prejudiced as a result of such failure.

(b) Other than in the case of (i) Taxes addressed in the Tax Matters Agreement, which shall be addressed as set forth therein or (ii) indemnification by a beneficiary Party of a guarantor Party pursuant to Section 2.10(c) (the defense of which shall be controlled by the beneficiary Party), (A) an Indemnifying Party shall be entitled (but shall not be required) to assume and control the defense of any Third Party Claim, and (B) if it does not assume the defense of such Third Party Claim, to participate in the defense of such Third Party Claim, in each case, at such Indemnifying Party’s own cost and expense and by such Indemnifying Party’s own counsel that is reasonably acceptable to the applicable Indemnitees (after consultation in good faith with the applicable Indemnitees), if it gives prior written notice of its intention to do so to the applicable Indemnitees within twenty (20) days of the Indemnifying Party’s receipt of notice of the relevant Third Party Claim from the applicable Indemnitees pursuant to Section 6.4(a) (and, in the event the Indemnifying Party does not provide notice within such twenty (20) days of its intention to assume or participate in the defense of such Third Party Claim, the Indemnifying Party shall be deemed to have waived its right to do so); provided, however, that the Indemnifying Party shall not be entitled to assume the defense of any Third Party Claim to the extent such Third Party Claim (x) is an allegation of a criminal violation, (y) seeks injunctive, equitable or other relief other than monetary damages against the Indemnitee (provided that such Indemnitee shall reasonably cooperate with the Indemnifying Party, at the request of the Indemnifying Party, in seeking to separate any such claims from any related claim for monetary damages if this clause (y) is the sole reason that such Third Party Claim is a Non-Assumable Third Party Claim) or (z) is made by a Governmental Entity (clauses (x), (y), and (z)), the “Non-Assumable Third Party Claims”). After notice from an Indemnifying Party to an Indemnitee of the Indemnifying Party’s election to assume the defense of a Third Party Claim,

such Indemnatee shall have the right to employ separate counsel and to participate in (but not control) the defense, compromise, or settlement thereof, at its own expense and, in any event, shall cooperate with the Indemnifying Party in such defense and make available to the Indemnifying Party, at the Indemnifying Party's expense, all witnesses, pertinent Information, materials and other information in such Indemnatee's possession or under such Indemnatee's control relating thereto as are reasonably required by the Indemnifying Party; provided, however, that in the event a conflict of interest exists, or is reasonably likely to exist, that would make it inappropriate in the reasonable judgment of the applicable Indemnatee(s) for the same counsel to represent both the Indemnifying Party and the applicable Indemnatee(s), such Indemnatee(s) shall be entitled to retain, at the Indemnifying Party's expense, separate counsel. In the event that the Indemnifying Party exercises the right to assume and control the defense of a Third Party Claim as provided above, (I) the Indemnifying Party shall keep the Indemnatee(s) apprised of all material developments in such defense, (II) the Indemnifying Party shall not withdraw from the defense of such Third Party Claim without providing advance notice to the Indemnatee(s) reasonably sufficient to allow the Indemnatee(s) to prepare to assume the defense of such Third Party Claim, and (III) the Indemnifying Party shall conduct the defense of the Third Party Claim actively and diligently, including the posting of any bonds or other security required in connection with the defense of such Third Party Claim.

(c) Other than in the case of a Non-Assumable Third Party Claim, if an Indemnifying Party elects not to assume responsibility for defending a Third Party Claim or fails to notify an Indemnatee of its election as provided in Section 6.4(b), or if the Indemnifying Party fails to actively and diligently defend the Third Party Claim (including by withdrawing or threatening to withdraw from the defense thereof), the applicable Indemnatee(s) may defend such Third Party Claim at the cost and expense of the Indemnifying Party. If the Indemnatee is conducting the defense of any Third Party Claim, the Indemnifying Party shall cooperate with the Indemnatee in such defense and make available to the Indemnatee, at the Indemnifying Party's expense, all witnesses, pertinent Information, material and information in such Indemnifying Party's possession or under such Indemnifying Party's control relating thereto as are reasonably required by the Indemnatee pursuant to a joint defense agreement to be entered into by Indemnatee and the Indemnifying Party; provided, however, that such access shall not require the Indemnifying Party to disclose any information the disclosure of which would, in the reasonable judgment of the Indemnifying Party, result in the loss of any existing attorney-client privilege with respect to such information or violate any applicable Law.

(d) No Indemnatee may admit any liability with respect to, consent to entry of any judgment of, or settle, compromise or discharge any Third Party Claim without the prior written consent of the Indemnifying Party, which consent shall not be unreasonably withheld, conditioned or delayed. If an Indemnifying Party has failed to assume the defense of a Third Party Claim, it shall not be a defense to any obligation to pay any amount in respect of such Third Party Claim that the Indemnifying Party was not consulted in the defense thereof, that such Indemnifying Party's views or opinions as to the conduct of such defense were not accepted or adopted, that such Indemnifying Party does not approve of the quality or manner of the defense thereof or that such Third Party Claim was incurred by reason of a settlement rather than by a judgment or other determination of liability.

(e) In the case of a Third Party Claim, the Indemnifying Party shall not admit any liability with respect to, consent to entry of any judgment of, or settle, compromise or discharge, the Third Party Claim without the prior written consent of the Indemnatee (which consent shall not be unreasonably withheld, conditioned or delayed) unless such settlement or judgment (i) completely and unconditionally releases the Indemnatee in connection with such matter, (ii) provides relief consisting solely of money damages borne by the Indemnifying Party and (iii) does not involve any admission by the Indemnatee of any wrongdoing or violation of Law.

(f) Notwithstanding anything herein or in any Ancillary Agreement or any Conveyancing and Assumption Instrument to the contrary, other than (x) actions for specific performance or injunctive or other equitable relief pursuant to Section 10.19, and (y) the indemnification provisions in Section 2.2(d), Section 2.5(c), Section 2.10 and Section 5.5, (i) the indemnification provisions of this Article VI shall be the sole and exclusive remedy of the Parties, the parties to the Conveyancing and Assumption Instruments and any Indemnatee for any breach of this Agreement or any Conveyancing and Assumption Instrument and for any failure to perform and comply with any covenant or agreement in this Agreement or in any Conveyancing and Assumption Instrument; (ii) each Party and each Indemnatee knowingly, unconditionally and irrevocably and expressly waives and relinquishes any and all rights, claims or remedies it may have with respect to the foregoing other than under this Article VI against any Indemnifying Party; (iii) none of the Parties, the members of their respective Groups or any other Person may bring a claim under any Conveyancing and Assumption Instrument; (iv) any and all claims arising out of, resulting from, or in connection with the Internal Reorganization or the other transactions contemplated in this Agreement must be brought under and in accordance with the terms of this Agreement; and (v) no breach of this Agreement or any Conveyancing and Assumption Instrument shall give rise to any right on the part of any Party or party thereto, after the consummation of the Distribution, to rescind this Agreement, any Conveyancing and Assumption Instrument or any of the transactions contemplated hereby or thereby, except as expressly provided in Section 2.6(a) and Section 2.6(b); provided, however, that with respect to the transactions contemplated by this Agreement (including the Internal Reorganization and Distribution), the Parties may also bring claims arising under the Tax Matters Agreement under and in accordance with the Tax Matters Agreement and claims arising under the Employee Matters Agreement under and in accordance with the Employee Matters Agreement. Each Party shall cause the members of its Group to comply with this Section 6.4(f).

(g) The provisions of this Article VI shall apply to Third Party Claims that are already pending or asserted as well as Third Party Claims brought or asserted after the date of this Agreement. There shall be no requirement under this Section 6.4 to give notice with respect to the existence of any Third Party Claim that exists as of the Effective Time. Each Party on behalf of itself and each other member of its Group acknowledges that Liabilities for Actions (regardless of the parties to the Actions) may be partly RemainCo Liabilities and partly SpinCo Liabilities. If the Parties cannot agree on the allocation of any such Liabilities for Actions, they shall resolve the matter of such allocation pursuant to the procedures set forth in Article VIII. No Party shall, nor shall any Party permit the other members of its Group (or their respective then-

Affiliates) to file Third Party Claims or cross-claims against the other Party or any members of the other Group in an Action in which a Third Party Claim is being resolved.

Section 6.5 Procedures for Direct Claims. An Indemnatee shall give the Indemnifying Party written notice of any matter that an Indemnatee has determined has given or would reasonably be expected to give rise to a right of indemnification under this Agreement (other than a Third Party Claim which shall be governed by Section 6.4(a)), within thirty (30) days of such determination, stating the amount of the Indemnifiable Loss claimed, if known, and method of computation thereof, and containing a reference to the provisions of this Agreement in respect of which such right of indemnification is claimed by such Indemnatee or arises; provided, however, that the failure to provide such written notice shall not release the Indemnifying Party from any of its obligations except and solely to the extent the Indemnifying Party shall have been actually materially prejudiced as a result of such failure.

Section 6.6 Cooperation in Defense and Settlement.

(a) With respect to any Third Party Claim that implicates both Parties (or any member of such Parties' respective Groups or their respective then-Affiliates) in a material respect, including due to the allocation of Liabilities, the reasonably foreseeable impact on the Businesses of the relief sought or the responsibilities for management of defense and related indemnities pursuant to this Agreement, the Parties agree to, and shall cause the members of such Parties' respective Group to, use reasonable best efforts to cooperate fully (including providing signatures required in connection with the resolution of any Third Party Claim in accordance with Section 6.4 and this Section 6.6) and maintain a joint defense (in a manner that will preserve for all Parties any Privilege). The Party that is not responsible for managing the defense of any such Third Party Claim shall be consulted with respect to significant matters relating thereto and may, if necessary or helpful, retain counsel to assist in the defense of such claims. Notwithstanding the foregoing, nothing in this Section 6.6 shall derogate from any Party's rights to control the defense of any Action in accordance with Section 6.4.

(b) (i) Notwithstanding anything to the contrary in this Agreement, with respect to any Third Party Claim where the resolution of such Third Party Claim by order, judgment, settlement or otherwise, would reasonably be expected to include any condition, limitation or other stipulation that would, in the reasonable judgment of RemainCo, significantly and adversely impact the business or conduct of the RemainCo Business or result in a significant adverse change to any member of the RemainCo Group at shared locations where any member of the SpinCo Group and any member of the RemainCo Group, as applicable, have operating agreements, governmental permits or joint obligations to a Governmental Entity with interdependencies, RemainCo shall have, at RemainCo's expense, the reasonable opportunity to consult, advise and comment in all preparation, planning and strategy regarding any such Third Party Claim, including with regard to any drafts of notices and other conferences and communications to be provided or submitted by any member of the RemainCo Group to any third party involved in such Third Party Claim (including any Governmental Entity), to the extent that RemainCo's participation does not affect any Privilege in a material and adverse manner, such that SpinCo shall comply with this Section 6.6(b) to the fullest extent possible

without materially and adversely affecting such Privilege; provided that to the extent that any such Third Party Claim requires the submission by any member of the SpinCo Group of any Information relating to any current or former officer or director of any member of the RemainCo Group, such Information will only be submitted in a form approved by RemainCo in its reasonable discretion, and (ii) notwithstanding anything to the contrary in this Agreement, with respect to any Third Party Claim where the resolution of such Third Party Claim by order, judgment, settlement or otherwise, would reasonably be expected to include any condition, limitation or other stipulation that would, in the reasonable judgment of SpinCo, significantly and adversely impact the conduct of the SpinCo Business or result in a significant adverse change to any member of the SpinCo Group at shared locations where any member of the SpinCo Group and any member of the RemainCo Group, as applicable, have operating agreements, governmental permits or joint obligations to a Governmental Entity with interdependencies, SpinCo shall have, at SpinCo's expense, the reasonable opportunity to consult, advise and comment in all preparation, planning and strategy regarding any such Third Party Claim, including with regard to any drafts of notices and other conferences and communications to be provided or submitted by any member of the RemainCo Group to any third party involved in such Third Party Claim (including any Governmental Entity), to the extent that SpinCo's participation does not affect any Privilege in a material and adverse manner, such that RemainCo shall comply with this Section 6.6(b) to the fullest extent possible without materially and adversely affecting such Privilege; provided, that to the extent that any such Third Party Claim requires the submission by any member of the RemainCo Group of any Information relating to any current or former officer or director of any member of the SpinCo Group, such Information will only be submitted in a form approved by SpinCo in its reasonable discretion. Notwithstanding anything to the contrary in this Agreement, (A) with regard to the matters specified in the preceding clause (i), RemainCo shall have a right to consent to any compromise or settlement related thereto by any member of the SpinCo Group to the extent that the effect on any member of the RemainCo Group would reasonably be expected to result in a significant adverse effect on the financial condition or results of operations of RemainCo and its Subsidiaries at such time or the RemainCo Business conducted thereby at such time, taken as a whole, and such significant adverse effect would reasonably be expected to be greater with respect to the RemainCo Group, taken as a whole, than the effect on the SpinCo Group, taken as a whole, and (B) with regard to the matters specified in the preceding clause (ii), SpinCo shall have a right to consent to any compromise or settlement related thereto by any member of the RemainCo Group to the extent that the effect on any member of the SpinCo Group would reasonably be expected to result in a significant adverse effect on the financial condition or results of operations of SpinCo and its Subsidiaries at such time or the SpinCo Business conducted thereby at such time, taken as a whole, and such significant adverse effect would reasonably be expected to be greater with respect to the SpinCo Group, taken as a whole, than the effect on the RemainCo Group, taken as a whole.

(c) Each of RemainCo and SpinCo agrees on behalf of itself and the other members of its Group that at all times from and after the Effective Time, if an Action is commenced by a third party naming both Parties (or any member of such Parties' respective Groups or their respective then-Affiliates) as defendants and with respect to which one or more named Parties (or any member of such Party's respective Group or their respective then-

Affiliates) is a nominal defendant and/or such Action is otherwise not a Liability allocated to such named Party under this Agreement, then the other Party shall use, and shall cause the other members of its respective Group to use, commercially reasonable efforts to cause such nominal defendant to be removed from such Action, as soon as reasonably practicable (including using commercially reasonable efforts to petition the applicable court to remove such Party (or member of its Group or their respective then-Affiliates) as a defendant to the extent such Action relates solely to Assets or Liabilities that the other Party (or Group) has been allocated pursuant to this Agreement). In the event of an Action in which the Indemnifying Party is not a named defendant, if either the Indemnitee or Indemnifying Party shall so request, each Party shall, and shall cause the other members of its Group to, endeavor to substitute the Indemnifying Party for the named defendant, if at all practicable and advisable under the circumstances. Notwithstanding any applicable confidentiality or Privilege provisions to the contrary in this Agreement, any Party endeavoring to remove or substitute such defendant pursuant to this Agreement shall be entitled to submit any necessary provisions of this Agreement, including the Schedules and Exhibits hereto, to the applicable court solely for the purpose of supporting such Party's commercially reasonable efforts to remove or substitute such defendant. In the event any Party endeavoring to remove or substitute such defendant pursuant to this Agreement submits any necessary provisions of this Agreement, including the Schedules and Exhibits hereto, to the applicable court, such Party shall take all steps reasonably within its power to cause such application, and any exhibits (including copies of any provisions of this Agreement, including the Schedules and Exhibits hereto, that are not otherwise publicly filed) to be filed under seal, shall oppose any challenge by any third party to such sealing, and shall give the other Party immediate notice of such challenge. If such substitution or addition cannot be achieved for any reason or is not requested, management of the Action shall be determined as set forth in this Article VI.

Section 6.7 Indemnification Payments. Indemnification required by this Article VI shall be made by periodic payments of the amount of Indemnifiable Loss in a timely fashion during the course of the investigation or defense, as and when bills are received or an Indemnifiable Loss or Liability is incurred. The applicable Indemnitee shall deliver to the Indemnifying Party, upon request, reasonably satisfactory documentation setting forth the basis for the amount of such payments, including documentation with respect to calculations made and consideration of any Insurance Proceeds or Third Party Proceeds that actually reduce the amount of such Indemnifiable Losses; provided that the delivery of such documentation shall not be a condition to the payments described in the first sentence of this Section 6.7, but the failure to deliver such documentation may be the basis for the Indemnifying Party to contest whether the applicable Indemnifiable Loss or Liability was incurred by the applicable Indemnitee.

Section 6.8 Indemnification Obligations Net of Insurance Proceeds and Other Amounts.

(a) Any Indemnifiable Loss subject to indemnification pursuant to this Article VI shall be calculated (i) net of Insurance Proceeds that actually reduce the amount of the Indemnifiable Loss and (ii) net of any proceeds received by the Indemnitee from any third party (net of any deductible, retention amount or increased insurance premiums incurred by the Indemnifying Party in obtaining such recovery) for such Liability that actually reduce the amount

of the Indemnifiable Loss (“Third Party Proceeds”). Accordingly, the amount which any Indemnifying Party is required to pay pursuant to this Article VI to any Indemnitee pursuant to this Article VI shall be reduced by any Insurance Proceeds or Third Party Proceeds theretofore actually recovered by or on behalf of the Indemnitee in respect of the related Indemnifiable Loss. If an Indemnitee receives a payment required by this Agreement from an Indemnifying Party in respect of any Indemnifiable Loss (an “Indemnity Payment”) and subsequently receives Insurance Proceeds or Third Party Proceeds, then the Indemnitee shall pay to the Indemnifying Party an amount equal to the excess of the Indemnity Payment received over the amount of the Indemnity Payment that would have been due if the Insurance Proceeds or Third Party Proceeds had been received, realized or recovered before the Indemnity Payment was made.

(b) The Parties hereby agree that an insurer who would otherwise be obligated to pay any claim shall not be relieved of the responsibility with respect thereto and, solely by virtue of the indemnification provisions hereof, shall not have any subrogation rights with respect thereto, and that no insurer or any other third party shall be entitled to a “windfall” (e.g., a benefit it would not otherwise be entitled to receive, or the reduction or elimination of an insurance coverage obligation that it would otherwise have, in the absence of the indemnification or release provisions) by virtue of any provision contained in this Agreement. The Indemnitee shall use commercially reasonable efforts to seek to collect or recover any Insurance Proceeds and any Third Party Proceeds to which the Indemnitee is entitled in connection with any Indemnifiable Loss for which the Indemnitee seeks indemnification pursuant to this Article VI; provided that the Indemnitee’s inability, following such efforts, to collect or recover any such Insurance Proceeds or Third Party Proceeds shall not limit the Indemnifying Party’s obligations hereunder.

(c) No Indemnitee shall be entitled to any payment or indemnification more than once with respect to the same Indemnifiable Loss.

(d) In addition to the provisions of Section 6.8(a), any Indemnifiable Loss subject to indemnification pursuant to this Article VI, shall be (i) reduced to take into account any Tax benefit actually realized by the Indemnitee, resulting from the incurrence of the Liability in respect of which the Indemnity Payment is made, in the Tax year of such Liability or in any taxable period ending on or prior to the close of the Tax year of such Liability and (ii) increased to take into account any Tax cost actually incurred by the Indemnitee resulting from the receipt of the Indemnity Payment, including any Tax cost arising from such Indemnity Payment having resulted in income or gain to either Party, for example, under Section 1.1502-19 of the Regulations, and any Taxes imposed on additional amounts payable pursuant to this clause (ii). For purposes of calculating the amount of any Tax benefit or Tax cost, the applicable Indemnitee shall be deemed to be subject to the maximum applicable statutory Tax rate in the applicable jurisdiction in the taxable year in which such Tax benefit or Tax cost was realized and any Tax Attributes of such Indemnitee shall be disregarded.

Section 6.9 Management of Existing Actions.

(a) Notwithstanding the procedures set forth in Section 6.4, the Parties desire to set forth certain terms with respect to the management of certain Actions known to

them as of the Effective Time, and accordingly this Section 6.9 shall govern the management and direction (including settlement) of certain pending Actions as set forth in Section 6.9(b), Section 6.9(c), and Section 6.9(d), but shall not alter the allocation of Liabilities otherwise set forth in this Agreement.

(b) From and after the Effective Time, subject to the terms of this Section 6.9, SpinCo shall direct the defense or prosecution of those Actions which are entirely SpinCo Liabilities, including if they have RemainCo or any member of the RemainCo Group as a named party thereunder, and are described on Schedule 6.9(b) (the “SpinCo Controlled Existing Actions”), including the development and implementation of the legal strategy for each SpinCo Controlled Existing Action, the filing of any motions, pleadings or briefs, the conduct of discovery and related fact finding, the conduct of any trial, any decision to appeal or not to appeal any decisions, judgment or order, and any decision or consent to a settlement, compromise or discharge of any SpinCo Controlled Existing Action or any aspect thereof. SpinCo (or the applicable member of its Group) shall be responsible for selecting its own counsel in connection with the conduct and control of the SpinCo Controlled Existing Actions. Notwithstanding anything to the contrary in this Section 6.9(b), none of SpinCo or any member of its Group shall consent to entry of any judgment or enter into any settlement of any SpinCo Controlled Existing Action without the prior written consent of RemainCo (not to be unreasonably withheld, conditioned or delayed); provided that such consent shall not be required if (i) none of RemainCo or any member of its Group is presently a named party in such Action or (ii) if (A) in connection with such entry of judgment or settlement RemainCo and the applicable members of its Group are completely and unconditionally released, (B) such entry of judgment or settlement involves only monetary relief that SpinCo has agreed to pay in full, and (C) does not involve any admission of any (i) wrongdoing or violation of Law by RemainCo or any member of its Group or (ii) facts that may be used in litigation or give rise to liability on the part of RemainCo or any member of its Group in a SpinCo Controlled Existing Action or any other Action.

(c) From and after the Effective Time, subject to the terms of this Section 6.9, RemainCo shall direct the defense or prosecution of those Actions that are neither SpinCo Controlled Existing Actions nor Joint Actions, including those set forth on Schedule 6.9(c) (the “RemainCo Controlled Existing Actions”), including the development and implementation of the legal strategy for each RemainCo Controlled Existing Action, the filing of any motions, pleadings or briefs, the conduct of discovery and related fact finding, the conduct of any trial, any decision to appeal or not to appeal any decisions, judgment or order, and any decision or consent to a settlement, compromise or discharge of any RemainCo Controlled Existing Action or any aspect thereof. RemainCo (or the applicable member of its Group) shall be responsible for selecting its own counsel in connection with the conduct and control of the RemainCo Controlled Existing Actions. Notwithstanding anything to the contrary in this Section 6.9(c), none of RemainCo or any member of its Group shall consent to entry of any judgment or enter into any settlement of any RemainCo Controlled Existing Action without the prior written consent of SpinCo (not to be unreasonably withheld, conditioned or delayed); provided that such consent shall not be required if (i) none of SpinCo or any member of its Group is presently a named party in such Action or (ii) if (A) in connection with such entry of

judgment or settlement SpinCo and the applicable members of its Group are completely and unconditionally released, (B) such entry of judgment or settlement involves only monetary relief that RemainCo has agreed to pay in full, and (C) does not involve any admission of any (i) wrongdoing or violation of Law by SpinCo or any member of its Group or (ii) facts that may be used in litigation or give rise to liability on the part of SpinCo or any member of its Group in a RemainCo Controlled Existing Action or any other Action.

(d) From and after the Effective Time, with respect to the Actions set forth on Schedule 6.9(d) (“Joint Actions”), the Party specified on such Schedule 6.9(d) shall be solely responsible for controlling and directing the defense and prosecution of any such Action (the “Managing Party”) and the Parties shall, and shall cause members of their Group to, cooperate in good faith and take all reasonable actions to permit the applicable Managing Party to control and direct each such Action. The Party who hereunder is, or whose member of its Group is, the Managing Party, shall consult with the other Party (the “Non-Managing Party”) from time to time with respect to the Joint Actions; provided that the Managing Party shall have sole authority to select counsel for any Joint Action and be reimbursed for reasonable fees and expenses of such counsel in accordance with the allocation of Liability for such Joint Action and the Non-Managing Party, if it elects to retain its own counsel, shall do so solely at its own expense. No Managing Party pursuant to this Section 6.9 shall consent to entry of any judgment or enter into any settlement of any Joint Action without the prior written consent of the Non-Managing Party (not to be unreasonably withheld, conditioned or delayed).

(e) To the maximum extent permitted by applicable Law, the rights to recovery of each member of a Party’s respective Group in respect of any past, present or future Action is hereby delegated to such Party. It is the intent of the Parties that the foregoing delegation shall satisfy any Law requiring such delegation to be effected pursuant to a power of attorney or similar instrument. The Parties and their respective Subsidiaries shall execute such further instruments or documents as may be necessary to effect such delegation.

(f) In the case of SpinCo Controlled Existing Actions and RemainCo Controlled Existing Actions, if a Party or a member of its respective Group is named therein and is not liable for such Action hereunder, each Party shall use, and shall cause the other members of its respective Group to use, commercially reasonable efforts to cause such nominal defendant to be removed from such Action, as soon as reasonably practicable (including using commercially reasonable efforts to petition the applicable court to remove such Party (or member of its Group or their respective then-Affiliates) as a defendant to the extent such Action relates solely to Assets or Liabilities that the other Party (or Group) has been allocated pursuant to this Agreement). Notwithstanding any applicable confidentiality or Privilege provisions to the contrary in this Agreement, any Party endeavoring to remove such defendant pursuant to this Agreement shall be entitled to submit any necessary provisions of this Agreement to the applicable court solely for the purpose of supporting such Party’s commercially reasonable efforts to remove such defendant. In the event any Party endeavoring to remove or substitute such defendant pursuant to this Agreement submits any necessary provisions of this Agreement to the applicable court, such Party shall take all steps reasonably within its power to cause such application, and any exhibits (including copies of any provisions of this Agreement) to be filed

under seal, shall oppose any challenge by any third party to such sealing, and shall give the other Party immediate notice of such challenge. If such removal cannot be achieved for any reason, management of the Action shall be determined as set forth in this Article VI.

Section 6.10 Additional Matters; Survival of Indemnities.

(a) The indemnity agreements contained in this Article VI shall remain operative and in full force and effect, regardless of (i) any investigation made by or on behalf of any Indemnitee; (ii) the knowledge by the Indemnitee of Indemnifiable Losses for which it might be entitled to indemnification hereunder; and (iii) any termination of this Agreement. The indemnity agreements contained in this Article VI shall survive the Distribution.

(b) The rights and obligations of any member of the RemainCo Group or any member of the SpinCo Group, in each case, under this Article VI shall survive the sale or other Transfer, in each case direct or indirect, by any Party or its respective Subsidiaries of any Assets or businesses or the assignment by it of any Liabilities, with respect to any Indemnifiable Loss of any Indemnitee related to such Assets, businesses or Liabilities.

Section 6.11 Environmental Matters.

(a) Nature of Obligations. The Parties' obligations under this Section 6.11 shall be subject to the standards set forth in this Section 6.11 and shall not be limited to any degree by the fact that the Parties' obligations elsewhere in this Agreement (including under Section 2.8) are defined as using "commercially reasonable efforts" or any other standard less stringent than the standard specified in Section 6.11.

(b) Substitution. SpinCo and RemainCo, as the case may be, shall use their reasonable best efforts to obtain any Consents, transfers, assignments, assumptions, waivers or other legal instruments necessary to cause the relevant Party or a member of its Group to be fully substituted for any member of the Group of the other Party with respect to any order, decree, judgment, agreement or Action that is in effect as of immediately prior to the Distribution in connection with any SpinCo Environmental Liability or any RemainCo Environmental Liability, respectively. SpinCo or RemainCo, as the case may be, shall inform third parties associated with such matter, including Governmental Entities, about the assumption of such Liability by the Party to which it has been allocated and request that such Persons direct all communications, requirements, notifications and/or official letters related to such matters to the Party to which it has been allocated. The members of such other Groups (and their successors) shall use commercially reasonable efforts to provide necessary assistance or signatures to SpinCo or RemainCo, as the case may be, to achieve the purposes of this Section 6.11(b). Until such time as the substitutions outlined above have been completed, SpinCo or RemainCo, as the case may be, shall comply with the terms and conditions of all such orders, decrees, judgments, agreements and Actions in respect of which it has been allocated Environmental Liabilities pursuant to this Agreement. SpinCo (or its designated Affiliate) shall be the Performing Party (as defined below) and RemainCo and SpinCo shall use their reasonable best efforts to effect such substitutions and obtain such consents as may be required to have SpinCo (or its designated

Affiliate) assume the control and performance of (or continue to control and perform, as applicable) such matter and to inform any associated third parties consistent with this paragraph.

(c) Control of Response Actions.

(i) Except as provided in Section 6.11(c)(ii), as between the members of the SpinCo Group and RemainCo Group, SpinCo shall, or shall cause the applicable member of the SpinCo Group to, undertake and control the response to (including, without limitation, undertaking and controlling any environmental investigations, monitoring, remediation or other actions with respect to such Liability and controlling the defenses of any Actions related thereto) (collectively, “Response Actions”) to any and all SpinCo Environmental Liabilities (including any and all Legacy SpinCo Environmental Liabilities).

(ii) Except as provided below, the Parties shall follow the general procedures for indemnification set forth in this Article VI with respect to any claim for indemnification pursuant to Sections 6.2 or 6.3, relating to remediation of contaminated environmental media, where the owner or primary tenant of the impacted property is not a member of the Group of the Party to which such liability for remediation has been allocated. For such matters, if the Indemnifying Party acknowledges in writing that it is obligated to provide indemnification pursuant to this Section 6.11(c) with respect to such remediation Liability, such Party (and members of its Group) shall be entitled (but shall not be required) to undertake and control the Response Action, subject to any right of any third parties to the extent that the right to undertake such Response Action is given to such third party pursuant to an agreement existing as of the Distribution Date.

(iii) The Party (and members of its Group) undertaking and controlling the Response Action pursuant to clauses (i) and (ii) shall be referred to as the “Performing Party.”

(d) Remediation Procedures. If the Performing Party is not both (x) the owner of the real property (or, if such real property is leased or sub-leased from a Person who is not a member of the SpinCo Group or RemainCo Group, the primary tenant (or sub-tenant) of such real property as between the SpinCo Group or RemainCo Group) and (y) the only Party whose Group is using such real property, the following conditions shall apply to the performance of any Response Action:

(i) the Performing Party shall take reasonable precautions to minimize any interference with or disruption of the operations of the property owners and/or any other parties that have operations at the site (including third-parties) (each such party that is a member of either Group, a “Non-Performing Impacted Party”), including obtaining the owner’s and/or the other operating parties’, as applicable, prior written Consent to any Response Action that would reasonably be expected to substantially interfere with or disrupt the operations of such Person at the affected real property, which Consent shall not be unreasonably withheld, conditioned or delayed;

(ii) if a member of a Group other than that of the Performing Party is the owner of the real property (or, if such real property is leased or sub-leased from a Person who is not a member of the SpinCo Group or RemainCo Group, the primary tenant (or sub-tenant) of such real property as between the SpinCo Group or RemainCo Group) or otherwise has operational control of the impacted property (a “Non-Performing Site Controller”), such Non-Performing Site Controller shall, and shall cause the other members of the Group to, provide reasonable access to, and reasonably cooperate with, the Performing Party in its performance of such Response Action, it being understood that such cooperation shall in no event in and of itself require any Non-Performing Impacted Party or Non-Performing Site Controller to incur any out-of-pocket expenses;

(iii) the Performing Party shall use reasonable efforts to avoid and minimize any harm to any persons or damage to real or personal property, and shall be responsible for any harm or damages resulting from the performance of any such Response Action, except to the extent such harm or damage results from the negligence or willful misconduct of such other Party or any member of its Group or any of their respective representatives; and

(iv) all required Response Actions shall be diligently and expeditiously performed in compliance with all applicable Laws, including Environmental Laws and worker health and safety Laws.

(v) The Performing Party shall (i) notify each Non-Performing Impacted Party and Non-Performing Site Controller prior to commencing or performing any Response Actions, (ii) keep each Non-Performing Impacted Party and Non-Performing Site Controller reasonably informed of the progress of any Response Actions and provide copies of any final, proposed response, remediation, investigation or sampling plans and the results of sampling and analysis (including any final status reports of work in progress or other final reports), in each case required to be submitted to any Governmental Entity or third party, (iii) provide each Non-Performing Impacted Party and Non-Performing Site Controller, at such Non-Performing Impacted Party and Non-Performing Site Controller’s sole cost and expense, with a reasonable opportunity to review and comment on any material proposed response, remediation, investigation or sampling plans prior to submission to a Governmental Entity, (iv) provide each Non-Performing Impacted Party and Non-Performing Site Controller with the opportunity to attend, at such Non-Performing Impacted Party and Non-Performing Site Controller’s sole cost and expense, any planned meeting with any Governmental Entity regarding a Response Action (provided that the Governmental Entity does not object), and (v) provide each Non-Performing Impacted Party and Non-Performing Site Controller an opportunity to observe, at such Non-Performing Impacted Party and Non-Performing Site Controller’s sole cost and expense, any Response Action (other than Response Actions consisting of routine sampling, monitoring, maintenance or similar activities performed in the ordinary course) and to obtain, at such Non-Performing Impacted Party and Non-

Performing Site Controller's sole cost and expense, splits of any samples obtained in the course of conducting any Response Action.

(vi) All Response Actions subject to this Section 6.11(d) shall meet the applicable standards, regulations, or requirements of applicable Law, including applicable Environmental Law or, where an applicable Governmental Entity with or asserting jurisdiction is supervising such Response Action, required by such Governmental Entity, (the "Appropriate Remediation Standard"). In furtherance of and to the extent consistent with the foregoing, each Party (on behalf of itself and the other members of their respective Groups) agrees to utilize institutional controls and engineering controls (including capping, signs, fences and deed restrictions on the use of real property, soils or groundwater) to satisfy the Appropriate Remediation Standard and to cooperate in obtaining all necessary approvals of the use of such controls; provided that such controls do not prevent or materially interfere with the continued operation or reasonable future expansion of the operations on such real property. Once a notice of no further action or equivalent determination with respect to such matter has been issued by a Governmental Entity (or, if the Governmental Entity has delegated authority to conduct and certify the completion of a Response Action to a licensed professional, upon notice of the applicable Governmental Entity's receipt and acceptance of such licensed professional's certification), the Indemnifying Party shall have no further obligations with respect to such matter, other than with respect to any Indemnifiable Losses arising out of (i) any Third Party Claims relating to such matter and (ii) the performance of and any costs associated with any ongoing operations and maintenance, if any, required with respect to the Response Action, including inspections and repair of any engineering controls, ongoing pumping and treating of impacted groundwater (including any material equipment or system repairs, replacements or required upgrades), ongoing groundwater monitoring and related reporting, and the provision of any required financial assurance, provided that the Indemnitee shall be responsible for the performance of and any costs associated with any and all ongoing operations and maintenance relating to the following obligations: (A) any institutional controls, including any deed restrictions or land use controls and reporting obligations related to the same; (B) monitoring, maintenance, repair and reporting associated with a cap used as part of the remedy, but only to the extent that the cap consists of (x) the buildings at the site, (y) asphalt or similar materials already present at the site or that are used at the site for purposes in addition to the Response Action (*i.e.*, parking), or (z) landscaping; and (C) groundwater monitoring associated with a natural monitored attenuation remedy. The Indemnifying Party shall have the right to transfer to the Indemnitee (upon payment of the amount set forth in this sentence as mutually agreed in writing by the Indemnifying Party and Indemnitee or determined pursuant to the procedures set forth in Article VIII) its obligations for its ongoing operations and maintenance costs, if any, with respect to engineering controls approved as part of a no further action, equivalent determination or certification if the Indemnifying Party agrees to pay to the Indemnitee a sum equal to the present value of the reasonably estimated future costs of said engineering controls (where the period of time used for such present value calculation shall be the entire period for which it is reasonably anticipated that such continuing obligations will be performed, but no more

than thirty (30) years, and the discount rate shall be reasonable). If the Indemnifying Party and the Indemnatee cannot mutually agree in writing on the amount set forth in the preceding sentence, such disagreement shall be resolved in accordance with the procedures set forth in Article VIII of this Agreement. In the event that any Governmental Entity reopens or otherwise modifies any determination related to the notice of no further action or equivalent determination, or notice of receipt and acceptance of the licensed professional's certification, such that additional Response Actions are required, the Indemnifying Party shall indemnify the Indemnatee for any Liabilities associated with the reopening or modification of such determination that would have otherwise constituted Indemnifiable Losses of such Indemnatee.

(e) Corrective Actions for Compliance-Related Liabilities Subject to Indemnity. If a Party is providing indemnification pursuant to this Agreement in connection with an ongoing business operation of the other Party, which (x) involves a violation of applicable Environmental Law which occurred prior to the Distribution, (y) requires a capital project (or series of capital projects) to bring the facility into compliance with applicable Environmental Law in effect as of the Distribution, and (z) does not involve the investigation, monitoring or remediation of contamination of environmental media due to a Release of Hazardous Substances prior to the Distribution Date, then the non-indemnifying party shall have the right, but not the obligation, to conduct and control the resolution of the violation and the capital project (or series of capital projects), including the design and implementation thereof (the "Corrective Action Performing Party").

Section 6.12 Non-Applicability to Taxes. None of Section 6.4, Section 6.5, Section 6.6 or Section 6.9 shall apply to Tax Contests, which shall be governed exclusively by the Tax Matters Agreement. Except as otherwise specifically provided herein, the Parties' rights and obligations with respect to Taxes, including indemnification for Taxes and other Tax matters and any procedures related thereto, shall be exclusively governed by the Tax Matters Agreement and, in the event of any inconsistency between the Tax Matters Agreement and this Agreement, the Tax Matters Agreement shall control.

ARTICLE VII

ACCESS TO INFORMATION; PRIVILEGE; CONFIDENTIALITY

Section 7.1 Agreement for Exchange of Information; Archives.

(a) Other than (i) in circumstances in which indemnification is sought pursuant to Article VI (in which event the provisions of such Article VI will govern), (ii) for matters related to the provision of Tax Records (in which event the Tax Matters Agreement will govern), (iii) for matters related to the provision of Employee Records (in which event the Employee Matters Agreement will govern), (iv) for matters related to the separation of Information (which shall be governed by Section 5.2), and (v) in the case of an Adversarial Action or threatened Adversarial Action, and subject to Section 7.1(b) and the restrictions contained in this Article VII with respect to Privileged Information, Confidential Information, and Personal Data, each of RemainCo and SpinCo, on behalf of its respective Group, shall

provide, or cause to be provided, to the other Party (and its designated representatives), at any time after the Distribution Date, and until the date on which such Party is required to retain, or cause to be retained, the Information requested pursuant to this Section 7.1(a) in accordance with Section 7.4, and subject to compliance with the terms of the Ancillary Agreements, as soon as reasonably practicable after written reasonable request therefor by, and at the expense of, such requesting Party for specific and identified Information reasonable access during normal business hours to (i) any Information relating to time periods on or prior to the Distribution Date in the possession or under the control of such respective Group, which RemainCo or SpinCo, or any member of its respective Group, as applicable, reasonably needs, or appropriate copies of such written or electronic documentary Information (or the originals thereof if the applicable member of the Group has a reasonable need for such originals) (A) to comply with reporting, disclosure, filing or other requirements imposed on RemainCo or SpinCo, or any member of its respective Group, as applicable (including under applicable securities Laws), by any national securities exchange or any Governmental Entity having jurisdiction over RemainCo or SpinCo, or any member of its respective Group, as applicable, (B) for use in any other judicial, regulatory, administrative or other proceeding or in order to satisfy audit, accounting, regulatory, litigation, Action or other similar requirements or (C) to comply with its obligations under this Agreement (other than with respect to those obligations in Section 2.2) or any Ancillary Agreement, including to complete the separation of Assets (including Records) as contemplated hereby, (ii) all Information that is owned by such requesting Party pursuant to this Agreement or any Ancillary Agreement, and (iii) all tangible embodiments of any Intellectual Property that is assigned to such requesting Party under this Agreement, and all Information related thereto, including Software source code and object code in a form reasonably acceptable to the requesting Party; in each case, that, as of immediately following the Effective Time, are in existence and in the reasonable possession or control of the Party being requested for such Information or one of its Group members, as applicable, and except to the extent already in the possession of the receiving Party or one of its Group members; provided, however, that to the extent any originals are delivered to a Party pursuant to this Agreement or the Ancillary Agreements, such Party shall, and shall cause the other members of its Group (and each of its and their respective then-Affiliates) to, at its own expense, return such Information to the other Party within a reasonable time after the need to retain such originals has ceased. The receiving Party shall use any Information received pursuant to Section 7.1(a)(i) solely to the extent reasonably necessary to satisfy the applicable obligations or requirements described in clause (A), (B) or (C) of the immediately preceding sentence.

(b) In the event that either RemainCo or SpinCo determines that the disclosure of any Information or other materials pursuant to Section 7.1(a) would reasonably be expected to be significantly commercially detrimental, violate any Law or Contract or waive or jeopardize any Privilege, such Party shall not be required to provide access to or furnish such Information or other materials to the other Party; provided, however, that both RemainCo and SpinCo shall take all commercially reasonable measures to permit compliance with Section 7.1(a) in a manner that avoids any such harm or consequence; provided, further, that in the event disclosure of any such Information or materials would violate a Contract with a third party, each Party shall use commercially reasonable efforts to seek to obtain the Consent of such third party to the disclosure of such Information or materials. Both RemainCo and SpinCo intend

that any provision of access to or the furnishing of Information or other materials pursuant to this Section 7.1 that would otherwise be within the ambit of any Privilege shall not operate as waiver of such Privilege.

(c) RemainCo and SpinCo each agrees that it will only process Personal Data provided to it by the other Group in accordance with Section 7.10.

Section 7.2 Ownership of Information Any Information or other materials owned by one Party or any member of its Group that is provided to a requesting Party hereunder shall be deemed to remain the property of the providing Party (or member of its Group). Except as specifically set forth herein, nothing herein shall be construed as granting or conferring rights to any Party (or member of its Group) of license or otherwise in any such Information or other materials, whether by implication, estoppel or otherwise.

Section 7.3 Compensation for Providing Information Upon the presentation of invoices therefor, RemainCo and SpinCo shall reimburse each other for the reasonable costs, if any, in complying with a request for Records or Information pursuant to this Article VII. Except as may be otherwise specifically provided elsewhere in this Agreement, such costs shall be computed in accordance with SpinCo's or RemainCo's, as applicable, standard methodology and procedures, but shall not include (i) any mark-up above actual costs, (ii) the costs of salaries and benefits of employees of such Party (or its Group or any of its or their respective then-Affiliates) or (iii) any pro rata portion of overhead or other costs of employing such employees which would have been incurred by such employees' employer regardless of the employees' service with respect to the foregoing.

Section 7.4 Record Retention To facilitate the possible exchange of Information pursuant to this Article VII and other provisions of this Agreement, each Party shall use its reasonable best efforts, at such Party's sole cost and expense, to retain all Information in such Party's possession relating to the other Party or its Business, Assets or Liabilities, this Agreement or the Ancillary Agreements in accordance with its respective record retention policies or such longer period as required by Law, this Agreement or the Ancillary Agreements. Each of RemainCo and SpinCo shall use their reasonable best efforts to maintain and continue their respective Group's compliance with all "litigation holds" applicable to any Information in its possession for the pendency of the applicable matter, irrespective of any record retention policies or the requirements of this Section 7.4, and will provide timely notice of any legal hold that may implicate Information in possession of the other Party, or any lifting or release of any such legal hold, as may arise following the Effective Time.

Section 7.5 Limitations of Liability.

(a) Each of RemainCo (on behalf of itself and each other member of the RemainCo Group) and SpinCo (on behalf of itself and each other member of the SpinCo Group) understands and agrees that any Information provided by or on behalf of or made available by or on behalf of any Party (or any other member of either Group) pursuant to this Agreement shall be on an "as is", "where is" basis and neither Party is representing or warranting

in any way as to the accuracy or sufficiency of any such Information exchanged or disclosed under this Agreement.

(b) Neither RemainCo nor SpinCo shall have any Liability to the other Party in the event that any Information exchanged or provided pursuant to this Agreement that is an estimate or forecast, or that is based on an estimate or forecast, is found to be inaccurate. Neither RemainCo nor SpinCo shall have any Liability to the other Party if any Information is destroyed after reasonable best efforts by SpinCo or RemainCo, as applicable, to comply with the provisions of Section 7.4.

Section 7.6 Production of Witnesses; Records; Cooperation.

(a) Without limiting any of the rights or obligations of the Parties pursuant to Section 7.1 or Section 7.4, after the Distribution Date, except in the case of an Adversarial Action or threatened or contemplated Adversarial Action, each of RemainCo and SpinCo shall take all reasonable steps to make available, upon written request, (i) the former, current and future directors, officers, employees, other personnel and agents of the Persons in its respective Group (whether as witnesses or otherwise) and (ii) any Records within its control or that it otherwise has the ability to make available, in each case, to the extent that such Person (giving consideration to business demands of such directors, officers, employees, other personnel and agents) or Records may reasonably be required in connection with any Action or threatened or contemplated Action, (including preparation for any such Action) in which either RemainCo or SpinCo or any Person or Persons in its Group, as applicable, may from time to time be involved, regardless of whether such Action or threatened or contemplated Action is a matter with respect to which indemnification may be sought hereunder. The requesting Party shall bear all reasonable out-of-pocket costs and expenses in connection therewith.

(b) The obligation of RemainCo and SpinCo, pursuant to this Section 7.6, to take all reasonable steps to make available former, current and future directors, officers, employees and other personnel and agents or provide witnesses and experts, except in the case of an Adversarial Action or threatened or contemplated Adversarial Action, is intended to be interpreted in a manner so as to facilitate cooperation and shall include the obligation to make available employees and other officers without regard to whether such individual or the employer of such individual could assert a possible business conflict. Without limiting the foregoing, each of RemainCo and SpinCo agrees that neither it nor any Person or Persons in its respective Group will take any adverse action against any employee of its Group based on such employee's provision of assistance or information to each other pursuant to this Section 7.6.

Section 7.7 Privileged Matters.

(a) Pre-Distribution Services. The Parties recognize that legal and other professional services that have been and will be provided prior to the Distribution (whether by outside counsel, in-house counsel or other legal professionals) have been and will be rendered for the collective benefit of each of the members of the RemainCo Group and the SpinCo Group, including, but not limited to, with respect to this Agreement, the Ancillary Agreements, any

other agreement related to the transactions contemplated hereby or thereby and/or the negotiations, structuring and transactions contemplated hereby and thereby (collectively, “Collective Benefit Services”), and that each of the members of the RemainCo Group and the SpinCo Group shall be deemed to be the client with respect to such services for the purposes of asserting all privileges, immunities or other protections from disclosure which may be asserted under applicable Law, including attorney-client privilege, business strategy privilege, joint defense privilege, common interest privilege, and protection under the work-product doctrine (“Privilege”). With respect to all Information subject to Privilege (“Privileged Information”), the Parties shall have a shared Privilege for Privileged Information relating to Collective Benefit Services. Privileged Information includes, but is not limited to, services rendered by legal counsel retained or employed by any Party (or any member of such Party’s respective Group), including outside counsel and in-house counsel. Notwithstanding the foregoing, the Parties acknowledge and agree that in any Adversarial Action with respect to this Agreement, the Ancillary Agreements, any other agreement related to the transactions contemplated hereby or thereby and/or the negotiations, structuring and transactions contemplated hereby and thereby, RemainCo shall be entitled, in its sole and absolute discretion, to control all Privileges, including any assertion or waiver of such Privileges, in connection with Collective Benefit Services relating to such matters.

(b) Post-Distribution Services. Each Party, on behalf of itself and each other member of its Group, recognizes that legal and other professional services will be provided following the Distribution Date, which services will be rendered solely for the benefit of the RemainCo Group or the SpinCo Group, as the case may be, while other such post-Distribution services following the Distribution Date may be rendered with respect to claims, proceedings, litigation, disputes, or other matters which involve members of both Groups. With respect to such post-Distribution services and related Privileged Information, each of the Parties, on behalf of itself and each other member of its Group, agrees as follows:

(i) RemainCo shall be entitled, in perpetuity, to control the assertion or waiver of all Privileges in connection with Privileged Information that relates solely to the RemainCo Business and not to the SpinCo Business, whether or not the Privileged Information is in the possession of or under the control of any member of the RemainCo Group or any member of the SpinCo Group. RemainCo shall also be entitled, in perpetuity, to control the assertion or waiver of all Privileges in connection with any Privileged Information that relates solely to any RemainCo Assets or RemainCo Liabilities and not any SpinCo Assets or SpinCo Liabilities in connection with any Actions that are now pending or may be asserted in the future, whether or not the Privileged Information is in the possession or under the control of any member of the RemainCo Group or any member of the SpinCo Group.

(ii) SpinCo shall be entitled, in perpetuity, to control the assertion or waiver of all Privileges in connection with Privileged Information that relates solely to the SpinCo Business and not to the RemainCo Business, whether or not the Privileged Information is in the possession of or under the control of any member of the RemainCo Group or any member of the SpinCo Group. SpinCo shall also be entitled, in

perpetuity, to control the assertion or waiver of all Privileges in connection with any Privileged Information that relates solely to any SpinCo Assets or SpinCo Liabilities and not any RemainCo Assets or RemainCo Liabilities in connection with any Actions that are now pending or may be asserted in the future, whether or not the Privileged Information is in the possession or under the control of any member of the SpinCo Group or any member of the RemainCo Group.

(iii) If the Parties do not agree as to whether certain information not allocated pursuant to Sections 7.7(b)(i)-(ii) is Privileged Information, then such Information shall be treated as Privileged Information, and the Party that believes that such information is Privileged Information shall be entitled to control the assertion or waiver of all Privileges in connection with any such information until such time as it is finally judicially determined that such information is not Privileged Information or unless the Parties otherwise agree.

(c) Subject to the remaining provisions of this Section 7.7, the Parties agree that RemainCo shall be entitled, in perpetuity, to control the assertion or waiver of all Privileges not allocated pursuant to Section 7.7(b) in connection with any Actions or threatened or contemplated Actions or other matters that involve both Parties (or one or more members of their respective Groups) and in respect of which both Parties have Liabilities under this Agreement. RemainCo agrees, on behalf of itself and each member of the RemainCo Group, not to intentionally disclose or otherwise intentionally waive any such Privilege without consulting SpinCo. Upon the reasonable request of RemainCo or SpinCo, in connection with any Action or threatened or contemplated Action contemplated by this Article VII, other than any Adversarial Action or threatened or contemplated Adversarial Action, RemainCo and SpinCo will enter into a mutually acceptable common interest agreement so as to maintain to the extent practicable any Privilege of any member of either Group.

(d) If any dispute arises between the Parties or any members of their respective Groups regarding whether any Privilege should be waived to protect or advance the interests of either Party or any member of their respective Groups, each Party agrees that it shall (i) negotiate with the other Party in good faith, (ii) endeavor to minimize any prejudice to the rights of the other Party and the members of its Group and (iii) not unreasonably withhold, delay or condition consent to any request for waiver by the other Party.

(e) Upon receipt by either Party, or by any member of its respective Group, of any subpoena, discovery or other request (or of written notice that it will or has received such subpoena, discovery or other request) that may reasonably be expected to result in the production or disclosure of Privileged Information subject to a shared Privilege or as to which the other Party has the sole right hereunder to assert a Privilege, or if either Party obtains knowledge or becomes aware that any of its, or any member of its respective Group's, current or former directors, officers, agents or employees have received any subpoena, discovery or other requests (or have received written notice that they will or have received such subpoena, discovery or other requests) that may reasonably be expected to result in the production or disclosure of such Privileged Information, such Party shall promptly notify the other Party of the

existence of any such subpoena, discovery or other request and shall provide the other Party a reasonable opportunity to review the Privileged Information and to assert any rights it or they may have, under this Section 7.7 or otherwise, to prevent the production or disclosure of such Privileged Information; provided that if such Party is prohibited by applicable Law from disclosing the existence of such subpoena, discovery or other request, such Party shall provide written notice of such related information for which disclosure is not prohibited by applicable Law and use reasonable best efforts to inform the other Party of any related information such Party reasonably determines is necessary or appropriate for the other Party to be informed of to enable the other Party to review the Privileged Information and to assert its rights, under this Section 7.7 or otherwise, to prevent the production or disclosure of such Privileged Information.

(f) Except for Information provided in the context of any Adversarial Action or contemplated Adversarial Action between the Parties, the Parties agree that their respective rights to any access to Information, witnesses and other Persons, the furnishing of notices and documents and other cooperative efforts between the Parties contemplated by this Agreement, and the transfer of Privileged Information between the Parties and members of their respective Groups pursuant to this Agreement, are pursuant to a common legal interest, and such Privileged Information shall remain Privileged notwithstanding the exchange of such Privileged Information between the Parties. The Parties further agree that (i) the exchange by one Party to the other Party of any Information that should not have been exchanged pursuant to the terms of this Section 7.7 shall not be deemed to constitute a waiver of any Privilege that has been or may be asserted under this Agreement or otherwise with respect to such Privileged Information and (ii) the Party receiving such Privileged Information shall promptly return such Privileged Information to the Party who has the right to assert the Privilege.

Section 7.8 Confidential Information; Non-Use.

(a) Notwithstanding any termination of this Agreement, each Party shall, and shall cause each of the other members of its Group to, hold, and cause each of their respective officers, employees, agents, consultants and advisors to hold, in strict confidence, and not to disclose or release or except as otherwise permitted by this Agreement, use, including for any ongoing or future commercial purpose, without the prior written consent of each Party to whom (or to whose Group) the Confidential Information relates (which may be withheld in each such Party's sole and absolute discretion), any and all Confidential Information concerning or belonging to the other Party or any member of its Group; provided that each Party may disclose, or may permit disclosure of, such Confidential Information (i) to its (or any member of its Group's) respective auditors, attorneys and other appropriate consultants and advisors who have a need to know such Confidential Information for auditing and other non-commercial purposes and are informed of the confidentiality and non-use obligations to the same extent as is applicable to the Parties and in respect of whose failure to comply with such obligations, the applicable Party will be responsible, (ii) if any Party or any member of its Group is required or compelled to disclose any such Confidential Information by judicial or administrative process or by other requirements of Law or stock exchange rule, (iii) to the extent required in connection with any Adversarial Action, (iv) to the extent necessary in order to permit a Party (or member of

its Group) to prepare and disclose its financial statements in connection with any regulatory filings or Tax Returns, (v) to the extent necessary for a Party (or member of its Group) to enforce its rights or perform its obligations under this Agreement, (vi) to Governmental Entities in accordance with applicable procurement regulations and contract requirements or (vii) to other Persons in connection with their evaluation of, and negotiating and consummating, a potential strategic transaction, to the extent reasonably necessary in connection therewith, provided an appropriate and customary confidentiality agreement has been entered into with the Person receiving such Confidential Information. Notwithstanding the foregoing, in the event that any demand or request for disclosure of Confidential Information is made by a third party that relates to clause (ii), (iii), (v) or (vi) above, each Party, as applicable, shall promptly notify (to the extent permissible by Law) the Party to whom (or to whose Group) the Confidential Information relates of the existence of such request, demand or disclosure requirement and shall provide such Party (and/or any applicable member of its Group) a reasonable opportunity to seek an appropriate protective order or other remedy, which such Parties shall, and shall cause the other members of their respective Group to, cooperate in obtaining to the extent reasonably practicable. In the event that such appropriate protective order or other remedy is not obtained, the Party who is (or whose Group's member is) required to make such disclosure shall or shall cause the applicable member of its Group to furnish (at the expense of the Party seeking to limit such request, demand or disclosure requirement), or cause to be furnished, only that portion of the Confidential Information that is legally required to be disclosed and shall take commercially reasonable steps to ensure that confidential treatment is accorded to such Confidential Information (at the expense of the Party seeking (or whose Group's member is seeking) to limit such request, demand or disclosure requirement).

(b) Notwithstanding anything to the contrary set forth herein, (i) a Party shall be deemed to have satisfied its obligations hereunder with respect to Confidential Information if it exercises, and causes the other members of its Group to exercise, at least the same degree of care (but no less than a commercially reasonable degree of care) as such Party takes to preserve confidentiality for its own similar Information and (ii) confidentiality obligations provided for in any agreement between each Party or another member of its Group and its or their respective past and/or present employees as of the Distribution Date shall remain in full force and effect. Notwithstanding anything to the contrary set forth herein, Confidential Information (other than Intellectual Property (which shall exclusively be governed by the IP Cross-License Agreement, the Trademark License Agreement and other applicable Ancillary Agreements), and Personal Data (which shall exclusively be governed by Section 7.10 and other applicable Ancillary Agreements)) of any Party (or another member of its Group) rightfully in the possession of and used by the other Party (or another member of its Group) in the operation of its Business as of the Distribution Date may continue to be used by such Party (and/or the applicable members of its Group) in possession of such Confidential Information in and only in the operation of the SpinCo Business or the RemainCo Business, as the case may be; provided that such Confidential Information may only be used by such Party and/or the applicable members of its Group and its and their respective officers, employees, agents, consultants and advisors in the specific manner and for the specific purposes for which it is used as of the date of this Agreement and may only be shared with additional officers, employees, agents, consultants and advisors of such Party (or Group member) on a need-to-know basis exclusively with regard

to such specified use; provided, further, that such use is not competitive in nature, and may be used only so long as the Confidential Information is maintained in confidence and not disclosed in violation of Section 7.8(a), except that such Confidential Information may be disclosed to third parties other than those listed in Section 7.8(a), provided that such disclosure to such other third parties and any associated use of such Information must be pursuant to a written agreement containing confidentiality obligations at least as protective of the Parties' rights to such Confidential Information as those contained in this Agreement. Such continued right to use may not be transferred (directly or indirectly) to any third party without the prior written consent (not to be unreasonably withheld, conditioned or delayed) of the applicable Party, except pursuant to Section 10.9.

(c) Each of RemainCo and SpinCo acknowledges, on behalf of itself and each other member of its Group, that it and the other members of its Group may have in their possession confidential or proprietary Information of third parties that was received under confidentiality or non-disclosure agreements with each such third party while such Party and/or members of its Group were Subsidiaries of RemainCo. Each of RemainCo and SpinCo shall, and shall cause the other members of its Group to, hold and cause its and their respective representatives, officers, employees, agents, consultants and advisors (or potential buyers) to hold, in strict confidence the confidential and proprietary Information of third parties to which they or any other member of their respective Groups has access, in accordance with the terms of any agreements entered into prior to the Distribution between one or more members of the RemainCo Group and/or SpinCo Group (whether acting through, on behalf of, or in connection with, the separated Businesses) and such third parties.

(d) Notwithstanding any other provision of this Section 7.8, (i) the disclosure and sharing of Privileged Information shall be governed solely by Section 7.7, and (ii) to the extent that another Contract pursuant to which a Party or its Affiliate is bound that specifically provides that certain information covered under this Section 7.8 shall be held confidential on a basis that is more protective of such information or for a longer period of time than provided for in this Section 7.8, then the applicable provisions contained in such other Contract shall control with respect thereto.

Section 7.9 Conflicts Waiver. Each Party hereby agrees, on behalf of itself and each of its past, present and future Affiliates, that the counsel(s) set forth on Schedule 7.9 ("RemainCo Counsel") has exclusively acted as counsel to RemainCo and any of its then-Affiliates in connection with the preparation, execution and delivery of this Agreement and the Ancillary Agreements and the consummation of the transactions contemplated hereby and thereby. SpinCo, on behalf of itself and each of its past, present and future Affiliates, agrees that, following consummation of the transactions contemplated hereby and thereby, such representation by RemainCo Counsel shall not preclude RemainCo Counsel from serving as counsel to RemainCo, any of its then-Affiliates or any directors, officers, employees, agents, representatives, limited partners, members, shareholders or other equity holders of RemainCo or such then-Affiliate, in connection with any Action arising out of or relating to this Agreement, the Ancillary Agreements or the transactions contemplated hereby or thereby (even if there exists at any time a separate attorney-client relationship between RemainCo Counsel, on the one hand,

and SpinCo or any of its past, present or future Affiliates, on the other hand, pursuant to which RemainCo Counsel has obtained confidential information relating to SpinCo, the SpinCo Business, the SpinCo Assets or the SpinCo Liabilities). SpinCo shall not, and shall cause any and all of its past, present and future Affiliates not to, seek to have RemainCo Counsel disqualified from any such representation. SpinCo, on behalf of itself and each of its past, present and future Affiliates, hereby consents thereto and waives any such conflict of interest, and SpinCo shall cause any and all of its past, present and future Affiliates to consent to waive any such conflict of interest. SpinCo, on behalf of itself and each of its past, present and future Affiliates, acknowledges that such consent and waiver is voluntary, that it has been carefully considered, and that SpinCo, on behalf of itself and each of its past, present and future Affiliates, has consulted with counsel or has been advised it should do so in connection herewith. SpinCo, on behalf of itself and each of its past, present and future Affiliates, further acknowledges that none of this Agreement, the Ancillary Agreements nor the transactions contemplated hereby and thereby are intended to create an attorney-client relationship between RemainCo Counsel, on the one hand, and SpinCo or any of its past, present or future Affiliates, on the other hand, or any other relationship pursuant to which SpinCo or any of its past, present or future Affiliates would have a right to object to RemainCo Counsel's representation of any Person under any circumstance. The covenants, consent, and waiver contained in this Section 7.9 shall not be deemed exclusive of any other rights to which RemainCo Counsel is entitled whether pursuant to Law, Contract, or otherwise.

Section 7.10 Personal Data.

(a) Each Party and its Affiliates shall at all times comply, and ensure that their Processing of Personal Data hereunder and under any Ancillary Agreement complies, with Data Protection Laws (including by taking appropriate technical and organizational measures against the unauthorized disclosure or unlawful processing, access to, accidental loss or destruction of, or damage to, Personal Data) and shall use reasonable efforts to avoid acts or omissions that place the other Party in breach of its obligations under any applicable Data Protection Laws.

(b) The Parties acknowledge that after the Distribution, each Party and its Affiliates shall act as a separate and independent Controller with respect to the Processing of any Personal Data pursuant to this Agreement or any Ancillary Agreement (subject to the express terms thereof).

(c) To the extent that a Party or its Affiliate transfers Personal Data included in the RemainCo Assets (with respect to transfers by SpinCo or its Affiliates) or SpinCo Assets (with respect to transfers by RemainCo or its Affiliates) internationally following the Distribution, the Parties shall reasonably cooperate to ensure that such transfer is effected by way of a valid data transfer mechanism in compliance with applicable Data Protection Laws, if and to the extent applicable.

(d) To the maximum extent permitted under applicable Law, each Party shall (i) promptly (and in any event within five (5) Business Days) notify the other Party if it or its Affiliate receives a complaint, notice or communication (including request from a Data

Subject to exercise their rights under Data Protection Laws) in relation to any Personal Data processed pursuant to this Agreement or any Ancillary Agreement, and (ii) without undue delay (and in any event within forty-eight (48) hours) if it becomes aware of, or reasonably suspects, a Personal Data Breach affecting the Personal Data of the other Party or its Affiliates.

Section 7.11 Non-Applicability to Taxes. The Tax Matters Agreement, and not this Article VII, shall govern access to and the retention and exchange of Tax Returns, schedules and workpapers and all material Records or other documents relating to Tax matters.

ARTICLE VIII

DISPUTE RESOLUTION

Section 8.1 Negotiation and Arbitration.

(a) In the event of a controversy, dispute or Action between the Parties arising out of, in connection with, or in relation to this Agreement or any of the transactions contemplated hereby, including with respect to the interpretation, performance, nonperformance, validity or breach thereof, and including, but not limited to, any question of the arbitral tribunal's jurisdiction, the existence, scope or validity of this arbitration agreement or the arbitrability of any claim, and any controversy, dispute or Action related to Section 7.7 concerning Privilege issues (a "Dispute"), the following provisions shall apply, unless expressly specified herein.

(b) Negotiation. The following procedures shall apply with respect to Disputes, except in cases of Disputes related to Section 7.7 concerning Privilege issues (in which case the procedure in Section 7.7(b) shall apply):

(i) Subject to Article VI, at such time as a Dispute arises, (A) any Party shall deliver written notice of such Dispute (a "General Dispute Notice") and (B) the general counsels of the relevant Parties and/or such other executive officer designated by a relevant Party in writing shall thereupon negotiate for a reasonable period of time to settle such Dispute; provided, however, that such reasonable period shall not, unless otherwise agreed by each relevant Party in writing, exceed sixty (60) days from the date of receipt by the relevant Party of the General Dispute Notice (the "General Negotiation Period").

(ii) With respect to the subject Dispute, no Party shall be entitled to rely upon the expiry of any limitations period or contractual deadline during the period between the date of receipt of the relevant General Dispute Notice and the earlier to occur of (A) the date of any arbitration being commenced under this Section 8.1 with respect to the Dispute and (B) the later to occur of (x) one hundred and eighty (180) days after the date of receipt of the relevant General Dispute Notice and (y) the expiration of the applicable General Negotiation Period.

(iii) All offers, promises, conduct and statements, whether oral or written, made in the course of the discussions and negotiations related to the relevant

General Negotiation Period by any of the Parties (or the other members of their respective Groups), their respective agents, employees, experts and attorneys are confidential, privileged and inadmissible for any purpose, including impeachment, in any arbitration or other proceeding involving the Parties (or any other member of a Group) and, in any Action, shall not be admissible in any future Action between the Parties, any member of their respective Groups and/or any Indemnitee; provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the negotiation or discussion

(c) Arbitration. If the Dispute has not been resolved in writing for any reason as of the expiration of the applicable Negotiation Period, such Dispute shall be submitted, at the request of any Party, to final and binding arbitration administered by the American Arbitration Association's International Centre for Dispute Resolution (the "ICDR") in accordance with its International Arbitration Rules then in effect (the "Rules"), except as modified herein.

(i) The arbitration shall be conducted by a three-member arbitral tribunal (the "Arbitral Tribunal"). The claimant or claimants, collectively, shall appoint one arbitrator in the notice of arbitration and the respondent or respondents, collectively, shall appoint one arbitrator within fourteen (14) days after the appointment of the first arbitrator. The third arbitrator, who shall serve as chair of the Arbitral Tribunal, shall be jointly appointed by the two party-appointed arbitrators within twenty-one (21) days of the appointment of the second arbitrator. Any arbitrator not timely appointed shall be appointed by the ICDR according to its Rules.

(ii) In resolving any Dispute to the extent it involves contractual issues under this Agreement, the arbitrators shall apply the governing law specified herein.

(iii) Arbitration under this Section 8.1 shall be the sole and exclusive remedy for any Dispute, and any award rendered by the arbitrators shall be final and binding on the parties and judgment thereupon may be entered in any court of competent jurisdiction having jurisdiction thereof, including any court having jurisdiction over the relevant party or its Assets.

(iv) The Arbitral Tribunal shall be entitled, if appropriate, to award any remedy, including monetary damages, specific performance and all other forms of legal and equitable relief that is in accordance with the terms of this Agreement; provided, however, that the Arbitral Tribunal shall have no authority or power to (A) limit, expand, alter, modify, revoke or suspend any condition or provision of this Agreement, (B) award punitive, exemplary, treble or similar damages, except as set forth in Section 8.1(c)(v), or (C) review, resolve or adjudicate, or render any award or grant any relief in respect of, any issue, matter, claim or Dispute other than the specific Dispute or Disputes submitted by the parties to such Arbitral Tribunal for final and binding arbitration, including any Disputes consolidated therewith in accordance with Section 8.1(c)(viii).

(v) The Arbitral Tribunal shall have the power to award the prevailing party its attorneys' fees and costs reasonably incurred in the arbitration (including the fees and expenses of the arbitration, the Arbitral Tribunal's fees and the fees and expenses of the ICDR). If any Party files an Action in contravention of the arbitration agreement in this Section 8.1, the other Party shall be entitled to an award of any costs they may incur in defending such Action, including a fee in an amount equal to \$15,000,000 multiplied by the greater of (x) 1.05 raised to the power of the number of years elapsed since the Distribution Date (expressed in decimal form) and (y) one (1), as well as such additional punitive, exemplary, treble or similar damages as may be awardable under applicable law. Each of the Parties acknowledges and agrees that if any Party files an Action in contravention of the arbitration agreement in this Section 8.1, the non-breaching Party shall suffer reputational loss as a direct consequence of such Action for which they are entitled to damages.

(vi) The arbitration shall be seated in, and the award shall be rendered, in New York County, New York, in the English language.

(vii) The arbitration and this arbitration agreement shall be governed by the Federal Arbitration Act (9 U.S.C. § 1 et seq.).

(viii) A Party may request consolidation of two or more arbitrations pending under the Rules into a single arbitration pursuant to the Rules. The Parties agree that two or more arbitration proceedings may be consolidated in accordance with this Section 8.1(c)(viii) and subject to the Rules even if the parties to such arbitration proceedings are not identical. Any order of consolidation issued pursuant to the Rules shall be final and binding upon the parties to the new Dispute, prior pending or subsequently-filed arbitrations. The Parties waive any right they have to appeal or to seek interpretation, revision or annulment of such order of consolidation under the Rules or in any court.

(ix) The Arbitral Tribunal (and, if applicable, Emergency Arbitrator) shall have the full authority to grant any pre-arbitral injunction, pre-arbitral attachment, interim or conservatory measure or other order in aid of arbitration proceedings ("Interim Relief"). The Parties shall exclusively submit any application for Interim Relief to only: (A) the Arbitral Tribunal; or (B) prior to the constitution of the Arbitral Tribunal, an Emergency Arbitrator appointed in the manner provided for in the Rules. Any Interim Relief so issued shall, to the extent permitted by applicable Law, be deemed a final arbitration award for purposes of enforceability, and, moreover, shall also be deemed a term and condition of this Agreement subject to specific performance in Section 10.19. The foregoing procedures shall constitute the exclusive means of seeking Interim Relief; provided, however, that (I) the Arbitral Tribunal shall have the power to continue, review, vacate or modify any Interim Relief granted by an Emergency Arbitrator, and the Arbitral Tribunal shall apply a *de novo* standard of review to the factual and legal findings of the Emergency Arbitrator and conduct any such proceeding with respect to the actions of the Emergency Arbitrator on an expedited basis; and (II) in

the event an Emergency Arbitrator or the Arbitral Tribunal issues an order granting, denying or otherwise addressing Interim Relief (a “Decision on Interim Relief”), any Party may apply to enforce or require specific performance of such Decision on Interim Relief in any court of competent jurisdiction.

(x) The Parties consent and submit to the non-exclusive jurisdiction of any federal court located in the State of New York or, where such court does not have jurisdiction, any New York state court, in either case located in the Borough of Manhattan, New York City, New York (“New York Court”) to enforce the dispute resolution provisions in this Section 8.1, or to enforce any award, relief or decision issued by an Arbitral Tribunal (or, if applicable, Emergency Arbitrator). In any such action: (A) each of the Parties irrevocably waives, to the fullest extent it may effectively do so, any objection, including any objection to the laying of venue or based on the grounds of *forum non conveniens* or any right of objection to jurisdiction on account of its place of incorporation or domicile, which it may now or hereafter have to the bringing of any such action or proceeding in any New York Court; and (B) each of the Parties irrevocably consents to service of process by the mailing of copies of the process to the Parties as provided in Section 10.6, with service effected in this manner becoming effective five (5) days after the mailing of the process.

(xi) EACH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE, AGENT OR ATTORNEY OF THE OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (B) EACH SUCH PARTY UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (C) EACH SUCH PARTY MAKES THIS WAIVER VOLUNTARILY AND (D) EACH SUCH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 8.1.

(d) Confidentiality. Without limiting the provisions of the Rules, unless otherwise agreed in writing by or among the Parties or permitted by this Agreement, the Parties shall keep, and shall cause the members of their applicable Group to keep, confidential all matters relating to the arbitration (including the existence of the proceeding and all of its elements and including any pleadings, briefs or other documents submitted or exchanged, any testimony or other oral submissions) or the award, and any negotiations, conferences and discussions pursuant to this Article VIII shall be treated as compromise and settlement negotiations; provided that such matters may be disclosed (i) to the extent reasonably necessary in any proceeding brought to enforce this Article VIII or the award or for entry of a judgment upon the award and (ii) to the extent otherwise required by Law. Nothing said or disclosed, nor any document produced, in the course of any negotiations, conferences and discussions that is

not otherwise independently discoverable shall be offered or received as evidence or used for impeachment or for any other purpose in any current or future arbitration. In the event any Party makes application to any court in connection with this Section 8.1(d) (including any proceedings to enforce a final award or any Interim Relief), such Party shall take all steps reasonably within its power to cause such application, and any exhibits (including copies of any award or decisions of the Arbitral Tribunal or Emergency Arbitrator) to be filed under seal, shall oppose any challenge by any third party to such sealing, and shall give the other Party immediate notice of such challenge.

Section 8.2 Continuity of Service and Performance. Unless otherwise agreed in writing, the Parties will continue to provide service and honor all other commitments under this Agreement and each Ancillary Agreement during the course of dispute resolution pursuant to the provisions of this Article VIII with respect to all matters not subject to such dispute resolution.

ARTICLE IX

INSURANCE

Section 9.1 Access to Insurance Policies for Pre-Distribution Matters.

(a) With respect to Liabilities of the SpinCo Group that (x) constitute SpinCo Liabilities (other than those incurred by a member of the RemainCo Group) or (y) are otherwise incurred by a member of the SpinCo Group, in each case to the extent related to or arising from occurrences, acts, omissions or other matters prior to the Distribution Date (such Liabilities, the “Pre-Distribution SpinCo Liabilities”), any rights to insurance coverage applicable to the Pre-Distribution SpinCo Liabilities under Insurance Policies issued to any members of the RemainCo Group (the “Pre-Distribution RemainCo Insurance Policies”), are hereby assigned by RemainCo (on behalf of itself and the applicable members of its Group) to the applicable members of the SpinCo Group on that same date. RemainCo shall (or shall cause the applicable member of its Group to) provide the applicable member of the SpinCo Group with, from and after the Distribution Date, access to the applicable Pre-Distribution RemainCo Insurance Policy(ies) with respect to any bona fide claim arising out of such Pre-Distribution SpinCo Liabilities; provided that such access shall be subject to the terms, conditions and exclusions of such Pre-Distribution RemainCo Insurance Policy(ies) and any related reinsurance agreement(s), including any limits on coverage, any deductibles, retentions, retrospective premiums, and other chargeback amounts, fees, costs and expenses, and any provisions relating to the control and handling of insurance claims and the defense of any Pre-Distribution SpinCo Liability that is the subject of an insurance claim, and shall be subject to the following:

(i) Neither SpinCo nor any member of its Group shall be permitted to directly submit an insurance claim under such Pre-Distribution RemainCo Insurance Policies;

(ii) SpinCo may, or may cause the applicable member of the SpinCo Group to, submit a written request to RemainCo’s Director of Risk Management and General Counsel requesting that the applicable member of the RemainCo Group

submit an insurance claim under the applicable Pre-Distribution RemainCo Insurance Policy(ies) with respect to such Pre-Distribution SpinCo Liability, and following receipt of such written request and such other documents and information as are necessary to submit such insurance claim, RemainCo shall, or shall cause the applicable member of its Group to, submit such insurance claim directly to the applicable Insurer(s); provided that SpinCo (or the applicable member of the SpinCo Group) shall (x) identify the Pre-Distribution RemainCo Insurance Policy(ies) under which SpinCo reasonably believes the Pre-Distribution SpinCo Liability should be noticed; (y) be responsible for the preparation of any documents and information that are required for the submission of such insurance claim and (z) provide the applicable member of the RemainCo Group with such documents or other information necessary for the submission of such claim;

(iii) The members of the RemainCo Group shall reasonably cooperate with the applicable members of the SpinCo Group in the pursuit of any such claims under such Pre-Distribution RemainCo Insurance Policies, including by providing the applicable member(s) of the SpinCo Group with commercially reasonable access to the applicable Pre-Distribution RemainCo Insurance Policy(ies) upon the written request of SpinCo and by promptly remitting insurance proceeds to the applicable member(s) of the SpinCo Group;

(iv) SpinCo (or the applicable members of the SpinCo Group) shall be responsible for any payments to the applicable Insurer under such Pre-Distribution RemainCo Insurance Policy relating to its claims submissions and shall indemnify, hold harmless and reimburse RemainCo (and the applicable members of the RemainCo Group) for any deductibles, retentions, retrospective premiums and other chargeback amounts, fees, costs and expenses incurred by RemainCo (or any members of the RemainCo Group), as applicable, to the extent resulting from any access to, or any claims made by SpinCo (or any members of the SpinCo Group) under, any such Pre-Distribution RemainCo Insurance Policy provided pursuant to this Section 9.1(a) (with respect to SpinCo Liabilities), including any indemnity payments, settlements, judgments, legal fees, allocated claims expenses and claim handling fees;

(v) SpinCo (or the applicable members of the SpinCo Group) shall bear (and none of the RemainCo Group shall have any obligation to repay or reimburse any members of the SpinCo Group for) and shall be liable for all excluded, uninsured, uncovered, unavailable or uncollectible amounts of all such claims made on behalf of SpinCo or any members of the SpinCo Group under such Pre-Distribution RemainCo Insurance Policy (unless otherwise constituting a RemainCo Liability); and

(vi) No member of the SpinCo Group, in connection with making a claim under any such Pre-Distribution RemainCo Insurance Policy pursuant to this Section 9.1(a), shall take any action that would be reasonably likely to (w) have an adverse impact on the then-current relationship between any member of the RemainCo Group, on the one hand, and the applicable Insurer(s), on the other hand; (x) result in the applicable Insurer(s) terminating or reducing coverage for, or increasing the amount of

any premium owed by, any member of the RemainCo Group under such Pre-Distribution RemainCo Insurance Policy; (y) otherwise compromise, jeopardize or interfere with the rights of any member of the RemainCo Group under such Pre-Distribution RemainCo Insurance Policy; or (z) otherwise compromise or impair the ability of RemainCo to enforce its rights with respect to any indemnification under or arising out of this Agreement, and RemainCo shall have the right to cause SpinCo to desist, or cause any other member of the SpinCo Group to desist, from any action that RemainCo reasonably determines would compromise or impair its rights in accordance with this clause (z); provided that this Section 9.1(a)(vi) shall not preclude or otherwise restrict any member of the SpinCo Group from reporting claims to Insurers as set forth herein in the ordinary course of business.

(b) With respect to Liabilities of the RemainCo Group that (x) constitute RemainCo Liabilities (other than those incurred by a member of the SpinCo Group) or (y) are otherwise incurred by a member of the RemainCo Group, in each case to the extent related to or arising from occurrences, acts, omissions or other matters prior to the Distribution Date (such Liabilities, the “Pre-Distribution RemainCo Liabilities”), any rights to insurance coverage applicable to the Pre-Distribution RemainCo Liabilities under Insurance Policies issued to any members of the SpinCo Group (the “Pre-Distribution SpinCo Insurance Policies”), are hereby assigned by SpinCo (on behalf of itself and the applicable members of its Group) to the applicable members of the RemainCo Group on that same date. SpinCo shall (or shall cause the applicable member of its Group to) provide the applicable member of the RemainCo Group with, from and after the Distribution Date, access to the applicable Pre-Distribution SpinCo Insurance Policy(ies) with respect to any bona fide claim arising out of such Pre-Distribution RemainCo Liabilities; provided that such access shall be subject to the terms, conditions and exclusions of such Pre-Distribution SpinCo Insurance Policy(ies), including any limits on coverage, any deductibles, retentions, retrospective premiums, and other chargeback amounts, fees, costs and expenses and any provisions concerning the control of insurance claims and the defense of any Pre-Distribution RemainCo Liability that is the subject of an insurance claim, and shall be subject to the following:

(i) Neither RemainCo nor any member of its Group shall be permitted to directly submit an insurance claim under such Pre-Distribution SpinCo Insurance Policies;

(ii) RemainCo may, or may cause the applicable member of the RemainCo Group to, submit a written request to SpinCo’s Director of Risk Management and General Counsel requesting that the applicable member of the SpinCo Group submit an insurance claim under the applicable Pre-Distribution SpinCo Insurance Policy(ies) with respect to such Pre-Distribution RemainCo Liability, and following receipt of such written request and such other documents and information as are necessary to submit such insurance claim, SpinCo shall, or shall cause the applicable member of its Group to, submit such insurance claim directly to the applicable Insurer(s); provided that RemainCo (or the applicable member of the RemainCo Group) shall (x) identify the Pre-Distribution SpinCo Insurance Policy(ies) under which RemainCo reasonably believes the Pre-

Distribution RemainCo Liability should be noticed; (y) be responsible for the preparation of any documents and information that are required for the submission of such insurance claim and (z) provide the applicable member of the SpinCo Group with such documents, forms, or other information necessary for the submission of such claim;

(iii) The members of the SpinCo Group shall reasonably cooperate with the applicable members of the RemainCo Group in the pursuit of any such claims under such Pre-Distribution SpinCo Insurance Policies, including by providing the applicable member(s) of the RemainCo Group with commercially reasonable access to the applicable Pre-Distribution SpinCo Insurance Policy(ies) upon the written request of RemainCo and by promptly remitting insurance proceeds to the applicable member(s) of the RemainCo Group;

(iv) RemainCo (or the applicable members of the RemainCo Group) shall be responsible for any payments to the applicable Insurer under such Pre-Distribution SpinCo Insurance Policy relating to its claims submissions, and shall indemnify, hold harmless and reimburse SpinCo (and the applicable member of the SpinCo Group) for any deductibles, retentions, retrospective premiums and other chargeback amounts, fees, costs and expenses incurred by SpinCo (or any members of the SpinCo Group), as applicable, to the extent resulting from any access to, or any claims made by RemainCo (or any members of the RemainCo Group) under, any such Pre-Distribution SpinCo Insurance Policy provided pursuant to this Section 9.1(b) (with respect to RemainCo Liabilities), including any indemnity payments, settlements, judgments, legal fees, allocated claims expenses and claim handling fees;

(v) RemainCo (or the applicable members of the RemainCo Group) shall bear (and none of the SpinCo Group shall have any obligation to repay or reimburse any members of the RemainCo Group for) and shall be liable for all excluded, uninsured, uncovered, unavailable or uncollectible amounts of all such claims made on behalf of RemainCo or any members of the RemainCo Group under such Pre-Distribution SpinCo Insurance Policy (unless otherwise constituting a SpinCo Liability); and

(vi) No member of the RemainCo Group, in connection with making a claim under any such Pre-Distribution SpinCo Insurance Policy pursuant to this Section 9.1(b), shall take any action that would be reasonably likely to (w) have an adverse impact on the then-current relationship between any member of the SpinCo Group, on the one hand, and the applicable Insurer(s), on the other hand; (x) result in the applicable Insurer(s) terminating or reducing coverage for, or increasing the amount of any premium owed by, any member of the SpinCo Group under such Pre-Distribution SpinCo Insurance Policy; (y) otherwise compromise, jeopardize or interfere with the rights of any member of the SpinCo Group under such Pre-Distribution SpinCo Insurance Policy; or (z) otherwise compromise or impair the ability of SpinCo to enforce its rights with respect to any indemnification under or arising out of this Agreement, and SpinCo shall have the right to cause RemainCo to desist, or cause any other member of the

RemainCo Group to desist, from any action that SpinCo reasonably determines would compromise or impair its rights in accordance with this clause (z); provided that this Section 9.1(b)(vi) shall not preclude or otherwise restrict any member of the RemainCo Group from reporting claims to Insurers as set forth herein in the ordinary course of business.

(c) With respect to any Insurance Policies whose rights are shared between RemainCo and SpinCo (or any member of their respective Groups), claims shall be paid, any self-insurance pertaining thereto shall be applied, and the applicable limits under such Insurance Policies shall be reduced, in each case, in accordance with the terms of such Insurance Policies; provided, however, (i) in the event that there are claims under any such Insurance Policy by both a member of the RemainCo Group and a member of the SpinCo Group, then the limits of such Insurance Policy and any applicable deductible or retention under such Insurance Policy shall be allocated between the applicable members of the RemainCo Group and the SpinCo Group in accordance with their respective *bona fide* losses covered under such Insurance Policy; and (ii) none of RemainCo or SpinCo (or any member of their respective Groups) shall accelerate or delay the notification, submission, adjustment, handling or resolution of claims or the receipt of Insurance Proceeds in a manner that would differ from that which each would follow in the ordinary course when acting without regard to sufficiency of limits or the terms of self-insurance.

(d) The members of each Group shall use commercially reasonable efforts not to take any action or omit to take any action that would be reasonably likely to eliminate or substantially reduce the coverage of any member of the other Group under any Insurance Policy in respect of any occurrence, act, omission or other matter taking place prior to the Distribution without the consent of any such member of the other Group (or the consent of RemainCo or SpinCo, as applicable, on behalf of such member); provided that (i) the expiration of any such Insurance Policies in accordance with their respective terms (including sending a notice of non-renewal) is expressly permitted; and (ii) the submission of a claim by any member of one Group shall not constitute an action that is reasonably likely to eliminate or substantially reduce the coverage of any member of the other Group.

Section 9.2 Insurance for Post-Distribution Matters. From and after the Distribution Date, each Group shall be responsible, at its sole cost and expense, for securing all insurance it deems appropriate for the operation of its Group and all of its Assets and Liabilities with respect to occurrences, acts, omissions or other matters occurring or existing from and after the Distribution Date.

Section 9.3 No Assignment of Entire Insurance Policies. This Agreement shall not be considered as an attempted assignment of any insurance policy in its entirety (as opposed to an assignment of rights under an insurance policy), nor is it considered to be itself a contract of insurance. This Agreement shall not be construed to waive any right or remedy of any Party under or with respect to any Insurance Policy, and the Parties reserve all their rights thereunder.

Section 9.4 Agreement for Waiver of Conflict and Shared Defense. In the event of any action by members of both of the Groups to recover or obtain Insurance Proceeds

under an Insurance Policy, or to defend any action by an insurer(s) attempting to restrict or deny any coverage under an Insurance Policy, the Parties (or the applicable member of such Party's Group) may join in any such Action and be represented by joint counsel, in which case, each Party shall, and shall cause the other members of its Group to, waive any conflict of interest to the extent necessary to conduct any such action.

Section 9.5 Directors and Officers Indemnification and Insurance.

(a) For a period of six (6) years from and after the Distribution Date, (i) the Amended and Restated Certificate of Incorporation, By-laws or other organizational documents of the members of the RemainCo Group, in each case, as amended and restated or otherwise modified from time to time, shall contain provisions no less favorable with respect to indemnification than are set forth in the Amended and Restated Certificate of Incorporation, By-laws or other organizational documents of the members of the RemainCo Group immediately before the Effective Time, which provisions shall not be amended, repealed or otherwise modified for a period of six (6) years from and after the Distribution Date in any manner that would affect adversely the rights thereunder of individuals who, at or prior to the Distribution Date, were indemnified under such Amended and Restated Certificate of Incorporation, By-laws, or other organizational documents unless such amendment, repeal, or modification shall be required by Law and then only to the minimum extent required by Law or approved by RemainCo's stockholders, and (ii) the Amended and Restated Certificate of Incorporation, By-laws or other organizational documents of the members of the SpinCo Group, in each case, as amended and restated or otherwise modified from time to time, shall contain provisions no less favorable with respect to indemnification than are set forth in the Amended and Restated Certificate of Incorporation, By-laws or other organizational documents of the SpinCo Group immediately before the Effective Time, which provisions shall not be amended, repealed or otherwise modified for a period of six (6) years from and after the Distribution Date in any manner that would affect adversely the rights thereunder of individuals who, at or prior to the Distribution Date, were indemnified under such Amended and Restated Certificate of Incorporation, By-laws or other organizational documents, unless such amendment, repeal, or modification shall be required by Law and then only to the minimum extent required by Law or approved by SpinCo's stockholders.

(b) RemainCo and SpinCo may purchase and obtain "tail" or prior acts insurance, including directors and officers liability, fiduciary liability and employment practices liability insurance, covering the RemainCo Group and the SpinCo Group and their respective insured persons with respect to claims or other matters arising out of acts, omissions or other matters occurring at or prior to the Distribution Date. For a period of twelve (12) months following the Distribution Date, RemainCo and SpinCo shall and shall cause the members of their respective Groups to reasonably cooperate with the other Group with respect to obtaining any such "tail" or prior acts insurance.

ARTICLE X

MISCELLANEOUS

Section 10.1 Complete Agreement; Construction. This Agreement, including the Exhibits and Schedules, the Ancillary Agreements and, solely to the extent and for the limited purpose of effecting the Internal Reorganization, the Conveyancing and Assumption Instruments shall constitute the entire agreement between the Parties with respect to the subject matter hereof and shall supersede all previous negotiations, commitments, course of dealings and writings with respect to such subject matter. In the event of any inconsistency between this Agreement and any Exhibit or Schedule hereto, the Exhibit or Schedule shall prevail. In the event and to the extent that there shall be a conflict between the provisions of (a) this Agreement and the provisions of any Ancillary Agreement, such Ancillary Agreement shall control (except with respect to any provisions relating to the Transfer of Assets to, or the Assumption of Liabilities by, a Party or a member of its Group, the Internal Reorganization, the Distribution, the covenants and obligations set forth in Article V, Article VI, Article VII, Article VIII and Article IX or the application of Article X to the terms of this Agreement (or, in each case, any indemnification rights pursuant to this Agreement in respect thereof and/or any other remedies pursuant to this Agreement in respect of any breach of any covenant or obligation under this Agreement), in which case this Agreement shall control), (b) this Agreement and any Conveyancing and Assumption Instrument, this Agreement shall control and (c) this Agreement and any agreement which is not an Ancillary Agreement (other than a Conveyancing and Assumption Instrument), this Agreement shall control unless both (x) it is specifically stated in such agreement that such agreement controls and (y) such agreement has been executed by a member of the Group that it is to be enforced against. Except as expressly set forth in this Agreement or any Ancillary Agreement, (i) all matters relating to Taxes and Tax Returns of the Parties and their respective Subsidiaries shall be governed exclusively by the Tax Matters Agreement, and (ii) in the event of any conflict between this Agreement or any Ancillary Agreement, on the one hand, and the Tax Matters Agreement, on the other hand, with respect to such matters, the terms and conditions of the Tax Matters Agreement shall govern.

Section 10.2 Ancillary Agreements. Except as expressly set forth herein, this Agreement is not intended to address, and should not be interpreted to address, the matters specifically and expressly covered by the Ancillary Agreements.

Section 10.3 Counterparts. This Agreement may be executed and delivered (including by facsimile or other means of electronic transmission, such as by electronic mail in “pdf” form) in more than one counterpart, all of which shall be considered one and the same agreement, each of which when executed shall be deemed to be an original, and shall become effective when one or more such counterparts have been signed by each of the Parties and delivered to each of the Parties.

Section 10.4 Survival of Agreements. Except as otherwise contemplated by this Agreement or any Ancillary Agreement, all covenants and agreements of the Parties contained in this Agreement and each Ancillary Agreement shall survive the Effective Time and remain in full force and effect in accordance with their applicable terms.

Section 10.5 Expenses. Except as otherwise provided in this Agreement or any Ancillary Agreement, (a) SpinCo shall be liable for costs and expenses incurred, or to be incurred by members of the SpinCo Group and directly related to the consummation of the transactions contemplated hereby (including the financing transactions contemplated hereby) and (b) RemainCo shall be liable for costs and expenses incurred, or to be incurred by members of the RemainCo Group and directly related to the consummation of the transactions contemplated hereby (including the financing transactions contemplated hereby); provided; however, in the event of any inconsistency between clauses (a) and (b) of this Section 10.5, on the one hand, and Article I with respect to specific allocations of SpinCo Liabilities and RemainCo Liabilities, on the other hand, such clauses in the definitions of SpinCo Liabilities and RemainCo Liabilities in Article I shall control.

Section 10.6 Notices. Notices, requests, instructions or other documents to be given under this Agreement shall be in writing and shall be deemed to have been properly delivered, given and received, (a) on the date of transmission if sent via email (provided, however, that notice given by email shall not be effective unless either (i) a duplicate copy of such email notice is promptly given by one of the other methods described in this Section 10.6 or (ii) the receiving party delivers a written confirmation of receipt of such notice either by email or any other method described in this Section 10.6 (excluding “out of office” or other automated replies)), (b) when delivered, if delivered personally to the intended recipient, and (c) one (1) Business Day later, if sent by overnight delivery via a national courier service (providing proof of delivery), and in each case, addressed to a Party at the address for such Party set forth on a schedule to be delivered by each Party to the address set forth below (or at such other address for a Party as shall be specified in a notice given in accordance with this Section 10.6):

To RemainCo:

Honeywell International Inc.
855 S. Mint Street
Charlotte, NC 28202
Attention: Su Ping Lu, Senior Vice President, General Counsel and Corporate Secretary
Email:

with a copy (which shall not constitute notice) to:

Skadden, Arps, Slate, Meagher & Flom LLP
One Manhattan West
New York, NY 10001
Attention: Allison R. Schneirov, Esq.
Alexandra J. McCormack, Esq.
Kyle J. Hatton, Esq.
Lauren S. Kramer, Esq.
Email:

To SpinCo:

Solstice Advanced Materials Inc.
115 Tabor Road
Morris Plains, NJ 07950
Attention: Brian Rudick, General Counsel
Email:

with a copy (which shall not constitute notice) to:

Skadden, Arps, Slate, Meagher & Flom LLP
One Manhattan West
New York, NY 10001
Attention: Allison R. Schneirov, Esq.
Alexandra J. McCormack, Esq.
Kyle J. Hatton, Esq.
Lauren S. Kramer, Esq.
Email:

Section 10.7 Waivers. Any provision of this Agreement may be waived, if and only if, such waiver is in writing and signed by the Party against whom the waiver is to be effective. Notwithstanding the foregoing, no failure to exercise and no delay in exercising, on the part of any Party, any right, remedy, power or privilege hereunder shall operate as a waiver hereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. Any consent required or permitted to be given by any Party to the other Party under this Agreement shall be in writing and signed by the Party giving such consent and shall be effective only against such Party (and the members of its Group).

Section 10.8 Amendments. Subject to the terms of Section 10.11 hereof, this Agreement may not be modified or amended except by an agreement in writing specifically designated as an amendment hereto signed by each of the Parties.

Section 10.9 Assignment. Except as otherwise provided for in this Agreement, neither this Agreement nor any right, interest or obligation shall be assignable, in whole or in part, directly or indirectly, by any Party without the prior written consent of the other Party (not to be unreasonably withheld, conditioned or delayed), and any attempt to assign any rights, interests or obligations arising under this Agreement without such consent shall be void; except, that a Party may assign this Agreement or any or all of the rights, interests and obligations hereunder in connection with a merger, reorganization or consolidation transaction in which such Party is a constituent party but not the surviving entity or the sale by such Party of all or substantially all of its Assets; provided that the surviving entity of such merger, reorganization or consolidation transaction or the transferee of such Assets shall assume all the obligations of the

relevant Party by operation of law or pursuant to an agreement in writing, reasonably satisfactory to the other Party, to be bound by the terms of this Agreement as if named as a Party hereto; provided, however, that in the case of each of the preceding clauses, no assignment permitted by this Section 10.9 shall release the assigning Party from Liability for the full performance of its obligations under this Agreement, unless agreed to in writing by the non-assigning Parties.

Section 10.10 Successors and Assigns. The provisions of this Agreement and the obligations and rights hereunder shall be binding upon, inure to the benefit of and be enforceable by (and against) the Parties and their respective successors and permitted transferees and assigns.

Section 10.11 Certain Termination and Amendment Rights. This Agreement (including Article VI hereof) may be terminated at any time prior to the Distribution Date by and in the sole discretion of the Board without the approval of SpinCo or the stockholders of RemainCo and, in the event of such termination, no Party shall have any liability of any kind to the other Party or any other Person. The Distribution may be amended, modified or abandoned at any time prior to the Distribution Date by and in the sole discretion of the Board without the approval of SpinCo or the stockholders of RemainCo. After the Distribution Date, this Agreement may not be terminated or amended except by an agreement in writing signed by each of the Parties. Notwithstanding the foregoing, Article VI, Section 9.1(d) or Section 9.5(a) shall not be terminated or amended after the Effective Time in a manner adverse to the third party beneficiaries thereof without the Consent of any such Person.

Section 10.12 Payment Terms.

(a) Except as set forth in Article VI or as otherwise expressly provided to the contrary in this Agreement, any amount to be paid or reimbursed by a Party (and/or a member of such Party's Group), on the one hand, to the other Party (and/or a member of such other Party's respective Group), on the other hand, under this Agreement shall be paid or reimbursed hereunder within thirty (30) days after presentation of an invoice or a written demand therefor and setting forth, or accompanied by, reasonable documentation or other reasonable explanation supporting such amount.

(b) Except as set forth in Article VI or as expressly provided to the contrary in this Agreement, any amount not paid when due pursuant to this Agreement (and any amount billed or otherwise invoiced or demanded and properly payable that is not paid within thirty (30) days of such bill, invoice or other demand) shall bear interest at a rate per annum equal to SOFR (in effect on the date on which such payment was due) plus % calculated for the actual number of days elapsed, accrued from the date on which such payment was due up to the date of the actual receipt of payment; provided, however, in the event that SOFR is no longer commonly accepted by market participants, then an alternative floating rate index that is commonly accepted by market participants, which SpinCo and RemainCo shall jointly determine, each acting in good faith.

(c) In the event of a dispute or disagreement with respect to all or a portion of any amounts requested by any Party (and/or a member of such Party's Group) as being payable, the payor Party shall in no event be entitled to withhold payments for any such amounts

(and any such disputed amounts shall be paid in accordance with Section 10.12(a), subject to the right of the payor Party to dispute such amount following such payment); provided that in the event that following the resolution of such dispute it is determined that the payee Party (and/or a member of the payee Party's Group) was not entitled to all or a portion of the payment made by the payor Party, the payee Party shall repay (or cause to be repaid) such amounts to which it was not entitled, including interest, to the payor Party (or its designee), which amounts shall bear interest at a rate per annum equal to SOFR plus %, calculated for the actual number of days elapsed, accrued from the date on which such payment was made by the payor Party to the payee Party; provided, however, in the event that SOFR is no longer commonly accepted by market participants, then an alternative floating rate index that is commonly accepted by market participants, which SpinCo and RemainCo shall jointly determine, each acting in good faith.

(d) Without the Consent of the Party receiving any payment under this Agreement specifying otherwise, all payments to be made by RemainCo or SpinCo under this Agreement shall be made in U.S. dollars. Except as expressly provided herein, any amount which is not expressed in U.S. dollars shall be converted into U.S. dollars by using the Bloomberg fixing rate at 5:00 p.m. New York City Time on the day before the date the payment is required to be made or, as applicable, on which an invoice is submitted (provided, however, that with regard to any payments in respect of Indemnifiable Losses for payments made to third parties, the date shall be the day before the relevant payment was made to the third party) or in the Wall Street Journal on such date if not so published on Bloomberg. Except as expressly provided herein, in the event that any indemnification payment required to be made hereunder may be denominated in a currency other than U.S. dollars, the amount of such payment shall be converted into U.S. dollars on the date in which notice of the claim is given to the Indemnifying Party.

Section 10.13 No Circumvention. The Parties agree not to directly or indirectly take any actions, act in concert with any Person who takes an action, or cause or allow any member of any such Party's Group to take any actions (including the failure to take a reasonable action) such that the resulting effect is to materially undermine the effectiveness of any of the provisions of this Agreement (including adversely affecting the rights or ability of any Party to successfully pursue indemnification or payment pursuant to Article VI).

Section 10.14 Subsidiaries. Each of the Parties shall cause to be performed, and hereby guarantees the performance of, all actions, agreements and obligations set forth herein to be performed by any Subsidiary of such Party or by any entity that becomes a Subsidiary of such Party at and after the Effective Time.

Section 10.15 Third Party Beneficiaries. Except (a) as provided in Article VI relating to Indemnitees and for the release under Section 6.1 of any Person provided therein, (b) as provided in Section 9.1(d) relating to insured persons and Section 9.5 relating to the directors, officers, employees, fiduciaries or agents provided therein, (c) as provided in Section 7.9 relating to RemainCo Counsel and (d) as specifically provided in any Ancillary Agreement, this Agreement is solely for the benefit of, and is only enforceable by, the Parties and their permitted successors and assigns and should not be deemed to confer upon third parties any remedy,

benefit, claim, liability, reimbursement, claim of Action or other right of any nature whatsoever, including any rights of employment for any specified period, in excess of those existing without reference to this Agreement.

Section 10.16 Title and Headings. Titles and headings to sections herein are inserted for the convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

Section 10.17 Exhibits and Schedules. The Exhibits and Schedules shall be construed with and as an integral part of this Agreement to the same extent as if the same had been set forth verbatim herein. Nothing in the Exhibits or Schedules constitutes an admission of any Liability or obligation of any member of the RemainCo Group or the SpinCo Group or any of their respective Affiliates to any third party, nor, with respect to any third party, an admission against the interests of any member of the RemainCo Group or the SpinCo Group or any of their respective Affiliates. The inclusion of any item or Liability or category of item or Liability on any Exhibit or Schedule is made solely for purposes of allocating potential Liabilities among the Parties and shall not be deemed as or construed to be an admission that any such Liability exists.

Section 10.18 Governing Law. This Agreement, including all matters of construction, validity, interpretation, performance and enforceability, and any dispute arising directly or indirectly out of, in connection with or relating to this Agreement shall be governed by and construed in accordance with the Laws of the State of Delaware, without giving effect to the conflicts of laws principles thereof.

Section 10.19 Specific Performance. The Parties acknowledge and agree that irreparable harm would occur in the event that the Parties do not perform any provision of this Agreement in accordance with its specific terms or otherwise breach this Agreement and the remedies at law for any breach or threatened breach of this Agreement, including monetary damages, are inadequate compensation for any Indemnifiable Loss. Accordingly, from and after the Effective Time, in the event of any actual or threatened default in, or breach of, any of the terms, conditions and provisions of this Agreement, the Parties agree that the Parties to this Agreement who are or are to be thereby aggrieved shall, subject and pursuant to the terms of this Article X (including after compliance with all notice and negotiation provisions herein), have the right to specific performance and injunctive or other equitable relief of its or their rights under this Agreement, in addition to any and all other rights and remedies at law or in equity, and all such rights and remedies shall be cumulative. The Parties agree that any defense in any action for specific performance that a remedy at law would be adequate is hereby waived, and that any requirements for the securing or posting of any bond with such remedy are hereby waived.

Section 10.20 Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon a determination that any term, provision, covenant or restriction is invalid, illegal, void or unenforceable, the Parties shall

negotiate in good faith to modify to the fullest extent permitted by applicable Law this Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

Section 10.21 No Duplication; No Double Recovery. Nothing in this Agreement is intended to confer to or impose upon any Party a duplicative right, entitlement, obligation or recovery with respect to any matter arising out of the same facts and circumstances (including with respect to the rights, entitlements, obligations and recoveries that may arise out of one or more of the following Sections: Section 6.2, Section 6.3 and Section 6.4).

Section 10.22 Public Announcements. From and after the Effective Time, RemainCo and SpinCo hereby agree to (a) coordinate with the other Party on the Parties' respective initial press releases with respect to the transactions contemplated herein and (b) that no press release or similar public announcement or external communication shall, if prior to, or after, the Effective Time, be made or be caused to be made (including by such Party's Affiliates) concerning the execution or performance of this Agreement until such Party has consulted with the other Party, and provided meaningful opportunity for review and given due consideration to reasonable comment by the other Party, except (x) as may be required by applicable Law, court process or by obligations pursuant to any listing agreement with any national securities exchange or national securities quotation system, (y) for disclosures made that are substantially consistent with disclosure contained in any Distribution Disclosure Document, or (z) as may pertain to disputes between one Party or any member of its Group, on the one hand, and the other Party or any member of its Group, on the other hand; provided that in the case of clause (z), any Party that intends to issue a press release or similar public announcement or external communication regarding such dispute shall provide reasonable advance written notice to the other Party in accordance with Section 10.6, which notice shall include a copy of the press release or similar public announcement or external communication, or where no such copy is available, a description of the press release or similar public announcement or external communication.

Section 10.23 Tax Treatment of Indemnity Payments. In the absence of any change in Tax treatment under the Code, any Indemnity Payment (other than any portion of a payment that represents interest accruing after the Distribution Date) shall be reported for Tax purposes by the payor and recipient as distributions or capital contributions, as appropriate, occurring immediately prior to the Distribution (but only to the extent the payment does not relate to a Tax allocated to the payor in accordance with Section 1552 of the Code or the Regulations thereunder or Section 1.1502-33(d) of the Regulations (or under corresponding principles of other applicable Tax Laws)) or as payments of an assumed or retained liability, except as otherwise required by applicable Law or a Determination.

* * * * *

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IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed as of the day and year first above written.

HONEYWELL INTERNATIONAL INC.

By: _____
Name:
Title:

SOLSTICE ADVANCED MATERIALS INC.

By: _____
Name:
Title:

[Signature Page to the Separation and Distribution Agreement]

**Amended and Restated Certificate of Incorporation
of
Solstice Advanced Materials Inc.**

FIRST: The name of the corporation is Solstice Advanced Materials Inc.

SECOND: The address of the registered office of the corporation in the State of Delaware is 251 Little Falls Drive, Wilmington, New Castle County, Delaware 19808. The name of its registered agent at that address is Corporation Service Company.

THIRD: The purpose of the corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of the State of Delaware as set forth in Title 8 of the Delaware Code.

FOURTH: The total number of shares of stock which the corporation shall have authority to issue is shares of which shares shall be Common Stock, par value \$0.01 per share ("**Common Stock**"), and shares shall be Preferred Stock, without par value ("**Preferred Stock**").

FIFTH:

(1) From time to time the corporation may issue and may sell its authorized shares for such consideration per share (with respect to shares having a par value, not less than the par value thereof), either in money or money's worth of property or services, or for such other considerations, whether greater or less, now or from time to time hereafter permitted by law, as may be fixed by the Board of Directors of the corporation (the "**Board of Directors**," and each member of the Board of Directors, a "**Director**"); and all shares so issued shall be fully paid and nonassessable.

(2) No holder of any shares of any class shall as such holder have any preemptive right to subscribe for or purchase any other shares or securities of any class, whether now or hereafter authorized, which at any time may be offered for sale or sold by the corporation.

(3) Each holder of record of the Common Stock of the corporation shall be entitled to one vote for every share of Common Stock standing in his name on the books of the corporation.

(4) The corporation may issue Preferred Stock from time to time in one or more series as the Board of Directors may establish by the adoption of a resolution or resolutions relating thereto, each series to have such voting powers, full or limited, or no voting powers, and such designations, preferences and relative, participating, optional or other special rights, and qualifications, limitations or restrictions thereof, as shall be stated and expressed in the resolution or resolutions providing for the issue of such series adopted by the Board of Directors pursuant to authority to do so, which authority is hereby granted to the Board of Directors.

SIXTH: The duration of the corporation is to be perpetual.

SEVENTH:

(1) Except as otherwise provided pursuant to the provisions of this Amended and Restated Certificate of Incorporation relating to the rights of certain holders of Preferred Stock to elect additional Directors under specified circumstances, the number of Directors of the corporation shall be determined from time to time in the manner described in the By-laws. The Directors, other than those who may be elected by the holders of Preferred Stock pursuant to this Amended and Restated Certificate of Incorporation, shall be elected by the holders of the then outstanding shares of capital stock of the corporation entitled to vote generally in the election of Directors (the “**Voting Stock**”), voting together as a single class. No Director need be a stockholder.

(2) Except as otherwise provided pursuant to this Amended and Restated Certificate of Incorporation relating to the rights of certain holders of Preferred Stock to elect Directors under specified circumstances, newly created directorships resulting from any increase in the number of Directors and any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other cause shall be filled by the affirmative vote of a majority of the remaining Directors then in office, even if less than a quorum of the Board of Directors, or by a sole remaining Director. Any Director elected in accordance with the preceding sentence shall hold office until the annual meeting of stockholders at which the full term of office of the class to which such Director has been elected expires, and until such Director’s successor shall have been elected and qualified or until such Director’s earlier death, resignation, disqualification or removal. No decrease in the number of Directors constituting the Board of Directors shall shorten the term of any incumbent Director.

EIGHTH:

(1) Except for those Directors, if any, elected by the holders of Preferred Stock pursuant to this Amended and Restated Certificate of Incorporation, the Board of Directors shall be classified initially into three classes: Class I, Class II and Class III. Each class shall consist, as nearly as possible, of one-third of the total number of Directors constituting the entire Board of Directors and the allocation of Directors among the three classes shall be determined by the Board of Directors.

(2) Except for the terms of such additional Directors, if any, elected by the holders of Preferred Stock pursuant to this Amended and Restated Certificate of Incorporation, the initial Class I Directors shall serve for a term expiring at the 2026 annual meeting of stockholders, at which meeting the Class I Directors shall be elected to a term expiring at the 2028 annual meeting of stockholders; the initial Class II Directors shall serve for a term expiring at the 2027 annual meeting of stockholders, at which meeting the Class II Directors shall be elected to a term expiring at the 2028 annual meeting of stockholders; and the initial Class III Directors shall serve for a term expiring at the 2028 annual meeting of stockholders. Each Director in each class shall hold office until his or her successor is duly elected and qualified or until his or her earlier death, resignation, disqualification or removal. If the number of Directors is changed, any increase or decrease shall be apportioned among the classes so as to maintain the number of Directors in each class to be as nearly equal as possible. From and including the 2028 annual meeting of

stockholders, the Board of Directors shall no longer be classified, and each Director shall be elected to serve a term expiring at the next annual meeting of stockholders following the Director's election. Notwithstanding the expiration of the term of a Director, the Director shall continue to hold office until a successor shall be elected and qualified or until his or her earlier death, resignation, disqualification or removal.

(3) Subject to the rights of certain holders of Preferred Stock to elect Directors under circumstances specified in this Amended and Restated Certificate of Incorporation, until the 2028 annual meeting of stockholders, Directors may be removed from office only for cause and only by the affirmative vote of the holders of at least 66 2/3% of the outstanding Voting Stock, voting together as a single class; and from and including the 2028 annual meeting of stockholders, Directors may be removed from office, with or without cause, only by the affirmative vote of the holders of a majority of the outstanding Voting Stock, voting together as a single class.

NINTH:

(1) The By-laws of the corporation may contain provisions, not inconsistent with law or this Amended and Restated Certificate of Incorporation, relating to the management of the business of the corporation, the regulation of its affairs, the transfer of its stock, the qualifications, compensation and powers and duties of its Directors and the time and place and the manner of calling the meetings of its stockholders and Directors.

(2) The Board of Directors may from time to time fix, determine and vary the amount of the working capital of the corporation, may determine what part, if any, (i) of its surplus or (ii) in case there shall be no such surplus, of its net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year shall be declared as dividends and paid to the stockholders, may determine the time or times for the declaration and payment of dividends, the amount thereof and whether they are to be in cash, property or shares of the capital stock of the corporation and may direct and determine the use and disposition of any surplus over and above the capital of the corporation.

(3) The Board of Directors may from time to time amend, supplement, alter, change or repeal or adopt any provision of the By-laws; provided, however, that the stockholders may amend, supplement, alter, change or repeal any By-law adopted by the Board of Directors. The affirmative vote of the holders of a majority of the Voting Stock shall be required for stockholders to amend, supplement, alter, change or repeal, or to adopt, any By-law; provided, that notwithstanding anything in this Amended and Restated Certificate of Incorporation to the contrary (and in addition to any vote required by law), until the 2028 annual meeting of stockholders, the affirmative vote of the holders of at least 66 2/3% of the outstanding Voting Stock shall be required to amend, supplement, alter, change or repeal, or to adopt any By-law inconsistent with, Section 3 of Article II, Section 2(a) of Article III, Section 12 of Article III and Article XI of the By-laws.

(4) The Board of Directors shall, except as otherwise provided by law, this Amended and Restated Certificate of Incorporation or the By-laws, exercise the powers of the corporation.

(5) Pursuant to the By-laws, an Executive Committee and/or one or more other committees may be appointed from among the Directors or otherwise, to which may be delegated any of or all the powers and duties of the Board of Directors, to the full extent permitted by law.

(6) Except as otherwise required by law and subject to the rights of the holders of the Preferred Stock pursuant to the provisions of this Amended and Restated Certificate of Incorporation, special meetings of stockholders may be called only by (i) the Chief Executive Officer, (ii) the Board of Directors pursuant to a resolution approved by a majority of the then authorized number of Directors of the corporation (as determined in accordance with the By-laws), or (iii) from and including the 2028 annual meeting of stockholders, the Secretary upon the written request (a “**Special Meeting Request**”) of holders Owning (as such term is defined in Section 3 of Article II of the By-laws) not less than 15% of the outstanding shares of the corporation’s Common Stock as of the date of such request (the “**Requisite Percent**”), filed with the Secretary of the corporation and otherwise in accordance with the By-laws. Whether the requesting holders have complied with the requirements of this Article and related provisions of the By-laws shall be determined in good faith by the Board, which determination shall be conclusive and binding on the corporation and the stockholders.

(7) No contract or other transaction of the corporation shall be void, voidable, fraudulent or otherwise invalidated, impaired or affected, in any respect, by reason of the fact that any one or more of the officers, Directors or stockholders of the corporation shall individually be party or parties thereto or otherwise interested therein, or shall be officers, directors or stockholders of any other corporation or corporations which shall be party or parties thereto or otherwise interested therein; provided that such contract or other transactions be duly authorized or ratified by the Board of Directors or Executive Committee, with the assenting vote of a majority of the disinterested Directors or Executive Committeemen then present, or, if only one such is present, with his assenting vote.

TENTH: No stockholder action may be taken except at an annual or special meeting of stockholders of the corporation and stockholders may not take any action by written consent in lieu of a meeting.

ELEVENTH: Unless required by law or demanded by a stockholder of the corporation entitled to vote at a meeting of stockholders or determined by the chairman of such meeting to be advisable, the vote on any question need not be by ballot. On a vote by ballot, each ballot shall be signed by the stockholder voting, or his proxy if there be such proxy, and shall state the number of shares voted by such stockholder or proxy.

TWELFTH:

(1) *Elimination of Certain Liability of Directors and Officers.* A Director or officer of the corporation shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a Director or officer, except for liability (i) for any breach of the Director’s or officer’s duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) with respect to any Director, under Section 174 of the Delaware General

Corporation Law, (iv) for any transaction from which the Director or officer derived an improper personal benefit, or (v) with respect to any officer, in any action by or in the right of the corporation. If the Delaware General Corporation Law is amended after approval by the stockholders of this Article Twelve to authorize corporate action further eliminating or limiting the personal liability of Directors or officers, then the liability of Directors or officers, as applicable, of the corporation shall be eliminated or limited to the fullest extent permitted by the Delaware General Corporation Law, as so amended. Any repeal or modification of this Article Twelve by the stockholders of the corporation shall not adversely affect any right or protection of a Director or officer of the corporation existing at the time of such repeal or modification.

(2) Indemnification and Insurance.

(A) *Right to Indemnification.* Each person who was or is made a party or is threatened to be made a party to or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a “proceeding”), by reason of the fact that he or she, or a person of whom he or she is the legal representative, is or was a Director, officer or employee of the corporation or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans (hereinafter, an “indemnatee”), whether the basis of such proceeding is alleged action in an official capacity as a Director, officer, employee or agent or in any other capacity while serving as a Director, officer, employee or agent, shall be indemnified and held harmless by the corporation to the fullest extent authorized by the Delaware General Corporation Law, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the corporation to provide broader indemnification rights than said Law permitted the corporation to provide prior to such amendment), against all expense, liability and loss (including attorneys’ fees, judgments, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by such indemnatee in connection therewith and such indemnification shall continue as to an indemnatee who has ceased to be a Director, officer, employee or agent and shall inure to the benefit of the indemnatee’s heirs, executors and administrators; *provided, however,* that, except as provided in paragraph (B) hereof with respect to proceedings to enforce rights to indemnification, the corporation shall indemnify any such indemnatee in connection with a proceeding (or part thereof) initiated by such indemnatee only if such proceeding (or part thereof) was authorized by the Board of Directors of the corporation. The right to indemnification conferred in this Section shall be a contract right and shall include the right to be paid by the corporation the expenses incurred in defending any such proceeding in advance of its final disposition (hereinafter, an “advancement of expenses”); *provided, however,* that, if the Delaware General Corporation Law requires, an advancement of expenses incurred by an indemnatee in his or her capacity as a Director or officer (and not in any other capacity in which service was or is rendered by such indemnatee, including, without limitation, service to an employee benefit plan) in advance of the final disposition of a proceeding, shall be made only upon delivery to the corporation of an undertaking (hereinafter, an “undertaking”), by or on behalf of such indemnatee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal (hereinafter, a “final adjudication”) that such indemnatee is not

entitled to be indemnified for such expenses under this Section or otherwise, and, *provided further*, that an advancement of expenses incurred by an employee other than a Director or officer in advance of the final disposition of a proceeding shall be made, unless otherwise determined by the Board of Directors, only upon delivery to the corporation of an undertaking by or on behalf of such employee to the same effect as any undertaking required to be delivered by a Director or officer.

(B) *Right of Indemnitee to Bring Suit.* If a claim under paragraph (A) of this Section is not paid in full by the corporation within sixty days after a written claim has been received by the corporation, except in the case of a claim for an advancement of expenses, in which case the applicable period shall be twenty days, the indemnitee may at any time thereafter bring suit against the corporation to recover the unpaid amount of the claim. If successful in whole or in part in any such suit, or in a suit brought by the corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the indemnitee shall be entitled to be paid also the expense of prosecuting or defending such suit. In (i) any suit brought by the indemnitee to enforce a right to indemnification hereunder (but not in a suit brought by the indemnitee to enforce a right to an advancement of expenses) it shall be a defense that, and (ii) any suit by the corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the corporation shall be entitled to recover such expenses upon a final adjudication that, the indemnitee has not met the applicable standard of conduct set forth in the Delaware General Corporation Law. Neither the failure of the corporation (including its Board of Directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such suit that indemnification of the indemnitee is proper in the circumstances because the indemnitee has met the applicable standard of conduct set forth in the Delaware General Corporation Law, nor an actual determination by the corporation (including its Board of Directors, independent legal counsel, or its stockholders) that the indemnitee has not met such applicable standard of conduct, shall create a presumption that the indemnitee has not met the applicable standard of conduct or, in the case of such a suit brought by the indemnitee, be a defense to such suit. In any suit brought by the indemnitee to enforce a right to indemnification or to an advancement of expenses hereunder, or by the corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the indemnitee is not entitled to be indemnified, or to such advancement of expenses, under this Section or otherwise shall be on the corporation.

(C) *Non-Exclusivity of Rights.* The rights to indemnification and to the advancement of expenses conferred in this Section shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, provision of this Amended and Restated Certificate of Incorporation, By-law, agreement, vote of stockholders or disinterested Directors or otherwise.

(D) *Insurance.* The corporation may maintain insurance, at its expense, to protect itself and any Director, officer, employee or agent of the corporation or another corporation, partnership, joint venture, trust or other enterprise against any such expense, liability or loss, whether or not the corporation would have the power to indemnify such person against such expense, liability or loss under the Delaware General Corporation Law.

(E) *Indemnification of Agents of the Corporation.* The corporation may, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification and to the advancement of expenses to any agent of the corporation to the fullest extent of the provisions of this Section with respect to the indemnification and advancement of expenses of Directors, officers and employees of the corporation.

THIRTEENTH: The corporation reserves the right to amend, supplement, alter, change or repeal or adopt any provision contained in this Amended and Restated Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon stockholders herein are granted subject to this reservation. The affirmative vote of the holders of a majority of the outstanding Voting Stock shall be required for stockholders to amend, supplement, alter, change or repeal, or to adopt, any provision of this Amended and Restated Certificate of Incorporation; provided, that notwithstanding anything in this Amended and Restated Certificate of Incorporation to the contrary (and in addition to any vote required by law), until the 2028 annual meeting of stockholders, the affirmative vote of the holders of at least 66 2/3% of the outstanding Voting Stock shall be required to amend, supplement, alter, change or repeal, or to adopt any provision of this Amended and Restated Certificate of Incorporation inconsistent with, Article Seven, Article Eight, Section 3 of Article Nine, Section 6 of Article Nine and this Article Thirteen.

**By-laws
of
Solstice Advanced Materials Inc.**

**Amended as of
, 2025**

**By-laws
of
Solstice Advanced Materials Inc.**

ARTICLE I

OFFICES

SECTION 1. ***Registered Office.*** The registered office of Solstice Advanced Materials Inc. (the “**Corporation**”) within the State of Delaware shall be in the City of Wilmington, County of New Castle.

SECTION 2. ***Other Offices.*** The Corporation may also have an office or offices and keep the books and records of the Corporation, except as may otherwise be required by law, in such other place or places, either within or outside of the State of Delaware, as the Board of Directors of the Corporation (the “**Board**”) may from time to time determine or the business of the Corporation may require.

ARTICLE II

MEETINGS OF STOCKHOLDERS

SECTION 1. ***Place of Meetings.*** All meetings of stockholders of the Corporation shall be held at the registered office of the Corporation in the State of Delaware or at such other place, within or outside of the State of Delaware, as may from time to time be fixed by the Board or specified or fixed in the respective notices or waivers of notice thereof. The Board may determine that the meeting of stockholders (i) shall not be held at any place and instead shall be held solely by means of remote communication, or (ii) shall be held by means of remote communication in addition to a physical location, in each case as permitted by applicable law.

SECTION 2. ***Annual Meetings.*** The annual meeting of stockholders of the Corporation for the election of directors and for the transaction of any other proper business shall be held at 10:00 a.m. on the last Monday of April of each year, or on such other date and at such other time as may be fixed by the Board. If the annual meeting for the election of directors shall not be held on the day designated, the Board shall cause the meeting to be held as soon thereafter as convenient.

SECTION 3. ***Special Meetings.*** Special meetings of stockholders, unless otherwise provided by law, may be called at any time by the Board pursuant to a resolution adopted by a majority of the then authorized number of directors (as determined in accordance with Section 2 of Article III of these By-laws), or by the Chief Executive Officer or, from and after the 2028 annual meeting of stockholders, shall be called by the Secretary upon the written request (a “**Special Meeting Request**”) of holders Owning (as defined below in this Section 3) not less than 15% of the outstanding shares of the Corporation’s Common Stock as of the date of such request (also referred to as the Requisite Percent as defined in Article Nine of the

Corporation's Amended and Restated Certificate of Incorporation (as the same may be amended and/or restated from time to time, the "**Amended and Restated Certificate of Incorporation**") filed with the Secretary of the Corporation in accordance with the requirements of this Section 3.

As used in this Section 3 of Article II and Section 4 of Article III of these By-laws, the terms "**Owens**," "**Owened**," and "**Owning**" and other variations of the word "**Own**" shall mean only those outstanding shares of Common Stock of the Corporation as to which a stockholder possesses both:

- (i) the full voting and investment rights pertaining to the shares; and
- (ii) the full economic interest in (including the opportunity for profit and risk of loss on)

such shares;

provided that the number of shares calculated in accordance with clauses (i) and (ii) shall not include any shares:

- (i) sold by such stockholder or any control person in any transaction that has not been settled or closed, including any short sale,

- (ii) borrowed by such stockholder or any control person for any purposes or purchased by such stockholder or any control person pursuant to an agreement to resell, or

- (iii) subject to any option, warrant, forward contract, swap, contract of sale, other derivative or similar agreement entered into by such stockholder or any of its control persons, whether any such instrument or agreement is to be settled with shares or with cash based on the notional amount or value of outstanding shares of the Corporation, in any such case which instrument or agreement has, or is intended to have, or if exercised would have, the purpose or effect of:

- (A) reducing in any manner, to any extent or at any time in the future, such stockholder's or any of its control persons' full right to vote or direct the voting of any such shares, and/or

- (B) hedging, offsetting, or altering to any degree gain or loss arising from the full economic interest in such shares by such stockholder or control person.

A stockholder "Owns" shares held in the name of a nominee or other intermediary so long as the stockholder retains the right to instruct how the shares are voted with respect to the election of directors and possesses the full economic interest in the shares. A stockholder's Ownership of shares shall be deemed to continue during any period in which the stockholder has

delegated any voting power by means of a proxy, power of attorney, or other instrument or arrangement that is revocable at any time by the stockholder. A stockholder's Ownership of shares shall be deemed to continue during any period in which the stockholder has loaned such shares provided that the stockholder has the power to recall such loaned shares on five business days' notice and has recalled such loaned shares as of the applicable request or notice, as the case may be, and through the date of the special meeting or the annual meeting, as the case may be. Whether outstanding shares of the Corporation are "Owned" for these purposes shall be determined by the Board.

A Special Meeting Request must specify the matter or matters to be acted upon at such meeting, each of which must be a proper subject for stockholder action under applicable law. The requesting stockholders must also provide a brief description of the business desired to be brought before the meeting (including the complete text of any resolution and any amendment to any Corporation document intended to be presented at the meeting), the reasons for conducting such business at a special meeting of stockholders, any other information which may be required pursuant to these By-laws or which may be required to be disclosed under the Delaware General Corporation Law or included in a proxy statement filed pursuant to the rules of the Securities and Exchange Commission, and, as to the stockholders requesting the meeting and the beneficial owners on whose behalf the meeting is being requested, (i) their name and address, as they appear on the Corporation's books, (ii) the class and number of shares of the Corporation which are Owned beneficially or of record as of the date of such Special Meeting Request, together with documentary evidence of such Ownership, (iii) any material interest in the business to be brought before the meeting, (iv) a description of all agreements or other arrangements or understandings between each such stockholder, any nominee (if such business is the election of one or more nominees of such stockholders) and/or beneficial owner or any of their respective affiliates or associates, and any other person or persons (including the names of such person(s)) in connection with such business, including any swap or other derivative or short positions, profits interests, options, hedging transactions or borrowed or loaned shares, the effect of any of which is to mitigate loss to or manage risk of stock price changes (increases or decreases) for, or to increase or decrease the voting power of, such stockholder, nominee or beneficial owner or any of their respective affiliates or associates with respect to the shares of the Corporation, (v) an undertaking by the stockholder to notify the Corporation in writing of any change in the information called for by clauses (ii), (iii) and (iv) as of the record date for such special meeting, by notice received by the Secretary at the principal executive offices of the Corporation not later than the 10th day following such record date, and thereafter by notice so given and received within two business days of any change in such information and, in any event, as of the close of business on the day preceding the meeting date, and (vi) an acknowledgement that any reduction in Ownership below the Requisite Percent (i.e., 15% of the outstanding shares of the Corporation's Common Stock as of the date of the Special Meeting Request) following the delivery of the Special Meeting Request to the Secretary shall constitute a revocation of such Special Meeting Request.

Upon the written request of any stockholders who have called a special meeting, it shall be the duty of the Secretary of the Corporation to fix the date of the meeting which shall be held at such date and time as the Secretary may fix, not less than 10 nor more than 60 days after the

receipt of the request (provided that such request complies with all applicable provisions of these By-laws), and to give due notice thereof in accordance with the applicable provisions of these By-laws. Notwithstanding the foregoing, a special meeting requested by stockholders shall not be held if (i) the Special Meeting Request relates to an item of business that is not a proper subject for stockholder action under applicable law, (ii) the Special Meeting Request is delivered during the period commencing 90 days prior to the first anniversary of the date of the notice of annual meeting for the immediately preceding annual meeting and ending on the earlier of (x) the date of the next annual meeting and (y) 30 calendar days after the first anniversary of the date of the immediately preceding annual meeting, (iii) an identical or substantially similar item (as determined in good faith by the Board, a “**Similar Item**”), other than the election of directors, was presented at a meeting of the stockholders held not more than 12 months before the Special Meeting Request is delivered, (iv) a Similar Item was presented at a meeting of the stockholders held not more than 90 days before the Special Meeting Request is delivered (and, for purposes of this clause (iv), the election of directors shall be deemed a “Similar Item” with respect to all items of business involving the election or removal of directors) or (v) a Similar Item is included in the Corporation’s notice as an item of business to be brought before a stockholder meeting that has been called by the time the Special Meeting Request is delivered but not yet held. Only matters as are stated in the notice of a special meeting of stockholders shall be brought before and acted upon thereat; provided that nothing herein shall prohibit the Board from submitting matters to the stockholders at any special meeting called by the stockholders.

SECTION 4. **Notice of Meetings.** Notice of each meeting of stockholders, annual or special, shall be in writing, shall state the place, date and hour of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Unless otherwise provided by law, the written notice of any meeting shall be given not less than 10 nor more than 60 days before the date of the meeting to each stockholder entitled to vote at the meeting. If mailed, notice is given when deposited in the United States mail, postage prepaid, directed to the stockholder at his or her address as it appears on the records of the Corporation. Unless (i) the adjournment is for more than 30 days, or (ii) the Board shall fix a new record date for any adjourned meeting after the adjournment, notice of an adjourned meeting need not be given if the time and place to which the meeting shall be adjourned were announced at the meeting at which the adjournment was taken.

SECTION 5. **Quorum.** At each meeting of stockholders of the Corporation, the holders of a majority of the shares of capital stock of the Corporation entitled to vote at the meeting, present in person or represented by proxy, shall constitute a quorum for the transaction of business, except as otherwise provided by law. In the absence of a quorum, the chair of the meeting or a majority in interest of those present in person or represented by proxy and entitled to vote at the meeting may adjourn the meeting from time to time until a quorum shall be present.

SECTION 6. **Order of Business.** The order of business at all meetings of stockholders shall be as determined by the chair of the meeting. The chair of the meeting may make any determinations that may be appropriate as to the conduct of the meeting.

SECTION 7. ***Voting.*** Except as otherwise provided in the Amended and Restated Certificate of Incorporation, at each meeting of stockholders, every stockholder of the Corporation shall be entitled to one vote for every share of capital stock standing in his or her name on the stock record of the Corporation (i) at the time fixed pursuant to Section 6 of Article VII of these By-laws as the record date for the determination of stockholders entitled to vote at such meeting, or (ii) if no such record date shall have been fixed, then at the close of business on the day next preceding the day on which notice thereof shall be given. At each meeting of stockholders, except as otherwise provided by law or in the Amended and Restated Certificate of Incorporation or these By-laws, in all matters the affirmative vote of the majority of shares present in person or represented by proxy and entitled to vote on the subject matter shall be the act of the stockholders.

SECTION 8. ***Inspectors.*** In advance of any meeting of stockholders, the Board shall appoint one or more inspectors to act at the meeting and make a written report thereof and may designate one or more alternate inspectors to replace any inspector who fails to act. If no inspector or alternate is able to act at a meeting, the chair of the meeting shall appoint one or more inspectors to act at the meeting. Each inspector shall take and sign such oath and perform such duties as shall be required by law and may perform such other duties not inconsistent therewith as may be requested by the Corporation.

ARTICLE III

DIRECTORS

SECTION 1. ***Powers.*** The business and affairs of the Corporation shall be managed by or under the direction of the Board. The Board may exercise all such authority and powers of the Corporation and do all such lawful acts and things as are not by law or otherwise directed or required to be exercised or done by the stockholders.

SECTION 2. ***Number, Election and Terms.***

(a) Authorized Number; Filling of Vacancies. Until the 2028 annual meeting of stockholders, the authorized number of directors may be determined from time to time only by vote of a majority of the then authorized number of directors. At or following the 2028 annual meeting of stockholders, the authorized number of directors may be determined from time to time either by a vote of a majority of the then authorized number of directors or by the affirmative vote of the holders of a majority of the voting power of the then outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors (the “**Voting Stock**”), voting together as a single class. The directors, other than those who may be elected by the holders of the Preferred Stock of the Corporation pursuant to the Amended and Restated Certificate of Incorporation, shall hold office for the applicable term set forth in the Amended and Restated Certificate of Incorporation. Notwithstanding the expiration of the term of a director, the director shall continue to hold office until a successor shall be elected and qualified or until his or her earlier death, resignation, disqualification or removal. Except as otherwise provided in the Amended and Restated Certificate of Incorporation, newly created directorships resulting from any increase in the number of directors and any vacancies on the

Board resulting from death, resignation, disqualification, removal or other cause shall be filled by the affirmative vote of a majority of the remaining directors then in office, even if less than a quorum of the Board, or by a sole remaining director. Any director elected in accordance with the preceding sentence shall hold office until the annual meeting of stockholders at which the full term of office of the class to which such director has been elected expires, and until such director's successor shall have been elected and qualified or until such director's earlier death, resignation, disqualification or removal. No decrease in the number of directors constituting the Board shall shorten the term of any incumbent director.

(b) Majority Voting.

(i) Except as provided in paragraph (c) of this Section 2, a nominee for director will be elected to the Board if the number of votes cast "for" that nominee's election exceed the number of votes cast "against" that nominee's election (excluding abstentions) at any meeting for the election of directors at which a quorum is present (a "**Majority Vote**").

(ii) Any nominee who does not receive a Majority Vote is expected to promptly tender his or her resignation to the Chair of the Board following certification of the stockholder vote. The Nominating and Governance Committee will promptly consider the resignation submitted by each nominee failing to receive a Majority Vote and recommend to the Board whether to accept the tendered resignation or reject it. The Board will consider the Nominating and Governance Committee's recommendation and decide whether to accept or reject any tendered resignations no later than at its first regularly scheduled meeting following certification of the stockholder vote.

Following the Board's decision on the Nominating and Governance Committee's recommendation, the Company will promptly publicly disclose the Board's decision and process (including, if applicable, the reasons for rejecting the tendered resignation) in a periodic or current report filed with the Securities and Exchange Commission.

To the extent that one or more directors' resignations are accepted by the Board, the Nominating and Governance Committee will recommend to the Board whether to fill such vacancy or vacancies or to reduce the size of the Board.

Any director who tenders his or her resignation pursuant to this provision will not participate in the Nominating and Governance Committee recommendation or Board consideration regarding whether or not to accept the tendered resignation. If a majority of the members of the Nominating and Governance Committee failed to receive a Majority Vote at the same election, then the independent directors who were elected will appoint a Board committee amongst themselves solely for the purpose of considering the tendered resignations and will recommend to the Board whether to accept or reject them. This Board committee may, but need not, consist of all of the independent directors who were elected.

(c) Contested Elections. If the number of nominees for director, whether nominated by the Board and/or stockholders, exceeds the number of directors to be elected, directors shall be elected by a plurality of the votes cast in person or by proxy at any meeting of stockholders for the election of directors at which a quorum is present; provided, that, nominations by stockholders (i) have been made in compliance with Sections 3 and/or 4, as applicable, of this Article III and (ii) have not been withdrawn (such that the number of nominees no longer exceeds the number of directors to be elected) on or prior to the day immediately preceding the date the Corporation first mails its notice of meeting for such meeting to the stockholders. If directors are to be elected by a plurality of the votes cast, stockholders shall not be permitted to vote “against” any nominee.

SECTION 3. *Advance Notice of Stockholder Business and Nominations.*

(a) Annual Meeting of Stockholders.

(i) Nominations of persons for election to the Board of Directors of the Corporation and the proposal of business to be considered by the stockholders may be made at an annual meeting of stockholders as follows:

(A) pursuant to the Corporation’s notice of meeting;

(B) by or at the direction of the Board of Directors; or

(C) by any stockholder of the Corporation who was a stockholder of record at the time of giving notice provided for in this Section 3, who is entitled to vote at the meeting, who complied with the notice procedures set forth in this Section 3 and, in connection with nominations of persons for election to the Board of Directors, who complied with the requirements of Rule 14a-19 under the Exchange Act (as defined below).

(ii) For nominations or other business to be properly brought before an annual meeting by a stockholder pursuant to clause (C) of paragraph (a)(i) of this Section 3 (whether or not such nominations or other business are proposed pursuant to Regulation 14A under the Securities and Exchange Act of 1934, as amended (the “**Exchange Act**”)), the stockholder or the Stockholder Associated Person must have given timely notice thereof in writing to the Secretary of the Corporation (the “**Stockholder Notice**”), and such other business must be a proper matter for stockholder action. To be timely, a Stockholder’s Notice shall be delivered to the Secretary at the principal executive offices of the Corporation not later than the close of business on the 90th day nor earlier than the close of business on the 120th day prior to the first anniversary of

the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is more than 30 days before or more than 60 days after such anniversary date (other than as a result of adjournment), the Stockholder Notice to be timely must be so delivered not earlier than the close of business on the 120th day prior to such annual meeting and not later than the close of business on the later of the 90th day prior to such annual meeting or the 10th day following the day on which public announcement of the date of such meeting is first made. In no event shall the public announcement of an adjournment, recess, rescheduling or postponement of an annual meeting commence a new time period for the giving of a Stockholder Notice as described above. Such Stockholder Notice shall set forth:

(A) as to each person whom the stockholder proposes to nominate for election or reelection as a director (whether or not such nominations are proposed pursuant to Regulation 14A under the Exchange Act), all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors in an election contest, or is otherwise required, in each case pursuant to Regulation 14A under the Exchange Act and Rule 14a-11 thereunder (including such person's written consent to be named as a nominee in any proxy statement relating to the meeting of stockholders and to serve as a director if elected);

(B) as to any other business that the stockholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting, (i) the reasons for conducting such business at the meeting and (ii) the text of any proposal or resolutions to be proposed for consideration by stockholders and, if such business includes a proposal to amend these by-laws, the text of the proposed amendment;

(C) as to the person giving such Stockholder Notice, the stockholder, and any beneficial owner on whose behalf the nomination or proposal is made, and any participant (as defined in paragraphs (a) (ii) - (vi) of Instruction 3 to Item 4 of Exchange Act Schedule 14A) with such stockholder or beneficial owner in such solicitation, and of any affiliate of such stockholder or beneficial owner (any such person other than the stockholder, a "**Stockholder Associated Person**");

(1) the name and address of such stockholder, as they appear on the Corporation's books, and any Stockholder Associated Person,

(2) the class and number of shares of the Corporation which are, directly or indirectly, owned beneficially and of record by such stockholder and any Stockholder Associated Person as of the date of the Stockholder Notice,

(3) any material interest of such stockholder or any Stockholder Associated Person in such nomination or proposal,

(4) a description of all agreements or other arrangements or understandings of such stockholder, the nominee(s) and/or any Stockholder Associated Person (including any swap or other derivative or short positions, profits interests, options, hedging transactions, warrants, convertible securities, synthetic arrangements, or borrowed or loaned shares, or other arrangements) the effect of any of which is to mitigate loss to or manage risk of stock price changes (increases or decreases) for, or to increase or decrease the voting power of, such stockholder, the nominee(s) or any Stockholder Associated Person with respect to the shares of the Corporation,

(5) a description of any material interest in a contract or agreement of such stockholder, the nominee(s) and/or any Stockholder Associated Person with the Corporation, any affiliate of the Corporation and/or any principal competitor of the Corporation,

(6) a description of any material pending or threatened legal proceeding in which such stockholder, the nominee(s) and/or any Stockholder Associated Person is a party or material participant involving the Corporation or any of its officers or directors, or any affiliate of the Corporation,

(7) a description of any arrangements, agreements or understandings, including any that may be related to compensation or any other material relationships, between the stockholder, any Stockholder Associated Person, the nominee(s) and/or any affiliate or associate of the nominee(s), and any other person or persons, in connection with such nomination or proposal, during the previous three years, including the names of such persons, and including without limitation any agreements that would be required to be disclosed pursuant to Item 5 or Item 6 of Exchange Act Schedule 13D (regardless of whether the requirement to file a Schedule 13D is applicable to such person),

(8) a representation that such stockholder is a holder of record of stock of the Corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to nominate the person(s) named in its Stockholder Notice and/or bring before the meeting the proposal described in its Stockholder Notice,

(9) any other information relating to such stockholder or any Stockholder Associated Person that would be required to be

disclosed in a proxy statement or other filing required to be made in connection with solicitations of proxies or consents by such stockholder or Stockholder Associated Person in support of the nomination and/or the business proposed to be brought before the meeting, and

(10) an undertaking by such stockholder or such Stockholder Associated Person delivering the Stockholder Notice to notify the Corporation in writing of any change in the information called for by clauses (1) through (9) as of the record date for such annual meeting, by notice received by the Secretary at the principal executive offices of the Corporation not later than the 10th day following such record date, and thereafter by notice so given and received within two business days of any change in such information and, in any event, as of the close of business on the day preceding the meeting date; and

(D) in the case of a nomination, the written agreement, representation and warranty of the stockholder or Stockholder Associated Person delivering the Stockholder Notice addressed to the Corporation that the stockholder and any applicable Stockholder Associated Person has complied with the requirements of Rule 14a-19 under the Exchange Act, including but not limited to the intent to deliver a proxy statement and/or form of proxy to holders of at least 67% of the voting power of the Corporation's outstanding common stock entitled to vote in the election of directors.

(iii) The stockholder or Stockholder Associated Person delivering the Stockholder Notice must further update and supplement the Stockholder Notice to provide evidence and a certification that the stockholder or Stockholder Associated Person has solicited proxies from holders of at least 67% of the voting power of the Corporation's outstanding common stock entitled to vote in the election of directors in accordance with the requirements of Rule 14a-19(a)(3) under the Exchange Act. Such update and supplement shall be received by the Secretary of the Corporation at the principal executive offices of the Corporation not later than five business days prior to the relevant meeting of stockholders.

(iv) The nominee(s) must make themselves available and provide such information as is required under Section 4(h) of Article III of the By-laws.

(v) Notwithstanding anything in the second sentence of paragraph (a)(ii) of this Section 3 to the contrary, in the event that the number of directors to be elected to the Board of Directors of the Corporation is increased and there is no public announcement naming all of the nominees for director or specifying the size of the increased Board of Directors made by the Corporation at least 100 days prior to the first anniversary of the preceding year's

annual meeting, a Stockholder Notice required by this Section 3 shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be delivered to the Secretary at the principal executive offices of the Corporation not later than the close of business on the 10th day following the day on which such public announcement is first made by the Corporation.

(b) Special Meetings of Stockholders. Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Corporation's notice of meeting. Nominations of persons for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected pursuant to the Corporation's notice of meeting (i) by or at the direction of the Board of Directors or (ii) by any stockholder of the Corporation who is a stockholder of record at the time of giving of notice provided for in this Section 3, who shall be entitled to vote at the meeting, who complies with the notice procedures set forth in this Section 3 and who complies with the requirements of Rule 14a-19 under the Exchange Act. In the event the Corporation calls a special meeting of stockholders for the purpose of electing one or more directors to the Board of Directors, any such stockholder may nominate a person or persons (as the case may be), for election to such position(s) as specified in the Corporation's notice of meeting, if the stockholder's notice required by paragraph (a)(v) of this Section 3 shall be delivered to the Secretary at the principal executive offices of the Corporation not earlier than the close of business on the 120th day prior to such special meeting and not later than the close of business on the later of the 90th day prior to such special meeting or the 10th day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. In no event shall the public announcement of an adjournment of a special meeting commence a new time period for the giving of a stockholder's notice as described above.

(c) General.

(i) Only such persons who are nominated in accordance with the procedures set forth in this Section 3 or in Section 4 shall be eligible to serve as directors and only such other business (these procedures being the exclusive means for a stockholder to nominate any person for election to the Board at a meeting of stockholders), as shall have been brought before the meeting in accordance with the procedures set forth in this Section 3 or in Section 4 or that are otherwise properly brought under Rule 14a-8 under the Exchange Act shall be conducted at a meeting of stockholders. Except as otherwise provided by law or the By-laws of the Corporation, the chair of the meeting shall have the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made, or proposed, as the case may be, in accordance with the procedures set forth in this Section 3 or in Section 4 and, if any proposed nomination or business is not in compliance with this Section 3 or in Section 4, including failure of the stockholder of record or a person appearing by proxy on such stockholder's behalf to appear at the meeting of stockholders to

present the nomination or such business or if a stockholder or any applicable Stockholder Associated Person fails to comply with the requirements set forth in Rule 14a-19 under the Exchange Act, to declare that such defective proposal or nomination was invalid, and such invalid proposal or nomination shall be disregarded notwithstanding that proxies in respect of such nominee may have been received by the Corporation.

(ii) For purposes of this Section 3 and Section 4, “public announcement” shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or in a document publicly filed by the corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act, “affiliate” and “associate” shall have the meanings assigned to such terms in Rule 405 under the Exchange Act, and “beneficial owner” shall have the meaning ascribed to such term under Section 13 (d) of the Exchange Act, except that a person will also be deemed to be the beneficial owner of securities or other interests which such person has the right to acquire (whether such right is exercisable immediately or only after the passage of time) pursuant to the exercise of any securities or under any agreement, arrangement or understanding (whether or not in writing), regardless of when such right may be exercised and regardless of whether or not they are conditional, and “owned beneficially” shall have the correlative meaning.

(iii) Notwithstanding the foregoing provisions of this Section 3, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this Section 3 and Section 4; provided, however, that any references in these By-laws to the Exchange Act or the rules thereunder are not intended to and shall not limit the requirements applicable to nominations of persons for election to the Board made or intended to be made in accordance with clause (C) of paragraph (a)(i) of this Section 3 or Section 4(f). Nothing in this Section 3 or Section 4 shall be deemed to affect any rights of the holders of any series of Preferred Stock to elect directors under specified circumstances.

SECTION 4. *Proxy Access for Director Nominations.*

(a) The Corporation shall include in its proxy statement and on its form of proxy for an annual meeting of stockholders the name of, and the Required Information (as defined below) relating to, any nominee for election or reelection to the Board who satisfies the eligibility requirements in this Section 4(a) (a “**Stockholder Nominee**”) and who is identified in a notice that complies with Section 4(f) and that is timely delivered pursuant to Section 4(g) (the “**Stockholder Proxy Access Notice**”) by one or more stockholders acting on behalf of up to twenty stockholders who:

(i) elect at the time of delivering the Stockholder Proxy Access Notice to have such Stockholder Nominee included in the Corporation's proxy materials,

(ii) as of the date of the Stockholder Proxy Access Notice, Own and have Owned (as defined above in Section 3 of Article II) continuously (as adjusted for any stock splits, stock dividends, or similar events) for at least three years (the "**Minimum Holding Period**") (or, for any portion of the Minimum Holding Period prior to , shares of common stock of Honeywell International Inc. ("**Honeywell**") that, if held on the record date for the distribution of shares of the Corporation to holders of shares of Honeywell pursuant to that certain Separation and Distribution Agreement, effective as of , by and between the Corporation and Honeywell (the "**Separation Agreement**"), would have entitled such Eligible Stockholder (as defined below) to receive such number of shares of common stock of the Corporation pursuant to the terms of the Separation Agreement that represents at least 3% of the outstanding shares of the Corporation entitled to vote in the election of directors (the "**Required Shares**")), and

(iii) satisfy the additional requirements in these By-laws (such stockholder or stockholders collectively, an "**Eligible Stockholder**").

(b) For purposes of satisfying the Ownership requirement under Section 4(a):

(i) the outstanding shares of the Corporation Owned by one or more stockholders may be aggregated, provided that the number of stockholders and other beneficial owners whose Ownership of shares is aggregated for such purpose shall not exceed twenty, and

(ii) two or more funds that are (A) under common management and investment control, (B) under common management and funded primarily by the same employer, or (C) a "group of investment companies," as such term is defined in Section 12(d)(1)(G)(ii) of the Investment Company Act of 1940, as amended, shall, in each case, be treated as one stockholder.

(c) No stockholder may be a member of more than one group of stockholders constituting an Eligible Stockholder under this Section 4.

(d) For purposes of this Section 4, the "Required Information" that the Corporation will include in its proxy statement is:

(i) the information concerning the Stockholder Nominee and the Eligible Stockholder that is required to be disclosed in the Corporation's proxy statement by the applicable requirements of the Exchange Act and the rules and regulations thereunder; and

(ii) if the Eligible Stockholder so elects, a written statement of the Eligible Stockholder, not to exceed 500 words, in support of its Stockholder Nominee, which must be provided at the same time as the Stockholder Proxy Access Notice for inclusion in the Corporation's proxy statement for the annual meeting (the "**Statement**").

Notwithstanding anything to the contrary contained in this Section 4, the Corporation may omit from its proxy materials any information or Statement that it, in good faith, believes would violate any applicable law, rule, regulation or listing standard. Nothing in this Section 4 shall limit the Corporation's ability to solicit against and include in its proxy materials its own statements relating to any Eligible Stockholder or Stockholder Nominee.

(e) The Stockholder Proxy Access Notice shall set forth the information required under Section 3(a)(ii)(a) and (c) of these By-laws and in addition shall set forth:

(i) the written consent of each Stockholder Nominee to being named in the Corporation's proxy statement as a nominee and to serving as a director if elected;

(ii) a copy of the Schedule 14N that has been or concurrently is filed with the Securities and Exchange Commission under Exchange Act Rule 14a-18;

(iii) the written agreement of the Eligible Stockholder (or in the case of a group, each stockholder whose shares are aggregated for purposes of constituting an Eligible Stockholder) addressed to the Corporation, setting forth the following additional agreements, representations, and warranties:

(A) setting forth and certifying to the number of shares of the Corporation it Owns and has Owned as defined above in Section 3 of Article II continuously for the Minimum Holding Period as of the date of the Stockholder Proxy Access Notice and agreeing to continue to Own such shares through the date of the annual meeting, which statement shall also be included in the written statements set forth in Item 4 of the Schedule 14N filed by the Eligible Stockholder with the Securities and Exchange Commission;

(B) the Eligible Stockholder's agreement to provide (1) the information required under Section 3(a)(ii)(c) and (2) written statements from the record holder and intermediaries as required under Section 4(g) verifying the Eligible Stockholder's continuous Ownership of the Required Shares through and as of the business day immediately preceding the date of the annual meeting;

(C) the Eligible Stockholder's representation and agreement that the Eligible Stockholder (including each member of any group of stockholders that together is an Eligible Stockholder under this Section 4);

(1) acquired the Required Shares in the ordinary course of business and not with the intent to change or influence control at the Corporation, and does not presently have such intent,

(2) has not nominated and will not nominate for election to the Board at the annual meeting any person other than the Stockholder Nominee(s) being nominated pursuant to this Section 4,

(3) has not engaged and will not engage in a, and has not been and will not be a "participant" (as defined in Item 4 of the Exchange Act Schedule 14A) in another person's, "solicitation" within the meaning of Exchange Act Rule 14a-1(l), in support of the election of any individual as a director at the annual meeting other than its Stockholder Nominee or a nominee of the Board, and

(4) will not distribute to any stockholder any form of proxy for the annual meeting other than the form distributed by the Corporation; and

(D) the Eligible Stockholder's agreement to:

(1) assume all liability stemming from any legal or regulatory violation arising out of the Eligible Stockholder's communications with the stockholders of the Corporation or out of the information that the Eligible Stockholder provided to the Corporation,

(2) indemnify and hold harmless the Corporation and each of its directors, officers and employees individually against any liability, loss or damages in connection with any threatened or pending action, suit or proceeding, whether legal, administrative or investigative, against the Corporation or any of its directors, officers or employees arising out of any nomination submitted by the Eligible Stockholder pursuant to this Section 4, provided, however that, upon the election to the Board of its Stockholder Nominee, the indemnification by the Eligible Stockholder under this Section 4(e)(iii)(D) shall no longer apply,

(3) comply with all other laws, rules, regulations and listing standards applicable to any solicitation in connection with the annual meeting,

(4) file all materials described below in Section 4(g)(iii) with the Securities and Exchange Commission, regardless of whether any such filing is required under Exchange Act Regulation 14A, or whether any exemption from filing is available for such materials under Exchange Act Regulation 14A,

(5) provide to the Corporation prior to the annual meeting such additional information as necessary or reasonably requested by the Corporation, and

(6) promptly disclose to the Corporation if the Eligible Stockholder does not intend to continue to Own the Required Shares for at least one year following the annual meeting; and

(iv) in the case of a nomination by a group of stockholders that together is an Eligible Stockholder, the designation by all group members of one group member that is authorized to act on behalf of all such members with respect to the nomination and matters related thereto, including any withdrawal of the nomination.

(f) To be timely under this Section 4, the Stockholder Proxy Access Notice must be received by the Secretary of the Corporation at the principal executive offices of the Corporation not later than the close of business on the 120th day nor earlier than the close of business on the 150th day prior to the first anniversary of the date the definitive proxy statement was first released to stockholders in connection with the preceding year's annual meeting of stockholders; provided, however that in the event the date of the current year meeting is more than 30 days before or more than 60 days after such anniversary date, notice by the stockholder to be timely must be so delivered not earlier than the close of business on the 120th day and not later than the close of business on the later of the 90th day prior to the current year meeting or the 10th day following the day on which public announcement of the date of the current year meeting is first made by the Corporation. In no event shall any adjournment or postponement of an annual meeting, or the announcement thereof, commence a new time period (or extend any time period) for the giving of the Stockholder Proxy Access Notice as described above.

(g) An Eligible Stockholder (or in the case of a group, each stockholder whose shares are aggregated for purposes of constituting an Eligible Stockholder) must:

(i) within five business days after the date of the Stockholder Proxy Access Notice, provide one or more written statements from the record holder(s) of the Required Shares and from each intermediary through which the Required Shares are or have been held, in each case during the Minimum Holding Period, verifying that the Eligible Stockholder Owns, and has Owned continuously for the Minimum Holding Period, the Required Shares,

(ii) include in the written statements provided pursuant to Item 4 of Schedule 14N filed with the Securities and Exchange

Commission a statement certifying that it Owns and continuously has Owned, as defined in Section 4(c), the Required Shares for the Minimum Holding Period,

(iii) file with the Securities and Exchange Commission any solicitation or other communication relating to the current year annual meeting of stockholders, one or more of the Corporation's directors or director nominees or any Stockholder Nominee, regardless of whether any such filing is required under Exchange Act Regulation 14A or whether any exemption from filing is available for such solicitation or other communication under Exchange Act Regulation 14A,

(iv) as to any group of funds whose shares are aggregated for purposes of constituting an Eligible Stockholder, within five business days after the date of the Stockholder Proxy Access Notice, provide documentation reasonably satisfactory to the Corporation that demonstrates that the funds satisfy Section 4(b)(ii), and

(v) in the case of a nomination where the Eligible Stockholder intends to solicit proxies, further update and supplement the Stockholder Proxy Access Notice to provide evidence and a certification that the stockholder has solicited proxies from holders of at least 67% of the voting power of the Corporation's outstanding common stock entitled to vote in the election of directors in accordance with the requirements of Rule 14a-19(a)(3) under the Exchange Act. Such update and supplement shall be received by the Secretary of the Corporation at the principal executive offices of the Corporation not later than five business days prior to the relevant meeting of stockholders.

(h) Within the time period specified in Section 4(f) for delivery of the Stockholder Proxy Access Notice, a Stockholder Nominee must deliver to the Secretary of the Corporation the questionnaire, representation and agreement set forth in Section 5 below. At the request of the Corporation, the Stockholder Nominee must promptly, but in any event within five business days of such request, submit any additional completed and signed questionnaires required of the Corporation's directors and provide to the Corporation such other information as it may reasonably request. The Corporation may request such additional information as necessary to permit the Board to determine if each Stockholder Nominee is independent under the listing standards of the principal U.S. exchange upon which the shares of the Corporation are listed, any applicable rules of the Securities and Exchange Commission and any publicly disclosed standards used by the Board in determining and disclosing the independence of the Corporation's directors. At the request of the Corporation, the Stockholder Nominee must make himself or herself available for interviews with the Board or any committee thereof within no less than ten (10) days following such request.

(i) Notwithstanding anything to the contrary contained in this Section 4, the Corporation may omit from its proxy statement any Stockholder Nominee, and such nomination shall be disregarded and no vote on such Stockholder Nominee will occur,

notwithstanding that proxies in respect of such vote may have been received by the Corporation, if:

(i) the Secretary of the Corporation receives notice that a stockholder intends to nominate a person for election to the Board which stockholder does not elect to have its nominee(s) included in the Corporation's proxy materials pursuant to this Section 4,

(ii) the Eligible Stockholder or Stockholder Nominee breaches any of its respective agreements, representations, or warranties set forth in the Stockholder Proxy Access Notice, or if any of the information in the Stockholder Proxy Access Notice (or otherwise submitted pursuant to this Section 4) was not, when provided, true, correct and complete or the requirements of this Section 4 have otherwise not been met, or if the information required under this Section 4 of Article III of these By-laws is not delivered within the time frames specified herein,

(iii) the Stockholder Nominee (A) is not independent under the listing standards of the principal U.S. exchange upon which the shares of the Corporation are listed, any applicable rules of the Securities and Exchange Commission, and any publicly disclosed standards used by the Board in determining and disclosing the independence of the Corporation's directors, (B) does not qualify as independent under the audit committee independence requirements set forth in the rules of the principal U.S. exchange on which shares of the Corporation are listed, as a "non-employee director" under Exchange Act Rule 16b-3, or as an "outside director" for the purposes of Section 162(m) of the Internal Revenue Code (or any successor provision), (C) is or has been, within the past three years, an officer or director of a competitor, as defined in Section 8 of the Clayton Antitrust Act of 1914, as amended, (D) is an officer, director or general partner of any legal entity where a fellow officer, director or general partner of such legal entity is an officer or director of a competitor, as defined in Section 8 of the Clayton Antitrust Act of 1914, as amended, (E) is a named subject of a pending criminal proceeding (excluding traffic violations and other minor offenses) or has been convicted in a criminal proceeding within the past ten years, or (F) is subject to any order of the type specified in Rule 506(d) of Regulation D promulgated under the Securities Act of 1933, as amended (the "**Securities Act**"),

(iv) neither the Eligible Stockholder providing the Stockholder Proxy Access Notice nor a person appearing by proxy on such stockholder's behalf appears at the meeting of stockholders to present the nomination or such business,

(v) the Eligible Stockholder fails to comply with the requirements set forth in Rule 14a-19 under the Exchange Act, or

(vi) the election of the Stockholder Nominee to the Board would cause the Corporation to be in violation of the Amended and Restated Certificate of Incorporation, these By-laws, or any applicable state or federal law, rule, regulation or listing standard.

(j) The maximum number of Stockholder Nominees appearing in the Corporation's proxy materials with respect to an annual meeting of stockholders (including any Stockholder Nominee whose name was submitted for inclusion in the Corporation's proxy materials for such annual meeting but who is nominated by the Board as a Board nominee for such annual meeting), together with

(i) any nominees who were previously elected to the Board as (A) Stockholder Nominees pursuant to this Section 4 (including any Stockholder Nominee whose name was submitted for inclusion in the Corporation's proxy materials for such prior annual meeting but who was nominated by the Board as a Board nominee for such prior annual meeting) or (B) otherwise as a nominee of any stockholder, in either case at any of the preceding two annual meetings and who are re-nominated for election at such annual meeting by the Board, and

(ii) any Stockholder Nominee who was qualified for inclusion in the Corporation's proxy materials for such annual meeting but whose nomination is subsequently withdrawn,

shall not exceed the greater of (x) two or (y) 20% of the number of directors in office as of the last day on which a Stockholder Proxy Access Notice may be delivered pursuant to this Section 4 with respect to such annual meeting, or if such amount is not a whole number, the closest whole number below 20%; provided that if there is a vacancy on the Board and the number of directors is decreased prior to such annual meeting, then the 20% of the number of directors shall be calculated based on the number of directors in office as of the date of such decrease in the number of directors. In the event that the number of Stockholder Nominees submitted by Eligible Stockholders pursuant to this Section 4 exceeds this maximum number, each Eligible Stockholder will select one Stockholder Nominee for inclusion in the Corporation's proxy materials until the maximum number is reached, going in order of the number (largest to smallest) of shares of the Corporation each Eligible Stockholder disclosed as Owned in its respective Stockholder Proxy Access Notice submitted to the Corporation. If the maximum number is not reached after each Eligible Stockholder has selected one Stockholder Nominee, this selection process will continue as many times as necessary, following the same order each time, until the maximum number is reached.

(k) Any Stockholder Nominee who is included in the Corporation's proxy materials for a particular annual meeting of stockholders but either (i) withdraws from or becomes ineligible or unavailable for election at the annual meeting, or (ii) does not receive at least 25% of the votes cast in favor of the Stockholder Nominee's election, will be ineligible to be a Stockholder Nominee pursuant to this Section 4 for the next two annual meetings.

SECTION 5. ***Submission of Questionnaire, Representation and Agreement.*** To be eligible to be a nominee for election or reelection as a director of the Corporation by a stockholder or Eligible Stockholder, a person must complete and deliver (in accordance with the time periods prescribed for delivery of notice under Section 3 or 4, whichever is applicable) to the Secretary at the principal executive offices of the Corporation a written questionnaire providing the information requested about the background and qualifications of such person and the background of any other person or entity on whose behalf the nomination is being made and a written representation and agreement (the questionnaire, representation, and agreement to be in the form provided by the Secretary upon written request) that such person:

(a) is not and will not become a party to:

(i) any agreement, arrangement or understanding with, and has not given any commitment or assurance to, any person or entity as to how the person, if elected as a director of the Corporation, will act or vote on any issue or question (a “**Voting Commitment**”) that has not been disclosed to the Corporation, or

(ii) any Voting Commitment that could limit or interfere with the person’s ability to comply, if elected as a director of the Corporation, with the person’s fiduciary duties under applicable law,

(b) is not and will not become a party to any agreement, arrangement or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation, reimbursement, or indemnification in connection with service or action as a director that has not been disclosed to the Corporation, and

(c) in the person’s individual capacity and on behalf of any person or entity on whose behalf the nomination is being made, would be in compliance, if elected as a director of the Corporation, and will comply with all applicable publicly disclosed corporate governance, code of conduct, conflict of interest, confidentiality, and stock ownership and trading policies and guidelines of the Corporation.

SECTION 6. ***Place of Meetings.*** Meetings of the Board shall be held at such place, within or outside of the State of Delaware, as the Board may from time to time determine or as shall be specified or fixed in the notice or waiver of notice of any such meeting.

SECTION 7. ***Regular Meetings.*** Regular meetings of the Board shall be held in accordance with a yearly meeting schedule as determined by the Board; or such meetings may be held on such other days and at such other times as the Board may from time to time determine. Notice of regular meetings of the Board need not be given except as otherwise required by these By-laws.

SECTION 8. ***Special Meetings.*** Special meetings of the Board may be called by the Chair of the Board, the Chief Executive Officer, the Lead Director of the Board, the Chair of

the Nominating and Governance Committee of the Board or the Secretary at the request of any two independent directors.

SECTION 9. ***Notice of Meetings.*** Notice of each special meeting of the Board (and of each regular meeting for which notice shall be required), stating the time, place and purposes thereof, shall be mailed to each director, addressed to him or her at his or her residence or usual place of business, or shall be sent to him or her by electronic transmission so addressed, or shall be given personally or by telephone, on 24 hours' notice or such shorter notice as the person or persons calling such meeting may deem necessary or appropriate in the circumstances.

SECTION 10. ***Quorum and Manner of Acting.*** The presence of at least a majority of the authorized number of directors shall constitute a quorum for the transaction of business at any meeting of the Board. If a quorum shall not be present at any meeting of the Board, a majority of the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present. Except where a different vote is required by law or the Amended and Restated Certificate of Incorporation or these By-laws, the vote of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board. Any action required or permitted to be taken by the Board may be taken without a meeting if all the directors consent thereto in writing and the writing or writings are filed with the minutes of proceedings of the Board. Any one or more directors may participate in any meeting of the Board by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation by such means shall constitute presence in person at a meeting of the Board.

SECTION 11. ***Resignation.*** Any director may resign at any time by giving written notice to the Chair of the Board, the Chief Executive Officer or the Secretary, which notice shall be deemed to constitute notice to the Corporation. Such resignation shall take effect upon receipt of such notice or at any later time specified therein.

SECTION 12. ***Removal of Directors.*** Subject to the rights of the holders of Preferred Stock, until the 2028 annual meeting of stockholders, directors may be removed from office only for cause and only by the affirmative vote of the holders of at least 66 2/3% of the outstanding Voting Stock, voting together as a single class; and from and after the 2028 annual meeting of stockholders, directors may be removed from office, with or without cause, only by the affirmative vote of the holders of a majority of the outstanding Voting Stock, voting together as a single class.

SECTION 13. ***Compensation of Directors.*** The Board may provide for the payment to any of the directors, other than officers or employees of the Corporation, of a specified amount for services as a director or member of a committee of the Board, or of a specified amount for attendance at each regular or special Board meeting or committee meeting, or of both, and all directors shall be reimbursed for expenses of attendance at any such meeting; provided, however, that nothing herein contained shall be construed to preclude any director from serving the Corporation in any other capacity and receiving compensation therefor.

ARTICLE IV

COMMITTEES OF THE BOARD

SECTION 1. ***Appointment and Powers of Audit Committee.*** The Board shall, by resolution adopted by the affirmative vote of a majority of the authorized number of directors, designate an Audit Committee of the Board, which shall consist of such number of directors as the Board may determine and shall be comprised solely of directors independent of management and free from any relationship that, in the opinion of the Board, would interfere with the exercise of independent judgment as a committee member. The Audit Committee shall (i) make recommendations to the Board as to the independent accountants to be appointed by the Board; (ii) review with the independent accountants the scope of their examination; (iii) receive the reports of the independent accountants and meet with representatives of such accountants for the purpose of reviewing and considering questions relating to their examination and such reports; (iv) review, either directly or through the independent accountants, the internal accounting and auditing procedures of the Corporation and (v) perform such other functions as may be assigned to it from time to time by the Board. The Audit Committee may determine its manner of acting and fix the time and place of its meetings, unless the Board shall otherwise provide. A majority of the members of the Audit Committee shall constitute a quorum for the transaction of business by the committee and the vote of a majority of the members of the committee present at a meeting at which a quorum is present shall be the act of the committee.

SECTION 2. ***Other Committees.*** The Board may, by the affirmative vote of a majority of the authorized number of directors, designate members of the Board to constitute an Executive Committee, a Compensation Committee and other committees of the Board, which shall in each case consist of such number of directors as the Board may determine, and shall have and may exercise, to the extent permitted by law, such powers and authority as the Board may by resolution delegate to them and may authorize the seal of the Corporation to be affixed to all papers which require it. Each such committee may determine its manner of acting and fix the time and place of its meetings, unless the Board shall otherwise provide. A majority of the members of any such committee shall constitute a quorum for the transaction of business by the committee and the vote of a majority of the members of such committee present at a meeting at which a quorum is present shall be the act of the committee.

SECTION 3. ***Action by Consent; Participation by Telephone or Similar Equipment.*** Unless the Board shall otherwise provide, any action required or permitted to be taken by any committee may be taken without a meeting if all members of the committee consent thereto in writing and the writing or writings are filed with the minutes of proceedings of the committee. Unless the Board shall otherwise provide, any one or more members of any committee may participate in any meeting of the committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation by such means shall constitute presence in person at a meeting of the committee.

SECTION 4. ***Changes in Committees; Resignations; Removals.*** The Board shall have power, by the affirmative vote of a majority of the authorized number of directors, at

any time to change the members of, to fill vacancies in, and to discharge any committee of the Board. Any member of any such committee may resign at any time by giving written notice to the Chair of the Board, the Chief Executive Officer, the Chair of such committee or the Secretary, which notice shall be deemed to constitute notice to the Corporation. Such resignation shall take effect upon receipt of such notice or at any later time specified therein. Any member of any such committee may be removed at any time, either with or without cause, by the affirmative vote of a majority of the authorized number of directors at any meeting of the Board, provided such removal shall have been referred to in the notice of such meeting.

ARTICLE V

OFFICERS

SECTION 1. ***Number and Qualifications.*** The officers of the Corporation may include a Chair of the Board, Vice Chair of the Board, Chief Executive Officer, President, one or more Vice Presidents, General Counsel, Treasurer, Secretary and Controller; provided, however, that any one or more of the foregoing offices may remain vacant from time to time, except as otherwise required by law. So far as practicable, the officers shall be elected annually on the day of the annual meeting of stockholders. Each officer shall hold office until the next annual election of officers and until his or her successor is elected and qualified, or until his or her death or retirement, or until he or she shall have resigned or been removed in the manner hereinafter provided. The same person may hold more than one office. The Chair of the Board, the Vice Chair of the Board, the Chief Executive Officer and the President shall be elected from among the directors. The Board may from time to time elect or appoint such other officers or agents as may be necessary or desirable for the business of the Corporation. Such other officers and agents shall have such titles and duties and shall hold their offices for such terms as may be prescribed by the Board. The Chief Executive Officer may appoint one or more Deputy, Associate or Assistant officers, or such other agents as may be necessary or desirable for the business of the Corporation. In case one or more Deputy, Associate or Assistant officers shall be appointed, the officer such appointee assists may delegate to him or her the authority to perform such of the officer's duties as the officer may determine.

SECTION 2. ***Resignations.*** Any officer may resign at any time by giving written notice to the Chair of the Board, the Chief Executive Officer or the Secretary, which notice shall be deemed to constitute notice to the Corporation. Such resignation shall take effect upon receipt of such notice or at any later time specified therein.

SECTION 3. ***Removal.*** Any officer or agent may be removed, either with or without cause, at any time, by the Board or, in the case of any officer or agent other than the Chief Executive Officer and the Chief Financial Officer, by the Compensation Committee at any meeting, provided, however, such removal shall have been referred to in the notice of such meeting if such meeting constitutes a special meeting; provided, further, that the Chief Executive Officer may remove any agent appointed by the Chief Executive Officer.

SECTION 4. ***Vacancies.*** Any vacancy among the officers, whether caused by death, resignation, removal or otherwise, shall be filled in the manner prescribed for election to such office.

SECTION 5. ***Chair of the Board.*** The Chair of the Board shall, if present, preside at all meetings of the Board and, in the absence of the Chief Executive Officer, at all meetings of the stockholders. He or she shall perform the duties incident to the office of the Chair of the Board and all such other duties as are specified in these By-laws or as shall be assigned to him or her from time to time by the Board.

SECTION 6. ***Vice Chair of the Board.*** The Vice Chair of the Board shall, if present, preside at all meetings of the Board at which the Chair of the Board shall not be present and at all meetings of the stockholders at which neither the Chief Executive Officer nor the Chair of the Board shall be present. He or she shall perform such other duties as shall be assigned to him or her from time to time by the Board or the Chief Executive Officer.

SECTION 7. ***Chief Executive Officer.*** The Chief Executive Officer shall, if present, preside at all meetings of the stockholders. He or she shall have, under the control of the Board, general supervision and direction of the business and affairs of the Corporation. He or she shall at all times see that all resolutions or determinations of the Board are carried into effect. He or she may from time to time appoint, remove or change members of and discharge one or more advisory committees, each of which shall consist of such number of persons (who may, but need not, be directors or officers of the Corporation), and have such advisory duties, as he or she shall determine. He or she shall perform the duties incident to the office of the Chief Executive Officer and all such other duties as are specified in these By-laws or as shall be assigned to him or her from time to time by the Board.

SECTION 8. ***President.*** The President shall be the chief operating officer of the Corporation and shall perform such duties as shall be assigned to him or her from time to time by the Board or the Chief Executive Officer.

SECTION 9. ***Vice Presidents.*** The Board shall, if it so determines, elect one or more Vice Presidents (with such additional titles as the Board may prescribe), each of whom shall perform such duties as shall be assigned to him or her from time to time by the Chief Executive Officer or such other officer to whom the Vice President reports.

SECTION 10. ***General Counsel.*** The General Counsel shall be the chief legal officer of the Corporation and the head of its legal department. He or she shall, in general, perform the duties incident to the office of General Counsel and all such other duties as may be assigned to him or her from time to time by the Chief Executive Officer.

SECTION 11. ***Treasurer.*** The Treasurer shall have charge and custody of all funds and securities of the Corporation, shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation, shall deposit all funds of the Corporation in such depositories as may be designated pursuant to these By-laws, shall receive, and give receipts for, moneys due and payable to the Corporation from any source whatsoever, shall

disburse the funds of the Corporation and shall render to all regular meetings of the Board, or whenever the Board may require, an account of all his or her transactions as Treasurer. He or she shall, in general, perform all the duties incident to the office of Treasurer and all such other duties as may be assigned to him or her from time to time by the Chief Executive Officer or such other officer to whom the Treasurer reports.

SECTION 12. **Secretary.** The Secretary shall, if present, act as secretary of all meetings of the Board, the Executive Committee and other committees of the Board and the stockholders and shall have the duty to record the proceedings of such meetings in one or more books provided for that purpose. He or she shall see that all notices are duly given in accordance with these By-laws and as required by law, shall be custodian of the seal of the Corporation and shall affix and attest the seal to all documents to be executed on behalf of the Corporation under its seal. He or she shall, in general, perform all the duties incident to the office of Secretary and all such other duties as may be assigned to him or her from time to time by the Chief Executive Officer or such other officer to whom the Secretary reports.

SECTION 13. **Controller.** The Controller shall have control of all the books of account of the Corporation, shall keep a true and accurate record of all property owned by it, its debts and of its revenues and expenses, shall keep all accounting records of the Corporation (other than the accounts of receipts and disbursements and those relating to the deposit or custody of funds and securities of the Corporation, which shall be kept by the Treasurer) and shall render to the Board, whenever the Board may require, an account of the financial condition of the Corporation. He or she shall, in general, perform all the duties incident to the office of Controller and all such other duties as may be assigned to him or her from time to time by the Chief Executive Officer or such other officer to whom the Controller reports.

SECTION 14. **Bonds of Officers.** If required by the Board, any officer of the Corporation shall give a bond for the faithful discharge of his or her duties in such amount and with such surety or sureties as the Board may require.

SECTION 15. **Compensation.** The salaries of the officers shall be fixed from time to time by the Board; provided, however, that the Chief Executive Officer may fix or delegate to others the authority to fix the salaries of any agents appointed by the Chief Executive Officer.

SECTION 16. **Officers of Operating Companies or Divisions.** The Chief Executive Officer shall have the power to appoint, prescribe the terms of office, the responsibilities and duties and salaries of, and remove, the officers of the operating companies or divisions other than those who are officers of the Corporation.

ARTICLE VI

CONTRACTS, CHECKS, LOANS, DEPOSITS, ETC.

SECTION 1. **Contracts.** The Board may authorize any officer or officers, agent or agents, in the name and on behalf of the Corporation, to enter into any contract or to execute and deliver any instrument, which authorization may be general or confined to specific instances;

and, unless so authorized by the Board, no officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable pecuniarily for any purpose or for any amount.

SECTION 2. ***Checks, etc.*** All checks, drafts, bills of exchange or other orders for the payment of money out of the funds of the Corporation, and all notes or other evidences of indebtedness of the Corporation, shall be signed in the name and on behalf of the Corporation in such manner as shall from time to time be authorized by the Board, which authorization may be general or confined to specific instances.

SECTION 3. ***Loans.*** No loan shall be contracted on behalf of the Corporation, and no negotiable paper shall be issued in its name, unless authorized by the Board, which authorization may be general or confined to specific instances. All bonds, debentures, notes and other obligations or evidences of indebtedness of the Corporation issued for such loans shall be made, executed and delivered as the Board shall authorize, which authorization may be general or confined to specific instances.

SECTION 4. ***Deposits.*** All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as may be selected by or in the manner designated by the Board. The Board or its designees may make such special rules and regulations with respect to such bank accounts, not inconsistent with the provisions of these By-laws, as may be deemed expedient.

ARTICLE VII

CAPITAL STOCK

SECTION 1. ***Stock Certificates and Uncertificated Shares.*** The shares of the Corporation may be represented by certificates or may be uncertificated. Each stockholder shall be entitled to have, in such form as shall be approved by the Board, a certificate or certificates signed by the Chair of the Board or the Vice Chair of the Board or the President or a Vice President and by the Treasurer or an Assistant Treasurer or the Secretary or an Assistant Secretary representing the number of shares of capital stock of the Corporation owned by such stockholder. Any or all of the signatures on any such certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon any such certificate shall have ceased to be such before such certificate is issued, such certificate may be issued by the Corporation with the same effect as if such officer, transfer agent or registrar had been such at the date of its issue. Absent a specific request for such a certificate by the registered owner or transferee thereof, all shares may be uncertificated upon the original issuance thereof by the Corporation or upon surrender of the certificate representing such shares to the Corporation or its transfer agent.

SECTION 2. ***List of Stockholders Entitled to Vote.*** The officer of the Corporation who has charge of the stock ledger of the Corporation shall prepare or cause to have prepared, at least 10 days before every meeting of stockholders, a complete list of the

stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least 10 days prior to the meeting, at the Corporation's principal executive offices.

SECTION 3. **Stock Ledger.** The stock ledger of the Corporation shall be the only evidence as to who are the stockholders entitled to examine the stock ledger, the list required by Section 2 of this Article VII or the books of the Corporation, or to vote in person or by proxy at any meeting of stockholders.

SECTION 4. **Transfers of Capital Stock.** Transfers of shares of capital stock of the Corporation shall be registered on the stock record of the Corporation, and if requested by the registered owner or transferee thereof, a new certificate shall be issued to the person entitled thereto, upon presentation and surrender, with a request to register transfer, of the certificate or certificates representing the shares properly endorsed by the holder of record or accompanied by a separate document signed by the holder of record containing an assignment or transfer of the shares or a power to assign or transfer the shares or upon presentation of proper transfer instructions from the holder of record of uncertificated shares. The Board may make such additional rules and regulations as it may deem expedient concerning the issue and transfer of certificates representing shares of the capital stock of the Corporation.

SECTION 5. **Lost Certificates.** The Corporation may issue uncertificated shares, or if requested by the registered owner, a new certificate or cause a new certificate to be issued, in place of any certificate theretofore issued by the Corporation alleged to have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate to be lost, stolen or destroyed. The Corporation may require the owner of such lost, stolen or destroyed certificate, or his or her legal representative, to give the Corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

SECTION 6. **Fixing of Record Date.** In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board and which record date shall not be more than 60 nor less than 10 days before the date of such meeting. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board may fix a new record date for the adjourned meeting. In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of capital stock or for the purpose of any other lawful action, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than 60 days prior to such action.

SECTION 7. ***Registered Owners.*** Prior to due presentment for registration of transfer of a certificate representing shares of capital stock of the Corporation or of proper transfer instructions with respect to uncertificated shares, the Corporation may treat the registered owner of such shares as the person exclusively entitled to vote, to receive dividends, to receive notifications, and otherwise to exercise all the rights and powers of an owner of such shares, except as otherwise provided by law.

ARTICLE VIII

FISCAL YEAR

The Corporation's fiscal year shall coincide with the calendar year.

ARTICLE IX

SEAL

The Corporation's seal shall be circular in form and shall include the words "Solstice Advanced Materials Inc., Delaware, 2025, Seal."

ARTICLE X

WAIVER OF NOTICE

Whenever any notice is required by law, the Amended and Restated Certificate of Incorporation or these By-laws, to be given to any director, member of a committee or stockholder, a waiver thereof in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders, directors, or members of a committee of directors need be specified in any written waiver of notice.

ARTICLE XI

AMENDMENTS

These By-laws or any of them may be amended, supplemented, altered, changed or repealed or adopted in any respect at any time, either (i) at any meeting of stockholders, provided that any amendment, supplement, alteration, change or repeal or adoption proposed to be acted upon at any such meeting shall have been described or referred to in the notice of such meeting, or (ii) at any meeting of the Board, provided that any amendment, supplement, alteration, change or repeal or adoption proposed to be acted upon at any such meeting shall have been described or referred to in the notice of such meeting or an announcement with respect thereto shall have been made at the last previous Board meeting. The affirmative vote of the holders of a majority of the

outstanding Voting Stock shall be required for stockholders to amend, supplement, alter, change or repeal, or to adopt, any By-law; provided, that notwithstanding anything in these By-laws to the contrary (and in addition to any vote required by law), until the 2028 annual meeting of stockholders, the affirmative vote of the holders of at least 66 2/3% of the outstanding Voting Stock shall be required to amend, supplement, alter, change or repeal, or to adopt any By-law inconsistent with, Section 3 of Article II, Section 2(a) of Article III, Section 12 of Article III and this Article XI of the By-laws.

ARTICLE XII

FORUM FOR ADJUDICATION OF DISPUTES

Unless the Corporation consents in writing to the selection of an alternative forum, the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer, other employee, stockholder or agent of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law or the Amended and Restated Certificate of Incorporation or these By-laws (each, as in effect from time to time), or (iv) any action asserting a claim governed by the internal affairs doctrine shall be a state or federal court located within the State of Delaware, in all cases subject to the court's having personal jurisdiction over the indispensable parties named as defendants. Notwithstanding the foregoing, unless the Corporation consents in writing to the selection of an alternative forum, the federal district courts of the United States of America, shall, to the fullest extent permitted by law, be the sole and exclusive forum for the resolution of any complaint asserting solely a cause of action arising under the Securities Act or any rules or regulations promulgated thereunder. Any person or entity purchasing or otherwise acquiring any interest in shares of capital stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Article XII. Failure to enforce the foregoing provisions would cause the Corporation irreparable harm and the Corporation shall be entitled to equitable relief, including injunctive relief and specific performance, to enforce the foregoing provisions. The existence of any prior consent to the selection of an alternative forum shall not act as a waiver of the Corporation's ongoing consent right as set forth above in this Article XII with respect to any current or future actions or claims. Notwithstanding anything to the contrary in this Article XII, nothing contained in this Article XII shall apply to any action brought to enforce any duty or liability created by the Exchange Act or any rules or regulations promulgated thereunder, to the extent such application would be contrary to law.

ARTICLE XIII

EMERGENCY BY-LAWS

SECTION 1. ***Emergency Board of Directors.*** In case of an attack on the United States or on a locality in which the Corporation conducts its business or customarily holds meetings of the Board or the stockholders, or during any nuclear or atomic disaster, or during the existence of any catastrophe, or other similar emergency condition, as a result of which a quorum

of the Board or a committee thereof cannot readily be convened for action in accordance with the provisions of the By-laws, the business and affairs of the Corporation shall be managed by or under the direction of an Emergency Board of Directors (hereinafter called the Emergency Board) established in accordance with Section 2 of this Article XIII.

SECTION 2. ***Membership of Emergency Board of Directors.*** The Emergency Board shall consist of at least three of the following persons present or available at the Emergency Corporate Headquarters determined according to Section 5 of this Article XIII: (i) those persons who were directors at the time of the attack or other event mentioned in Section 1 of this Article XIII, and (ii) any other persons appointed by such directors to the extent required to provide a quorum at any meeting of the Board. If there are no such directors present or available at the Emergency Corporate Headquarters, the Emergency Board shall consist of the three highest-ranking officers or employees of the Corporation present or available and any other persons appointed by them.

SECTION 3. ***Powers of the Emergency Board.*** The Emergency Board will have the same powers as those granted to the Board in these By-laws, but will not be bound by any requirement of these By-laws which a majority of the Emergency Board believes impracticable under the circumstances.

SECTION 4. ***Stockholders' Meeting.*** At such time as it is practicable to do so the Emergency Board shall call a meeting of stockholders for the purpose of electing directors. Such meeting will be held at a time and place to be fixed by the Emergency Board and pursuant to such notice to stockholders as it is deemed practicable to give. The stockholders entitled to vote at the meeting, present in person or represented by proxy, shall constitute a quorum.

SECTION 5. ***Emergency Corporate Headquarters.*** Emergency Corporate Headquarters shall be at such location as the Board or the Chief Executive Officer shall determine prior to the attack or other event, or if not so determined, at such place as the Emergency Board may determine.

SECTION 6. ***Limitation of Liability.*** No officer, director or employee acting in accordance with the provisions of this Article XIII shall be liable except for willful misconduct.

TRANSITION SERVICES AGREEMENT

BY AND BETWEEN

HONEYWELL INTERNATIONAL INC.

AND

SOLSTICE ADVANCED MATERIALS INC.

DATED AS OF

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TRANSITION SERVICES AGREEMENT

This TRANSITION SERVICES AGREEMENT (this “**Agreement**”), dated as of _____ (the “**Effective Date**”), is entered into by and between Honeywell International Inc., a Delaware corporation (“**Honeywell**”), and Solstice Advanced Materials Inc. (f/k/a Solstice Advanced Materials, LLC), a Delaware corporation (“**SpinCo**”) (together with Honeywell, the “**Parties**,” and each individually a “**Party**”).

RECITALS

WHEREAS, the Parties, among others, entered into that certain Separation and Distribution Agreement dated as of _____ (as amended, modified or supplemented, and together with all exhibits and schedules thereto, the “**Separation Agreement**”);

WHEREAS, Section 3.5 of the Separation Agreement contemplates that Honeywell and SpinCo will execute this Agreement, and this Agreement is being entered into by the Parties to satisfy the requirements described therein;

WHEREAS, Honeywell may provide certain services to SpinCo, as more particularly described in this Agreement, for a limited period of time following the Spin-Off; and

WHEREAS, each of Honeywell and SpinCo desires to reflect the terms of their agreement with respect to such services.

NOW, THEREFORE, the Parties, intending to be legally bound, hereby agree as follows:

ARTICLE I DEFINITIONS

Section 1.1 Definitions. Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Separation Agreement. As used in this Agreement, the following terms have the respective meanings set forth below.

(a) “**Affiliate**” means, when used with respect to a specified Person, a Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with such specified Person. For the purposes of this definition, “control” (including the terms “controlled by” and “under common control with”), when used with respect to any specified Person shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or other interests, by Contract or otherwise. It is expressly agreed that no Party or member of either Group shall be deemed to be an Affiliate of the other Party or member of such other Party’s Group solely by reason of having one or more directors in common or by reason of having been under common control of RemainCo or RemainCo’s stockholders prior to, or in case of SpinCo’s stockholders, after the Effective Date.

(b) “**Agreement**” has the meaning set forth in the Preamble to this Agreement.

- (c) “**Certain Supplier Agreements**” means any contract or agreement of any member of the Honeywell Group with a Third Party set forth on Exhibit G or mutually agreed by the Parties in writing to constitute a Certain Supplier Agreement during the one (1) year period following the Effective Date.
- (d) “**Confidential Information**” has the meaning set forth in Section 5.1.
- (e) “**Cost of Services**” means, with respect to each Service, the amount specified with respect to such Service in Exhibit A to be paid by the Service Recipient in respect of such Service to the Service Provider of such Service.
- (f) “**Data Transfer Agreement**” means the data transfer agreement set forth in Exhibit B.
- (g) “**Designated Work Product**” means the work product developed during the term of this Agreement for the Service Recipient’s exclusive use as part of the provision of Services hereunder and that are listed or described on Exhibit D.
- (h) “**Disclosing Party**” has the meaning set forth in Section 5.2.
- (i) “**Effective Date**” has the meaning set forth in the Preamble.
- (j) “**Excluded Services**” has the meaning set forth in Section 2.1(l).
- (k) “**Force Majeure Event**” has the meaning set forth in Section 10.2.
- (l) “**Group**” means either the RemainCo Group (as defined in the Separation Agreement, and for purposes of this Agreement, the “**Honeywell Group**”) or the SpinCo Group, as the context requires.
- (m) “**Honeywell**” has the meaning set forth in the preamble.
- (n) “**Hourly Services**” has the meaning set forth in Section 4.1(b).
- (o) “**Hourly Services Expenses**” has the meaning set forth in Section 4.1(b).
- (p) “**Indemnitee**” means a Honeywell Indemnitee or a SpinCo Indemnitee, as the context requires.
- (q) “**Interruption**” has the meaning set forth in Section 2.1(i).
- (r) “**IT Agreements**” has the meaning set forth in Section 3.3.
- (s) “**Omitted Services**” has the meaning set forth in Section 2.2(a).
- (t) “**Outside Date**” has the meaning set forth in Section 6.1.
- (u) “**Party**” and “**Parties**” have the meaning set forth in the preamble.
- (v) “**Personal Data**” has the meaning set forth in the Data Transfer Agreement.

- (w) “**Preliminary Dispute Notice**” has the meaning set forth in Section 9.2.
- (x) “**Preliminary Dispute Notice**” has the meaning set forth in Section 9.2.
- (y) “**Prime Rate**” has the meaning set forth in Section 4.2(a).
- (z) “**Processed**” has the meaning set forth in the Data Transfer Agreement.
- (aa) “**Project Work**” has the meaning set forth in Section 2.3.
- (bb) “**Project Work Request**” has the meaning set forth in Section 2.3.
- (cc) “**Receiving Party**” has the meaning set forth in Section 5.2.
- (dd) “**Resolution Committee**” has the meaning set forth in Section 9.2.
- (ee) “**Sales and Services Taxes**” has the meaning set forth in Section 4.1(c).
- (ff) “**Separation Agreement**” has the meaning set forth in the recitals.
- (gg) “**Service Charge**” has the meaning set forth in Section 4.1(a).
- (hh) “**Service Coordinator**” has the meaning set forth in Section 2.1(b).
- (ii) “**Service Provider**” means any member of the Honeywell Group in its capacity as the provider of any Services to any member of the SpinCo Group.
- (jj) “**Service Recipient**” means any member of the SpinCo Group in its capacity as the recipient of any Services from any member of the Honeywell Group.
- (kk) “**Service Term**” means a period of six (6) months from the Effective Date (or such other period of time that each Service shall be provided hereunder as set forth for each Service on Exhibit A).
- (ll) “**Services**” means the individual services set forth on Exhibit A.
- (mm) “**Shutdown**” has the meaning set forth in Section 2.1(h).
- (nn) “**SpinCo**” has the meaning set forth in the preamble.
- (oo) “**Sub-Contractor**” has the meaning set forth in Section 2.1(d).
- (pp) “**Tax**” has the meaning set forth in the Tax Matters Agreement.
- (qq) “**Termination Charges**” has the meaning set forth in Section 6.4(d).
- (rr) “**Third Party**” means any Person other than Honeywell, SpinCo and their respective Affiliates.
- (ss) “**Third-Party Expenses**” has the meaning set forth in Section 4.1(b).

Section 1.2 References; Interpretation. For the purposes of this Agreement, (a) words in the singular shall be held to include the plural and vice versa, and words of one gender shall be

held to include the other gender as the context requires; (b) references to the terms Article, Section, paragraph, clause, Exhibit and Schedule are references to the Articles, Sections, paragraphs, clauses, Exhibits and Schedules to this Agreement unless otherwise specified; (c) the terms “hereof,” “herein,” “hereby,” “hereto,” and derivative or similar words refer to this entire Agreement, including the Schedules and Exhibits hereto; (d) references to “\$” shall mean U.S. dollars; (e) the word “including” and words of similar import when used in this Agreement shall mean “including without limitation,” unless otherwise specified; (f) the word “or” shall not be exclusive (unless the context indicates otherwise); (g) references to “written” or “in writing” include in electronic form; (h) the Parties have each participated in the negotiation and drafting of this Agreement, and except as otherwise stated herein, if an ambiguity or question of interpretation should arise, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or burdening any Party by virtue of the authorship of any of the provisions in this Agreement; (i) a reference to any Person includes such Person’s successors and permitted assigns; (j) any reference to “days” means calendar days unless Business Days are expressly specified; (k) when calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded and if the last day of such period is not a Business Day, the period shall end on the next succeeding Business Day; (l) any statute or Contract defined or referred to herein means such statute or Contract as from time to time amended, modified or supplemented, unless otherwise specifically indicated; (m) the use of the phrases “the date of this Agreement”, “the date hereof”, “of even date herewith” and terms of similar import shall be deemed to refer to the date set forth in the preamble to this Agreement; (n) the phrase “ordinary course of business” shall be deemed to be followed by the words “consistent with past practice” whether or not such words actually follow such phrase; (o) where a word or phrase is defined herein, each of its other grammatical forms shall have a corresponding meaning; and (p) any consent given by any party hereto pursuant to this Agreement shall be valid only if contained in a written instrument signed by such Party.

ARTICLE II

SERVICES

Section 2.1 Provision of Services.

(a) Commencing as of the Effective Date, (i) Honeywell shall, and shall cause the applicable members of the Honeywell Group to, provide or otherwise make available, as the Service Provider under this Agreement, to SpinCo and the applicable members of the SpinCo Group the Services, and (ii) SpinCo shall pay, perform, discharge and satisfy, as and when due, its and their respective obligations as the Service Recipient under this Agreement, in each case in accordance with the terms of this Agreement.

(b) The Service Recipient and the Service Provider shall cooperate in good faith with each other in connection with the performance of the Services hereunder. Each of Honeywell and SpinCo agrees to appoint an employee representative (each such representative, a “**Service Coordinator**”) who will have overall responsibility for implementing, managing and coordinating the Services pursuant to this Agreement on behalf of Honeywell and SpinCo, respectively. Initially, the Service Coordinators will be the individuals set forth on Exhibit

E. Either Party may change its designated Service Coordinator at any time upon notice given to the other Party in accordance with Section 10.6. The Service Coordinators will consult and coordinate with each other on a regular basis, and no less frequently than monthly, during the term of this Agreement.

(c) The Service Provider shall determine the personnel who shall perform the Services to be provided by it. All personnel providing Services will remain at all times, and be deemed to be, employees or representatives solely of the Service Provider, responsible for providing such Services (or its Affiliates or Sub-Contractors) for all purposes, and not to be deemed employees or representatives of the Service Recipient. The Service Provider (or its Affiliates or Sub-Contractors) will be solely responsible for payment of (i) all compensation, (ii) all disability, withholding and other employment taxes and (iii) all medical benefit premiums, vacation pay, sick pay and other employee benefits payable to or with respect to personnel who perform Services on behalf of such Service Provider. All such personnel will be under the sole direction, control and supervision of the Service Provider and the Service Provider has the sole right to exercise all authority with respect to the employment, substitution, termination, assignment and compensation of such personnel.

(d) The Service Provider may, at its option, from time to time, delegate or subcontract any or all of its obligations to perform Services under this Agreement to any one or more of its Affiliates or engage the services of other professionals, consultants or other third parties (each, a “**Sub-Contractor**”) in connection with the performance of the Services; provided, however, that (i) the Service Provider shall remain ultimately responsible for ensuring that its obligations with respect to the nature, scope, quality and other aspects of the Services are satisfied with respect to any Services provided by any such Sub-Contractor and shall be liable for any failure of a Sub-Contractor to so satisfy such obligations (or if a Sub-Contractor otherwise breaches any provision hereof) and (ii) any such Third-Party Sub-Contractor agrees in writing to be bound by confidentiality provisions at least as restrictive to it as the terms of Article V of this Agreement. Except as agreed by the Parties in Exhibit A or otherwise in writing, and subject to Section 2.1(f), any costs associated with engaging the services of a Sub-Contractor shall not affect the Cost of Services payable by the Service Recipient under this Agreement, and the Service Provider shall remain solely responsible with respect to payment for such Sub-Contractor’s costs, fees and expenses.

(e) The Services shall be performed in substantially the same manner, scope, time frame, nature and quality, with the same care, and to the same extent and service level as such Services (or substantially similar services) were provided to the SpinCo Business as of immediately prior to the Effective Date, unless the Services are being provided by a Sub-Contractor who is also providing the same services to the Service Provider or a member of such Service Provider’s Group, in which case the Services shall be performed for the Service Recipient in the same manner, scope, time frame, nature and quality, with the same care, and to the same extent and service level as they are being performed for the Service Provider or such member of such Service Provider’s Group, as applicable. If the Service Provider has not provided such Services (or substantially similar services) to the SpinCo Business as of immediately prior to the Effective Date and such Services are not being performed by a Sub-Contractor who is also providing the same services to such Service Provider’s Group, then the

Services shall be performed in a competent and professional manner consistent with industry standards. The Services shall be used solely for the operation of the SpinCo Business for substantially the same purpose as used by the Service Recipient immediately prior to the Effective Date.

(f) The Parties acknowledge that the Service Provider may make changes from time to time in the manner of performing Services (including in respect of those Services provided by a Sub-Contractor) if the Service Provider is making similar changes in performing the same or substantially similar Services for itself or other members of its Group; provided, however, that, unless expressly contemplated in Exhibit A, such changes shall not materially affect the Cost of Services for such Service payable by the Service Recipient under this Agreement or materially decrease the manner, scope, time frame, nature, quality or level of the Services provided to the Service Recipient, except (i) upon prior written approval of the Service Recipient, which approval shall not be unreasonably withheld, conditioned or delayed and (ii) any actual and reasonable increase to the Service Provider in the cost of providing a Service may be charged to the Service Recipient on a pass-through basis to the extent such actual and reasonable increase is applied on a non-discriminatory basis as compared to the Honeywell Group.

(g) Nothing in this Agreement shall be deemed to require the provision of any Service by the Service Provider (or any Affiliate or Sub-Contractor of the Service Provider) to the Service Recipient if the provision of such Service would reasonably be expected to require the Consent of any Person (including any Governmental Authority), whether under applicable Law, by the terms of any contract to which such Service Provider or any other member of its Group is a party or otherwise, unless and until, subject to the remainder of this Section 2.1(g), such Consent has been obtained. The Service Provider shall use commercially reasonable efforts to obtain any Consent of any Person necessary for the performance of the Service Provider's obligations pursuant to this Agreement. Any fees, expenses or extra costs incurred in connection with obtaining any such Consents shall be paid by the Service Recipient, and the Service Recipient shall use commercially reasonable efforts to provide assistance as necessary in obtaining such Consents. In the event that the Consent of any Person, if required in order for the Service Provider to provide Services, is not obtained reasonably promptly (any in any event within thirty (30) days) after the Effective Date by the Service Provider, the Service Provider shall notify the Service Recipient and the Service Provider is excused from providing the Service that requires such unobtainable Consent; provided that the Parties shall cooperate in devising an alternative manner for the provision of the Services affected by such failure to obtain such Consent and the Cost of Services associated therewith, such alternative manner and Cost of Services to be reasonably satisfactory to both Parties and agreed to in writing. If the Parties elect such an alternative plan, the Service Provider shall provide the Services in such alternative manner and the Service Recipient shall pay for such Services based on the alternative Cost of Services. The Services shall not include, and no Service Provider (or any Affiliate or Sub-Contractor of a Service Provider) shall be obligated to provide, any service the provision of which to the Service Recipient following the Effective Date would constitute a violation of any Law. In addition, notwithstanding anything to the contrary herein, the Service Provider (and the Affiliates and Sub-Contractors of the Service Provider) will not be required to perform or to

cause to be performed any of the Services for the benefit of any Third Party or any other Person other than the Service Recipient. To the extent that any Third-Party proprietor of information or software to be disclosed or made available to the Service Recipient in connection with performance of the Services hereunder requires a specific form of non-disclosure agreement as a condition to its Consent to use the same for the benefit of the Service Recipient, or to permit the Service Recipient access to such information or software, the Service Recipient shall, as a condition to the receipt of such portion of the Services, execute (and shall cause its employees and Affiliates to execute, if required) any such form.

(h) If the Service Provider determines that it is necessary or appropriate to temporarily suspend a Service due to scheduled or emergency maintenance, modification, repairs, alterations or replacements (any such event, a “**Shutdown**”), the Service Provider shall use commercially reasonable efforts to provide the Service Recipient with reasonable prior notice of such Shutdown (including information regarding the nature and the projected length of such Shutdown), unless it is not reasonably practicable under the circumstances to provide such prior notice, and thereafter the Service Provider shall use commercially reasonable efforts to cooperate with the Service Recipient to minimize any impact on the Services caused by such Shutdown.

(i) The Parties acknowledge that there may be unanticipated temporary interruptions in the provision of a Service, in each case for a period of less than forty-eight (48) hours (any such event, an “**Interruption**”). The Service Provider shall use commercially reasonable efforts to provide the Service Recipient with notice of such Interruption as soon as possible (including information regarding the nature and the projected length of such Interruption), and thereafter such Service Provider shall use commercially reasonable efforts to cooperate with the Service Recipient to minimize any impact on the Services caused by such Interruption. The Service Provider shall not be excused from performance if it fails to use commercially reasonable efforts to remedy the situation causing such Interruption.

(j) In the event the obligations of the Service Provider to provide any Service shall be suspended in accordance with Section 2.1(h) or Section 2.1(i), the Service Provider and its Affiliates shall not have any liability whatsoever to the Service Recipient arising out of or relating to such suspension of the Service Provider’s provision of such Service, except to the extent resulting from a breach by the Service Provider of any agreement or covenant required to be performed or complied with by the Service Provider pursuant to Section 2.1(h) or Section 2.1(i) (but subject to the other limitations on liability set forth in this Agreement).

(k) Neither Party nor any of their respective Affiliates shall have any obligation to purchase, upgrade, enhance or otherwise modify any computer hardware, software or network environment currently used by such Party or such Party’s Affiliates, or to provide any support or maintenance services for any computer hardware, software or network environment that has been upgraded, enhanced or otherwise modified from the computer hardware, software or network environments that are currently used by such Party or such Party’s Affiliates.

(l) Notwithstanding anything to the contrary herein, the Services shall not include, and the Service Provider shall have no obligation to provide hereunder, any legal advice,

tax advice, financial advice, accounting advice, or any other services identified on Exhibit C (the “**Excluded Services**”).

Section 2.2 Service Amendments and Additions.

(a) Within the first forty-five (45) days following the Effective Date, the Service Recipient may request the Service Provider to provide services that (i) were provided to the SpinCo Business within the twelve (12) months prior to the Effective Date, (ii) are reasonably necessary for the operation of the SpinCo Business, as applicable, as conducted as of the Effective Date, and (iii) are not Excluded Services (any such validly requested services, “**Omitted Services**”). Any request for an Omitted Service shall be in writing and shall specify, as applicable, (A) the type and the scope of the requested service, (B) who is requested to perform the requested service, (C) where and to whom the requested service is to be provided, (D) the proposed term for the requested service, and (E) the proposed service fees payable for such requested service.

(b) The Service Provider has the sole right to, and in its sole discretion may, agree to provide (or decline to provide) an Omitted Service. In the event that the Service Provider agrees to provide Omitted Services, then the Parties shall in good faith negotiate an amendment to Exhibit A, which will describe in detail the service, project scope, term, price and payment terms to be charged for such Omitted Services. Once agreed to in writing, the amendment to Exhibit A shall be deemed part of this Agreement as of such date and such Omitted Services shall be deemed “Services” provided hereunder, in each case subject to the terms and conditions of this Agreement; provided, however, that the Service Provider shall not be required to provide any Omitted Services, at any price, that would prevent, or be reasonably likely to prevent, or be inconsistent with the qualification of the Distribution for its Intended Tax Treatment (as defined in the Tax Matters Agreement).

(c) Section 2.2(a) and Section 2.2(b) shall apply, *mutatis mutandis*, to any request of Honeywell to SpinCo to provide services under this Agreement. In the event that SpinCo agrees to provide any such services to Honeywell, the terms and conditions of this Agreement shall apply, *mutatis mutandis*, solely in respect of such services, to SpinCo as the Service Provider of such services and to Honeywell as the Service Recipient of such services.

Section 2.3 Migration Projects. Prior to the end of the applicable Service Term, the Service Provider will provide the Service Recipient (subject to the remainder of this Section 2.3), upon written request from the Service Recipient (the “**Project Work Request**”), with such reasonable support as may be necessary to migrate the Services to the Service Recipient’s internal organization or to a Third-Party provider (the “**Project Work**”), including, without limitation, exporting and providing (subject to applicable Law and the Data Transfer Agreement) all relevant data and information of the Service Recipient from the systems of the Service Provider or any party performing the Services on its behalf. After the Service Provider receives a Project Work Request, the Parties shall meet to discuss and agree on the scope and cost of the Project Work, taking into consideration the Service Provider’s then-available resources (and for clarity, the Service Provider shall not be obligated to perform such Project Work unless and until the Parties, in good faith, so mutually agree on such scope and costs of such Project Work). Where required for migrating the Services in connection with Project Work, the Service

Recipient's personnel will be granted reasonable access to the respective facilities of the Service Provider during normal business hours. Project Work may be out-sourced to external service partners (including those involving conversion programs or other programming, or extraordinary management supervision or coordination); provided that the Parties shall be responsible for the performance or non-performance of such partners. The Service Recipient shall pay its internal costs incurred in connection with all Project Work performed by its personnel and the internal costs of the Service Provider and the cost of all Third-Party providers engaged in completing a Project Work all shall be charged by the Service Provider to the Service Recipient on a pass-through basis. For the avoidance of doubt, any portion of the cost of Project Work associated with the setup of the Service Recipient's data warehousing infrastructure or hosting environment shall be charged by the Service Provider to the Service Recipient on a pass-through basis.

Section 2.4 No Management Authority. The Service Provider (or any Affiliate or Sub-Contractor of the Service Provider) shall not be authorized by, or shall have any responsibility under, this Agreement to manage the affairs of the business of the Service Recipient, or to hold itself out as an agent or representative of the Service Recipient.

Section 2.5 Acknowledgment and Representation. Each Party understands that the Services provided hereunder are transitional in nature. Each Party understands and agrees that the other Party is not in the business of providing Services to Third Parties and, except as set forth in Section 6.2, that neither Party has any interest in continuing (i) any Service beyond the Service Term for such Service or (ii) this Agreement beyond the expiration of all Service Terms, the Outside Date, or the earlier termination of all Services in accordance with Article VI. As a result, the Parties have allocated responsibilities and risks of loss and limited liabilities of the Parties as stated in this Agreement based on the recognition that each Party is not in the business of providing Services to Third Parties. Such allocations and limitations are fundamental elements of the basis of the bargain between the Parties and neither Party would be able or willing to provide the Services without the protections provided by such allocations and limitations. During the term of this Agreement, the Service Recipient agrees to work diligently and expeditiously to establish its own logistics, infrastructure and systems to enable a transition to its own internal organization or other Third-Party providers of the Services and agrees to use its reasonable good faith efforts to reduce or eliminate its and its Affiliates' dependency on the Service Provider's provision of the Services as soon as is reasonably practicable.

ARTICLE III **ADDITIONAL ARRANGEMENTS**

Section 3.1 Cooperation and Access.

(a) The Service Recipient shall cooperate with the Service Provider to the extent necessary or appropriate to facilitate the performance of the Services in accordance with the terms of this Agreement. Without limiting the generality of the foregoing, (i) each Party shall make available on a timely basis to the other Party all information and materials requested by such Party to the extent reasonably necessary for the performance or receipt of the Services, (ii) each Party shall, and shall cause the members of its Group to, upon reasonable notice, give or cause to be given to the other Party and its Affiliates and Sub-Contractors reasonable access, during regular business hours and at such other times as are reasonably required, to the relevant

premises and personnel to the extent reasonably necessary for the performance or receipt of the Services and (iii) each Party shall, and shall cause the members of its Group to, give the other Party and its Affiliates and Sub-Contractors reasonable access to, and all necessary rights to utilize, such Party's, and its Group's, information, facilities, personnel, assets, systems and technologies to the extent reasonably necessary for the performance or receipt of the Services.

(b) The Service Recipient shall (and shall cause the members of its Group and its personnel and the personnel of its Affiliates and Sub-Contractors providing or receiving Services to): (i) not attempt to obtain access to or use any information technology systems of the Service Provider or any member of the Honeywell Group, or any Confidential Information, Personal Data or competitively sensitive information owned, used or Processed by the Service Provider, except where it has been granted in writing the right to do so or, to the extent reasonably necessary to do so, to receive the Services; (ii) maintain reasonable security measures to protect the systems of the Service Provider and the members of its Group to which it has access pursuant to this Agreement from access by unauthorized Third Parties; (iii) comply with applicable Laws and all of the Service Provider's security rules, access agreements, and procedures for restricting access and use, when allowed, to such Service Provider's information technology systems; (iv) when on the property of the Service Provider or any of its Affiliates, or when given access to any facilities, infrastructure or personnel of the Service Provider or any of its Affiliates, follow applicable Laws and all of the Service Provider's policies and procedures concerning health, safety, conduct and security which are made known to the Service Recipient receiving such access from time to time; (v) limit each user's access to information for which each user has a bona fide business need to access; and (vi) not disable, damage or erase or disrupt, interfere with or impair the normal operation of the information technology systems of the Service Provider or any member of its Group.

(c) The Service Provider shall (i) notify the Service Recipient of any confirmed misuse, disclosure or loss of, or inability to account for, any Personal Data or any confidential or competitively sensitive Information, and any confirmed unauthorized access to the Service Provider's facilities, systems or network, in each case, solely to the extent related to the Service Recipient; and (ii) subject to applicable Law, use commercially reasonable efforts to comply with any reasonable requests to assist the Service Recipient with its electronic discovery obligations related to Services provided to the Service Recipient; provided that the Service Recipient agrees to reimburse the Service Provider for time spent and actual travel expenses incurred for such response.

(d) In the event of a security breach that relates to the Services, the Parties shall, subject to any applicable Law, reasonably cooperate with each other regarding the timing and manner of (i) notification to their respective customers, potential customers, employees or agents concerning a breach or potential breach of security and (ii) disclosures to appropriate Governmental Authorities.

(e) Notwithstanding anything to the contrary in this Agreement (but subject to the following proviso), any Personal Data transferred or otherwise made available to the other Party in connection with the Services shall be subject to the Data Transfer Agreement, and each Party agrees to abide by the applicable provisions thereof, to the extent related to such data;

provided, however, that any Personal Data provided by the Service Recipient to the Service Provider under this Agreement shall only be used to the extent reasonably necessary for the Service Provider to provide Services and solely for the applicable term of such Services.

Section 3.2 Intellectual Property.

(a) Each Party, on behalf of itself and its Affiliates, hereby grants to the other Party and to its Affiliates and Sub-Contractors providing Services under this Agreement a non-exclusive, nontransferable, world-wide, royalty-free, sublicensable license, for the term of this Agreement, to use the intellectual property owned by such Party and the members of its Group solely to the extent necessary for (and solely for the purposes of) the other Party and the members of its Group to perform their obligations hereunder or receive the Services provided hereunder, as applicable.

(b) Subject to the terms of the Separation Agreement, the Service Provider acknowledges and agrees that the Designated Work Product is and shall remain the exclusive property of the applicable Service Recipient. The Service Provider acknowledges and agrees that, to the fullest extent permitted under applicable Law, the Designated Work Product is a “work made for hire,” as that phrase is defined in the Copyright Act of 1976 (17 U.S.C. §101), for the Service Recipient. To the extent title to any Designated Work Product vests in the Service Provider by operation of Law, in its capacity as the Service Provider, hereby assigns (and shall cause any such other Service Provider, and any Affiliate or Sub-Contractor of such Service Provider, to assign) to the Service Recipient all right, title and interest in and to such Designated Work Product, and the Service Provider shall (and shall cause any Affiliate or Sub-Contractor of such Service Provider to) provide such assistance and execute such documents as the Service Recipient may reasonably request to assign to the relevant Service Recipient all right, title and interest in and to such work product. The Service Recipient acknowledges and agrees that it will acquire no right, title or interest to any work product resulting from the provision of the Services hereunder that is not Designated Work Product, and such work product shall remain the exclusive property of the Service Provider.

(c) The Parties acknowledge that it may be necessary for each of them to make proprietary or Third-Party software available to the other in the course and for the purpose of performing or receiving Services (as applicable), subject to Section 2.1(g) in the case of Third-Party software. Each Party (i) shall comply with all known license terms and conditions applicable to any and all proprietary or Third-Party software made available to such Party by the other Party in the course of the provision or receipt (as applicable) of Services hereunder and (ii) agrees that it shall use reasonable efforts to identify and provide to the other Party a copy of the applicable license terms (or, solely with respect to open source software or other software with publicly available license terms, information sufficient to direct such other Party to a copy thereof) for any and all proprietary or Third-Party software first made available to such other Party as of or after the Effective Date, solely to the extent such provision would not violate the providing Party’s duty of confidentiality owed to any Third Party.

(d) Except as expressly specified in this Section 3.2, nothing in this Agreement will be deemed to grant one Party, by implication, estoppel or otherwise, any license

rights, ownership rights or other rights in any intellectual property owned by the other Party (or any Affiliate or Sub-Contractor of the other Party).

Section 3.3 IT Agreements. The Service Recipient acknowledges and agrees that the Services provided by the Service Provider through Third Parties or using Third-Party Intellectual Property are subject to the terms and conditions of any applicable agreements between the Service Provider and such Third Parties (such agreements, the “IT Agreements”), as set forth on Exhibit E. The Service Provider shall use commercially reasonable efforts to obtain any Consent of any Person that may be necessary for the performance of the Service Provider’s obligations pursuant to this Agreement in accordance with Section 2.1(g) (it being understood that the Service Recipient shall only be granted access to IT Agreements during the term of this Agreement, and upon expiration of the applicable service term shall procure its own standalone license with the applicable Third-Party provider).

Section 3.4 Certain Supplier Agreements. For a period of one (1) year following the Effective Date, Honeywell shall, and shall cause the members of the Honeywell Group to, cooperate in any reasonable and permissible arrangement to provide that SpinCo and the other members of the SpinCo Group shall receive the interest in the benefits and obligations under the Certain Supplier Agreements in accordance with the provisions of such Certain Supplier Agreement. Payments due to a Third Party for use of the Certain Supplier Agreements by the SpinCo Business shall either, at Honeywell’s sole option, be (i) paid by the member of the SpinCo Group receiving the benefit of such Certain Supplier Agreement or (ii) paid by a member of the Honeywell Group and charged by Honeywell to SpinCo on a pass-through basis. Any internal or Third-Party costs incurred by Honeywell in connection with Honeywell’s cooperation in accordance with this Section 3.4 shall be charged by Honeywell to SpinCo on a pass-through basis. Without limiting SpinCo’s obligations under Article VIII, SpinCo shall indemnify and hold harmless the member of the Honeywell Group party to such Certain Supplier Agreement for any Liability arising out of, in connection with or by reason of SpinCo’s use of the Certain Supplier Agreements and Honeywell’s cooperation in accordance with this Section 3.4.

ARTICLE IV **COMPENSATION**

Section 4.1 Compensation for Services. In each case except as expressly provided in Exhibit A:

(a) As compensation for each Service rendered pursuant to this Agreement, the Service Recipient shall be required to pay to the Service Provider a fee for the Service equal to the Cost of Services specified for such Service in Exhibit A (each fee, together with any applicable Third-Party Expenses and Hourly Services Expenses, constituting a “Service Charge”).

(b) For Services with fees determined on an hourly basis (the “Hourly Services”), the Cost of Services are exclusive of any Third-Party fees, costs and expenses that may be incurred by the Service Provider or any Sub-Contractor in connection with performing the Services (such fees, costs and expenses, “Third-Party Expenses”). All of the fees determined on an hourly basis described in this Section 4.1(b) (“Hourly Services Expenses”)

shall be charged by the Service Provider to the Service Recipient on a pass-through basis. For the avoidance of doubt, the Hourly Services Expenses shall be consistent with the Service Provider's general approach with respect to such types of costs and expenses; provided that with respect to any Service, the Service Recipient's prior written approval shall be required to the extent that Hourly Services Expenses exceed fifteen percent (15%) of the Service Charge paid and payable to the Service Provider for such Service in any calendar quarter. At Service Provider's option, Third-Party Expenses may be designated as pass-through charges to be paid directly by Service Recipient to the applicable Third-Party or may be initially paid by Service Provider and invoiced to Service Recipient in accordance with Section 4.2.

(c) The Service Charge shall be exclusive of Taxes. The amount of any and all sales, value-added, goods and services or similar Taxes that are assessed, imposed, sustained, incurred, levied and measured on or by: (i) the cost, value or price of Services provided by the Service Provider under this Agreement or (ii) the Service Provider's cost of acquiring property or services used or consumed by the Service Provider in providing Services under this Agreement ("**Sales and Service Taxes**") shall be borne by the Service Recipient. To the extent such Sales and Service Taxes are borne by the Service Provider, such Taxes shall be promptly paid to the Service Provider by the Service Recipient in accordance with Section 4.2 or as otherwise mutually agreed in writing by the Parties. For the avoidance of doubt, such payment shall be in addition to the Service Charge, without duplication of any applicable Cost of Services set forth in Exhibit A. Notwithstanding the foregoing, (i) in the case of value-added Taxes, the Service Recipient shall not be obligated to pay such Taxes, unless the Service Provider has issued to the Service Recipient a valid value-added Tax invoice in respect thereof, and (ii) in the case of all Sales and Service Taxes, the Service Recipient shall not be obligated to pay such Taxes if and to the extent that the Service Recipient has provided any valid exemption certificates or other applicable documentation that would eliminate or reduce the obligation to collect or pay such Taxes, to the extent permitted by applicable Law. At the Service Recipient's reasonable request and sole expense, (i) the Parties shall cooperate in good faith to reduce or eliminate any Sales and Service Taxes and (ii) the Service Provider shall reasonably cooperate with Service Recipient in Service Recipient's pursuit of the refund of any Sales and Service Taxes; provided, that in the event that the Service Provider receives a refund of any Sales and Service Taxes paid to the Service Provider by the Service Recipient pursuant to this Section 4.1(c) and previously remitted to the applicable Governmental Authority, the Service Provider shall promptly surrender such refund to Service Recipient.

(d) Each of the Service Provider and Service Recipient shall pay and be responsible for all Taxes (other than such Taxes described in Section 4.1(c)) applicable to each of them in connection with this Agreement, including Taxes based on their own respective net income or profits or assets.

(e) Either Party shall have the right to deduct or withhold from any amounts payable under this Agreement such amounts as are required by applicable Law to be deducted or withheld with respect thereto and, to the extent such deducted or withheld amounts are duly and timely remitted to the appropriate Governmental Authority, such deducted or withheld amounts shall be treated as paid to the Person in respect of which such deduction or withholding was made for all purposes of this Agreement. The Parties shall cooperate in good faith to reduce or

eliminate withholding with respect to any amounts payable under this Agreement. Notwithstanding the foregoing, if the Service Provider reasonably believes that a reduced rate of withholding applies or the Service Provider is exempt from withholding, then the Service Provider shall notify the Service Recipient and the Service Recipient shall, to the extent permitted by applicable Law, apply such reduced rate of withholding or no withholding at such time as the Service Provider has provided the Service Recipient with evidence reasonably satisfactory to the Service Recipient that a reduced rate of withholding is required (and that all necessary administrative provisions or requirements have been completed). The Service Recipient shall duly and timely remit to the appropriate Governmental Authority any amounts required to be deducted or withheld and shall promptly provide to Service Provider receipts or other documents evidencing such payment of any such deducted or withheld amount to the applicable Governmental Authority. The Service Recipient shall not be required in any circumstances to pursue any refund of Taxes so deducted or withheld and paid over to a Governmental Authority; provided, that (i) the Service Recipient shall, at the Service Provider's reasonable request and sole expense, cooperate with the Service Provider in the Service Provider's pursuit of such refund of Taxes, and (ii) in the event that the Service Recipient receives a refund of any amounts previously withheld from payments to Service Provider and remitted to the applicable Governmental Authority, the Service Recipient shall promptly surrender such refund to the Service Provider.

(f) Each of the Service Provider and Service Recipient shall promptly notify the other of any deficiency claim or similar notice by a Governmental Authority with respect to Sales and Service Taxes or withholding on any amounts payable under this Agreement, and shall provide the other with such information as reasonably requested from time to time, and shall fully cooperate with the other Party, as applicable, in connection with (i) the reporting of, (ii) any audit relating to, and (iii) any assessment, refund, claim or proceeding relating to, in each case, such Sales and Service Taxes or withholding.

(g) Except as otherwise specifically provided in this Agreement, Tax matters shall be exclusively governed by the Tax Matters Agreement and, in the event of any inconsistency between the Tax Matters Agreement and this Agreement, the Tax Matters Agreement shall control.

Section 4.2 Payment Terms.

(a) The Service Provider shall bill the Service Recipient monthly in U.S. Dollars, within thirty (30) business days after the end of each month, or at such other interval specified with respect to a particular Service in Exhibit A at an amount equal to the aggregate Service Charges due for all Services provided in such month or other specified interval, as applicable, *plus* any Taxes. Invoices shall set forth a description of the Services provided and reasonable documentation to support the charges thereon, which invoice and documentation shall be in the same level of detail and in accordance with the procedures for invoicing as provided to the Service Provider's other businesses. Invoices shall be directed to the Service Coordinator appointed by Honeywell or SpinCo, as applicable, or to such other Person designated in writing from time to time by such Service Coordinator. The Service Recipient shall pay such amount in full within thirty (30) days after receipt of each invoice by wire transfer of immediately available

funds to the account designated by the Service Provider for this purpose. If the thirtieth (30th) day falls on a weekend or a holiday, the Service Recipient shall pay such amount on or before the following business day. Each invoice shall set forth in reasonable detail the calculation of the charges and amounts and applicable Sales and Service Taxes for each Service during the month or other specified interval to which such invoice relates. In addition to any other remedies for non-payment, if any payment is not received by the Service Provider on or before the date such amount is due, then a late payment interest charge, calculated at the annual rate equal to the “**Prime Rate**” as reported on the thirtieth (30th) day after the date of the invoice in *The Wall Street Journal* (or, if such day is not a business day, the first business day immediately after such day), calculated on the basis of a year of 360 days and the actual number of days elapsed between the end of the thirty (30)-day payment period and the actual payment date, shall immediately begin to accrue and any such late payment interest charges shall become immediately due and payable in addition to the amount otherwise owed under this Agreement. The Service Recipient may elect by written notice to the Service Provider to have invoices directed to and paid by any of the Service Recipient’s Affiliates and, in such event, the Service Recipient will make appropriate arrangements for the internal allocation of such invoiced costs within its Group. The Parties shall cooperate to achieve an invoicing structure that minimizes taxes for both Parties, including by implementing a local-to-local invoicing structure where applicable.

(b) The Service Recipient shall notify the Service Provider promptly, and in no event later than thirty (30) days following receipt of the Service Provider’s invoice, of any amounts disputed in good faith. If the Service Recipient does not notify the Service Provider of any disputed amounts within such thirty (30)-day period, then the Service Recipient will be deemed to have accepted the Service Provider’s invoice. Any objection to the amount of any invoice shall be deemed to be a Dispute hereunder subject to the provisions applicable to Disputes set forth in Article IX. The Service Recipient shall pay any undisputed amount, and all Taxes (whether or not disputed), in accordance with this Section 4.2. The Service Provider shall, upon the written request of the Service Recipient, furnish such reasonable documentation to substantiate the amounts billed, including listings of the dates, times and amounts of the Services in question where applicable and practicable. The Service Recipient may withhold any payments subject to a Dispute other than Taxes; provided that any disputed payments, to the extent ultimately determined to be payable to the Service Provider, shall bear interest as set forth in Section 4.2(a).

(c) Subject to Section 4.2(b), the Service Recipient shall not withhold any payments to the Service Provider under this Agreement in order to offset payments due to such Service Recipient pursuant to this Agreement, the Separation Agreement, any Ancillary Agreement or otherwise, unless such withholding is mutually agreed by the Parties or is provided for in the final ruling of a court having jurisdiction pursuant to Section 10.15. Any required adjustment to payments due hereunder will be made as a subsequent invoice.

Section 4.3 DISCLAIMER OF WARRANTIES. WITHOUT LIMITATION TO THE COVENANTS RELATING TO THE PROVISION OF SERVICES SET FORTH IN SECTION 2.1(c), THE SERVICES TO BE PROVIDED UNDER THIS AGREEMENT ARE FURNISHED WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS

OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY, NON-INFRINGEMENT OR FITNESS FOR ANY PARTICULAR PURPOSE. NO MEMBER OF THE HONEYWELL GROUP, AS SERVICE PROVIDER, MAKES ANY REPRESENTATION OR WARRANTY THAT ANY SERVICE COMPLIES WITH ANY LAW, DOMESTIC OR FOREIGN.

Section 4.4 Books and Records. Each Party shall, and shall cause the members of its respective Group to, maintain complete and accurate books of account as necessary to support calculations of the Cost of Services for Services rendered or received under this Agreement. Each Party shall make such books available to the other Party, upon reasonable notice and during normal business hours; provided, however, that to the extent such books contain Information relating to any other aspect of a Party's respective business unrelated to this Agreement, the Parties shall negotiate in good faith a procedure to provide the requesting Party with necessary access while preserving the confidentiality of such other records.

ARTICLE V

CONFIDENTIALITY

Section 5.1 Confidential Information. As used herein, "**Confidential Information**" means any confidential and proprietary information of a Party or Third Party, regardless of form, which such Party considers to be confidential and proprietary, including information that: (a) if disclosed in writing, is labeled as "confidential" or "proprietary"; (b) if disclosed orally, is designated confidential at disclosure; (c) by nature or the circumstances of its disclosure, should reasonably be considered as confidential; or (d) constitutes information or data related to the Services, including Know-How, trade secrets, algorithms, source code, product/service specifications, prototypes, product roadmaps, Software, product pricing, marketing plans, financial data, personnel statistics, methods of manufacturing and processing, techniques, research, development, inventions (whether or not patentable and whether or not reduced to practice), data, ideas, concepts, drawings, designs and schematics. Notwithstanding the foregoing, the term "Confidential Information" shall not include information which: (i) rightfully becomes publicly available other than by a breach of a duty to the Disclosing Party or violation of Law; (ii) is rightfully received by the Receiving Party from a Third Party without any obligation of confidentiality; (iii) as evidenced by the Receiving Party's written records, is rightfully known to the Receiving Party without any limitation on use or disclosure prior to its receipt from the Disclosing Party; or (iv) is independently developed by or on behalf of the Receiving Party without use of or reference to the Confidential Information of the Disclosing Party as shown by competent evidence.

Section 5.2 Confidentiality Obligations. Each Party and its Affiliates that receives, obtains or otherwise become aware of under or in connection with this Agreement (the "**Receiving Party**") any Confidential Information of the other Party or its Affiliates (the "**Disclosing Party**"), respectively, agrees to (a) keep the Disclosing Party's Confidential Information confidential, (b) use the Disclosing Party's Confidential Information only as necessary to perform its obligations, exercise its rights under this Agreement or otherwise in connection with a Dispute, (c) use a reasonable degree of care in keeping the Disclosing Party's Confidential Information confidential, and (d) limit access to the Disclosing Party's Confidential

Information to its personnel, Affiliates, assignees, contractors, Sub-Contractors, sublicensees, authorized representatives and advisors (including any financial, tax, legal and technical advisors), in each case, who have a need to access or know such Confidential Information for the purpose of performing its obligations and exercising its rights under this Agreement and who have been apprised of these confidentiality obligations, and with respect to any such Third Party, have agreed to protect the confidentiality of such Confidential Information in a manner consistent with the Receiving Party's obligations hereunder (and, for clarity, the Receiving Party shall remain responsible to the Disclosing Party for the compliance with such confidentiality obligations of its personnel, Affiliates and such Third Parties who receive such Confidential Information). Except as otherwise expressly provided in this Agreement, nothing in this Agreement is intended to grant to the Receiving Party any rights in or to any Confidential Information of the Disclosing Party.

Section 5.3 Disclosure Required by Law. In the event that the Receiving Party is requested or required by Law (including subpoena or court order) to disclose any Confidential Information of the Disclosing Party, the Receiving Party shall, to the extent legally permissible, provide prompt written notice to the Disclosing Party of such request or requirement, so that the Disclosing Party will have a reasonable opportunity to seek confidential treatment of such Confidential Information prior to its disclosure (whether through protective orders or otherwise) and, upon request, the Receiving Party shall reasonably cooperate with the Disclosing Party in seeking confidential treatment of such Confidential Information or other appropriate relief from such Law. If, in the absence of a protective order, other confidential treatment or waiver under this Agreement, the Receiving Party is advised by its legal counsel that it is legally required to disclose such Confidential Information, the Receiving Party may disclose such Confidential Information without liability under this Article V; provided that the Receiving Party exercises commercially reasonable efforts to obtain reliable assurances that confidential treatment will be afforded any such Confidential Information prior to its disclosure and discloses only the minimum amount of such Confidential Information necessary to comply with such Law. Similarly, with respect to any disclosure of Confidential Information in connection with a Dispute, the Receiving Party shall exercise commercially reasonable efforts to obtain reliable assurances that confidential treatment will be afforded any Confidential Information of the Disclosing Party prior to its disclosure.

Section 5.4 Disclosure in Connection with Due Diligence. The terms of this Agreement shall be the Confidential Information of both Parties. A Party may provide this Agreement to any Third Party, subject to confidentiality obligations no less restrictive than those set forth in this Article V, if required to do so in connection with any diligence for any actual or potential bona fide business transaction with such Third Party related to the subject matter of this Agreement (including an acquisition, divestiture, merger, consolidation, asset sale, financing or public offering).

ARTICLE VI

TERM

Section 6.1 Commencement. This Agreement is effective as of the Effective Date and shall remain in effect with respect to a particular Service until the end of the Service Term for

such Service, unless this Agreement is earlier terminated (i) in its entirety or with respect to a particular Service, in each case in accordance with Section 6.2 or Section 6.3, or (ii) by mutual consent of the Parties; provided that in no event shall this Agreement and the Services provided hereunder continue beyond the date that is twelve (12) months from the Effective Date (the “**Outside Date**”).

Section 6.2 Termination.

(a) This Agreement may be terminated:

(i) by either Honeywell or SpinCo at any time upon written notice to the other Party (which notice shall specify the basis for such claim for breach of this Agreement), if the other Party materially breaches this Agreement (and the period for resolution of the Dispute relating to such breach set forth in Section 9.1 has expired), effective upon not less than thirty (30)-days’ written notice of termination to the breaching Party, if the breaching Party does not cure such default within thirty (30) days after receiving written notice thereof from the non-breaching Party; or

(ii) except as otherwise provided by Law, by either Honeywell or SpinCo at any time upon written notice to the other Party, if (A) the other Party is adjudicated as bankrupt, (B) any insolvency, bankruptcy or reorganization proceeding is commenced by the other Party under any insolvency, bankruptcy or reorganization act, (C) any action is taken by others against the other Party under any insolvency, bankruptcy or reorganization act and such Party fails to have such proceeding stayed or vacated within ninety (90) days or (D) if the other Party makes an assignment for the benefit of creditors, or a receiver is appointed for the other Party which is not discharged within thirty (30) days after the appointment of the receiver.

Section 6.3 Partial Termination.

(a) If the Service Provider or the Service Recipient materially breaches any of its respective obligations under this Agreement with respect to a Service (and the period for resolution of the Dispute relating to such breach set forth in Section 9.1 has expired), the non-breaching Service Recipient or the Service Provider, as applicable, may terminate this Agreement with respect to the Service to which such obligations apply, effective upon not less than thirty (30)-days’ written notice of termination to the breaching Party, if the breaching Party does not cure such default within thirty (30) days after receiving written notice thereof from the non-breaching Party. The termination of this Agreement with respect to any Service pursuant to this Section 6.3 shall not affect the Parties’ rights or obligations under this Agreement with respect to any other Service.

(b) In the event that a Service Provider reduces or suspends the provision of any Service due to a Force Majeure Event and such reduction or suspension continues for fifteen (15) days, the Service Recipient may immediately terminate such Service, upon written notice and without any obligations therefor, including any Service Charges in respect thereof.

Section 6.4 Effect of Termination.

(a) Each Party agrees and acknowledges that the obligations of the Service Provider to provide each Service, or to cause each Service to be provided, hereunder shall immediately cease upon (i) the expiration of the applicable Service Term, (ii) termination of (A) this Agreement in whole or (B) such Service, in each case in accordance with Section 6.2 or Section 6.3, or (iii) termination of this Agreement or such Service by mutual consent of the Parties. Upon cessation of the Service Provider's obligation to provide any such Service, the Service Recipient shall stop using, directly or indirectly, such Service hereunder.

(b) Upon the request of the Service Recipient after the termination of a Service with respect to which the Service Provider holds books, records or files, including current and archived copies of computer files (except to the extent such materials are retained in accordance with the Service Provider's standard document retention policies, are required to be retained pursuant to applicable law or are reasonably necessary to enforce the Service Provider's rights under this Agreement), (i) owned solely by the Service Recipient or its Affiliates and used by the Service Provider solely in connection with the provision of a Service pursuant to this Agreement or (ii) created by the Service Provider and in the Service Provider's possession as a function of and relating solely to the provision of Services pursuant to this Agreement, such books, records and files shall either be returned to the Service Recipient or destroyed by the Service Provider, with certification of such destruction provided to the Service Recipient, other than, in each case, such books, records and files electronically preserved or recorded within any computerized data storage device or component (including any hard-drive or database) pursuant to automatic or routine backup procedures generally accessible only by legal, IT or compliance personnel, which such books, records and files will not be used by the Service Provider for any other purpose. The Service Recipient shall bear the Service Provider's reasonable, necessary and actual out-of-pocket costs and expenses associated with the return or destruction of such books, records or files. At its expense, the Service Provider may make one copy of such books, records or files for its legal files, subject to such Party's obligations under Article V.

(c) In the event that any Service is terminated other than at the end of a month, and the Service Charge associated with such Service is determined on a monthly basis, the Service Provider shall bill the Service Recipient for the entire month in which such Service is terminated. The Parties acknowledge that there may be interdependencies among the Services being provided under this Agreement that may not be identified on Exhibit A or Exhibit E, as applicable, and agree that, if the Service Provider's ability to provide a particular Service in accordance with this Agreement is materially and adversely affected by the termination of another Service in accordance with Section 6.3, then the Parties shall negotiate in good faith to amend the Exhibit A relating to such affected continuing Service.

(d) In the event of a termination by the Service Provider under Section 6.2 or Section 6.3(a), the Service Recipient shall pay to the Service Provider any breakage or termination fees, and other termination costs payable by the Service Provider, solely as a result of the early termination of such Service or this Agreement, with respect to any resources or pursuant to any other Third-Party agreements that were used by the Service Provider to provide such Service or perform under this Agreement (or an equitably allocated portion thereof, in the

case of any such equipment, resources or agreements that also were used for purposes other than providing Services) (“**Termination Charges**”). The Service Provider will provide to the Service Recipient an invoice for the Termination Charges within thirty (30) days following the date of any termination contemplated by this Section 6.4(d) and will provide reasonable documentary evidence to substantiate such Termination Charges.

(e) In the event of any termination of this Agreement in its entirety or with respect to any Service, each Party, the Service Provider and the Service Recipient shall remain liable for all of their respective obligations that accrued hereunder prior to the date of such termination, including all obligations of each Service Recipient to pay any Service Charges due to any Service Provider hereunder.

(f) Upon the expiration or termination of this Agreement as a whole, the Service Recipient shall promptly return, or cause to be returned, to the Service Provider (or, solely if requested by the Service Provider, promptly destroy or cause to be destroyed) any and all Confidential Information of the Service Provider in the possession of the Service Recipient and its Affiliates (except to the extent that the Service Recipient is otherwise permitted to continue to possess such Confidential Information (e.g., under another Ancillary Agreement, or because such Confidential Information is also Confidential Information of the Service Recipient)).

(g) The following matters shall survive the termination of this Agreement, including the rights and obligations of each Party thereunder, in addition to any claim for breach arising prior to termination: Article I, Section 3.2(b), Article IV, this Section 6.4, Article VII (including liability in respect of any indemnifiable Liabilities under this Agreement arising or occurring on or prior to the date of termination), Article IX, Article X and all confidentiality obligations under this Agreement (including, for clarity, Article V).

ARTICLE VII

INDEMNIFICATION; LIMITATION OF LIABILITY

Section 7.1 Indemnification by SpinCo. SpinCo, in its capacity as the Service Recipient and on behalf of each member of its Group in its capacity as the Service Recipient, shall indemnify, defend and hold harmless Honeywell and the other Honeywell Indemnitees from and against any and all Liabilities incurred by such Honeywell Indemnitee and arising out of, in connection with or by reason of any Services provided by or on behalf of any member of the Honeywell Group hereunder, except to the extent such Liabilities arise out of a Honeywell Group member’s (i) material breach of this Agreement, (ii) violation of Laws in providing the Services or (iii) gross negligence or willful misconduct in providing the Services.

Section 7.2 Indemnification by Honeywell. Honeywell, in its capacity as a Service Provider and on behalf of each member of its Group in its capacity as a Service Provider, shall indemnify, defend and hold harmless SpinCo and the other SpinCo Indemnitees from and against any and all Liabilities incurred by such SpinCo Indemnitee and arising out of, in connection with or by reason any Services provided by any member of the Honeywell Group hereunder, which Liabilities result from a Honeywell Group member’s (i) material breach of this Agreement,

(ii) violation of Laws in providing the Services or (iii) gross negligence or willful misconduct in providing the Services.

Section 7.3 Indemnification Procedures. The provisions of Section 6.4 and Section 6.5 of the Separation Agreement shall govern claims for indemnification under this Agreement; provided that, for purposes of this Section 7.3, in the event of any conflict between the provisions of Section 6.4 and Section 6.5 of the Separation Agreement and this Article VII, the provisions of this Agreement shall control. The procedures related to indemnification for Tax matters shall be exclusively governed by the Tax Matters Agreement.

Section 7.4 Exclusion of Other Remedies. Without limiting the rights under Section 10.16, the provisions of Sections 7.1 and 7.2 shall, to the maximum extent permitted by applicable Law, be the sole and exclusive remedies of the Honeywell Group and the SpinCo Group, as applicable, for any Liability, whether arising from statute, principle of common or civil law, principles of strict liability, tort, contract or otherwise under this Agreement.

Section 7.5 Other Indemnification Obligations Unaffected. For avoidance of doubt, this Article VII applies solely to the specific matters and activities covered by this Agreement (and not to matters specifically covered by the Separation Agreement or the other Ancillary Agreements).

Section 7.6 Limitation on Liability.

(a) The Service Provider and its Affiliates shall not be liable (whether such liability is direct or indirect, in contract or tort or otherwise) to the Service Recipient or its Affiliates for any Liabilities arising out of, related to or in connection with the Services or this Agreement, except to the extent that such Liabilities arise out of the Service Provider's or its Affiliates' (i) breach of this Agreement, (ii) violation of Laws in providing the Services or (iii) gross negligence or willful misconduct in providing the Services; provided that nothing in this Section 7.6 shall be deemed to limit the Service Recipient's rights under Section 7.6(d) regarding Insurance Proceeds in respect of Third-Party Claims.

(b) IN NO EVENT SHALL THE SERVICE PROVIDER OR ITS AFFILIATES BE LIABLE, WHETHER IN CONTRACT, IN TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY) OR OTHERWISE TO THE SERVICE RECIPIENT OR ITS AFFILIATES FOR ANY INDIRECT, SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES (INCLUDING LOSS OF PROFITS) AS A RESULT OF ANY BREACH, PERFORMANCE OR NON-PERFORMANCE BY THE SERVICE PROVIDER, ITS AFFILIATES OR ITS SUB-CONTRACTORS UNDER THIS AGREEMENT, EXCEPT AS MAY BE PAYABLE TO A CLAIMANT IN A THIRD-PARTY CLAIM.

(c) THE HONEYWELL GROUP'S TOTAL LIABILITY TO THE SPINCO GROUP ARISING OUT OF, RELATED TO OR IN CONNECTION WITH THE SERVICES OR THIS AGREEMENT FOR ALL CLAIMS SHALL NOT EXCEED IN THE AGGREGATE AN AMOUNT EQUAL TO THE TOTAL AMOUNT PAID TO THE HONEYWELL GROUP FOR SERVICES UNDER THIS AGREEMENT DURING THE TWELVE (12)-MONTH PERIOD IMMEDIATELY PRECEDING THE APPLICABLE CLAIM; PROVIDED,

HOWEVER, THAT NOTWITHSTANDING THE FOREGOING, IN THE CASE OF ANY LIABILITY TO SPINCO ARISING OUT OF A THIRD-PARTY CLAIM, THE HONEYWELL GROUP'S TOTAL LIABILITY IN ITS CAPACITY AS SERVICE PROVIDER TO SPINCO GROUP SHALL BE INCREASED BY AN AMOUNT EQUAL TO THE AMOUNT, IF ANY, OF ANY INSURANCE PROCEEDS THAT ARE ACTUALLY RECEIVED BY SUCH SERVICE PROVIDER IN ACCORDANCE WITH SECTION 7.6(d).

(d) If the Service Provider, in its capacity as such, or any member of its Group acting in the capacity of a Service Provider, or any Indemnatee thereof, shall be liable to the other Party for any Liability arising out of a Third-Party Claim, such Service Provider, at the request of the Indemnatee, shall use commercially reasonable efforts to pursue and recover any available Insurance Proceeds under applicable insurance policies. Promptly upon the actual receipt of any such Insurance Proceeds, such Service Provider shall pay such Insurance Proceeds to the applicable Indemnatee to the extent of the Liability arising out of the applicable Third-Party Claim. The Indemnatee shall, upon the request of such Service Provider and to the extent permitted under such Service Provider's applicable insurance policies, promptly pay directly to such Service Provider or to such Service Provider's insurer any reasonable costs or expenses incurred in the collection of such Indemnatee's portion of such Insurance Proceeds (including such Indemnatee's portion of applicable retentions or deductibles); provided, however, that in no event shall an Indemnatee's portion of such collection costs and expenses, applicable retentions and deductibles exceed the amount of Insurance Proceeds actually received by such Indemnatee.

ARTICLE VIII

OTHER COVENANTS

Section 8.1 Attorney-in-Fact. On a case-by-case basis, the Service Recipient shall execute documents necessary to appoint the Service Provider as its attorney-in-fact for the sole purpose of executing any and all documents and instruments reasonably required to be executed in connection with the performance by the Service Provider of any Service under this Agreement.

Section 8.2 Further Assurances. Each Party hereto shall take, or cause to be taken, any and all reasonable actions, including the execution, acknowledgment, filing and delivery of any and all documents and instruments that any other Party hereto may reasonably request in order to effect the intent and purpose of this Agreement and the transactions contemplated hereby.

ARTICLE IX

DISPUTE RESOLUTION

Section 9.1 General. The dispute resolution procedures set forth in Article VIII of the Separation Agreement shall apply and are hereby incorporated herein by reference, *mutatis mutandis*; provided that prior to submitting a General Dispute Notice pursuant to Section 8.1(b)(i) of the Separation Agreement, the Parties shall first comply with the procedures set forth in Section 9.2.

Section 9.2 Resolution Committee. All Disputes will be first considered in person, by teleconference or by video conference by the Service Coordinators within five (5) business days after receipt of notice from either Party specifying the nature of the Dispute (a “**Preliminary Dispute Notice**”). The Service Coordinators shall enter into negotiations aimed at resolving any such Dispute. If the Service Coordinators are unable to reach a resolution with respect to the Dispute within ten (10) business days after receipt of notice of the Dispute, the Dispute shall be referred to a Resolution Committee comprised of specified transition leaders (the “**Resolution Committee**”) from Honeywell and SpinCo. On or prior to the Effective Date, each Party shall provide the other Party with the name and relevant contact information for its respective initial Resolution Committee member, and either Party may replace its Resolution Committee members at any time with other persons of similar seniority by providing written notice in accordance with Section 10.6. The Resolution Committee will meet (by telephone or in person) during the next ten (10) business days and attempt to resolve the Dispute. In the event that the Resolution Committee is unable to reach a resolution with respect to the Dispute within ten (10) business days of the referral of the matter to the Resolution Committee, then either Party may deliver a General Dispute Notice pursuant to Section 8.1(b)(i) of the Separation Agreement and the terms and conditions of Article VIII of the Separation Agreement shall apply as set forth in Section 9.1.

ARTICLE X

MISCELLANEOUS

Section 10.1 Title to Equipment; Title to Data.

(a) Except as otherwise expressly provided herein, each of SpinCo and Honeywell acknowledges that all procedures, methods, systems, strategies, tools, equipment, facilities and other resources used by the Service Provider in connection with the provision of Services shall remain the property of such Service Provider and shall at all times be under the sole direction and control of such Service Provider.

(b) Each of SpinCo and Honeywell acknowledges that it will acquire no right, title or interest (including any license rights or rights of use) in any firmware or software, or the licenses therefor that are owned by the other Party or its Affiliates, Subsidiaries or divisions, by reason of the provision of the Services hereunder, except as expressly provided in Section 3.2.

Section 10.2 Force Majeure. In case performance of any terms or provisions hereof shall be delayed or prevented, in whole or in part, because of or related to compliance with any Law or requirement of any national securities exchange, or because of riot, war, public disturbance, strike, labor dispute, fire, explosion, storm, flood, earthquake, pandemic, shortage of necessary equipment, materials or labor, or restrictions thereon or limitations upon the use thereof, delays in transportation, act of God or act of terrorism, in each case, that is not within the control of the Party whose performance is interfered with and which, by the exercise of reasonable diligence, such Party is unable to prevent, or for any other reason which is not within the control of such Party whose performance is interfered with and which, by the exercise of reasonable diligence, such Party is unable to prevent (each, a “**Force Majeure Event**”), then, upon prompt written notice stating the date and extent of such interference and the cause thereof by such Party to the other Party, such Party shall be excused from its obligations hereunder during the period such Force Majeure Event or its effects continue, and no liability shall attach

against either Party on account thereof; provided, however, that the Party whose performance is interfered with promptly resumes the required performance upon the cessation of the Force Majeure Event or its effects. No Party shall be excused from performance if such Party fails to use commercially reasonable efforts to remedy the situation and remove the cause and effects of the Force Majeure Event.

Section 10.3 Relationship of Parties. Nothing in this Agreement shall be deemed or construed by the Parties or any Third Party as creating a relationship of principal and agent, partnership or joint venture between the Parties, between the Service Provider and the Service Recipient or with any individual providing Services, it being understood and agreed that no provision contained herein, and no act of any Party or members of their respective Groups, shall be deemed to create any relationship between the Parties or members of their respective Groups other than the relationship set forth herein. Each Party shall act under this Agreement solely as an independent contractor and not as an agent or employee of any other Party or any of such Party's Affiliates.

Section 10.4 Complete Agreement; Construction. This Agreement, including the Exhibits hereto, shall constitute the entire agreement between the Parties with respect to the subject matter hereof and shall supersede all previous negotiations, commitments, course of dealings and writings with respect to such subject matter. In the event of any inconsistency between this Agreement and any Exhibit hereto, the Exhibit shall prevail. In the event and to the extent that there shall be a conflict between the provisions of this Agreement and the provisions of the Separation Agreement, the provisions of this Agreement shall control with respect to the subject matter hereof.

Section 10.5 Counterparts. This Agreement may be executed and delivered (including by facsimile or other means of electronic transmission, such as by electronic mail in "pdf" form) in more than one counterpart, all of which shall be considered one and the same agreement, each of which when executed shall be deemed to be an original, and shall become effective when one or more such counterparts have been signed by each of the Parties and delivered to each of the Parties.

Section 10.6 Notices. Notices, requests, instructions or other documents to be given under this Agreement shall be in writing and shall be deemed to have been properly delivered, given and received, (a) on the date of transmission if sent via email (provided, however, that notice given by email shall not be effective unless either (i) a duplicate copy of such email notice is promptly given by one of the other methods described in this Section 10.6 or (ii) the receiving party delivers a written confirmation of receipt of such notice either by email or any other method described in this Section 10.6 (excluding "out of office" or other automated replies)), (b) when delivered, if delivered personally to the intended recipient, and (c) one (1) Business Day later, if sent by overnight delivery via a national courier service (providing proof of delivery), and in each case, addressed to a Party at the address for such Party set forth on a schedule to be delivered by each Party to the address set forth below (or at such other address for a Party as shall be specified in a notice given in accordance with this Section 10.6):

To Honeywell:

Honeywell International Inc.

855 S. Mint Street

Charlotte, NC 28202

Attention: Su Ping Lu, Senior Vice President, General Counsel and
Corporate Secretary

Email:

with a copy (which shall not constitute notice) to:

Skadden, Arps, Slate, Meagher & Flom LLP

One Manhattan West

New York, NY 10001

Attention: Allison R. Schneirov, Esq.
Alexandra J. McCormack, Esq.
Kyle J. Hatton, Esq.
Lauren S. Kramer, Esq.

Email:

To SpinCo:

Solstice Advanced Materials Inc.

115 Tabor Road

Morris Plains, NJ 07950

Attention: Brian Rudick, General Counsel

Email:

with a copy (which shall not constitute notice) to:

Skadden, Arps, Slate, Meagher & Flom LLP
One Manhattan West
New York, NY 10001

Attention: Allison R. Schneirov, Esq.
Alexandra J. McCormack, Esq.
Kyle J. Hatton, Esq.
Lauren S. Kramer, Esq.

Email:

Section 10.7 Waivers. Any provision of this Agreement may be waived, if and only if, such waiver is in writing and signed by the Party against whom the waiver is to be effective. Notwithstanding the foregoing, no failure to exercise and no delay in exercising, on the part of any Party, any right, remedy, power or privilege hereunder shall operate as a waiver hereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. Any consent required or permitted to be given by any Party to the other Party under this Agreement shall be in writing and signed by the Party giving such consent and shall be effective only against such Party (and the members of its Group).

Section 10.8 Amendments. This Agreement may not be modified or amended except by an agreement in writing specifically designated as an amendment hereto signed by each of the Parties.

Section 10.9 Assignment. Neither this Agreement nor any of the rights, interests or obligations under this Agreement shall be assigned or transferred, in whole or in part, by operation of Law or otherwise, by either of the Parties without the prior written consent of the other Party (which consent may be granted or withheld in such other Party's sole discretion); provided, that Honeywell may assign or transfer, in whole or in part, by operation of Law or otherwise, without the prior written consent of SpinCo, this Agreement or any of the rights, interests or obligations under this Agreement to (a) one or more of its Affiliates and (b) the successor to all or a portion of the business or assets to which this Agreement relates; provided, further, that (i) Honeywell shall promptly notify SpinCo in writing of any assignments or transfers it makes under the foregoing clause (b) and (ii) in either case of the foregoing clauses (a) or (b), the party to whom this Agreement is assigned or transferred shall agree in writing to be bound by the terms of this Agreement as if named as a "Party" hereto with respect to all or such portion of this Agreement so assigned or transferred. Any purported assignment in violation of this Section 10.9 shall be void *ab initio*. No assignment or transfer shall relieve the assigning or transferring Party of any of its obligations under this Agreement that accrued prior to such assignment or transfer unless agreed to by the non-assigning or non-transferring Party. Nothing in this Section 10.9 shall affect or impair a Service Provider's ability to delegate any or

all of its obligations under this Agreement to one or more Affiliates or Sub-Contractors pursuant to Section 2.1(d).

Section 10.10 Successors and Assigns. The provisions of this Agreement and the obligations and rights hereunder shall be binding upon, inure to the benefit of and be enforceable by (and against) the Parties and their respective successors and permitted transferees and assigns.

Section 10.11 No Circumvention. The Parties agree not to directly or indirectly take any actions, act in concert with any Person who takes an action, or cause or allow any member of any such Party's Group to take any actions (including the failure to take a reasonable action) such that the resulting effect is to materially undermine the effectiveness of any of the provisions of this Agreement (including adversely affecting the rights or ability of any Party to successfully pursue indemnification or payment pursuant to this Agreement).

Section 10.12 Subsidiaries. Each of the Parties shall cause to be performed, and hereby guarantees the performance of, all actions, agreements and obligations set forth herein to be performed by any Subsidiary of such Party or by any entity that becomes a Subsidiary of such Party at and after the Effective Date.

Section 10.13 Third Party Beneficiaries. Except with respect to indemnification obligations hereunder, this Agreement is solely for the benefit of, and is only enforceable by, the Parties and their permitted successors and assigns and should not be deemed to confer upon third parties any remedy, benefit, claim, liability, reimbursement, claim of Action or other right of any nature whatsoever, including any rights of employment for any specified period, in excess of those existing without reference to this Agreement.

Section 10.14 Title and Headings. Titles and headings to sections herein are inserted for the convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

Section 10.15 Governing Law. This Agreement, including all matters of construction, validity, interpretation, performance and enforceability, and any dispute arising directly or indirectly out of, in connection with or relating to this Agreement shall be governed by and construed in accordance with the Laws of the State of Delaware, without giving effect to the conflicts of laws principles thereof.

Section 10.16 Specific Performance. The Parties acknowledge and agree that irreparable harm could occur in the event that the Parties do not perform any provision of this Agreement in accordance with its specific terms or otherwise breach this Agreement and the remedies at law for any breach or threatened breach of this Agreement, including monetary damages, are inadequate compensation for any Indemnifiable Loss. Accordingly, from and after the Effective Date, in the event of any actual or threatened default in, or breach of, any of the terms, conditions and provisions of this Agreement, the Parties agree that the Parties to this Agreement who are or are to be thereby aggrieved shall, subject and pursuant to the terms of this Article X (including after compliance with all notice and negotiation provisions herein), have the right to seek specific performance and injunctive or other equitable relief of its or their rights under this Agreement, in addition to any and all other rights and remedies at law or in equity, and all such rights and

remedies shall be cumulative. The Parties agree that any defense in any action for specific performance that a remedy at law would be adequate is hereby waived, and that any requirements for the securing or posting of any bond with such remedy are hereby waived.

Section 10.17 Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon a determination that any term, provision, covenant or restriction is invalid, illegal, void or unenforceable, the Parties shall negotiate in good faith to modify to the fullest extent permitted by applicable Law this Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

Section 10.18 No Duplication; No Double Recovery. Nothing in this Agreement is intended to confer to or impose upon any Party a duplicative right, entitlement, obligation or recovery with respect to any matter arising out of the same facts and circumstances.

* * * * *

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

HONEYWELL INTERNATIONAL INC.

By:

Name:

Title:

SOLSTICE ADVANCED MATERIALS INC.

By:

Name:

Title:

[Signature Page to Transition Services Agreement]

TAX MATTERS AGREEMENT

by and between

Honeywell International Inc.

and

Solstice Advanced Materials Inc.

Dated as of , 2025

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TAX MATTERS AGREEMENT

This TAX MATTERS AGREEMENT (this “Agreement”), is entered into as of , 2025, by and between Honeywell International Inc., a Delaware corporation (“RemainCo”), and Solstice Advanced Materials Inc. (f/k/a Solstice Advanced Materials, LLC), a Delaware corporation (“SpinCo” and, together with RemainCo, the “Parties” and each, a “Party”). Capitalized terms used but not defined in this Agreement shall have the meanings ascribed to such terms in the Separation and Distribution Agreement, dated as of the date hereof, by and between the Parties (the “Separation Agreement”).

WITNESSETH:

WHEREAS, RemainCo, acting through its direct and indirect Subsidiaries, currently conducts the SpinCo Business;

WHEREAS, the Board of Directors of RemainCo (the “Board”) has determined that it is appropriate, desirable and in the best interests of RemainCo and its stockholders to separate the SpinCo Business from the other businesses of RemainCo (the “Separation”);

WHEREAS, in order to effect the Separation, the Board has determined that it is appropriate, desirable and in the best interests of RemainCo and its stockholders to undertake the Internal Reorganization in accordance with the Steps Plan (the “Restructuring”) and, in connection therewith, effect the SpinCo Spin Contribution and, in exchange therefor, SpinCo shall (i) be deemed to issue to RemainCo the shares of SpinCo Common Stock and (ii) pay the SpinCo Cash Distribution to RemainCo;

WHEREAS, on the terms and subject to the conditions set forth in the Separation Agreement, following the completion of the Restructuring and SpinCo Spin Contribution and payment of the SpinCo Cash Distribution, RemainCo shall own all of the issued and outstanding shares of SpinCo Common Stock and shall effect the distribution of 100% of such outstanding shares of SpinCo Common Stock to the holders of RemainCo Common Stock in accordance with Article IV of the Separation Agreement (the “Distribution” and, together with the SpinCo Spin Contribution, Restructuring and the other transactions contemplated by the Separation Agreement, the “Transactions”);

WHEREAS, SpinCo has been formed for this purpose and has not engaged in activities except those in connection with the transactions contemplated by the Restructuring, the consummation of the transactions contemplated by the Separation Agreement and those activities necessary in connection with its startup as an independent company;

WHEREAS, for U.S. federal income Tax purposes, it is intended that the SpinCo Spin Contribution and the Distribution, taken together, qualifies for non-recognition of gain and loss pursuant to Section 355, Section 361 and Section 368(a)(1)(D) of the Code; and

WHEREAS, the Parties desire to (a) provide for the payment of Tax liabilities and entitlement to refunds thereof, allocate responsibility for, and cooperation in, the filing of Tax

Returns, and provide for certain other matters relating to Taxes and (b) set forth certain covenants and indemnities relating to the preservation of the Intended Tax Treatment.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants, representations, warranties and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

ARTICLE I

DEFINITIONS

SECTION 1.01. Definition of Terms. The following terms shall have the following meanings.

“10% Acquisition Transaction” has the meaning set forth in Section 4.06.

“Accounting Firm” has the meaning set forth in Section 3.01(d).

“Active Trade or Business” means the active conduct (determined in accordance with Section 355(b) of the Code) of the trade or business relied upon for purposes of satisfying the requirements of Section 355(b) of the Code as it applies to the Transactions (including as described in the Tax Opinion Representations) with respect to the businesses conducted by members of the SpinCo Group that are ATB Entities.

“Affiliate” has the meaning set forth in the Separation Agreement.

“Agreement” has the meaning set forth in the preamble hereto.

“ATB Entities” means the entities listed on Exhibit A.

“Board” has the meaning set forth in the recitals hereto.

“Code” means the Internal Revenue Code of 1986, as amended.

“Determination” means (i) any final determination or settlement of liability in respect of a Tax that, under applicable Law, is not subject to further appeal, review or modification through proceedings or otherwise (including as a result of the expiration of a statute of limitations or period for the filing of claims for refunds, amended Tax Returns or appeals from adverse determinations), including a “determination” as defined in Section 1313(a) of the Code, a closing agreement or accepted offer in compromise under Sections 7121 or 7122 of the Code or the execution of an IRS Form 870-AD, or (ii) the payment of Tax by a Party (or its Subsidiary) that is responsible for payment of that Tax under applicable Law, with respect to any item disallowed or adjusted by a Taxing Authority, as long as the responsible Party determines that no action should be taken to recoup that payment and the other Party agrees.

“Distribution” has the meaning set forth in the recitals hereto.

“Distribution Date” has the meaning set forth in the Separation Agreement.

“Employee Matters Agreement” has the meaning set forth in the Separation Agreement.

“Employment Tax” shall mean those liabilities for Taxes which are allocable pursuant to the provisions of the Employee Matters Agreement.

“E&P” has the meaning set forth in Section 2.02(c)(iv).

“Gain Recognition Agreement” means any agreement to recognize gain that is described in Section 1.367(a)-8 of the Regulations and entered into in connection with the Transactions and to which any member of the RemainCo Group or the SpinCo Group is a party.

“Indemnifying Party” means a Party that has an obligation to make an Indemnity Payment.

“Indemnitee” means a Party that is entitled to receive an Indemnity Payment.

“Indemnity Payment” means an indemnity payment contemplated by this Agreement and the Separation Agreement.

“Intended Tax Treatment” means, with respect to each of the applicable Transactions, the Tax consequences (if any) set forth for such Transaction in Exhibit B.

“Internal Reorganization” has the meaning set forth in the Separation Agreement.

“IRS” means the U.S. Internal Revenue Service or any successor thereto, including, but not limited to, its agents, representatives and attorneys.

“Joint Return” means any Tax Return that actually includes, by election or otherwise, both a member of the RemainCo Group and one or more members of the SpinCo Group.

“Ordinary Taxes” means Taxes other than (i) Transaction Taxes and (ii) Transfer Taxes.

“Parties” has the meaning set forth in the preamble hereto.

“Person” has the meaning set forth in the Separation Agreement.

“Post-Distribution Tax Period” means any taxable period (or portion thereof) beginning after the Distribution Date.

“Pre-Distribution Tax Period” means any taxable period (or portion thereof) that ends on or before the Distribution Date.

“Privilege” means all privileges, immunities or other protections from disclosure which may be asserted under applicable Law, including attorney-client privilege, business strategy privilege, joint defense privilege, common interest privilege and protection under the work-product doctrine.

“Proposed Acquisition Transaction” has the meaning set forth in Section 4.03(b).

“Protective Section 336(e) Election” means, with respect to an entity, a protective election under Section 336(e) of the Code and Section 1.336-2(j) of the Regulations (and any similar provision of U.S. state, local or non-U.S. Law for such jurisdictions as RemainCo shall determine at its sole discretion) to treat the disposition of the stock or other equity interests of such entity, pursuant to the Restructuring or Distribution, as a deemed sale of the assets of such entity in accordance with Section 1.336-2(h) of the Regulations (or any similar provision of U.S. state, local or non-U.S. Law).

“Refund” shall mean any refund (or credit in lieu thereof) of Taxes (including any overpayment of Taxes that can be refunded or, alternatively, applied against other Taxes payable), including any interest paid on or with respect to such refund of Taxes; provided, however, that the amount of any refund of Taxes shall be net of any Taxes imposed by any Taxing Authority on, related to, or attributable to, the receipt of or accrual of such refund, and shall further be net of all accounting, legal and other professional fees, and court costs incurred in connection with obtaining such refund, as well as any other out-of-pocket costs incurred in connection with obtaining such refund.

“Refund Recipient” has the meaning set forth in Section 2.03(a).

“Regulations” means the U.S. Department of Treasury regulations promulgated under the Code.

“RemainCo” has the meaning set forth in the preamble hereto.

“RemainCo Consolidated Group” means any consolidated, combined, unitary or similar group of which (i) any member of the RemainCo Group is or was a member and (ii) any member of the SpinCo Group is or was a member.

“RemainCo Group” means RemainCo and each of its Subsidiaries, including any Person that becomes a Subsidiary of RemainCo as a result of transactions that occur following the Distribution in accordance with the Steps Plan, but excluding any member of the SpinCo Group.

“RemainCo Separate Return” means a Tax Return of any member of the RemainCo Group (including any consolidated, combined, affiliated, unitary or similar Tax Return) that does not include, for all or any portion of the relevant taxable period, any member of the SpinCo Group.

“Reportable Transaction” means a reportable or listed transaction as defined in Section 6011 of the Code or the Regulations promulgated thereunder, other than a loss transaction as defined in Regulations Section 1.6011-4(b)(5).

“Restricted Period” has the meaning set forth in Section 4.03(a).

“Restructuring” has the meaning set forth in the recitals hereto.

“Ruling” means a private letter ruling (including any supplemental ruling) sought from or issued by a Taxing Authority (including the IRS) in connection with the Transactions, whether granted prior to, on or after the date hereof, including in connection with the actions prohibited under Section 4.03(a) of this Agreement and the rulings set forth on Exhibit C.

“Satisfactory Guidance” has the meaning set forth in Section 4.04(c).

“Section 355 Entities” means the entities listed on Exhibit E.

“Separation Agreement” has the meaning set forth in the preamble hereto.

“SpinCo” has the meaning set forth in the preamble hereto.

“SpinCo Business” has the meaning set forth in the Separation Agreement.

“SpinCo Cash Distribution” has the meaning set forth in the Separation Agreement.

“SpinCo Group” means (i) SpinCo, (ii) each Person that will be a Subsidiary of SpinCo immediately prior to the Distribution, including the entities set forth on Schedule 1.1(168) of the Separation Agreement under the caption “Subsidiaries” and (iii) each Person that becomes an Affiliate of SpinCo after the Distribution, including in each case any Person that is merged or consolidated with or into SpinCo or any Affiliate of SpinCo and any Person that becomes an Affiliate of SpinCo as a result of transactions that occur following the Distribution in accordance with the Steps Plan.

“SpinCo SAG” has the meaning set forth in Section 4.03(a)(v).

“SpinCo Separate Return” means a Tax Return of any member of the SpinCo Group (including any consolidated, combined, affiliated or unitary Return) that does not include, for all or any portion of the relevant taxable period, any member of the RemainCo Group.

“SpinCo Spin Contribution” has the meaning set forth in the Separation Agreement.

“SpinCo Stock” means (i) all classes or series of stock or other equity interests of SpinCo and (ii) all other instruments properly treated as stock of SpinCo for U.S. federal income Tax purposes.

“Steps Plan” shall mean the Internal Reorganization steps plan set forth on Exhibit D.

“Straddle Period” has the meaning set forth in Section 2.05(b).

“Subsidiary” has the meaning set forth in the Separation Agreement.

“Tax” or “Taxes” shall mean (i) all taxes, charges, fees, duties, levies, imposts, rates or other assessments or governmental charges of any kind imposed by any federal, state, local or non-United States Taxing Authority, including, without limitation, income, gross receipts, employment, estimated, excise, severance, stamp, occupation, premium, windfall profits,

environmental, custom duties, property, sales, use, license, capital stock, transfer, franchise, registration, payroll, withholding, social security, unemployment, disability, value added, alternative or add-on minimum or other taxes, whether disputed or not, and including any interest, penalties, charges or additions attributable thereto, (ii) liability for the payment of any amount of the type described in clause (i) above arising as a result of being (or having been) a member of any group or being (or having been) included or required to be included in any Tax Return related thereto, and (iii) liability for the payment of any amount of the type described in clauses (i) or (ii) above as a result of any express or implied obligation to indemnify or otherwise assume or succeed to the liability of any other Person.

“Tax Advisor” means a Tax counsel or other Tax advisor of recognized national standing in the relevant jurisdiction.

“Tax Attributes” mean net operating losses, capital losses, research and experimentation credit carryovers, investment tax credit carryovers, E&P, foreign tax credit carryovers, overall foreign losses, overall domestic losses, previously taxed income, separate limitation losses and any other losses, deductions, credits or other comparable items that could affect a Tax liability for any taxable period.

“Tax Contest” means an audit, review, examination, claim, dispute, suit, action, proposed assessment or other administrative or judicial proceeding, in each case, by or otherwise involving any Taxing Authority.

“Tax Dispute” has the meaning set forth in Section 5.06.

“Tax Item” means any item of income, gain, loss, deduction, credit, recapture of credit, previously taxed income or any other item or attribute (including the basis or adjusted basis of property) that may have the effect of increasing or decreasing any Taxes paid or payable in any taxable period.

“Tax Opinion Representations” means representations regarding certain facts in existence at the applicable time made by RemainCo and SpinCo that serve as a basis for the Tax Opinions.

“Tax Opinion” means any written opinion of Skadden, Arps, Slate, Meagher & Flom LLP or Ernst & Young LLP issued to RemainCo to the effect that a relevant Transaction or Transactions qualifies for its Intended Tax Treatment.

“Tax Opinions/Rulings” means (i) any Ruling and (ii) any opinion of a Tax Advisor relating to the Transactions, including those issued on the Distribution Date or to allow a party to take actions otherwise prohibited under Section 4.03(a) of this Agreement.

“Tax Record” has the meaning set forth in Section 5.01(a)(i).

“Tax Return” means any return, declaration, statement, report, schedule, election, certificate, form, estimate or information return relating to, (i) for purposes of Article III, Taxes other than payroll and employment related Taxes and (ii) for all other purposes of this

Agreement, Taxes, in each case, including any supplements or attachments thereto or amendments thereof and any other related or supporting information, required or permitted to be filed with any Taxing Authority.

“Tax Return Preparer” means with respect to a Tax Return, the Party that is required to prepare any such Tax Return pursuant to Section 3.01(a) or Section 3.01(b), as applicable.

“Taxing Authority” means any Governmental Authority having jurisdiction over the determination, assessment, collection or imposition of Taxes, including the IRS.

“Transaction Tax Contest” means a Tax Contest that relates to the Intended Tax Treatment.

“Transaction Taxes” means all (i) Taxes imposed on any member of the RemainCo Group or any member of the SpinCo Group resulting from the failure of any step of the Transactions to qualify for its Intended Tax Treatment, (ii) Taxes imposed on any third party resulting from the failure of any step of the Transactions to qualify for its Intended Tax Treatment for which any member of the RemainCo Group or any member of the SpinCo Group is or becomes liable for any reason and (iii) reasonable, out-of-pocket legal, accounting and other advisory or court fees incurred in connection with liability for Taxes described in clause (i) or (ii).

“Transactions” has the meaning set forth in the recitals hereto.

“Transfer Taxes” means all transfer, sales, use, excise, stock, stamp, stamp duty, stamp duty reserve, stamp duty land, documentary, filing, recording, registration, value-added and other similar Taxes (excluding, for the avoidance of doubt, any income, gains, profit or similar Taxes, however assessed).

“Unqualified Tax Opinion” has the meaning set forth in Section 4.04(d).

ARTICLE II

ALLOCATION OF TAX LIABILITIES AND TAX BENEFITS

SECTION 2.01. RemainCo Indemnification of SpinCo. After the Distribution, RemainCo shall be liable for, and shall indemnify and hold SpinCo harmless from, the following Taxes, whether incurred directly by SpinCo or indirectly through one of its Subsidiaries:

(a) Ordinary Taxes of members of the RemainCo Group (which, for the avoidance of doubt, shall include the members of the SpinCo Group prior to the Distribution to the extent such Taxes remain unpaid as of the Distribution Date) for any taxable period;

(b) Any and all Transfer Taxes incurred by the RemainCo Group or the SpinCo Group as a result of the Transactions to the extent such Transfer Taxes remain unpaid as of the Distribution Date;

- (c) Transaction Taxes; and
- (d) the Taxes allocated to RemainCo on Exhibit F;

in each case, other than Taxes for which SpinCo is liable under Section 2.02.

SECTION 2.02. SpinCo Indemnification of RemainCo. After the Distribution, SpinCo shall be liable for, and shall indemnify and hold RemainCo harmless from, the following Taxes, whether incurred directly by RemainCo or indirectly through one of its Subsidiaries:

(a) Ordinary Taxes (i) for any taxable period incurred by or attributable to the entities set forth on Exhibit F or (ii) any member of the SpinCo Group for any taxable period other than a Pre-Distribution Tax Period;

(b) the Taxes allocated to SpinCo on Exhibit F; and

(c) Transaction Taxes attributable in whole or in part to:

(i) the failure to be true when made or deemed made of (A) any statement or representation of fact or intent (or omission to state a material fact) in Section 4.01 that relates to the SpinCo Group; (B) any Tax Opinion Representation made by SpinCo or (C) any representation made by SpinCo, any Subsidiary or controlling shareholder of SpinCo, any counterparty to any Proposed Acquisition Transaction or any of such counterparty's Affiliates for purposes of obtaining a Ruling or an Unqualified Tax Opinion intended to be Satisfactory Guidance;

(ii) any action or omission by any member of the SpinCo Group in breach of the covenants set forth herein (including those in Section 4.02 Section 4.03), in any other Ancillary Agreement or in the Separation Agreement;

(iii) the application of Section 355(e) or 355(f) of the Code to any of the Transactions by virtue of any acquisition (or deemed acquisition) of SpinCo Stock (including newly issued SpinCo Stock) or assets of SpinCo or any member of the SpinCo Group;

(iv) a determination that the Distribution was used principally as a device for the distribution of the earnings and profits ("E&P") within the meaning of Section 355(a)(1)(B) of the Code if such determination was based in whole or in part on any sale or exchange of SpinCo Stock or on any distribution on SpinCo Stock occurring after the Distribution in excess of its E&P; or

(v) any other action or omission taken after the Distribution by any member of the SpinCo Group, except to the extent such action or omission is otherwise expressly required or permitted by this Agreement (other than under Section 4.04), any other Ancillary Agreement or the Separation Agreement.

SECTION 2.03. Refunds, Credits and Offsets.

(a) Subject to Section 2.04, if RemainCo, SpinCo or any of their respective Subsidiaries receives any Refund in respect of any Tax for which the other Party is liable under Section 2.01 or Section 2.02 (a “Refund Recipient”), such Refund Recipient shall pay to the other Party the entire amount of such Refund within ten (10) business days of receipt or accrual; provided, however, that the other Party, upon the request of such Refund Recipient, shall repay the amount paid to the other Party (plus any penalties, interest or other charges imposed by the relevant Taxing Authority) in the event such Refund Recipient is required to repay such refund.

(b) For purposes of this Section 2.03, any Refund that arises as a result of an offset, credit, or other similar benefit in respect of Taxes other than a receipt of cash shall be deemed to be received on the earlier of (i) the date on which a Tax Return is filed claiming such offset, credit, or other similar benefit and (ii) the date on which payment of the Tax which would have otherwise been paid absent such offset, credit, or other similar benefit is due (determined without taking into account any applicable extensions).

(c) If one Party reasonably so requests, the other Party (at the first Party’s expense) shall file for and pursue any Refund to which the first Party is entitled under this Section 2.03; provided that the other Party need not pursue any Refund on behalf of the first Party unless the first Party provides the other Party a certification by an appropriate officer of the first Party setting forth the first Party’s belief (together with supporting analysis) that the Tax treatment of the Tax Items on which the entitlement to such Refund is based is more likely than not correct, and is not a Tax Item arising from a Reportable Transaction.

SECTION 2.04. Carrybacks.

If a Tax Return of any member of the SpinCo Group for any taxable period ending after the Distribution Date reflects a Tax Attribute, then the applicable member of the SpinCo Group shall waive the right to carry back any such Tax Attribute to a Pre-Distribution Tax Period to the extent permissible under applicable Law. In the event that any member of the SpinCo Group does carry back a Tax Attribute to a Pre-Distribution Tax Period, then (i) no payment with respect to such carryback shall be due to any member of the SpinCo Group from RemainCo and (ii) if any member of the SpinCo Group receives any Refund in connection with such carryback, SpinCo shall promptly pay to RemainCo the full amount of such Refund.

SECTION 2.05. Straddle Periods.

(a) If RemainCo determines, in its sole discretion, to close the taxable year of any member of the SpinCo Group for all Tax purposes as of the end of the Distribution Date, RemainCo and SpinCo shall take all commercially reasonable actions necessary or appropriate to so close such taxable year, to the extent permitted by applicable Law.

(b) For any taxable period that includes (but does not end on) the Distribution Date (a “Straddle Period”), Taxes for the Pre-Distribution Tax Period shall be computed (i) in the case of Taxes imposed on a periodic basis (such as real, personal and intangible property Taxes),

on a daily *pro rata* basis and (ii) in the case of other Taxes generally, as if the taxable period ended as of the close of business on the Distribution Date and, in the case of any such other Taxes that are attributable to the ownership of any equity interest in a partnership, other “flowthrough” entity or “controlled foreign corporation” (within the meaning of Section 957(a) of the Code or any comparable U.S. state, local or non-U.S. Law), as if the taxable period of that entity ended as of the close of business on the Distribution Date (whether or not such Taxes arise in a Straddle Period of the applicable owner); provided that RemainCo may elect to allocate Tax Items (other than any extraordinary Tax Items) ratably in the month in which the Distribution occurs (and if RemainCo so elects, SpinCo shall so elect) as described in Section 1.1502-76(b)(2)(iii) of the Regulations and corresponding provisions of U.S. state, local or non-U.S. Tax Laws.

(c) Transactions occurring, or actions taken, on the Distribution Date but after the Distribution outside the ordinary course of business by, or with respect to, SpinCo or any of its Affiliates shall be deemed subject to the “next day rule” of Section 1.1502-76(b)(1)(ii)(B) of the Regulations (and any comparable or similar provision under U.S. state, local or non-U.S. Laws or regulations, provided that if there is no comparable or similar provision under U.S. state, local or non-U.S. Laws or regulations, then the transaction will be deemed subject to the “next day rule” of Section 1.1502-76(b)(1)(ii)(B) of the Regulations) and as such shall for purposes of this Agreement be treated (and consistently reported by the Parties) as occurring in a Post-Distribution Tax Period of SpinCo or an Affiliate of SpinCo, as appropriate.

(d) Tax Attributes determined on a consolidated or combined basis for taxable periods ending before or including the Distribution Date (or such earlier date as may be appropriate with respect to any portion of the Restructuring occurring prior to the Distribution Date) shall be allocated to RemainCo and its Affiliates, and SpinCo and its Affiliates, in accordance with the Code and the Regulations (and any applicable U.S. state, local, or non-U.S. Law or regulation). RemainCo shall reasonably determine the amounts and proper allocation of such Tax Attributes, and the Tax basis of the assets and liabilities transferred to SpinCo in connection with the Transactions, as of the Distribution Date or such other relevant date of a Restructuring transaction. RemainCo and SpinCo agree to compute their Tax liabilities for taxable periods after the Distribution Date (or other relevant date) consistent with that determination and allocation, and treat the Tax Attributes and Tax Items as reflected on any federal (or applicable U.S. state, local or non-U.S.) Tax Return filed by the Parties as presumptively correct. For the avoidance of doubt, RemainCo shall not be required to create or cause to be created any books and records or reports or other documents based thereon (including, without limitation, “earnings & profits studies,” “basis studies” or similar determinations) that it does not maintain or prepare in the ordinary course of business in order to comply with this Section 2.05(d).

(e) If either Party would have been responsible for the payment of any Transaction Taxes pursuant to Section 2.01 or Section 2.02 but for the use of the Tax Attributes of the other Party (or its Subsidiaries), the Party that would have been responsible for such Transaction Taxes shall pay to the other Party the amount of Transaction Taxes that would have been due and payable without taking into account such Tax Attributes.

(f) Except as otherwise provided in this Agreement, RemainCo shall be permitted to make all decisions, determinations and allocations relating to the matters set forth in this Agreement in its reasonable discretion and shall not be limited by past practice.

SECTION 2.06. Prior Agreements.

Except as set forth in this Agreement and in consideration of the mutual indemnities and other obligations of this Agreement, any and all prior Tax sharing or allocation agreements or practices between any member of the RemainCo Group and any member of the SpinCo Group shall be terminated with respect to the SpinCo Group and the RemainCo Group as of the Distribution Date. No member of either the SpinCo Group or the RemainCo Group shall have any continuing rights or obligations under any such agreement.

ARTICLE III

TAX RETURNS, TAX CONTESTS AND OTHER ADMINISTRATIVE MATTERS

SECTION 3.01. Responsibility for Preparing Tax Returns.

(a) RemainCo shall make all determinations with respect to and have ultimate control over the preparation of all (i) RemainCo Separate Returns for all taxable periods and (ii) Joint Returns. If SpinCo is responsible for filing any such Tax Return under Section 3.02(a), RemainCo shall, subject to Section 3.01(d), promptly deliver such prepared Tax Return to SpinCo reasonably in advance of the applicable filing deadline.

(b) Except as provided in Section 3.01(a), SpinCo shall have ultimate control over the preparation of all SpinCo Separate Returns for all taxable periods. If RemainCo is responsible for filing any such Tax Return under Section 3.02(a), SpinCo shall, subject to Section 3.01(d), promptly deliver such prepared Tax Return to RemainCo reasonably in advance of the applicable filing deadline.

(c) To the extent that any Tax Return described in Section 3.01(a) or (b) is required to be filed by a Party other than the Tax Return Preparer or directly relates to matters for which another Party may have an indemnification obligation to the Tax Return Preparer or that may give rise to a Refund to which that other Party would be entitled, in each case, under this Agreement, the Tax Return Preparer shall (i) prepare the relevant portions of the Tax Return on a basis consistent with past practice, except (A) as required by applicable Law or to correct any clear error, (B) as a result of changes or elections made on any Tax Return of a RemainCo Consolidated Group that do not relate primarily to the SpinCo Group or (C) as mutually agreed by the Parties; (ii) notify the other Party of any such portions not prepared on a basis consistent with past practice; (iii) provide the other Party a reasonable opportunity to review the relevant portions of the Tax Return; (iv) consider in good faith any reasonable comments made by the other Party; and (v) not file any such Tax Return without the consent of the other Party (such consent not to be unreasonably withheld, conditioned or delayed).

(d) The Parties shall attempt in good faith to resolve any issues arising out of the review of any such Tax Return as soon as practically possible. If the Parties are unable to resolve their differences, then the Parties shall collectively select a nationally recognized public accounting firm commonly considered as one of the “Big 4” (the “Accounting Firm”) and shall instruct the Accounting Firm to use its best efforts to prepare the relevant portions of the Tax Return on behalf of the Tax Return Preparer in compliance with Section 3.01(c) as promptly as practically possible. All determinations of the Accounting Firm relating to the disputed items, absent fraud, shall be final and binding on the Parties. The fees and expenses of the Accounting Firm shall be borne by SpinCo.

(e) SpinCo shall provide to RemainCo all information related to members of the SpinCo Group that is reasonably requested by RemainCo and required to complete any Tax Return which is the responsibility of RemainCo pursuant to Section 3.01(a), in the format reasonably requested by RemainCo, and at least sixty (60) days prior to the due date (including extensions) of the relevant Tax Return. In particular, the SpinCo Group tax department will support RemainCo with respect to data collection and compilation requirements. The dates for submissions to RemainCo required in this section may be modified by mutual agreement of RemainCo and SpinCo.

(f) Each Party shall bear its own expenses in connection with the preparation of Tax Returns pursuant to this Section 3.01; provided that expenses incurred with respect to Joint Returns under Section 3.01(a)(ii) shall be borne by RemainCo.

SECTION 3.02. Filing of Tax Returns and Payment of Taxes.

(a) Each Party shall execute and timely file each Tax Return that it is responsible for filing under applicable Law and shall timely pay to the relevant Taxing Authority any amount shown as due on each such Tax Return. The obligation to make payments pursuant to this Section 3.02(a) shall not affect a Party’s right, if any, to receive payments under Section 3.02(b) or otherwise be indemnified under this Agreement.

(b) In addition to its obligations under Section 3.01(c), the relevant Tax Return Preparer shall, no later than five (5) business days before the due date (including extensions timely applied for) of any Tax Return described in Section 3.01(a) or (b), notify the other Party of any amount (or any portion of any such amount) shown as due on that Tax Return (i) if the Tax Return Preparer is responsible for filing such Tax Return under Section 3.02(a), for which the other Party must indemnify the Tax Return Preparer under this Agreement or (ii) if the other Party is responsible for filing such Tax Return under Section 3.02(a), which the other Party must so pay, as the case may be. The other Party shall pay such amount directly to the Tax Return Preparer no later than the due date (including extensions) of the relevant Tax Return. A failure by an Indemnitee to give notice as provided in this Section 3.02(b) shall not relieve the Indemnifying Party’s indemnification obligations under this Agreement, except to the extent that the Indemnifying Party shall have been actually prejudiced by such failure.

(c) With respect to any estimated Taxes, the Party that is or will be the Tax Return Preparer with respect to any Tax Return that will reflect (or otherwise give credit for)

such estimated Taxes shall remit or cause to be remitted to the applicable Taxing Authority in a timely manner any estimated Taxes due. In the case of any estimated Taxes for which the Party that is not the Tax Return Preparer is obligated pursuant to this Agreement to pay all or a portion of the Taxes that will be reported as due on any Tax Return that will reflect (or otherwise give credit for) such estimated Taxes, the Tax Return Preparer shall notify the other Party, in writing, of its obligation to pay such estimated Taxes and, in reasonably sufficient detail, its calculation of the amount due by such other Party and the Party receiving such notice shall pay such amount to the Tax Return Preparer upon the later of five (5) business days prior to the date on which such payment is due and fifteen (15) business days after the receipt of such notice.

(d) No member of the SpinCo Group shall file, amend, withdraw, revoke or otherwise alter any Tax Return of any RemainCo Consolidated Group.

(e) No member of the SpinCo Group shall file, amend, withdraw, revoke or otherwise alter any Tax Return of the SpinCo Group or any member thereof to the extent such Tax Return relates to the Pre-Distribution Tax Period without the prior written consent of RemainCo (such consent not to be unreasonably withheld, conditioned or delayed).

(f) Subject to Section 3.03, in the case of any adjustment pursuant to a Determination with respect to any such Tax Return, the party that filed such Tax Return under Section 3.02(a) shall pay to the applicable Taxing Authority when due any additional Tax due with respect to such Tax Return required to be paid as a result of such adjustment pursuant to a Determination. The Tax Return Preparer shall compute the amount attributable to the SpinCo Group in accordance with Article II of this Agreement and SpinCo shall pay to RemainCo any amount due to RemainCo (or RemainCo shall pay SpinCo any amount due to SpinCo) under Article II of this Agreement within thirty (30) business days from the later of (i) the date the additional Tax was paid by the relevant Party or, in an instance where no cash payment is due to a Taxing Authority, the date of such Determination, or (ii) the date of receipt of a written notice and demand from the relevant Party for payment of the amount due, accompanied by evidence of payment and a statement detailing the Taxes paid and describing in reasonable detail the particulars relating thereto. Any payments required under this Section 3.02(f) shall include interest computed at the rate provided in the Code for interest on underpayments, based on the number of days from the date the additional Tax was paid by the relevant Party (or, in an instance where no cash payment is due to a Taxing Authority, the date of such Determination) to the date of the payment under this Section 3.02(f).

(g) The Parties shall report the Transactions for all Tax purposes in a manner consistent with the Tax Opinions/Rulings and/or the Intended Tax Treatment, unless, and only to the extent, a different position is required pursuant to a Determination. RemainCo shall determine the Tax treatment to be reported on any Tax Return of any Tax issue relating to the Transactions that is not covered by the Tax Opinions/Rulings.

SECTION 3.03. Tax Contests.

(a) RemainCo or SpinCo, as applicable, shall, within ten (10) business days of becoming aware of any Tax Contest (including a Transaction Tax Contest) that could

reasonably be expected to cause the other Party to have liability for a material amount of Taxes or an indemnification obligation under this Agreement, notify the other Party of such Tax Contest and thereafter promptly forward or make available to the other Party copies of notices and communications relating to the relevant portions of such Tax Contest. A failure by an Indemnitee to give notice as provided in this Section 3.03(a) (or to promptly forward any such notices or communications) shall not relieve the Indemnifying Party's indemnification obligations under this Agreement, except to the extent that the Indemnifying Party shall have been actually prejudiced by such failure.

(b) RemainCo shall have the exclusive right to control the conduct and settlement of any Tax Contest other than the Tax Contests that SpinCo controls pursuant to Section 3.03(c); provided that SpinCo shall have the right, at its sole expense, to participate in and advise on all aspects of any such Tax Contest to the extent SpinCo would have liability for a material amount of Taxes as a result of the proposed settlement of any such Tax Contest pursuant to Article II; provided, further, that RemainCo shall not settle such Tax Contest without the consent of SpinCo (not to be unreasonably withheld, conditioned or delayed). For purposes of Section 3.03(a) and this Section 3.03(b), liability for a material amount of Taxes shall be an amount of liability that exceeds \$10 million.

(c) SpinCo shall have the right to control the conduct and settlement of any Tax Contest that relates to Taxes that are the sole responsibility of SpinCo pursuant to Article II; provided that RemainCo shall have the right, at its sole expense, to participate in and advise on all aspects of such Tax Contests and may coordinate discussions with the relevant Taxing Authority with respect thereto to the extent that such Tax Contests relate to a Pre-Distribution Tax Period; provided, further, that SpinCo shall not settle any such Tax Contest without the consent of RemainCo (such consent not to be unreasonably withheld, conditioned or delayed).

(d) Notwithstanding anything herein to the contrary, RemainCo shall have the exclusive right to control the conduct and settlement of any Transaction Tax Contest, provided, that RemainCo shall not accept or enter into any settlement relating to any Transaction Tax to the extent that SpinCo is liable for such Transaction Tax pursuant to Section 2.02(b), without the consent of SpinCo (such consent not to be unreasonably withheld, conditioned or delayed).

SECTION 3.04. Expenses. Each Party shall bear its own expenses in the course of any Tax Contest, other than expenses included in the definition of Transaction Taxes, which shall be governed by Article II.

ARTICLE IV

TAX MATTERS RELATING TO THE TRANSACTIONS

SECTION 4.01. Mutual Representations. Each Party represents that it knows of no fact, and has no plan or intention to take any action, that it knows or reasonably should expect, after consultation with a Tax Advisor, is inconsistent with the qualification of any step of the Transactions for its Intended Tax Treatment, the Tax Opinions/Rulings or the covenants set forth in this Agreement.

SECTION 4.02. Mutual Covenants. Except as otherwise expressly required or permitted by the Separation Agreement, this Agreement or any other Ancillary Agreement, after the Distribution neither Party shall take or fail to take, or cause or permit its respective Subsidiaries to take or fail to take, any action, if such action or omission would (i) violate, be inconsistent with or cause to be untrue any covenant, representation, information or statement in any Tax Opinions/Rulings or a letter or certificate that forms the basis therefor, or (ii) adversely affect, or be reasonably likely to adversely affect, or be inconsistent with, the Intended Tax Treatment of the Transactions.

SECTION 4.03. Restricted Actions.

(a) Subject to Section 4.04, during the period beginning on the Distribution Date and ending on, and including, the last day of the two-year period following the Distribution Date (or such other period of time as provided in Exhibit G) (the “Restricted Period”), SpinCo shall not (and shall not cause or permit any of member of the SpinCo Group to), in a single transaction or a series of transactions:

(i) enter into any Proposed Acquisition Transaction;

(ii) take any affirmative action that permits a Proposed Acquisition Transaction to occur by means of an agreement to which no member of the SpinCo Group is a party (including by (A) redeeming rights under a shareholder rights plan, (B) making a determination that a tender offer is a “permitted offer” under any such plan or otherwise causing any such plan to be inapplicable or neutralized with respect to any Proposed Acquisition Transaction or (C) approving any Proposed Acquisition Transaction, whether for purposes of Section 203 of the Delaware General Corporate Law or any similar corporate statute, any “fair price” or other provision of SpinCo’ charter or bylaws or otherwise);

(iii) liquidate or partially liquidate SpinCo, any Section 355 Entity or any ATB Entity whether by merger, consolidation or otherwise (provided that, for the avoidance of doubt, a merger of another entity into SpinCo or any of its Subsidiaries shall not constitute an action described in this Section 4.03(a)(iii));

(iv) cause or permit any ATB Entity to cease to engage in the Active Trade or Business;

(v) sell or transfer (A) 30% or more of the gross assets that are held by any ATB Entity and are used in the Active Trade or Business, (B) 30% or more of the gross assets of the “separate affiliated group” (within the meaning of Section 355(b)(3)(B) of the Code) of (I) SpinCo (such separate affiliated group, the “SpinCo SAG”) held immediately before the Distribution (provided, however, that the foregoing shall not apply to sales, transfers or dispositions of assets between members of the SpinCo SAG) or (II) any Section 355 Entity (each such separate affiliated group, a “Section 355 Entity SAG”) held immediately before the Distribution (provided, however, that the foregoing shall not apply to sales, transfers or dispositions of assets between

members of the same such Section 355 Entity SAG) or (C) any lesser amount if that sale or transfer could reasonably be expected to result in a significant and material change to, or termination of, the Active Trade or Business immediately after the Distribution Date;

(vi) (A) dispose of or permit an Affiliate of SpinCo to dispose of, directly or indirectly, any interest in any ATB Entity, (B) permit an issuance of equity by an ATB Entity (or any entity with any interest, direct or indirect, in any ATB Entity) such that SpinCo or a Section 355 Entity, as applicable, is no longer treated as engaged in the relevant Active Trade or Business, or (C) permit any such ATB Entity to make or revoke any election under Regulations Section 301.7701-3;

(vii) redeem or otherwise repurchase (directly or indirectly) any SpinCo Stock or stock of any Section 355 Entity, except to the extent, with respect to SpinCo Stock, such redemptions or repurchases meet the following requirements: (A) those redemptions or purchases are for business reasons unrelated to the Distribution, (B) SpinCo Stock to be purchased is widely held, (C) those redemptions or purchases will be made on the open market and (D) the aggregate amount of those redemptions or purchases will be less than 20% of the total value of the outstanding SpinCo Stock;

(viii) amend its certificate of incorporation (or other organizational documents), or take any other action, affecting the relative voting rights of the separate classes of SpinCo Stock or the stock or other equity interests of any Section 355 Entity; provided, however, that this clause (vii) shall not be deemed to be violated upon the SpinCo' adoption of a shareholder rights plan that meets the requirements of IRS Revenue Ruling 90-11; or

(ix) take or fail to take, as the case may be, any of the actions specified in Exhibit G.

(b) For purposes of this Agreement, "Proposed Acquisition Transaction" means any transaction or series of transactions (or any agreement, understanding or arrangement (within the meaning of Section 355(e) of the Code and Section 1.355-7 of the Regulations) to enter into a transaction or series of transactions, whether any such transaction is to occur during or after the Restricted Period) as determined for purposes of Section 355(e) of the Code, in connection with which (A) any member of the SpinCo Group would merge or consolidate with any Person other than any other member of the SpinCo Group, (B) any member of the SpinCo Group would form one or more joint ventures with any Person other than any other member of the SpinCo Group in which, in the aggregate, more than 40% of the gross assets of the SpinCo Group are transferred to such joint ventures or (C) one or more Persons would (directly or indirectly) acquire, or have the right to acquire (including pursuant to an option, warrant or other conversion right), from any other Person or Persons, an interest in the equity of SpinCo or any Section 355 Entity that, when combined with any other acquisitions of SpinCo or any such Section 355 Entity, as relevant, that occur after the Distribution (but excluding any other acquisition described in clause (ii)) comprises 40% or more of the value or the total combined voting power of all interests that are treated as outstanding equity in SpinCo or such Section 355 Entity, as relevant, for U.S. federal income tax purposes immediately after such transaction or, in

the case of a series of related transactions, immediately after any transaction in such series. For this purpose, any recapitalization, repurchase or redemption of equity in SpinCo or any Section 355 Entity and any amendment to the certificate of incorporation (or other organizational documents) of SpinCo or such Section 355 Entity shall be treated as an indirect acquisition of such stock by any shareholder to the extent such shareholder's percentage interest in the issuer for U.S. federal income tax purposes increases by vote or value.

(c) If SpinCo, any Section 355 Entity or any ATB Entity merges or consolidates with another entity to form a new entity, references in this Agreement to SpinCo, a Section 355 Entity or an ATB Entity, as applicable, shall be to that new entity and references in this Agreement to SpinCo Stock or interests in a Section 355 Entity or an ATB Entity, as applicable, shall be to the capital stock or other relevant instruments or rights of that new entity.

(d) SpinCo shall not take or fail to take any action during the Restricted Period that would reasonably be expected to increase the Tax liability of the RemainCo Group in connection with the Transactions and shall not undertake any transaction that is not in the ordinary course of business and that would result in any member of the RemainCo Group reporting additional income under Sections 951 or 951A of the Code.

(e) The provisions of this Section 4.03, including the definition of "Proposed Acquisition Transaction", are intended to monitor compliance with Section 355 of the Code and shall be interpreted accordingly. Any clarification of, or change in, Section 355 of the Code or the Regulations thereunder shall be incorporated into this Section 4.03 and its interpretation.

SECTION 4.04. Consent to Take Certain Restricted Actions.

(a) SpinCo may (and may cause or permit a member of the SpinCo Group to) take an action otherwise prohibited under Section 4.03(a) if RemainCo consents in writing, which consent shall be at RemainCo's sole discretion. For the avoidance of doubt, RemainCo's written consent pursuant to this Section 4.04(a) shall not in any way relieve SpinCo of its indemnification obligations under Section 2.02(b).

(b) RemainCo may, at its sole discretion and as a condition to granting its written consent pursuant to Section 4.04(a), require SpinCo to provide Satisfactory Guidance; provided, however, the provision of Satisfactory Guidance shall not obligate RemainCo to grant its written consent pursuant to Section 4.04(a).

(c) For purposes of this Agreement, "Satisfactory Guidance" means either a Ruling or an Unqualified Tax Opinion concluding that the proposed action will not cause any step of the Transactions to fail to qualify for its Intended Tax Treatment. Such Ruling or Unqualified Tax Opinion shall constitute Satisfactory Guidance only if they are satisfactory to RemainCo at its sole discretion in both form and substance, including with respect to any underlying assumptions or representations and any legal analysis contained therein.

(d) For purposes of this Agreement, "Unqualified Tax Opinion" means an unqualified "will" opinion of a Tax Advisor that permits reliance by RemainCo. The Tax

Advisor, in issuing its opinion, shall be permitted to rely on the validity and correctness, as of the date given, of any previously issued Tax Opinions/Rulings, unless such reliance would be unreasonable under the circumstances, and shall assume that each of the applicable Transactions would have qualified for its Intended Tax Treatment if the action in question did not occur.

SECTION 4.05. Procedures Regarding Opinions and Rulings.

(a) If SpinCo notifies RemainCo that it desires to take a restricted action described in Section 4.03(a) and RemainCo requires Satisfactory Guidance as a condition to consenting to such restricted action pursuant to Section 4.04(b), RemainCo shall use commercially reasonable efforts to assist SpinCo in obtaining such Satisfactory Guidance. Notwithstanding the foregoing, RemainCo shall not be required to take any action pursuant to this Section 4.05(a) if, upon request, SpinCo fails to certify that all information and representations relating to SpinCo or any member of the SpinCo Group in the relevant documents are true, correct and complete or fails to obtain certification from any counterparty to any Proposed Acquisition Transaction that all information and representations relating to such counterparty in the relevant documents are true, correct and complete. SpinCo shall bear all costs and expenses of securing such Satisfactory Guidance and shall reimburse RemainCo for all reasonable out-of-pocket costs and expenses incurred by RemainCo or any member of the RemainCo Group in obtaining Satisfactory Guidance within ten (10) business days after receiving an invoice from RemainCo therefor.

(b) Notwithstanding anything herein to the contrary, RemainCo, in its sole discretion, may determine that SpinCo shall not seek a Ruling.

(c) RemainCo shall have exclusive control over the process of obtaining any Ruling relating to the Transactions and neither SpinCo nor any of its Affiliates shall independently seek any guidance concerning the Transactions from any Taxing Authority at any time. In connection with any Ruling relating to the Transactions that can reasonably be expected to affect SpinCo's liabilities under this Agreement, RemainCo shall (i) keep SpinCo informed of all material actions taken or proposed to be taken by RemainCo, (ii) reasonably in advance of the submission of any Ruling request provide SpinCo with a draft thereof, consider SpinCo's comments on such draft, and provide SpinCo with a final copy, and (iii) provide SpinCo with notice reasonably in advance of, and permit SpinCo to attend, any formally scheduled meetings with the IRS or other relevant Taxing Authority (subject to the approval of the IRS or other relevant Taxing Authority, as applicable) that relate to such Ruling.

SECTION 4.06. Notification and Certification Regarding Certain Acquisition Transactions. If SpinCo proposes to enter into any 10% Acquisition Transaction or take any affirmative action to permit any 10% Acquisition Transaction to occur at any time during the thirty (30) month period following the Distribution Date, SpinCo shall undertake in good faith to provide RemainCo, no later than ten (10) business days following the signing of any written agreement with respect to such 10% Acquisition Transaction or obtaining knowledge of the occurrence of any such 10% Acquisition Transaction that takes place without written agreement, with a written description of such transaction (including the type and amount of SpinCo Stock to be acquired) and a brief explanation as to why SpinCo believes that such transaction, considered

together with any related transactions, does not result in the application of Section 355(a)(1)(B), 355(e) or 355(f) of the Code to the Transactions. For purposes of this Section 4.06, “10% Acquisition Transaction” means any transaction or series of transactions that would be a Proposed Acquisition Transaction if the percentage specified in the definition of Proposed Acquisition Transaction were 10% instead of 40%.

SECTION 4.07. Reporting. RemainCo and SpinCo shall (i) timely file any appropriate information and statements (including as required by Section 6045B of the Code and Section 1.355-5 and, to the extent applicable, Section 1.368-3 of the Regulations) to report each of the applicable Transactions as qualifying for its Intended Tax Treatment and (ii) absent a change of Law or an applicable Determination otherwise, not take any position on any Tax Return that is inconsistent with such qualification.

SECTION 4.08. Employment Taxes; Employee Matters Agreement.

(a) Liability for Employment Taxes shall be determined pursuant to the Employee Matters Agreement.

(b) Amounts paid pursuant to the Employee Matters Agreement shall be treated in the manner as described in the Employee Matters Agreement.

SECTION 4.09. Protective Section 336(e) Election. If RemainCo determines, in its sole discretion, that a Protective Section 336(e) Election shall be made with respect to the Distribution, SpinCo agrees to take any such action that is necessary to effect such election, including any corresponding election with respect to any of its Subsidiaries, as determined by RemainCo, and shall cooperate with RemainCo to facilitate the making of such election.

SECTION 4.10. Gain Recognition Agreements. SpinCo will not take any action (including the sale or disposition of any stock, securities or other assets), or permit its Affiliates to take any such action, and SpinCo will not fail to take any action or permit its Affiliates to fail to take any action that would cause RemainCo or any of its Affiliates or SpinCo or any of its Affiliates to recognize gain under any Gain Recognition Agreement.

ARTICLE V

PROCEDURAL MATTERS

SECTION 5.01. Cooperation.

(a) Each Party shall cooperate with reasonable requests from the other Party in matters covered by this Agreement, including in connection with the preparation and filing of Tax Returns, the calculation of Taxes, the determination of the proper financial accounting treatment of Tax items and the conduct and settlement of Tax Contests. Such cooperation shall include:

(i) retaining until the expiration of the relevant statute of limitations (including extensions) of records, documents, accounting data, computer data and other

information necessary for the preparation, filing, review, audit or defense of all Tax Returns relevant to an obligation, right or liability of either Party under this Agreement (“Tax Records”);

(ii) the execution of any document that may be necessary or reasonably helpful in connection with any Tax Contest or the filing of a Tax Return, obtaining a Tax opinion or private letter ruling (except as otherwise provided in Section 4.05(b)), or other matters covered by this Agreement, including certification (provided in such form as may be required by applicable Law or reasonably requested and made to the best of a Party’s knowledge) of the accuracy and completeness of the information it has supplied;

(iii) the use of the Parties’ reasonable best efforts to obtain any documentation that may be necessary or reasonably helpful in connection with any of the foregoing;

(iv) providing the other Party reasonable access to Tax Records and to its current or former personnel (ensuring their cooperation) and premises during normal business hours to the extent relevant to an obligation, right or liability of the other Party under this Agreement or otherwise reasonably required by the other Party to complete Tax Returns or to compute the amount of any payment contemplated by this Agreement;

(v) making determinations with respect to actions described in Section 4.03(a) as promptly as practicable; and

(vi) notifying the other Party prior to disposing of any relevant Tax Records and affording the other Party the opportunity to take possession or make copies of such Tax Records at its discretion.

(b) Any information or documents provided under this Section 5.01 shall be kept confidential by the Party receiving the information or documents, except as may otherwise be necessary in connection with the filing of Tax Returns or in connection with any Tax Contest. Notwithstanding any other provision of this Agreement, the Separation Agreement or any Ancillary Agreement, (i) neither RemainCo nor any Affiliate of RemainCo shall be required to provide SpinCo or any Affiliate of SpinCo or any other Person access to or copies of any information, documents or procedures (including the proceedings of any Tax Contest) other than information, documents or procedures that relate solely to SpinCo, the SpinCo Business (including the assets and liabilities thereof) or any Affiliate of SpinCo, (ii) in no event shall RemainCo or any Affiliate of RemainCo be required to provide SpinCo, any Affiliate of SpinCo or any other Person access to or copies of any information or documents if such action could reasonably be expected to result in the waiver of any Privilege, and (iii) in no event shall SpinCo or any Affiliate of SpinCo be required to provide RemainCo, any Affiliate of RemainCo or any other Person access to or copies of any information or documents if such action could reasonably be expected to result in the waiver of any Privilege. In addition, in the event that RemainCo determines that the provision of any information or documents to SpinCo or any Affiliate of SpinCo, or SpinCo determines that the provision of any information or documents to RemainCo

or any Affiliate of RemainCo, could be commercially detrimental, violate any Law or agreement or waive any Privilege, the Parties shall use reasonable best efforts to permit compliance with its obligations under this Section 5.01 in a manner that avoids any such harm or consequence.

(c) If any member of the SpinCo Group supplies information to a member of the RemainCo Group in connection with a Tax liability and an officer of a member of the RemainCo Group signs a statement or other document under penalties of perjury in reliance upon the accuracy of such information, then upon the written request of such member of the RemainCo Group identifying the information being so relied upon, the chief financial officer of SpinCo (or any officer of SpinCo as designated by the chief financial officer of SpinCo) shall certify in writing that to his or her knowledge (based upon consultation with appropriate employees) the information so supplied is accurate and complete.

(d) If any member of the RemainCo Group supplies information to a member of the SpinCo Group in connection with a Tax liability and an officer of a member of the SpinCo Group signs a statement or other document under penalties of perjury in reliance upon the accuracy of such information, then upon the written request of such member of the SpinCo Group identifying the information being so relied upon, the chief financial officer of RemainCo (or any officer of RemainCo as designated by the chief financial officer of RemainCo) shall certify in writing that to his or her knowledge (based upon consultation with appropriate employees) the information so supplied is accurate and complete.

(e) If a Party fails to comply with any of its obligations set forth in this Section 5.01 upon reasonable request and notice by the other Party, and such failure results in the imposition of additional Taxes, the nonperforming Party shall be liable in full for such additional Taxes.

(f) To the extent that SpinCo makes a request pursuant to this Section 5.01 that requires RemainCo to incur any costs and expenses (including costs and expenses related to employee time to respond to such request, and, for the avoidance of doubt, any costs and expenses incurred by RemainCo for services of any third party engaged by RemainCo to assist with such request), SpinCo shall reimburse the RemainCo for all such costs and expenses, including a reasonable hourly charge for employee time. To the extent RemainCo obtains the services of any third party to assist with such a request, RemainCo shall select such third party in its sole discretion. Nothing contained in this Agreement, including this Section 5.01, shall be construed to permit SpinCo access to RemainCo Separate Returns.

SECTION 5.02. Interest. Any payments required pursuant to this Agreement that are not made within the time period specified in this Agreement shall bear interest from the end of that period. Interest required to be paid pursuant to this Agreement shall, unless otherwise specified, be computed at the rate and in the manner provided in the Code for interest on underpayments and overpayments, as applicable, for the relevant period.

SECTION 5.03. Indemnification Claims and Payments.

(a) An Indemnitee shall be entitled to make a claim for payment with respect to Taxes under this Agreement when the Indemnitee determines that it is entitled to such payment and is able to calculate with reasonable accuracy the amount of such payment (including as a result of the finalization of a Tax Return before filing). Except as otherwise provided in Sections 3.02(b) and 3.03, the Indemnitee shall provide to the Indemnifying Party notice of such claim within sixty (60) business days of the first date on which it so becomes entitled to make such claim. Such notice shall include a description of such claim and a detailed calculation of the amount claimed.

(b) Except as otherwise provided in Sections 3.02(b) and 3.03, the Indemnifying Party shall make the claimed payment to the Indemnitee within thirty (30) business days after receiving such notice, unless the Indemnifying Party reasonably disputes its liability for, or the amount of, such payment.

(c) A failure by an Indemnitee to give notice as provided in Section 3.02(b), 3.03 or 5.03(a) shall not relieve the Indemnifying Party's indemnification obligations under this Agreement, except to the extent that the Indemnifying Party shall have been actually prejudiced by such failure.

(d) Nothing in this Section 5.03 shall prejudice a Party's right to receive payments pursuant to Section 3.02(b) or 3.03.

SECTION 5.04. Amount of Indemnity Payments.

(a) The amount of any Indemnity Payment shall be (i) reduced to take into account any Tax benefit actually realized by the Indemnitee, resulting from the incurrence of the liability in respect of which the Indemnity Payment is made, in the Tax year of such liability or in any taxable period ending on or prior to the close of the Tax year of such liability and (ii) increased to take into account any Tax cost actually incurred by the Indemnitee resulting from the receipt of the Indemnity Payment, including any Tax cost arising from such Indemnity Payment having resulted in income or gain to either Party, for example, under Section 1.1502-19 of the Regulations, and any Taxes imposed on additional amounts payable pursuant to this clause (ii). For purposes of calculating the amount of any Tax benefit or Tax cost, the applicable Indemnitee shall be deemed to be subject to the maximum applicable statutory Tax rate in the applicable jurisdiction in the taxable year in which such Tax benefit or Tax cost was realized and any Tax Attributes of such Indemnitee shall be disregarded.

(b) To the extent that any Tax is subject to indemnity pursuant to both Section 2.01(c) and Section 2.02(b), responsibility for such Tax shall be shared by RemainCo and SpinCo according to relative fault.

SECTION 5.05. Treatment of Indemnity Payments. In the absence of any change in Tax treatment under the Code, any Indemnity Payment (other than any portion of a payment that represents interest accruing after the Distribution Date) shall be reported for Tax purposes by the

payor and recipient as distributions or capital contributions, as appropriate, occurring immediately prior to the Distribution (but only to the extent the payment does not relate to a Tax allocated to the payor in accordance with Section 1552 of the Code or the Regulations thereunder or Section 1.1502-33(d) of the Regulations (or under corresponding principles of other applicable Tax Laws)) or as payments of an assumed or retained liability, except as otherwise required by applicable Law or a Determination.

SECTION 5.06. Tax Disputes. Notwithstanding anything to the contrary in Article VI, this Section 5.06 shall govern the resolution of any dispute arising between the Parties involving computational matters or the interpretation of operative Tax law in connection with this Agreement (a "Tax Dispute"), other than a dispute (i) relating to liability for Transaction Taxes, (ii) in which the amount of liability in dispute exceeds \$20 million or (iii) relating to a Tax Return as described in Section 3.01(d); provided, however, that notwithstanding the foregoing clauses (i) through (iii), any dispute in connection with Section 2.01(b) or Section 2.03(c) shall be governed by this Section 5.06. The Parties shall negotiate in good faith to resolve any Tax Dispute for forty-five (45) calendar days (unless earlier resolved). If such Tax Dispute is not so resolved, then a senior executive of each Party shall, in good faith, attempt to resolve such Tax Dispute within forty-five (45) days following the referral of the matter to the senior executives. If such good faith negotiations among senior executives do not resolve the Tax Dispute, such Tax Dispute shall be referred to an Accounting Firm acceptable to both Parties to resolve the Tax Dispute. The Accounting Firm may, in its discretion, obtain the services of any third party appraiser, accounting firm or consultant that the Accounting Firm deems necessary to assist it in resolving the Tax Dispute. The Parties shall instruct the Accounting Firm to furnish written notice to each Party of its resolution of the Tax Dispute as soon as practicable, but in any event no later than sixty (60) calendar days after its acceptance of the matter for resolution; provided, however, that the failure of the Accounting Firm to deliver its determination within such time period shall not render such determination *ultra vires* or constitute a defense or objection to the finality or enforcement of such determination. The Accounting Firm shall act as an expert, and not as an arbitrator, and shall determine only the specific items under dispute by the Parties. No Party shall engage in any *ex parte* communication (i.e., without the inclusion of the other Parties) with the Accounting Firm, and if a Party provides information or documentation to the Accounting Firm, it shall simultaneously provide it to the other Party. The Parties to the Tax Dispute shall require the Accounting Firm to render all determinations in writing and to set forth, in reasonable detail, the basis for such determination. Any such resolution by the Accounting Firm will, absent fraud or manifest error, be conclusive and binding on the Parties and shall not be subject to challenge or appeal, and the Parties shall take, or cause to be taken, any action necessary to implement the resolution. Any challenge or appeal taken by a Party on the basis of fraud or manifest error shall be subject to the arbitration procedures contained in Section 8.1 of the Separation Agreement, which such provisions are hereby incorporated herein by reference, *mutatis mutandis*. All fees and expenses of the Accounting Firm shall be shared equally by the Parties. In the event that the Parties are unable to agree upon an Accounting Firm within fifteen (15) business days following the completion of the referral of a Tax Dispute to senior executives, the Parties shall each separately retain an independent, nationally recognized accounting firm (each, a "Preliminary Accounting Firm"),

which Preliminary Accounting Firms shall jointly select an Accounting Firm on behalf of the Parties to act as an expert in order to resolve the Tax Dispute.

ARTICLE VI

MISCELLANEOUS

SECTION 6.01. Termination. This Agreement will terminate without further action at any time before the Distribution upon termination of the Separation Agreement. If terminated, no Party will have any liability of any kind to the other Party or any other Person on account of this Agreement, except as provided in the Separation Agreement.

SECTION 6.02. Applicability. This Agreement shall not apply before the Distribution.

SECTION 6.03. Survival. Except as expressly set forth in this Agreement, the covenants and indemnification obligations in this Agreement shall survive the Spin-Off and shall remain in full force and effect.

SECTION 6.04. Separation Agreement. The Parties agree that, in the event of a conflict between the terms of this Agreement and the Separation Agreement with respect to the subject matter hereof, the terms of this Agreement shall govern.

SECTION 6.05. Confidentiality. Each Party hereby acknowledges that confidential Information of such Party or its Subsidiaries may be exposed to employees and agents of the other Party or its Subsidiaries as a result of the activities contemplated by this Agreement. Each Party agrees, on behalf of itself and its Subsidiaries, that such Party's obligations with respect to Information and data of the other Party or its Subsidiaries shall be governed by Section 7.8 of the Separation Agreement.

SECTION 6.06. Counterparts; Entire Agreement.

(a) This Agreement may be executed in one or more counterparts, all of which counterparts shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each Party and delivered to the other Party. This Agreement may be executed by facsimile or PDF signature and a facsimile or PDF signature shall constitute an original for all purposes.

(b) This Agreement, the Separation Agreement, the other Ancillary Agreements and the Appendices, Exhibits and Schedules hereto and thereto contain the entire agreement between the Parties with respect to the subject matter hereof and supersede all previous agreements, negotiations, discussions, writings, understandings, commitments and conversations with respect to such subject matter, and there are no agreements or understandings between the Parties with respect to the subject matter hereof other than those set forth or referred to herein or therein.

SECTION 6.07. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without regard to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Delaware..

SECTION 6.08. Dispute Resolution. Subject to Section 5.06, the dispute resolution procedures set forth in Section 8.1 of the Separation Agreement shall apply and are hereby incorporated herein by reference, *mutatis mutandis*.

SECTION 6.09. Waiver of Jury Trial. EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY THAT MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE EACH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (i) NO REPRESENTATIVE, AGENT OR ATTORNEY OF THE OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT THE OTHER PARTY WOULD NOT, IN THE EVENT OF ANY LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (ii) EACH PARTY UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (iii) EACH PARTY MAKES THIS WAIVER VOLUNTARILY AND (iv) EACH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 6.09.

SECTION 6.10. Assignability. Neither this Agreement nor any of the rights, interests or obligations under this Agreement shall be assigned, in whole or in part, by operation of law or otherwise by either Party without the prior written consent of the other Party. Any purported assignment without such consent shall be void. Subject to the preceding sentences, this Agreement will be binding upon, inure to the benefit of, and be enforceable by, the Parties and their respective successors and assigns. Notwithstanding the foregoing, either Party may assign this Agreement without consent in connection with (a) a merger transaction in which such Party is not the surviving entity and the surviving entity acquires or assumes all or substantially all of such Party's assets, or (b) the sale of all or substantially all of such Party's assets; provided, however, that the assignee expressly assumes in writing all of the obligations of the assigning Party under this Agreement, and the assigning Party provides written notice and evidence of such assignment and assumption to the non-assigning Party. No assignment permitted by this Section 6.10 shall release the assigning Party from liability for the full performance of its obligations under this Agreement.

SECTION 6.11. Third-Party Beneficiaries. (a) The provisions of this Agreement are solely for the benefit of the Parties hereto and are not intended to confer upon any Person except the Parties hereto any rights or remedies hereunder and (b) there are no third-party beneficiaries of this Agreement and this Agreement shall not provide any third Person with any remedy, claim,

liability, reimbursement, cause of action or other right in excess of those existing without reference to this Agreement.

SECTION 6.12. Notices. All notices or other communications under this Agreement shall be in writing and shall be deemed to be duly given when (a) delivered in person, (b) on the date received, if sent by a nationally recognized delivery or courier service or (c) upon the earlier of confirmed receipt or the fifth (5th) business day following the date of mailing if sent by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to RemainCo, to:

Honeywell International Inc.
855 S. Mint Street
Charlotte, NC 28202
Attn: Vice President, Tax
e-mail:

with a copy to:

If to SpinCo, to:

115 Tabor Road
Morris Plains, NJ 07950

Either Party may, by notice to the other Party, change the address to which such notices are to be given.

SECTION 6.13. Severability. If any provision of this Agreement or the application thereof to any Person or circumstance is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof, or the application of such provision to Persons or circumstances or in jurisdictions other than those as to which it has been held invalid or unenforceable, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby, so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to either Party. Upon any such determination, any such provision, to the extent determined to be invalid, void or unenforceable, shall be deemed replaced by a provision that such court determines is valid and enforceable and that comes closest to expressing the intention of the invalid, void or unenforceable provision.

SECTION 6.14. Headings. The article, section and paragraph headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

SECTION 6.15. Waivers of Default. No failure or delay of either Party (or the applicable member of its Group) in exercising any right or remedy under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such right or power, or any course of conduct, preclude any other or further exercise thereof or the exercise of any other right or power. Waiver by either Party of any default by the other Party of any provision of this Agreement shall not be deemed a waiver by the waiving Party of any subsequent or other default.

SECTION 6.16. Specific Performance. By agreeing to arbitration in accordance with Section 8.1 of the Separation Agreement, the Parties do not intend to deprive any court of its jurisdiction to issue a pre-arbitral injunction, pre-arbitral attachment or other Order in aid of arbitration proceedings. The Parties agree that the remedies at law for any breach or threatened breach hereof, including monetary damages, are inadequate compensation for any loss and that any defense in any action for specific performance that a remedy at law would be adequate is waived. Thus, each Party irrevocably and unconditionally: (i) consents and submits to the exclusive jurisdiction of any federal court located in the State of Delaware or, where such court does not have jurisdiction, any Delaware state court, in either case, located in New Castle County ("Delaware Court") to compel arbitration or for interim or provisional remedies in aid of arbitration, and the non-exclusive jurisdiction of the Delaware Court to enforce any award under Section 8.1 of the Separation Agreement, and (ii) waives, to the fullest extent it may effectively do so, (a) any claim that it is not personally subject to the jurisdiction of the courts in Delaware as described herein for any reason, (b) that it or its property is exempt or immune from jurisdiction of any such court or from any legal process commenced in such courts (whether through service of notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise) and (c) that (x) the suit, action or proceeding in any such court is brought in an inconvenient forum, (y) the venue of such suit, action or proceeding is improper or (z) this Agreement, or the subject matter hereof, may not be enforced in or by such courts. Each Party also agrees that it may be effectively served with process via (I) personal delivery of a copy of the summons and complaint or (II) alternatively, by providing notices to a designated agent for service of process; provided, however, that without prejudice to the foregoing, service of process (including service of process to enforce a final and non-appealable judgment issued by a Delaware Court hereunder) may also be effected in any other manner that satisfies the legal requirements for service of process in the country or jurisdiction where a Party is incorporated or organized, or the country or jurisdiction where a Party's headquarters, officers or directors are located. Notwithstanding the preceding sentence, a Party may commence any claim, action or proceeding in a court other than the above-named courts solely for the purpose of enforcement of any award under this Section 6.16. The foregoing consent to jurisdiction shall not (1) constitute submission to jurisdiction or general consent to service of process in the State of Delaware for any purpose except as permitted herein, or (2) be deemed to confer rights on any Person, other than the Parties. The Parties further agree that each Party may seek relief pursuant to this Section 6.16 without proof of actual harm and without the need to post any undertaking, bond or any security in connection therewith (and each party hereby waives any requirement for the securing or posting of any such undertaking, bond or security in connection with such remedy). The Parties further agree not to assert that a remedy of specific enforcement is unenforceable, invalid, contrary to law, unavailable or inequitable for any

reason. The Parties acknowledge and agree that the right of specific enforcement is an integral part of this Agreement and without that right, neither RemainCo nor SpinCo would have entered into this Agreement.

SECTION 6.17. Amendments. No provisions of this Agreement shall be deemed waived, amended, supplemented or modified by either Party, unless such waiver, amendment, supplement or modification is in writing and signed by the authorized representative of each Party.

SECTION 6.18. Interpretation. The rules of interpretation set forth in Section 1.2 of the Separation Agreement shall be incorporated by reference to this Agreement, *mutatis mutandis*. NOTWITHSTANDING THE FOREGOING, THE PURPOSE OF ARTICLE IV IS TO ENSURE THAT EACH OF THE APPLICABLE TRANSACTIONS QUALIFIES FOR ITS INTENDED TAX TREATMENT AND, ACCORDINGLY, THE PARTIES AGREE THAT THE LANGUAGE THEREOF SHALL BE INTERPRETED IN A MANNER THAT SERVES THIS PURPOSE TO THE GREATEST EXTENT POSSIBLE.

SECTION 6.19. Compliance by Subsidiaries. The Parties shall cause their respective Subsidiaries to comply with this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

HONEYWELL INTERNATIONAL INC.,

by

Name:

Title:

SOLSTICE ADVANCED MATERIALS INC.,

by

Name:

Title:

EMPLOYEE MATTERS AGREEMENT

By and Between

HONEYWELL INTERNATIONAL INC.

and

SOLSTICE ADVANCED MATERIALS INC.

Dated as of

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EMPLOYEE MATTERS AGREEMENT

EMPLOYEE MATTERS AGREEMENT (this “Agreement”), dated as of _____, by and between Honeywell International Inc., a Delaware corporation (“RemainCo”), and Solstice Advanced Materials Inc., a Delaware corporation (“SpinCo,” and together with RemainCo, the “Parties”).

RECITALS

WHEREAS the Parties have entered into the Separation and Distribution Agreement (the “Separation Agreement”) dated as of _____, pursuant to which RemainCo intends to effect the Distribution; and

WHEREAS the Parties wish to set forth their agreements as to certain matters regarding employment, compensation and employee benefits.

NOW, THEREFORE, in consideration of the mutual agreements, provisions and covenants contained in this Agreement, the Parties, intending to be legally bound, hereby agree as follows:

ARTICLE 1

DEFINITIONS

Section 1.01. Definitions. For purposes of this Agreement, the following terms shall have the following meanings. All capitalized terms used but not defined herein shall have the meanings assigned to them in the Separation Agreement unless otherwise indicated.

“Benefit Plan” shall mean any plan, program, policy, agreement, arrangement or understanding that is an employment, consulting, deferred compensation, executive compensation, incentive bonus or other bonus, employee pension, profit sharing, savings, retirement, supplemental retirement, stock option, stock purchase, stock appreciation right, restricted stock, restricted stock unit, deferred stock unit, other equity-based compensation, severance pay, retention, change in control, salary continuation, life, death benefit, health, hospitalization, workers’ compensation, sick leave, vacation pay, disability or accident insurance or other employee compensation or benefit plan, program, policy, agreement, arrangement or understanding, including any “employee benefit plan” (as defined in Section 3(3) of ERISA) (whether or not subject to ERISA) sponsored or maintained by such entity or to which such entity is a party.

“COBRA” shall mean the U.S. Consolidated Omnibus Budget Reconciliation Act of 1985, as amended from time to time, and any applicable similar state or local laws.

“Code” shall mean the U.S. Internal Revenue Code of 1986, as amended.

“Collective Bargaining Agreements” has the meaning set forth in Section 2.03.

“Continuing Options” has the meaning set forth in Section 12.03(c).

“Delayed Transfer Employee” has the meaning set forth in Section 2.02.

“Destination Employer” has the meaning set forth in Section 2.02.

“Employee Records” shall mean, to the extent existing and possessed by RemainCo and/or a member of the RemainCo Group prior to the Distribution Date, all personnel files and/or employee records (including, but not limited to, any IRS Form I-9, IRS Form W-2, and training- or compliance-related documents, whether or not included or retained within or outside each such individual’s personnel file) of the SpinCo Employees and Former SpinCo Employees, except for (i) “protected health information” under the Health Insurance Portability and Accountability Act of 1996, as amended, or any similar state, local or foreign Law (including forms of such individual’s work-related medical restriction(s)), or (ii) performance records.

“Employee Representative” shall mean any works council, employee representative, labor union, trade union, labor or management organization, labor board, group of employees, or any similar representative or employee representative body for any SpinCo Employees or Former SpinCo Employees.

“Employment Taxes” shall mean all fees, Taxes, social insurance payments or similar contributions to a fund of a Governmental Authority with respect to wages or other compensation of an employee or other service provider.

“ERISA” shall mean the U.S. Employee Retirement Income Security Act of 1974, as amended.

“Former Business” means any terminated, divested or discontinued businesses, operations or properties of either the RemainCo Group, the SpinCo Group, any of their respective members or any of their respective predecessors, in each case, prior to the Distribution.

“Former RemainCo Employee” shall mean a former employee who, on the applicable date, is not a Former SpinCo Employee.

“Former SpinCo Employee” shall mean, as of any applicable date, each individual who (a) as of immediately prior to such individual’s termination of employment (x) was a SpinCo Employee or (y) dedicated all or substantially all of his or her employment services to the activities and operations of the SpinCo Business (excluding any employees providing services to the SpinCo Group pursuant to the TSA) and (b) as of such applicable date, is not employed by any member of the SpinCo Group.

“Former SpinCo Independent Contractor” means (i) any individual who would qualify as a SpinCo Independent Contractor but whose engagement or service with RemainCo or any member of the RemainCo Group terminated for any reason prior to any applicable date, and (ii) any former individual independent contractor or consultant of RemainCo or any member of

the RemainCo Group who was exclusively or primarily engaged in the SpinCo Business (A) at the time either (x) such business was sold, conveyed, assigned, transferred, spun-off, split-off or otherwise disposed of or divested (in whole or in part) to a Person that is not a member of the SpinCo Group or the RemainCo Group or (y) the operations, activities or production of which were discontinued, abandoned, completed or otherwise terminated (in whole or in part), or (B) at any other time, but in such case only to the extent relating to his or her service with such SpinCo Business.

“Local Agreement” shall mean an agreement describing the implementation of the matters described in this Agreement (including, without limitation, matters regarding employment, compensation and employee benefits) with respect to Non-U.S. Employees in accordance with applicable non-U.S. Law in the custom of the applicable jurisdictions.

“Non-U.S. Employees” has the meaning set forth in Section 13.01.

“Pension Asset Transfer Amount” has the meaning set forth in Section 8.01.

“Post-SpinCo Share Price” shall mean the volume-weighted average per share price of SpinCo Common Stock on The Nasdaq Stock Market during the Distribution Date.

“Pre-SpinCo Share Price” shall mean the closing per share price of RemainCo Common Stock trading “regular way with due bills” on The Nasdaq Stock Market on the last trading day immediately prior to the Distribution Date.

“Projected Benefit Obligation” has the meaning set forth in Section 8.01.

“RemainCo 401(k) Plan” has the meaning set forth in Section 9.01.

“RemainCo Benefit Plan” shall mean any Benefit Plan sponsored, maintained or, unless such Benefit Plan is sponsored or maintained by a member of the SpinCo Group, contributed to by any member of the RemainCo Group or to which any member of the RemainCo Group is a party.

“RemainCo Common Stock” shall mean the issued and outstanding shares of Common Stock, par value \$1.00 per share, of RemainCo.

“RemainCo Employee” shall mean, as of any applicable date, (a) each individual who is an employee of the RemainCo Group as of immediately prior to the Distribution, including any individual who is not actively at work due to a leave of absence (including vacation, holiday, illness, injury, or short-term disability and including, until such time as provided in ARTICLE 7, any SpinCo LTD Employee) from which such employee is permitted to return to active employment in accordance with the RemainCo Group’s personnel policies, as in effect from time to time, or applicable Law, (b) each individual who becomes an active employee of the RemainCo Group following the Distribution, but, in each case, excluding any SpinCo Employee or Former SpinCo Employee and (c) each individual who, although deemed to be an employee of the SpinCo Group due to the Transfer of Undertakings because of such individual’s rendering of

services pursuant to the TSA or otherwise, is intended by RemainCo to be a RemainCo Employee.

“RemainCo Equity Award” means an equity incentive award to be issued by RemainCo pursuant to the RemainCo Equity Plans in accordance with ARTICLE 12.

“RemainCo Equity Plans” shall mean the 2016 Stock Incentive Plan, the 2016 Stock Incentive Plan for Non-Employee Directors, the 2011 Stock Incentive Plan, the 2006 Stock Incentive Plan, each as amended from time to time, and any other stock option, stock incentive compensation plan or arrangement, including equity award agreements, that is a RemainCo Benefit Plan, as in effect as of the time relevant to the applicable provision of this Agreement.

“RemainCo Flexible Spending Account” shall mean any flexible spending arrangement under any cafeteria plan qualifying under Section 125 of the Code that is a RemainCo Benefit Plan.

“RemainCo Health Savings Account” shall mean any health savings account under a health savings account plan that is a RemainCo Benefit Plan.

“RemainCo LTD Plan” shall mean any long-term disability insurance plan that is a RemainCo Benefit Plan.

“RemainCo Nonqualified Deferred Compensation Plans” shall mean the RemainCo Deferred Incentive Compensation Plan, the RemainCo Supplemental Savings Plan, the Supplemental Pension Plan, the Supplemental Executive Retirement Plan for Executives in Career Band 6 and Above, the Supplemental Defined Benefit Retirement Plan, each as amended from time to time, and any other nonqualified deferred compensation plan or arrangement (including individual arrangements) that is a RemainCo Benefit Plan, as in effect as of the time relevant to the applicable provision of this Agreement.

“RemainCo Partial Transfer Pension Plan” has the meaning set forth in Section 8.02.

“RemainCo Pension Plan” has the meaning set forth in Section 8.01.

“RemainCo Pension Trust” has the meaning set forth in Section 8.01.

“RemainCo Welfare Plan” shall mean each Welfare Plan that is a RemainCo Benefit Plan.

“Restricted Stock Unit” means a time-based restricted stock unit award.

“Restrictive Covenant Agreement” means any individual (i) Honeywell International Inc. Employee Agreement Relating to Trade Secrets, Proprietary and Confidential Information, (ii) Honeywell International Inc. Noncompete Agreement for Select Management Employees, or (iii) any other individual agreement containing restrictive covenants (including, without limitation, confidentiality, non-disclosure, non-competition, non-solicitation, non-interference, and/or non-hire restrictive covenants), in each case, between RemainCo or any member of the

RemainCo Group on the one hand, and any SpinCo Employee or Former SpinCo Employee on the other hand, as in effect immediately prior to the Distribution Date.

“SpinCo 401(k) Plan” has the meaning set forth in Section 9.01.

“SpinCo Benefit Plan” shall mean any Benefit Plan sponsored, maintained or, unless such Benefit Plan is sponsored or maintained by a member of the RemainCo Group, contributed to by any member of the SpinCo Group or to which any member of the SpinCo Group is a party.

“SpinCo Business” shall have the meaning set forth in the Separation Agreement.

“SpinCo Common Stock” shall mean the issued and outstanding shares of Common Stock, par value \$1.00 per share, of SpinCo.

“SpinCo Conversion Ratio” shall mean a fraction, the numerator of which is the Pre-SpinCo Share Price, and the denominator of which is the Post-SpinCo Share Price.

“SpinCo Employee” shall mean, as of any applicable date, (a) each individual who is an employee of the SpinCo Group as of immediately prior to the Distribution, including any individual who is not actively at work due to a leave of absence (including vacation, holiday, illness, injury, short-term disability but excluding, until such time as provided in ARTICLE 7, any SpinCo LTD Employee) from which such employee is permitted to return to active employment in accordance with the SpinCo Group’s personnel policies, as in effect from time to time, or applicable Law, (b) each individual who becomes an active employee of the SpinCo Group following the Distribution, but, in each case of clause (a) or (b), excluding any Former SpinCo Employee, (c) each individual listed in a Local Agreement as a SpinCo Employee and (d) each individual who, although deemed to be an employee of the RemainCo Group due to the Transfer of Undertakings because of such individual’s rendering of services pursuant to the TSA or otherwise, is intended by RemainCo to be a SpinCo Employee; provided, however, that unless otherwise required by applicable Law, each individual listed in a Local Agreement as a RemainCo Employee shall be a RemainCo Employee for all purposes of this Agreement.

“SpinCo Option” shall mean a SpinCo Equity Award that is a Stock Option.

“SpinCo Employee PCU” shall mean a performance cash unit that has been granted to a SpinCo Employee under a RemainCo Equity Plan.

“SpinCo RSU” shall mean a SpinCo Equity Award that is a Restricted Stock Unit.

“SpinCo Equity Award” means a RemainCo Equity Award that has been granted to a SpinCo Employee, SpinCo Non-Employee Director or SpinCo Independent Contractor and that, after application of ARTICLE 12, is denominated in SpinCo Common Stock.

“SpinCo Full Transfer Pension Plans” has the meaning set forth in Section 8.03.

“SpinCo Independent Contractor” shall mean each individual who, as of the date on which RemainCo determines to transfer the contracts of service of applicable individuals to

SpinCo or another member of the SpinCo Group, is engaged as an independent contractor or consultant by RemainCo or any member of the RemainCo Group or who is party to any agreement with RemainCo or any member of the RemainCo Group contemplating future service, and in each case who RemainCo determines as of such date is (or who, pursuant to such agreement contemplating future service, would be) either (i) exclusively or primarily engaged in the SpinCo Business or (ii) necessary for the ongoing operation of the SpinCo Business following the Distribution.

“SpinCo Long-Term Incentive Plan” has the meaning set forth in Section 12.01.

“SpinCo LTD Employee” shall mean any employee of the SpinCo Group who, as of immediately prior to the employee’s transfer to a member of the SpinCo Group or the Distribution, which is earlier, is receiving long-term disability benefits under the RemainCo LTD Plan.

“SpinCo Non-Employee Director” shall mean any member of the board of directors of SpinCo who was a member of the board of directors of RemainCo as of immediately prior to the Distribution and who is not a SpinCo Employee.

“SpinCo Partial Transfer Pension Plan” has the meaning set forth in Section 8.02.

“SpinCo U.S. Pension Liabilities” has the meaning set forth in Section 8.01.

“SpinCo U.S. Pension Participants” has the meaning set forth in Section 8.01.

“SpinCo U.S. Pension Plan” has the meaning set forth in Section 8.01.

“SpinCo U.S. Pension Transfer Date” has the meaning set forth in Section 8.01.

“SpinCo U.S. Pension Trust” has the meaning set forth in Section 8.01.

“SpinCo Welfare Plans” has the meaning set forth in Section 6.01.

“Stock Option” means an option to acquire common stock.

“Subsidiary” of any Person shall mean any corporation or other organization whether incorporated or unincorporated of which at least a majority of the securities or interests having by the terms thereof ordinary voting power to elect at least a majority of the board of directors or others performing similar functions with respect to such corporation or other organization is directly or indirectly owned or controlled by such Person or by any one or more of its Subsidiaries, or by such Person and one or more of its Subsidiaries; provided, however, that solely for purposes of this Agreement, SpinCo and its Subsidiaries shall not be considered Subsidiaries of RemainCo (or members of the RemainCo Group) prior to, on or after the Distribution.

“Tax Return” shall have the meaning set forth in the TMA.

“Taxes” shall have the meaning set forth in the TMA.

“Taxing Authority” shall have the meaning set forth in the TMA.

“TMA” shall mean the Tax Matters Agreement dated as of the date of this Agreement by and between RemainCo and SpinCo.

“Transfer of Undertakings” shall mean the Transfers of Undertakings Directive 2001/23/EC of the European Council and any similar applicable Law.

“TSA” shall mean the Transition Services Agreement dated as of the date of this Agreement by and between RemainCo and SpinCo.

“UK Share Purchase Plan” has the meaning set forth in Section 12.08.

“Welfare Plan” shall mean each Benefit Plan that provides life insurance, health care, dental care, accidental death and dismemberment insurance, disability, severance, vacation or other group welfare or fringe benefits.

“Welfare Plan Date” has the meaning set forth in Section 6.01.

ARTICLE 2

GENERAL PRINCIPLES

Section 2.01. SpinCo Employees; SpinCo Independent Contractors. Except as provided in Section 2.02, all SpinCo Employees as of immediately prior to the Distribution shall continue to be employees of the SpinCo Group immediately following the Distribution. The Parties hereto agree that none of the transactions contemplated by the Separation Agreement or any of the Ancillary Agreements, including this Agreement, shall result in any SpinCo Employee, SpinCo LTD Employee or Former SpinCo Employee being deemed to have incurred a termination of employment or being eligible to receive severance benefits, solely as a result of the Distribution. To the extent permitted by applicable Law, through and until immediately prior to the Distribution Date, RemainCo shall use commercially reasonable efforts to (i) cause the contract of services of any natural person SpinCo Independent Contractor to be transferred to (or retained by, as applicable) a member of the SpinCo Group and (ii) cause the contract of services between any natural person RemainCo Independent Contractor engaged directly by a member of the SpinCo Group who does not qualify as a SpinCo Independent Contractor and a member of the SpinCo Group, to be transferred to a member of the RemainCo Group.

Section 2.02. Delayed Transfer Employees. To the extent that applicable Law (including the Transfer of Undertakings) or any arrangement with a Governmental Authority or any agreement between Parties prevents the Parties from causing any (a) RemainCo Employee who is intended to be a SpinCo Employee to be employed by a member of the SpinCo Group as of immediately following the Distribution as contemplated by Section 2.01 or (b) SpinCo Employee who is intended to be a RemainCo Employee to be employed by a member of the RemainCo Group as of immediately following the Distribution (each such employee, a “Delayed Transfer”

Employee” and the SpinCo Group or RemainCo Group entity to which such Delayed Transfer Employee is intended to be transferred, the “Destination Employer”), the Parties shall use commercially reasonable efforts to ensure that (i) such Delayed Transfer Employee becomes employed by the Destination Employer at the earliest time permitted by applicable Law or such agreement with a Governmental Authority and (ii) the Destination Employer receives the benefit of such Delayed Transfer Employee’s services from and after the Distribution, including under the TSA or by entering into an employee leasing or similar arrangement. “Delayed Transfer Employee” shall also include (x) any RemainCo Employee who, following the Distribution, provides services to the SpinCo Group under the TSA and whose employment is intended by RemainCo to transfer to the SpinCo Group following the completion of the applicable TSA service, and with respect to such Delayed Transfer Employees, the Parties shall use commercially reasonable efforts to ensure that any such Delayed Transfer Employee becomes employed by the SpinCo Group as soon as practicable following the completion of the applicable TSA service, and (y) any RemainCo Employee located in the United Arab Emirates and/or Saudi Arabia as of immediately prior to the Distribution and whose employment is intended to transfer to the SpinCo Group as of immediately following the Distribution as contemplated by Section 2.01, and with respect to each such Delayed Transfer Employee, the Parties shall use commercially reasonable efforts to ensure that each such Delayed Transfer Employee becomes employed by the SpinCo Group as soon as practicable following the Distribution. From and after the commencement of a Delayed Transfer Employee’s employment with the Destination Employer, such Delayed Transfer Employee shall be treated for all purposes of this Agreement, including Section 4.02, as if such Delayed Transfer Employee commenced employment with the Destination Employer as of the Distribution as contemplated by Section 2.01.

Section 2.03. Collectively Bargained Employees. All provisions contained in this Agreement providing for the treatment of compensation and benefits in connection with the Distribution shall apply equally to any employee who is covered by any agreements or arrangements with any collective bargaining representative, works council, labor union, trade union, labor or management organization, group of employees, or other Employee Representative (collectively, “Collective Bargaining Agreements”), including all (i) national or sector specific collective agreements which are applicable to SpinCo Employees and (ii) modifications of, or amendments to, such agreements or arrangements and any rules, procedures, awards or decisions of Governmental Authorities interpreting or applying such agreements, except to the extent that any such agreement specifically provides for the compensation or benefits contemplated by such provision and, in each such case, such agreement shall apply rather than the terms of this Agreement.

Section 2.04. Collective Bargaining Agreements. As of the Distribution, SpinCo shall, and shall cause the members of the SpinCo Group as appropriate to, adopt and assume any Collective Bargaining Agreement covering any of the SpinCo Employees immediately prior to the Distribution, subject to any agreed-upon changes required by the transition of such Collective Bargaining Agreement to SpinCo or applicable Law, and recognize the works councils, labor unions and other Employee Representatives that are party to such Collective Bargaining Agreements; provided that any compensation or benefits that were, prior to the Distribution, provided to SpinCo Employees under the Collective Bargaining Agreements through the

RemainCo Benefit Plans shall, to the extent such compensation and benefits are still required to be provided under the Collective Bargaining Agreements on and after the Distribution, be provided as mutually agreed with such works councils, labor unions and other Employee Representatives through the SpinCo Benefit Plans as set forth in this Agreement. Nothing in this Agreement is intended to alter the provisions of any Collective Bargaining Agreement or modify in any way the obligations of the RemainCo Group or the SpinCo Group to any Employee Representative or any other Person as described in such Collective Bargaining Agreement.

Section 2.05. Information and Consultation. The Parties shall, and shall cause the other members of the RemainCo Group and/or SpinCo Group (as applicable) to, comply with all requirements and obligations to inform, consult or otherwise notify any SpinCo Employees, any RemainCo Employees, and/or Employee Representatives in relation to the Distribution or other transactions contemplated by this Agreement and/or the Separation Agreement, whether required pursuant to any Collective Bargaining Agreement, the Transfer of Undertakings, or other applicable Law.

Section 2.06. Liabilities and Assets Generally.

(a) All Liabilities and Assets Assumed or retained by a member of the RemainCo Group under this Agreement shall be RemainCo Liabilities or RemainCo Assets, respectively, for purposes of the Separation Agreement. All Liabilities and Assets Assumed or retained by a member of the SpinCo Group under this Agreement shall be SpinCo Liabilities or SpinCo Assets, respectively, for purposes of the Separation Agreement.

(b) From and after the Distribution Date, except as expressly provided in this Agreement (or a Local Agreement) or as required under applicable Law:

(i) SpinCo and the SpinCo Group shall assume or retain, as applicable, and SpinCo hereby agrees to pay, perform, fulfill and discharge, in due course in full, (i) all Liabilities with respect to the employment, engagement, service, or termination of employment, engagement, or service of all SpinCo Employees, Former SpinCo Employees, SpinCo Independent Contractors, Former SpinCo Independent Contractors, and their dependents and beneficiaries, and other service providers, in each case, to the extent arising, in whole or in part, in connection with or as a result of employment, engagement or service with or the performance or services to or on behalf of any member of the SpinCo Group, (ii) all Liabilities under all SpinCo Benefit Plans, whenever incurred, (iii) any other Liabilities expressly assigned to SpinCo or any member of the SpinCo Group under this Agreement, and

(ii) RemainCo and the RemainCo Group shall assume or retain, as applicable, and RemainCo hereby agrees to pay, perform, fulfill and discharge, in due course in full (i) all Liabilities with respect to the employment, engagement, service, or termination of employment of all RemainCo Employees, Former RemainCo Employees, SpinCo Independent Contractors, Former SpinCo Independent Contractors, and their dependents and beneficiaries, and other service providers, in each case to the extent solely arising in connection with or as a result of employment, engagement or service

with or the performance of services to or on behalf of any member of the RemainCo Group, (ii) all Liabilities under all RemainCo Benefit Plans, whenever incurred, and (iii) any other Liabilities expressly assigned to RemainCo or any member of the RemainCo Group under this Agreement.

(c) From and after the Distribution Date, except as expressly provided in this Agreement (or a Local Agreement) or as required under applicable Law:

(i) SpinCo and the SpinCo Group shall Assume or retain, as applicable, all Assets held in trust to fund the SpinCo Benefit Plans and all insurance policies funding the SpinCo Benefit Plans.

(ii) RemainCo and the RemainCo Group shall Assume or retain, as applicable, all Assets held in trust to fund the RemainCo Benefit Plans and all insurance policies funding the RemainCo Benefit Plans.

Section 2.07. Benefit Plans.

(a) Except as otherwise specifically provided in this Agreement or as may otherwise be provided in accordance with the TSA, as of the Distribution, (i) each SpinCo Employee (and each of their respective dependents and beneficiaries) shall cease active participation in, and each member of the SpinCo Group shall cease to be a participating employer in, all RemainCo Benefit Plans, and, as of such time, SpinCo shall, or shall cause its Subsidiaries to, have in effect such corresponding SpinCo Benefit Plans as are necessary to comply with its obligations pursuant to this Agreement and (ii) each RemainCo Employee (and each of their respective dependents and beneficiaries) shall cease active participation in, and each member of the RemainCo Group shall cease to be a participating employer in, all SpinCo Benefit Plans.

(b) Effective upon the Distribution, except as otherwise specifically provided in this Agreement (or a Local Agreement), (i) RemainCo shall, or shall cause one or more members of the RemainCo Group to, retain, pay, perform, fulfill and discharge all Liabilities arising out of or relating to all RemainCo Benefit Plans, and (ii) SpinCo shall, or shall cause one of the members of the SpinCo Group to, retain, pay, perform, fulfill and discharge all Liabilities arising out of or relating to all SpinCo Benefit Plans.

Section 2.08. Payroll Services. Except as may otherwise be provided in accordance with the TSA, on and after the Distribution, the members of the SpinCo Group shall be solely responsible for providing payroll services to the SpinCo Employees, Former SpinCo Employees, SpinCo Independent Contractors, and Former SpinCo Independent Contractors.

Section 2.09. No Change in Control. The Parties hereto agree that none of the transactions contemplated by the Separation Agreement or any of the Ancillary Agreements, including this Agreement, constitutes a “change in control,” “change of control” or similar term, as applicable, within the meaning of any RemainCo Benefit Plan or SpinCo Benefit Plan, including the SpinCo Long-Term Incentive Plan.

Section 2.10. Inadvertent Transfers. In the event that RemainCo determines following the Distribution that an individual who was intended to be a RemainCo Employee or a SpinCo Employee has inadvertently become employed by the SpinCo Group or the RemainCo Group, respectively, for any reason, the Parties shall cooperate in good faith and take such actions as may be reasonably necessary in order to cause the employment of such individuals to be promptly transferred to a member of the RemainCo Group or the SpinCo Group, as applicable, and as intended by RemainCo prior to the Distribution.

Section 2.11. Employee Records. Unless prohibited by applicable Law, on or within an agreed upon period following the Distribution Date, RemainCo shall assign, transfer, and deliver (or cause to be assigned, transferred, and delivered) to SpinCo copies of any and all Employee Records with respect to SpinCo Employees and Former SpinCo Employees, in each case in a manner compliant with applicable Law and as agreed upon by the applicable members of the RemainCo Group and SpinCo Group in each applicable jurisdiction; provided, however, that nothing herein shall require the transfer of any Employee Records already in the possession of the SpinCo Group or any member thereof. RemainCo and the members of the RemainCo Group shall be permitted to retain copies (or, where required by applicable Law, originals) of all Employee Records except where prohibited by applicable Law.

Section 2.12. Foreign National Employees. SpinCo shall, and shall cause its Subsidiaries to, employ all SpinCo Employees who are foreign nationals working in the United States on non-immigrant visa status (including, without limitation, on an H-1B visa) or who are working outside of the jurisdiction of such SpinCo Employee's citizenship under terms and conditions such that SpinCo and/or its Subsidiaries, as applicable, qualify as a "successor employer" or successor-in-interest to the SpinCo Business for purposes of such SpinCo Employee's jurisdiction's applicable immigration Laws effective as of the Distribution Date. Prior to the Distribution Date, the Parties shall cooperate in good faith and take such actions as may be reasonably necessary to ensure the proper and prompt transfer of the sponsorship of work permits and immigration visas as applicable. On and after the Distribution Date, SpinCo (i) shall, and shall cause its Subsidiaries to, use best efforts to process and support visa, green card or similar applications with respect to SpinCo Employees working outside of the jurisdiction of such SpinCo Employee's citizenship, and (ii) shall assume and be solely responsible for all immigration-related Liabilities and responsibilities with respect to such SpinCo Employees.

Section 2.13. Restrictive Covenant Agreements. RemainCo shall use commercially reasonable efforts to assign and transfer, or cause an applicable member of the RemainCo Group to assign and transfer, to SpinCo or another member of the SpinCo Group as designated in advance in writing by SpinCo, all rights and benefits under the Restrictive Covenant Agreements, with such assignment effective as of the Distribution Date. SpinCo and SpinCo shall accept such assignment (or cause such assignment to be accepted) of any Restrictive Covenant Agreement assigned pursuant to this Section 2.13, with such assignment effective as of the Distribution Date. To the extent permitted by applicable Law, RemainCo and the members of the RemainCo Group, as applicable, shall retain, on a non-exclusive basis, all of its and their respective rights under each Restrictive Covenant Agreement as assigned hereunder, including, but not limited to, the right to enforce or seek relief upon any breach or threatened breach of any

restrictive covenants or obligations therein in any action or proceeding. Notwithstanding the foregoing, to the extent necessary for any SpinCo Employee to perform services for the SpinCo Group as an employee thereof following the Distribution, effective as of the Distribution Date, RemainCo shall (or shall cause one or more members of the RemainCo Group to) waive any existing non-competition, non-solicitation, no-hire, confidentiality, or other restrictive covenants owed to RemainCo or any member of the RemainCo Group solely to the extent necessary for such SpinCo Employee to perform such services for the SpinCo Group.

ARTICLE 3

NON-EQUITY INCENTIVES

Section 3.01. SpinCo Employee Cash Incentives. SpinCo Group shall pay any cash incentive compensation earned or accrued by any SpinCo Employee or Former SpinCo Employee and that remains unpaid as of the Distribution Date any cash incentive compensation due for the 2025 performance year pursuant to the terms and conditions of the applicable cash incentive plan or policy in effect on the Distribution Date.

Section 3.02. SpinCo Employee Performance Cash Units. Effective as of the Distribution Date, each SpinCo Employee PCU that is outstanding as of immediately prior to the Distribution shall be assumed by SpinCo and converted into an adjusted performance cash unit (an “Adjusted PCU”), with the same terms and conditions as were applicable to such SpinCo Employee PCU immediately prior to the Effective Time, provided that, (a) any performance conditions applicable to such Adjusted PCU with respect to any SpinCo Employee PCU granted prior to 2025 and the first tranche of any SpinCo Employee PCU granted in 2025 shall be measured based on the attainment of the actual level of performance immediately prior to the Distribution Date, as determined by the Management Development and Compensation Committee of RemainCo board of directors, and shall continue to vest based on continued employment through the applicable service period(s) and (b) any performance conditions applicable to such Adjusted PCU with respect to the second and third tranches of any SpinCo Employee PCU granted in 2025 may be adjusted as determined by the compensation committee of SpinCo following the Distribution.

ARTICLE 4

SERVICE CREDIT

Section 4.01 RemainCo Benefit Plans. Except as may otherwise be provided in accordance with the TSA and except as otherwise provided in Section 12.03, service of SpinCo Employees and Former SpinCo Employees, on and after the Distribution, with any member of the SpinCo Group or any other employer, as applicable, other than any member of the RemainCo Group, shall not be taken into account for any purpose under any RemainCo Benefit Plan.

Section 4.02. SpinCo Benefit Plans. Unless prohibited by applicable Law, SpinCo shall, and shall cause its Subsidiaries to, credit service accrued by each SpinCo Employee with, or otherwise recognized for purposes of any Benefit Plan by, any member of the RemainCo Group

or the SpinCo Group on or prior to the Distribution for purposes of (a) eligibility, vesting and benefit accrual under each SpinCo Benefit Plan under which service is relevant in determining eligibility, vesting and benefit accrual, (b) determining the amount of severance payments and benefits (if any) payable under each SpinCo Benefit Plan that provides severance payments or benefits and (c) determining the number of vacation days to which each such employee shall be entitled following the Distribution, in the case of clauses (a), (b) and (c), (i) to the same extent recognized by the relevant members of the RemainCo Group or SpinCo Group or the corresponding RemainCo Benefit Plan or SpinCo Benefit Plan immediately prior to the later of the Distribution Date and the date such employee ceases participating in the applicable RemainCo Benefit Plan in accordance with the TSA and (ii) except to the extent such credit would result in a duplication of benefits for the same period of service.

ARTICLE 5

SEVERANCE

Section 5.01. Severance. The SpinCo Group shall be solely responsible for all Liabilities, including all severance or other separation payments and benefits (including any termination indemnity or retirement indemnity plan (e.g., the termination indemnity plan in France)), relating to the termination or alleged termination of any SpinCo Employee's or Former SpinCo Employee's employment, whether occurring prior to, on or following the Distribution Date. For the avoidance of doubt, such Liabilities shall include any employer-paid portion of any Employment Taxes and shall be treated as Liabilities of SpinCo and the SpinCo Group in accordance with the principles of Section 2.06.

ARTICLE 6

CERTAIN WELFARE BENEFIT PLAN MATTERS; WORKERS' COMPENSATION LIABILITIES

Section 6.01. SpinCo Welfare Plans. Without limiting the generality of Section 2.07, effective as of the Distribution or such other date as agreed to between RemainCo and SpinCo in accordance with the TSA (such applicable date, the "Welfare Plan Date"), SpinCo shall establish Welfare Plans (collectively, the "SpinCo Welfare Plans") to provide welfare benefits to the SpinCo Employees (and their dependents and beneficiaries) in each applicable jurisdiction and as of the applicable Welfare Plan Date, each SpinCo Employee (and his or her dependents and beneficiaries) shall cease active participation in the corresponding RemainCo Welfare Plan. For the avoidance of doubt, for purposes of this **ARTICLE 6**, the term "SpinCo Employees" shall be deemed to include any Former SpinCo Employee who was receiving welfare benefits in connection with his or her termination of employment from a member of the RemainCo Group or the SpinCo Group as of the applicable Welfare Plan Date. Notwithstanding the foregoing, to the extent that RemainCo determines that the aforementioned provision of material welfare benefits by SpinCo to one or more SpinCo Employees or a Former SpinCo Employee is not feasible, the Parties shall cooperate in good faith and take such actions as may be reasonably necessary in order to cause the SpinCo Employees or Former SpinCo Employees to receive substantially equivalent value for such benefits.

Section 6.02. Allocation of Welfare Benefit Claims. (a) The members of the RemainCo Group shall retain all Liabilities in accordance with the applicable RemainCo Welfare Plan for all reimbursement claims (such as medical and dental claims) and for all non-reimbursement claims (such as life insurance claims), in each case, incurred by SpinCo Employees and Former SpinCo Employees (and each of their respective dependents and beneficiaries) under such plans prior to the applicable Welfare Plan Date and (b) the members of the SpinCo Group shall retain all Liabilities in accordance with the SpinCo Welfare Plans for all reimbursement claims (such as medical and dental claims) and for all non-reimbursement claims (such as life insurance claims), in each case, incurred by SpinCo Employees and Former SpinCo Employees (and each of their respective dependents and beneficiaries) on or after the applicable Welfare Plan Date; provided that SpinCo shall reimburse RemainCo in accordance with the TSA for Liabilities incurred under clause (a) between the Distribution Date and the applicable Welfare Plan Date. For purposes of this Section 6.02, a benefit claim shall be deemed to be incurred as follows: (i) health, dental, vision, employee assistance program and prescription drug benefits (including in respect of any hospital confinement), upon provision of such services, materials or supplies; and (ii) life, accidental death and dismemberment and business travel accident insurance benefits, upon the death, cessation of employment or other event giving rise to such benefits.

Section 6.03. Workers' Compensation Liabilities. Effective upon the Distribution, (x) SpinCo shall assume all Liabilities for SpinCo Employees, Former SpinCo Employees, SpinCo Independent Contractors, and Former SpinCo Independent Contractors related to any and all workers' compensation injuries, incidents, conditions, claims or coverage where such injuries, incidents, claims or coverage were incurred on or following the Distribution Date, and SpinCo shall be fully responsible for the administration, management and payment of all such claims and satisfaction of all such Liabilities and (y) RemainCo shall retain all Liabilities for SpinCo Employees, Former SpinCo Employees, SpinCo Independent Contractors, and Former SpinCo Independent Contractors related to any and all workers' compensation injuries, incidents, conditions, claims or coverage where such injuries, incidents, claims or coverage were incurred prior to the Distribution Date, and RemainCo shall be fully responsible for the administration, management and payment of all such claims and satisfaction of all such Liabilities.

Section 6.04. COBRA. In the event that a SpinCo Employee or Former SpinCo Employee (a) was receiving, or was eligible to receive, continuation health coverage pursuant to COBRA on or prior to the applicable Welfare Plan Date, RemainCo and the RemainCo Welfare Plans shall be responsible for all Liabilities to such employee (or his or her eligible dependents) in respect of COBRA; or (b) becomes eligible to receive continuation health coverage pursuant to COBRA following the applicable Welfare Plan Date, SpinCo and the SpinCo Welfare Plans shall be responsible for all Liabilities to such employee (or his or her eligible dependents) in respect of COBRA; provided that SpinCo shall reimburse RemainCo in accordance with the TSA for Liabilities incurred under clause (a). SpinCo shall indemnify, defend and hold harmless the members of the RemainCo Group from and against any and all Liabilities relating to, arising out of or resulting from COBRA provided by SpinCo, or the failure of SpinCo to meet its COBRA obligations, to SpinCo Employees, Former SpinCo Employees and their respective eligible dependents.

Section 6.05. Health Savings Account. Without limiting the generality of Section 2.06, Section 2.07 and Section 14.01 and subject to Section 16.09, RemainCo and SpinCo shall use commercially reasonable efforts to cooperate in administering any RemainCo Health Savings Account in connection with the Distribution in accordance with the terms of the applicable RemainCo Benefit Plan, including by exchanging any necessary participant records and engaging recordkeepers, administrators, providers, insurers and other third parties.

Section 6.06. Flexible Spending Account. Without limiting the generality of Section 2.06, Section 2.07 and Section 14.01 and subject to Section 16.09, RemainCo and SpinCo shall use commercially reasonable efforts to cooperate in administering any RemainCo Flexible Spending Account in connection with the Distribution in accordance with the terms of the applicable RemainCo Benefit Plan, including by exchanging any necessary participant records and engaging recordkeepers, administrators, providers, insurers and other third parties.

ARTICLE 7

LONG-TERM DISABILITY

Section 7.01. Benefits. Except as otherwise specifically provided in this Agreement and subject to Section 7.02, on and after the Distribution, the SpinCo LTD Employees shall be deemed to be employees of the RemainCo Group for purposes of this Agreement, including participation in the RemainCo LTD Plans; provided that SpinCo shall reimburse RemainCo in accordance with the TSA for Liabilities incurred under this Section 7.01 with respect to any additional ancillary benefits that any SpinCo LTD Employee is eligible to receive while receiving payments under any RemainCo LTD Plan, in accordance with applicable RemainCo policies (including, without limitation, continued health insurance subsidies, continued participation in life insurance programs and continued participation in any RemainCo Benefit Plan other than a RemainCo LTD Plan). For the avoidance of doubt, other than the benefits provided under any RemainCo LTD Plan to any SpinCo LTD Employee, all Liabilities with respect to SpinCo LTD Employees (including, without limitation, any Liabilities arising out of any such SpinCo LTD Employee ceasing to participate in, or receive benefits under, any RemainCo LTD Plan for any reason) shall be treated as a Liability of SpinCo and the SpinCo Group in accordance with Section 2.05.

Section 7.02. Return to Work. To the extent required by applicable SpinCo policies, as in effect from time to time, and applicable Law, SpinCo shall, or shall cause its Subsidiaries to, employ any SpinCo LTD Employee at such time, if any, as such SpinCo LTD Employee is ready to return to active employment, and from and after such time, such employee shall no longer be deemed an employee of the RemainCo Group and shall be deemed a SpinCo Employee for purposes of this Agreement; provided that if SpinCo receives actual notice from the RemainCo Group, the SpinCo LTD Employee or otherwise that such SpinCo LTD Employee is ready to return to active employment, and such SpinCo LTD Employee is not employed by a member of the SpinCo Group due to applicable SpinCo policies, and if such SpinCo LTD Employee's employment is terminated by a member of the RemainCo Group within a reasonable time thereafter, SpinCo shall indemnify the RemainCo Group for all Liabilities incurred in connection with such termination.

ARTICLE 8

DEFINED BENEFIT PENSION PLANS

Section 8.01. RemainCo U.S. Defined Benefit Pension Plan. Notwithstanding Section 2.07 or any other provision of this Agreement to the contrary, following the Distribution, the RemainCo Group shall retain sponsorship of the RemainCo International Inc. Retirement Earnings Plan (the “RemainCo Pension Plan”) and all assets and Liabilities arising out of or relating to the RemainCo Pension Plan; provided that on or prior to the Distribution, RemainCo shall assign, and SpinCo shall accept such assignment (or cause such assignment to be accepted), to a new U.S. defined benefit pension plan sponsored by SpinCo (the “SpinCo U.S. Pension Plan”) all Liabilities for vested and unvested benefits under the RemainCo Pension Plan relating to SpinCo Employees and SpinCo LTD Employees (the “SpinCo U.S. Pension Liabilities,” and such individuals, the “SpinCo U.S. Pension Participants”). No later than the Distribution Date, SpinCo shall establish or maintain, or cause to be established or maintained, such SpinCo U.S. Pension Plan, which shall have material terms and conditions that are substantially identical to the terms and conditions of the RemainCo Pension Plan that apply to the SpinCo U.S. Pension Participants and shall be (or remain) qualified under Section 401(a) of the Code, and a trust which is part of such SpinCo U.S. Pension Plan and which shall be exempt from tax under Section 501(a) of the Code (the “SpinCo U.S. Pension Trust”). Each SpinCo U.S. Pension Participant shall become a participant in the SpinCo U.S. Pension Plan as of the Distribution Date. As soon as administratively practicable following the Distribution Date, but subject to the following paragraph, RemainCo shall transfer (or cause to be transferred) from the applicable tax-qualified trust which is part of the RemainCo Pension Plan (the “RemainCo Pension Trust”) to the SpinCo U.S. Pension Trust an amount of assets (the “Pension Asset Transfer Amount”) from the RemainCo U.S. Pension Trust with a fair market value that results from maintaining the same funded ratio (market value of assets over plan liabilities) as the predecessor/combined pension plan, as calculated by an actuary designated by RemainCo using the actuarial assumptions and calculation procedures dictated by ERISA 4044 for the calendar month immediately prior to the calendar month in which the Distribution Date occurs. The fair market value of such transferred assets will be based on actual market values as of the date of transfer (and, for the avoidance of doubt, such amount of assets shall be determined and certified by an actuary in accordance with Section 414(l) of the Code and Treasury Regulation 1.414(l)-1 promulgated thereunder). In executing this transfer, 90% of the estimated transfer value will be transferred on the Distribution Date with the remaining true-up transfer occurring as soon as practicable, but not later than six months after the Distribution Date. The true-up transfer will be adjusted for investment returns of the RemainCo pension trust from Distribution Date until final true-up transfer is completed. The date of such final transfer is hereinafter referred to as the “SpinCo U.S. Pension Transfer Date.” The Pension Asset Transfer Amount shall be adjusted, for the period between the Distribution and the SpinCo U.S. Pension Transfer Date, to reflect (i) investment earnings (or losses) on the Pension Asset Transfer Amount, based on the actual rate of return for the Honey Pension Plan during such period, (ii) any benefit payments that are made from the RemainCo Pension Trust to the SpinCo U.S. Pension Participants during such period and (iii) reasonable costs and expenses incurred by RemainCo in respect of the SpinCo U.S. Pension Participants during such period. The Pension Asset Transfer Amount, as adjusted in

accordance with the preceding sentence, shall be transferred in a combination of cash and in-kind assets as agreed between RemainCo and SpinCo, provided, however, that the RemainCo Pension Trust shall not be obligated to convert assets into cash to the extent that such conversion would result in a significant reduction in the value of such assets or the remaining assets with respect to the RemainCo Pension Plan.

Notwithstanding the foregoing, no transfer of Liabilities or assets shall be made from the RemainCo Pension Trust to the SpinCo U.S. Pension Trust until the later of (a) such date as agreed to between RemainCo and SpinCo in accordance with the TSA, if any, and (b) such time as RemainCo has determined, in its sole discretion, that (i) SpinCo has established the SpinCo U.S. Pension Trust, (ii) the SpinCo U.S. Pension Plan satisfies the requirements for a qualified plan under Section 401(a) of the Code, (iii) the SpinCo U.S. Pension Trust is exempt from tax under Section 501(a) of the Code and (iv) the parties have received all other approvals from all applicable Governmental Authorities (or such approvals are pending). Following the SpinCo U.S. Pension Transfer Date, RemainCo and the RemainCo Group shall have no further liability (either under this Agreement or otherwise) to provide the SpinCo U.S. Pension Participants with benefits under the RemainCo Pension Plan. The SpinCo U.S. Pension Plan and the SpinCo U.S. Pension Trust (and any successor to such plan and/or trust) shall provide that (i) with respect to assets transferred to the SpinCo U.S. Pension Trust from the RemainCo Pension Trust, such assets shall be held by the SpinCo U.S. Pension Trust for the exclusive benefit of the participants in the SpinCo U.S. Pension Plan, and (ii) the accrued benefits as of the Distribution Date of each SpinCo U.S. Pension Participant may not be decreased by amendment or otherwise. Following the date of this Agreement, RemainCo and SpinCo shall use commercially reasonable efforts to cooperate in administering the SpinCo U.S. Pension Plan, including by exchanging any necessary participant records, engaging recordkeepers, administrators, providers, insurers and other third parties and making any and all filings and submissions to the appropriate Governmental Authorities in effectuating the provisions of this Section 8.01 (including IRS Forms 5310-A in respect of the transfers of assets and, in the event that the transactions contemplated by this Agreement constitute a “reportable event” within the meaning of Section 4043 of ERISA and the regulations promulgated thereunder for which the applicable notice period has not been waived, timely notification to the Pension Benefit Guaranty Corporation and filing of all reports required in connection therewith). For the avoidance of doubt, the SpinCo U.S. Pension Plan shall be a SpinCo Benefit Plan.

Section 8.02. Non-U.S. Partial Transfer Pension Plans. Except as required by applicable Law or under the terms of a Local Agreement, RemainCo and SpinCo shall use commercially reasonable efforts to effectuate an assignment and transfer of Liabilities for vested and unvested benefits relating to SpinCo Employees and SpinCo LTD Employees, and an amount of assets related thereto, under any non-U.S. defined benefit pension plans sponsored by RemainCo or a member of the RemainCo Group in respect of employees in Japan and Switzerland (each, a “RemainCo Partial Transfer Pension Plan”) to a non-U.S. defined benefit pension plan or plans sponsored by SpinCo (each, a “SpinCo Partial Transfer Pension Plan”) in accordance with the principles of Section 8.01 (or any analogous principles or other requirements under applicable Law), except that the amount of assets transferred from any such RemainCo Partial Transfer Pension Plan (or any trust related thereto) to a corresponding SpinCo Partial Transfer Pension

Plan (or any trust related thereto) shall be determined on a plan-by-plan, country-by-country (or, if required by applicable Law, other jurisdiction-by-jurisdiction) basis and shall be equal to a percentage of the Projected Benefit Obligation relating to SpinCo Employees, SpinCo LTD Employees and Former SpinCo Employees participating in such RemainCo Partial Transfer Pension Plan or SpinCo Partial Transfer Pension Plan, as of the Distribution Date, applicable to such plan in such country (or other required jurisdiction) equal to the applicable RemainCo Partial Transfer Pension Plan's funding level (expressed as a percentage and as determined by an actuary designated by RemainCo) in such country (or other required jurisdiction) as of the Distribution Date, or such higher amount as required by applicable Law in such country (or other required jurisdiction). For the avoidance of doubt, any such SpinCo Partial Transfer Pension Plan shall be a SpinCo Benefit Plan. Further details regarding the treatment of the RemainCo Partial Transfer Pension Plans and SpinCo Partial Transfer Pension Plans will be as set forth in the applicable Local Agreement.

Section 8.03. Non-U.S. Full Transfer Pension Plans. Following the Distribution, the SpinCo Group shall retain sponsorship of the defined benefit pension plan in Germany set forth on Schedule 8.03 to this Agreement (the "SpinCo Full Transfer Pension Plan") and all pension Liabilities relating to such plan. For the avoidance of doubt, following such assignment and transfer, the SpinCo Full Transfer Pension Plan shall be a SpinCo Benefit Plan.

ARTICLE 9

DEFINED CONTRIBUTION PLANS

Section 9.01. SpinCo 401(k) Plan. Effective as of the first of the month following the month in which the Distribution occurs (or such other date coincident with or following the Distribution Date as determined by an authorized officer of SpinCo), SpinCo shall establish a defined contribution plan that includes a qualified cash or deferred arrangement within the meaning of Section 401(k) of the Code (the "SpinCo 401(k) Plan"), which will cover, as of the Distribution, each SpinCo Employee who was eligible to participate in a qualified cash or deferred arrangement within the meaning of Section 401(k) of the Code sponsored by any member of the RemainCo Group (collectively, the "RemainCo 401(k) Plans") as of the Distribution.

Section 9.02. 401(k) Rollover. As of the Distribution, the RemainCo Group shall permit each SpinCo Employee to elect, and the SpinCo Group shall cause the SpinCo 401(k) Plan to accept, in accordance with applicable Law and the terms of the RemainCo 401(k) Plans and the SpinCo 401(k) Plan, the direct rollover of the account balances (including earnings through the date of transfer and, subject to the following sentence, promissory notes evidencing all outstanding loans) of each such SpinCo Employee under the RemainCo 401(k) Plans, if such rollover is elected in accordance with applicable Law and the terms of the RemainCo 401(k) Plan. RemainCo and SpinCo shall cooperate in good faith to work with the RemainCo 401(k) Plan and SpinCo 401(k) Plan recordkeepers to develop a process and procedure for effecting the in-kind direct rollover of promissory notes evidencing participant loans from the RemainCo 401(k) Plan to the SpinCo 401(k) Plan, and the obligation of the RemainCo 401(k) Plan to permit the direct rollover of loan promissory notes is conditioned on the development of a loan

rollover process and procedure that is acceptable to the respective recordkeepers. The RemainCo Group and the RemainCo 401(k) Plan shall have no further Liabilities with respect to any SpinCo Employee or Former SpinCo Employee whose RemainCo 401(k) Plan account balance is rolled over to the SpinCo 401(k) Plan in accordance with this Section 9.02. In the event that the elections by SpinCo Employees pursuant to this Section 9.02 in connection with the Distribution result in a mass rollover, RemainCo and SpinCo shall use commercially reasonable efforts to cooperate to effect such mass rollover, including by exchanging any necessary participant records and engaging recordkeepers, administrators, providers, insurers and other third parties.

Section 9.03. Employer 401(k) Plan Contributions. The RemainCo Group shall remain responsible for making all employer contributions to the RemainCo 401(k) Plan with respect to any SpinCo Employees or Former SpinCo Employees relating to periods prior to the Distribution; provided that, by the end of the calendar quarter following the calendar quarter in which the Distribution occurs, the RemainCo Group shall make all employer contributions with respect to such SpinCo Employee or Former SpinCo Employee required under the RemainCo 401(k) Plan for periods of time prior to the Distribution. Any such contributions that are unvested as of the Distribution shall become fully vested as of the Distribution. On and after the Distribution, the SpinCo Group shall be responsible for all employer contributions under the SpinCo 401(k) Plan with respect to any SpinCo Employees or Former SpinCo Employees.

Section 9.04. Stock Considerations. Following the Distribution, SpinCo Employees and Former SpinCo Employees shall not be permitted to acquire shares of RemainCo Common Stock in any stock fund under the SpinCo 401(k) Plan.

Section 9.05. Limitation of Liability. For the avoidance of doubt, RemainCo shall have no responsibility for any failure of SpinCo to properly administer the SpinCo 401(k) Plan in accordance with its terms and applicable Law, including any failure to properly administer the accounts of SpinCo Employees, Former SpinCo Employees and their respective beneficiaries, including accounts rolled over in accordance with Section 9.02, in such SpinCo 401(k) Plan.

Section 9.06. Non-U.S. Defined Contribution Plans. The treatment of any RemainCo Benefit Plan that is a defined contribution plan for the benefit of employees outside of the United States and in which any SpinCo Employee, SpinCo LTD Employee or Former SpinCo Employee participates (each, a “Non-U.S. DC Plan”) shall be governed by the applicable Local Agreement; provided that if a Local Agreement does not address the treatment of an applicable Non-U.S. DC Plan, then RemainCo and SpinCo shall use commercially reasonable efforts to cause any such Non-U.S. DC Plan to be treated in a manner that is consistent with applicable Law and, to the extent practicable, the general principles of this ARTICLE 9.

ARTICLE 10

NONQUALIFIED DEFERRED COMPENSATION

Section 10.01. SpinCo Nonqualified Deferred Compensation Plans. Notwithstanding Section 2.07 or any other provision of this Agreement to the contrary, following the Distribution, the RemainCo Group shall retain sponsorship of the RemainCo Nonqualified Deferred

Compensation Plans and all Assets and Liabilities arising out of or relating to the RemainCo Nonqualified Deferred Compensation Plans; provided that except as required by applicable Law, on or prior to the Distribution, RemainCo shall assign, and SpinCo shall accept such assignment (or cause such assignment to be accepted), to a new nonqualified deferred compensation plan (or plans) sponsored by SpinCo with terms and conditions that are substantially similar to the corresponding RemainCo Nonqualified Deferred Compensation Plan (together, the “SpinCo Nonqualified Deferred Compensation Plans”) all Liabilities under the RemainCo Nonqualified Deferred Compensation Plans relating to any RemainCo Nonqualified Deferred Compensation Plan in respect of SpinCo Employees and SpinCo LTD Employees. The Parties hereto agree that none of the transactions contemplated by the Separation Agreement or any of the Ancillary Agreements, including this Agreement, will trigger a payment or distribution of compensation under the RemainCo Nonqualified Deferred Compensation Plans or the SpinCo Nonqualified Deferred Compensation Plans to any SpinCo Employee, SpinCo LTD Employee or Former SpinCo Employee (and their respective beneficiaries) and, consequently, that the payment or distribution of any compensation to which any SpinCo Employee, SpinCo LTD Employee or Former SpinCo Employee (and their respective beneficiaries) is entitled under the RemainCo Nonqualified Deferred Compensation Plans and the SpinCo Nonqualified Deferred Compensation Plans will occur upon the time or times provided for under the applicable RemainCo Nonqualified Deferred Compensation Plans and the SpinCo Nonqualified Deferred Compensation Plans and such SpinCo Employee’s, SpinCo LTD Employee’s or Former SpinCo Employee’s deferral elections (which SpinCo shall cause such SpinCo Nonqualified Deferred Compensation Plans to recognize and maintain). Without limiting the generality of Section 4.01 and subject to Section 16.02, following the date of this Agreement, RemainCo and SpinCo shall use commercially reasonable efforts to cooperate in administering the RemainCo Nonqualified Deferred Compensation Plans and the SpinCo Nonqualified Deferred Compensation Plans for purposes of satisfying any obligations relating to the participation of any SpinCo Employee or SpinCo LTD Employee, including by exchanging any necessary participant records and engaging recordkeepers, administrators, providers, insurers and other third parties. For the avoidance of doubt, each SpinCo Nonqualified Deferred Compensation Plan shall be a SpinCo Benefit Plan.

Section 10.02. No Transfer of Assets. Except as required by applicable Law, nothing in this Agreement shall require any member of the RemainCo Group or the RemainCo Nonqualified Deferred Compensation Plans to transfer Assets or reserves with respect to the RemainCo Nonqualified Deferred Compensation Plans to any member of the SpinCo Group or the SpinCo Nonqualified Deferred Compensation Plans.

Section 10.03. Employer Nonqualified Deferred Compensation Plan Contributions. The RemainCo Group shall remain responsible for making all employer contributions under the RemainCo Nonqualified Deferred Compensation Plans with respect to any SpinCo Employees, SpinCo LTD Employees or Former SpinCo Employees relating to periods prior to the Distribution. Any such contributions that are unvested as of the Distribution shall continue to vest in accordance with their terms. On and after the Distribution, the SpinCo Group shall be

responsible for all employer contributions under the SpinCo Nonqualified Deferred Compensation Plans with respect to any SpinCo Employees or SpinCo LTD Employees.

Section 10.04. Stock Considerations. Notional Investments. Immediately prior to the Distribution, RemainCo shall cause any investments or notional investments in RemainCo Common Stock that are credited to any deferral accounts under the RemainCo Nonqualified Deferred Compensation Plans that will be transferred to a SpinCo Nonqualified Deferred Compensation Plan in accordance with Section 10.01 to be converted into a cash amount equal to the product of (a) the number of shares of RemainCo Common Stock in which such accounts are invested or notionally invested, multiplied by (b) the “regular way” closing price of a share of RemainCo Common Stock on the last trading day immediately prior to the Distribution Date (the “Converted NQDC Stock Amounts”). Following the Distribution, SpinCo Employees and SpinCo LTD Employees shall not be permitted to acquire shares of RemainCo Common Stock in any stock fund or deferral account under the SpinCo Nonqualified Deferred Compensation Plans (and SpinCo shall cause the Converted NQDC Stock Amounts, if required under the terms of the applicable SpinCo Nonqualified Deferred Compensation Plan, to be invested or notionally invested in an investment other than RemainCo Common Stock).

Section 10.05. Limitation of Liability. RemainCo shall have no responsibility for any failure of SpinCo to properly administer the SpinCo Nonqualified Deferred Compensation Plans in accordance with their terms and applicable Law, including any failure to properly administer the accounts of SpinCo Employees or SpinCo LTD Employees and their respective beneficiaries in such SpinCo Nonqualified Deferred Compensation Plans.

ARTICLE 11

VACATION

Section 11.01. Vacation. Upon the Distribution, the SpinCo Group shall assume and be solely responsible for all Liabilities for vacation accruals and benefits (including but not limited to U.S. grandfathered vacation) with respect to each SpinCo Employee; provided, however, that (a) for purposes of determining the number of vacation days to which such employee shall be entitled following the Distribution, SpinCo and its Subsidiaries shall assume and honor all vacation days accrued or earned but not yet taken by such employee, if any, as of the Distribution, and (b) to the extent such employee is entitled under any applicable Law or any policy of his or her respective employer that is a member of the RemainCo Group, as the case may be, to be paid for any vacation days accrued or earned but not yet taken by such employee

as of the Distribution, SpinCo shall assume and be solely responsible for the Liability to pay for such vacation days.

ARTICLE 12

LONG-TERM INCENTIVE COMPENSATION AWARDS

Section 12.01. SpinCo Long-Term Incentive Plan.

Article 1 Prior to the Distribution, RemainCo shall cause SpinCo to adopt a long-term incentive plan or program, to be effective immediately prior to the Distribution (the “SpinCo Long-Term Incentive Plan”) and RemainCo shall approve the SpinCo Long-Term Incentive Plan as the sole stockholder of SpinCo.

(a) SpinCo shall use commercially reasonable efforts to maintain effective registration statements with the Securities and Exchange Commission with respect to the SpinCo Equity Awards described in this ARTICLE 12, to the extent any such registration statement is required by applicable Law.

Section 12.02. Equity Award Adjustments. Each outstanding equity award granted under the RemainCo Equity Plans held by any individual as of the Distribution shall be adjusted in accordance with the resolutions adopted by the Management Development and Compensation Committee of RemainCo board of directors in connection with the Distribution. Equity awards that are covered by this Section 12.02 shall not be exercisable and/or settled during a period beginning on a date prior to the Distribution Date determined by RemainCo in its sole discretion, and continuing until the adjustments made pursuant to such resolutions are completed, as determined by RemainCo in its sole discretion. Equity awards that remain outstanding under the RemainCo Equity Plans shall remain subject to all terms and conditions of the RemainCo Equity Plans, including the adjustment provisions thereof. For the avoidance of doubt, this Section 12.02 shall not apply to any awards that are canceled or converted pursuant to Section 12.03.

Section 12.03. Treatment of Incentive Awards Upon Distribution.

(a) SpinCo RSUs. Effective as of the Distribution Date, (i) each SpinCo RSU that is outstanding as of immediately prior to the Distribution shall be assumed by SpinCo and converted into an adjusted restricted stock unit (an “Adjusted RSU”), with the same terms and conditions as were applicable to such SpinCo RSU immediately prior to the Effective Time and relating to the number of shares of SpinCo Common Stock equal to the product of the number of shares of RemainCo Common Stock that were issuable upon the vesting of such SpinCo RSU immediately prior to the Distribution, multiplied by the SpinCo Conversion Ratio, with fractional shares rounded up to the nearest whole share and (ii) all dividend equivalents, if any, accrued but unpaid as of the Distribution with respect to each such SpinCo RSU shall be assumed and become an obligation in connection with the applicable Adjusted RSU.

(b) Unvested SpinCo Options. Effective as of the Distribution Date, each SpinCo Option that is outstanding and unvested immediately prior to the Distribution shall be assumed by SpinCo and converted into an option (an “Adjusted Stock Option”) to purchase, on the same terms and conditions as were applicable under such SpinCo Option immediately prior to the Effective Time, the number of shares of SpinCo Common Stock (rounded down to the nearest whole share) equal to the product of the number of shares of RemainCo Common Stock subject to such SpinCo Option multiplied by the SpinCo Conversion Ratio, which Adjusted Stock Option shall have an exercise price per share of SpinCo Common Stock equal to the quotient (rounded up to the nearest whole cent) obtained by dividing the SpinCo Option Price by the SpinCo Conversion Ratio.

(c) Vested SpinCo Options. Effective as of the Distribution Date, each SpinCo Option that is vested and outstanding immediately prior to the Distribution (each, a “Continuing Option”) shall not be assumed by SpinCo and shall remain outstanding at RemainCo in accordance with the terms of such Continuing Option, and shall otherwise remain subject to the terms of the applicable RemainCo Equity Plan and applicable award agreement (for this purpose, (x) disregarding the effect of any termination of service with the RemainCo Group in connection with the Distribution and (y) following the Distribution Date, a termination of service with the SpinCo Group shall be deemed a termination of service with the RemainCo Group pursuant to the terms of the RemainCo Equity Plan and applicable award agreement).

Section 12.04. Award Terms; Vesting; Treatment of Service. Except as otherwise provided in this ARTICLE 12, the terms and conditions applicable to SpinCo Equity Awards shall be substantially identical to the terms and conditions applicable to the underlying RemainCo Equity Award and (i) continued service with a member of the SpinCo Group shall be considered to be continued service for purposes of such award (and prior service with a member of the RemainCo Group shall be credited for purposes of any SpinCo Group award), and (ii) all references in such awards to the “Company” shall be references to SpinCo. All SpinCo Equity Awards shall become vested upon the date the underlying RemainCo Equity Award would have otherwise vested in accordance with the existing terms and vesting schedule.

Section 12.05. Certain Additional Considerations. Notwithstanding anything to the contrary in this ARTICLE 12:

(a) All of the adjustments described in this ARTICLE 12 shall be effected in accordance with Sections 409A and 424 of the Code and the Treasury Regulations promulgated thereunder and it is the intention of the Parties that all of the adjustments described in this ARTICLE 12 shall be construed consistent with this intent.

(b) The Parties hereby acknowledge that the provisions of this ARTICLE 12 are intended to achieve certain Tax, legal and accounting objectives and, in the event such objectives are not achieved, the Parties agree to negotiate in good faith regarding such other actions that may be necessary or appropriate to achieve such objectives.

Section 12.06. Settlement, Delivery, Tax Reporting and Withholding.

(a) From and after the Distribution Date, SpinCo shall have sole responsibility for the settlement of and/or delivery of shares of SpinCo Common Stock pursuant to SpinCo Equity Awards to any holder of such award and shall be solely entitled to any exercise price payable in respect of SpinCo Options, and except as otherwise provided in this Section 12.06 SpinCo shall do so without compensation from RemainCo.

(b) Upon the vesting, payment or settlement, as applicable, of SpinCo Equity Awards (in each case including with respect to dividends and dividend equivalents), SpinCo shall be solely entitled to a Tax deduction in respect of, and shall be solely responsible for ensuring the satisfaction of all applicable Tax withholding requirements on behalf of, each holder thereof who is or, upon their last employment termination, was employed by a member of SpinCo Group (or who holds the award in respect of any such individual), and for ensuring the collection and remittance of applicable employee withholding Taxes to the applicable Governmental Authority. To the extent shares of SpinCo Common Stock are withheld and/or delivered to satisfy Tax withholding obligations in respect of the vesting, payment or settlement of SpinCo Equity Awards to the extent the issuer is not responsible pursuant to this clause (b) for satisfying the applicable Tax withholding and remittance requirements, the issuer shall remit to the responsible Party cash in an amount sufficient to satisfy such requirements.

(c) SpinCo shall establish an appropriate administration system in order to handle in an orderly manner exercises of SpinCo Options and the settlement of other SpinCo Equity Awards and to effect the Tax benefits and obligations contemplated by this Section 12.06. Each of the Parties shall work together to unify and consolidate all indicative data and payroll and employment information on regular timetables and make certain that each applicable entity's data and records in respect of such awards are correct and updated on a timely basis. The foregoing shall include employment status and information required for Tax withholding/remittance, compliance with trading windows and compliance with the requirements of applicable Laws.

Section 12.07. Cooperation. For so long as any equity award in respect of RemainCo Common Stock is outstanding and held by a SpinCo Employee or Former SpinCo Employee, the RemainCo Group and the SpinCo Group shall reasonably cooperate in the exchange of information and take any action necessary to administer such equity awards following the Distribution, including the following: (a) SpinCo shall notify RemainCo in writing within five (5) days of any change in employment status (including without limitation termination of employment), (b) the Parties shall exchange any information necessary to satisfy their obligations under Section 12, (c) the Parties shall take any steps necessary to ensure that the employee-paid portion of any Taxes (including any Employment Taxes) required to be withheld upon the exercise of any such equity award is withheld by or paid over to, as applicable, the applicable Party responsible for remitting such amount to the appropriate Taxing Authority as promptly as reasonably practicable, (d) SpinCo shall provide payroll information to RemainCo in respect of SpinCo Employees and Former SpinCo Employees, including year-to-date amounts withheld for Federal Insurance Contribution Act Taxes, Medicare Taxes and supplemental

compensation, (e) any U.S. Federal, state and local income Tax deduction arising as a result of the exercise of any Continuing Options held by a SpinCo Employee or Former SpinCo Employee shall be claimed by a member of the RemainCo Group; provided, however, that if a deduction claimed by a member of the RemainCo Group pursuant to this Section 12.07 is disallowed by a Taxing Authority for any reason, a member of the SpinCo Group shall amend its Tax Return to claim such deduction and pay to RemainCo an amount equal to the tax benefit actually realized by the SpinCo Group resulting from such deduction; provided, further, that RemainCo, upon the request of SpinCo, shall repay any amount paid to RemainCo under the immediately preceding proviso (plus any interest imposed by the relevant Taxing Authority) in the event SpinCo is required to surrender such tax benefit and (f) the Parties shall cooperate following the Distribution, so that the value of any tax benefit actually realized by any member of the RemainCo Group in connection with the vesting, settlement or exercise of any Award other than the Continuing Options shall be transferred to SpinCo following the Distribution.

Section 12.08. Treatment of UK Share Plan. Effective as of the Distribution, SpinCo Employees shall cease actively participating in the RemainCo Share Builder Plan (the “UK Share Purchase Plan”) and shall no longer be entitled to make any additional contributions to such UK Share Purchase Plan to purchase RemainCo Common Stock, or to receive any “Matching Shares” as defined in the UK Share Purchase Plan.

ARTICLE 13

NON-U.S. EMPLOYEES

Section 13.01. Treatment of Non-U.S. Employees. RemainCo Employees and SpinCo Employees who reside outside of the United States or otherwise are subject to non-U.S. Law (“Non-U.S. Employees”) and their related benefits and Liabilities shall be treated under this Agreement in the same manner as the RemainCo Employees and SpinCo Employees, respectively, who are residents of the United States and are not subject to non-U.S. Law; provided that notwithstanding anything to the contrary in this Agreement, all actions taken with respect to such Non-U.S. Employees shall be subject to and accomplished in accordance with applicable Law in the custom of the applicable jurisdictions and may be effectuated by implementation of a Local Agreement. In the case of a conflict between the terms and provisions of this Agreement and a Local Agreement, the terms and provisions of such Local Agreement shall control.

ARTICLE 14

COOPERATION; ACCESS TO INFORMATION; LITIGATION; CONFIDENTIALITY

Section 14.01. Cooperation. Following the date of this Agreement, the Parties shall, and shall cause their respective Subsidiaries to, use commercially reasonable efforts to cooperate with respect to any employee compensation or benefits matters that either Party reasonably determines require the cooperation of the other Party in order to accomplish the objectives of this Agreement. Without limiting the generality of the preceding sentence, (a) RemainCo, SpinCo and their respective Subsidiaries shall cooperate in connection with any audits of any Benefit

Plan with respect to which such Party may have Information, (b) RemainCo, SpinCo and their respective Subsidiaries shall cooperate in connection with any audits of their respective payroll services (whether by a Governmental Authority in the U.S. or otherwise) in connection with the services provided by one Party to the other Party and (c) RemainCo, SpinCo and their respective Subsidiaries shall cooperate in good faith in connection with the notification and consultation with labor unions and other Employee Representatives of employees of the RemainCo Group and the SpinCo Group. With respect to each Benefit Plan, the obligations of the RemainCo Group and the SpinCo Group to cooperate pursuant to this Section 14.01 or any other provision of this Agreement shall remain in effect until the later of (i) the date all audits of such Benefit Plan, with respect to which a Party may have Information, have been completed, (ii) the date the applicable statute of limitations with respect to such audits has expired, or (iii) the date the RemainCo Group discharges all obligations to SpinCo Employees, Former SpinCo Employees and their respective beneficiaries under such Benefit Plan.

Section 14.02. Access to Information; Privilege; Confidentiality. Except as would be inconsistent with Section 14.01 or any other provision of this Agreement relating to cooperation, Article VII of the Separation Agreement is hereby incorporated into this Agreement *mutatis mutandis*.

ARTICLE 15

TERMINATION

Section 15.01. Termination. This Agreement may be terminated by RemainCo at any time, in its sole discretion, prior to the Distribution; provided, however, that this Agreement shall automatically terminate upon the termination of the Separation Agreement in accordance with its terms.

Section 15.02. Effect of Termination. In the event of any termination of this Agreement prior to the Distribution, none of the Parties (or any of its directors or officers) shall have any Liability or further obligation to any other Party under this Agreement.

ARTICLE 16

MISCELLANEOUS

Section 16.01. Incorporation of Indemnification Provisions of Separation Agreement. In addition to the specific indemnification provisions in this Agreement, Article VI of the Separation Agreement is hereby incorporated into this Agreement *mutatis mutandis*.

Section 16.02. Additional Indemnification. If the Parties determine that SpinCo is unable to establish any SpinCo Benefit Plan as of the Distribution Date (or the applicable Welfare Plan Date, if applicable) that it is required under this Agreement to establish by such date, then SpinCo shall indemnify, defend and hold harmless each of the RemainCo Indemnitees from and against any and all Liabilities of the RemainCo Indemnitees relating to, arising out of or resulting from participation by any SpinCo Employee, SpinCo LTD Employee or Former SpinCo Employee on or after the Distribution Date (or the applicable Welfare Plan Date) in any such

RemainCo Benefit Plan due to the failure to timely establish such SpinCo Benefit Plan or Plans. In addition, SpinCo shall indemnify, defend and hold harmless each of the RemainCo Indemnitees from and against any and all Liabilities of the RemainCo Indemnitees relating to, arising out of or resulting from any claim by any SpinCo Employee, SpinCo LTD Employee, Former SpinCo Employee, SpinCo Independent Contractor or Former SpinCo Independent Contractor that RemainCo or any other member of the RemainCo Group is a “joint employer” or “co-employer” (or term of similar meaning under applicable Law) with SpinCo or any other member of the SpinCo Group of any such SpinCo Employee, SpinCo LTD Employee, Former SpinCo Employee, SpinCo Independent Contractor or Former SpinCo Independent Contractor on or after the Distribution Date (including, except as otherwise specifically provided in this Agreement or the TSA, with respect to a claim that any of the foregoing are entitled to participate in any RemainCo Benefit Plan at any time on or after the Distribution Date).

Section 16.03. Further Assurances. Section 2.8 of the Separation Agreement is hereby incorporated into this Agreement *mutatis mutandis*.

Section 16.04. Administration. SpinCo hereby acknowledges that RemainCo has provided or will provide administration services for certain SpinCo Benefit Plans and SpinCo agrees to assume responsibility for the administration and administration costs of such plans and each other SpinCo Benefit Plan. The Parties shall cooperate in good faith to complete such transfer of responsibility on commercially reasonable terms and conditions effective no later than the Distribution or the applicable Welfare Plan Date.

Section 16.05. Employment Tax Reporting Responsibility. To the extent applicable, the Parties hereby agree to follow the standard procedure for U.S. Employment Tax withholding as provided in Section 4 of Rev. Proc. 2004-53, I.R.B. 2004-35.

Section 16.06. Data Privacy. The Parties agree that any applicable data privacy laws and any other obligations of the SpinCo Group and the RemainCo Group to maintain the confidentiality of any Information relating to employees in accordance with applicable Law shall govern the disclosure of Information relating to employees among the Parties under this Agreement. RemainCo and SpinCo shall ensure that they each have in place appropriate technical and organizational security measures to protect the personal data of the SpinCo Employees, Former SpinCo Employees, SpinCo Independent Contractors and Former SpinCo Independent Contractors. Additionally, each Party shall sign any documentation as may be required to comply with applicable data privacy Laws.

Section 16.07. Section 409A. RemainCo and SpinCo shall cooperate in good faith and use reasonable best efforts to ensure that the transactions contemplated by the Separation Agreement and the Ancillary Agreements, including this Agreement, will not result in adverse tax consequences under Section 409A of the Code to any SpinCo Employee or Former SpinCo

Employee (or any of their respective beneficiaries), in respect of their respective benefits under any Benefit Plan.

Section 16.08. Confidentiality.

(a) Each of RemainCo and SpinCo, on behalf of itself and each Person in its respective Group, shall, and shall cause its respective directors, officers, employees, agents, accountants, counsel and other advisors and representatives to, hold, in strict confidence and not release or disclose, with at least the same degree of care, but no less than a reasonable degree of care, that it applies to its own confidential and proprietary Information pursuant to policies in effect as of the Distribution, all Information concerning the other Group or its business that is either in its possession (including Information in its possession prior to the Distribution) or furnished by the other Group or its respective directors, officers, employees, agents, accountants, counsel and other advisors and representatives at any time pursuant to this Agreement and shall not use any such Information other than for such purposes as shall be expressly permitted hereunder, except, in each case, to the extent that such Information is (i) in the public domain through no fault of any member of the RemainCo Group or the SpinCo Group, as applicable, or any of its respective directors, officers, employees, agents, accountants, counsel and other advisors and representatives, (ii) later lawfully acquired from other sources by any of RemainCo, SpinCo or its respective Group, directors, officers, employees or agents, accountants, counsel and other advisors and representatives, as applicable, which sources are not themselves bound by a confidentiality obligation to the knowledge of any of RemainCo, SpinCo or Persons in its respective Group, as applicable, regarding such Information, (iii) independently generated without reference to any proprietary or confidential Information of the RemainCo Group or the SpinCo Group, as applicable, or (iv) required to be disclosed by applicable Law; provided, however, that the Person required to disclose such Information gives the applicable Person prompt, and to the extent reasonably practicable, prior notice of such disclosure and an opportunity to contest such disclosure and shall use commercially reasonable efforts to cooperate, at the expense of the requesting Person, in seeking any reasonable protective arrangements requested by such Person. In the event that such appropriate protective order or other remedy is not obtained, the Person that is required to disclose such Information shall furnish, or cause to be furnished, only that portion of such Information that is legally required to be disclosed and shall take commercially reasonable steps to ensure that confidential treatment is accorded such Information. Notwithstanding the foregoing, each of RemainCo and SpinCo may release or disclose, or permit to be released or disclosed, any such Information concerning the other Group (A) to their respective directors, officers, employees, agents, accountants, counsel and other advisors and representatives who need to know such Information (who shall be advised of the obligations hereunder with respect to such Information) and (B) to any nationally recognized statistical rating agency as it reasonably deems necessary, solely for the purpose of obtaining a rating of securities upon normal terms and conditions; provided, however, that the Party whose Information is being disclosed or released to such rating agency is promptly notified thereof.

(b) Without limiting the foregoing, when any Information concerning the other Group or its business is no longer needed for the purposes contemplated by this

Agreement, each of RemainCo and SpinCo shall, promptly after request of the other Party, either return all Information in a tangible form (including all copies thereof and all notes, extracts or summaries based thereon) or certify to the other Party, as applicable, that it has destroyed such Information (and used commercially reasonable efforts to destroy all such Information electronically preserved or recorded within any computerized data storage device or component (including any hard-drive or database)).

Section 16.09 Additional Provisions. Article X of the Separation Agreement is hereby incorporated into this Agreement *mutatis mutandis*.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives.

HONEYWELL INTERNATIONAL
INC.

By: _____
Name:
Title:

SOLSTICE ADVANCED
MATERIALS INC.

By: _____
Name:
Title:

INTELLECTUAL PROPERTY CROSS-LICENSE AGREEMENT

BY AND BETWEEN

HONEYWELL INTERNATIONAL INC.

AND

SOLSTICE ADVANCED MATERIALS INC.

DATED AS OF

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EXHIBITS

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INTELLECTUAL PROPERTY CROSS-LICENSE AGREEMENT

This INTELLECTUAL PROPERTY CROSS-LICENSE AGREEMENT (this “**Agreement**”), dated as of (the “**Effective Date**”), is entered into by and between Solstice Advanced Materials Inc. (f/k/a Solstice Advanced Materials, LLC), a Delaware corporation (“**SpinCo**”), and Honeywell International Inc., a Delaware corporation (“**Honeywell**”) (together with SpinCo, the “**Parties**,” and each individually a “**Party**”).

RECITALS

WHEREAS, the Parties, among others, entered into that certain Separation and Distribution Agreement dated as of (as amended, modified or supplemented, and together with all exhibits and schedules thereto, the “**Separation Agreement**”);

WHEREAS, Section 3.5 of the Separation Agreement contemplates that Honeywell and SpinCo will execute this Agreement, and this Agreement is being entered into by the Parties to satisfy the requirements described therein;

WHEREAS, as of and following the consummation of the transactions contemplated by the Separation Agreement, each Party and its Affiliates will have rights to certain Intellectual Property related to the other Party’s business; and

WHEREAS, in connection with the Separation Agreement, Honeywell wishes to grant to SpinCo, and SpinCo wish to grant to Honeywell, a license and other rights to certain of such Intellectual Property, in each case, as and to the extent set forth herein.

NOW, THEREFORE, the Parties, intending to be legally bound, hereby agree as follows:

ARTICLE I **DEFINITIONS AND INTERPRETATION**

Section 1.1 **General**. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed thereto in the Separation Agreement. As used in this Agreement, the following terms have the respective meanings set forth below.

(a) “**Accelerator License Agreement**” means that certain Accelerator License Agreement, dated as of the Effective Date, by and Honeywell and SpinCo (and/or their respective Affiliates).

(b) “**Action**” means any demand, action, claim, cause of action, suit, countersuit, arbitration, inquiry, case, litigation, subpoena, proceeding or investigation (whether civil, criminal or administrative) by or before any court or grand jury, any Governmental Entity or any arbitration or mediation tribunal or authority.

(c) “**Affiliate**” means, when used with respect to a specified Person, a Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is

under common control with such specified Person. For the purposes of this definition, “control” (including the terms “controlled by” and “under common control with”), when used with respect to any specified Person shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or other interests, by Contract or otherwise. It is expressly agreed that no Party or member of either Group shall be deemed to be an Affiliate of the other Party or member of such other Party’s Group solely by reason of having one or more directors in common or by reason of having been under common control of Honeywell or Honeywell’s stockholders prior to, or in case of SpinCo’s stockholders, after the Effective Time.

(d) “**Agreement**” has the meaning set forth in the Preamble to this Agreement.

(e) “**Confidential Information**” has the meaning set forth in Section 6.1.

(f) “**Control**” means, with respect to any Intellectual Property, (i) such Intellectual Property is owned by the applicable Person, or (ii) such Person has the ability to grant a license or other rights in, to or under such Intellectual Property on the terms and conditions set forth herein (other than pursuant to a license or other rights granted pursuant to this Agreement) without violating any Contract entered into as of or prior to the Effective Date between such Person or any of its Affiliates, on the one hand, and any Third Party, on the other hand, or any applicable Law.

(g) “**Copyrights**” means copyrightable works, copyrights (including in product label or packaging artwork or templates), moral rights, mask work rights, database rights and design rights, in each case, whether or not registered, and registrations and applications for registration thereof.

(h) “**Cover**” means, with respect to any Patent, in the absence of a license granted under an unexpired claim that has not been adjudicated to be invalid or unenforceable by a final, binding decision of a court or other Governmental Entity of competent jurisdiction that is unappealable or unappealed within the time permitted for appeal of such Patent (or if such Patent is a patent application, a claim in such patent application if such patent application were to issue as a patent), the practice of the applicable invention or technology, or performance of the applicable process, would infringe such claim. For clarity, and by way of example, an issued Patent Covers a product if, in the absence of a license granted under such a claim of such Patent, making, using, selling, offering for sale, importing or exporting such product infringes such claim.

(i) “**Disclosing Party**” has the meaning set forth in Section 6.2.

(j) “**Effective Date**” has the meaning set forth in the Preamble to this Agreement.

(k) “**Excluded IP**” means (i) Trademarks, (ii) IT Assets (excluding rights in Software), (iii) any and all Intellectual Property or rights in, to or under Accelerator (as defined

in the Accelerator License Agreement) or any improvements, enhancements or modifications thereof, (iv) any and all Intellectual Property that is both (A) required for use of any proprietary products or processes licensed by Honeywell, SpinCo or their respective Affiliates to Third Parties on a commercial basis in the ordinary course of business as of the Effective Date and (B) used by the other Party (or its Affiliates) in the same or similar manner as such Third Party commercial uses, (v) any Intellectual Property or rights in Software licensed or otherwise provided under any other Ancillary Agreements (excluding the Separation Agreement), and (vi) the Intellectual Property set forth on **Exhibit A**. Notwithstanding the foregoing, “Excluded IP” does not include any of the foregoing to the extent expressly set forth on **Exhibit B, Exhibit C, Exhibit E, Exhibit F or Exhibit H**.

(l) “**Honeywell**” has the meaning set forth in the Preamble to this Agreement.

(m) “**Honeywell Field**” means the conduct of the RemainCo Business as conducted as of the Effective Date and natural evolutions thereof.

(n) “**Honeywell Licensed Copyrights**” means any and all Copyrights, to the extent Controlled by Honeywell or its Affiliates as of the Effective Date, that are used or held for use in the SpinCo Business as of the Effective Date, including the Copyrights set forth on **Exhibit B**; provided, that the Honeywell Licensed Copyrights excludes any and all (i) Know-How and (ii) Excluded IP.

(o) “**Honeywell Licensed IP**” means the Honeywell Licensed Patents, Honeywell Licensed Know-How and Honeywell Licensed Copyrights.

(p) “**Honeywell Licensed Know-How**” means any and all Know-How, to the extent Controlled by Honeywell or its Affiliates as of the Effective Date, that is used or held for use in the SpinCo Business as of the Effective Date, including the Know-How set forth on **Exhibit C**; provided, that the Honeywell Licensed Know-How excludes any and all (i) Copyrights and (ii) Excluded IP.

(q) “**Honeywell Licensed Patents**” means any and all (i) Patents, to the extent Controlled by Honeywell or its Affiliates as of the Effective Date, that are used or held for use in the SpinCo Business as of the Effective Date or otherwise set forth on **Exhibit D**, (ii) to the extent Controlled by Honeywell or its Affiliates as of or following the Effective Date, continuations, divisionals, renewals, provisionals, continuations-in-part, patents of addition, restorations, substitutions, extensions, supplementary protection certificates, reissues and reexaminations of, and all other Patents that claim priority to, from or form the basis for priority with any Patents described in the foregoing clause (i), and foreign equivalents thereof, in each case, solely to the extent the claims of such items described in this clause (ii) are supported by any Patents described in the foregoing clause (i), and (iii) to the extent Controlled by Honeywell or its Affiliates following the Effective Date, Patents filed during the two (2)-year period following the Effective Date to the extent such Patents Cover any Honeywell Licensed Know-How; provided, that the Honeywell Licensed Patents excludes any and all Excluded IP.

(r) “**Intellectual Property**” means any and all rights (created or arising in any jurisdiction anywhere in the world, whether statutory, common law, or otherwise) to the extent arising from or related to intellectual property, including (i) Patents, (ii) Trademarks, (iii) Copyrights, (iv) rights in Know-How, and (v) all registrations and applications for registration of any of the foregoing clauses (i) through (iv).

(s) “**IT Assets**” means all copies of Software, computer systems, telecommunications equipment, databases, internet protocol addresses, and documentation, reference, resource and training materials to the extent relating thereto, other than, in each case, Intellectual Property contained therein.

(t) “**Know-How**” means all confidential or proprietary information, including trade secrets, know-how and technical data, including any that comprise financial, business, scientific, technical, economic or engineering information and instructions, including any confidential or proprietary raw materials, material lists, raw material specifications, manufacturing or production files or specifications, plans, drawings, blueprints, design tools, quality assurance and control procedures, simulation capability, research data, manuals, compilations, reports, including technical reports and research reports, analyses, formulas, formulations, designs, prototypes, methods, techniques, processes, rights in research, development, manufacturing, financial, marketing and business data, pricing and cost information, customer and supplier lists and information, procedures, inventions and invention disclosure documents, as well as Plant Operating Documents, and Engineering Models and Databases, in each case, other than Patents.

(u) “**Licensed IP**” means (i) with respect to the licenses granted to Honeywell hereunder, the SpinCo Licensed IP, and (ii) with respect to the licenses granted to SpinCo hereunder, the Honeywell Licensed IP.

(v) “**Licensee**” means (i) SpinCo, with respect to the Honeywell Licensed IP, and (ii) Honeywell, with respect to the SpinCo Licensed IP.

(w) “**Licensor**” means (i) SpinCo, with respect to the SpinCo Licensed IP, and (ii) Honeywell, with respect to the Honeywell Licensed IP.

(x) “**Party**” has the meaning set forth in the Preamble.

(y) “**Patents**” means patents, patent applications (including patents issued thereon) and statutory invention registrations, patents of importation, patents of improvement, certificates of addition, design patents and utility models, including provisionals, reissues, divisionals, continuations, continuations-in-part, extensions, renewals and reexaminations thereof.

(z) “**Receiving Party**” has the meaning set forth in Section 6.2.

(aa) “**Software**” means all computer programs (whether in source code, object code, or other form), software implementations of algorithms, and related documentation,

including flowcharts and other logic and design diagrams, technical, functional and other specifications, and user and training materials to the extent related to any of the foregoing.

(bb) “**SpinCo**” has the meaning set forth in the Preamble to this Agreement.

(cc) “**SpinCo Field**” means the conduct of the SpinCo Business as conducted as of the Effective Date and natural evolutions thereof.

(dd) “**SpinCo Licensed Copyrights**” means any and all Copyrights, to the extent Controlled by SpinCo or its Affiliates as of the Effective Date, that are used or held for use in the RemainCo Business as of the Effective Date, including the Copyrights set forth on **Exhibit E**; provided, that the SpinCo Licensed Copyrights exclude any and all (i) Know-How and (ii) Excluded IP.

(ee) “**SpinCo Licensed IP**” means the SpinCo Licensed Patents, SpinCo Licensed Know-How and SpinCo Licensed Copyrights.

(ff) “**SpinCo Licensed Know-How**” means any and all Know-How, to the extent Controlled by SpinCo or its Affiliates as of the Effective Date, that is used or held for use in the RemainCo Business as of the Effective Date, including the Know-How set forth on **Exhibit F**; provided, that the SpinCo Licensed Know-How excludes any and all (i) Copyrights and (ii) Excluded IP.

(gg) “**SpinCo Licensed Patents**” means any and all (i) Patents, to the extent Controlled by SpinCo or its Affiliates as of the Effective Date, that are used or held for use in the RemainCo Business as of the Effective Date or otherwise set forth on **Exhibit D**, (ii) to the extent Controlled by SpinCo or its Affiliates as of or following the Effective Date, continuations, divisionals, renewals, provisionals, continuations-in-part, patents of addition, restorations, substitutions, extensions, supplementary protection certificates, reissues and reexaminations of, and all other Patents that claim priority to, from or form the basis for priority with any Patents described in the foregoing clause (i), and foreign equivalents thereof, in each case, solely to the extent the claims of such items described in this clause (ii) are supported by any Patents described in the foregoing clause (i), and (iii) to the extent Controlled by SpinCo or its Affiliates following the Effective Date, Patents filed during the two (2)-year period following the Effective Date to the extent such Patents Cover any SpinCo Licensed Know-How; provided, that the SpinCo Licensed Patents excludes any and all Excluded IP.

(hh) “**Sublicensee**” has the meaning set forth in Section 2.3.

(ii) “**Term**” has the meaning set forth in Section 7.1.

(jj) “**Third Party**” means any Person other than Honeywell, SpinCo and their respective Affiliates.

(kk) “**Third Party Infringement**” means (i) any Third Party activities that constitute, or would reasonably be expected to constitute, an infringement, misappropriation or

other violation of any Licensed IP, or (ii) any Third Party allegations of invalidity or unenforceability of any Licensed IP.

(ll) “**Trademarks**” means trademarks, certification marks, service marks, trade names, domain names, favicons, social media addresses, service names, trade dress and logos, including all goodwill associated therewith, in each case whether or not registered, and registrations and applications for registration thereof, and all reissues, extensions and renewals of any of the foregoing.

(mm) “**Separation Agreement**” has the meaning set forth in the Recitals to this Agreement.

Section 1.2 References; Interpretation. For the purposes of this Agreement, (a) words in the singular shall be held to include the plural and vice versa, and words of one gender shall be held to include the other gender as the context requires; (b) references to the terms Article, Section, paragraph, clause, Exhibit and Schedule are references to the Articles, Sections, paragraphs, clauses, Exhibits and Schedules to this Agreement unless otherwise specified; (c) the terms “hereof,” “herein,” “hereby,” “hereto,” and derivative or similar words refer to this entire Agreement, including the Schedules and Exhibits hereto; (d) references to “\$” shall mean U.S. dollars; (e) the word “including” and words of similar import when used in this Agreement shall mean “including without limitation,” unless otherwise specified; (f) the word “or” shall not be exclusive (unless the context indicates otherwise); (g) references to “written” or “in writing” include in electronic form; (h) the Parties have each participated in the negotiation and drafting of this Agreement, and except as otherwise stated herein, if an ambiguity or question of interpretation should arise, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or burdening any Party by virtue of the authorship of any of the provisions in this Agreement; (i) a reference to any Person includes such Person’s successors and permitted assigns; (j) any reference to “days” means calendar days unless Business Days are expressly specified; (k) when calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded and if the last day of such period is not a Business Day, the period shall end on the next succeeding Business Day; (l) any statute or Contract defined or referred to herein means such statute or Contract as from time to time amended, modified or supplemented, unless otherwise specifically indicated; (m) the use of the phrases “the date of this Agreement”, “the date hereof”, “of even date herewith” and terms of similar import shall be deemed to refer to the date set forth in the preamble to this Agreement; (n) the phrase “ordinary course of business” shall be deemed to be followed by the words “consistent with past practice” whether or not such words actually follow such phrase; (o) where a word or phrase is defined herein, each of its other grammatical forms shall have a corresponding meaning; and (p) any consent given by any party hereto pursuant to this Agreement shall be valid only if contained in a written instrument signed by such Party. Unless the context requires otherwise, references in this Agreement to “SpinCo” shall also be deemed to refer to the applicable member of the SpinCo Group, references to “RemainCo” or “Honeywell” shall also be deemed to refer to the applicable member of the RemainCo Group and, in connection therewith, any references to actions or omissions to be taken, or refrained

from being taken, as the case may be, by SpinCo or Honeywell shall be deemed to require SpinCo or Honeywell, as the case may be, to cause the applicable members of the SpinCo Group or the RemainCo Group, respectively, to take, or refrain from taking, any such action.

ARTICLE II

GRANTS OF RIGHTS

Section 2.1 License to Honeywell Licensed IP. Subject to the terms and conditions of this Agreement, Honeywell hereby grants, and Honeywell shall cause its Affiliates to grant, to SpinCo, an irrevocable (subject to Section 4.3(e)), perpetual (during the Term), royalty-free, fully paid-up, sublicensable (to the extent permitted in Section 2.3), transferable (subject to Section 8.7), worldwide, non-exclusive license in, to and under the Honeywell Licensed IP for any and all uses solely in the SpinCo Field. For clarity, subject to the terms and conditions of this Agreement, the license set forth in this Section 2.1 shall include the right (i) to practice such Honeywell Licensed IP to make (including have made), use, sell, offer for sale, import and export any and all inventions claimed in any Honeywell Licensed Patents and/or Covered by the Honeywell Licensed Know-How, in each case within the SpinCo Field, and (ii) as applicable, to use, practice, copy, perform, render, develop, improve, display, distribute, modify and make derivative works of such Honeywell Licensed IP and any tangible embodiments thereof, in each case within the SpinCo Field.

Section 2.2 License to SpinCo Licensed IP. Subject to the terms and conditions of this Agreement, SpinCo hereby grants, and SpinCo shall cause its Affiliates to grant, to Honeywell, an irrevocable (subject to Section 4.3(e)), perpetual (during the Term), royalty-free, fully paid-up, sublicensable (to the extent permitted in Section 2.3), transferable (subject to Section 8.7), worldwide, non-exclusive license in, to and under the SpinCo Licensed IP for any and all uses solely in the Honeywell Field. For clarity, subject to the terms and conditions of this Agreement, the license set forth in this Section 2.2 shall include the right (i) to practice such SpinCo Licensed IP to make (including have made), use, sell, offer for sale, import and export any and all inventions claimed in any SpinCo Licensed Patents and/or Covered by the SpinCo Licensed Know-How, in each case within the Honeywell Field, and (ii) as applicable, to use, practice, copy, perform, render, develop, improve, display, distribute, modify and make derivative works of such SpinCo Licensed IP and any tangible embodiments thereof, in each case within the Honeywell Field.

Section 2.3 Sublicenses. Licensee may sublicense the license and rights granted to Licensee under Section 2.1 and Section 2.2 (as applicable) through multiple tiers (a) to its Affiliates (solely for so long as such Person remains an Affiliate), (b) to Third Parties in the ordinary course of business, to the extent solely for the benefit of such Licensee or its Affiliates (and not for the independent use of such licenses and rights by or for the benefit of such Third Party), and (c) to Third-Party customers (whether by means of an express sublicense, a covenant not to sue, or other grant of rights) in the ordinary course of business, solely in connection with the purchase of products, commercial process licenses or services from Licensee and solely to the extent such grant of rights occurred as part of Licensee's business as of the Effective Date (each such Affiliate or Third Party, a "**Sublicensee**"). Each sublicense granted under the

Licensed IP shall be granted pursuant to an agreement which is consistent with and does not conflict with the terms and conditions of this Agreement and shall be in writing if the Sublicensee is a Third Party. For clarity, granting a sublicense shall not relieve Licensee of any obligations hereunder and Licensee shall cause each of its Sublicensees to comply, and shall remain responsible for its Sublicensees' compliance, with the terms hereof applicable to Licensee.

Section 2.4 Third Party Rights. Notwithstanding anything to the contrary in this Agreement, the Parties' rights and obligations set forth in this Agreement (including the licenses granted under Section 2.1 and Section 2.2, and the rights and obligations of the Parties under Article IV) shall be subject to the terms of any Contracts with a Third Party relating to the Licensed IP, which Contracts exist as of the Effective Date, and to which Licensor or any of its Affiliates is a party or otherwise bound. Subject to the foregoing, in the event that any license or other rights granted hereunder (a) may not be granted without the consent of or payment of a fee or other consideration to a Third Party, or (b) will cause Licensor or any of its Affiliates to be in breach of any obligation to one or more Third Parties, the applicable licenses and other rights granted hereunder shall only be granted to the extent such consent has been obtained or such fee or other consideration has been paid (it being understood that Licensor shall have no obligation to agree to make, or make, any payments or other concessions, except to the extent expressly required under the Separation Agreement or any other Ancillary Agreement).

Section 2.5 Specified Terms. Notwithstanding anything to the contrary in this Agreement, the Parties' rights and obligations set forth in this Agreement (including the licenses granted under Section 2.1 and Section 2.2, and the sublicensing rights granted under Section 2.3) with respect to the specific items of Intellectual Property set forth on **Exhibit H** shall be subject to the additional terms and conditions set forth therein.

Section 2.6 Reservation of Rights. Except as expressly provided in the Separation Agreement or any other Ancillary Agreement, each Party reserves its and its Affiliates' rights in and to all Intellectual Property that is not expressly licensed or otherwise granted hereunder. Without limiting the foregoing, this Agreement and the licenses and rights granted herein do not, and shall not be construed to, confer any rights upon either Party, its Affiliates, or its Sublicensees by implication, estoppel, or otherwise as to any of the other Party's or its Affiliates' Intellectual Property (including, for clarity, any Excluded IP).

ARTICLE III **OWNERSHIP**

Section 3.1 Ownership. As between the Parties and their respective Affiliates, (a) SpinCo acknowledges and agrees that Honeywell and its Affiliates own the Honeywell Licensed IP, (b) Honeywell acknowledges and agrees that SpinCo and its Affiliates own the SpinCo Licensed IP, and (c) each Party acknowledges and agrees that neither Party, nor its Affiliates or its Sublicensees, will acquire any ownership rights in the Licensed IP licensed to such Party hereunder. To the extent that a Party, its Affiliates or its Sublicensees (as applicable) is assigned or otherwise obtains ownership of any right, title or interest in or to any Intellectual Property in contravention of this Section 3.1, such Party hereby assigns, and shall cause its

Affiliates and Sublicensees (as applicable) to assign, to the other Party (or to such Affiliate or Third Party designated by such other Party in writing) all such right, title and interest.

ARTICLE IV

PROSECUTION, MAINTENANCE AND ENFORCEMENT

Section 4.1 Responsibility and Cooperation.

(a) As between the Parties, Licensor shall have the sole and exclusive right (but not the obligation) to file, prosecute and maintain all Patents within the Licensed IP with respect to which such Licensor or any of its Affiliates is granting a license to Licensee hereunder, at Licensor's sole cost and expense.

(b) Upon the reasonable request of the Party that has the right to control filing, prosecution or maintenance of any Licensed IP in accordance with Section 4.1(a), the other Party shall provide reasonable assistance to such Party in connection with such activities (including by providing information or taking such other actions as required by applicable Law), and such requesting Party shall reimburse such other Party's reasonable, actual out-of-pocket costs and expenses incurred in connection therewith. For clarity, neither such other Party nor any of its Affiliates shall be required by the foregoing in this Section 4.1 to take or omit to take any action that it reasonably believes violates any applicable Law.

Section 4.2 No Additional Obligations. For clarity, except as set forth in Section 4.1, this Agreement shall not obligate either Party to disclose to the other Party, or maintain, register, prosecute, pay for or offer to pay for (including by offering remuneration to any inventors), enforce, defend or otherwise manage any Intellectual Property. Without limiting the foregoing, nothing in this Agreement shall be construed to require any delivery of any technology, documentation or other tangible items by any Party or any of their Affiliates to any other Person or to require any support or maintenance obligations whatsoever on the part of any Party.

Section 4.3 Defense and Enforcement.

(a) Licensor and Licensee Rights. As between the Parties, Licensor shall have the sole and exclusive right, but not the obligation, at its own cost and expense, to control enforcement or defense against any Third Party Infringement of the Licensed IP with respect to which such Licensor is granting a license to Licensee hereunder (including by bringing an Action or entering into settlement discussions).

(b) Cooperation. If, in connection with enforcing any Licensed IP against any Third Party Infringement in accordance with Section 4.3(a), Licensor brings (or defends) an Action or enters into settlement discussions with respect thereto, Licensee shall provide reasonable assistance in connection therewith at Licensor's reasonable request, and Licensee shall be reimbursed by Licensor for its reasonable, actual out-of-pocket costs and expenses incurred in connection therewith.

(c) Recoveries. Any and all amounts recovered by Licensor in any Action regarding a Third Party Infringement or settlement with respect thereto shall, unless otherwise agreed (including in an agreement in connection with obtaining consent to settlement), be retained by Licensor.

(d) Interferences, etc. Notwithstanding anything to the contrary in Section 4.1 or Section 4.2, in the event that any Third Party allegations of invalidity or unenforceability of any Patents included in the Licensed IP licensed to Licensee hereunder arise in an opposition, interference, reissue proceeding, reexamination or other patent office proceeding, this Article IV shall govern the Parties' rights and obligations with respect thereto.

(e) Licensee Challenges. During the Term, neither Licensee nor any of its Affiliates, nor any of its Sublicensees, shall institute or actively participate as an adverse party in, or otherwise provide support to, any Action to invalidate or limit the scope of any Patent of the other Party or its Affiliates included in the Licensed IP or obtain a ruling that any such Patent claim is unenforceable or not patentable. Notwithstanding anything to the contrary, neither Licensee or any of its Affiliates or Sublicensees shall be in breach of this Section 4.3(e) to the extent they provide information in accordance with a legal requirement (as advised by legal counsel) in response to a subpoena, court order or other similar lawful process. In the event Licensee or any of its Affiliates breaches this Section 4.3(e), Licensor (i) shall have the right to, upon written notice to Licensee, terminate the licenses granted to Licensee hereunder, and (ii) shall be entitled to recover from Licensee any costs arising from such a challenge, including reasonable attorneys' fees and expenses of investigation and defense incurred in the course of participating in or defending the challenge.

ARTICLE V

DISCLAIMER OF WARRANTIES; LIMITATION OF LIABILITY

Section 5.1 Disclaimer of Representations and Warranties. EXCEPT TO THE EXTENT EXPRESSLY SET FORTH IN THE SEPARATION AGREEMENT, THIS AGREEMENT OR THE OTHER ANCILLARY AGREEMENT, THE PARTIES DISCLAIM AND WAIVE ANY AND ALL OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED (INCLUDING WITH REGARD TO QUALITY, PERFORMANCE, NON-INFRINGEMENT, NON-DILUTION, VALIDITY, COMMERCIAL UTILITY, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE), AND EACH PARTY ACKNOWLEDGES AND AGREES IT HAS NOT AND WILL NOT RELY ON ANY SUCH REPRESENTATIONS OR WARRANTIES EXCEPT THOSE EXPRESSLY SET FORTH IN THE SEPARATION AGREEMENT, THIS AGREEMENT OR THE OTHER ANCILLARY AGREEMENT. EXCEPT AS MAY EXPRESSLY BE SET FORTH HEREIN, THE LICENSED IP IS BEING LICENSED ON AN "AS IS," "WHERE IS" BASIS.

Section 5.2 Limitation of Liability. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, IN NO EVENT SHALL HONEYWELL OR SPINCO OR THEIR RESPECTIVE AFFILIATES BE LIABLE, WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY) OR OTHERWISE, AT LAW OR IN EQUITY, FOR PUNITIVE, EXEMPLARY, SPECIAL,

INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING FROM OR RELATING TO ANY CLAIM MADE UNDER THIS AGREEMENT (EXCEPT FOR ALL COMPONENTS OF AWARDS AGAINST THE NON-BREACHING PARTY IN ANY THIRD-PARTY CLAIM, INCLUDING COMPONENTS OF SUCH THIRD-PARTY CLAIM RELATING TO ANY OF THE FOREGOING AND ATTORNEYS' FEES). WITHOUT LIMITING THE FOREGOING, NO LICENSOR SHALL BE LIABLE UNDER THIS AGREEMENT FOR ANY CLAIMS, LOSS OR DAMAGES ARISING FROM LICENSEE'S OR LICENSEE'S AFFILIATES OR ITS OR THEIR SUBLICENSEES' USE OF ANY LICENSED IP UNDER THIS AGREEMENT.

Section 5.3 Limited Liability Exclusions. The limitation of Damages provided in the foregoing Section 5.2 shall not apply to: (i) Damages arising from any willful breach of this Agreement; (ii) Damages arising from willful misconduct or fraud; or (iii) Damages arising from a breach of Article VI.

ARTICLE VI

CONFIDENTIALITY

Section 6.1 Confidential Information. As used herein, "**Confidential Information**" means any confidential and proprietary information of a Party or Third Party, regardless of form, which such Party considers to be confidential and proprietary, including information that: (a) if disclosed in writing, is labeled as "confidential" or "proprietary"; (b) if disclosed orally, is designated confidential at disclosure; (c) by nature or the circumstances of its disclosure, should reasonably be considered as confidential; or (d) constitutes information or data related to the Licensed IP, including Know-How, trade secrets, algorithms, source code, product/service specifications, prototypes, product roadmaps, Software, product pricing, marketing plans, financial data, personnel statistics, methods of manufacturing and processing, techniques, research, development, inventions (whether or not patentable and whether or not reduced to practice), data, ideas, concepts, drawings, designs and schematics. Notwithstanding the foregoing, the term "Confidential Information" shall not include information which: (i) rightfully becomes publicly available other than by a breach of a duty to the Disclosing Party or violation of Law; (ii) is rightfully received by the Receiving Party from a Third Party without any obligation of confidentiality; (iii) as evidenced by the Receiving Party's written records, is rightfully known to the Receiving Party without any limitation on use or disclosure prior to its receipt from the Disclosing Party; or (iv) is independently developed by or on behalf of the Receiving Party without use of or reference to the Confidential Information of the Disclosing Party as shown by competent evidence.

Section 6.2 Confidentiality Obligations. Each Party and its Affiliates that receives, obtains or otherwise become aware of under or in connection with this Agreement (the "**Receiving Party**") any Confidential Information of the other Party or its Affiliates (the "**Disclosing Party**"), respectively, agrees to (a) keep the Disclosing Party's Confidential Information confidential, (b) use the Disclosing Party's Confidential Information only as necessary to perform its obligations, exercise its rights under this Agreement or otherwise in connection with a Dispute, (c) use a reasonable degree of care in keeping the Disclosing Party's

Confidential Information confidential, and (d) limit access to the Disclosing Party's Confidential Information to its personnel, Affiliates, assignees, contractors, subcontractors, Sublicensees, authorized representatives and advisors (including any financial, tax, legal and technical advisors), in each case, who have a need to access or know such Confidential Information for the purpose of performing its obligations and exercising its rights under this Agreement and who have been apprised of these confidentiality obligations, and with respect to any such Third Party, have agreed to protect the confidentiality of such Confidential Information in a manner consistent with the Receiving Party's obligations hereunder (and, for clarity, the Receiving Party shall remain responsible to the Disclosing Party for the compliance with such confidentiality obligations of its personnel, Affiliates and such Third Parties who receive such Confidential Information). Except as otherwise expressly provided in this Agreement, nothing in this Agreement is intended to grant to the Receiving Party any rights in or to any Confidential Information of the Disclosing Party.

Section 6.3 Disclosure Required by Law. In the event that the Receiving Party is requested or required by Law (including subpoena or court order) to disclose any Confidential Information of the Disclosing Party, the Receiving Party shall, to the extent legally permissible, provide prompt written notice to the Disclosing Party of such request or requirement, so that the Disclosing Party will have a reasonable opportunity to seek confidential treatment of such Confidential Information prior to its disclosure (whether through protective orders or otherwise) and, upon request, the Receiving Party shall reasonably cooperate with the Disclosing Party in seeking confidential treatment of such Confidential Information or other appropriate relief from such Law. If, in the absence of a protective order, other confidential treatment or waiver under this Agreement, the Receiving Party is advised by its legal counsel that it is legally required to disclose such Confidential Information, the Receiving Party may disclose such Confidential Information without liability under this Article VI; provided, that the Receiving Party exercises commercially reasonable efforts to obtain reliable assurances that confidential treatment will be afforded any such Confidential Information prior to its disclosure and discloses only the minimum amount of such Confidential Information necessary to comply with such Law. Similarly, with respect to any disclosure of Confidential Information in connection with a Dispute, the Receiving Party shall exercise commercially reasonable efforts to obtain reliable assurances that confidential treatment will be afforded any Confidential Information of the Disclosing Party prior to its disclosure.

Section 6.4 Disclosure in Connection with Due Diligence. The terms of this Agreement shall be the Confidential Information of both Parties. A Party may provide this Agreement to any Third Party, subject to confidentiality obligations no less restrictive than those set forth in this Article VI, if required to do so in connection with any diligence for any actual or potential bona fide business transaction with such Third Party related to the subject matter of this Agreement (including an acquisition, divestiture, merger, consolidation, asset sale, financing or public offering).

ARTICLE VII

TERM

Section 7.1 Term. The terms of the licenses and other grants of rights (and related obligations) under this Agreement (the “**Term**”) shall remain in effect (a) to the extent with respect to the Patents and Copyrights licensed hereunder, on a Patent-by-Patent and Copyright-by-Copyright basis, until expiration, invalidation or abandonment of such Patent or Copyright (as applicable), and (b) with respect to all other Licensed IP, in perpetuity.

ARTICLE VIII

MISCELLANEOUS

Section 8.1 Dispute Resolution. The dispute resolution procedures set forth in Article VIII of the Separation Agreement shall apply and are hereby incorporated herein by reference, *mutatis mutandis*.

Section 8.2 Complete Agreement; Construction. This Agreement, including the Exhibits hereto, shall constitute the entire agreement between the Parties with respect to the subject matter hereof and shall supersede all previous negotiations, commitments, course of dealings and writings with respect to such subject matter. In the event of any inconsistency between this Agreement and any Exhibit or Schedule hereto, the Exhibit or Schedule shall prevail. In the event and to the extent that there shall be a conflict between the provisions of this Agreement and the Separation Agreement, this Agreement shall control.

Section 8.3 Counterparts. This Agreement may be executed and delivered (including by facsimile or other means of electronic transmission, such as by electronic mail in “pdf” form) in more than one counterpart, all of which shall be considered one and the same agreement, each of which when executed shall be deemed to be an original, and shall become effective when one or more such counterparts have been signed by each of the Parties and delivered to each of the Parties.

Section 8.4 Notices. Notices, requests, instructions or other documents to be given under this Agreement shall be in writing and shall be deemed to have been properly delivered, given and received, (a) on the date of transmission if sent via email (provided, however, that notice given by email shall not be effective unless either (i) a duplicate copy of such email notice is promptly given by one of the other methods described in this Section 8.4 or (ii) the receiving party delivers a written confirmation of receipt of such notice either by email or any other method described in this Section 8.4 (excluding “out of office” or other automated replies)), (b) when delivered, if delivered personally to the intended recipient, and (c) one (1) Business Day later, if sent by overnight delivery via a national courier service (providing proof of delivery), and in each case, addressed to a Party at the address for such Party set forth on a schedule to be delivered by each Party to the address set forth below (or at such other address for a Party as shall be specified in a notice given in accordance with this Section 8.4):

To Honeywell:

Honeywell International Inc.
855 S. Mint Street
Charlotte, NC 28202
Attention: Su Ping Lu, Senior Vice President, General Counsel and
Corporate Secretary
Email:

with a copy (which shall not constitute notice) to:

Skadden, Arps, Slate, Meagher & Flom LLP
One Manhattan West
New York, NY 10001
Attention: Allison R. Schneirov, Esq.
Alexandra J. McCormack, Esq.
Kyle J. Hatton, Esq.
Lauren S. Kramer, Esq.
Email:

To SpinCo:

Solstice Advanced Materials Inc.
115 Tabor Road
Morris Plains, NJ 07950
Attention: Brian Rudick, General Counsel
Email:

with a copy (which shall not constitute notice) to:

Skadden, Arps, Slate, Meagher & Flom LLP
One Manhattan West
New York, NY 10001
Attention: Allison R. Schneirov, Esq.
Alexandra J. McCormack, Esq.
Kyle J. Hatton, Esq.
Lauren S. Kramer, Esq.
Email:

Section 8.5 Waivers. Any provision of this Agreement may be waived, if and only if, such waiver is in writing and signed by the Party against whom the waiver is to be effective. Notwithstanding the foregoing, no failure to exercise and no delay in exercising, on the part of any Party, any right, remedy, power or privilege hereunder shall operate as a waiver hereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. Any consent required or permitted to be given by any Party to the other Party under this Agreement shall be in writing and signed by the Party giving such consent and shall be effective only against such Party (and the members of its Group).

Section 8.6 Amendments. This Agreement may not be modified or amended except by an agreement in writing specifically designated as an amendment hereto signed by each of the Parties.

Section 8.7 Assignment. Neither this Agreement nor any of the rights, interests or obligations under this Agreement shall be assigned or transferred, in whole or in part, by operation of Law or otherwise, by either of the Parties without the prior written consent of the other Party (which consent may be granted or withheld in such other Party's sole discretion); provided, that such first Party may assign or transfer, in whole or in part, by operation of Law or otherwise, without the prior written consent of the other Party, this Agreement or any of the rights, interests or obligations under this Agreement to (a) one or more of its Affiliates and (b) the successor to all or a portion of the business or assets to which this Agreement relates; provided, further, that (i) the assigning or transferring Party shall promptly notify the non-assigning or non-transferring Party in writing of any assignments or transfers it makes under the foregoing clause (b) and (ii) in either case of the foregoing clauses (a) or (b), the party to whom this Agreement is assigned or transferred shall agree in writing to be bound by the terms of this Agreement as if named as a "Party" hereto with respect to all or such portion of this Agreement so assigned or transferred. Any purported assignment in violation of this Section 8.7 shall be void *ab initio*. No assignment or transfer shall relieve the assigning or transferring Party of any of its obligations under this Agreement that accrued prior to such assignment or transfer unless agreed to by the non-assigning or non-transferring Party. If either Party or any of its Affiliates assigns any of the Licensed IP, such assignment shall be subject to the licenses granted to such Intellectual Property under this Agreement and the assignee of such Licensed IP shall be deemed to assume the applicable obligations under this Agreement automatically with respect thereto.

Section 8.8 Successors and Assigns. The provisions of this Agreement and the obligations and rights hereunder shall be binding upon, inure to the benefit of and be enforceable by (and against) the Parties and their respective successors and permitted transferees and assigns.

Section 8.9 No Circumvention. The Parties agree not to directly or indirectly take any actions, act in concert with any Person who takes an action, or cause or allow any member of any such Party's Group to take any actions (including the failure to take a reasonable action) such that the resulting effect is to materially undermine the effectiveness of any of the provisions of this Agreement.

Section 8.10 Subsidiaries. Each of the Parties shall cause to be performed, and hereby guarantees the performance of, all actions, agreements and obligations set forth herein to be performed by any Subsidiary of such Party or by any entity that becomes a Subsidiary of such Party after the Effective Date.

Section 8.11 Third Party Beneficiaries. This Agreement is solely for the benefit of, and is only enforceable by, the Parties and their permitted successors and assigns and should not be deemed to confer upon third parties any remedy, benefit, claim, liability, reimbursement, claim of Action or other right of any nature whatsoever, including any rights of employment for any specified period, in excess of those existing without reference to this Agreement.

Section 8.12 Title and Headings. Titles and headings to sections herein are inserted for the convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

Section 8.13 Governing Law. This Agreement, including all matters of construction, validity, interpretation, performance and enforceability, and any dispute arising directly or indirectly out of, in connection with or relating to this Agreement shall be governed by and construed in accordance with the Laws of the State of Delaware, without giving effect to the conflicts of laws principles thereof.

Section 8.14 Specific Performance. The Parties acknowledge and agree that irreparable harm would occur in the event that the Parties do not perform any provision of this Agreement in accordance with its specific terms or otherwise breach this Agreement and the remedies at law for any breach or threatened breach of this Agreement, including monetary damages, are inadequate compensation for any Damages. Accordingly, from and after the Effective Date, in the event of any actual or threatened default in, or breach of, any of the terms, conditions and provisions of this Agreement, the Parties agree that the Party or Parties to this Agreement who are or are to be thereby aggrieved shall, subject and pursuant to the terms of this Article VIII (including for the avoidance of doubt, after compliance with all notice and negotiation provisions herein), have the right to specific performance and injunctive or other equitable relief of its or their rights under this Agreement, in addition to any and all other rights and remedies at law or in equity, and all such rights and remedies shall be cumulative. The Parties agree that any defense in any action for specific performance that a remedy at law would be adequate is hereby waived, and that any requirements for the securing or posting of any bond with such remedy are hereby waived.

Section 8.15 Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon a determination that any term, provision, covenant or restriction is invalid, illegal, void or unenforceable, the Parties shall negotiate in good faith to modify to the fullest extent permitted by applicable Law this Agreement so as to effect the original intent of the Parties as closely as possible in a mutually

acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

Section 8.16 No Duplication; No Double Recovery. Nothing in this Agreement is intended to confer to or impose upon any Party a duplicative right, entitlement, obligation or recovery with respect to any matter arising out of the same facts and circumstances.

Section 8.17 Bankruptcy. All rights and licenses granted under or pursuant to this Agreement by a Licensor are, and will otherwise be deemed to be, for purposes of Section 365(n) of the United States Bankruptcy Code, licenses of rights to “intellectual property” as defined under Section 101 of the United States Bankruptcy Code regardless of the form or type of intellectual property under or to which such rights and licenses are granted and regardless of whether the intellectual property is registered in or otherwise recognized by or applicable to the United States of America or any other country or jurisdiction. The Parties agree that each Licensee will retain and may fully exercise all of their rights and elections under the United States Bankruptcy Code.

* * * * *

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the Effective Date by their respective representatives thereunto duly authorized.

HONEYWELL INTERNATIONAL INC.

Signature: _____
Name:
Title:

SOLSTICE ADVANCED MATERIALS INC.

Signature: _____
Name:
Title:

[Signature Page to Intellectual Property Cross-License Agreement]

TRADEMARK LICENSE AGREEMENT

BY AND BETWEEN

HONEYWELL INTERNATIONAL INC.

AND

SOLSTICE ADVANCED MATERIALS INC.

DATED AS OF

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TRADEMARK LICENSE AGREEMENT

This TRADEMARK LICENSE AGREEMENT (this “**Agreement**”), dated as of _____ (the “**Effective Date**”), is entered into by and between Honeywell International Inc., a corporation of the state of Delaware, U.S.A., having offices located at 855 S. Mint Street, Charlotte, NC 28202 (“**Licensor**”) and Solstice Advanced Materials Inc. (f/k/a Solstice Advanced Materials, LLC), a Delaware corporation (“**Licensee**”) (together with Licensor, the “**Parties**,” and each individually, a “**Party**”).

RECITALS

WHEREAS, the Parties, among others, entered into that certain Separation and Distribution Agreement dated as of _____ (as amended, modified or supplemented, and together with all exhibits and schedules thereto, the “**Separation Agreement**”);

WHEREAS, Section 3.5 of the Separation Agreement contemplates that Licensor and Licensee will execute this Agreement, and this Agreement is being entered into by the Parties to satisfy the requirements described therein;

WHEREAS, Licensor is the owner of certain valuable Licensed Trademarks (as hereafter defined) in the Territory (as hereafter defined); and

WHEREAS, Licensee desires to use the Licensed Trademarks in the advertising, sale and distribution of Licensed Products (as hereafter defined) in the Territory, and Licensor is willing to authorize the Licensee’s use subject to the terms and conditions herein.

NOW, THEREFORE, the Parties, intended to be legally bound, hereby agree as follows:

ARTICLE I DEFINITIONS AND INTERPRETATION

Section 1.1 General. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed thereto in the Separation Agreement. As used in this Agreement, the following terms have the respective meanings set forth below.

- (a) “**1234yf DIY Products**” means the products set forth in **Attachment A**.
- (b) “**1234yf DIY License Period**” means the period set forth in **Attachment A**.
- (c) “**1234yf DIY Territory**” means the countries set forth in **Attachment A**.

(d) “**Affiliate**” means, when used with respect to a specified Person, a Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with such specified Person. For the purposes of this definition, “control” (including the terms “controlled by” and “under common control with”), when used

with respect to any specified Person shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or other interests, by Contract or otherwise. It is expressly agreed that no Party or member of either Group shall be deemed to be an Affiliate of the other Party or member of such other Party's Group solely by reason of having one or more directors in common or by reason of having been under common control of Licensor or Licensor's stockholders prior to, or in case of Licensee's stockholders, after the Effective Time.

(e) "**Business Day**" means any day that is not a Saturday, a Sunday or any other day on which banks are required or authorized by Law to be closed in New York, New York.

(f) "**Change of Control**" means, with respect to any entity, (i) the sale of all or substantially all of the assets of, or the ownership interests in, such entity in a single transaction or a series of related transactions to a Third Party, (ii) any direct or indirect acquisition of control, consolidation or merger of such entity by, with or into any Third Party, or (iii) any other corporate transaction or series of related transactions in which control of such entity is directly or indirectly transferred to a Third Party, including by transferring in excess of fifty percent (50%) of such entity's voting power, shares or equity, through a merger, consolidation, tender offer or similar transaction, to one or more third parties; provided, that a "Change of Control" shall not include a transaction where such entity's stockholders prior to such transaction directly or indirectly beneficially own, immediately following such transaction, a majority of the outstanding equity interests of the Third Party that controls such entity immediately following such transaction solely as a result of such stockholders' ownership of the equity interests of such first entity immediately prior to such transaction.

(g) "**Complaint**" means a telephone call or communication of any kind from a customer notifying Licensee, or any company affiliated with Licensee, of a problem relating to or a question about any or all of the following: the Licensed Products; Licensee's advertising or other business practice; the conduct of an employee of Licensee or an employee of any company affiliated with Licensee in connection with this Agreement.

(h) "**Contract Year**" means each calendar year during the Term; provided, that (i) the first Contract Year shall commence on the Effective Date, and end on December 31 of the year in which the Effective Date occurs, and (ii) the last Contract Year shall commence on January 1 of the year in which this Agreement expires or is terminated, and end on the last day of the Term.

(i) "**Honeywell Trademark**" means the Trademark "HONEYWELL", in the form and manner set forth in **Attachment B**, but excluding any variations thereof (including modifications to the words, letter, or design), which variations are expressly excluded.

(j) "**Licensed Products**" means, as applicable, (i) the 1234yf DIY Products with respect to the licenses and rights granted under Section 2.1, (ii) the Refrigerant Products with respect to the licenses and rights granted under Section 2.2, and (iii) any products to the

extent permitted under **Attachment C** with respect to the licenses and rights granted under Section 2.3.

(k) “**Licensed Trademarks**” means the Honeywell Trademark.

(l) “**Net Sales**” means Licensee’s and its Affiliates’ gross sales of Licensed Products (defined as the number of units of Licensed Products invoiced during an applicable period to Third-Party purchasers of Licensed Products (“**Customers**”), *multiplied by* Licensee’s invoiced unit price(s) of Licensed Products to such Customers during such applicable period), *less* the following items (collectively, “**Permitted Deductions**”):

(i) reasonable trade discounts (defined as reductions in the list wholesale selling price that are customary in the trade) that Licensee actually grants in writing to a Customer prior to delivery to a Customer;

(ii) returns that Licensee actually authorizes and receives or has verified proof from Customers of returns with a corresponding request for credit;

(iii) defective allowances granted to a Customer;

(iv) reasonable credits to a Customer after delivery that Licensee actually grants in writing;

(v) Value Added Taxes (“**VAT**”) associated with the shipment of goods to the Customer; and

(vi) freight billed separately on the invoice.

For the purpose of computing Net Sales during an applicable period, the Permitted Deductions from gross sales for such applicable period shall not exceed ten percent (10%) of gross sales shipped in any calendar year during which Royalties are calculated unless otherwise agreed to in writing by both the Licensor and the Licensee in respect of particular Customers. If a particular item falls into more than one of the categories set forth in clauses (i)-(vi) above, such item may not be included in the Permitted Deductions for a particular Net Sales calculation more than once. The Permitted Deductions for an applicable period shall be deemed never to exceed the Net Sales for such period. Net Sales occur (and Royalties are owed) upon the earlier of shipment of Licensed Products or delivery of an invoice for Licensed Products. Net Sales shall be determined and Royalties paid without deducting unpaid amounts or receivables, uncollectible or uncollected accounts or financial discounts of any kind. Net Sales shall include all transactions of Licensed Products distributed by Licensee or any of its Affiliates to Customers even if such transactions are not billed. Where Licensed Product are not sold, but are otherwise used, the Net Sales for purposes of computing Royalties shall be the highest selling prices of such Licensed Products of similar kind and quality that is currently being offered for sale by Licensee. In the event that Licensee or any of its Affiliates receive any consideration or value (whether monetary or non-monetary) in connection with the sale of Licensed Products that is not reflected in applicable invoices (e.g., pursuant to any side agreement, arrangement or other understanding,

whether written or oral), the purpose or effect of which is to artificially reduce Net Sales under this Agreement, such consideration or value shall be added to Licensee's invoiced unit price(s) of Licensed Products to the applicable Customers during the applicable period for purposes of calculating Net Sales. All deductions from Net Sales must be clearly tracked on invoices with the Customers and produced to Licensor promptly upon request. Any deductions not specifically tracked via a written invoice shall be disallowed, and Licensee shall be responsible to pay to Licensor the amount of such discounts granted. For clarity, the amounts invoiced by Licensee or its Affiliates for the sale of Licensed Products among Licensee and its Affiliates for resale shall not be included in the computation of Net Sales hereunder and Net Sales shall be the gross invoice or contract price charged to a Customer for the Licensed Products in an arm's-length transaction, *less* the Permitted Deductions.

(m) “**Refrigerant Products**” means the products set forth in **Attachment D**.

(n) “**Refrigerant License Period**” means the period set forth in **Attachment D**.

(o) “**Refrigerant Territory**” means the countries set forth in **Attachment D**.

(p) “**Social Media**” means interactive computer-mediated technologies that facilitate the creation or sharing of information, ideas, career interests and other forms of expression via virtual communities and networks including Facebook, Instagram, Twitter, YouTube, Snapchat, Pinterest and WeChat.

(q) “**Subsidiary**” means, with respect to any Person, (i) a corporation, greater than fifty percent (50%) of the voting or capital stock of which is, as of the time in question, directly or indirectly owned by such Person, and (ii) any other partnership, joint venture, association, joint stock company, trust, unincorporated organization or other entity in which such Person, directly or indirectly, owns greater than fifty percent (50%) of the equity or economic interest thereof or has the power to elect or direct the election of greater than fifty percent (50%) of the members of the governing body of such entity or otherwise has control over such entity (e.g., as the managing partner of a partnership); provided, that “Subsidiaries” shall not include the SpinCo Joint Ventures and Minority Investments or the RemainCo Joint Ventures and Minority Investments.

(r) “**Territory**” means, as applicable, (i) the 1234yf DIY Territory with respect to the licenses and rights granted under Section 2.1, (ii) the Refrigerant Territory with respect to the licenses and rights granted under Section 2.2, and (iii) any jurisdictions to the extent permitted under **Attachment C** with respect to the licenses and rights granted under Section 2.3.

(s) “**Third Party**” means any Person other than Licensor, Licensee and their respective Affiliates.

(t) “**Trademark**” means trademarks, certification marks, service marks, trade names, domain names, favicons, social media addresses, service names, trade dress and logos,

including all goodwill associated therewith, in each case whether or not registered, and registrations and applications for registration thereof, and all reissues, extensions and renewals of any of the foregoing.

(u) “**Transitional License Period**” means the periods in respect of each permitted transitional use as of the Honeywell Trademark set forth in **Attachment C**.

(v) “**Weitron Side Letter**” means .

Section 1.2 **References; Interpretation**. For the purposes of this Agreement, (a) words in the singular shall be held to include the plural and vice versa, and words of one gender shall be held to include the other gender as the context requires; (b) references to the terms Article, Section, paragraph, clause, Exhibit, Schedule and Attachment are references to the Articles, Sections, paragraphs, clauses, Exhibits, Schedules and Attachments to this Agreement unless otherwise specified; (c) the terms “hereof,” “herein,” “hereby,” “hereto,” and derivative or similar words refer to this entire Agreement, including the Schedules, Exhibits and Attachments hereto; (d) references to “\$” shall mean U.S. dollars; (e) the word “including” and words of similar import when used in this Agreement shall mean “including without limitation,” unless otherwise specified; (f) the word “or” shall not be exclusive (unless the context indicates otherwise); (g) references to “written” or “in writing” include in electronic form; (h) the Parties have each participated in the negotiation and drafting of this Agreement, and except as otherwise stated herein, if an ambiguity or question of interpretation should arise, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or burdening any Party by virtue of the authorship of any of the provisions in this Agreement; (i) a reference to any Person includes such Person’s successors and permitted assigns; (j) any reference to “days” means calendar days unless Business Days are expressly specified; (k) when calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded and if the last day of such period is not a Business Day, the period shall end on the next succeeding Business Day; (l) any statute or Contract defined or referred to herein means such statute or Contract as from time to time amended, modified or supplemented, unless otherwise specifically indicated; (m) the use of the phrases “the date of this Agreement”, “the date hereof”, “of even date herewith” and terms of similar import shall be deemed to refer to the date set forth in the preamble to this Agreement; (n) the phrase “ordinary course of business” shall be deemed to be followed by the words “consistent with past practice” whether or not such words actually follow such phrase; (o) where a word or phrase is defined herein, each of its other grammatical forms shall have a corresponding meaning; and (p) any consent given by any party hereto pursuant to this Agreement shall be valid only if contained in a written instrument signed by such Party. Unless the context requires otherwise, references in this Agreement to “Licensee” shall also be deemed to refer to the applicable member of the Licensee Group, references to “Licensor” or “Honeywell” shall also be deemed to refer to the applicable member of the RemainCo Group and, in connection therewith, any references to actions or omissions to be taken, or refrained from being taken, as the case may be, by Licensor or Licensee shall be deemed to require Licensor or Licensee, as the case may be,

to cause the applicable members of the SpinCo Group or the RemainCo Group, respectively, to take, or refrain from taking, any such action.

ARTICLE II

TRADEMARK LICENSE

Section 2.1 Refrigerants License. Subject to the terms and conditions of this Agreement, Licensors hereby grants to Licensee an exclusive, non-transferable (except in accordance with Article XIV), royalty-bearing (in accordance with Article III), non-sublicensable (except as permitted in Section 2.4) license during the Refrigerant License Period to reproduce and use the Honeywell Trademark solely in the Refrigerant Territory as the Trademark on Refrigerant Products and in advertising and promotional materials (but excluding Social Media) for such Refrigerant Products.

Section 2.2 1234yf DIY License. Subject to the terms and conditions of this Agreement and the Weitron Side Letter, Licensors hereby grants to Licensee an exclusive, non-transferable (except in accordance with Article XIV), royalty-bearing (in accordance with Article III), non-sublicensable (except as permitted in Section 2.4) license during the 1234yf DIY License Period to reproduce and use the Honeywell Trademark solely in the 1234yf DIY Territory as the Trademark on 1234yf DIY Products and in advertising and promotional materials (but excluding Social Media) for such 1234yf DIY Products.

Section 2.3 Transitional License. Subject to the terms and conditions of this Agreement, Licensors hereby grants to Licensee a non-exclusive, non-transferable (except in accordance with Article XIV), royalty-free, non-sublicensable (except as permitted in Section 2.4) transitional license to use the Honeywell Trademark in connection with each item set forth in **Attachment C** for the specified use rights and Transitional License Period set forth for such item in **Attachment C**. Licensee shall, and shall cause its Affiliates and Sublicensees to, transition from, and phase-out use of, the Honeywell Trademark in connection with such specified use rights and such items as soon as reasonably practicable and any in event no later than the end of the applicable Transitional License Period (or the earlier termination of this Agreement).

Section 2.4 Sublicensing. Licensee shall have no right to sublicense any of the licenses or rights granted to Licensee under Section 2.1, Section 2.2 or Section 2.3, except as expressly permitted by, and in accordance with, this Section 2.4. For clarity, granting a sublicense shall not relieve Licensee of any obligations hereunder and Licensee shall cause each of its Sublicensees to comply, and shall remain responsible for its Sublicensees' compliance, with the terms hereof applicable to Licensee.

(a) Upon execution and delivery to Licensors of a sublicensing agreement in the form set forth in **Attachment E**, Licensee may grant sublicenses, solely within the scope of the licenses granted in Section 2.1, Section 2.2 or Section 2.3, as applicable, solely to any wholly-owned Subsidiary of Licensee that is not then a Sublicensee, and upon such grant, such wholly-owned Subsidiary shall be deemed a "Sublicensee." Licensee shall deliver such sublicensing agreement to Licensors within sixty (60) days of the Effective Date with respect to

sublicenses granted pursuant to this Section 2.4(a) as of the Effective Date or within such sixty (60) day period.

(b) Upon execution and delivery to Licensor of an agreement with an applicable Third Party that contains the sublicensing language set forth in **Attachment F**, Licensee may grant non-exclusive, non-transferable, non-sublicensable sublicenses, solely within the scope of the licenses granted in Section 2.1, Section 2.2 or Section 2.3, as applicable, solely to dealers, down-packers and customers of Licensee who are in the business of selling an applicable Licensed Product, and solely for use in connection with the resale of such applicable Licensed Product, and upon such grant, such dealer or customer shall be deemed a “**Sublicensee**.” Licensee shall deliver such sublicensing agreement to Licensor within sixty (60) days of the Effective Date with respect to sublicenses granted pursuant to this Section 2.4(b) as of the Effective Date or within such sixty (60) day period.

Section 2.5 Reservation of Rights; No Contest. For the avoidance of doubt, notwithstanding anything to the contrary in this Agreement, nothing in this Agreement (including the exclusive rights granted to Licensee pursuant to Section 2.1 and Section 2.2) shall be construed to limit or restrict Licensor’s ability and right to continue to operate the RemainCo Business and natural evolutions thereof. The Licensed Trademarks are the sole and exclusive property of Licensor. Except as expressly provided in the Separation Agreement or any other Ancillary Agreement, Licensor reserves its and its Affiliates’ rights in and to all Intellectual Property that is not expressly licensed or otherwise granted hereunder. Without limiting the foregoing, this Agreement and the licenses and rights granted herein do not, and shall not be construed to, confer any rights upon Licensee, its Affiliates, or its Sublicensees by implication, estoppel, or otherwise as to any of Licensor’s or its Affiliates’ Intellectual Property. Licensee shall not at any time, either during or after the Term of this Agreement, contest the validity of the Licensed Trademarks or assert or claim any other right to manufacture, sell or offer for sale products under the Licensed Trademarks, or any Trademark confusingly similar thereto.

Section 2.6 No Licenses to Other Trademarks. No license, either express or implied, is granted by Licensor to Licensee hereunder with respect to any Trademark except as specifically stated herein. Licensee may not use the Licensed Trademarks in Social Media without prior written approval from Licensor pursuant to a separate Social Media Agreement.

Section 2.7 Notice of Infringement. While Licensor has no information or reason to believe that the Licensed Trademarks or any registrations for the Licensed Trademarks infringe the rights of any Third Party, it makes no representation, warranty or guarantee to that effect. If Licensee receives notice or knowledge that its use of the Trademark may infringe trademark or other rights of any third person in the Territory, Licensee shall, as soon as possible and in no event longer than two (2) Business Days, report to Licensor in writing the details relating to the potential infringement.

Section 2.8 No Use Outside Territory. Licensee shall not make or authorize any use, direct or indirect, of the Licensed Products in any other country outside the Territory and will not knowingly sell the Licensed Products to persons who intend or are likely to ship or resell them in any country outside the Territory. Licensee further shall not make any use, direct or indirect, of

the Licensed Trademarks in connection with any products other than the Licensed Products pursuant to the terms herein.

Section 2.9 Recordation. If Licensor decides in its sole but reasonable discretion that this Agreement (or any short-form version of this Agreement) should be recorded with any governmental authorities within the Territory, or if any such prior recordation or application should be amended or updated in any manner, Licensee shall promptly provide or secure all reasonable assistance requested by Licensor, such as the furnishing of documents and information and the execution of all reasonably necessary documents, as Licensor may reasonably request. Any such costs associated with Licensor's requests for Licensee's assistance shall be borne by Licensor.

Section 2.10 Business Coordination. Upon request from either Party no more than once per year, Licensee and Licensor shall attempt in good faith to meet to discuss this Agreement including Licensee's progress of commercializing the Licensed Products into the Territory, potential new regions and/or product categories or segments for expansion and other topics of mutual interest to the Parties. At Licensor's option or at Licensee's request, and subject to the availability of both Parties, representative(s) of Licensor will conduct the annual meeting in-person at Licensee's offices and facilities. During such meeting, the Parties will discuss topics including an annual business review, branding, customer service management, and growth of Licensee's business and perform local market visits.

ARTICLE III

ROYALTY AND VOLUME PROVISIONS

Section 3.1 Royalties & Commitments for Refrigerant Products.

(a) During the Refrigerant License Period, Licensee shall pay to Licensor running royalties as a percentage of Net Sales of Refrigerant Products sold by or on behalf of Licensee in the Refrigerant Territory at the rate set forth in **Attachment D** ("**Refrigerant Royalties**").

(b) During the Refrigerant License Period, Licensee guarantees to pay to Licensor the minimum guaranteed royalty payments in respect of Refrigerant Royalties as set forth in **Attachment D** ("**Royalty Commitments**"), whether or not Licensee makes sufficient sales of Refrigerant Products to owe those amounts in Refrigerant Royalties pursuant to Section 3.1(a) based upon Net Sales during each specified Contract Year and regardless of termination of this Agreement (subject to Section 12.3).

(c) During the Refrigerant License Period, Licensee guarantees to meet the minimum guaranteed sales volumes in respect of Refrigerant Products as set forth in **Attachment D** ("**Volume Commitments**") during each specified Contract Year. In the event that Licensee fails to fulfill the Refrigerant Volume Commitment for two (2) consecutive Contract Years (excluding the first and second Contract Years during the Refrigerant License Period), Licensor may terminate this Agreement, effectively immediately upon written notice to

Licensee, solely to the extent related to the licenses and rights granted to Licensee in respect of Refrigerant Products (subject to Section 12.3).

Section 3.2 Royalties for 1234yf DIY Products.

(a) During the 1234yf DIY License Period, Licensee shall pay to Licensor royalties at the rate set forth in **Attachment A** (“**1234yf DIY Royalties**”, and together with the Refrigerant Royalties, the “**Royalties**”).

Section 3.3 Reporting & Payment.

(a) Within three (3) weeks of the end of each calendar quarter, Licensee must submit a report by email to providing the following information for such calendar quarter (the “**Report**”):

(i) the total quantity of Licensed Products sold on an SKU-by-SKU and country-by-country basis (with descriptions so that each individual Licensed Product can be identified by SKU within each country);

(ii) the total Net Sales value of Licensed Products on an SKU-by-SKU and country-by-country basis;

(iii) the amount of Royalties payable to Licensor from the foregoing information (for clarity, identifying Refrigerant Royalties and 1234yf Royalties separately) and, if applicable, any associated deductions or withholding contemplated by Section 3.8;

(iv) a list of all customers who purchased Licensed Products from Licensee; and

(v) the NPS.

(b) Following receipt of each Report, Licensor will issue an invoice (each, a “**Royalty Invoice**”) to Licensee (within approximately two (2) weeks) stating the amount of Royalties owed by Licensee to Licensor based on Net Sales for the applicable calendar quarter. Licensee shall pay to Licensor the amount stated in each Royalty Invoice within two (2) weeks of the date such Royalty Invoice is sent by Licensor to Licensee. All payments of Royalties shall be made in U.S. Dollars and by wire transfer to:

JPMorgan Chase Bank
Honeywell International Inc.
ABA 021000021
Swift Code: CHASUS33
Account Number: 662635853
HIPI Agreement Number: 2025-XXXX

Section 3.4 Royalty Shortfall Payments. If the applicable Royalties owed in any Contract Year are less than the corresponding Royalty Commitment for such Contract Year, then Licensee shall pay Licensors the difference between the applicable Royalty Commitment for such Contract Year and the applicable Royalties actually paid for such Contract Year. Such difference payment shall be paid to Licensors in U.S. dollars within thirty (30) days after the end of each Contract Year, to the extent that such payments are due. Such payments shall be paid in the same manner set forth in Section 3.3 for the payment of Royalties.

Section 3.5 Late Payments. Except as expressly provided to the contrary in this Agreement, any amount not paid when due pursuant to this Agreement (and any amount billed or otherwise invoiced or demanded and properly payable that is not paid within thirty (30) days of such bill, invoice or other demand) shall bear interest at a rate per annum equal to the Secured Overnight Financing Rate (“**SOFR**”) (in effect on the date on which such payment was due), *multiplied by* one hundred twenty percent (120%) calculated for the actual number of days elapsed, accrued from the date on which such payment was due up to the date of the actual receipt of payment; provided, that in the event that SOFR is no longer commonly accepted by market participants, then an alternative floating rate index that is commonly accepted by market participants, which the Parties shall jointly determine, each acting in good faith. The payment of such interest shall not replace any of Licensors’ other rights under this Agreement resulting from Licensee’s default by failure to pay any amounts due hereunder. The acceptance of any overdue payments by Licensors at any time does not foreclose or impair Licensors’ ability to collect the owed interest on such payments pursuant to this Section 3.5.

Section 3.6 Records Retention & Access. Licensee shall:

(a) preserve and maintain in the ordinary course of business in a facility in the United States accurate and up-to-date records which will contain the data from which amounts due to Licensors under this Agreement can be readily calculated including all manufacturing, inventory and sales records involving the Licensed Products;

(b) at all times during the Term, and for two (2) years after the end of the Term, permit examination of such records at Licensee’s corporate offices during normal business hours and upon reasonable notice by Licensors or Licensors’ representatives at reasonable intervals and under reasonable conditions; and

(c) permit Licensors or Licensors’ Representative to review at Licensee’s corporate offices during normal business hours and upon reasonable notice, all other relevant information useful in making a proper audit and verification of Licensee’s performance of its obligations under this Agreement. Licensee shall fully cooperate with Licensors or Licensors’ representative in the course of such audit or investigation and permit Licensors or Licensors’ representative to make copies of such records. Licensors agree to enter into a confidentiality agreement with respect to such information as Licensee may reasonably request. In the event that such inspection reveals a discrepancy in the amount of Royalties owed Licensors from what was actually paid, Licensee shall pay such discrepancy, plus interest, calculated at the rate of one and one-half percent (1.5%) per month. In the event that such discrepancy is in excess of ten thousand U.S. dollars (\$10,000), Licensee shall reimburse Licensors for the reasonable out of

pocket cost of such inspection (i.e., auditor's fees), but not including any attorney's fees incurred in connection therewith.

Section 3.7 Ownership of Information. Any of Licensee's information furnished by Licensee to Licensor under this Agreement shall remain Licensee's property and, for clarity, be subject to Article XVI. All copies of such information in written, graphic or other tangible form shall be destroyed or returned to Licensee at its request, except that Licensor may retain one copy for archival, audit or dispute resolution purposes.

Section 3.8 Taxes. The Parties shall be entitled to deduct and withhold from any payments due hereunder as they are required to deduct and withhold therefrom under applicable law; provided, that to the extent a deduction or withholding is required in respect of any such payment, the applicable Party shall use commercially reasonable best efforts to (a) provide reasonable advance notice to the other Party indicating in reasonable detail any intention to deduct or withhold any amounts pursuant to this Section 3.8, the amount to be deducted or withheld, and the basis therefor, and (b) cooperate in good faith with the other Party to minimize the amount of any applicable withholding or deduction to the extent permitted by applicable law. To the extent such amounts are so deducted or withheld, such amounts shall be treated for all purposes under this Agreement as having been paid to the Party to whom such amounts would otherwise have been paid and shall be promptly paid to the appropriate governmental authority in accordance with applicable law.

ARTICLE IV

USE OF TRADEMARKS ON LICENSED PRODUCTS AND PACKAGING

Section 4.1 Use of Licensed Trademarks. Licensee shall use the Licensed Trademarks only on the applicable Licensed Products or in the advertising, distribution and sale of the applicable Licensed Products.

Section 4.2 No Combinations. Licensee shall not, without Licensor's prior written permission, use the Licensed Trademarks in close proximity to or in conjunction with any other Trademarks or ornamentation, including slogans or taglines, or on the outside label of any package with any other Trademarks, other than Licensee's own Trademarks to the extent such Trademarks are actually so used with the Licensed Trademarks as of the Effective Date. Licensee shall not use or combine the Licensed Trademarks with any other term without Licensor's prior written consent (which consent may be granted or withheld in Licensor's sole discretion). Notwithstanding the above, Licensor will not unreasonably withhold its consent to Licensee using the SOLSTICE Trademark (including the logo therefor, "**Solstice Mark**") on labels, packaging and promotional materials for Licensed Products, to the extent that such use does not give the impression that the Licensed Trademarks and Solstice Mark are combined or composite Trademarks or otherwise violate Licensor's Corporate Identity Standards.

Section 4.3 Restrictions. Neither Licensee nor any Affiliate or agent of Licensee shall, without the prior written consent of Licensors (which consent may be granted or withheld in Licensors's sole discretion):

(a) use the Licensed Trademarks as part of a corporate, business or trading name (except as expressly permitted under this Agreement in connection with the transitional rights granted under Section 2.3); or

(b) attempt to register, register or own (at any time) in any country:

(i) the Licensed Trademarks;

(ii) any domain name incorporating in whole or in part the Licensed Trademarks; or

(iii) any name, trade name, domain name, keyword, mark, e-commerce platform or social or business networking/media account or identification name confusingly similar to the Licensed Trademarks, including translations or transliterations of the Licensed Trademarks in other languages.

Any such approved use by Licensee shall cease immediately upon the expiration or termination of this Agreement for any reason.

Section 4.4 Consequences of Non-Approved Uses. In addition to any other rights or remedies provided in this Agreement, in the event that Licensee or any Affiliate or agent of Licensee is in violation of or otherwise breaches Section 4.3 as of the Effective Date or at any time during the Term, then Licensee shall, upon receipt of notification from Licensors:

(a) immediately be liable to Licensors in the amount of twenty thousand U.S. dollars (\$20,000) for each such violation, payable upon demand; and

(b) must, at Licensors's direction, transfer to Licensors or abandon the respective Trademark, name, trade name, domain name, or keyword in question within five (5) days of receipt of notice by Licensee.

The payment required by this Section 4.4 is intended solely to compensate Licensors and not as a penalty, and the Parties acknowledge and agree that such payment is not disproportionate to the anticipated likely loss and harm to be suffered by Licensors as a consequence of each such breach. The provisions of Section 4.3 and Section 4.4 shall survive termination of this Agreement.

Section 4.5 Display & Packaging. Licensee shall use the Licensed Trademarks properly on all trade dress, labels, containers, packaging, tags and displays ("**Packaging**"). Any Packaging which contains wording not in English must be accompanied by an English translation for all such wording and provided to Licensors. All original Packaging and related product labels and any material changes in Packaging containing or referring to the Licensed Trademarks which Licensee intends to use in connection with the Licensed Products must be approved in advance (which approval shall not be unreasonably withheld) and in writing by

Licensor to ensure proper Trademark usage (provided, that such approval by Licensor shall not be required in respect of Packaging that is the same, or substantially the same, as Packaging used by Licensee in the ordinary course of business as of immediately prior to the Effective Date). Licensor shall promptly review the Packaging submitted to it for review. Such materials shall be deemed disapproved if Licensor does not provide a reply to Licensee within fifteen (15) Business Days of Licensor's receipt of such proposed Packaging. In the event that Licensee is not current on any payments or Royalties reports owed to Licensor at any time, Licensor may decline to review Packaging provided by Licensee, in which event Licensee may not use such Packaging until Licensee is current on all payments and reports and such Packaging has been approved by Licensor. The failure by Licensor to review such Packaging in accordance with this Section 4.5 while Licensee owes money or Royalties to Licensor or is otherwise in breach of its obligations herein will not constitute a breach of Licensor's obligations under the Agreement.

Section 4.6 Corporate Identity Standards. On all visible Packaging and advertising, the Licensed Trademarks shall be emphasized in relation to the surrounding material, and any use of the Licensed Trademarks shall conform to Licensor's "**Corporate Identity Standards**", which shall be provided from time to time by Licensor to Licensee. The current version of Licensor's Corporate Identity Standards is located at <http://brand.honeywell.com/>. Upon request, Licensee may obtain a password from Licensor to access these standards. Wherever appropriate, the Licensed Trademarks shall be used as proper adjectives, and the common noun for the product shall be used in conjunction with the Licensed Trademarks. All Packaging shall contain the Licensed Trademarks and the name, Trademark or trade name, and physical address, phone number and main URL of Licensee. Licensee shall refrain from making any statements about the quality, efficiency, or effectiveness of any of the Licensed Products on any product packaging or advertising materials unless Licensee has established the validity of such statements through empirical studies. Licensor shall have the right to approve, upon its request, the terms and descriptions of all warranties offered by Licensee in connection with the Licensed Products (except for such warranties that are the same as, or substantially similar to, warranties offered by Licensee in connection with the Licensed Products as of the Effective Date).

Section 4.7 Trademark Use Guidelines. Licensee shall use the Licensed Trademarks only in accordance with good Trademark practice and Licensor's trademark use guidelines, as set forth in **Attachment G**, which Licensor may update from time to time upon notice to Licensee. Upon Licensee's receipt of any such notice, Licensee shall use commercially reasonable efforts to comply, and cause its Sublicensees to comply, with such updated trademark use guidelines as soon as commercially practicable, and in any event within six (6) months of receipt of such notice. In addition, Licensee's use of the Licensed Trademarks shall be subject to reasonable instruction provided by Licensor from time to time. Licensee shall conspicuously display on all Licensed Products, Packaging and advertising the Licensed Trademarks and license notice required by Licensor's written instructions in effect as of the date of manufacture. Such instructions are provided to Licensee in **Attachment B**.

Section 4.8 Safety of Licensed Products. All Licensed Products shall be UL-listed and approved (to the extent applicable to each Licensed Product) and shall meet all applicable and then in-effect industry standards and governmental regulations. Licensee must, to the extent

applicable, submit copies of UL certificates or other documents confirming UL certification to Licensor in advance of any sales of Licensed Products hereunder and shall, thereafter, on an annual basis, submit samples of Licensed Products to an independent testing laboratory reasonably acceptable to Licensor to confirm that such Licensed Products continue to meet such industry standards and applicable government regulations (provided, that such acceptance by Licensor shall not be required in respect of independent testing laboratories that are used by Licensee in the ordinary course of business as of immediately prior to the Effective Date). In the event that such independent laboratory should determine that such Licensed Products do not meet such standards and/or regulations, Licensee shall immediately notify Licensor of such fact and cease using the Licensed Trademark on such Licensed Products. Under no circumstance is Licensee permitted to sell such Licensed Products which do not meet such standards and/or regulations in connection with the Licensed Products.

Section 4.9 Goodwill. Licensee agrees that it will not, during or after the Term of this Agreement, attack, challenge or otherwise contest the validity of the Licensed Trademarks or Licensor's rights therein. All goodwill resulting or accruing from the use of the Licensed Trademarks by Licensee or its Affiliates or Sublicensees, including any additional goodwill that may develop or accrue because of Licensee's or its Affiliates' or Sublicensees' use of the Licensed Trademarks, shall inure solely to the benefit of Licensor, and Licensee shall not acquire any rights in the Licensed Trademarks except those rights specifically granted in this Agreement.

Section 4.10 No Tarnishment. Licensee shall not take any action or omit to take any action which may reasonably be expected to derogate, erode or tarnish the Licensed Trademarks, or otherwise diminish the value of the Licensed Trademarks, in Licensor's reasonable opinion. For the avoidance of doubt, the sale of Licensed Products at below average prices for such products shall, by itself, tarnish and diminish the value of the Licensed Trademarks and constitute a breach of this Section 4.10 and the Agreement.

Section 4.11 Product Warranties to Customers. Licensee shall offer and honor a warranty on all Refrigerant Products and 1234yf DIY Products that equals or exceeds standard warranties provided for other competing products in the marketplace (which requirement shall be deemed to be satisfied by warranties that are the same as, or substantially similar to, warranties offered by Licensee in connection with the Refrigerant Products and 1234yf DIY Products, as applicable, as of the Effective Date). Prior to the manufacture of any such Licensed Products, Licensee shall provide all terms and conditions of its warranty program for such Licensed Products to Licensor for Licensor's approval, which shall not unreasonably be withheld (except that such approval shall not be required in respect of terms and conditions for Licensee's warranty program for such Licensed Products that are the same as, or substantially similar to, the terms and conditions for Licensee's warranty program for such Licensed Products as of the Effective Date). Licensee may not materially change the terms of its warranty after approved by Licensor without Licensor's written approval, which shall not unreasonably be withheld. The failure by Licensee to honor its warranty terms shall constitute a breach of this Agreement.

Section 4.12 Ownership of Packaging. Licensor and Licensee each considers all Packaging created pursuant to this Agreement and based on Licensor's trademark use guidelines

(as set forth in Section 4.7) to be works made for hire. Licensee acknowledges and agrees that such Packaging (and all rights therein, including, without limitation, copyright) belongs to and shall be the sole and exclusive property of Licensor. If for any reason any Packaging or any part thereof would not be considered a work made for hire under applicable law, Licensee does hereby sell, assign, and transfer to Licensor, its successors and assigns, the entire right, title and interest in and to the copyright in the Packaging and any registrations and copyright applications relating thereto and any renewals and extensions thereof, and in and to all works based upon, derived from, or incorporating the Packaging, and in and to all causes of action, either in law or in equity for past, present, or future infringement based on the copyrights, and in and to all rights corresponding to the foregoing throughout the world.

Section 4.13 Historical References. Licensee acknowledges Licensor's longstanding legacy of using the Honeywell Trademark and the goodwill from such use that has inured to Licensor. Licensee agrees not to use the name "Honeywell" or the Honeywell Trademark in reference to its product or company history, except as part of the approved description set forth in **Attachment H** or as otherwise approved by Licensor in writing.

ARTICLE V

INFRINGEMENTS AND LITIGATION

Section 5.1 Infringement Notice. Licensee agrees to give notice promptly in writing to Licensor of any infringement or suspected or threatened infringement by a Third Party of the Licensed Trademarks in the Territory that Licensee or any of its Affiliates or Sublicensees learns of at any time while this Agreement is in effect. Licensee shall take no further steps with respect to such infringement unless and until instructed to do so by Licensor in writing.

Section 5.2 Initiating Infringement Proceedings. Except as otherwise set forth in Section 5.4, Licensor may decide in its sole discretion whether and what steps should be taken to prevent or terminate infringement of the Licensed Trademarks in the Territory, including the institution of legal proceedings and settlement of any claim or proceeding. Licensor agrees to notify Licensee in writing of Licensor's decision and course of action as soon as reasonably possible following the receipt of any notice from the Licensee under Section 5.1.

Section 5.3 Conducting Infringement Proceedings. Except as otherwise set forth in Section 5.4, Licensor will solely conduct and control any action(s) taken against infringers of the Licensed Trademarks. Licensee shall join as a party in any such legal proceedings where necessary for the conduct thereof. Licensee may elect to retain its own attorneys in connection therewith at Licensee's sole cost and expense. Licensee will provide or procure reasonable assistance, such as the furnishing of documents and information and the execution of all reasonably necessary documents, as Licensor may reasonably request. Any recovery received from any such infringer or counterfeiter shall be apportioned equally between the Parties after reimbursement of applicable costs set forth in Section 5.4.

Section 5.4 Infringement Proceeding Costs. Licensee shall bear fifty percent (50%) of all of Licensor's and its Affiliates' out-of-pocket costs, fees and expenses incurred in connection with infringement claims related to the Licensed Trademarks to the extent related (or

substantially related) to the Licensed Products in the Territory. Licensee, at Licensor's direction, shall establish a direct payment relationship with any Third Party handling such matters and Licensee shall timely pay all invoiced amounts directly to the applicable Third Party. Notwithstanding the foregoing, in the event that Licensee requests Licensor to take any such actions in connection with a particular instance of such infringement in the Territory, and Licensor declines to do so (or fails to respond to such request within thirty (30) days of receipt thereof), then Licensee shall have the right (but not the obligation) to step-in and enforce the Licensed Trademarks in respect of the Licensed Products in the Territory for such instance of infringement at Licensee's own cost and expense, and Licensor shall reasonably cooperate in connection therewith (at Licensee's sole cost and expense).

ARTICLE VI

ADVERTISING AND AUTHENTICATION

Section 6.1 Advertising Expenditures. Licensee shall use commercially reasonable efforts to make reasonable advertising and marketing expenditures to promote the sale of Refrigerant Products and 1234yf DIY Products and enhance the value of the goodwill associated with the Licensed Trademarks in connection therewith.

Section 6.2 Copy. All advertising copy and promotional materials, including Internet web pages or designs, containing or referring to the Licensed Trademarks ("**Copy**") which Licensee intends to use and its proposed placement must be approved in advance and in writing by Licensor to ensure proper Trademark usage by Licensee (except that such approval shall not be required in respect of Copy that is the same as, or substantially similar to, Copy used by Licensee as of the Effective Date). All Copy must be submitted to Licensor in English. Licensor shall promptly review such Copy received from Licensee and shall not unreasonably withhold its consent. Such Copy shall be deemed disapproved if Licensor does not provide a reply to Licensee within fifteen (15) Business Days of Licensor's receipt of such proposed Copy. Licensor may refuse to approve, and Licensee shall not distribute, any materials containing or referring to the Licensed Trademarks that derogates, erodes or tends to tarnish the Licensed Trademarks, or otherwise diminish the value of the Licensed Trademarks, in Licensor's opinion. In the event that Licensee is not current on any payments or Royalties reports owed to Licensor at any time, Licensor may decline to review Copy provided by Licensee, in which event Licensee may not use such Copy until Licensee is current on all payments and reports and such Copy has been approved by Licensor. The failure by Licensor to review such Copy in accordance with this Section 6.2 while Licensee owes money or Royalties to Licensor or is otherwise in breach of its obligations herein will not constitute a breach of Licensor's obligations under the Agreement.

Section 6.3 Ownership of Copy. Licensor and Licensee each considers all elements of Copy created pursuant to this Agreement which are based on the Licensed Trademarks or Licensor's trademark use guidelines (as set forth in Section 4.7) to be works made for hire. Licensee acknowledges and agrees that such Copy (and all rights therein, including, without limitation, copyright) belongs to and shall be the sole and exclusive property of Licensor. If for any reason any Copy or any part thereof would not be considered a work made for hire under applicable law, Licensee does hereby sell, assign, and transfer to Licensor, its successors and

assigns, the entire right, title and interest in and to the copyright in the Copy and any registrations and copyright applications relating thereto and any renewals and extensions thereof, and in and to all works based upon, derived from, or incorporating the Copy, and in and to all causes of action, either in law or in equity for past, present, or future infringement based on the copyrights, and in and to all rights corresponding to the foregoing throughout the world.

Section 6.4 ID Tags. Licensee is required to use Licensor-branded product authentication and tracing tags or similar such technology (“ID Tags”) provided by a licensee of Licensor in connection with Licensed Products. The current licensee supplier of ID Tags is Octane5 International LLC (“Octane5”). Licensee must finalize its supply agreement for ID Tags with Octane5 no later than one hundred twenty (120) days after the Effective Date; provided, that if it is commercially impracticable for Licensee to use Octane5 as a supplier of ID Tags, then Licensee shall be responsible to procure and contract with an alternative supplier of ID Tags of substantially similar quality and reputation, and finalize a supply agreement for ID Tags with such alternative supplier within such time period. Licensee must apply at least one (1) ID Tag to each Packaging for Licensed Products. Licensee further acknowledges and approves Licensor’s direct receipt of information recorded from the ID Tags from Octane5. If Licensee experiences a delay in receiving supply of ID Tags, a failure in functionality such that the ID Tags may not be used or a breach of its supply agreement by Octane5, then Licensee will be excused from performance of its obligations under this Section 6.4 until such time as the supply, functionality or breach issues are cured; provided, that Licensee gives notices to Licensor of these issues and works in good faith with Octane5 to resolve them in a commercially reasonable manner. If cure of these issues is not commercially practical, then Licensor and Licensee will work in good faith to alter or waive the obligations of this Section 6.4.

ARTICLE VII

LICENSEE’S ACTIVITIES AND QUALITY OF LICENSED PRODUCTS

Section 7.1 Sole Responsibility. Licensee represents and warrants that it shall be solely responsible for the manufacture, production, sale and distribution of the Licensed Products and will bear all related costs associated therewith.

Section 7.2 Product Quality. Licensee shall conduct its business in a dignified manner consistent with the general reputation and importance of the Licensed Trademarks. Licensee is familiar both with the recognition and goodwill associated with the Licensed Trademarks and with the high standards of quality and performance associated with the products manufactured and distributed by Licensor under the Licensed Trademarks. Licensee shall use reasonable and good faith commercial efforts to safeguard the established goodwill symbolized by the Licensed Trademarks and to maintain the quality and performance standards with respect to its design, manufacture, sale and distribution of the Licensed Products pursuant to this Agreement. Licensed Products shall be comparable in quality to products sold by Licensor bearing the Licensed Trademarks prior to the Effective Date, with which Licensee is familiar.

Section 7.3 Samples. All Licensed Products shall be of the highest quality and shall meet Licensor’s commercially reasonable standards for approval for each product category, which shall not unreasonably be withheld. Licensee shall only sell or distribute products under

the Licensed Trademarks that, in Licensor's reasonable opinion, do not tarnish, derogate or detract from the good reputation of Licensor or the Licensed Trademarks. Upon Licensor's reasonable request from time to time throughout the Term, Licensee shall furnish to Licensor, for approval, three (3) samples of each different Licensed Product manufactured under this Agreement, together with product packaging, so that Licensor can ensure that proper Trademark usage is being made by Licensee. Licensee agrees to make available at no charge such additional samples of each Licensed Product as Licensor may from time to time reasonably request for the purpose of comparison with earlier samples to maintain consistent Trademark usage. All submissions by Licensee pursuant to this Section 7.3 shall be at Licensee's cost.

Section 7.4 Compliance with Laws.

(a) All of the Licensed Products manufactured and/or distributed hereunder shall comply with all applicable laws, regulations and established industry standards of the countries in which the Licensed Products are sold or distributed and shall incorporate quality components. Licensor shall have a continuing right to audit and examine the manufacturing steps and processes utilized by Licensee in the manufacture of the Licensed Products as well as their adherence to Licensor's Trademark utilization criteria. No more than once per year at each facility, Licensor's authorized representatives shall have the right, upon reasonable notice and during normal business hours, to inspect the facilities of Licensee or facilities contracted by Licensee to assure Licensor that the Licensed Products are being produced and utilized in accordance with the requirements of this Agreement and all applicable laws. If Licensor has good cause to believe that issues exist at any facility which may harm its goodwill in the Licensed Trademarks or affect the quality of the Licensed Products, then Licensor or its authorized representatives shall have the right, upon reasonable notice and during normal business hours, to conduct additional inspections of Licensee's facilities to confirm that the Licensed Products are being produced and utilized in accordance with the requirements of this Agreement and all applicable laws.

(b) Licensee shall comply with, and assume all costs and responsibilities associated with, all laws, regulations, ordinances and standards relating to or pertaining to the manufacture, sale, distribution, recycling, take-backs, disposal and/or advertising of the Licensed Products (including, but not limited to, Proposition 65 in the State of California) or use of the Licensed Trademarks applicable to the Licensed Products. Licensee shall further comply with all required standards as applicable to the Licensed Products. Licensee shall submit, as a condition precedent to offering the Licensed Products for sale, copies of all reports, documents and other data certifying compliance with the above standards and annual test reports from an independent testing laboratory reasonably acceptable to Licensor indicating that such Licensed Products meet such laws, regulations, etc. Licensee shall ensure through inspection and audit that it, its vendors and/or contractors comply with all laws and other applicable legal, regulatory and safety requirements related to the Licensed Products and to the manufacture, sale, distribution, recycling, take-backs, disposal and/or advertising of the Licensed Products or use of the Licensed Trademarks applicable to the Licensed Products.

Section 7.5 Toll Free Number. Licensee shall provide responsive and high quality customer service related to the Licensed Products including a telephone service for customers to contact Licensee about the Licensed Products daily during customary local business hours on normal Business Days (“**Number**”). Licensee shall monitor and record each day the average wait time for users of the Number and provide this figure to Licensor upon request. If the average wait time for users of the Number exceeds five (5) minutes for more than two (2) consecutive Business Days, Licensee shall so notify Licensor and take all immediate and reasonable steps to reduce such wait time below five (5) minutes. Licensee shall respond within forty eight (48) hours or two (2) Business Days to all customer inquiries and Complaints and shall use its best efforts to address and remedy all such inquiries and Complaints to the satisfaction of the consumer no later than five (5) Business Days following each Complaint. All employees of Licensee shall be knowledgeable and courteous in answering customer inquiries and resolving Complaints regarding the Licensed Products. In addition, prior to the sale of any Licensed Products, Licensee must also establish a web site or web page which contains information about the Licensed Products and details about how to contact Licensee with questions about the Licensed Products.

Section 7.6 Complaint Log. In addition, Licensee shall maintain a written log, or an equivalent stored in computer memory and capable of access and reproduction in printed form, of all Complaints (the “**Log**”). The Log shall be in form and substance acceptable to Licensor and at minimum list the date and time of each such Complaint, identify the customer making the Complaint (to the extent allowed by law), and describe the nature of the Complaint and when and what actions were taken by Licensee in response to the Complaint. The Log shall be certified as accurate and correct by the President or another Senior Executive of Licensee and provided to Licensor on a quarterly basis along with the royalty report specified in Article III. Licensee shall also provide the Log to Licensor for inspection upon request within one (1) Business Day. All entries in the Log shall be maintained by Licensee for a period of at least two (2) years and submitted on a quarterly basis or when reasonably requested by Licensor.

Section 7.7 Customer Service Deficiencies. If, in Licensor’s sole discretion, Licensee’s customer service requirements as reflected in Section 7.6 and Section 7.7 are not in keeping with the standards of quality, performance and service associated with Licensor, Licensor shall notify Licensee in writing. Such writing shall constitute notice that Licensee is in breach of the Agreement and that the Agreement may be terminated in accordance with Article IX if such breach is not cured within thirty (30) days to Licensor’s reasonable satisfaction. Upon expiration or termination of this Agreement or if Licensee is in breach of this Agreement, upon Licensor’s request, Licensee shall transfer ownership of the Number to Licensor immediately upon Licensor’s request.

Section 7.8 Approval of Third-Party Manufacturer. If Licensee at any time desires to have Licensed Products or components thereof utilizing the Licensed Trademarks manufactured by a Third Party, Licensee shall, as a condition to the continuation of this Agreement, notify Licensor of the name and address of such manufacturer and the Licensed Products or components involved and obtain Licensor’s prior written permission to do so. Such permission

from Licensor shall not be required with respect to the Third Party manufacturers set forth on **Attachment I**. Licensor shall have the right to visit and inspect the facilities of such Third Party.

(a) The granting of said permission will be conditioned upon:

- (i) Licensee signing a consent agreement in a form furnished by Licensor;
- (ii) Licensee causing each such manufacturer and any sub-manufacturer to sign an agreement in a form furnished by Licensor; and
- (iii) Licensor's receipt of such agreements properly signed.

(b) Licensee shall require that all Third-Party manufacturers employed by Licensee in the manufacture of the Licensed Products shall comply with all applicable laws and regulations relating to the manufacture of such Licensed Products and meet or exceed such specifications set forth for the Licensed Products while this Agreement is in effect and permit Licensor the right upon reasonable notice to visit and inspect the facilities of such manufacturer to confirm compliance with the terms herein.

(c) Licensee shall remain fully responsible for ensuring that the Licensed Products are manufactured in accordance with the terms of the Agreement, and Licensee shall take the steps necessary to ensure that the Third-Party manufacturer:

- (i) Produces the Licensed Products only as and when directed by Licensee;
- (ii) Does not distribute, sell or supply the Licensed Product to any person or entity other than Licensee; and
- (iii) Does not delegate in any manner whatsoever its obligations with respect to the Licensed Products.

(d) In the event that any such manufacturer utilizes the Licensed Trademarks for any unauthorized purpose, Licensee shall cooperate fully in bringing such utilization to an immediate halt. If, by reason of Licensee's not having supplied the above mentioned agreements to Licensor or not having given Licensor the name of any supplier, Licensor makes any representation or takes any action and is thereby subjected to any penalty or expense, Licensee will compensate Licensor for any such cost or loss sustained.

(e) Any and all costs incurred by Licensor that are associated with Licensor's investigation, seizure and/or detention of Licensed Products manufactured, transported or shipped by a Third Party used by Licensee (or any agent of such Third Party) but unknown to Licensor shall be borne by Licensee, and Licensee shall repay such amounts within ten (10) days of receipt of written details of such costs.

Section 7.9 No Used Products. Licensee shall not sell or distribute any used or sub-standard products or “seconds” under the Licensed Trademarks. Licensee acknowledges and agrees that its selling of, or failure to cease sales of, Licensed Products not in substantial compliance with the standards set forth in this Article VII may cause irreparable injury to Licensor. Any action taken pursuant to this Article VII shall be without prejudice to either Party’s right to the remedies set forth in Article X. In addition, Licensor reserves its rights with respect to all equitable remedies in the event of any failure by Licensee to comply with the terms of this Article VII, including, but not limited to, the sale or distribution of products not in compliance with the quality control provisions stated herein.

Section 7.10 Recall. Licensor shall have the right to have Licensee declare a recall of any line of Licensed Products if Licensor reasonably determines that such recall is necessary to prevent further damage or destruction of property and/or to prevent or eliminate any threat to the health or safety of consumers. Licensee shall bear any and all costs related to any such recall of Licensed Products, whether voluntary, required by government, or by Licensor. In the event of such a recall, Licensee will consult with Licensor, and obtain Licensor’s prior express written approval regarding all aspects of handling such recall including media releases.

Section 7.11 Net Promoter Score. Licensee shall obtain a net promoter score with respect to the Refrigerant Products (each, an “**NPS**”), with each NPS to be calculated on a Contract Year-by-Contract Year basis. Each NPS shall be derived in good faith by Licensee based on established methodology and validated by a Third-Party service provider in the field familiar with the methodology for calculating a net promoter score consistent with past practice. Licensee shall provide each validated NPS to Licensor within thirty (30) days after receipt of validation from the applicable Third Party, along with summary supporting documentation showing the questions from which the score was derived, summary details about customers who were surveyed, including number of customers and summary responses, and the required Third-Party validation. Licensee will promptly provide Licensor further details about each NPS if reasonably requested by Licensor. Licensee must maintain an annual NPS with respect to the Refrigerant Products that is equal to or higher than zero (0), or if higher, eighty percent (80%) of the average of the three (3) most recent NPS’s previously derived by the relevant business (the “**Target NPS**”). If any NPS is below the applicable Target NPS in any Contract Year (excluding the first Contract Year), then Licensee will meet with Licensor in good faith to discuss and form a plan to raise the applicable NPS to a level at or above the Target NPS. If the NPS is more than one (1) point below the Target NPS for any two (2) consecutive Contract Years, then Licensor will have the right to terminate the Agreement upon written notice to Licensee.

ARTICLE VIII

DURATION

Section 8.1 Term. This Agreement shall become effective as of the Effective Date and, unless sooner terminated under the provisions herein, will continue in full force and effect until the latest to occur of the end of the Refrigerant License Period, the end of the 1234yf DIY License Period, and the end of the Transitional License Period (the “**Term**”).

ARTICLE IX
IMMEDIATE TERMINATION ON BREACH

Section 9.1 Termination by Licensors. On the occurrence of any of the following events, this Agreement may be terminated by Licensors (in whole or in relevant part), effective on delivery to Licensee of notice in accordance with Section 17.4:

- (a) Upon a Change of Control of Licensee without the prior written consent of Licensors (which consent may be granted or withheld in Licensors's sole discretion);
- (b) Upon a Change of Control of Licensee's Affiliate or Sublicensee without the prior written consent of Licensors (which consent may be granted or withheld in Licensors's sole discretion), in which case the termination by Licensors shall apply solely with respect to such Affiliate or Sublicensee;
- (c) The attempted assignment by Licensee of this Agreement or any right or license granted under it in contravention of the terms of Article XIV;
- (d) The discovery by Licensors of an intentional material misrepresentation or intentional false statement made by Licensee with respect to Licensed Products or any other matter referred to in this Agreement;
- (e) Pursuant to a failure detailed in Section 3.1(c), Section 7.11 or Section 10.2(c);
- (f) Licensee fails, for any two (2) consecutive calendar quarters, to pay Royalties within the time frame specified above (even if payment of Royalties for such calendar quarters is subsequently made, with or without interest);
- (g) The failure of any of the Licensed Products in the marketplace that results in the substantial injury or death to a Third Party;
- (h) The filing of a complaint by the Consumer Product Safety Commission or any other governmental agency involving the safety or reliability of the Licensed Products, in which case the termination by Licensors shall apply solely with respect to the Licensed Products subject to such complaint;
- (i) The mandating of a ban or recall of any line of the Licensed Products by any governmental agency, in which case the termination by Licensors shall apply solely with respect to such banned or recalled Licensed Product;
- (j) The failure by Licensee to report any earned Royalties for two (2) consecutive calendar quarters;
- (k) Licensee's cessation or termination of its business operations; or

(l) The declaration of insolvency by Licensee or the seeking of protection under any bankruptcy, receivership, trust deed, creditors arrangement, composition or comparable proceeding by Licensee, or if any such proceeding is instituted against Licensee.

Section 9.2 No Prejudice. Any such termination described herein shall be without prejudice to any other rights or claims the Licensor may have against the Licensee.

ARTICLE X

TERMINATION ON BREACH AFTER CURE PERIOD

Section 10.1 Termination for Material Breach. Subject to Section 10.2, in addition to any right of termination which either Party may have by virtue of law, and in addition to the right to terminate this Agreement under Article IX, either Party may terminate this Agreement if the other Party commits a material breach of this Agreement and fails to remedy that breach within a period of thirty (30) days after receipt of written notice specifying the nature of the breach (except for breaches involving the payment of monies, in which case the notice period shall be ten (10) days). If, after the expiration of such period, the breaching Party has failed or refused to fully remedy the breach, this Agreement may be terminated by the non-breaching Party upon written notice to the breaching Party. For purposes of this Section 10.1, a material breach of this Agreement is any breach which would have a material and adverse effect on the non-breaching Party, as is reasonably defined based on industry standards, or a breach of any of the following: Section 2.1, Section 2.2, Section 2.3, Section 2.4, the last sentence of Section 2.5, Section 2.8, Article III, Article IV and Article VII.

Section 10.2 Indirect Territory Violations. If, at any time during the Term, Licensor or Licensee becomes aware of any Licensed Products bearing, advertised or offered for sale in connection with the Licensed Trademarks outside of the applicable Territory or any use of the Licensed Trademarks in connection with Licensed Products outside of the applicable Territory (“**Indirect Territory Violations**”), then:

(a) Licensee will (upon its receipt of information about such Indirect Territory Violations) immediately take all steps to uncover the source and parties making or otherwise responsible for such Indirect Territory Violations (including all products involved and all quantities of such products) and report such full details to Licensor in no more than ten (10) days after Licensee’s becoming aware of the Indirect Territory Violations;

(b) if an Indirect Territory Violation is the second occurrence of an Indirect Territory Violation, Licensee will pay to Licensor twenty five percent (25%) of the gross top line revenue Licensee received in connection with such Indirect Territory Violation, such payment being due no later than ten (10) days after Licensee’s receipt of notice requiring such payment. If Licensor fails to receive the payment within ten (10) days, then Licensor will have the right to terminate this Agreement immediately upon written notice to Licensee;

(c) if an Indirect Territory Violation is any occurrence after the second occurrence of an Indirect Territory Violation, Licensor may terminate this Agreement immediately upon written notice to Licensee or require Licensee to pay to Licensor one hundred

percent (100%) of the gross top line revenue Licensee received in connection with such Indirect Territory Violations, such payment being due no later than ten (10) days after Licensee's receipt of notice requiring the payment. If Licenser fails to receive the payment within ten (10) days, then Licenser will have the right to terminate this Agreement immediately upon written notice to Licensee; and

(d) Licensee must immediately terminate all relationships with any parties involved in the Indirect Territory Violation, if such parties are involved in a second Indirect Territory Violation, and confirm that such steps were taken in writing to Licenser.

ARTICLE XI

REMEDIES AND LIMITATIONS OF LIABILITY

Section 11.1 Remedies Cumulative. The right of either Party to terminate this Agreement is not an exclusive remedy and either Party shall be entitled alternatively or cumulatively to damages for breach of this Agreement or to any other remedy available under the laws of the applicable jurisdiction.

Section 11.2 Specific Performance. The Parties acknowledge and agree that irreparable harm would occur in the event that the Parties do not perform any provision of this Agreement in accordance with its specific terms or otherwise breach this Agreement and the remedies at law for any breach or threatened breach of this Agreement, including monetary damages, are inadequate compensation for any Damages. Accordingly, from and after the Effective Date, in the event of any actual or threatened default in, or breach of, any of the terms, conditions and provisions of this Agreement, the Parties agree that the Party or Parties to this Agreement who are or are to be thereby aggrieved shall, subject and pursuant to the terms of this Article XI (including for the avoidance of doubt, after compliance with all notice and negotiation provisions herein), have the right to specific performance and injunctive or other equitable relief of its or their rights under this Agreement, in addition to any and all other rights and remedies at law or in equity, and all such rights and remedies shall be cumulative. The Parties agree that any defense in any action for specific performance that a remedy at law would be adequate is hereby waived, and that any requirements for the securing or posting of any bond with such remedy are hereby waived.

Section 11.3 Prevailing Party in Dispute. In the event of a dispute between the Parties, the prevailing Party shall be entitled to recover its costs, expenses and attorneys' fees incurred in connection with enforcing the terms of this Agreement or preventing misuse of the Licensed Trademarks. A "prevailing party" shall mean a Party who receives all or substantially all of the relief sought by such Party in an adjudication of its claims arising out of or related to this Agreement before a court of law or other agreed-upon tribunal.

Section 11.4 Survival. No expiration or termination of this Agreement for whatever cause shall affect any right or obligation of either Party:

- (a) which is vested pursuant to this Agreement as of the effective date of such expiration or termination; or

(b) which is intended to survive expiration or termination of this Agreement, including, but not limited to, the following: Article I, Section 2.5, Article III (solely with respect to payment obligations accrued but unpaid as of the effective date of expiration or termination of this Agreement), Section 4.3, Section 4.4, Section 4.9, Section 4.11, Section 4.12, Section 7.5, Section 7.6, Section 7.9, Section 7.10, Section 9.2, Article XI, Article XII, Article XIII, Article XIV, Section 15.1, Article XVI, Article XVII, Article XVIII and Article XIX. In addition, nothing herein shall be construed as granting Licensee any vested rights in the Licensed Trademarks.

Section 11.5 Limitation of Liability. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, IN NO EVENT SHALL LICENSOR OR LICENSEE OR THEIR RESPECTIVE AFFILIATES BE LIABLE, WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY) OR OTHERWISE, AT LAW OR IN EQUITY, FOR PUNITIVE, EXEMPLARY, SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING FROM OR RELATING TO ANY CLAIM MADE UNDER THIS AGREEMENT (EXCEPT FOR ALL COMPONENTS OF AWARDS AGAINST THE NON-BREACHING PARTY IN ANY THIRD-PARTY CLAIM, INCLUDING COMPONENTS OF SUCH THIRD-PARTY CLAIM RELATING TO ANY OF THE FOREGOING AND ATTORNEYS' FEES). WITHOUT LIMITING THE FOREGOING, THE LICENSOR SHALL NOT BE LIABLE UNDER THIS AGREEMENT FOR ANY CLAIMS, LOSS OR DAMAGES ARISING FROM LICENSEE'S OR LICENSEE'S AFFILIATES OR ITS OR THEIR SUBLICENSEES' USE OF ANY LICENSED TRADEMARKS UNDER THIS AGREEMENT. THE FOREGOING DISCLAIMER OF LIABILITY IN THIS SECTION 11.5 DOES NOT APPLY TO ANY PAYMENT OBLIGATIONS OWED TO LICENSOR HEREUNDER, INCLUDING PAYMENT OF ROYALTIES AND/OR ROYALTY COMMITMENTS.

Section 11.6 Disclaimer of Representations & Warranties. EXCEPT TO THE EXTENT EXPRESSLY SET FORTH IN THE SEPARATION AGREEMENT, THIS AGREEMENT OR THE OTHER ANCILLARY AGREEMENTS, THE PARTIES DISCLAIM AND WAIVE ANY AND ALL OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED (INCLUDING WITH REGARD TO QUALITY, PERFORMANCE, NON-INFRINGEMENT, NON-DILUTION, VALIDITY, COMMERCIAL UTILITY, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE), AND EACH PARTY ACKNOWLEDGES AND AGREES IT HAS NOT AND WILL NOT RELY ON ANY SUCH REPRESENTATIONS OR WARRANTIES EXCEPT THOSE EXPRESSLY SET FORTH IN THE SEPARATION AGREEMENT, THIS AGREEMENT OR THE OTHER ANCILLARY AGREEMENTS. EXCEPT AS MAY EXPRESSLY BE SET FORTH HEREIN, THE LICENSED TRADEMARKS ARE BEING LICENSED ON AN "AS IS," "WHERE IS" BASIS.

ARTICLE XII
CONSEQUENCES OF TERMINATION

Section 12.1 Consequences. Upon the expiration of this Agreement or upon the termination of this Agreement by either Party for whatever reason, Licensee shall:

(a) immediately cease all use of the Licensed Trademarks in any manner whatsoever and shall not thereafter use any word, expression, design, or symbol as a Trademark, trade name, domain name or otherwise which is confusingly similar thereto, which may constitute a colorable imitation thereof or in any other manner whatsoever;

(b) thereafter refrain from indicating or representing that Licensee is a Trademark licensee of Licensor; and

(c) thereafter refrain from directly or indirectly using or displaying any advertising or promotional material or performing any other act which might reasonably cause anyone to believe Licensee to be a Trademark licensee of Licensor including, but not limited to, ceasing use of Copy, Packaging and/or any advertising, promotional or packaging material that is similar to any such material used in connection with the Licensed Products.

Section 12.2 Sell-Off Period. Provided that Licensee has paid all Royalties owed to Licensor through the end of each of the Refrigerant License Period and the 1234yf DIY License Period, for a period of not more than six (6) months following end of each of the Refrigerant License Period and the 1234yf DIY License Period, respectively (each, a “**Sell-off Period**”), except for termination arising out of a breach related to the quality of the Licensed Products or pursuant to Section 9.1(g), Section 9.1(h) or Section 9.1(i), Licensee may deliver for sale, but solely at ordinary prices, any Licensed Products in the possession or under the control of Licensee as of the end of the Refrigerant License Period and the 1234yf DIY License Period (respectively), subject to the payments called for in Article III and the provisions of Article VII. Promptly upon request, Licensee must provide to Licensor a detailed list of any Licensed Products in the possession or under the control of Licensee as of the end of such periods, together with descriptions so that each individual Licensed Product can be identified on a SKU-by-SKU basis. The total quantity of Licensed Products permitted to be sold during the Sell-off Period may not exceed an amount equal to five percent (5%) more than the the quantity of Licensed Products sold by Licensee in the immediately preceding calendar quarter, and any Licensed Products in its possession in excess of this quantity must have the Licensed Trademarks removed from the products and all accompanying materials and packaging prior to any sale by Licensee. Notwithstanding the above, if Licensor enters into a license with a Third Party which includes the right to sell any of the Licensed Products in connection with the Trademark at any point during the Sell-off Period, then upon request, Licensee shall immediately sell any Licensed Products in the possession or under the control of Licensee as of the date of such notice to Licensor or its new licensee for a price equal to Licensee’s manufacturing and shipment cost for such Licensed Products. For the avoidance of doubt, the following categories of Licensed

Products shall be deemed not to be in Licensee's possession or control and shall not be eligible for delivery or sale during to the Sell-off Period:

(a) any Licensed Products which have not been fully manufactured as of the end of the applicable period; and

(b) any Licensed Products that are part of any outstanding orders from suppliers which have not fully been paid for by Licensee and shipped by the supplier as of the end of the applicable period.

Section 12.3 Unpaid Royalty Commitments. Upon termination of this Agreement for whatever reason, other than for Licensor's material breach pursuant to Section 10.1 or solely pursuant to Section 3.1(c), all unpaid Royalty Commitments for any current and future periods specified herein (including all specified periods which are dated after the date of termination, subject to the terms and conditions set forth in **Attachment D**), shall become immediately due and payable. The requirement by Licensor of the payment of all unpaid Royalty Commitments specified in this Section 12.3 shall not limit any other relief to which Licensor may be entitled in law or equity. The terms and conditions set forth in this Section 12.3 and Section 12.4 shall supersede any contrary provision herein relating to payment due to Licensor upon termination of this Agreement.

Section 12.4 Nature of Payment. In connection with the payment required in Section 12.3 (the "**Specified Payment**"), the Parties acknowledge that:

(a) any actual loss to Licensor from termination of this Agreement prior to the end of the Term is inherently uncertain, not readily ascertainable, and incapable of precise quantification as of the execution hereof;

(b) the Specified Payment represents only the minimum amount that Licensor would have received had the Agreement not been terminated, rather than the actual amount that Licensor would have received, and therefore represents a compromise by Licensor;

(c) the Specified Payment is intended solely to compensate Licensor and not as a penalty;

(d) the Parties believe the Specified Payment is not disproportionate to the anticipated likely loss to be suffered by Licensor;

(e) the Specified Payment agreed to knowingly by Licensee, a sophisticated party represented by experienced counsel, and has been freely agreed to in arms-length negotiations between the Parties; and

(f) Licensor is not obligated to seek to mitigate the damage sustained by Licensor.

ARTICLE XIII
INDEMNIFICATIONS AND INSURANCE

Section 13.1 Indemnification by Licensor. Licensor shall indemnify, defend and hold harmless Licensee and its Affiliates from any and all liability, claims, recall of products, actions, demands, direct losses or damages, additional royalties, injunctions, fines, penalties, judgments, costs, and expenses (including reasonable attorney fees), but not including consequential, incidental or punitive damages or lost profits, arising from any allegation (“**Claim**”) that Licensee’s proper use of the Licensed Trademarks in accordance with this Agreement infringes the rights of any Third Party. If Licensee receives notice or knowledge that its use of the Licensed Trademarks may infringe Trademark rights of any Third Party in the Territory, Licensee shall, as soon as possible, report to Licensor in writing the details relating to the potential infringement and take no further steps with respect to such matter pending instructions from Licensor. Licensor shall not be liable to indemnify Licensee for any settlement of any Claim affected without the Licensor’s express prior written consent. Licensor may decide in its sole discretion what steps should be taken to address any Claim and will solely conduct and control any action(s) taken in response to a Claim. Licensee shall join as a party in any such legal proceedings where necessary for the conduct thereof at Licensor’s cost and expense, except for any costs incurred by Licensee if it retains its own attorneys which shall be paid by Licensee. Licensee will provide or procure reasonable assistance as Licensor may reasonably request in defense of a Claim.

Section 13.2 Indemnification by Licensee. As between Licensor and Licensee and regardless of the termination or expiration of this Agreement, Licensee assumes full responsibility for all liability, claims, demands, expenses (including reasonable attorney fees) and damages, including claims for defective products as well as damages to property or injury to persons (including death) arising out of or otherwise in relation to the manufacture, sale or use of the Licensed Products (excluding actions solely involving claims relating to the Licensed Trademarks infringing the rights of others in the Territory) and/or any actions of its employees, including product liability, liability arising out of alleged defects or deficiencies in the Licensed Products, patent infringement, product recycling or take-backs, negligence, false advertising, breach of warranty, fraud, misrepresentation, breach of obligations to Third Parties and/or violation of any law in any country. In such regard, Licensee agrees to defend, indemnify, save and hold harmless Licensor, its successors, assigns, officers, directors, agents and employees, against any and all claims, costs, (including court costs and attorneys’ fees), proceedings and liabilities arising out of any of such claims including any loss, damage, injury or death. Licensee will control any such litigation or proceeding in relation to a Claim provided that any settlement intended to bind Licensor will not be final without Licensor’s prior written approval which may not unreasonably be withheld or delayed. Licensee further will provide formal acceptance in writing to Licensor of any tender of a Claim requiring indemnification pursuant to this Section 13.2 within three (3) days of receipt. In addition, Licensee will provide Licensor with regular updates of the progress of any such Claims through its resolution and will handle all such

Claims professionally and in a manner which does not tarnish the Licensed Trademarks or negatively affect Licensor.

(a) Within thirty (30) days of Licensee's first distribution of any Licensed Products in the United States, Licensee shall register as a business on the Consumer Products Safety Commission's (CPSC) Saferproducts.org website, so Licensee will receive consumer complaints about the Licensed Products in a timely manner and shall be able to correct or help correct product origin issues that affect Licensor. Licensee shall cooperate with Licensor with respect to any corrections necessary to identify Licensee as the manufacturer of record for the Licensed Products and to assist Licensor in any other reasonably way to correct other inaccuracies related to the origin of the Licensed Products. Licensee shall provide Licensor with written notice confirming its registration on the Saferproducts.org website within ten (10) days of obtaining such registration.

(b) In the event that the CPSC or any other state or federal governmental organization issues a claim, report or submission in any form related to the Licensed Products, Licensee shall use its best efforts to address the claims in such report as soon as reasonably practicable, including making certain with the CPSC (or other governmental organization) that Licensee, and not Licensor, is responsible for the manufacture of such products and that Licensor should not be listed as the responsible party for such products in any finding or database. If the issues raised in such report are not satisfactorily addressed to the mutual reasonable satisfaction of both Parties (including removal of any association of Licensor as the party responsible for the manufacture of such products) within sixty (60) days receipt of notice of such report, then Licensee shall pay Licensor five thousand U.S. dollars (\$5,000) upon demand and shall thereafter pay Licensor five thousand U.S. dollars (\$5,000) every thirty (30) days thereafter until such issues have been satisfactorily addressed to the mutual reasonable satisfaction of both Parties. The payments required in this Section 13.2(b) represent fair compensation to Licensor for the anticipated likely loss to be suffered by Licensor to its goodwill in the event of such a situation arising.

Section 13.3 Insurance. In addition to the foregoing indemnification as set forth in Section 13.2, during the Term and for a period of three (3) years after the end of the Term, Licensee shall maintain, comprehensive general liability, product liability and advertising liability insurance in an amount no less than five million U.S. dollars (\$5,000,000) combined single limit, with a deductible amount not to exceed ten thousand U.S. dollars (\$10,000), for each single occurrence for bodily injury and/or for property damage (provided, that Licensee's maintenance of such insurance policies in amounts not less than the amounts of such insurance policies maintained by Licensee as of the Effective Date shall be deemed to be compliant with this Section 13.3). In addition:

(a) Licensee shall have Licensor, Honeywell International Inc., its partners, partnerships, joint ventures, parents, subsidiaries, and affiliated companies and their respective employees, officers and agents named as additional insured parties therein in its insurance policies, except worker's compensation insurance.

(b) Prior to commencing sale or use of Licensed Products and within thirty (30) days of execution of this Agreement and any subsequent renewals Licensee shall furnish written certificates from insurance carriers to Licensor, establishing that said insurance has been procured and is being properly maintained and that the premiums therefore are paid, and specifying the names of the insurers and the respective policy numbers and expiration dates.

(c) Licensor may examine true and actual copies of the policies. Insurance carriers providing coverage are to be AM Best “A” rated. In the event that any carrier should be downgraded to a lesser Best rating during the period of the requisite insurance coverage, Licensee shall immediately replace such coverage with a carrier with an “A” rating.

(d) Each policy shall provide that thirty (30) days prior written notice shall be given to Licensor in the event of cancellation or material change of insurance coverage or endorsements required hereunder.

(e) In absolutely no event shall Licensee market or sell Licensed Products without a valid and current certificate of insurance acceptable to Licensor.

Section 13.4 Post-Term Treatment. The obligations required in this Article XIII shall survive the end of the Term.

ARTICLE XIV **ASSIGNMENT**

Section 14.1 Assignment by Licensee. The rights granted to the Licensee pursuant to this Agreement are personal to Licensee and may not be assigned or sublicensed, by operation of law or otherwise, nor may Licensee delegate its obligations hereunder without the written consent of Licensor. Licensee may not assign any interest it has in Licensed Products, proceeds from the sale of Licensed Products or any rights granted to it herein to a secured lender or as part of a security interest.

Section 14.2 Assignment by Licensor. Licensor may assign its rights and obligations in this Agreement, in whole or in part without restriction; provided, that any such assignment will recognize the validity of, and be subject to, this Agreement and the rights granted herein to Licensee.

ARTICLE XV **UNDERSTANDINGS IN THE EVENT OF BANKRUPTCY**

Section 15.1 Bankruptcy. In the event that Licensee seeks protection under any bankruptcy, receivership, trust deed, creditors arrangement, composition or comparable proceeding, or if any such proceeding is instituted against Licensee, during the Term, Licensee acknowledges and agrees that:

(a) For purposes of 11 U.S.C. Section 365(c)(1) and Sections 365(e)(2)(A)(i) and 365(e)(2)(A)(ii), the term “applicable law” is federal trademark law - i.e., the Lanham Act

(15 U.S.C. Section 1051 et seq.), and Licensee's right to use the Licensed Trademarks is personal to the Licensee and is non-assumable or assignable without Licensors consent;

(b) Notwithstanding anything set forth herein to the contrary, Licensors does not consent to Licensee's continued use of the Licensed Trademarks, Licensee's exercise of any rights provided in this Agreement or Licensee's assignment and/or assumption of the Agreement;

(c) Licensee will not oppose any motion by Licensors for relief from the automatic stay of 11 U.S.C. Section 362(a) so that Licensors may terminate this Agreement, for cause; it is further agreed and acknowledged that "cause" includes Licensee's inability to assume and/or assign the Agreement; and

(d) Licensee will not oppose any motion, including on shortened notice, by Licensors to compel rejection of this Agreement under 11 U.S.C. Section 365(d).

ARTICLE XVI

CONFIDENTIALITY

Section 16.1 **Confidential Information**. As used herein, "**Confidential Information**" means any confidential and proprietary information of a Party or Third Party, regardless of form, which such Party considers to be confidential and proprietary, including information that: (a) if disclosed in writing, is labeled as "confidential" or "proprietary"; (b) if disclosed orally, is designated confidential at disclosure; (c) by nature or the circumstances of its disclosure, should reasonably be considered as confidential; or (d) constitutes information or data related to the Licensed Trademarks, Licensed Products or this Agreement, including Know-How, trade secrets, algorithms, source code, product/service specifications, prototypes, product roadmaps, Software, product pricing, marketing plans, financial data, personnel statistics, methods of manufacturing and processing, techniques, research, development, inventions (whether or not patentable and whether or not reduced to practice), data, ideas, concepts, drawings, designs and schematics. Notwithstanding the foregoing, the term "Confidential Information" shall not include information which: (i) rightfully becomes publicly available other than by a breach of a duty to the Disclosing Party or violation of Law; (ii) is rightfully received by the Receiving Party from a Third Party without any obligation of confidentiality; (iii) as evidenced by the Receiving Party's written records, is rightfully known to the Receiving Party without any limitation on use or disclosure prior to its receipt from the Disclosing Party; or (iv) is independently developed by or on behalf of the Receiving Party without use of or reference to the Confidential Information of the Disclosing Party as shown by competent evidence.

Section 16.2 **Confidentiality Obligations**. Each Party and its Affiliates that receives, obtains or otherwise become aware of under or in connection with this Agreement (the "**Receiving Party**") any Confidential Information of the other Party or its Affiliates (the "**Disclosing Party**"), respectively, agrees to (a) keep the Disclosing Party's Confidential Information confidential, (b) use the Disclosing Party's Confidential Information only as necessary to perform its obligations, exercise its rights under this Agreement or otherwise in connection with a Dispute, (c) use a reasonable degree of care in keeping the Disclosing Party's Confidential Information confidential, and (d) limit access to the Disclosing Party's Confidential

Information to its personnel, Affiliates, assignees, contractors, subcontractors, Sublicensees, authorized representatives and advisors (including any financial, tax, legal and technical advisors), in each case, who have a need to access or know such Confidential Information for the purpose of performing its obligations and exercising its rights under this Agreement and who have been apprised of these confidentiality obligations, and with respect to any such Third Party, have agreed to protect the confidentiality of such Confidential Information in a manner consistent with the Receiving Party's obligations hereunder (and, for clarity, the Receiving Party shall remain responsible to the Disclosing Party for the compliance with such confidentiality obligations of its personnel, Affiliates and such Third Parties who receive such Confidential Information). Except as otherwise expressly provided in this Agreement, nothing in this Agreement is intended to grant to the Receiving Party any rights in or to any Confidential Information of the Disclosing Party.

Section 16.3 Disclosure Required by Law. In the event that the Receiving Party is requested or required by Law (including subpoena or court order) to disclose any Confidential Information of the Disclosing Party, the Receiving Party shall, to the extent legally permissible, provide prompt written notice to the Disclosing Party of such request or requirement, so that the Disclosing Party will have a reasonable opportunity to seek confidential treatment of such Confidential Information prior to its disclosure (whether through protective orders or otherwise) and, upon request, the Receiving Party shall reasonably cooperate with the Disclosing Party in seeking confidential treatment of such Confidential Information or other appropriate relief from such Law. If, in the absence of a protective order, other confidential treatment or waiver under this Agreement, the Receiving Party is advised by its legal counsel that it is legally required to disclose such Confidential Information, the Receiving Party may disclose such Confidential Information without liability under this Article XVI; provided, that the Receiving Party exercises commercially reasonable efforts to obtain reliable assurances that confidential treatment will be afforded any such Confidential Information prior to its disclosure and discloses only the minimum amount of such Confidential Information necessary to comply with such Law. Similarly, with respect to any disclosure of Confidential Information in connection with a Dispute, the Receiving Party shall exercise commercially reasonable efforts to obtain reliable assurances that confidential treatment will be afforded any Confidential Information of the Disclosing Party prior to its disclosure.

Section 16.4 Disclosure in Connection with Due Diligence. The terms of this Agreement shall be the Confidential Information of both Parties. A Party may provide this Agreement to any Third Party, subject to confidentiality obligations no less restrictive than those set forth in this Article XVI, if required to do so in connection with any diligence for any actual or potential bona fide business transaction with such Third Party related to the subject matter of this Agreement (including an acquisition, divestiture, merger, consolidation, asset sale, financing or public offering).

ARTICLE XVII
MISCELLANEOUS

Section 17.1 Dispute Resolution. The dispute resolution procedures set forth in Article VIII of the Separation Agreement shall apply and are hereby incorporated herein by reference, *mutatis mutandis*.

Section 17.2 Complete Agreement; Construction. This Agreement, including the Attachments hereto, shall constitute the entire agreement between the Parties with respect to the subject matter hereof and shall supersede all previous negotiations, commitments, course of dealings and writings with respect to such subject matter. In the event of any inconsistency between this Agreement and any Attachment hereto, the Attachment shall prevail. In the event and to the extent that there shall be a conflict between the provisions of this Agreement and the Separation Agreement, this Agreement shall control.

Section 17.3 Counterparts. This Agreement may be executed and delivered (including by facsimile or other means of electronic transmission, such as by electronic mail in “pdf” form) in more than one counterpart, all of which shall be considered one and the same agreement, each of which when executed shall be deemed to be an original, and shall become effective when one or more such counterparts have been signed by each of the Parties and delivered to each of the Parties.

Section 17.4 Notices. Notices, requests, instructions or other documents to be given under this Agreement shall be in writing and shall be deemed to have been properly delivered, given and received, (a) on the date of transmission if sent via email (provided, however, that notice given by email shall not be effective unless either (i) a duplicate copy of such email notice is promptly given by one of the other methods described in this Section 17.4 or (ii) the receiving party delivers a written confirmation of receipt of such notice either by email or any other method described in this Section 17.4 (excluding “out of office” or other automated replies)), (b) when delivered, if delivered personally to the intended recipient, and (c) one (1) Business Day later, if sent by overnight delivery via a national courier service (providing proof of delivery), and in each case, addressed to a Party at the address for such Party set forth on a schedule to be delivered by each Party to the address set forth below (or at such other address for a Party as shall be specified in a notice given in accordance with this Section 17.4):

The record address of Licensor for this purpose is:

Honeywell International Inc.
855 S. Mint Street
Charlotte, NC 28202
Attention: General Counsel – Legal Operations & Licensing
Email:

with copies (which shall not constitute notice) to:

Honeywell International Inc.
855 S. Mint Street
Charlotte, NC 28202
Attention: Trademark Counsel
Email:

and

Skadden, Arps, Slate, Meagher & Flom LLP
One Manhattan West
New York, NY 10001
Attention: Allison R. Schneirov, Esq.
Alexandra J. McCormack, Esq.
Kyle J. Hatton, Esq.
Lauren S. Kramer, Esq.
Email:

The record address for Licensee for this purpose is:

Solstice Advanced Materials Inc.
115 Tabor Road
Morris Plains, NJ 07950
Attention: Brian Rudick, General Counsel

Email:

with a copy (which shall not constitute notice) to:

Skadden, Arps, Slate, Meagher & Flom LLP
One Manhattan West
New York, NY 10001
Attention: Allison R. Schneirov, Esq.
Alexandra J. McCormack, Esq.
Kyle J. Hatton, Esq.
Lauren S. Kramer, Esq.
Email:

Section 17.5 Waivers. Any provision of this Agreement may be waived, if and only if, such waiver is in writing and signed by the Party against whom the waiver is to be effective. Notwithstanding the foregoing, no failure to exercise and no delay in exercising, on the part of any Party, any right, remedy, power or privilege hereunder shall operate as a waiver hereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. Any consent required or permitted to be given by any Party to the other Party under this Agreement shall be in writing and signed by the Party giving such consent and shall be effective only against such Party (and the members of its Group).

Section 17.6 Amendments. This Agreement may not be modified or amended except by an agreement in writing specifically designated as an amendment hereto signed by each of the Parties.

Section 17.7 Successors and Assigns. The provisions of this Agreement and the obligations and rights hereunder shall be binding upon, inure to the benefit of and be enforceable by (and against) the Parties and their respective successors and permitted transferees and assigns.

Section 17.8 No Circumvention. The Parties agree not to directly or indirectly take any actions, act in concert with any Person who takes an action, or cause or allow any member of any such Party's Group to take any actions (including the failure to take a reasonable action) such that the resulting effect is to materially undermine the effectiveness of any of the provisions of this Agreement.

Section 17.9 Subsidiaries. Each of the Parties shall cause to be performed, and hereby guarantees the performance of, all actions, agreements and obligations set forth herein to be performed by any Subsidiary of such Party or by any entity that becomes a Subsidiary of such Party after the Effective Date.

Section 17.10 Third Party Beneficiaries. This Agreement is solely for the benefit of, and is only enforceable by, the Parties and their permitted successors and assigns and should not be deemed to confer upon third parties any remedy, benefit, claim, liability, reimbursement, claim of Action or other right of any nature whatsoever, including any rights of employment for any specified period, in excess of those existing without reference to this Agreement.

Section 17.11 Title and Headings. Titles and headings to sections herein are inserted for the convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

Section 17.12 Governing Law. This Agreement, including all matters of construction, validity, interpretation, performance and enforceability, and any dispute arising directly or indirectly out of, in connection with or relating to this Agreement shall be governed by and construed in accordance with the Laws of the State of Delaware, without giving effect to the conflicts of laws principles thereof.

Section 17.13 Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon a determination that any term, provision, covenant or restriction is invalid, illegal, void or unenforceable, the Parties shall negotiate in good faith to modify to the fullest extent permitted by applicable Law this Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

Section 17.14 No Duplication; No Double Recovery. Nothing in this Agreement is intended to confer to or impose upon any Party a duplicative right, entitlement, obligation or recovery with respect to any matter arising out of the same facts and circumstances.

ARTICLE XVIII

PRESS RELEASES

Section 18.1 Press Releases. Neither Party will make any public statement or other announcement (including issuing a press release) relating to the terms or existence of this Agreement or the relationship between the Parties, including the termination of this Agreement, without the prior written approval of the other Party. Any joint announcement or press release shall be issued only after both Parties agree in writing to the timing and wording of the announcement or press release.

ARTICLE XIX

NO RIGHT OF SET-OFF

Section 19.1 No Set-Off. Licensee shall have no right to set off any moneys owed to Licensee by Licensor against any moneys owed by Licensee to Licensor hereunder.

ARTICLE XX

NO PARTNERSHIP

Section 20.1 Relationship of the Parties. Nothing contained herein shall constitute this arrangement to be employment, a joint venture or a partnership nor shall Licensee be deemed to be acting in an agent for Licensor.

Section 20.2 No Agents. This Agreement further does not create any right to an exclusive commercial agent relationship with respect to the Licensed Trademarks nor any right

to appoint an exclusive commercial agent with respect to the Licensed Trademarks in any country or territory in the world, including within the Territory.

* * * * *

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the Effective Date by their respective representatives thereunto duly authorized.

HONEYWELL INTERNATIONAL INC.

Signature: _____
Name:
Title:

SOLSTICE ADVANCED MATERIALS INC.

Signature: _____
Name:
Title:

[Signature Page to Trademark License Agreement]

ACCELERATOR LICENSE AGREEMENT

BY AND BETWEEN

HONEYWELL INTERNATIONAL INC.

AND

SOLSTICE ADVANCED MATERIALS INC.

DATED AS OF

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EXHIBITS

Exhibit A Specified Accelerator Components

ACCELERATOR LICENSE AGREEMENT

This ACCELERATOR LICENSE AGREEMENT (this “**Agreement**”), dated as of (the “**Effective Date**”), is entered into by and between Honeywell International Inc., a Delaware corporation (“**Honeywell**”) and Solstice Advanced Materials Inc. (f/k/a Solstice Advanced Materials, LLC), a Delaware corporation (“**SpinCo**”) (together with Honeywell, the “**Parties**,” and each individually, a “**Party**”).

RECITALS

WHEREAS, the Parties, among others, entered into that certain Separation and Distribution Agreement dated as of (as amended, modified or supplemented, and together with all exhibits and schedules thereto, the “**Separation Agreement**”);

WHEREAS, Section 3.5 of the Separation Agreement contemplates that Honeywell and SpinCo will execute this Agreement, and this Agreement is being entered into by the Parties to satisfy the requirements described therein;

WHEREAS, Honeywell owns or has the right to use Accelerator, which is used in the SpinCo Business and in the other businesses of Honeywell as of the Effective Date;

WHEREAS, Accelerator includes (without limitation) certain trade secrets, know-how and other Intellectual Property of Honeywell and its Affiliates; and

WHEREAS, SpinCo desires to obtain a license to use Accelerator for its own business purposes on the terms set forth herein.

NOW, THEREFORE, the Parties, intending to be legally bound, hereby agree as follows:

ARTICLE I **DEFINITIONS**

Section 1.1 Certain Defined Terms. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed thereto in the Separation Agreement. As used in this Agreement, the following terms have the respective meanings set forth below.

(a) “**Accelerator**” means Honeywell’s and its Affiliates’ “Accelerator” operating system to the extent used by the SpinCo Business as of the Effective Date, which is a global design model and operating system that contains a set of proprietary tools, processes, methodologies, practices, software and related training materials developed by or for and owned by Honeywell and its Affiliates that are designed to continuously improve business management and performance in the critical areas of products, projects, aftermarket services and standalone software, including as set forth on **Exhibit A**.

(b) “**Affiliate**” means, when used with respect to a specified Person, a Person that directly or indirectly, through one or more intermediaries, controls, is controlled by,

or is under common control with such specified Person. For the purposes of this definition, “control” (including the terms “controlled by” and “under common control with”), when used with respect to any specified Person shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or other interests, by Contract or otherwise. It is expressly agreed that no Party or member of either Group shall be deemed to be an Affiliate of the other Party or member of such other Party’s Group solely by reason of having one or more directors in common or by reason of having been under common control of Honeywell or Honeywell’s stockholders prior to, or in case of SpinCo’s stockholders, after the Effective Time.

(c) “**SpinCo Field**” means the conduct of (i) the SpinCo Business as conducted as of the Effective Date and natural evolutions thereof, and (ii) any business that is acquired by SpinCo after the Effective Date (whether by merger, acquisition, consolidation or other similar transaction).

(d) “**Third Party**” means any Person other than Honeywell, SpinCo and their respective Affiliates.

Section 1.2 References; Interpretation. For the purposes of this Agreement, (a) words in the singular shall be held to include the plural and vice versa, and words of one gender shall be held to include the other gender as the context requires; (b) references to the terms Article, Section, paragraph, clause, Exhibit and Schedule are references to the Articles, Sections, paragraphs, clauses, Exhibits and Schedules to this Agreement unless otherwise specified; (c) the terms “hereof,” “herein,” “hereby,” “hereto,” and derivative or similar words refer to this entire Agreement, including the Schedules and Exhibits hereto; (d) references to “\$” shall mean U.S. dollars; (e) the word “including” and words of similar import when used in this Agreement shall mean “including without limitation,” unless otherwise specified; (f) the word “or” shall not be exclusive (unless the context indicates otherwise); (g) references to “written” or “in writing” include in electronic form; (h) the Parties have each participated in the negotiation and drafting of this Agreement, and except as otherwise stated herein, if an ambiguity or question of interpretation should arise, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or burdening any Party by virtue of the authorship of any of the provisions in this Agreement; (i) a reference to any Person includes such Person’s successors and permitted assigns; (j) any reference to “days” means calendar days unless Business Days are expressly specified; (k) when calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded and if the last day of such period is not a Business Day, the period shall end on the next succeeding Business Day; (l) any statute or Contract defined or referred to herein means such statute or Contract as from time to time amended, modified or supplemented, unless otherwise specifically indicated; (m) the use of the phrases “the date of this Agreement”, “the date hereof”, “of even date herewith” and terms of similar import shall be deemed to refer to the date set forth in the preamble to this Agreement; (n) the phrase “ordinary course of business” shall be deemed to be followed by the words “consistent with past practice” whether or not such words actually follow such phrase; (o) where a word or phrase is defined herein, each of its other grammatical forms

shall have a corresponding meaning; and (p) any consent given by any party hereto pursuant to this Agreement shall be valid only if contained in a written instrument signed by such Party. Unless the context requires otherwise, references in this Agreement to “SpinCo” shall also be deemed to refer to the applicable member of the SpinCo Group, references to “RemainCo” or “Honeywell” shall also be deemed to refer to the applicable member of the RemainCo Group and, in connection therewith, any references to actions or omissions to be taken, or refrained from being taken, as the case may be, by SpinCo or Honeywell shall be deemed to require SpinCo or Honeywell, as the case may be, to cause the applicable members of the SpinCo Group or the RemainCo Group, respectively, to take, or refrain from taking, any such action.

ARTICLE II

LICENSE GRANT

Section 2.1 License to SpinCo. Subject to the terms and conditions of this Agreement, Honeywell hereby grants to SpinCo a worldwide, non-exclusive, non-transferable (except in accordance with Section 8.7), perpetual license to use, modify, enhance and improve Accelerator for any and all uses solely in the SpinCo Field. The foregoing license shall be sublicensable solely (a) to SpinCo’s Affiliates (for clarity, for only so long as each such Person remains an Affiliate of SpinCo), and (b) to Third Parties in the ordinary course of business, to the extent solely for the benefit of SpinCo or its Affiliates (and not for the independent use of such licenses and rights by or for the benefit of such Third Party) and subject to appropriate confidentiality and non-use obligations.

ARTICLE II

INTELLECTUAL PROPERTY RIGHTS

Section 3.1 Honeywell Ownership. The Parties acknowledge and agree that, as between the Parties, Honeywell is the owner of all right, title and interest in any and all Intellectual Property rights in Accelerator. Honeywell shall retain the entire right, title and interest in and to Accelerator and any improvements, enhancements and modifications thereof made by or on behalf of Honeywell or its Affiliates, and all Intellectual Property rights therein. For the avoidance of doubt, Honeywell shall have the sole right to defend and enforce any and all Intellectual Property rights covering Accelerator and such improvements, enhancements and modifications.

Section 3.2 SpinCo Ownership. SpinCo shall retain the entire right, title and interest in and to any improvements, enhancements and modifications to Accelerator made by or on behalf of SpinCo or its Affiliates after the Effective Date, and all Intellectual Property rights therein. For the avoidance of doubt, SpinCo shall have the sole right to defend and enforce any and all Intellectual Property rights covering any such improvements, enhancements and modifications.

ARTICLE IV
ACCELERATOR CONFIDENTIAL INFORMATION

Section 4.1 **Confidential Information.** As used herein, “**Confidential Information**” means any confidential and proprietary information of a Party or Third Party, regardless of form, which such Party considers to be confidential and proprietary, including information that: (a) if disclosed in writing, is labeled as “confidential” or “proprietary”; (b) if disclosed orally, is designated confidential at disclosure; (c) by nature or the circumstances of its disclosure, should reasonably be considered as confidential; or (d) constitutes information or data related to Accelerator, including Know-How, trade secrets, algorithms, source code, product/service specifications, prototypes, product roadmaps, Software, product pricing, marketing plans, financial data, personnel statistics, methods of manufacturing and processing, techniques, research, development, inventions (whether or not patentable and whether or not reduced to practice), data, ideas, concepts, drawings, designs and schematics. Notwithstanding the foregoing, the term “Confidential Information” shall not include information which: (i) rightfully becomes publicly available other than by a breach of a duty to the Disclosing Party or violation of Law; (ii) is rightfully received by the Receiving Party from a Third Party without any obligation of confidentiality; (iii) as evidenced by the Receiving Party’s written records, is rightfully known to the Receiving Party without any limitation on use or disclosure prior to its receipt from the Disclosing Party; or (iv) is independently developed by or on behalf of the Receiving Party without use of or reference to the Confidential Information of the Disclosing Party as shown by competent evidence.

Section 4.2 **Confidentiality Obligations.** Each Party and its Affiliates that receives, obtains or otherwise become aware of under or in connection with this Agreement (the “Receiving Party”) any Confidential Information of the other Party or its Affiliates (the “Disclosing Party”), respectively, agrees to (a) keep the Disclosing Party’s Confidential Information confidential, (b) use the Disclosing Party’s Confidential Information only as necessary to perform its obligations, exercise its rights under this Agreement or otherwise in connection with a Dispute, (c) use a reasonable degree of care in keeping the Disclosing Party’s Confidential Information confidential, and (d) limit access to the Disclosing Party’s Confidential Information to its personnel, Affiliates, assignees, contractors, subcontractors, sublicensees, authorized representatives and advisors (including any financial, tax, legal and technical advisors), in each case, who have a need to access or know such Confidential Information for the purpose of performing its obligations and exercising its rights under this Agreement and who have been apprised of these confidentiality obligations, and with respect to any such Third Party, have agreed to protect the confidentiality of such Confidential Information in a manner consistent with the Receiving Party’s obligations hereunder (and, for clarity, the Receiving Party shall remain responsible to the Disclosing Party for the compliance with such confidentiality obligations of its personnel, Affiliates and such Third Parties who receive such Confidential Information). Except as otherwise expressly provided in this Agreement, nothing in this Agreement is intended to grant to the Receiving Party any rights in or to any Confidential Information of the Disclosing Party.

Section 4.3 Disclosure Required By Law. In the event that the Receiving Party is requested or required by Law (including subpoena or court order) to disclose any Confidential Information of the Disclosing Party, the Receiving Party shall, to the extent legally permissible, provide prompt written notice to the Disclosing Party of such request or requirement, so that the Disclosing Party will have a reasonable opportunity to seek confidential treatment of such Confidential Information prior to its disclosure (whether through protective orders or otherwise) and, upon request, the Receiving Party shall reasonably cooperate with the Disclosing Party in seeking confidential treatment of such Confidential Information or other appropriate relief from such Law. If, in the absence of a protective order, other confidential treatment or waiver under this Agreement, the Receiving Party is advised by its legal counsel that it is legally required to disclose such Confidential Information, the Receiving Party may disclose such Confidential Information without liability under this Article IV; provided, that the Receiving Party exercises commercially reasonable efforts to obtain reliable assurances that confidential treatment will be afforded any such Confidential Information prior to its disclosure and discloses only the minimum amount of such Confidential Information necessary to comply with such Law. Similarly, with respect to any disclosure of Confidential Information in connection with a Dispute, the Receiving Party shall exercise commercially reasonable efforts to obtain reliable assurances that confidential treatment will be afforded any Confidential Information of the Disclosing Party prior to its disclosure.

Section 4.4 Disclosure in Connection with Due Diligence. The terms of this Agreement shall be the Confidential Information of both Parties. A Party may provide this Agreement to any Third Party, subject to confidentiality obligations no less restrictive than those set forth in this Article IV, if required to do so in connection with any diligence for any actual or potential bona fide business transaction with such Third Party related to the subject matter of this Agreement (including an acquisition, divestiture, merger, consolidation, asset sale, financing or public offering).

ARTICLE V **COMPENSATION**

Section 5.1 Compensation. The Parties agree that in light of the substantial contributions of SpinCo and its Affiliates to the development of Accelerator, no further consideration is payable by SpinCo for the Accelerator license set forth in Section 2.1.

ARTICLE VI **TERMINATION**

Section 6.1 Term. This Agreement shall become effective as of the Effective Date and, unless sooner terminated in accordance with this Article VI, remain in full force and effect in perpetuity.

Section 6.2 Termination for Breach. Honeywell shall be entitled to terminate this Agreement upon twenty (20) days' prior written notice to SpinCo in the event of a material breach of this Agreement by SpinCo or any member of the SpinCo Group that is not cured within such twenty (20)-day period; provided, that such twenty (20)-day period shall be extended

for up to twenty (20) additional days in the event and to the extent that SpinCo is diligently and in good faith pursuing cure of such material breach. Upon termination of this Agreement, SpinCo and each member of the SpinCo Group shall cease any and all use of Accelerator.

Section 6.3 Use of the Honeywell Accelerator Name. Within six (6) months following the Effective Date, SpinCo and each of its Affiliates shall cease using the name “Honeywell Accelerator” or any term similar thereto to describe the rights licensed hereunder or for any other purpose. Promptly following the Effective Date (and in any event, no later than the end of such six (6)-month period), SpinCo shall, and shall cause its Affiliates to, destroy, remove, strike over, cover over or otherwise eliminate all references to “Honeywell Accelerator” from all materials (whether written, electronic or otherwise) displaying “Honeywell Accelerator” or any term similar thereto.

Section 6.4 Survival of Obligations; Return of Confidential Information. Notwithstanding any termination of this Agreement, the obligations of the Parties under Articles III, IV, VII and VIII as well as Sections 6.3 and this 6.4, shall survive and continue to be enforceable. Upon any termination of this Agreement, SpinCo shall promptly (and in any event within thirty (30) days) return to Honeywell or destroy (at Honeywell’s option) all written Accelerator Confidential Information of Honeywell, and all copies thereof, then in SpinCo’s possession.

ARTICLE VII

WARRANTIES AND COMPLIANCE

Section 7.1 Disclaimer of Warranties. The Parties acknowledge and agree that (a) Accelerator is provided as-is, (b) each Party assumes all risks and Liabilities arising from or relating to its use of and reliance upon Accelerator, and (c) each Party makes no representation or warranty with respect thereto. EACH PARTY HEREBY EXPRESSLY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES REGARDING ACCELERATOR, WHETHER EXPRESS OR IMPLIED, INCLUDING ANY REPRESENTATION OR WARRANTY IN REGARD TO QUALITY, PERFORMANCE, NONINFRINGEMENT, MISAPPROPRIATION, COMMERCIAL UTILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Section 7.2 Compliance with Laws and Regulations. Each Party hereto shall be responsible for its own compliance with any and all Laws applicable to its performance under this Agreement. FOR THE AVOIDANCE OF DOUBT AND NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, EACH PARTY EXPRESSLY DISCLAIMS ANY EXPRESS OR IMPLIED OBLIGATION OR WARRANTY WITH RESPECT TO ANY INTELLECTUAL PROPERTY, TECHNOLOGY OR SERVICES THAT COULD BE CONSTRUED TO REQUIRE SUCH PARTY TO DELIVER ANY INTELLECTUAL PROPERTY, TECHNOLOGY OR SERVICES HEREUNDER IN SUCH A MANNER TO ALLOW THE RECEIVING PARTY THEREOF OR ITS AFFILIATES TO ITSELF COMPLY WITH ANY LAW APPLICABLE TO THE ACTIONS OR FUNCTIONS OF SUCH RECEIVING PARTY (OR ITS AFFILIATES).

ARTICLE VIII
MISCELLANEOUS

Section 8.1 Dispute Resolution. The dispute resolution procedures set forth in Article VIII of the Separation Agreement shall apply and are hereby incorporated herein by reference, *mutatis mutandis*.

Section 8.2 Complete Agreement; Construction. This Agreement, including the Exhibits hereto, shall constitute the entire agreement between the Parties with respect to the subject matter hereof and shall supersede all previous negotiations, commitments, course of dealings and writings with respect to such subject matter. In the event of any inconsistency between this Agreement and any Exhibit or Schedule hereto, the Exhibit or Schedule shall prevail. In the event and to the extent that there shall be a conflict between the provisions of this Agreement and the Separation Agreement, this Agreement shall control.

Section 8.3 Counterparts. This Agreement may be executed and delivered (including by facsimile or other means of electronic transmission, such as by electronic mail in “pdf” form) in more than one counterpart, all of which shall be considered one and the same agreement, each of which when executed shall be deemed to be an original, and shall become effective when one or more such counterparts have been signed by each of the Parties and delivered to each of the Parties.

Section 8.4 Notices. Notices, requests, instructions or other documents to be given under this Agreement shall be in writing and shall be deemed to have been properly delivered, given and received, (a) on the date of transmission if sent via email (provided, however, that notice given by email shall not be effective unless either (i) a duplicate copy of such email notice is promptly given by one of the other methods described in this Section 8.4 or (ii) the receiving party delivers a written confirmation of receipt of such notice either by email or any other method described in this Section 8.4 (excluding “out of office” or other automated replies)), (b) when delivered, if delivered personally to the intended recipient, and (c) one (1) Business Day later, if sent by overnight delivery via a national courier service (providing proof of delivery), and in each case, addressed to a Party at the address for such Party set forth on a schedule to be delivered by each Party to the address set forth below (or at such other address for a Party as shall be specified in a notice given in accordance with this Section 8.4):

If to Honeywell:

Honeywell International Inc.
855 S. Mint Street
Charlotte, NC 28202
Attention: Su Ping Lu, Senior Vice President, General Counsel and
Corporate Secretary
Email:

with a copy (which shall not constitute notice) to:

Skadden, Arps, Slate, Meagher & Flom LLP
One Manhattan West
New York, NY 10001
Attention: Allison R. Schneirov, Esq.
 Alexandra J. McCormack, Esq.
 Kyle J. Hatton, Esq.
 Lauren S. Kramer, Esq.

Email:

To SpinCo:

Solstice Advanced Materials Inc.
115 Tabor Road
Morris Plains, NJ 07950
Attention: Brian Rudick, General Counsel
Email:

with a copy (which shall not constitute notice) to:

Skadden, Arps, Slate, Meagher & Flom LLP
One Manhattan West
New York, NY 10001
Attention: Allison R. Schneirov, Esq.
 Alexandra J. McCormack, Esq.
 Kyle J. Hatton, Esq.
 Lauren S. Kramer, Esq.

Email:

Section 8.5 Waivers. Any provision of this Agreement may be waived, if and only if, such waiver is in writing and signed by the Party against whom the waiver is to be effective. Notwithstanding the foregoing, no failure to exercise and no delay in exercising, on the part of any Party, any right, remedy, power or privilege hereunder shall operate as a waiver hereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. Any consent required or permitted to be given by any Party to the other Party under this Agreement shall be in writing and signed by the Party giving such consent and shall be effective only against such Party (and the members of its Group).

Section 8.6 Amendments. This Agreement may not be modified or amended except by an agreement in writing specifically designated as an amendment hereto signed by each of the Parties.

Section 8.7 Assignment. Neither this Agreement nor any of the rights, interests or obligations under this Agreement shall be assigned or transferred, in whole or in part, by operation of Law or otherwise, by either of the Parties without the prior written consent of the other Party (which consent may be granted or withheld in such other Party's sole discretion); provided, that such first Party may assign or transfer, in whole or in part, by operation of Law or otherwise, without the prior written consent of the other Party, this Agreement or any of the rights, interests or obligations under this Agreement to (a) one or more of its Affiliates and (b) the successor to all or a portion of the business or assets to which this Agreement relates; provided, further, that (i) the assigning or transferring Party shall promptly notify the non-assigning or non-transferring Party in writing of any assignments or transfers it makes under the foregoing clause (b) and (ii) in either case of the foregoing clauses (a) or (b), the party to whom this Agreement is assigned or transferred shall agree in writing to be bound by the terms of this Agreement as if named as a "Party" hereto with respect to all or such portion of this Agreement so assigned or transferred. Any purported assignment in violation of this Section 8.7 shall be void *ab initio*. No assignment or transfer shall relieve the assigning or transferring Party of any of its obligations under this Agreement that accrued prior to such assignment or transfer unless agreed to by the non-assigning or non-t Party.

Section 8.8 Successors and Assigns. The provisions of this Agreement and the obligations and rights hereunder shall be binding upon, inure to the benefit of and be enforceable by (and against) the Parties and their respective successors and permitted transferees and assigns.

Section 8.9 No Circumvention. The Parties agree not to directly or indirectly take any actions, act in concert with any Person who takes an action, or cause or allow any member of any such Party's Group to take any actions (including the failure to take a reasonable action) such that the resulting effect is to materially undermine the effectiveness of any of the provisions of this Agreement.

Section 8.10 Subsidiaries. Each of the Parties shall cause to be performed, and hereby guarantees the performance of, all actions, agreements and obligations set forth herein to be performed by any Subsidiary of such Party or by any entity that becomes a Subsidiary of such Party at and after the Effective Date.

Section 8.11 Third-Party Beneficiaries. This Agreement is solely for the benefit of, and is only enforceable by, the Parties and their permitted successors and assigns and should not be deemed to confer upon third parties any remedy, benefit, claim, liability, reimbursement, claim of Action or other right of any nature whatsoever, including any rights of employment for any specified period, in excess of those existing without reference to this Agreement.

Section 8.12 Titles and Headings. Titles and headings to sections herein are inserted for the convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

Section 8.13 Exhibits and Schedules. The Exhibits and Schedules shall be construed with and as an integral part of this Agreement to the same extent as if the same had been set forth verbatim herein.

Section 8.14 Governing Law. This Agreement, including all matters of construction, validity, interpretation, performance and enforceability, and any dispute arising directly or indirectly out of, in connection with or relating to this Agreement shall be governed by and construed in accordance with the Laws of the State of Delaware, without giving effect to the conflicts of laws principles thereof.

Section 8.15 Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon a determination that any term, provision, covenant or restriction is invalid, illegal, void or unenforceable, the Parties shall negotiate in good faith to modify to the fullest extent permitted by applicable Law this Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

Section 8.16 No Duplication; No Double Recovery. Nothing in this Agreement is intended to confer to or impose upon any Party a duplicative right, entitlement, obligation or recovery with respect to any matter arising out of the same facts and circumstances.

Section 8.17 Bankruptcy. All rights and licenses granted under or pursuant to this Agreement by Honeywell are, and will otherwise be deemed to be, for purposes of Section 365(n) of the United States Bankruptcy Code, licenses of rights to “intellectual property” as defined under Section 101 of the United States Bankruptcy Code regardless of the form or type of intellectual property under or to which such rights and licenses are granted and regardless of whether the intellectual property is registered in or otherwise recognized by or applicable to the United States of America or any other country or jurisdiction. The Parties agree that each Licensee will retain and may fully exercise all of their rights and elections under the United States Bankruptcy Code.

* * * * *

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed on the date first written above by their respective duly authorized officers.

HONEYWELL INTERNATIONAL INC.

Signature: _____
Name: _____
Title: _____

SOLSTICE ADVANCED MATERIALS INC.

Signature: _____
Name: _____
Title: _____

[Signature Page to Accelerator License Agreement]

**2025 STOCK INCENTIVE PLAN
OF
SOLSTICE ADVANCED MATERIALS INC.
AND ITS AFFILIATES**

**ARTICLE I
ESTABLISHMENT AND PURPOSE**

1.1 **Purpose.** The purpose of this 2025 Stock Incentive Plan of Solstice Advanced Materials Inc. and its Affiliates (the “**Plan**”) is to enable the Company to achieve superior financial performance, as reflected in the performance of its Common Stock and other key financial or operating indicators by (a) providing incentives and rewards to certain Employees and Other Service Providers who are in a position to contribute materially to the success and long-term objectives of the Company, (b) aiding in the recruitment and retention of Employees and Other Service Providers of exceptional ability, (c) providing Employees and Other Service Providers an opportunity to acquire or expand equity interests in the Company, and (d) promoting the growth and success of the Company’s business by aligning the financial interests of Employees and Other Service Providers with that of the other shareowners of the Company. Towards these objectives, the Plan provides for the grant of Stock Options, Stock Appreciation Rights, Performance Awards, Restricted Stock Units, Restricted Stock, Other Stock-Based Awards, Cash-Based Awards, Conversion Awards or any combination of the foregoing.

1.2 **Effective Date; Shareowner Approval.** The Plan is effective as of the effective date of the Company’s Registration Statement on Form 10 filed with the Securities and Exchange Commission in connection with the distribution of its Shares by Honeywell (the “**Effective Date**”), provided, that the Plan shall have been adopted by the Board and approved by the Company’s sole shareowner in accordance with the General Corporation Law of the State of Delaware and the rules of the Nasdaq Stock Market LLC.

**ARTICLE II
DEFINITIONS**

For purposes of the Plan, the following terms have the following meanings:

2.1 “**1933 Act**” means the Securities Act of 1933, as amended.

2.2 “**Affiliate**” means (a) any subsidiary of the Company of which at least 50 percent of the aggregate outstanding voting common stock or capital stock is owned directly or indirectly by the Company, (b) any other parent of a subsidiary described in clause (a), or (c) any other entity in which the Company has a substantial ownership interest and which has been designated as an Affiliate by the Committee in its sole discretion.

2.3 “**Award**” means any form of incentive or performance award granted under the Plan, whether singly or in combination, to a Participant by the Committee pursuant to any terms and conditions that the Committee may establish and set forth in the applicable Award Agreement. Awards granted under the Plan may consist of: (a) “**Stock Options**” awarded

pursuant to Section 4.3; (b) “**Stock Appreciation Rights**” awarded pursuant to Section 4.3; (c) “**Performance Awards**” awarded pursuant to Section 4.4; (d) “**Restricted Stock Units**” awarded pursuant to Section 4.5; (e) “**Restricted Stock**” awarded pursuant to Section 4.5; (f) “**Other Stock-Based Awards**” awarded pursuant to Section 4.6 and (g) “**Conversion Awards**” pursuant to Section 4.7.

2.4 “**Award Agreement**” means the document issued, either in writing or an electronic medium, to a Participant evidencing the grant of an Award and that sets out the terms and conditions of such Award.

2.5 “**Board**” means the Board of Directors of the Company.

2.6 “**Cash-Based Award**” means a Performance Award other than a Stock Option, Stock Appreciation Right, Restricted Stock Units, Restricted Stock, Other Stock-Based Award, or Performance Plan Unit.

2.7 “**Cause**” has the meaning assigned to such term in any severance plan of the Company or an Affiliate, in each case, that is applicable to such Participant, as of immediately prior to the Termination of Service; provided, that if no such agreement exists, or if such term is not defined in such agreement, “Cause” means any of the following: (i) clear evidence of a significant violation of the Company’s Code of Business Conduct; (ii) a fraud committed against the Company; (iii) the misappropriation, embezzlement or reckless or willful destruction of Company property; (iv) the willful failure to perform, or gross negligence in the performance of, duties; (v) the conviction (treating a nolo contendere plea as a conviction) of a felony (whether or not any right to appeal has been or may be exercised); (vi) the knowing falsification of any records or documents of the Company; (vii) a significant breach of any statutory or common law duty of loyalty to the Company; (viii) intentional and improper conduct significantly prejudicial to the business of the Company; (ix) the failure to cooperate fully in a Company investigation or the failure to be fully truthful when providing evidence or testimony in such investigation; or (x) the violation of Company rules and policies that, based on a single occurrence, might not meet the significance thresholds of (i), (vii) or (viii) above, but that shall, for purposes of such significance thresholds, be deemed to constitute a violation thereof in the event any such violation occurs more than once. Cause shall be determined by the Committee for Reporting Persons or by the Company for all other Participants, in its sole and absolute discretion.

2.8 “**Change in Control**” means (a) any one person, or more than one person acting as a group (as defined under U.S. Department of Treasury Regulation (“**Treasury Regulation**”) § 1.409A-3(i)(5)(v)(B)) acquires ownership of stock of the Company that, together with stock held by such person or group, constitutes more than 50 percent of the total fair market value or total voting power of the stock of the Company; or (b) any one person, or more than one person acting as a group (as defined under Treasury Regulation § 1.409A-3(i)(5)(v)(B)) acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or persons) ownership of stock of the Company possessing 30 percent or more of the total voting power of the stock of the Company; or (c) a majority of members of the Board is replaced during any 12-month period by directors whose appointment or election is not endorsed by a majority of the members of the Board before the date of the appointment or election; or (d) any

one person, or more than one person acting as a group (as defined in Treasury Regulation § 1.409A-3(i)(5)(v)(B)) acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or persons) assets from the Company and its subsidiaries on a consolidated basis that have a total gross fair market value equal to or more than 40 percent of the total gross fair market value of all of the assets of the Company and its subsidiaries on a consolidated basis immediately before such acquisition or acquisitions. For purposes of clause (d), “gross fair market value” means the value of the assets of the Company and its subsidiaries on a consolidated basis, or the value of the assets being disposed of, determined without regard to any liabilities associated with such assets. The foregoing clauses (a) through (d) shall be interpreted in a manner that is consistent with the Treasury Regulations promulgated pursuant to Section 409A of the Code so that all, and only, such transactions or events that could qualify as a “change in control event” within the meaning of Treasury Regulation § 1.409A-3(i)(5)(i) shall be deemed to be a Change in Control for purposes of this Plan.

2.9 “**Code**” means the Internal Revenue Code of 1986, as amended.

2.10 “**Committee**” means the compensation committee of the Board or any successor committee or subcommittee of the Board or other committee or subcommittee designated by the Board, which committee or subcommittee is comprised solely of two or more persons who are Non-Employee Directors within the meaning of Rule 16b-3(b)(3) under the Exchange Act.

2.11 “**Common Stock**” means the common stock of the Company.

2.12 “**Company**” means Solstice Advanced Materials Inc. and its successors

2.13 “**Disabled**” and “**Disability**”, with respect to a Participant, have the meanings assigned to such terms under the long-term disability plan maintained by the Company or an Affiliate in which such Participant is covered at the time the determination is made, and if there is no such plan, mean the permanent inability as a result of accident or sickness to perform any and every duty pertaining to such Participant’s occupation or employment for which the Participant is suited by reason of the Participant’s previous training, education and experience; provided, that, to the extent an Award subject to Section 409A of the Code shall become payable upon a Participant’s Disability, a Disability shall not be deemed to have occurred for such purposes unless the circumstances would also result in a “disability” within the meaning of Section 409A of the Code.

2.14 “**Dividend Equivalent**” means an amount equal to the cash dividend or the Fair Market Value of the stock dividend that would be paid on each Share underlying an Award if the Share were duly issued and outstanding on the date on which the dividend is payable.

2.15 “**Employee**” means any individual who performs services as an employee of the Company or an Affiliate. “**Employee**” does not include any leased employees.

2.16 “**Exchange Act**” means the Securities Exchange Act of 1934, as amended.

2.17 “**Exercise Price**” means the price of a Share, as fixed by the Committee, that may be purchased under a Stock Option or with respect to which the amount of any payment pursuant to a Stock Appreciation Right is determined.

2.18 “**Fair Market Value**” means the average (mean) of the highest and lowest sales prices of a Share, as reported on the Nasdaq Stock Market LLC (or any other reporting system selected by the Committee, in its sole discretion) on the date as of which the determination is being made or, if no sale of Shares is reported on this date, on the most recent preceding day on which there were sales of Shares reported.

2.19 “**GAAP**” means U.S. generally accepted accounting principles.

2.20 “**Good Reason**” has the meaning assigned to such term in any written individual agreement between the Company and the Participant in which such term is defined and in effect at the Participant’s Termination of Service, and in the absence of any such written agreement, has the meaning assigned to such term in the any severance plan of the Company or an Affiliate, in each case, that is applicable to such Participant.

2.21 “**Honeywell**” means Honeywell International Inc., a Delaware corporation.

2.22 “**Honeywell Awards**” shall have the meaning set forth in Section 4.7 of the Plan.

2.23 “**Incentive Stock Option**” means a Stock Option granted under Section 4.3 of the Plan that meets the requirements of Section 422 of the Code and any related regulations and is designated in the Award Agreement to be an Incentive Stock Option.

2.24 “**Minimum Vesting Condition**” means with respect to any Award, a condition that full vesting of (or lapsing of restrictions on) such Award does not occur until at least the first (1st) anniversary of the grant date.

2.25 “**Non-Employee Director**” means any member of the Board, elected or appointed, who is not an Employee of the Company or an Affiliate. An individual who is elected to the Board at an annual meeting of the shareowners of the Company shall be deemed to be a member of the Board as of the date of the meeting.

2.26 “**Nonqualified Stock Option**” means any Stock Option granted under Section 4.3 of the Plan that is not an Incentive Stock Option.

2.27 “**Other Service Provider**” means an individual providing services to the Company as an independent contractor or consultant and who is not an Employee.

2.28 “**Other Stock-Based Award**” means an Award granted under Section 4.6 and denominated in Shares.

2.29 “**Participant**” means an Employee or Other Service Provider who has been granted an Award under the Plan.

2.30 “**Performance Award**” means an Award granted under Section 4.4 of the Plan, the payment of which is conditioned on the attainment of one or more Performance Measures.

2.31 “**Performance Cycle**” means, with respect to any Award that vests or is earned based on Performance Measures, a period (or periods) of at least one year, unless otherwise specified by the Committee, over which the level of attainment of performance of a Performance Measure shall be determined.

2.32 “**Performance Measure**” means, with respect to any Performance Award, the business criteria selected by the Committee to measure the level of performance of the Company and/or a business unit, segment, division, or subsidiary of the Company or an Affiliate during the Performance Cycle. The Committee may select as the Performance Measure for a Performance Cycle any one or combination of the following measures, separately or in relation to each other, or relative to a selected comparator group, as interpreted by the Committee, which (to the extent applicable) shall be determined in accordance with GAAP: (a) Sales (or any component of sales); (b) Operating income; (c) Net income; (d) Earnings per Share (or Proforma EPS); (e) Return on equity; (f) Cash flow (including operating cash flow, free cash flow, cash flow yield and/or cash flow conversion); (g) Cash flow per Share; (h) Return on invested capital; (i) Return on investments (or ROI expansion); (j) Return on assets; (k) Economic value added (or an equivalent metric, as determined by the Committee); (l) Share price; (m) Total shareowner return; (n) Cost and expense reduction; (o) Working capital (or working capital turns or days); (p) Segment operating margin (or segment margin expansion); (q) Segment operating income; or (r) any other measure determined by the Committee.

Performance Measures may be defined and measured before or after taking into consideration taxes, interest, depreciation, amortization, pension-related expense or income, and/or any pension mark to market adjustment, the determination of which shall be at the discretion of the Committee.

In determining attainment of a Performance Measure, the Committee may exclude unusual or infrequently occurring items, extraordinary items and the cumulative effect of changes in accounting treatment and may determine to exclude other items, such as changes in foreign currency exchange rates, the impact of acquisitions or divestitures, discontinued operations, and charges for restructurings (employee severance liabilities, asset impairment costs, and exit costs), each determined in accordance with GAAP (to the extent applicable) and as identified in the financial statements, notes to the financial statements, or discussion and analysis of management.

2.33 “**Performance Plan Unit**” means a Performance Award denominated in Units.

2.34 “**Potential Change in Control Period**” is deemed to commence at the time of the earliest of the following events to occur: (a) the Company enters into an agreement, the consummation of which would result in the occurrence of a Change in Control or otherwise result in an acceleration of the vesting of the Awards (except by virtue of the Participant’s death or Disability); (b) the Company or any person or group publicly announces an intention to take or to consider taking actions that, if consummated, would constitute a Change in Control or

otherwise result in an acceleration of the vesting of the Awards (except by virtue of the Participant's death or Disability); (c) any person or group (other than the Company, any subsidiary of the Company, or any savings, pension or other benefit plan for the benefit of employees of the Company or its subsidiaries) becomes the beneficial owner, directly or indirectly, of securities of the Company representing 15 percent or more of either the then outstanding Shares or the combined voting power of the Company's then outstanding securities (not including in the securities beneficially owned by such person or group any securities acquired directly from the Company or its Affiliates); or (d) the Board adopts a resolution to the effect that, for purposes of the Plan, a Potential Change in Control Period has commenced. The Potential Change in Control Period is deemed to continue until the adoption by the Board of a resolution stating that, for purposes of the Plan, the Potential Change in Control Period has expired.

2.35 “**Reporting Person**” means an Employee who is subject to the reporting requirements of Section 16(a) the Exchange Act.

2.36 “**Restricted Stock**” means Shares issued pursuant to Section 4.5 that are subject to any restrictions that the Committee, in its discretion, may impose.

2.37 “**Restricted Stock Unit**” means a Unit granted under Section 4.5 to acquire Shares or an equivalent amount in cash, which Unit is subject to any restrictions that the Committee, in its discretion, may impose.

2.38 “**Separation**” means the consummation of the transactions contemplated by the Separation and Distribution Agreement, dated as of _____, 2025, by and between Honeywell and the Company.

2.39 “**Share**” means a share of Common Stock.

2.40 “**Stock Appreciation Right**” means a right granted under Section 4.3 to an amount in cash or Shares equal to any increase in the Fair Market Value of the Shares between the date on which the Stock Appreciation Right is granted and the date on which the right is exercised.

2.41 “**Stock Option**” means a right granted under Section 4.3 to purchase from the Company a stated number of Shares at a specified price that is equal to or greater than the Fair Market Value of a Share on the date of grant, subject to adjustment as provided in Section 5.4. Stock Options awarded under the Plan may be in the form of Incentive Stock Options or Nonqualified Stock Options.

2.42 “**Target Amount**” means the amount of Performance Plan Units or the amount of cash in respect of a Cash-Based Award that shall be paid if the Performance Measure is met at the 100% level, as determined by the Committee.

2.43 “**Target Vesting Percentage**” means the percentage of Performance Awards that shall vest or become exercisable if the Performance Measure is met at the 100% level, as determined by the Committee.

2.44 “**Termination of Service**” means the date of cessation of a Participant’s provision of services to the Company and its Affiliates for any reason, with or without Cause, as determined by the Company. Except as otherwise provided in an Award Agreement, (a) termination of service shall be determined without regard to any statutory or contractual notice periods for termination of employment, dismissal, redundancy, and similar events, and (b) if an Employee’s employment is terminated under circumstances that entitle the Employee to severance benefits pursuant to any applicable severance plan of the Company or an Affiliate in which the Employee participates, the Employee’s employment relationship with the Company and its Affiliates shall cease on the day prior to the date that severance benefits become payable under the terms of the applicable severance plan without regard to any delay in payment required by Section 409A of the Code. Notwithstanding the foregoing, (x) if an Affiliate ceases to be an Affiliate while an Award granted to a Participant who provides services to such Affiliate is outstanding, the Committee may, in its discretion, deem such Participant to have a Termination of Service on the date the Affiliate ceases to be an Affiliate or on a later date specified by the Committee; (y) the Committee shall make any determination described in clause (x) before or not more than a reasonable period after the date the Affiliate ceases to be an Affiliate; and (z) each such Participant’s Termination of Service shall be treated as an involuntary termination not for Cause. For purposes of clarification, any nonqualified deferred compensation (within the meaning of Section 409A of the Code) payable to the Participant upon a Termination of Service pursuant to the terms and conditions of this Plan shall be paid to the Participant upon a “separation from service”, as determined in accordance with Section 409A of the Code.

2.45 “**Unit**” means, for purposes of Performance Plan Units, the potential right to an Award equal to US\$100 (or such amount of other monetary currency as the Committee shall determine) and, for purposes of Restricted Stock Units, the potential right to acquire one Share.

ARTICLE III ADMINISTRATION

3.1 **The Committee.** The Plan shall be administered by the Committee.

3.2 **Authority of the Committee.** The Committee shall have authority, in its sole and absolute discretion and subject to the terms of the Plan, to (a) interpret the Plan; (b) prescribe the rules and regulations that it deems necessary for the proper operation and administration of the Plan, and amend or rescind any existing rules or regulations relating to the Plan; (c) select Employees and Other Service Providers to receive Awards under the Plan; (d) determine the form of Awards, the number of Shares subject to each Award, all the terms and conditions of an Award including, without limitation, the conditions on exercise or vesting, the designation of Stock Options as Incentive Stock Options or Nonqualified Stock Options and the terms of Award Agreements; (e) determine whether Awards shall be granted singly, in combination or in tandem; (f) establish and administer Performance Measures in connection with Performance Awards, and certify the level of performance attained with respect to Performance Measures; (g) waive or amend any terms, conditions, restrictions or limitations on an Award, except that (i) the prohibition on the repricing of Stock Options and Stock Appreciation Rights, as described in Section 4.3(g), may not be waived; (h) in accordance with Article V, make any adjustments to

the Plan (including but not limited to adjustment of the number of Shares available under the Plan or any Award) and any Award granted under the Plan that may be appropriate; (i) provide for the deferred payment of Awards and the extent to which payment shall be credited with Dividend Equivalents; (j) determine whether Awards may be transferable to family members, a family trust, a family partnership or otherwise; (k) determine whether, to what extent and under what circumstances Awards may be settled in cash, Shares or other property; (l) interpret, administer, reconcile any inconsistency in, correct any default in and/or supply any omission in, the Plan and any instrument or agreement relating to (including any Award Agreement), or Award made under, the Plan; (m) waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate any Award; (n) accelerate the vesting or exercisability of, payment for or lapse of restrictions on, Awards; (o) establish any provisions that the Committee may determine to be necessary in order to implement and administer the Plan in foreign countries; and (p) take any and all other actions it deems necessary or advisable for the proper operation or administration of the Plan.

3.3 ***Effect of Determinations.*** All determinations of the Committee shall be final, binding and conclusive on all persons having an interest in the Plan.

3.4 ***Delegation of Authority.*** The Committee, in its discretion and consistent with applicable law and regulations, may delegate its authority and duties under the Plan to one or more subcommittees of the Committee or to the Chief Executive Officer of the Company or any other individual or committee as it deems to be advisable, under any conditions and subject to any limitations that the Committee may establish. Only the Committee (or a subset thereof), however, shall have authority to grant and administer Awards to Reporting Persons and any delegate of the Committee, and to establish and certify Performance Measures.

3.5 ***Employment of Advisors.*** The Committee may select and employ attorneys, consultants, accountants and other advisors at the Company's expense (and may determine the compensation thereof), and the Committee, the Company, and the officers and directors of the Company may rely upon the advice, opinions or valuations of the advisors employed.

3.6 ***No Liability.*** No member of the Committee, nor any person acting as a delegate of the Committee with respect to the Plan, shall be liable for any losses resulting from any action taken or omitted to be taken, interpretation or construction made in good faith with respect to the Plan or any Award granted under the Plan.

ARTICLE IV AWARDS

4.1 ***Eligibility.*** All Employees, and such Other Service Providers as may be designated by the Committee from time to time, are eligible to receive Awards granted under the Plan, except as otherwise provided in this Article IV.

4.2 ***Form of Awards.*** Awards shall be in the form determined by the Committee, in its discretion, and shall be evidenced by an Award Agreement. Awards may be granted singly or in combination or in tandem with other Awards.

4.3 Stock Options and Stock Appreciation Rights. The Committee may grant Stock Options and Stock Appreciation Rights under the Plan to those Employees and Other Service Providers whom the Committee may from time to time select, in the amounts and pursuant to the other terms and conditions that the Committee, in its discretion, may determine and set forth in the Award Agreement, subject to the provisions below:

(a) *Form.* Stock Options granted under the Plan shall, at the discretion of the Committee and as set forth in the Award Agreement, be in the form of Incentive Stock Options, Nonqualified Stock Options, or a combination of the two. If an Incentive Stock Option and a Nonqualified Stock Option are granted to the same Participant under the Plan at the same time, the form of each shall be clearly identified, and they shall be deemed to have been granted in separate grants. In no event shall the exercise of one Award affect the right to exercise the other Award. Stock Appreciation Rights may be granted either alone or in connection with concurrently or previously issued Nonqualified Stock Options.

(b) *Exercise Price.* Other than with respect to Stock Options that are assumed, converted or substituted as a result of the acquisition of another company by the Company or an Affiliate or a combination of the Company or an Affiliate with another company, or with respect of the Conversion Awards, the Committee shall set the Exercise Price of Stock Options or Stock Appreciation Rights granted under the Plan at a price that is equal to or greater than the Fair Market Value of a Share on the date of grant, subject to adjustment as provided in Section 5.4. The Exercise Price of Incentive Stock Options, however, shall be equal to or greater than 110 percent of the Fair Market Value of a Share on the date of grant if the Participant receiving the Stock Options owns stock possessing more than 10 percent of the total combined voting power of all classes of stock of the Company or of any subsidiary or parent corporation of the Company, as defined in Section 424 of the Code. The Exercise Price of a Stock Appreciation Right granted in tandem with a Stock Option shall be equal to the Exercise Price of the related Stock Option. The Exercise Price of a Stock Option or Stock Appreciation Right shall be set forth in the Award Agreement.

(c) *Term and Timing of Exercise.* Stock Options and Stock Appreciation Rights shall lapse not later than 10 years after the date of grant, as determined by the Committee at the time of grant. Except as otherwise provided in an Award Agreement or other subsequent agreement between a Participant and the Company or an Affiliate, each Stock Option or Stock Appreciation Right granted under the Plan shall be exercisable in whole or in part, subject to the following conditions:

(i) The date on which any Award of Stock Options or Stock Appreciation Rights to a Participant may first be exercised shall be set forth in the Award Agreement.

(ii) A Stock Appreciation Right granted in tandem with a Stock Option shall be subject to the same terms and conditions as the related Stock Option and shall be exercisable only to the extent that the related Stock Option is exercisable.

(iii) Stock Options and Stock Appreciation Rights shall vest and remain exercisable as set forth in the applicable Award Agreement.

Stock Options and Stock Appreciation Rights of a deceased Participant may be exercised only by the estate of the Participant or by the person given authority to exercise the Stock Options or Stock Appreciation Rights by the Participant's will or by applicable laws of descent and distribution. If a Stock Option or Stock Appreciation Right is exercised by the executor or administrator of a deceased Participant's estate, or by the person or persons to whom the Stock Option or Stock Appreciation Right has been transferred by the Participant's will or the applicable laws of descent and distribution, the Company shall be under no obligation to deliver Shares or cash until the Company is satisfied that the person exercising the Stock Option or Stock Appreciation Right is the duly appointed executor or administrator of the deceased Participant's estate or the person to whom the Stock Option or Stock Appreciation Right has been transferred by the Participant's will or by applicable laws of descent and distribution.

(d) *Payment of Exercise Price.* The Exercise Price of a Stock Option must be paid in full when the Stock Option is exercised. Stock certificates shall be registered and delivered only upon receipt of payment. Payment of the Exercise Price may be made in cash or by certified check, bank draft, wire transfer, or postal or express money order. No portion of the Exercise Price of a Stock Option may be paid from the proceeds of a loan of cash from the Company to the Participant. In addition, the Committee may also permit payment of all or a portion of the Exercise Price to be made by any other method, provided, that, for Awards to Reporting Persons, permissible methods shall be set forth in the applicable Award Agreement, including:

(i) Delivering a properly executed exercise notice to the Company or its agent, together with irrevocable instructions to a broker to deliver promptly to the Company the amount of sale proceeds with respect to the portion of the Shares to be acquired having a Fair Market Value on the date of exercise equal to the sum of the applicable portion of the Exercise Price being so paid; or

(ii) Tendering (actually or by attestation) to the Company previously acquired Shares that have been held by the Participant for at least six months, subject to paragraph (d)(v), and that have a Fair Market Value on the day prior to the date of exercise equal to the applicable portion of the Exercise Price being so paid; or

(iii) Instructing the Company to withhold Shares that would otherwise be issued having a Fair Market Value on the date of exercise equal to the applicable portion of the Exercise Price being so paid (provided such withholding has been expressly authorized by the Committee); or

(iv) Any combination of the methods described in paragraphs (i), (ii), and (iii).

(v) The Committee, in consideration of applicable accounting standards, may waive any holding period on Shares required to tender pursuant to paragraph (d)(ii) or prohibit withholding pursuant to paragraph (d)(iii).

(e) *Incentive Stock Options.* Incentive Stock Options granted under the Plan shall be subject to the following additional conditions, limitations, and restrictions:

(i) *Eligibility.* Incentive Stock Options may be granted only to Employees of the Company or an Affiliate that is a subsidiary or parent corporation of the Company, within the meaning of Section 424 of the Code.

(ii) *Timing of Grant.* No Incentive Stock Option shall be granted under the Plan after the 10-year anniversary of the date on which the Plan is adopted by the Board or, if earlier, the date on which the Plan is approved by the Company's shareowners.

(iii) *Amount of Award.* The aggregate Fair Market Value as of the date of grant of the Shares with respect to which the Incentive Stock Options awarded to any Participant first become exercisable during any calendar year may not exceed \$100,000. For purposes of this \$100,000 limit, the Participant's Incentive Stock Options under this Plan and all other plans maintained by the Company and its Affiliates shall be aggregated. To the extent any Incentive Stock Option would exceed the \$100,000 limit, the Incentive Stock Option shall afterwards be treated as a Nonqualified Stock Option for all purposes.

(iv) *Timing of Exercise.* If the Committee exercises its discretion in the Award Agreement to permit an Incentive Stock Option to be exercised by a Participant more than three months after the Participant has ceased being an Employee (or more than 12 months if the Participant is permanently and totally disabled, within the meaning of Section 22(e) of the Code), the Incentive Stock Option shall afterwards be treated as a Nonqualified Stock Option for all purposes. For purposes of this paragraph (e)(iv), an Employee's employment relationship shall be treated as continuing intact while the Employee is on military leave, sick leave, or another approved leave of absence if the period of leave does not exceed 90 days, or a longer period to the extent that the Employee's right to reemployment with the Company or an Affiliate is guaranteed by statute or by contract. Where the period of leave exceeds 90 days and the Employee's right to reemployment is not guaranteed by statute or contract, the employment relationship shall be deemed to have ceased on the 91st day of the leave.

(v) *Transfer Restrictions.* In no event shall the Committee permit an Incentive Stock Option to be transferred by a Participant other than by will or the applicable laws of descent and distribution, and any Incentive Stock Option awarded under this Plan shall be exercisable only by the Participant during the Participant's lifetime.

(f) *Exercise of Stock Appreciation Rights.* Upon exercise, Stock Appreciation Rights may be redeemed for cash or Shares or a combination of cash and Shares, in the discretion of the Committee, and as described in the Award Agreement. Cash payments shall be equal to the excess of the Fair Market Value of a Share on the date of exercise over the Exercise Price for each Share for which a Stock Appreciation Rights was exercised. If the Stock Appreciation Right is redeemed for Shares, the Participant shall receive a number of whole Shares equal to the quotient of the cash payment amount divided by the Fair Market Value of a Share on the date of exercise.

(g) *Certain Prohibitions.* The following terms or actions shall not be permitted with respect to any Award of Stock Options or Stock Appreciation Rights:

(i) *No Repricing.* Except as otherwise provided in Section 5.4, in no event shall the Committee decrease the Exercise Price of a Stock Option or Stock Appreciation Right after the date of grant, or cancel outstanding Stock Options or Stock Appreciation Rights and grant replacement Stock Options or Stock Appreciation Rights with a lower Exercise Price than that of the replaced Stock Options or Stock Appreciation Rights or other Awards, or purchase underwater Stock Options from a Participant for cash or replacement Awards without first obtaining the approval of the Company's shareowners in a manner that complies with the rules of the Nasdaq Stock Market LLC.

(ii) *No Dividend Equivalents.* The Committee shall not provide for the payment of Dividend Equivalents with respect to Stock Options or Stock Appreciation Rights.

(iii) *No Reload Options.* The Committee shall not grant Stock Options or Stock Appreciation Rights that have reload features under which the exercise of a Stock Option or Stock Appreciation Right by a Participant automatically entitles the Participant to a new Stock Option or Stock Appreciation Right.

(iv) *No Additional Deferral Features.* The Committee shall not grant Stock Options or Stock Appreciation Rights that have "additional deferral features" as described in Section 409A of the Code, thereby subjecting the Stock Option or Stock Appreciation Right to the requirements of Section 409A.

4.4 ***Performance Awards.*** The Committee may grant Performance Awards to the Employees or Other Service Providers that the Committee may from time to time select, in the amounts and, subject to Section 7.14, pursuant to the terms and conditions that the Committee may determine and set forth in the Award Agreement, subject to the provisions below:

(a) *Performance Cycles.* Performance Awards shall be awarded in connection with a Performance Cycle determined by the Committee; provided, however, that a Performance Cycle may be no shorter than 12 months.

(b) *Eligible Participants.* Within 90 days after the commencement of a Performance Cycle, the Committee shall determine the Employees who shall be eligible to receive a Performance Award for the Performance Cycle; provided, however, that the Committee may determine the eligibility of any Employee other than a Reporting Person after the expiration of this 90-day period.

(c) *Performance Measures; Targets; Award Criteria.*

(i) The Committee shall fix and establish, in writing (A) the Performance Measures that apply to a Performance Cycle; (B) with respect to Cash-Based Awards, the Target Amount payable to each Participant; (C) with respect to other Performance Awards, the Target Vesting Percentage, or Target Amount payable, for each Participant; and (D) subject to Section 4.4(d), the criteria for computing the amount that shall be paid or shall vest with respect to each level of attained performance. The Committee shall also set forth the minimum level of performance, based on objective factors, that must be attained during the Performance Cycle before any Performance Award shall be paid or vest, and the percentage (not exceeding 200%) of the target Performance Award that shall vest upon attainment of various levels of performance that equal or exceed the minimum required level.

(ii) The Committee may, in its discretion, select Performance Measures that measure the level of performance of the Company and/or a business unit, segment, division, or subsidiary of the Company or an Affiliate during the Performance Cycle. The Committee may select Performance Measures for a Performance Cycle any one or combination of the Performance Measures, separately or in relation to each other, or relative to a selected comparator group, as interpreted by the Committee, which (to the extent applicable) shall be determined in accordance with GAAP.

(iii) The Committee, in its discretion, may, on a case-by-case basis, reduce, but not increase, the amount of Performance Awards payable to any Reporting Person with respect to any given Performance Cycle; provided, however, that no reduction shall result in an increase in the dollar amount or number of Shares payable under any Performance Award of another Reporting Person.

(d) *Payment; Certification.* No Performance Award shall vest with respect to any Reporting Person until the Committee certifies in writing the level of attainment of the applicable Performance Measures for the applicable Performance Cycle. Performance Awards awarded to Participants who are not Reporting Persons shall be based on the Performance Measures and payment formulas that the Committee, in its discretion, may establish for these purposes. These Performance Measures and formulas may be the same as or different than the Performance Measures and formulas that apply to Reporting Persons.

(e) *Form of Payment.* Performance Awards may be paid in cash or whole Shares, or a combination of cash and whole Shares, in the discretion of the Committee, subject to the terms and conditions set forth in the Award Agreement. Payment with respect to any fractional Share shall be determined in accordance with Section 5.5.

4.5 *Restricted Stock Units and Restricted Stock.* The Committee may grant Restricted Stock Units and Restricted Stock under the Plan to those Employees and Other Service Providers whom the Committee may from time to time select, in the amounts and, with respect to Restricted Stock Units subject to Section 7.14, pursuant to the terms and conditions that the Committee, in its discretion, may determine and set forth in the Award Agreement, subject to the provisions below:

(a) *Grant of Restricted Stock Units.* The Committee may grant Restricted Stock Units to any Employee or Other Service Provider, which Units are denominated in, payable in, valued, in whole or in part by reference to, or otherwise related to, Shares. The Committee shall determine, in its discretion, the terms and conditions that apply to Restricted Stock Units granted pursuant to this Section 4.5, including whether and how Dividend Equivalents shall be credited with respect to any Award. The terms and conditions of the Restricted Stock Units shall be set forth in the applicable Award Agreement.

(b) *Grant of Restricted Stock.* As soon as practicable after Restricted Stock has been granted, certificates for all Shares of Restricted Stock shall be registered in the name of the Participant and held for the Participant by the Company. The Participant shall have all rights of a shareowner with respect to the Shares, including the right to vote and to receive dividends or other distributions, except that the Shares may be subject to a vesting schedule and forfeiture and, except as otherwise provided in Section 7.1, may not be sold, transferred, assigned, pledged or otherwise encumbered or disposed until the restrictions are satisfied or lapse.

(c) *Dividends and Dividend Equivalents.* At the discretion of the Committee and as described in the Award Agreement, dividends issued on Shares of Restricted Stock may be paid immediately or withheld and deferred in the Participant's account. In the event of a payment of dividends on Common Stock, to the extent permissible under Section 409A of the Code, the Committee may credit Restricted Stock Units with Dividend Equivalents. Except as otherwise described in the Award Agreement or determined by the Committee, Dividend Equivalents may be withheld and deferred in the Participant's account subject to a vesting schedule, or used to credit additional Restricted Stock Units that vest on the same schedule and subject to any other conditions as the underlying Restricted Stock Units. The Committee shall determine any terms and conditions on deferral of Dividend Equivalents.

(d) *Vesting and Forfeiture.* The Committee may, in its discretion and as set forth in the Award Agreement, impose any restrictions on Restricted Stock Units and/or their related Dividend Equivalents or Restricted Stock that it deems to be appropriate. Except as otherwise provided in an Award Agreement. The Committee shall cause a

legend referring to the restrictions to be placed on all certificates for Shares of Restricted Stock. When restrictions lapse or are satisfied, a new certificate, without the legend, for the number of Shares with respect to which restrictions have lapsed or been satisfied shall be issued and delivered to the Participant.

(e) *Redemption of Restricted Stock Units.* Restricted Stock Units may be redeemed for cash or whole Shares, or a combination of cash and whole Shares, in the discretion of the Committee, when the restrictions lapse and any other conditions set forth in the Award Agreement have been satisfied; provided, that with respect to any Restricted Stock Units subject to Section 409A of the Code such redemption shall occur in a manner that complies with Section 409A of the Code. Each Restricted Stock Unit may be redeemed for one Share or an amount in cash equal to the Fair Market Value of a Share as of the date on which the Restricted Stock Unit vests.

(f) *Deferred Units.* Subject to Section 7.14 and to the extent determined by the Committee, Participants may be permitted to request the deferral of payment of vested Restricted Stock Units (including the value of related Dividend Equivalents) to a date later than the payment date specified in the Award Agreement, provided, that any such election be made in accordance with Section 409A of the Code. The Committee shall determine any terms and conditions on deferral.

4.6 ***Other Stock-Based Awards.*** The Committee may, from time to time, grant Awards (other than Stock Options, Stock Appreciation Rights, Restricted Stock Units or Restricted Stock) to any Employee or Other Service Provider that consist of, or are denominated in, payable in, valued in whole or in part by reference to, or otherwise related to, Shares. These Awards may include, among other things, phantom or hypothetical Shares. The Committee shall determine, in its discretion and subject to Section 7.14, the terms and conditions that will apply to Other Stock-Based Awards granted pursuant to this Section 4.6, including whether Dividend Equivalents will be credited with respect to any such Awards in the event of a payment of dividends on Common Stock, and whether such Award will be settled in cash or whole Shares, or a combination of cash and whole Shares, when the restrictions lapse and any other conditions set forth in the Award Agreement have been satisfied. The terms and conditions of Other Stock-Based Awards shall be set forth in the applicable Award Agreement.

4.7 ***Conversion Awards.*** The Company is authorized to issue Awards (“Conversion Awards”) in connection with the replacement, assumption and equitable adjustment of equity and equity-based awards granted by Honeywell prior to the Separation (collectively, the “Honeywell Awards”). Notwithstanding any other provision of the Plan to the contrary, (i) in accordance with a formula for conversion of the Honeywell Awards as determined by the Company in a manner consistent with the Separation, the number of Shares subject to a Conversion Award and the exercise price of any Conversion Award that is a Stock Option shall be determined by the Committee, and (ii) Conversion Awards shall be subject to the same vesting terms and overall term that applied to the related Honeywell Awards, in each case subject to the discretion of the Committee.

4.8 **Termination for Cause.** If a Participant incurs a Termination of Service for Cause, then all outstanding Awards shall immediately be canceled, except as otherwise provided in an Award Agreement or subsequent agreement between the Participant and the Company or an Affiliate.

ARTICLE V

SHARES SUBJECT TO THE PLAN; ADJUSTMENTS

5.1 **Shares Available.** The Shares issuable under the Plan shall be authorized but unissued Shares or Shares held in the Company's treasury. The total number of Shares with respect to which Awards may be issued under the Plan may equal but may not exceed 10 million, subject to adjustment in accordance with Section 5.4; provided, however, that from the aggregate limit:

(a) no more than 10 million Shares may be available for grant in the form of Incentive Stock Options; and

(b) Awards shall be subject to the Minimum Vesting Condition; *provided, however*, that the Committee may, in its sole discretion, (i) accelerate the vesting of Awards or otherwise lapse or waive the Minimum Vesting Condition upon (A) the Participant's death or Disability, (b) other Termination of Service, or (C) a Change in Control (subject to the requirements of Section 5.5), (ii) grant Awards that are not subject to the Minimum Vesting Condition with respect to 5% or less of the aggregate number of shares of Common Stock issued under the Plan, as may be adjusted pursuant to Section 5.4 and (iii) grant Awards to Non-Employee Directors that are not subject to the Minimum Vesting Condition.

5.2 **Counting Rules.** (a) The following Shares related to Awards to be issued under this Plan shall not count against the limits set forth in Section 5.1:

(i) Shares related to Awards paid in cash; and

(ii) Shares related to Awards that expire, are forfeited or canceled or terminate for any other reason without issuance of Shares;

(iii) Any Shares issued in connection with Awards that are assumed, converted or substituted as a result of the acquisition of another company by the Company or an Affiliate or a combination of the Company or an Affiliate with another company; and

(iv) the Conversion Awards.

(b) For purposes of clarity, Shares that are tendered or withheld in payment of all or part of the Exercise Price of an Award or in satisfaction of withholding tax obligations, and Shares that are reacquired with cash tendered in payment of the Exercise Price of an Award, shall not be reincluded in or added back to the number of Shares

available for issuance under the Plan. Upon the settlement of any Stock Appreciation Right issued under the Plan, only the gross number of Shares issued to the Participant or used to determine the settlement value will count against the number of Shares available for issuance under the Plan.

5.3 *Non-Employee Director Limits.* No Non-Employee Director shall be granted Awards during any calendar year that, when aggregated with such Non-Employee Director's cash fees with respect to such calendar year, exceed \$1,000,000 in total value (calculating the value of any such Awards based on the grant date fair value of such Awards for the Company's financial reporting purposes).

5.4 *Adjustment Upon Certain Changes.*

(a) *Adjustments.* In the event of any change in corporate structure affecting outstanding Shares or the value thereof, including any dividend or distribution (whether in cash, Shares or other property), stock split, reverse stock split, spin-off, recapitalization, merger, reorganization, consolidation, combination or exchange of shares or similar transaction, such adjustments and other substitutions shall be made to the Plan and to outstanding Awards as the Committee, in its sole discretion, deems equitable or appropriate, including such adjustments in (i) the limitations set forth in Section 5.1, including the maximum aggregate number, class and kind of securities that may be delivered under the Plan, and (ii) the number, class, kind and Exercise Price of securities subject to outstanding Awards granted under the Plan (including, if the Committee deems appropriate, the full or partial substitution of similar options to purchase the shares of, or other awards denominated in the shares of, another company).

(b) *Other Changes.* The Committee may make other adjustments in the terms and conditions of Awards in recognition of unusual or nonrecurring events (including, without limitation, the events described in Section 5.4(a)) affecting the Company, any Affiliate, or the financial statements of the Company or any Affiliate, or of changes in applicable laws, regulations, or accounting principles, whenever the Committee determines that such adjustments are appropriate in order to prevent dilution or enlargement of the benefits to be made available under the Plan.

(c) *Performance Awards.* In the event of any transaction or event described in this Section 5.4, the Committee shall have the power to make equitable adjustments in any Performance Measure and in other terms of any Performance Award, provided that such adjustment is consistent with the requirements of Section 409A of the Code and the regulations thereunder; and provided further that no such adjustment shall be made following the occurrence of a Change in Control to a Performance Award granted to a Participant without the consent of the Participant.

(d) *No Other Rights or Changes.* Except as expressly provided in the Plan, no Participant shall have any rights by reason of any subdivision or consolidation of shares of stock of any class, the payment of any dividend, any increase or decrease in the number of shares of stock of any class or any dissolution, liquidation, merger or

consolidation of the Company or any other corporation. Except as expressly provided in the Plan, no issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number of shares or amount of other property subject to, or the terms related to, any Award. Except as expressly provided by this Section 5.4, and without limiting the generality of Section 6.1, no material adverse change may be made to the terms of an Award granted to a Participant as a result of an event described in this Section 5.4 without the consent of the Participant.

5.5 *Change in Control.*

(a) *Treatment of Awards Generally.* Without limiting the generality of Section 5.4, the provisions of Section 5.4 shall apply to Awards that remain unvested or unpaid upon a Change in Control, as if such Change in Control constituted an event described therein. For the avoidance of doubt, Awards shall not vest upon or following a Change in Control unless and until this Section 5.5 applies to a Participant.

(b) *Accelerated Vesting Upon Certain Termination Events.* If the service of a Participant with the Company and its Affiliates is terminated involuntarily without Cause or voluntarily by the Participant for Good Reason during the two-year period following a Change in Control, then:

(i) all outstanding Awards held by such Participant shall become vested and/or exercisable as of the effective date of such termination, whether or not the Awards were otherwise vested and/or exercisable, and all conditions shall be waived with respect to outstanding Awards; and

(ii) for all outstanding Awards that are Performance Awards, (A) if the Performance Cycle has been completed, payment of amounts determined in accordance with the terms of the Performance Award shall be made in a lump sum not later than 70 days following the effective date of such termination, and (B) except as otherwise determined by the Committee, the target level of performance shall be deemed to have been achieved with respect to such Performance Award and payment of amounts determined in accordance with the terms of the Performance Award, prorated to reflect the portion of the full Performance Cycle for such Performance Award that elapsed prior to such effective date shall be made in a lump sum not later than 70 days following such effective date.

(c) *Deferred Awards.* Notwithstanding Section 5.4(b), but subject to Section 7.14, the Committee may permit a Participant to elect not to have payment of an Award, including the value of any related Dividend Equivalents, accelerated as provided by such Section 5.4(b). The terms and conditions of a deferral may not be changed at any time after the Change in Control.

5.6 **Fractional Shares.** No fractional Shares shall be issued under the Plan, and unless the Committee determines otherwise, an amount in cash equal to the Fair Market Value of any fractional Shares that would otherwise be issuable shall be paid in lieu of such fractional Shares. The Committee may, in its sole discretion, cancel, terminate, otherwise eliminate or transfer or pay other securities or other property in lieu of issuing any fractional Shares.

ARTICLE VI AMENDMENT AND TERMINATION

6.1 **Amendment.** The Plan may be amended at any time and from time to time by the Board without the approval of shareowners of the Company, except that no revision to the terms of the Plan shall be effective until the amendment is approved by the shareowners of the Company if such approval is required by the rules of the Nasdaq Stock Market LLC or such amendment materially increases the number of Shares that may be issued under the Plan (other than an increase pursuant to Section 5.4 of the Plan). No amendment of the Plan made without the Participant's written consent may materially adversely affect any right of a Participant with respect to an outstanding Award unless such amendment is necessary to comply with applicable law. The Plan may not be amended in any manner adverse to the interests of Participants during a Potential Change in Control Period or any other period of two years following a Change in Control, unless such amendment is necessary to comply with applicable law.

6.2 **Termination.** The Plan shall terminate upon the adoption of a resolution of the Board terminating the Plan.

No Awards shall be granted under the Plan after it has terminated. The termination of the Plan, however, shall not alter or impair any of the rights or obligations of any Participant without such Participant's written consent under any Award previously granted under the Plan. After the termination of the Plan, any previously granted Awards shall remain in effect and shall continue to be governed by the terms of the Plan and the applicable Award Agreement.

ARTICLE VII GENERAL PROVISIONS

7.1 **Nontransferability of Awards.** No Award under the Plan shall be subject in any manner to alienation, anticipation, sale, assignment, pledge, encumbrance or transfer, and no other persons shall otherwise acquire any rights therein, except as provided below.

(a) Any Award may be transferred by will or by the applicable laws of descent or distribution.

(b) The Committee may provide in the applicable Award Agreement that all or any part of an Award (other than an Incentive Stock Option) may, subject to the prior written consent of the Committee, be transferred to one or more of the following classes of donees: a family member; a trust for the benefit of a family member; a limited partnership whose partners are solely family members; or any other legal entity set up for the benefit of family members. For purposes of this Section 7.1(b), a family member

means a Participant and/or the Participant's spouse, children, grandchildren, parents, grandparents, siblings, nieces, nephews and grandnieces and grandnephews, including adopted, in-laws and step family members.

(c) Except as otherwise provided in the applicable Award Agreement, any Nonqualified Stock Option or Stock Appreciation Right transferred by a Participant pursuant to Section 7.1(b) may be exercised by the transferee only to the extent that the Award would have been exercisable by the Participant had no transfer occurred. Any transferred Award shall be subject to all of the same terms and conditions as provided in the Plan and in the applicable Award Agreement. The Participant or the Participant's estate shall remain liable for any withholding tax that may be imposed by any federal, state or local tax authority, and the transfer of Shares upon exercise of the Award shall be conditioned on the payment of any withholding tax. The Committee may, in its discretion, disallow all or a part of any transfer of an Award pursuant to Section 7.1(b) unless and until the Participant makes arrangements satisfactory to the Committee for the payment of any withholding tax. The Participant must immediately notify the Committee, in the form and manner required by the Committee, of any proposed transfer of an Award pursuant to Section 7.1(b). No transfer shall be effective until the Committee consents to the transfer in writing.

(d) Unless otherwise restricted by Company policy for Reporting Persons, Restricted Stock may be freely transferred after the restrictions lapse or are satisfied and the Shares are delivered; provided, however, that Restricted Stock awarded to an affiliate of the Company may be transferred only pursuant to Rule 144 under the 1933 Act, or pursuant to an effective registration for resale under the 1933 Act. For purposes of this Section 7.1(d), "affiliate" shall have the meaning assigned to that term under Rule 144.

(e) In no event may a Participant transfer an Incentive Stock Option other than by will or the applicable laws of descent and distribution.

7.2 Withholding of Taxes.

(a) *Stock Options and Stock Appreciation Rights.* Subject to Section 7.2(d), as a condition to the delivery of Shares pursuant to the exercise of a Stock Option or Stock Appreciation Right, the Committee may require that the Participant, at the time of exercise, pay to the Company by cash, certified check, bank draft, wire transfer or postal or express money order an amount sufficient to satisfy any applicable tax withholding obligations. The Committee may also, in its discretion, accept payment of tax withholding obligations through any of the Exercise Price payment methods described in Section 4.3(d).

(b) *Other Awards Payable in Shares.* Subject to Section 7.2(d), the Company shall satisfy a Participant's tax withholding obligations arising in connection with the release of restrictions on Restricted Stock Units, Restricted Stock, and Other Stock-Based Awards by withholding Shares that would otherwise be available for delivery. The Company may also allow the Participant to satisfy the Participant's tax withholding

obligations by payment to the Company in cash or by certified check, bank draft, wire transfer, or postal or express money order.

(c) *Cash Awards.* The Company shall satisfy a Participant's tax withholding obligation arising in connection with the payment of any Award in cash by withholding cash from such payment.

(d) *Withholding Amount.* The Committee, in consideration of applicable accounting standards, has full discretion to either (i) allow Participants to elect, or (ii) otherwise direct as a general rule, to have the Company withhold Shares for taxes at an amount that is not less than the applicable minimum statutory amount and not more than the applicable maximum statutory amount.

7.3 Forfeiture Provisions. The Committee may, in its discretion, provide in an Award Agreement that an Award granted thereunder shall be canceled if the Participant, without the consent of the Company, while employed by or providing services to the Company or any Affiliate or for a period after Termination of Service, (a) violates a noncompetition, non-solicitation, non-disclosure, confidentiality, or non-disparagement covenant or agreement, (b) otherwise engages in activity that is in conflict with or adverse to the interest of the Company or any Affiliate, including fraud or conduct contributing to any financial restatements or irregularities, as determined by the Committee in its sole discretion, or (c) to the extent applicable to the Participant, otherwise violates any policy adopted by the Company or any Affiliate relating to the recovery of compensation granted, paid, delivered, awarded or otherwise provided to any Participant by the Company or any Affiliate as such policy is in effect on the date of grant of the applicable Award or, to the extent necessary to address the requirements of applicable law (including Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, as codified in Section 10D of the Exchange Act, Section 304 of the Sarbanes-Oxley Act of 2002 or any other applicable law), as may be amended from time to time. The Committee may also provide in an Award Agreement that (i) a Participant will forfeit any gain realized on the vesting or exercise of such Award if the Participant engages in any activity referred to in the preceding sentence, or (ii) a Participant must repay the gain to the Company realized under a previously paid Award if the Participant engages in any activity referred to in the preceding sentence or a financial restatement reduces the amount that would have been earned under such Award. Notwithstanding the foregoing, none of the non-disclosure restrictions in this Section 7.3 or in any Award Agreement shall, or shall be interpreted to, impair the Participant from exercising any legally protected whistleblower rights (including under Rule 21F under the Exchange Act).

7.4 Code Section 83(b) Elections. The Company, the Affiliates, and the Committee have no responsibility for a Participant's election, attempt to elect or failure to elect to include the value of an Award of Restricted Stock or other Award subject to Section 83 of the Code in the Participant's gross income for the year of grant pursuant to Section 83(b) of the Code. Any Participant who makes an election pursuant to Section 83(b) of the Code shall promptly provide the Committee with a copy of the election form.

7.5 No Implied Rights. The establishment and operation of the Plan, including the eligibility of a Participant to participate in the Plan, shall not be construed as conferring any legal or other right upon any Participant for the continuation of service through the end of any vesting period, Performance Cycle, or other applicable period. The Company and the Affiliates expressly reserve the right, which may be exercised at any time and in the Company's or an Affiliate's sole discretion, to discharge any individual or treat him or her without regard to the effect that discharge might have upon him or her as a Participant in the Plan. There is no obligation for uniformity of treatment of Participants or holders or beneficiaries of Awards. The terms and conditions of Awards and the Committee's determinations and interpretations with respect thereto need not be the same with respect to each Participant and may be made selectively among Participants, whether or not such Participants are similarly situated.

7.6 No Obligation to Exercise Awards; No Right to Notice of Expiration Date. The grant of a Stock Option or Stock Appreciation Right shall impose no obligation upon the Participant to exercise the Award. The Company, the Affiliates, and the Committee have no obligation to inform a Participant of the date on which a Stock Option or Stock Appreciation Right lapses except in the Award Agreement.

7.7 No Rights as Shareowners. A Participant granted an Award under the Plan shall have no rights as a shareowner of the Company with respect to the Award unless and until certificates for the Shares underlying the Award are registered in the Participant's name and delivered to the Participant. The right of any Participant to receive an Award by virtue of participation in the Plan shall be no greater than the right of any unsecured general creditor of the Company.

7.8 Indemnification of Committee. The Company shall indemnify, to the fullest extent permitted by law, each person made or threatened to be made a party to any civil or criminal action or proceeding by reason of the fact that the person, or the executor or administrator of the person's estate, is or was a member of the Committee or a delegate of the Committee.

7.9 No Required Segregation of Assets. Neither the Company nor any Affiliate shall be required to segregate any assets that may at any time be represented by Awards granted pursuant to the Plan.

7.10 Nature of Payments. All Awards made pursuant to the Plan are in consideration of services for the Company or an Affiliate. Any gain realized pursuant to Awards under the Plan constitutes a special incentive payment to the Participant and shall not be taken into account as compensation for purposes of any other employee benefit plan of the Company or any Affiliate, except as the employee benefit plan otherwise provides. The adoption of the Plan shall have no effect on Awards made or to be made under any other benefit plan covering an employee of the Company or an Affiliate or any predecessor or successor of the Company or an Affiliate.

7.11 Awards in Foreign Countries. The Committee has the authority to grant Awards to Employees and Other Service Providers who are foreign nationals or employed outside the United States on any different terms and conditions than those specified in the Plan that the

Committee, in its discretion, believes to be necessary or desirable to accommodate differences in applicable law, tax policy, or custom, while furthering the purposes of the Plan. The Committee may also approve any supplements to the Plan or alternative versions of the Plan as it believes to be necessary or appropriate for these purposes without altering the terms of the Plan in effect for other Participants; provided, however, that the Committee may not make any supplemental or alternative version that (a) increases limitations contained in Section 4.3(e) and Section 4.8, (b) increases the number of Shares available under the Plan, as set forth in Section 5.1; (c) causes the Plan to cease to satisfy any conditions under Rule 16b-3 under the Exchange Act or (d) otherwise contains terms that would require approval by the shareowners of the Company under the rules of the Nasdaq Stock Market LLC.

7.12 *Securities Matters.*

(a) The Company shall be under no obligation to effect the registration pursuant to the 1933 Act of any Shares to be issued hereunder or to effect similar compliance under any state laws. Notwithstanding anything herein to the contrary, the Company shall not be obligated to cause to be issued or delivered any certificates evidencing Shares pursuant to the Plan unless and until the Company is advised by its counsel that the issuance and delivery of such certificates is in compliance with all applicable laws, regulations of governmental authority and the requirements of any securities exchange on which Shares are traded. The Committee may require, as a condition to the issuance and delivery of certificates evidencing Shares pursuant to the terms hereof, that the recipient of such shares make such covenants, agreements and representations, and that such certificates bear such legends, as the Committee deems necessary or desirable.

(b) The exercise of any Award granted hereunder shall only be effective at such time as counsel to the Company shall have determined that the issuance and delivery of Shares pursuant to such exercise is in compliance with all applicable laws, regulations of governmental authority and the requirements of any securities exchange on which Shares are traded. The Company may, in its sole discretion, defer the effectiveness of an exercise of an Award hereunder or the issuance or transfer of Shares pursuant to any Award pending or to ensure compliance under federal or state securities laws. The Company shall inform the Participant in writing of its decision to defer the effectiveness of the exercise of an Award or the issuance or transfer of Shares pursuant to any Award. During the period that the effectiveness of the exercise of an Award has been deferred, the Participant may, by written notice, withdraw such exercise and obtain the refund of any amount paid with respect thereto.

7.13 *Governing Law; Severability.* The Plan and all determinations made and actions taken under the Plan shall be governed by the internal substantive laws, and not the choice of law rules, of the State of Delaware and construed accordingly, to the extent not superseded by applicable U.S. federal law. If any provision of the Plan is held unlawful or otherwise invalid or unenforceable in whole or in part, the unlawfulness, invalidity or unenforceability shall not affect any other parts of the Plan, which shall remain in full force and effect.

7.14 ***Section 409A of the Code.*** With respect to Awards subject to Section 409A of the Code, this Plan is intended to comply with the requirements of such Section, and the provisions hereof shall be interpreted in a manner that satisfies the requirements of such Section and the related regulations, and the Plan shall be operated accordingly. If any provision of this Plan or any term or condition of any Award would otherwise frustrate or conflict with this intent, the provision, term or condition shall be interpreted and deemed amended so as to avoid this conflict. Any reservation of rights or discretion by the Company or the Committee hereunder affecting the timing of payment of any Award subject to Section 409A of the Code shall only be as broad as is permitted by Section 409A of the Code and any regulations thereunder.

7.15 ***Payments to Specified Employees.*** Notwithstanding anything herein or in any Award Agreement to the contrary, if a Participant is a “specified employee” (within the meaning of Section 409A(2)(B) of the Code) as of the date of such Participant’s separation from service (as determined pursuant to Section 409A of the Code), any Awards subject to Section 409A of the Code payable to such Participant as a result of his or her separation from service, shall be paid on the first business day of the first calendar month that begins after the six-month anniversary of the date of the separation from service, or, if earlier, the date of the Participant’s death.

**SOLSTICE ADVANCED MATERIALS INC. SEVERANCE PLAN
FOR DESIGNATED OFFICERS**

Effective as of

, 2025

GENERAL PROVISIONS

1. Purpose and Scope

The purpose of the Solstice Advanced Materials Inc. Severance Plan for Designated Officers (the “Plan”) is to provide severance related benefits to select eligible employees of Solstice Advanced Materials Inc. and its participating divisions, subsidiaries and affiliates who are employed in a position that is designated as being an officer of Solstice by the Board and whose employment relationship is involuntarily terminated at the initiative of the Company for reasons other than Cause and who are thereafter, as a result of such termination, no longer employed by the Company or any successor thereto.

This Plan is intended to be an unfunded “welfare benefit plan” within the meaning of Section 3(1) of ERISA and is being maintained as a “top hat” plan for a select group of management or highly compensated employees.

The terms of this Plan are intended to, and shall be interpreted so as to, comply in all respects with the provisions of Section 409A of the Code, and the regulations and rulings promulgated thereunder (collectively, “Code Section 409A”) and, if necessary, any provision of the Plan shall be held null and void to the extent such provision (or any part thereof) fails to comply with Code Section 409A.

This Plan is comprised of Part I--Provisions Prior to a Change in Control, and Part II--Special Provisions That Become Effective Only Upon a Change in Control.

2. Effective Date

The Plan is hereby effective as of , 2025.

PART I

PROVISIONS PRIOR TO A CHANGE IN CONTROL

3. Definitions

As used throughout the Plan unless otherwise clearly or necessarily indicated by context:

(a) **“Annual Base Salary”** means an amount equal to the product of (i) Base Salary, and (ii) twelve (12).

(b) **“Annual Incentive Compensation”** means, except as provided in Section 23(a), an amount equal to the product of the Participant’s (i) Incentive Award Target Percentage for the calendar year in which Participant’s Covered Termination occurs, and (ii) Annual Base Salary.

(c) **“Base Salary”** means the highest monthly base salary (as reflected on the Company’s books and records) payable to a Participant during the thirty-six (36) month period preceding a Covered Termination.

(d) **“Board”** means Solstice’s Board of Directors.

(e) **“Cause”** means any of the following: (i) clear evidence of a significant violation of the Company’s Code of Business Conduct; (ii) the misappropriation, embezzlement or willful destruction of Company property; (iii)(A) the willful failure to perform, (B) gross negligence in the performance of, or (C) intentional misconduct in the performance of, a Participant’s duties that results in harm to the business of the Company; (iv) the conviction (treating a nolo contendere plea as a conviction) of a felony (whether or not any right to appeal has been or may be exercised); (v) the failure to cooperate fully in a Company investigation or the failure to be fully truthful when providing evidence or testimony in such investigation; or (vi) clear evidence of the willful falsification of any financial records of the Company that are used in compiling the Company’s financial statements or related disclosures, with the intent of violating Generally Accepted Accounting Principles or, if applicable, International Financial Reporting Standards. In the case of a determination under Part I of the Plan, Cause shall be determined by the Chief Executive Officer of the Company, with the concurrence of the Board and with the advice of the Company’s functional leaders with expertise in such matters.

(f) **“Change in Control”** is deemed to occur at the time (i) any entity, person or group (as defined under Treasury Regulation § 1.409A-3(i)(5)(v)(B)), other than the Company or any savings, pension or other benefit plan maintained for the benefit of the Company’s employees, that theretofore beneficially owned less than 50% of the Common Stock then outstanding, acquires ownership of Common Stock which results in such entity, person or group owning 50% or more of the total fair market value or total voting power of the Company’s Common Stock; (ii) any entity, person or group (as defined under Treasury Regulation § 1.409A-3(i)(5)(v)(B)), other than the Company or any savings, pension or other benefit plan maintained for the benefit of the Company’s employees, acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or persons) ownership of Common Stock possessing 30% or more of the total voting power of the Company’s Common Stock; (iii) any one person, or more than one person acting as a group (as defined in Treasury Regulation § 1.409A-3(i)(5)(v)(B)) acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or persons) assets from the Company and its subsidiaries on a consolidated basis that have a total gross fair market value equal to or more than 40% of the total gross fair market value of all of the assets of the Company and its subsidiaries on a consolidated basis immediately before such acquisition or acquisitions. For purposes of this clause (iii), “gross fair market value” means the value of the assets of the Company and its subsidiaries on a consolidated basis, or the value of the assets being disposed of, determined without regard to any liabilities associated with such assets; or (iv) a majority of members of the Board is replaced during any 12-month period by directors whose appointment or election is not endorsed by a majority of the members of the Board before the date of the appointment or election. The foregoing clauses (i) through (iv) shall be interpreted in a manner that is consistent with the Treasury Regulations promulgated pursuant to Section 409A of the Code so that all, and only, such transactions or events that could qualify as a “change in control event” within the meaning of Treasury Regulation § 1.409A-3(i)(5)(i) shall be deemed to be a Change in Control for purposes of this Plan.

- (g) **“Code”** means the Internal Revenue Code of 1986, as amended from time to time.
- (h) **“Common Stock”** means the common stock of Solstice or such other stock into which the common stock may be changed as a result of split-ups, recapitalizations, reclassifications and any similar transaction.
- (i) **“Company”** means Solstice and its subsidiaries and affiliated entities, as well as their respective successors.
- (j) **“Covered Termination”** means, except as provided in Section 23(c), a termination event giving rise to Severance Benefits under this Plan, as detailed in Section 7 hereof.
- (k) **“Determination Year”** means the calendar year with respect to which performance is measured for purposes of determining the amount of a Participant’s Incentive Award.
- (l) **“ERISA”** means the Employee Retirement Income Security Act of 1974, as amended from time to time, together with applicable final regulations thereunder.
- (m) **“Incentive Award”** means the short-term incentive compensation award payable and determined pursuant to the Company’s short-term incentive compensation plan, and shall not include any other performance or incentive award.
- (n) **“Incentive Award Target Percentage”** means the Participant’s short-term incentive compensation target percentage, as maintained in the Company’s executive compensation records.
- (o) **“Last Day of Active Employment”** means a Participant’s final day of employment with the Company (typically the day prior to the date the Participant would be eligible to commence the receipt of Severance Benefits), and shall in no case be later than the date on which the Participant’s active employment with the Company is severed within the meaning of Code Section 409A.
- (p) **“Medical Leave of Absence”** means an absence from active employment due to a Participant’s inability to perform the functions of his or her job, provided that during such absence the Participant (i) is receiving short-term disability benefits, (ii) is receiving long-term disability benefits, (iii) is on a medical leave of absence granted by the Company, or (iv) any combination of (i)-(iii).
- (q) **“Participant”** means Solstice’s Chief Executive Officer, a Direct Report Officer Participant or a Non-Direct Report Officer Participant.
- (i) **“Direct Report Officer Participant”** means an individual who is designated as an officer of Solstice by the Board, and who is in a direct reporting relationship to Solstice’s Chief Executive Officer.

(ii) **“Non-Direct Report Officer Participant”** means an individual who is designated as an officer of Solstice by the Board, but who is not in a direct reporting relationship to Solstice’s Chief Executive Officer.

(r) **“Pay Continuation”** means the component of the Severance Benefit described in Section 5(a)(i).

(s) **“Plan Administrator”** means the person defined in Section 10(a).

(t) **“Pro Rata Factor”** means (i) for the Determination Year in which a Covered Termination occurs, a fraction the numerator of which is equal to the number of calendar months which have elapsed from the first day of the calendar month following the Covered Termination through December 31st of the Determination Year, and the denominator of which is twelve, and (ii) for any subsequent Determination Year, a fraction the numerator of which is equal to the Severance Pay Factor, reduced by the number of calendar months that have elapsed from the first day of the calendar month following the Covered Termination through December 31st of the year preceding the Determination Year, and the denominator of which is twelve; provided, however, that the Pro Rata Factor shall never be greater than 1.0.

(u) **“Prorated Annual Incentive Compensation”** means the component of the Severance Benefit described in Section 5(a)(ii).

(v) **“Release”** has the meaning set forth in Section 5(b) of the Plan.

(w) **“Severance Benefit”** means the severance benefit described in Section 5(a) of the Plan.

(x) **“Severance Pay Factor”** means, with respect to any Participant, the number of months of Pay Continuation to which a Participant is entitled as specified in Section 5(a)(i).

(y) **“Severance Period”** means the period during which a Participant is receiving Pay Continuation or, but for a lump sum payment of Pay Continuation benefits after a Change in Control in accordance with Section 25(a), would be receiving Pay Continuation.

(z) **“Solstice ”** means Solstice Advanced Materials Inc., a Delaware corporation.

4. Participation

A Participant shall continue to be eligible for Severance Benefits under this Plan until the earlier of (i) the date the employment relationship with the Company is severed for reasons other than a Covered Termination, or (ii) the date the Participant ceases to satisfy the definition of Participant hereunder; provided, however, any Participant who ceases to satisfy the definition of Participant hereunder on or after a Change in Control shall nevertheless continue to be a Participant in the Plan. A Participant who is at any time the subject of a Covered Termination shall continue to be a Participant until all of the benefits to which he or she is entitled under the Plan, if any, have been paid.

5. Amount and Payment of Severance Benefits

(a) Eligibility for Benefits. Subject to subparagraphs (b) – (e) below, a Participant who is the subject of a Covered Termination shall receive the benefits described in this subparagraph (a).

(i) Pay Continuation.

(A) Solstice's Chief Executive Officer shall receive a benefit in an amount equal to twenty-four (24) months of Base Salary or, following a Change in Control, thirty-six (36) months of Base Salary

(B)

A Direct Report Officer Participant shall receive a benefit in an amount equal to twelve (12) months of Base Salary or, following a Change in Control, twenty (24) months of Base Salary.

(C) A Non-Direct Report Officer Participant with less than two (2) years of service with the Company shall receive a benefit in an amount equal to six (6) months of Base Salary. A Non-Direct Report Officer Participant with two (2) or more years of service with the Company shall receive a benefit in an amount equal to nine (9) months of Base Salary.

(ii) Prorated Annual Incentive Compensation. During the Severance Period, Solstice's Chief Executive Officer or a Direct Report Officer Participant shall receive an amount equal to his or her Annual Incentive Compensation multiplied by the applicable Pro Rata Factor. No Prorated Annual Incentive Compensation shall be payable for any Determination Year with respect to which the Pro Rata Factor is less than or equal to zero.

(iii) Benefit Continuation. To the extent otherwise provided in the applicable plan documents and policies, Participants shall be eligible to continue their employee benefits during the Severance Period at active employee coverage levels and active employee contribution rates, if any.

(b) Benefits Conditioned on Release. Notwithstanding anything in this Section 5 to the contrary, all benefits under this Plan (except benefits provided pursuant to Part II) shall be provided in consideration for, and conditioned upon, (i) the execution and non-revocation of a release by the Participant of all claims, known or unknown, arising on or before the date of the release against the Company and its officers, directors and employees in the form and manner prescribed by the Company (which release may include cooperation, nondisclosure, non-competition, non-disparagement and confidentiality covenants) (the "Release"), (ii) the affirmation or initial agreement (as the case may be), in a form and manner prescribed by the Company, of the Participant's obligations under confidentiality, non-solicitation and intellectual property covenants in favor of the Company (which affirmation/initial agreement may be made part of the Release), (iii) the execution of a non-competition agreement by the Participant in favor of the Company in a form and manner prescribed by the Company (which non-competition agreement may be made part of the Release), (iv) the repayment of any amounts due to the

Company, and (iv) the return by the Participant to the Company of all property of the Company, including any and all electronic devices, documents, electronic data, trade secrets, proprietary and confidential information in the Participant's possession, custody or control.

A Participant must execute all required documents, including the Release, not later than sixty (60) days after the Participant's Last Day of Active Employment. If a Participant fails to execute such documents within the required time period, the Participant shall not be entitled to receive Severance Benefits under this Plan.

Notwithstanding anything herein to the contrary, if the period during which a Participant has to sign and revoke the Release begins in one taxable year of the Participant and ends in the Participant's subsequent taxable year, any amounts payable under the Plan will commence in the subsequent taxable year.

(c) Suspension of Benefits. The Company may, in its sole discretion, terminate or suspend all Plan benefits upon learning, or having good reason to believe, that the Participant has violated the conditions and covenants described in Section 5(b). In such case, any consideration received by a Participant prior to the date of such cessation or suspension of Plan benefits shall be considered adequate consideration for the Release and other covenants hereunder. The Company's right to suspend or terminate Plan benefits hereunder shall not preclude the Company from pursuing other remedies for such violations, including, without limitation, seeking injunctive relief.

(d) Nonduplication of Benefits. Any benefit determined to be payable to a Participant under this Plan shall, subject to and consistent with Code Section 409A, be reduced by the amount of any similar severance, redundancy or employment termination benefit payable to the Participant under (i) any other severance plan sponsored or funded by the Company, (ii) any agreement between the Company and the Participant, whether oral or written, express or implied, relating to termination related benefits, or (iii) any statutory or court mandated entitlement (including entitlements under foreign law), regardless of whether the benefit determined under such other plan, agreement, statutory or court mandated entitlement is payable at an earlier or a later date than payments under the Plan, it being the intention of this subparagraph (d) to protect the Company from the payment of duplicative severance, redundancy or employment termination benefits.

6. Form and Timing of Benefit Payments

Except as provided in Section 25, any Pay Continuation shall be paid in substantially equal periodic installments corresponding to the Participant's normal payroll period commencing after the Participant's Last Day of Active Employment. Any Prorated Annual Incentive Compensation shall be paid annually in accordance with the Company's normal practices with respect to the payment of incentive compensation awards. Notwithstanding the foregoing, the Company may, at its sole discretion, delay the commencement of Severance Benefits until the Participant has executed a Release and the time period for revoking such Release, if applicable, has expired. In such case, the Company shall commence Severance Benefits upon the receipt of

the Release or the expiration of the revocation period, as applicable, and any arrearages paid as part of the next payroll period.

Payment of Severance Benefits shall cease in the event a Participant (i) accepts re-employment with the Company, or (ii) commences the receipt of his or her pension benefits from a Company-sponsored defined benefit pension plan.

7. Covered Terminations

In order to be eligible for Severance Benefits under Section 5, a Participant must be the subject of a Covered Termination. A Covered Termination generally means an involuntary termination of employment initiated by the Company. In no event, however, shall the following events constitute a Covered Termination:

- (a) an involuntary termination for Cause;
- (b) the death of a Participant during active employment;
- (c) the Participant's failure to timely return to work upon expiration of an authorized leave of absence. Such a Participant will be treated as having voluntarily resigned from the Company;
- (d) a termination of employment initiated as a result of a Participant's refusal to accept a transfer to another Company location; provided, however, a Participant whose employment is terminated within two (2) years following a Change in Control solely as a result of his or her refusal to transfer to another Company location that is more than 50 miles from his or her work location immediately prior to a Change in Control shall be treated as having been subject to a Covered Termination;
- (e) in the case of a sale or other disposition of the Participant's subsidiary, division or other business unit or operation, a termination of employment initiated as a result of a Participant's refusal to accept an offer of employment with the successor entity; provided, however, in such case a Covered Termination shall be deemed to have occurred only if the Participant is not offered substantially comparable employment with the successor entity, as determined by the Plan Administrator, in its sole discretion. Notwithstanding the preceding sentence, a Participant whose employment is terminated within two (2) years following a Change in Control solely as a result of his or her refusal to accept employment with the successor entity at a location that is more than 50 miles from his or her work location immediately prior to a Change in Control shall be treated as having been subject to a Covered Termination; or
- (f) if the Participant does not return to active employment within eighteen (18) months of commencing a Medical Leave of Absence; provided, however, if a Participant is medically cleared to return to work (with documentation reasonably acceptable to the Company) before the conclusion of such eighteen (18) month period and is ready and willing to do so but does not return to active employment because (i) no comparable job for which the Participant is qualified is available, or (ii) such Participant is unable to locate another comparable Company

position within thirty (30) days following his or her return to work, then such Participant shall be treated as having been subject to a Covered Termination.

8. Forfeiture of Benefits

Notwithstanding anything in the Plan to the contrary and except as provided in Section 25(b), the Company reserves the right in its sole and absolute discretion to cancel all benefits under this Plan in the event a Participant engages in any activity that the Company considers detrimental to its interests, as determined by Solstice's general counsel or chief human resources officer, or their delegates. Activities that the Company considers detrimental to its interests include, but are not limited to:

- (a) any effort on the part of a Participant, either directly or indirectly, to recruit or solicit employees of the Company for employment with another company without the written approval of Solstice;
- (b) any effort on the part of a Participant, either directly or indirectly, to recruit or solicit customers of the Company;
- (c) the disclosure of any Company confidential or proprietary information, or the breach of any obligations under the Participant's agreements relating to intellectual property and confidential information;
- (d) any intentional misconduct that is, or may be, damaging to the property or business of the Company;
- (e) the commission of a fraud or misappropriation of property, proprietary information, intellectual property or trade secrets of the Company for personal gain or for the benefit of another party;
- (f) knowingly making false or misleading statements about the Company or its products, officers or employees to competitors, customers or potential customers of the Company, or to current or former employees of the Company;
- (g) a Participant's holding himself or herself out as an active employee of the Company; or
- (h) breaching any of the terms of the Release or any intellectual property, confidentiality or noncompetition agreement or covenant.

9. Payment of Benefits Upon Death

If a Participant dies after signing and returning the Release, without revoking the Release, and before all Severance Benefits have been paid, the balance of such payments will be paid to the Participant's estate in a lump sum within sixty (60) days following the Participant's death.

10. Administration

(a) Plan Administration. Except as provided in Section 26, the Plan shall be administered by the Plan Administrator, who shall have the powers and authorities as described in this Section 10. The Plan Administrator shall be the Company's chief human resources officer, or his designee.

The Plan Administrator shall serve without additional compensation. The Plan Administrator shall keep or cause to be kept such records and shall prepare or cause to be prepared such returns or reports as may be required by law or necessary for the proper administration of the Plan.

(b) Powers and Duties of Plan Administrator. The Plan Administrator shall have the full discretionary power and authority to (i) construe and interpret the Plan (including, without limitation, supplying omissions from, correcting deficiencies in, or resolving inconsistencies or ambiguities in, the language of the Plan); (ii) determine all questions of fact arising under the Plan, including questions as to eligibility for and the amount of benefits; (iii) establish such rules and regulations (consistent with the terms of the Plan) as it deems necessary or appropriate for administration of the Plan; (iv) delegate responsibilities to others to assist it in administering the Plan; and (v) perform all other acts it believes reasonable and proper in connection with the administration of the Plan. The Plan Administrator shall be entitled to rely on the records of the Company in determining any Participant's entitlement to, and the amount of, Severance Benefits under the Plan. Any determination of the Plan Administrator, including interpretations of the Plan and determinations of questions of fact, shall be final and binding on all parties.

The Plan Administrator may retain attorneys, consultants, accountants or other persons (who may be employees of the Company) to render advice and assistance and may delegate any of the authorities conferred on him under this Plan to such persons as he shall determine to be necessary to affect the discharge of his duties hereunder. The Plan Administrator, the Company and its officers and directors shall be entitled to rely upon the advice, opinions and determinations of any such persons. Any exercise of the authorities set forth in this Section 10, whether by the Plan Administrator or his delegee, shall be final and binding upon the Company and all Participants.

(c) Additional Discretionary Authority. The Plan Administrator may, in his sole and absolute discretion, waive the requirement that a Participant execute a Release or confidentiality, non-competition, non-disparagement, non-solicitation and intellectual property covenants in order to receive Severance Benefits.

(d) Indemnification. To the extent permitted by law, the Company shall indemnify the Plan Administrator from all claims for liability, loss, or damage (including payment of expenses in connection with defense against such claims) arising from any act or failure to act in connection with the Plan.

11. Claims and Appeals Procedures

Except as provided in Section 26, the Plan's benefit claims and appeals procedures shall be as follows:

(a) Any request or claim for Plan benefits shall be deemed to be filed when a written request is made by the claimant or the claimant's authorized representative that is reasonably calculated to bring the claim to the attention of the Plan Administrator.

(b) The Plan Administrator, or his designee, shall respond, in writing, to any claimant's claim for benefits under the Plan. Such response shall be provided within 90 days of its receipt by the Plan Administrator or, if special circumstances require and the claimant is so notified, in writing, before the expiration of the initial 90-day period, within 180 days of its receipt by the Plan Administrator. If the extension is necessary because the claimant has failed to submit the information necessary to decide the claim, the Plan Administrator's period for responding to such claim shall be tolled until the date that the claimant responds to the request for additional information. The response shall be written in a manner calculated to be understood by the claimant and shall, in the case of an adverse benefit determination:

(i) set forth the specific reasons for the adverse benefit determination;

(ii) contain specific references to Plan provisions relative to the adverse benefit determination;

(iii) describe any material and information, if any, necessary for the claim for benefits to be perfected, and an explanation of why such material or information is necessary; and

(iv) advise the claimant that any appeal of an adverse benefit determination must be made, in writing, to the Plan Administrator within 60 days after receipt of such adverse benefit determination, and must set forth the facts upon which the appeal is based.

(c) If the claimant fails to appeal the Plan Administrator's adverse benefit determination, in writing, within 60 days after its receipt by the claimant (or within 60 days after a deemed denial of the claim), the Plan Administrator's determination shall become final and conclusive.

(d) If the claimant appeals the Plan Administrator's adverse benefit determination in a timely fashion, the Plan Administrator shall re-examine all issues relevant to the original denial of benefits. Any such claimant or his or her duly authorized representative may review any pertinent documents and records, including documents and records that were relied upon in making the benefit determination, documents submitted, considered or generated in the course of making the benefit determination (even if such documents were not relied upon in making the benefit determination), and documents that demonstrate compliance, in making the benefit determination, with the Plan's required administrative processes and safeguards. In addition, the claimant or his duly authorized representative may submit, in writing, any documents, records, comments or other information relating to such claim for benefits. In the course of his review, the Plan Administrator shall take into account all comments, documents, records and other information submitted by the claimant or his duly authorized representative relating to such claim, regardless of whether it was submitted or considered as part of the initial benefit determination.

(e) The Plan Administrator shall advise the claimant and such claimant's representative, in writing, of its decision within 60 days of receipt of the written appeal, unless special circumstances require an extension of such 60-day period for not more than an additional 60 days. Where such extension is necessary, the claimant shall be given written notice of the delay before the expiration of the initial 60-day period, which notice shall set forth the reasons for the delay and the date the Plan Administrator expects to render its decision. In the event of an adverse benefit determination on appeal, the Plan Administrator shall advise the claimant, in a manner calculated to be understood by the claimant, of (i) the specific reasons for the adverse benefit determination, and (ii) the specific Plan provisions on which the adverse benefit determination was based. The Plan Administrator's written notice will advise the claimant of his or her right to receive, upon request and free of charge, copies of all documents, records and other information relevant to such claim.

(f) In the event of an adverse benefit determination after the Plan Administrator's review, the claimant's sole remedy shall be to file an action in court.

The Plan's claims procedures do not create any independent rights to Plan benefits. A current or former Participant who files a claim for Plan benefits must satisfy all Plan requirements, including the requirements of Section 5(b), in order to be entitled to benefits.

12. Time Period for Filing a Claim or a Lawsuit Against the Plan, the Company or Plan Fiduciaries; Restrictions on Venue

(a) Any claim for Plan benefits must be filed in writing with the Plan Administrator within sixty (60) days after the current or former Participant knew or should have known of his/her putative right to Plan benefits. However, in no event will any claim be considered timely if it is filed more than one hundred eighty (180) days after the date a current or former Participant's employment with the Company is terminated. Requests or claims submitted more than sixty (60) days after a current or former Participant knew or should have know of his/her potential right to Plan benefits, or one-hundred eighty (180) days after the date his/her employment with the Company is terminated, are deemed waived by the claimant and considered time-barred

(b) Any lawsuit against the Plan, the Company, the Plan Administrator, or any other Plan fiduciary, must be filed no later than the six (6) month anniversary of the following, as applicable: (i) the date the claim or appeal is denied by the Plan Administrator, or (ii) the date the claimant knows, or should reasonably know, that the claim has been, or is treated as being, denied (e.g., if the claim, or the appeal in the case of an adverse benefit determination, is not denied within the time limits described in Section 11 above).

(c) Any action in connection with the Plan must be filed in the United States District Court for the District of New Jersey.

13. Unfunded Obligation

All benefits payable under this Plan shall constitute an unfunded obligation of the Company. Payments shall be made, as due, from the general funds of the Company. This Plan shall

constitute solely an unsecured promise by the Company to pay severance benefits to Participants to the extent provided herein.

14. Inalienability of Benefits

No Participant shall have the power to transfer, assign, anticipate, mortgage or otherwise encumber any rights or any amounts payable under this Plan; nor shall any such rights or amounts payable under this Plan be subject to seizure, attachment, execution, garnishment or other legal or equitable process, or for the payment of any debts, judgments, alimony, or separate maintenance, or be transferable by operation of law in the event of bankruptcy, insolvency, or otherwise. In the event a person who is receiving or is entitled to receive benefits under the Plan attempts to assign, transfer or dispose of such right, or if an attempt is made to subject such right to such process, such assignment, transfer or disposition shall be null and void.

15. Withholding

The Company shall have the right to withhold any taxes required to be withheld with respect to any benefits due under this Plan.

16. Amendment or Termination

Except to the extent otherwise provided in Section 27, Solstice reserves the right to amend or terminate the Plan at any time without prior notice to or the consent of any employee. No amendment or termination shall adversely affect the rights of any Participant whose employment terminated prior to such amendment or termination. However, except as provided in Section 27, any Participant whose employment continues after amendment of the Plan shall be governed by the terms of the Plan as so amended. Any Participant whose employment continues after termination of the Plan shall have no right to a benefit under the Plan. Any amendment or termination of the Plan must comply with all applicable legal requirements including, without limitation, compliance with Code Section 409A, securities, tax or other laws, rules, regulations or regulatory interpretations thereof that apply to the Plan.

17. Plan Not a Contract of Employment

Nothing contained in this Plan shall give an employee the right to be retained in the employment of the Company. This Plan is not a contract of employment between the Company and any employee.

18. Action by the Company

Unless expressly indicated to the contrary herein, any action required to be taken by an entity may be taken by action of its governing body or by any appropriate officer or officers traditionally responsible for such determination or actions, or such other individual or individuals as may be designated by such governing body, officer or employee.

19. Governing Law

The Plan is an employee welfare benefit plan within the meaning of Section 3(1) of ERISA, and will be construed in accordance with the provisions of ERISA and the laws of the State of New Jersey.

20. Severability

If any provision of this Plan (other than Section 5(b)) shall be held illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining parts of this Plan, but this Plan shall be construed and enforced as if said illegal or invalid provision had never been included herein. If Section 5(b) shall be held illegal or invalid for any reason, said illegality or invalidity shall nullify the remainder of this Plan with respect to the affected Participants.

21. Code Section 409A

(a) Notwithstanding any provision of the Plan to the contrary, if required by Code Section 409A and if a Participant is a "Specified Employee" (as defined below), no benefits shall be paid under this Plan during the "Postponement Period" (as defined below). If a Participant is a Specified Employee and payment of benefits is required to be delayed for the Postponement Period under Code Section 409A, the accumulated amounts withheld on account of Code Section 409A shall be paid in a lump sum payment within 30 days after the end of the Postponement Period and no interest or other adjustment shall be made for the delayed payment. If the Participant dies during the Postponement Period prior to the payment of benefits, the amounts withheld on account of Code Section 409A shall be paid to the Participant's estate within sixty (60) days after the Participant's death.

(b) This Plan is intended to meet the requirements of the "short-term deferral" exception, the "separation pay" exception and other exceptions under Code Section 409A. Notwithstanding anything in the Plan to the contrary, if required by Code Section 409A, payments may only be made under this Plan upon an event and in a manner permitted by Code Section 409A, to the extent applicable. For purposes of Code Section 409A, the right to a series of payments under the Plan shall be treated as a right to a series of separate payments. All reimbursements and in-kind benefits provided under the Plan shall be made or provided in accordance with the requirements of Code Section 409A, including, where applicable, the requirement that (i) any reimbursement is for expenses eligible for reimbursement during the period of time specified in the Plan; (ii) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during a calendar year may not affect the expenses eligible for reimbursement, or in-kind benefits provided in any other calendar year; (iii) the reimbursement

of an eligible expense will be made no later than the last day of the calendar year following the year in which the expense is incurred; and (iv) the right to reimbursement or in-kind benefit is not subject to liquidation or exchange for another benefit. In no event may a Participant designate the year of payment for any amounts payable under the Plan.

(c)

Notwithstanding any provision of the Plan to the contrary, any payments of Severance Benefits under this Plan that (i) are, or may be, deferred compensation subject to Code Section 409A (“409A Severance Benefits”), and (ii) are subject to a Release, where the period for execution and non-revocation of the Release spans more than one calendar year, any payment of 409A Severance Benefits that is contingent on the execution of the Release shall not be paid until the second calendar year, or later if required by the applicable terms of the Plan. In no event may a Participant, either directly or indirectly, designate the calendar year of payment of any 409A Severance Benefits.

(d) For purposes of this Section 21, the following definitions apply:

(i) “Specified Employee” means a Participant who, at any time during the 12-month period ending on the identification date, is a “specified employee” under Code Section 409A, as determined by the Vice President – Compensation and Benefits (or his delegee), which determination of “specified employees,” including the number and identity of persons considered “specified employees” and identification date, shall be made by the Vice President – Compensation and Benefits (or his delegee) in accordance with the provisions of Code Sections 416(i) and 409A.

(ii) “Postponement Period” means, for a Specified Employee, the period of six months after the Specified Employee’s Last Day of Active Employment (or such other period as may be required by Code Section 409A) during which deferred compensation may not be paid to the Specified Employee under Code Section 409A.

PART II
SPECIAL PROVISIONS THAT BECOME EFFECTIVE
ONLY UPON CHANGE IN CONTROL

22. Applicability

(a) Except to the extent otherwise indicated, the provisions of this Part II apply only to Solstice's Chief Executive Officer and Direct Report Officer Participants (collectively "CIC Participants"). Such provisions become effective upon a Change in Control and, in addition to the provisions of Part I that are not superseded by provisions of this Part II, shall control (i) the determination of eligibility for, the amount of, and the time of payment of benefits under the Plan to any CIC Participant who is the subject of a Covered Termination that occurs within the two (2) year period following the Change in Control, and (ii) the terms of payment for any CIC Participant whose Severance Period extends beyond the Change in Control.

(b) It is intended that this Part II will assure that CIC Participants will not be adversely affected by the unique circumstances that may exist following a Change in Control. The provisions of this Part II will have no effect whatsoever prior to a Change in Control.

23. Definitions

(a) **"Annual Incentive Compensation"** means, notwithstanding the provisions of Section 3(b), the product of (i) Annual Base Salary, and (ii) the greater of (A) the Incentive Award Target Percentage for the most recent Determination Year ended prior to the Change in Control, or (B) the average of the Incentive Award Target Percentages applied in determining the CIC Participant's Incentive Award in the last three Determination Years prior to the date of Covered Termination (or such lesser period as the CIC Participant may have been employed).

(b) **"Cause"** has the same meaning as under Part I; provided, however, in the case of a determination under Part II of the Plan, Cause shall be determined by the New Plan Administrator.

(c) **"Covered Termination"** means, in addition to the circumstances described in Section 3(j), a severance of the employment relationship at the initiative of a CIC Participant for Good Reason.

(d) **"Good Reason"** means any one or more of the following:

(i) A material change in the CIC Participant's position, duties and/or responsibilities as they existed in the period immediately preceding the Change in Control;

(ii) Any significant reduction in the CIC Participant's Base Salary or Annual Incentive Compensation;

(iii) Any significant reduction in the economic value of awards granted under any Company long-term incentive plans in which the CIC Participant participated prior to a Change in Control, or the successors thereto;

(iv)

Any geographic relocation of the CIC Participant's position to a new location that is more than fifty (50) miles from the location of the CIC Participant's position immediately prior to a Change in Control;

(v) Any action by the Company that, under applicable law, constitutes constructive discharge; or

(viii) The failure of any Solstice Employer that is a successor to the Company (whether direct or indirect, by purchase, merger, consolidation or otherwise) to expressly assume and agree to honor this Plan, if such assumption is legally required to make this Plan enforceable against the successor.

For purposes of this Section 23(d), the term "significant reduction" shall mean a reduction or series of reductions with respect to the same form of benefit or remuneration that are greater than 10%, or which do not affect substantially all persons covered by the plan or program in question.

Notwithstanding the foregoing, Good Reason shall not be deemed to have occurred unless the CIC Participant provides written notice to Solstice identifying the event or omission constituting the reason for a Good Reason termination within ninety (90) days following the first occurrence of such event or omission. Within thirty (30) days after such notice has been provided to Solstice, Solstice shall have the opportunity, but shall have no obligation, to cure such event or conditions that give rise to a Good Reason termination. If Solstice fails to cure the events or conditions giving rise to a CIC Participant's Good Reason termination by the end of the thirty (30) day cure period, the CIC Participant's employment shall be terminated effective as of the expiration of such thirty (30) day cure period unless the CIC Participant has withdrawn such Good Reason termination notice.

(e) "**Solstice Employer**" means the Company and any other person, organization or entity that becomes bound by the terms of the Plan by operation of law, or agrees in writing to be bound by the terms of the Plan for a period of time that extends at least through the two-year period following a Change in Control.

(f) "**New Plan Administrator**" shall mean such person or persons appointed pursuant to Section 26 to administer the Plan upon the occurrence of a Change in Control.

24. [Reserved]

25. Benefit Payments and Forfeitures

(a) Benefit Payments. Notwithstanding the provisions of Section 6, benefits that are determined to be payable to a CIC Participant under Sections 5(a)(i) and 5(a)(ii) on or after a

Change in Control shall be paid within thirty (30) days following the later of the Change in Control or the Covered Termination, in a single payment equal to the sum of (i) the total amount of the benefit remaining payable under Section 5(a)(i), and (ii) the amount of the benefit remaining payable under Section 5(a)(ii) for all Determination Years which are coextensive, in whole or part, with the Severance Period; provided, however, that the single lump sum payment pursuant to this Section will only be paid if the Change in Control constitutes a “change in control event” under Section 409A of the Code. Otherwise, the payment shall be paid (or continue to be paid, if in pay status) in the same form and at the same times as provided under Section 5(a). The requirements of Section 5(b) shall have no application to benefits payable after a Change in Control. If any benefit is paid later than the time provided in this Section 25(a), such late payment shall be credited with interest for the period from the date payment should have been made to the date actually made at a rate equal to the average quoted rate for three-month U.S. Treasury Bills for the week preceding the date of payment, as determined by the New Plan Administrator, plus six percentage points.

(b) Forfeiture of Benefits. Notwithstanding the provisions of Section 8, a CIC Participant receiving benefits or entitled to receive benefits under the Plan shall cease to receive such benefits under the Plan and the right to receive any benefits in the future under the Plan shall be forfeited, in the event the CIC Participant, as determined by the New Plan Administrator, (i) is convicted of a felony committed against a Solstice Employer, its property or business, (ii) commits any fraud or misappropriates property, proprietary information, intellectual property or trade secrets of a Solstice Employer for personal gain or for the benefit of another party, or (iii) actively recruits and offers employment to any management employee of a Solstice Employer.

26. Administration

(a) New Plan Administrator. On or before a Change in Control, the Company shall appoint a person independent of the Company to be the New Plan Administrator upon the occurrence of a Change in Control and the Plan Administrator shall provide to the New Plan Administrator such information with respect to each CIC Participant in the Plan as shall be necessary to enable the New Plan Administrator to determine the amount of the Severance Benefits that are then, or may thereafter become, payable to such CIC Participants. Upon a Change in Control, the New Plan Administrator shall have the authority invested in the Plan Administrator under Section 10(b), and claims for benefits shall be subject to the claims and appeals procedures outlined in Section 11.

(b) Attorneys Fees and Costs. If a CIC Participant is paid, or is determined to be entitled to receive benefits by a court of competent jurisdiction, the Solstice Employer shall immediately pay or reimburse the affected CIC Participant for the full amount of any attorneys’ fees and other expenses the affected CIC Participant incurred in pursuing his or her claim for benefits, including claims incurred during the claims and appeals portion of the process. The payment or reimbursement shall include the reasonable hourly rates charged by the CIC Participant’s attorneys, any and all other expenses related to the action incurred by or on behalf

of the affected CIC Participant, the costs and expenses of any experts utilized to prepare the claim, and any court costs assessed against the affected CIC Participant.

(c) Declaratory Judgment. CIC Participants may bring a claim under this Section 26 to assert the existence of Good Reason conditions that would enable a CIC Participant to trigger his own termination under this Part II without resigning his or her position with the Solstice Employer.

27. Amendment or Termination

This Plan may not be amended or terminated after a Change in Control; provided, however, the Plan may be amended if the purpose of the amendment is to increase benefits hereunder or if the purpose of the amendment is to comply with Section 409A of the Code.

28. No Waiver

No waiver by a CIC Participant at any time of any breach by a Solstice Employer of, or of any lack of compliance with, any condition or provision of this Plan to be performed by the Solstice Employer shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. In no event shall the failure by a CIC Participant to assert any right under the Plan (including, but not limited to, failure to assert the existence of Good Reason conditions that would enable a CIC Participant to trigger his own termination under this Part II) be deemed a waiver of such right or any other right provided under the Plan, it being intended that a CIC Participant who has perfected a right under the Plan (including, but not limited to, a CIC Participant's right to trigger his own Good Reason termination under this Part II) shall be entitled to assert that right in accordance with the terms of the Plan unless the CIC Participant affirmatively elects, in writing, to waive such right.

29. Company Policies

All benefits granted under the Plan shall be subject to any applicable clawback or recoupment policies, share trading policies and other policies that may be implemented by the Board of Directors from time to time, including such policies set forth in the Company's Corporate Governance Guidelines, as such policies may be amended from time to time, subject to and consistent with Section 409A of the Code.



January 28, 2025

David Sewell

Re: Offer Letter

Dear David:

I am pleased to confirm our offer to you to become a Senior Advisor of Honeywell International Inc. ("Honeywell" or "Company"). The role, which is effective on March 15, 2025 ("Effective Date"), is currently based in Morris Plains, New Jersey and reports directly to Honeywell's Chief Executive Officer.

As you know, we anticipate that Honeywell's Advanced Materials business will be spun off as an independent public company ("Spinco") at some point in the latter half of 2025 or early 2026 (the actual spin-off date, if applicable, is hereinafter referred to as the "Separation Date"). At the Separation Date, you will become the President and Chief Executive Officer of Spinco.

Your employment with Honeywell (and ultimately Spinco) shall be subject to the terms and conditions of this offer letter.

COMPENSATION

Base Salary: While serving as Senior Advisor, your annual base salary will be \$800,000. As of the Separation Date, your annual base salary will be increased to \$1,060,000. After the spin is effectuated, any base salary adjustments shall be made by the Spinco's Board of Directors from time to time. Adjustments are based on your performance and other relevant factors.

Annual Incentive Compensation: While serving as Senior Advisor, your target incentive compensation opportunity will be 100% of your annual cash base salary earnings during the year. As of the Separation Date, your target incentive compensation opportunity will be increased to 125% and prorated based on the number of days in the performance year that your target incentive was 100%, and the number of days your target incentive will be 125%. Incentive compensation awards are paid in the first quarter of the following year.

For the full 2025 performance year, your incentive compensation award shall be paid entirely by Spinco (i.e., no pro-rated incentive award shall be paid by Honeywell), provided the spin is effectuated prior to March 15, 2026.

Annual Long-Term Incentive Awards: On your Effective Date, you will be receive an award from Honeywell of restricted stock units ("RSUs") with a target grant date value equal to \$1,400,000. The RSUs shall vest 33%/33%/34% on the second, third and fourth anniversaries of the grant date, provided in all cases you remain employed by Honeywell or Spinco on the applicable anniversary dates. The remaining terms of the RSU grant will be governed by the terms of the applicable stock plan and the relevant award agreement. Moreover, Honeywell reserves the right to convert the Honeywell RSU award into Spinco RSUs of equal value as of the Separation Date.

After the Separation Date, when you become the President and Chief Executive Officer of Spinco, you will be eligible to receive annual long-term incentive ("LTI") awards from Spinco consisting of

stock options, restricted stock units, or cash awards, or some combination thereof, as determined by the Spinco in its sole discretion. The Spinco awards shall have an annual target grant date value equal to \$5,615,000. The actual size and mix of your future Spinco LTI awards will be determined by the compensation committee of Spinco's Board of Directors. The terms of the Spinco LTI awards will be governed by the terms of the applicable stock plan and the relevant award agreements.

Sign-On Long-Term Incentive Awards From Spinco: You will be granted \$5,000,000 worth of Spinco restricted stock units as of the Separation Date as a "founder's grant." These restricted stock units will vest 50%/50% on the third and fourth anniversaries of the grant date, provided in all cases you remain employed by Spinco on the applicable anniversaries. *The "founders grant" is expressly conditioned on the successful spin-off of Honeywell's Advanced Materials business as an independent public company.*

OTHER EXECUTIVE BENEFITS

You will also be entitled to the following Executive Benefits:

- *Welfare and Retirement:* As provided to other employees of Honeywell and Spinco (to be determined).
- *Vacation:* As provided to other senior executives of Honeywell and Spinco (to be determined).
- *Excess Liability Insurance:* As provided to other senior executives of Honeywell and Spinco (to be determined).
- *Executive Severance:* You will receive 24 months of base salary continuation and incentive compensation (at target) in the event of your involuntary termination of employment (other than for cause). In all cases, you shall be subject to the terms of the applicable Honeywell or Spinco severance plan. Notwithstanding the foregoing, if the spin-off of Honeywell's Advanced Materials business has not been effectuated by March 31, 2026, you will have the option of remaining with Honeywell or triggering your own severance by treating your resignation as an involuntary termination of employment (other than for cause and other than as a result of a change in control).

RELOCATION

A condition of the offer is that you agree to relocate to the Morris Plains, New Jersey area. You will be eligible for relocation assistance in accordance with Honeywell's Executive Level relocation guidelines.

STOCK OWNERSHIP GUIDELINES FOR COMPANY OFFICERS

As an Executive Officer of Spinco, you will be required to hold a multiple of your annual base salary in Spinco shares in accordance with Spinco's Stock Ownership Guidelines (to be determined).

INTELLECTUAL PROPERTY AND NON-COMPETITION AGREEMENTS

As a condition of this employment offer, you are required to execute, in the form attached hereto, (i) Honeywell's "Employee Agreement Relating to Trade Secrets, Proprietary and Confidential Information" ("IP Agreement"), and (ii) the "Honeywell International Inc. Noncompete Agreement for Senior Executives" ("Noncompete Agreement"), both of which are attached hereto.

In addition, you will be required to execute, in a form substantially similar to the corresponding Honeywell agreements, Spinco's intellectual property agreement and noncompete agreement for senior executives. Such agreements will be provided to you prior to the Separation Date.

PRE-EMPLOYMENT REQUIREMENTS

Upon your acceptance of this offer, a Honeywell representative will contact you regarding certain pre-employment requirements that need to be completed prior to your start date (e.g., drug screen, I-9 completion, paycheck direct deposit, etc.). *NOTE: Your offer is contingent upon a satisfactory background check and negative drug screen.*

ACCEPTANCE OF OFFER

Please indicate your acceptance of this offer by electronically signing this offer letter, as well as the IP Agreement and Noncompete Agreement via DocuSign.

David, we are excited to be extending this offer to you and look forward to your anticipated success with the Company.

If you have any questions or need any further information about our offer, please contact me directly.

Congratulations,

/s/Karen Mattimore

Karen Mattimore

Senior Vice President and Chief Human Resources Officer

Read and Accepted:

/s/David Sewell

DAVID SEWELL

1/29/2025

Date

All businesses experience changing conditions. Accordingly, we reserve the right to change work assignments, reporting relationships and staffing levels to meet business needs, and your employment with Honeywell or Spinco will be on an "at will" basis. This means that there is no guarantee of employment for any specific period, and either you or Honeywell/Spinco may terminate your employment at any time.



April 14, 2025

Jason Clifford

Re: Offer Letter

Dear Jason:

I am pleased to confirm our offer to you to become Vice President, Human Resources. The role, which is effective on June 1, 2025 (“Effective Date”), is currently based in Morris Plains, New Jersey and reports directly to David Sewell.

As you know, we anticipate that Honeywell’s Advanced Materials business will be spun off as an independent public company named Solstice Advanced Materials (“Solstice”) at some point in the latter half of 2025 (the actual spin-off date, if applicable, is hereinafter referred to as the “Separation Date”). At the Separation Date, you will become the Chief Human Resources Officer of Solstice reporting directly to Solstice’s Chief Executive Officer. In this role, you will be an officer of Solstice.

Your employment with Honeywell (and ultimately Solstice) shall be subject to the terms and conditions of this offer letter.

COMPENSATION

Base Salary: As of the Effective Date, your annual base salary will be \$450,000. After the Separation Date, your base salary shall be adjusted by the compensation committee of Solstice’s Board of Directors from time to time. Adjustments are based on your performance and other relevant factors.

Annual Incentive Compensation: Your target incentive compensation opportunity with both Honeywell and Solstice will be 75% of your annual cash base salary earnings during the year. Incentive compensation awards are paid in the first quarter of the following year.

For the full 2025 performance year, your incentive compensation award shall be paid entirely by Solstice (i.e., no pro-rated incentive award shall be paid by Honeywell), provided the spin is effectuated prior to March 15, 2026.

Annual Long-Term Incentive Awards: After the Separation Date, when you become the Chief Human Resources Officer of Solstice, you will be eligible to receive annual long-term incentive (“LTI”) awards from Solstice consisting of stock options, restricted stock units, or cash awards, or some combination thereof, as determined by the Solstice in its sole discretion. The Solstice awards shall have an annual target grant date value equal to \$650,000. The actual size and mix of your future Solstice LTI awards will be determined by the compensation committee of

Solstice's Board of Directors. The terms of the Solstice LTI awards will be governed by the terms of the applicable stock plan and the relevant award agreements.

Sign-On Long-Term Incentive Awards From Solstice: You will be granted \$750,000 worth of Solstice restricted stock units as of the Separation Date as a "founder's grant." These restricted stock units will vest 50%/50% on the third and fourth anniversaries of the grant date, provided in all cases you remain employed by Solstice on the applicable anniversaries. *The "founders grant" is expressly conditioned on the successful spin-off of Honeywell's Solstice Advanced Materials business as an independent public company.*

SIGN-ON AWARDS

You will receive a cash sign-on bonus of \$130,000, payable within 30 days of your start date. By signing this offer letter below, you agree to repay Honeywell the gross sign-on bonus amount in one lump sum if you (i) resign your employment with Honeywell or Solstice, for any reason, or (ii) are involuntarily terminated for Cause (as defined below), within 24 months of your Effective Date.

You will receive a grant of Honeywell restricted stock units ("RSUs") with a grant date value equal to \$1,525,000. The RSUs shall be granted under, and shall be subject to the terms of, the applicable Stock Incentive Plan of Honeywell International Inc. and its Affiliates and governed by the relevant award agreement. The RSU grant will be effective as of the date determined in accordance with the policies adopted by the Company with respect to the granting of Honeywell securities. The RSUs will vest 40%/40%/20% on the first, second and third anniversaries of the grant date, provided in all cases you continue to be employed by Honeywell or Solstice on the applicable anniversary dates. Moreover, Honeywell reserves the right to convert the Honeywell RSU award into Solstice RSUs of equal value (with substantially similar terms) as of the Separation Date.

OTHER EXECUTIVE BENEFITS

You will also be entitled to the following Executive Benefits:

- *Welfare and Retirement:* As provided to other employees of Honeywell and Solstice (to be determined).
- *Vacation:* As provided to other senior executives of Honeywell and Solstice (to be determined).
- *Excess Liability Insurance:* As provided to other senior executives of Honeywell and Solstice (to be determined).
- *Executive Severance:* As provided to other senior executives of Honeywell and Solstice (to be determined). Notwithstanding the foregoing, if the spin-off of Honeywell's Solstice Advanced Materials business has not been effectuated by March 31, 2026, you

will have the option of remaining with Honeywell or triggering your own severance (counting all current and prior Honeywell service) by treating your resignation as an involuntary termination of employment (other than for cause and other than as a result of a change in control).

RELOCATION

A condition of the offer is that you agree to relocate to the Morris Plains, New Jersey area. You will be eligible for relocation assistance in accordance with Honeywell's Executive Level relocation guidelines.

STOCK OWNERSHIP GUIDELINES FOR COMPANY OFFICERS

As an Officer of Solstice, you will be required to hold a multiple of your annual base salary in Solstice shares in accordance with Solstice's Stock Ownership Guidelines (to be determined).

SERVICE CREDIT

Upon your rehire by Honeywell, your prior service will be credited for purposes of determining your exercise rights under any Honeywell or Solstice equity plan.

INTELLECTUAL PROPERTY AND NON-COMPETITION AGREEMENTS

As a condition of this employment offer, you are required to execute, in the form attached hereto, (i) Honeywell's "Employee Agreement Relating to Trade Secrets, Proprietary and Confidential Information" ("IP Agreement"), and (ii) the "Honeywell International Inc. Noncompete Agreement for Senior Executives" ("Noncompete Agreement"), both of which are attached hereto.

In addition, you will be required to execute, in a form substantially similar to the corresponding Honeywell agreements, Solstice's intellectual property agreement and noncompete agreement for senior executives. Such agreements will be provided to you prior to the Separation Date.

PRE-EMPLOYMENT REQUIREMENTS

Upon your acceptance of this offer, a Honeywell representative will contact you regarding certain pre-employment requirements that need to be completed prior to your start date (e.g., drug screen, I-9 completion, paycheck direct deposit, etc.). *NOTE: Your offer is contingent upon a satisfactory background check and negative drug screen.*

ACCEPTANCE OF OFFER

Please indicate your acceptance of this offer by electronically signing this offer letter, as well as the IP Agreement and Noncompete Agreement via DocuSign.

Jason, we are excited to be extending this offer to you and look forward to your anticipated success with Solstice.

If you have any questions or need any further information about our offer, please contact me directly.

Congratulations,

/s/ Karen Mattimore 14-Apr-2025
Karen Mattimore
Senior Vice President and Chief Human Resources Officer

Read and Accepted:

/s/ Jason Clifford

4/15/2025

Date

JASON CLIFFORD

All businesses experience changing conditions. Accordingly, we reserve the right to change work assignments, reporting relationships and staffing levels to meet business needs, and your employment with Honeywell or Solstice will be on an "at will" basis. This means that there is no guarantee of employment for any specific period, and either you or Honeywell/Solstice may terminate your employment at any time.



March 14, 2025

Jeff Dormo
115 Tabor Road
Morris Plains, New Jersey 07950

Re: Offer Letter

Dear Jeff:

I am pleased to confirm our offer to you to become the Senior Vice President, Sustainability and Decarbonization (“SVP, S&D”) of Advanced Materials Spinco (the “Company” or “Spinco”), a wholly owned subsidiary of Honeywell International Inc. (“Honeywell”) that is expected to be spun off as an independent public company at some point in the latter half of 2025 or early 2026 (the actual spin-off date, if applicable, is hereinafter referred to as the “Separation Date”). The role, which is effective on the Separation Date (“Effective Date”), is based in Morris Plains, New Jersey and will report directly to Spinco’s Chief Executive Officer.

This offer is contingent on a successful completion of the spin-off.

In connection with your new role, you will be entitled to the following compensation and benefits package with Spinco:

COMPENSATION

Base Salary: As of the Effective Date, your annual base salary will be \$515,000. After the Separation Date, your base salary shall be adjusted by the compensation committee of Spinco’s Board of Directors from time to time. Adjustments are based on your performance and other relevant factors.

Annual Incentive Compensation Opportunity From the Company: Your initial target incentive compensation opportunity with the Company will be 75% of your annual cash base salary earnings during the year. For the calendar year that contains the Separation Date, you will be eligible for an incentive compensation award from the Company for post-Separation Date earnings. Company incentive compensation awards are paid in the first quarter of the following year.

Pre-Separation Date Annual Incentive Compensation Opportunity: You will continue to be eligible to receive an incentive compensation award for your services with Honeywell up through the Separation Date. Such award shall be based on your pre-Separation Date cash base salary earnings and incentive plan target percentage with Honeywell for the pre-separation period and shall be payable in the first quarter of the following year. Honeywell retains the right to assign the related payment obligation to the Company.

Annual Long-Term Incentive Awards From the Company: After the Separation Date, when you become the SVP, S&D of Spinco, you will be eligible to receive annual long-term incentive (“LTI”) awards from Spinco consisting of stock options, restricted stock units, or cash awards, or

some combination thereof, as determined by the Spinco in its sole discretion. The Spinco awards shall have an annual target grant date value equal to \$850,000. The actual size and mix of your future Spinco LTI awards will be determined by the compensation committee of Spinco's Board of Directors based on your performance and future career potential. The terms of the Spinco LTI awards will be governed by the terms of the applicable stock plan and the relevant award agreements.

Founders Grant: As a member of the Company's initial leadership team, you will be granted \$1,000,000 worth of Company restricted stock units as of the Separation Date as a "Founder's Grant." These restricted stock units will vest 50%/50% on the third and fourth anniversaries of the grant date, provided in all cases you remain employed by the Company on the applicable anniversaries. The terms of the Founder's Grant will be governed by the terms of the applicable stock plan and the relevant award agreements.

The Founder's Grant is expressly conditioned on the successful spin-off of Honeywell's Advanced Materials business as an independent public company.

OTHER EXECUTIVE BENEFITS

You will also be entitled to the following Executive Benefits:

- *Welfare and Retirement:* As provided to other employees of Spinco (to be determined).
- *Vacation:* As provided to other senior executives of Spinco (to be determined).
- *Excess Liability Insurance:* As provided to other senior executives of Spinco (to be determined).
- *Executive Severance:* As provided to other senior executives of Spinco (to be determined).

STOCK OWNERSHIP GUIDELINES FOR COMPANY OFFICERS

As an Executive Officer of Spinco, you will be required to hold a multiple of your annual base salary in Company shares in accordance with the Company's Stock Ownership Guidelines (to be determined).

INTELLECTUAL PROPERTY AND NON-COMPETITION AGREEMENTS

As a condition of this employment offer, you will be required to execute, in a form substantially similar to the corresponding Honeywell agreements, Spinco's intellectual property agreement and noncompete agreement for senior executives. Such agreements will be provided to you prior to the Separation Date.

ACCEPTANCE OF OFFER

Please indicate your acceptance of this offer by electronically signing this offer letter via DocuSign.

Jeff, we are excited to be extending this offer to you and look forward to working with you as you transition to your new role. Your experience and background will be an asset to Spinco.

If you have any questions or need any further information about our offer, please contact me directly.

Congratulations,

Karen Mattimore
Senior Vice President and Chief Human Resources Officer

Read and Accepted:

/s/ Jeff Dormo

JEFF DORMO (H231938)

3/14/2025

Date

All businesses experience changing conditions. Accordingly, the Company reserves the right to change work assignments, reporting relationships and staffing levels to meet business needs, and your employment with Spinco will be on an "at will" basis. This means that there is no guarantee of employment for any specific period, and either you or the Company may terminate your employment at any time.



March 14, 2025

Simon Mawson
115 Tabor Road
Morris Plains, New Jersey 07950

Re: Offer Letter

Dear Simon:

I am pleased to confirm our offer to you to become the Senior Vice President, Advanced Industrial Solutions (“SVP, AIS”) of Advanced Materials Spinco (the “Company” or “Spinco”), a wholly owned subsidiary of Honeywell International Inc. (“Honeywell”) that is expected to be spun off as an independent public company at some point in the latter half of 2025 or early 2026 (the actual spin-off date, if applicable, is hereinafter referred to as the “Separation Date”). The role, which is effective on the Separation Date (“Effective Date”), is based in Morris Plains, New Jersey and will report directly to Spinco’s Chief Executive Officer.

This offer is contingent on a successful completion of the spin-off.

In connection with your new role, you will be entitled to the following compensation and benefits package with Spinco:

COMPENSATION

Base Salary: As of the Effective Date, your annual base salary will be \$475,000. After the Separation Date, your base salary shall be adjusted by the compensation committee of Spinco’s Board of Directors from time to time. Adjustments are based on your performance and other relevant factors.

Annual Incentive Compensation Opportunity From the Company: Your initial target incentive compensation opportunity with the Company will be 75% of your annual cash base salary earnings during the year. For the calendar year that contains the Separation Date, you will be eligible for an incentive compensation award from the Company for post-Separation Date earnings. Company incentive compensation awards are paid in the first quarter of the following year.

Pre-Separation Date Annual Incentive Compensation Opportunity: You will continue to be eligible to receive an incentive compensation award for your services with Honeywell up through the Separation Date. Such award shall be based on your pre-Separation Date cash base salary earnings and incentive plan target percentage with Honeywell for the pre-separation period and shall be payable in the first quarter of the following year. Honeywell retains the right to assign the related payment obligation to the Company.

Annual Long-Term Incentive Awards From the Company: After the Separation Date, when you become the SVP, S&D of Spinco, you will be eligible to receive annual long-term incentive (“LTI”) awards from Spinco consisting of stock options, restricted stock units, or cash awards, or

some combination thereof, as determined by the Spinco in its sole discretion. The Spinco awards shall have an annual target grant date value equal to \$600,000. The actual size and mix of your future Spinco LTI awards will be determined by the compensation committee of Spinco's Board of Directors based on your performance and future career potential. The terms of the Spinco LTI awards will be governed by the terms of the applicable stock plan and the relevant award agreements.

Founders Grant: As a member of the Company's initial leadership team, you will be granted \$1,000,000 worth of Company restricted stock units as of the Separation Date as a "Founder's Grant." These restricted stock units will vest 50%/50% on the third and fourth anniversaries of the grant date, provided in all cases you remain employed by the Company on the applicable anniversaries. The terms of the Founder's Grant will be governed by the terms of the applicable stock plan and the relevant award agreements.

The Founder's Grant is expressly conditioned on the successful spin-off of Honeywell's Advanced Materials business as an independent public company.

OTHER EXECUTIVE BENEFITS

You will also be entitled to the following Executive Benefits:

- *Welfare and Retirement:* As provided to other employees of Spinco (to be determined).
- *Vacation:* As provided to other senior executives of Spinco (to be determined).
- *Excess Liability Insurance:* As provided to other senior executives of Spinco (to be determined).
- *Executive Severance:* As provided to other senior executives of Spinco (to be determined).

STOCK OWNERSHIP GUIDELINES FOR COMPANY OFFICERS

As an Executive Officer of Spinco, you will be required to hold a multiple of your annual base salary in Company shares in accordance with the Company's Stock Ownership Guidelines (to be determined).

INTELLECTUAL PROPERTY AND NON-COMPETITION AGREEMENTS

As a condition of this employment offer, you will be required to execute, in a form substantially similar to the corresponding Honeywell agreements, Spinco's intellectual property agreement and noncompete agreement for senior executives. Such agreements will be provided to you prior to the Separation Date.

ACCEPTANCE OF OFFER

Please indicate your acceptance of this offer by electronically signing this offer letter via DocuSign.

Simon, we are excited to be extending this offer to you and look forward to working with you as you transition to your new role. Your experience and background will be an asset to Spinco.

If you have any questions or need any further information about our offer, please contact me directly.

Congratulations,

Karen Mattimore
Senior Vice President and Chief Human Resources Officer

Read and Accepted:

/s/ Simon Mawson
SIMON MAWSON (H513889)

3/18/2025
Date

All businesses experience changing conditions. Accordingly, the Company reserves the right to change work assignments, reporting relationships and staffing levels to meet business needs, and your employment with Spinco will be on an "at will" basis. This means that there is no guarantee of employment for any specific period, and either you or the Company may terminate your employment at any time.



March 21, 2025

Tina Pierce
2101 City West Boulevard
Houston, Texas 77042

Re: Offer Letter

Dear Tina:

I am pleased to confirm our offer to you to become the Senior Vice President & Chief Financial Officer (“CFO”) of Advanced Materials Spingo (the “Company” or “Spingo”), a wholly owned subsidiary of Honeywell International Inc. (“Honeywell”) that is expected to be spun off as an independent public company at some point in the latter half of 2025 or early 2026 (the actual spin-off date, if applicable, is hereinafter referred to as the “Separation Date”). The role, which is effective on the Separation Date (“Effective Date”), is based in Morris Plains, New Jersey and will report directly to Spingo’s Chief Executive Officer.

This offer is contingent on a successful completion of the spin-off.

In connection with your new role, you will be entitled to the following compensation and benefits package with Spingo:

COMPENSATION

Base Salary: As of the Effective Date, your annual base salary will be \$625,000. After the Separation Date, your base salary shall be adjusted by the compensation committee of Spingo’s Board of Directors from time to time. Adjustments are based on your performance and other relevant factors.

Annual Incentive Compensation Opportunity From the Company: Your initial target incentive compensation opportunity with the Company will be 80% of your annual cash base salary earnings during the year. For the calendar year that contains the Separation Date, you will be eligible for an incentive compensation award from the Company for post-Separation Date earnings. Company incentive compensation awards are paid in the first quarter of the following year.

Pre-Separation Date Annual Incentive Compensation Opportunity: You will continue to be eligible to receive an incentive compensation award for your services with Honeywell up through the Separation Date. Such award shall be based on your pre-Separation Date cash base salary earnings and incentive plan target percentage with Honeywell for the pre-separation period and shall be payable in the first quarter of the following year. Honeywell retains the right to assign the related payment obligation to the Company.

Annual Long-Term Incentive Awards From the Company: After the Separation Date, when you become the CFO of Spingo, you will be eligible to receive annual long-term incentive (“LTI”) awards from Spingo consisting of stock options, restricted stock units, or cash awards, or some combination thereof, as determined by the Spingo in its sole discretion. The Spingo awards shall

have an annual target grant date value equal to \$1,300,000. The actual size and mix of your future Spinco LTI awards will be determined by the compensation committee of Spinco's Board of Directors based on your performance and future career potential. The terms of the Spinco LTI awards will be governed by the terms of the applicable stock plan and the relevant award agreements.

Founders Grant: As a member of the Company's initial leadership team, you will be granted \$1,500,000 worth of Company restricted stock units as of the Separation Date as a "Founder's Grant." These restricted stock units will vest 50%/50% on the third and fourth anniversaries of the grant date, provided in all cases you remain employed by the Company on the applicable anniversaries. The terms of the Founder's Grant will be governed by the terms of the applicable stock plan and the relevant award agreements.

The Founder's Grant is expressly conditioned on the successful spin-off of Honeywell's Advanced Materials business as an independent public company.

OTHER EXECUTIVE BENEFITS

You will also be entitled to the following Executive Benefits:

- *Welfare and Retirement:* As provided to other employees of Spinco (to be determined).
- *Vacation:* As provided to other senior executives of Spinco (to be determined).
- *Excess Liability Insurance:* As provided to other senior executives of Spinco (to be determined).
- *Executive Severance:* As provided to other senior executives of Spinco (to be determined).

RELOCATION

A condition of the offer is that you agree to relocate to the Morris Plains, New Jersey area. You will be eligible for relocation assistance in accordance with Spinco's executive level relocation guidelines (to be determined).

STOCK OWNERSHIP GUIDELINES FOR COMPANY OFFICERS

As an Executive Officer of Spinco, you will be required to hold a multiple of your annual base salary in Company shares in accordance with the Company's Stock Ownership Guidelines (to be determined).

INTELLECTUAL PROPERTY AND NON-COMPETITION AGREEMENTS

As a condition of this employment offer, you will be required to execute, in a form substantially similar to the corresponding Honeywell agreements, Spinco's intellectual property agreement and noncompete agreement for senior executives. Such agreements will be provided to you prior to the Separation Date.

ACCEPTANCE OF OFFER

Please indicate your acceptance of this offer by electronically signing this offer letter via DocuSign.

Tina, we are excited to be extending this offer to you and look forward to working with you as you transition to your new role. Your experience and background will be an asset to Spinco.

If you have any questions or need any further information about our offer, please contact me directly.

Congratulations,

/s/Karen Mattimore 21-Mar-2025
Karen Mattimore
Senior Vice President and Chief Human Resources Officer

Read and Accepted:

/s/ Tina Pierce

TINA PIERCE (E708939)

3/21/2025

Date

All businesses experience changing conditions. Accordingly, the Company reserves the right to change work assignments, reporting relationships and staffing levels to meet business needs, and your employment with Spinco will be on an "at will" basis. This means that there is no guarantee of employment for any specific period, and either you or the Company may terminate your employment at any time.



April 18, 2025

Brian Rudick
855 S. Mint Street
Charlotte, North Carolina 28202

Re: Offer Letter

Dear Brian:

I am pleased to confirm our offer to you to become the Senior Vice President, General Counsel and Corporate Secretary (“SVPGC”) of Solstice Advanced Materials (“Solstice”), a wholly owned subsidiary of Honeywell International Inc. (“Honeywell”) that is expected to be spun off as an independent public company at some point in the latter half of 2025 or early 2026 (the actual spin-off date, if applicable, is hereinafter referred to as the “Separation Date”). The role is based in Morris Plains, New Jersey and will report directly to Solstice’s Chief Executive Officer. While the role is effective as of the Separation Date, beginning June 1, 2025 you will transition, on a full-time basis, from your current role to facilitating the effectuation of the spin-off transaction.

In connection with your new role, you will be entitled to the following compensation and benefits package with Solstice:

COMPENSATION

Base Salary: *As of the Separation Date*, your annual base salary will be \$545,000. After the Separation Date, your base salary shall be adjusted by the compensation committee of Solstice’s Board of Directors from time to time. Adjustments are based on your performance and other relevant factors.

Annual Incentive Compensation Opportunity From Solstice: *As of the Separation Date*, your target incentive compensation opportunity with Solstice will be 75% of your annual cash base salary earnings during the year. For the calendar year that contains the Separation Date, you will be eligible for an incentive compensation award from Solstice for post-Separation Date earnings. Solstice incentive compensation awards are paid in the first quarter of the following year.

Pre-Separation Date Annual Incentive Compensation Opportunity: You will continue to be eligible to receive an incentive compensation award for your services with Honeywell up through the Separation Date. Such award shall be based on your pre-Separation Date cash base salary earnings and incentive plan target percentage with Honeywell for the pre-separation period and shall be payable in the first quarter of the following year. Honeywell retains the right to assign the related payment obligation to Solstice.

Annual Long-Term Incentive Awards From Solstice: *After the Separation Date*, when you become the SVPGC, you will be eligible to receive annual long-term incentive (“LTI”) awards from Solstice consisting of stock options, restricted stock units, or cash awards, or some combination thereof, as determined by Solstice in its sole discretion. The Solstice awards shall have an annual target grant

date value equal to \$850,000. The actual size and mix of your future Solstice LTI awards will be determined by the compensation committee of Solstice's Board of Directors based on your performance and future career potential. The terms of the Solstice LTI awards will be governed by the terms of the applicable stock plan and the relevant award agreements.

Founders Grant: As a member of Solstice's initial leadership team, you will be granted \$1,000,000 worth of Company restricted stock units as of the Separation Date as a "Founder's Grant." These restricted stock units will vest 50%/50% on the third and fourth anniversaries of the grant date, provided in all cases you remain employed by Solstice on the applicable anniversaries. The terms of the Founder's Grant will be governed by the terms of the applicable stock plan and the relevant award agreements.

The Founder's Grant is expressly conditioned on the successful spin-off of Honeywell's Solstice Advanced Materials business as an independent public company.

OTHER EXECUTIVE BENEFITS

You will also be entitled to the following Executive Benefits:

- *Welfare and Retirement:* As provided to other employees of Solstice (to be determined).
- *Vacation:* As provided to other senior executives of Solstice (to be determined).
- *Excess Liability Insurance:* As provided to other senior executives of Solstice (to be determined).
- *Executive Severance:* As provided to other senior executives of Solstice (to be determined).

RELOCATION

You hereby agree to relocate to the Morris Plains, New Jersey area no later than December 31, 2025. You will be eligible for relocation assistance in accordance with the Company's Executive Level relocation guidelines. *If you fail to so relocate by December 31, 2025 (or such later date as may be extended by me, in consultation with the SBG Vice President, Human Resources, in our sole and absolute discretion), you agree that you will be (i) treated as a voluntary quit for all purposes, including but not limited to this Offer Letter, Honeywell's relocation policy, severance benefits and equity awards, and (ii) separated from the Company.*

STOCK OWNERSHIP GUIDELINES FOR COMPANY OFFICERS

As an Executive Officer of Solstice, you will be required to hold a multiple of your annual base salary in Company shares in accordance with Solstice's Stock Ownership Guidelines (to be determined).

ACCEPTANCE OF OFFER

Please indicate your acceptance of this offer by electronically signing this offer letter via DocuSign.

Brian, we are excited to be extending this offer to you and look forward to working with you as you transition to your new role. Your experience and background will be an asset to Solstice.

If you have any questions or need any further information about our offer, please contact me directly.

Congratulations,

/s/ Karen Mattimore 18-Apr-2025
Karen Mattimore
Senior Vice President and Chief Human Resources Officer

Read and Accepted:

/s/ Brian Rudick

BRIAN RUDICK (E341401)

4/18/2025

Date

All businesses experience changing conditions. Accordingly, Solstice reserves the right to change work assignments, reporting relationships and staffing levels to meet business needs, and your employment with Solstice will be on an "at will" basis. This means that there is no guarantee of employment for any specific period, and either you or Solstice may terminate your employment at any time.

Subsidiaries of the Registrant

The following entities are expected to be subsidiaries of the registrant upon completion of the Spin-Off (as defined in the information statement attached as Exhibit 99.1 to the registration statement of which this Exhibit 21.1 is a part). The names of other entities that are expected to be subsidiaries of the registrant are omitted. Such subsidiaries would not, if considered in the aggregate as a single subsidiary, constitute a significant subsidiary within the meaning of Item 601(b)(21)(ii) of Regulation S-K.

Name of Subsidiary	Jurisdiction of Incorporation
Solstice Advanced Materials US, Inc.	Delaware
Athens Canada Advanced Materials SubCo Ltd.	Alberta, Canada
Honeywell Trading (Shanghai) Co., Ltd.	China
Honeywell Japan Ltd.	Japan
Honeywell Advanced Materials (China) Co. Ltd.	China
Honeywell Specialty Chemicals Seelze GmbH	Germany
Honeywell Electronic Materials Manufacturing, LLC	Washington
ConverDyn, GP	Delaware
Honeywell Electronic Materials (Thailand) Co., Ltd.	Thailand
Solstice AM Middle East General Trading FZE	United Arab Emirates
Solstice AM (Hong Kong) Limited	Hong Kong
Athens Enterprise Management (Shanghai) Co., Ltd.	China
Honeywell Performance Materials & Technologies Korea Ltd	South Korea
Honeywell Electronic Chemicals LLC	Delaware
Honeywell (Singapore) Pte Ltd	Singapore
Honeywell Electronic Materials Taiwan Co., Ltd.	Taiwan
Honeywell Holding LLC	Delaware
Honeywell Sinochem Lantian Environmental Protection Materials (Shanghai) Co., Ltd.	China
Advanced Materials Arabia	Saudi Arabia
Honeywell Polymers (Australia) Pty Limited	Australia
Italy Athens S.R.L.	Italy
Riedel-de Haen Sozialhilfe Gesellschaft mit beschränkter Haftung	Germany
Authentication Technologies LLC	Delaware
Australia Athens Pty Ltd	Australia
Athens AM GmbH	Austria
Athens Canada Advanced Materials NewCo ULC	Alberta, Canada
Athens Canada Advanced Materials TC ULC	Alberta, Canada
Czech Republic Athens s.r.o.	Czech Republic
France Athens SAS	France
Athens Deutschland II GmbH	Germany
Athens Deutschland III GmbH	Germany
Athens AM Holding Limited	Ireland
AM Mexico Athens, S. de R.L. de C.V.	Mexico
Poland Athens spolka z ograniczona odpowiedzialnoscia	Poland
Advanced Materials RO S.R.L.	Romania

Spain Advanced Materials Athens, S.L.	Spain
Swiss Athens GmbH	Switzerland
ATHENS TÜRKİYE İLERİ MALZEME TEKNOLOJİLERİ LİMİTED ŞİRKETİ	Turkey
Solstice Advanced Materials, LLC	Delaware
US Athens FinCo LLC	Delaware
US CFC HoldCo LLC	Delaware
Vietnam Athens LLC	Vietnam
Honeywell Sinochem Lantian New Materials Co., Ltd.	China
Niedersächsische Gesellschaft zur Endablagerung von Sonderabfall mbH	Germany
Quimobasicos, S.A. de C.V.	Mexico
Honeywell Electronic Materials, Inc.	Washington
Amherstburg Land Holdings Limited	Federal, Canada
Honeywell Hornets Singapore Pte. Ltd.	Singapore
Allied Chemical Nuclear Products, Inc.	Delaware
Asahi-Schwebel (Taiwan) Co., Ltd.	Taiwan
Athens do Brasil Ltda.	Brazil
Honeywell Riedel-de Haën GmbH	Germany
SOLSTICE ADVANCED MATERIALS UK LIMITED	United Kingdom
Honeywell Fluorine Products Europe B.V.	Netherlands
Belgium Athens	Belgium
AdvInnov Materials India Private Limited	India
Solstice Advanced Materials Ireland Limited	Ireland
Honeywell Energy Services Inc.	Delaware



, 2025

Dear Honeywell Shareowner:

The planned spin-off of Solstice marks a pivotal phase in Honeywell's portfolio transformation. On October 8, 2024, Honeywell announced its intention to spin off its Advanced Materials business into an independent, U.S. publicly traded company. Today, I am pleased to confirm that we expect to distribute shares in the new company, Solstice Advanced Materials Inc. ("Solstice"), on _____, subject to final approval from Honeywell's Board of Directors and other customary conditions.

Together with Honeywell's recently announced separation of its Automation and Aerospace businesses, the Solstice spin-off will bring three publicly listed industry-leading companies to the market. We believe that this will maximize long-term value for all Honeywell shareowners. As independent entities with clear alignment and purpose, increased organizational agility, and customized capital allocation priorities, each of the three companies will be well positioned to accelerate their respective future growth opportunities.

A market leader in specialty chemicals and materials, Solstice will have a strong foundation in solving complex customer challenges through high-value applications, differentiated technology platforms, and new market opportunities. Serving more than 3,000 customers in approximately 120 countries and territories through leading brands, such as Solstice®, Genetron®, Aclar®, Spectra®, Fluka® and Hydranal®, the company will continue to lead the industry through next-generation chemistry and customer-partnered innovation. As David Sewell and the team progress successfully toward operating independently, I am confident Solstice will benefit from greater financial flexibility to pursue its own growth agenda and investment choices, while carrying forward Honeywell's legacy of operational excellence.

To learn more, I encourage you to read the attached information statement, which describes the spin-off in detail and contains important business and financial information, as well as the supplemental information on Honeywell's investor relations website. When the distribution occurs, each Honeywell shareowner will receive one share of Solstice for every _____ shares of Honeywell common stock held by such shareowner as of the close of business on _____, the record date for the distribution. Those shares are expected to trade on NASDAQ under the ticker symbol "SOLS," and the spin-off is expected to be tax-free to Honeywell shareowners for U.S. federal income tax purposes (other than any cash that Honeywell shareowners receive in lieu of fractional shares).

I look forward to seeing Solstice continue delivering for customers, employees and shareowners for years to come.

Sincerely,

Vimal Kapur
Chairman and Chief Executive Officer
Honeywell

, 2025

Dear Future Solstice Shareowner:

It is my distinct honor to welcome you as a future shareowner of Solstice Advanced Materials. We will be a market leader that solves complex customer challenges through high-value applications, differentiated technology platforms, and new market opportunities at the intersection of materials science, customer-partnered innovation, and secular growth trends.

Our work at Solstice builds on decades of innovations that have benefited customers, shareowners and the world at large. With more than 5,700 patents and pending applications, our strong intellectual property portfolio is supported by our sustained investment in R&D and the dedication of more than 300 technologists and engineers who develop bespoke solutions for our customers' critical and environmentally-driven regulatory challenges.

At the core of our progress is a culture of collaboration and discovery that has made us a recognized leader through our technology and our commitments to quality and innovation. Our distinctive culture has also helped us form longstanding, trusted relationships with over 3,000 customers in approximately 120 countries and territories, including blue-chip companies and industry leaders.

Our strong market position is supported by proximity to customers and deep partnerships around the globe through two business segments:

- **Refrigerants & Applied Solutions (RAS)**, a premier manufacturer of low global warming potential refrigerants, blowing agents, solvents and aerosol materials. RAS serves the end markets of cooling, air conditioning and refrigeration, automotive, energy, building and appliance insulation and healthcare.
- **Electronic & Specialty Materials (ESM)**, a leading provider of electronic materials, high-strength fibers and laboratory life sciences chemicals. ESM primarily serves customers in the semiconductor, defense, pharmaceutical and construction end markets.

Our high value-added specialty solutions serve markets requiring complex chemistry and material science know-how. We are enthusiastic about the potential for this spin-off to help us operate with increased agility and to ensure that we are in the best possible position to capture the opportunities provided by the attractive secular growth trends that underpin these markets.

As a more focused company, we will drive momentum by focusing on customer-partnered innovation and high-return opportunities that strengthen our ability to serve customers, further distinguish our platforms, and enhance our resilience through market cycles.

We will ground everything we do in operational excellence, driven by our disciplined use of the Solstice Accelerator operating model—adapted from Honeywell's proven approach—to support our resilient, industry-leading margins, remove barriers to innovation, deepen customer relationships, and further our safety-first culture. With the continuous implementation and execution of this operating model, we expect to experience consistent and superior sales, order and pricing management, faster execution speed, greater customer satisfaction, higher manufacturing efficiencies, cost savings and increased innovation and product development.

The Solstice Accelerator operating model is one of many examples of how we will draw from the best of our Honeywell legacy. Another is our team, which has a purposeful blend of Solstice specific and industry experience, and is collectively committed and incentivized to unleash growth and deliver on the interests of our stakeholders.

I encourage you to read the attached information statement to learn more about the exciting opportunities ahead for Solstice.

Sincerely,

David Sewell
President and Chief Executive Officer
Solstice Advanced Materials Business

INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION OR AMENDMENT. A REGISTRATION STATEMENT ON FORM 10 RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

PRELIMINARY AND SUBJECT TO COMPLETION—DATED AUGUST 21, 2025

INFORMATION STATEMENT

Solstice Advanced Materials, LLC

Common Stock
(par value \$0.01 per share)

We are sending you this Information Statement in connection with the spin-off by Honeywell International Inc. (“Honeywell”) of its wholly owned subsidiary, Solstice Advanced Materials, LLC (the “Company” or “Solstice Advanced Materials”). To effect the spin-off, Honeywell will first undertake a series of internal reorganization transactions to separate the Advanced Materials business from the Honeywell business (each as defined herein), after which Honeywell will distribute all of the issued and outstanding shares of Solstice Advanced Materials common stock on a pro rata basis to the holders of Honeywell common stock (each as defined herein). Prior to such distribution, Solstice Advanced Materials will convert into a Delaware corporation and will be renamed “Solstice Advanced Materials Inc.” We expect that the distribution of Solstice Advanced Materials common stock will be tax-free to holders of Honeywell common stock for U.S. federal income tax purposes, except for cash that shareowners may receive (if any) in lieu of fractional shares.

If you are a record holder of Honeywell common stock as of the close of business on _____, 2025, which is the record date for the distribution, you will be entitled to receive _____ share(s) of Solstice Advanced Materials common stock for every _____ share(s) of Honeywell common stock that you hold on that date. Honeywell will distribute the shares of Solstice Advanced Materials common stock in book-entry form, which means that we will not issue physical stock certificates. The distribution agent will not distribute any fractional shares of Solstice Advanced Materials common stock.

The distribution is expected to be effective as of 12:01 a.m. New York City time on _____, 2025. Immediately after the distribution becomes effective, Solstice Advanced Materials will be an independent, publicly traded company.

Honeywell shareowners (as defined herein) are not required to vote on or take any other action to approve the spin-off. We are not asking you for a proxy and request that you do not send us a proxy. Honeywell shareowners will not be required to pay any consideration for the shares of Solstice Advanced Materials common stock they receive in the spin-off, and they will not be required to surrender or exchange their shares of Honeywell common stock or take any other action in connection with the spin-off.

No trading market for Solstice Advanced Materials common stock currently exists. We expect, however, that a limited trading market for Solstice Advanced Materials common stock, commonly known as a “when-issued” trading market, will develop on or shortly before the record date for the distribution, and we expect “regular-way” trading of Solstice Advanced Materials common stock will begin on the Distribution Date (as defined herein). Subject to obtaining requisite approval, we intend to list Solstice Advanced Materials common stock on the Nasdaq Stock Market LLC (“Nasdaq”), under the ticker symbol “SOLS.” Completion of the Distribution is subject to the satisfaction or waiver of a number of conditions, which are described in more detail in “The Spin-Off—Conditions to the Distribution,” including that the listing of Solstice Advanced Materials common stock on Nasdaq shall have been approved, subject to official notice of issuance.

In reviewing this Information Statement, you should carefully consider the matters described in the section entitled “Risk Factors” beginning on page [25](#) of this Information Statement.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or determined if this Information Statement is truthful or complete. Any representation to the contrary is a criminal offense.

This Information Statement is not an offer to sell, or a solicitation of an offer to buy, any securities.

Notice of Internet Availability with instructions for how to access this Information Statement is first being mailed to Honeywell shareowners on or about _____, 2025.

The date of this Information Statement is _____, 2025.

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TRADEMARKS AND COPYRIGHTS

We own or have rights to various trademarks, logos, service marks and trade names that we use in connection with the operation of the Advanced Materials business (including certain trademarks, logos and trade names, which are used under license from Honeywell). We also own or have the rights to copyrights that protect the content of our products. Solely for convenience, certain of our trademarks, service marks, trade names and copyrights referred to in this Information Statement are listed without the TM, ® or © symbols, but such references do not constitute a waiver of any rights that might be associated with the respective trademarks, service marks, trade names and copyrights included or referred to in this Information Statement.

INDUSTRY AND MARKET DATA

Unless otherwise indicated, information contained in this Information Statement concerning our industry and the markets in which we operate, including our general expectations and market position, market opportunity and market share, is based on information from third-party sources, our own analysis of data received from these third-party sources, our own internal data, commissioned market research and management estimates. We derive management estimates from publicly available information, our knowledge of our industry and assumptions based on such information and knowledge, which we believe to be reasonable. Assumptions and estimates of our and our industry's future performance are subject to a high degree of uncertainty and risk due to a variety of factors, including those described under the section of this Information Statement entitled "Risk Factors." These and other factors could cause future performance to differ materially from our assumptions and estimates. For additional information, see the sections of this Information Statement entitled "Risk Factors" and "Cautionary Statement Concerning Forward-Looking Statements."

NON-GAAP FINANCIAL INFORMATION

We provide supplemental financial information not in accordance with accounting principles generally accepted in the United States ("non-GAAP" financial information) to enhance the understanding of our financial information prepared in accordance with accounting principles generally accepted in the United States ("GAAP"), and it should be considered by the reader in addition to, but not instead of, the financial statements prepared in accordance with GAAP. The non-GAAP financial information presented may be determined or calculated differently by other companies. See "Selected Historical and Unaudited Pro Forma Combined Financial Data" for more information.

We present organic sales percentage, Adjusted EBITDA and Adjusted EBITDA margin in this Information Statement because we believe such measures provide investors with additional information to measure our performance. Please refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures" for an explanation on why we use these non-GAAP financial measures, their definitions, their limitations and reconciliations to their nearest GAAP financial measures.

Because of their limitations, these non-GAAP financial measures are not intended as alternatives to GAAP financial measures or as indicators of our operating performance and should not be considered as measures of cash available to invest in the growth of our business or that will be available to meet our obligations. We compensate for these limitations by presenting these non-GAAP financial measures along with other comparative tools, together with GAAP financial measures, to assist in the evaluation of operating performance.

INFORMATION STATEMENT SUMMARY

In this Information Statement, unless the context otherwise requires:

- The “Advanced Materials business” refers to the Refrigerants & Applied Solutions (“RAS”) segment (which includes the manufacture of refrigerant materials, hydrofluoroolefins (“HFOs”), HFO blends and hydrofluorocarbons (“HFCs”), including low global warming potential (“LGWP”) refrigerants and heating solutions, blowing agents, aerosol propellants, cleaning solvents and LGWP products, including those distributed and sold through the Solstice and Genetron brands, and the manufacture of healthcare materials, including barrier protection materials, including those distributed and sold through the Aclar brand) and the Electronic & Specialty Materials (“ESM”) segment (which includes the manufacture of electronic materials and industrial-grade fibers, including sputtering targets and lightweight high-strength fibers, including those distributed and sold through the Spectra brand), in each case as conducted prior to the Distribution Date (as defined herein) by Honeywell and its subsidiaries, including Solstice Advanced Materials and its subsidiaries;
- The “Company,” “Solstice Advanced Materials,” “we,” “our” and “us” refer to Solstice Advanced Materials, LLC (or after its conversion to a Delaware corporation, Solstice Advanced Materials Inc.) and its consolidated subsidiaries after giving effect to the Spin-Off (as defined herein), resulting in Solstice Advanced Materials holding the Advanced Materials business;
- “Honeywell” refers to Honeywell International Inc. and its consolidated subsidiaries, other than, for all periods following the Spin-Off, Solstice Advanced Materials;
- The “Honeywell business” refers to the business, activities and operations of Honeywell other than the Advanced Materials business, in each case as conducted prior to the Distribution Date by Honeywell or Solstice Advanced Materials (or any of their respective predecessors);
- “Honeywell common stock” refers to the shares of common stock, par value \$1.00 per share, of Honeywell;
- “Honeywell shareowners” refers to holders of record of Honeywell common stock in their capacity as such;
- “Distribution” refers to the transaction in which Honeywell will distribute to its shareowners of record all of the shares of Solstice Advanced Materials common stock on a pro rata basis;
- “Distribution Date” refers to the date of the Distribution, which is expected to be on , 2025;
- “Internal Reorganization” refers to the series of internal reorganization transactions described under “Certain Relationships and Related Party Transactions—Agreements with Honeywell—Separation Agreement” that Honeywell will take prior to the Distribution that will result in the separation of the Advanced Materials business from the Honeywell business;
- “Record Date” refers to , 2025, the date set by the Honeywell Board (as defined herein) to determine the Honeywell shareowners eligible to receive the Distribution;
- “Solstice Advanced Materials common stock” refers to the shares of common stock, par value \$0.01 per share, of Solstice Advanced Materials; and
- “Spin-Off” refers to the Internal Reorganization and the Distribution, collectively.

Except as otherwise indicated or unless the context otherwise requires, the information included in this Information Statement assumes the completion of all the transactions referred to in this Information Statement in connection with the Spin-Off.

The Spin-Off

On October 8, 2024, Honeywell announced its plan to spin off its Advanced Materials business into an independent, publicly traded company through a pro rata distribution of Solstice Advanced Materials common stock to Honeywell shareowners. The Distribution is intended to be generally tax free for U.S. federal income tax purposes, except for

any cash received in lieu of fractional shares. In reaching the decision to pursue the Spin-Off, Honeywell considered a range of potential structural alternatives for the Advanced Materials business and concluded that the Spin-Off is the most attractive alternative for enhancing shareowner value.

To effect the Spin-Off, Honeywell will first undertake the Internal Reorganization. The Internal Reorganization will involve the allocation, transfer or conveyance by Honeywell, or its affiliates, of its assets and liabilities in advance of the Distribution so that Solstice Advanced Materials, or its affiliates, is allocated, transferred or conveyed the entities, assets and liabilities of the Advanced Materials business, while the remaining entities, assets and liabilities will remain with Honeywell and its affiliates.

Following the Internal Reorganization and upon the satisfaction or waiver by Honeywell of the conditions to the Distribution (which are described in more detail in “The Spin-Off—Conditions to the Distribution”), on the Distribution Date, Honeywell will effect the distribution of all of the shares of Solstice Advanced Materials common stock on a pro rata basis to the holders of Honeywell common stock on the basis of share(s) of Solstice Advanced Materials common stock for every share(s) of Honeywell common stock you hold as of the close of business on the Record Date. As a result of the Distribution, we will become an independent, publicly traded company, and Honeywell will not own any equity interest in us, and we will operate independently from Honeywell. No approval of Honeywell shareowners is required in connection with the Spin-Off, and Honeywell shareowners will not have any appraisal rights in connection with the Spin-Off.

Prior to completion of the Spin-Off, we intend to enter into a Separation and Distribution Agreement (the “Separation Agreement”) and several other agreements with Honeywell related to the Spin-Off. These agreements, including a Transition Services Agreement, Tax Matters Agreement, Employee Matters Agreement, Trademark License Agreement, Intellectual Property Cross-License Agreement, Accelerator License Agreement (each as defined herein) and certain other leases, commercial services and distribution or supply agreements, will govern the relationship between Honeywell and Solstice Advanced Materials following completion of the Spin-Off and allocate between Honeywell and Solstice Advanced Materials various assets, liabilities and obligations, including employee benefits, intellectual property, environmental and tax-related assets and liabilities, and in the case of the leases, commercial services and distribution or supply agreements, govern the relationship between Honeywell and Solstice Advanced Materials for certain leased real property, the provision of certain commercial services and the distribution or supply of products. See “Certain Relationships and Related Party Transactions” for more information.

Completion of the Distribution is subject to the satisfaction or waiver of a number of conditions, which are described in more detail in “The Spin-Off—Conditions to the Distribution.” In addition, Honeywell has the right not to complete the Distribution if, at any time, Honeywell’s board of directors (the “Honeywell Board”) determines, in its sole and absolute discretion, that the Spin-Off is not in the best interests of Honeywell or its shareowners or is otherwise not advisable. See “The Spin-Off—Conditions to the Distribution” for more information.

Following the Spin-Off, Solstice Advanced Materials and Honeywell will each have more focused businesses, allowing for better investment in growth opportunities and more effective execution of each company’s specific strategic plans. Solstice Advanced Materials primarily serves the cooling, air conditioning and refrigeration (“HVAC/R”), automotive, energy, building and appliance insulation and healthcare end markets through its RAS segment and the semiconductor, defense, pharmaceutical and construction end markets through its ESM segment. Solstice Advanced Materials intends to enhance its customer offerings by capitalizing on secular growth through targeted investments into its innovation and manufacturing capabilities. Solstice Advanced Materials seeks to enhance its growth prospects organically by expanding into adjacent products and end markets, as well as inorganically through selective strategic acquisitions. The Spin-Off will enable our management team and our board of directors (our “Board”) to devote their time and attention to corporate strategies and policies that leverage their domain expertise and are based specifically on the needs of our business and its dynamic end markets. Plans are in place to create incentives for our management and employees closely linked to business performance and our shareowners’ expectations, which is expected to help us attract and retain highly qualified personnel. Additionally, the Spin-Off is anticipated to align our shareowner base with the characteristics and risk profile of our business. See “The Spin-Off—Reasons for the Spin-Off” for more information.

Aspects of the Spin-Off may increase the risks associated with ownership of shares of Solstice Advanced Materials common stock. In connection with the Spin-Off, we expect to incur indebtedness in an aggregate principal amount of approximately \$2.0 billion in the form of a senior secured term loan facility and through the issuance of senior unsecured notes, the applicable net proceeds of which will be distributed or otherwise paid by Solstice Advanced Materials to Honeywell prior to or substantially concurrently with the consummation of the Spin-Off. The amount of such cash distribution by Solstice Advanced Materials to Honeywell will be \$ (the “Solstice Advanced Materials Cash Distribution”). We also intend to enter into (i) a revolving credit facility to be available for our working capital and other cash needs in an aggregate committed amount as of the date of the Spin-Off of \$1.0 billion and (ii) one or more bilateral letter of credit facilities in an aggregate amount of \$750 million that we intend to use to replace or assume existing letters of credit and to provide incremental capacity to address future letter of credit requirements. The terms of such indebtedness are subject to change and will be finalized prior to the closing of the Spin-Off. See “Capitalization” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources” and “Description of Material Indebtedness” for more information. Furthermore, as an independent entity we may lose some of the benefits of purchasing power, borrowing leverage and available capital for investments associated with being a larger entity. See “Risk Factors” in this Information Statement. As a consequence of the foregoing, there is no guarantee that any dividends will be declared on our common stock by our Board or if so declared, will be continued in the future. For more information, see “Dividend Policy.”

Following the Spin-Off, we expect our common stock to trade on Nasdaq under the ticker symbol “SOLS.”

Our Company

Solstice Advanced Materials is a global, differentiated advanced materials company and a leading global provider of refrigerants, semiconductor materials, protective fibers and healthcare packaging. We operate through two segments, reported as Refrigerants & Applied Solutions (which we refer to in this Information Statement as “RAS”) and Electronic & Specialty Materials (which we refer to in this Information Statement as “ESM”). Our business is an industry innovator as well as a technology leader, supported by some of the industry’s most well-known brands.

Our RAS segment is a leading manufacturer of LGWP refrigerants, blowing agents, solvents and aerosol materials. RAS serves the end markets of HVAC/R, automotive, energy, building and appliance insulation and healthcare. RAS products include, among others, LGWP refrigerants, blowing agents, aerosol propellants, cleaning solvents, high-barrier pharmaceutical packaging materials and alternative energy services. Our products are distributed and sold through well-known brands like Solstice, Genetron and Aclar. Our ESM segment is a leading provider of electronic materials, high-strength fibers and laboratory life sciences chemicals. ESM primarily serves the semiconductor, defense, pharmaceutical and construction end markets. ESM products include, among others, sputtering targets, lightweight high-strength fibers and high-purity life sciences solutions. Our products are distributed and sold through well-known brands like Spectra, Fluka and Hydranal.

We benefit from strong secular demand resulting from certain growing trends, including government regulated sustainability targets, semiconductor production, healthcare and life sciences, defense and safety and advanced electrification—all across a diverse set of products, systems and solutions. Over the last decade, we tailored our products toward highly specialized offerings in targeted, high-growth end markets that value differentiated technology and manufacturing capabilities. We maintain longstanding leadership positions backed by decades of innovation in high value-added product segments. Our strong manufacturing capabilities are often located in proximity to our customers across the globe. Our long history of innovation, supported by over 5,700 issued patents and pending applications as of June 30, 2025, allows us to closely collaborate with our customers, providing us with a client-specific, specialized product portfolio.

During 2024, we served over 3,000 customers across a wide range of end markets in approximately 120 countries and territories. Our global presence included 21 manufacturing sites, four research and development (“R&D”) sites and more than 3,900 employees as of June 30, 2025.

On October 8, 2024, Honeywell announced its plan to spin off its Advanced Materials business as an independent, publicly traded company to its shareowners. The Advanced Materials business is currently part of Honeywell’s

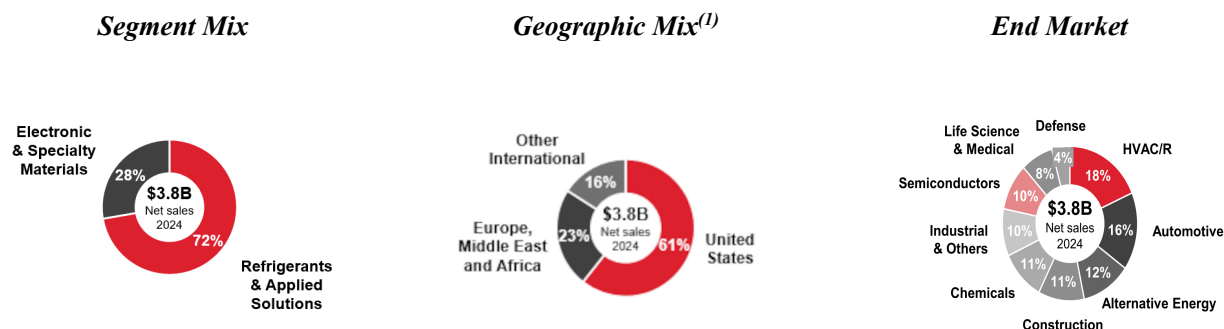
Energy and Sustainability Solutions reported segment. The Advanced Materials business dates back to the 1800s, becoming part of Allied Chemical and Dye Corporation in 1920 and later AlliedSignal, which merged with Honeywell in 1999. The Advanced Materials business was officially established within Honeywell after Honeywell's Spin-Off of AdvanSix, its Resins and Chemicals business, in 2016.

We intend to create value for our stakeholders and enhance our value proposition to customers through defined and actionable strategies. We plan to further improve our customer offerings by capitalizing on secular growth trends and making targeted investments into innovation and manufacturing capabilities. We seek to enhance our growth prospects through disciplined portfolio management, including by organic expansion into higher-value adjacent products and end markets, as well as inorganically through selective strategic acquisitions. We also plan to focus on disciplined cost management and leveraging our supply chain expertise to support profitable growth.

Our strong Adjusted EBITDA margin profile is supported by the Honeywell Accelerator operating model (as defined herein). The Honeywell Accelerator operating model utilizes systems, processes, best practices and management philosophies spanning across the whole organization and benefiting customers and stakeholders (the "Honeywell Accelerator operating model"). In connection with the separation, Honeywell will provide Honeywell Accelerator tools and processes to Solstice Advanced Materials, and after the Spin-Off, Solstice Advanced Materials will use, evolve and tailor such tools and processes to develop the Solstice Accelerator operating model (the "Solstice Accelerator operating model"). We strongly believe that the Solstice Accelerator operating model will provide us with strong competitive advantages relative to our peers. We expect that the Solstice Accelerator operating model will be deeply embedded throughout our organization, across business lines and hierarchical structures.

Our Portfolio and Reported Segments

We operate through two segments, reported as RAS and ESM. Below is a description of Solstice Advanced Materials' net sales by segment, region and end market for the year ended December 31, 2024. For purposes of the descriptions and reports disclosed in this Information Statement, the region of Europe, Middle East and Africa includes India consistent with our internal reporting structure ("EMEA").



(1) Net sales are classified according to their country of origin. Included in United States Net sales are export sales of \$720 million for the year ended December 31, 2024.

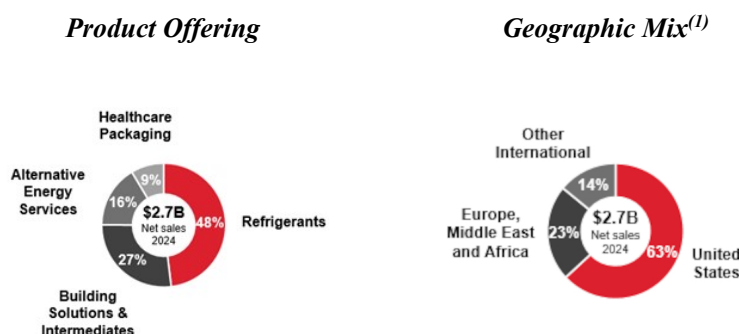
Refrigerants & Applied Solutions Segment

Overview of Refrigerants & Applied Solutions

Our RAS segment is a leading manufacturer of LGWP refrigerants, blowing agents, solvents and aerosol materials. RAS serves the end markets of HVAC/R, automotive, energy, building and appliance insulation, and healthcare. Its products include LGWP refrigerants, blowing agents, aerosol propellants, cleaning solvents, high-barrier

pharmaceutical packaging materials and alternative energy services. Our products are distributed and sold through well-known brands such as Solstice, Genetron and Aclar.

Below is a description of RAS' net sales by product offering and region for the year ended December 31, 2024:



(1) Net sales are classified according to their country of origin. Included in United States Net sales are export sales.

Overview of Businesses

RAS operates through the following businesses: Refrigerants, Building Solutions & Intermediates, Alternative Energy Services and Healthcare Packaging.

- Refrigerants:** The Refrigerants business develops and manufactures leading LGWP refrigerants for stationary and automotive applications. We serve comfort cooling as well as the refrigeration end markets. Our products are primarily sold to HVAC/R and automotive original equipment manufacturers (“OEMs”) as well as aftermarket wholesalers under our Solstice and Genetron brands. We differentiate ourselves through strong brand recognition, global channel access and a deep aftermarket partner network. We are a leading global provider of refrigerants for the automotive end market, clearly differentiated by global commercial reach, customer relationships and a strong intellectual property portfolio, further strengthened by our position in the vehicle service aftermarket business.
- Building Solutions & Intermediates:** The Building Solutions & Intermediates business is a leading supplier of LGWP blowing agents for insulating foam and appliance insulation, as well as cleaning solvents. We mainly serve the construction end market. Our products and services are sold to a wide range of customers, from construction companies and appliance OEMs to distributors. We are recognized as a technology leader with a strong United States (the “U.S.”) footprint, benefiting from significant commercial reach, channel access and deep customer relationships due to unique formulation processes specific to each customer.
- Alternative Energy Services:** The Alternative Energy Services business provides uranium hexafluoride conversion and related services to utilities operating nuclear power plants. Together with our joint venture partner General Atomics, we are the only provider of these services in the U.S.
- Healthcare Packaging:** The Healthcare Packaging business is a global leader in specialty packaging materials characterized by a high moisture barrier and high clarity as well as lower emissions medical aerosols. We serve the medical and pharmaceutical end markets. Our products are primarily sold to medical and pharmaceutical packaging producers through our Aclar and Solstice brands. For over 50 years, we have maintained our position as an industry leader for differentiated specialty medical and pharmaceutical barrier packaging.

Business and Products

RAS comprises Refrigerants, Building Solutions & Intermediates, Alternative Energy Services and Healthcare Packaging, each of which develops, produces and sells advanced materials based on the fluorine molecular value chain, achieving high synergies across businesses.

Our Refrigerants business develops and manufactures LGWP refrigerants for two main end markets: stationary and automotive. The refrigerants portfolio primarily includes HFOs, HFO blends and some HFCs for currently converting markets. The stationary refrigerants business is a leading manufacturer of energy-efficient, ultra-LGWP refrigerants, mainly used in HVAC/R systems for residential cooling, commercial and industrial refrigeration, supermarkets, cold storage, chillers, food processing and data centers. Additionally, our Solstice HFO refrigerants are used in heat pumps for district, residential and commercial heating applications. In food retail, our energy-efficient Solstice HFO refrigerants are used by supermarkets around the globe for low and medium temperature applications such as coolers, freezers and refrigerated displays. For industrial applications, our Solstice HFO refrigerants replace boilers as heating sources in chillers and heat pumps. Our Solstice 454B is an LGWP refrigerant, helping to minimize environmental impact through increased efficiency while lowering our customers' redesign costs and capital expenditures. Solstice 454C outperforms carbon dioxide in normal and high ambient conditions in various applications, helping customers meet energy efficiency and sustainability goals without sacrificing system performance. For end markets converting towards LGWP refrigerants, we still offer reduced global warming potential ("reduced-GWP") HFCs under our Genetron brand. We are well positioned to capitalize on adjacent opportunities such as data center cooling or the electrification of heating via heat pumps.

Our automotive refrigerants business is a leading manufacturer of LGWP refrigerants, primarily R-1234yf, a LGWP refrigerant for automotive air conditioning systems protected by patents into the 2030s ("R-1234yf"). LGWP refrigerants are required in nearly every new car sold in regulated markets as part of a vehicle's air conditioning system, absorbing heat and cooling the vehicle's interior. For automotive and transportation applications, our Solstice refrigerants are used in conventional, hybrid, electric, heavy-duty and refrigerated vehicles. In regulated markets, which are well advanced in the transition to LGWP refrigerants, we offer HFOs, as well as HFCs for the part of the market that still needs to transition. Similarly, we offer both HFOs and HFCs in developing countries, which are at an earlier stage of the transition to LGWP refrigerants.

Our Building Solutions & Intermediates business is a key supplier in fluorine-based derivatives. We develop and manufacture LGWP blowing agents for residential and commercial structures, appliance insulation and cleaning solvents. Our Solstice LGWP blowing agents enable spray foam to provide superior insulation for residential and commercial properties while reducing energy usage. For automotive and transportation applications, our Solstice blowing agents insulate conventional, hybrid, electric, heavy-duty and refrigerated vehicles. For industrial applications, our Solstice solvents and flushing agents are used for vapor degreasing and precision cleaning.

Our Alternative Energy Services business provides uranium hexafluoride conversion and related services to utilities operating nuclear power plants in North America, Europe and Asia. Conversion requires extensive expertise in hydrofluorination and fluorination processes, positioning us as the only U.S.-based supplier. Our Alternative Energy Services business operates through ConverDyn, a joint venture with General Atomics, where we currently act as controlling partner. Solstice Advanced Materials provides conversion services from its wholly owned Metropolis plant, which is the only uranium hexafluoride conversion facility located in the U.S. (the "Alternative Energy Services Facility" or "AES Facility"), to the Company's ConverDyn joint venture through a decades-long supply agreement. After a temporary production halt from 2017 to mid-2023, we restarted operations in 2023 and continue investing to increase throughput and reduce downtime. The joint venture experiences strong long-term customer demand, with approximately \$2 billion in backlog orders as of June 30, 2025, and the Company currently expects supply and demand in this area to be balanced in the long-term. See "Business—Our Portfolio and Reported Segments—Refrigerants & Applied Solutions Segment" and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Segment Results—Refrigerants & Applied Solutions" for more information about the Company's ConverDyn joint venture.

Our Healthcare Packaging business is a global leader in high-barrier, clear polymers for thermoformed healthcare packaging applications as well as lower emissions medical aerosols, leveraging our fluorinated chemistries

expertise. Our specialty films are used in medical and pharmaceutical packaging, where our protective films achieve the highest moisture barrier of any clear thermoplastic film while also lowering total packaging costs for our customers. Our ultra-high moisture barrier protects the efficacy of medicines, while the transparent material acts as a consumer-friendly film. We are able to laminate our films with a wide range of substrates to add oxygen and light barrier protection when needed. Furthermore, our packaging materials are recyclable and PVC-free. Our Aclar and Aclar Accel high-barrier packaging materials are mainly used in blister packaging in the medicine and pharmaceutical packaging space. Some of the best-known over-the-counter and prescription medications have been packaged by our products for over 50 years. We see several opportunities to expand into adjacent areas demanding high barrier performance and high clarity, mainly in the healthcare and pharmaceutical space as well as in semiconductor packaging. In addition, we develop and manufacture lower emissions aerosols for healthcare applications and inhalation therapy. Our Solstice Air aerosols are near-zero GWP propellants for metered dose inhalers in the healthcare space. We see potential opportunities in adjacent areas in healthcare with additional medical aerosols.

Industry, End Markets and Competition

Our Refrigerants business offers refrigerants for stationary applications to serve residential and commercial end markets, as well as industrial heating, cooling and refrigeration. Our refrigerants are used in HVAC/R systems in supermarkets, cold storage, chillers, food processing, heat pumps, data centers and comfort cooling and heating in residential and commercial buildings. Stationary markets remain among the last to convert to HFOs. The development and production of traditional HFCs is relatively commoditized among industry players. We benefit from our existing presence in the U.S. and Europe, where markets provide regulatory protection for incumbent producers. The transition toward LGWP HFOs strengthens our leadership position in LGWP refrigerants, especially in the U.S. and Europe. We expect demand for LGWP refrigerants in stationary applications to grow at rates exceeding GDP, driven by the regulatory transition from HFCs toward LGWP renewable HFOs and electrification of heating via heat pumps. We differentiate ourselves through strong brand recognition, global channel access and a deep partner network, particularly in the aftermarket business. We also benefit from a strong intellectual property portfolio, especially in LGWP HFOs.

Our Refrigerants business also offers refrigerants for automotive end markets sold to OEMs in both regulated and developing countries. Our refrigerants are used in HVAC/R systems in automotive vehicles of all types, including conventional, hybrid, electric, heavy-duty and refrigerated vehicles. While regulated jurisdictions such as the U.S., the European Union (the “EU”), Japan and South Korea have nearly fully transitioned to LGWP refrigerants, we expect that China will drive significant adoption of R-1234yf going forward. Furthermore, electric and hybrid vehicles use up to double the amount of refrigerants compared to traditional combustion-engine vehicles, further driving growth in the market for our core products. We hold an established market position in electric vehicles sold in regulated markets, supporting our future growth opportunities. We also have a competitive advantage through our global commercial reach and customer relationships. In addition, we are a key supplier in the vehicle service aftermarket business. Our position as a market leader in the development and production of R-1234yf is supported by a strong intellectual property portfolio. We expect demand for refrigerants in these end markets will grow at rates exceeding GDP.

Our Building Solutions & Intermediates business offers LGWP blowing agents primarily used in the construction end market for building insulation, as well as appliance insulation across various industries. For LGWP blowing agents, we are recognized as a technology leader and a major supplier in the U.S. We maintain a significant footprint, enabling broad commercial reach, channel access and deep customer relationships. In this business, the formulation process is unique to each customer, further strengthening our relationships. We believe the end markets for our blowing agents are generally cyclical, growing on average at GDP rates over the long term.

The joint venture in our Alternative Energy Services business continues to experience a strong backlog of demand, and we maintain a leadership position due to our extensive know-how in complex conversion processes within a highly regulated market. Our multi-year sales agreements in this business provide for long-term pricing and insulate us from price volatility. We expect the relevant end market for our uranium hexafluoride conversion services to grow at rates consistent with GDP over the long term.

Our Healthcare Packaging business offers our Aclar and Aclar Accel high-barrier packaging materials used in medical and pharmaceutical packaging, protecting over-the-counter and prescription medications. We view our pharmaceutical end market as steady and defensive. We anticipate growing demand for high-barrier, high-clarity packaging materials driven by medication efficacy, consumer preferences for packaging transparency and a lower cost base for our customers. We expect demand for these packaging materials to outpace GDP growth. Recognized as a technology and innovation leader, we offer high-performance moisture barriers and high clarity in our differentiated film. With respect to our lower emissions healthcare aerosols, we primarily sell into the metered dose inhalers end market, which we believe will grow in line with GDP. Additional conversion to LGWP aerosols in that end market could drive the demand for lower emissions aerosols, growing at rates exceeding GDP.

RAS faces competition across its products and end markets from established companies. Our main competitors for the RAS segment include Arkema, Chemours, Daikin, Orbia and not-in-kind alternatives. Depending on the product line and end market, we also experience competition from various smaller and regional players.

Electronic & Specialty Materials Segment

Overview of Electronic & Specialty Materials

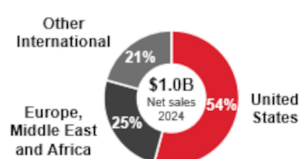
Our ESM segment is a leading provider of electronic materials, industrial-grade fibers, laboratory life sciences materials, as well as specialty chemicals. ESM primarily serves the semiconductor, defense, pharmaceutical and construction end markets. Its products include, among others, sputtering targets, lightweight high-strength fibers and high-purity life sciences solutions. Our products are distributed and sold through well-known brands like Spectra, Fluka and Hydranal.

Below is a description of ESM's net sales by product offering and region for the year ended December 31, 2024:

Product Offering



Geographic Mix⁽¹⁾



(1) Net sales are classified according to their country of origin. Included in United States Net sales are export sales.

Overview of Businesses

ESM operates through the following businesses: Electronic Materials, Safety & Defense Solutions and Research & Performance Chemicals.

- **Electronic Materials:** The Electronic Materials business specializes in sputtering targets, electronic polymers, thermal solutions and high-purity etchants and wash solvents used in semiconductor manufacturing. Solstice Advanced Materials is a leader in providing components for cutting-edge semiconductor technologies. Our core products for front-end semiconductors include copper manganese and titanium sputtering targets, which utilize a unique extrusion process enabling greater precision in grain structure and extended product lifetime, as well as

our hydrogen fluoride (“HF”) etchants, wash solvents and industry-leading electronic polymers and phase change materials. This business serves the leading-edge fabricators in the semiconductor industry due to their precision and reliability. Our copper manganese targets and electronic polymers are positioned to meet emerging demands in advanced packaging and advanced display segments, while our industry-leading phase change materials are well suited for demanding applications such as cooling graphics processing units (“GPUs”) and electric vehicles (“EV”) battery inverters. The Electronic Materials business is well-positioned to benefit from AI-related tailwinds and the increasing demand for advanced, lower-nanometer chips.

- **Safety & Defense Solutions:** Our primary product offering within the Safety & Defense Solutions business is ultra-high molecular weight polyethylene (“UHMWPE”) materials, which are specialty fibers primarily used for armor, as well as medical and industrial applications. Our products are primarily sold to manufacturers of end products such as military and safety armor through our Spectra brand. We maintain a leading position across these applications because Spectra fibers have lighter weight than competing products and offer best-in-class levels of performance.
- **Research & Performance Chemicals:** The Research & Performance Chemicals business includes research chemicals, fine chemicals and specialty additives. Within research chemicals, under the Fluka brand, we are a leading supplier of reagents for DNA and RNA assays, Karl Fischer titration reagents under the Hydranal brand—which is one of the industry’s most trusted brand in Karl Fischer titration due to its quality, consistency and innovation—and solvents for chromatographic and spectroscopic applications through our Burdick & Jackson, Riedel-de Haën and Chromasolv brands. The fine chemicals business provides a comprehensive range of high-purity inorganic halides, phosphorus derivatives, sulfur derivatives, oxides and various other inorganic compounds to serve diverse markets such as metal surface treatment, electroplating, oral care, personal care, healthcare, nutrition, sealants, adhesives, catalysts and energy. We are a trusted provider due to our high-quality and reliable formulations. Our high-purity chemicals business is a key producer in Europe. Within specialty additives, we offer plastic and wax blends for various end uses, maintaining a leading position in PVC, coatings and asphalt segments.

Business and Products

ESM is comprised of Electronic Materials, Safety & Defense Solutions and Research & Performance Chemicals. Due to the highly differentiated nature of each of our businesses within the ESM segment, we operate each ESM segment business according to its unique needs, leveraging common platforms and functions where applicable. We employ best-in-class tools and systems to support the mechanical integrity of our complex manufacturing sites and processes.

Our Electronic Materials business offers high-quality sputtering targets, electronic polymers, thermal solutions, high-purity etchants and wash solvents for use in front-end and back-end semiconductor manufacturing. We are a leading manufacturer of sputtering targets, particularly copper manganese targets, for which we developed a unique extrusion process allowing high control over grain structure. We work closely with end customers to continually refine the performance of our sputtering targets, enabling us to offer one of the highest-performing products in our customers’ semiconductor manufacturing processes, where the cost of failure is exceptionally high. With our sputtering targets, we collaborate directly with fabrication engineers to gather performance feedback for continuous development and refinement. As a result, we achieve unique production quality in high-performance sputtering targets, especially in metals such as copper manganese and titanium, and provide customers the option to customize alloy composition, grain size and purity where possible. Additionally, we partner with customers’ R&D teams to develop next-generation alloys for advanced technologies. Our Electronic Materials business also offers electronic polymers, used in front-end semiconductors, and thermal solutions such as integrated heat spreaders and thermal interface materials. Our electronic polymers are well suited for advanced semiconductor manufacturing needs such as planarization, gap-fill, hard mask and doping. Our high-performance thermal solutions, especially phase change materials, benefit from growth associated with battery inverters used in electric vehicles and GPU cooling in data centers. We also provide high-purity electronic wet chemicals such as etchants and blends, solvents and wafer-thinning materials. Our Electronic Materials business differentiates itself through proximity to customers and close collaboration in co-development processes, allowing us to remain at the forefront of innovation. We built this deep customer intimacy through decades of strong, close partnerships.

Our Safety & Defense Solutions business offers specialty fibers made from UHMWPE materials, sold under our Spectra brand. Our fibers are used in military, law enforcement, industrial, commercial and life sciences applications. Spectra fiber offers superior performance relative to our competitors and significantly lighter weight than steel, making it a preferred choice in applications such as industrial ropes and fishing lines. Its best-in-class performance and lighter weight are critical for the reliability and usability of Spectra fibers in armor applications, whether for personal protective gear or vehicular armor. Spectra fibers are sold directly to manufacturers of end products such as armor, rope, fishing lines and medical devices. The Spectra business works closely with both manufacturers and end customers to ensure the fibers meet the needs of end users. The manufacturing and R&D operations of the Spectra business are co-located and supported by specialized employees with decades of experience in both R&D and commercial operations. We are a global leader in high-end, lightweight armor technology, maintaining strong governmental relationships through which we continually develop and refine our fiber technologies. As we continue to innovate and leverage our R&D capabilities, we see opportunities for further growth with even more advanced fibers. In armor applications, this innovation is critical for providing the U.S. military with more effective, lighter-weight armor, and we remain at the forefront of this technology development.

Our Research & Performance Chemicals business primarily offers high-purity chemicals and research chemicals, in addition to specialty waxes and additives. We produce and refine various chemicals, including HF, inorganic compounds, organic compounds and fluorine salts. Our research chemicals business provides high-purity chemicals, such as solvents and Hydranal titration reagents, used in laboratory applications. This business serves pharmaceutical, oil & gas and chemicals end markets and maintains strong brand recognition in Europe. Our solutions support battery systems transitioning to dry manufacturing processes. Additionally, we benefit from extensive reach through our e-commerce platform. Within Research & Performance Chemicals, we acquire, process and resell materials to customers and are developing new chemical recycling solutions to help reduce waste. In specialty additives, the Honeywell Titan polymer (and after the Spin-Off, Solstice Titan polymer) can be used in high-performance asphalt applications at lower overall cost and with reduced environmental impact.

Industry, End Markets and Competition

Through our three distinct business lines within ESM, we serve highly attractive end markets with opportunities for further growth and product innovation, particularly in the semiconductor, life sciences and defense end markets.

The semiconductor industry is forecasted to grow significantly above GDP rates, with leading-edge semiconductors expected to grow even faster. As a leading supplier of copper manganese and ultra high purity titanium sputtering targets, we work directly with leading-edge semiconductor fabricators. Becoming a trusted supplier to semiconductor manufacturers is a demanding process, as any performance deficiency can result in high failure costs. We are among the highest-reliability producers of sputtering targets and maintain strong capabilities in copper manganese and titanium targets, supplying high-performance products for top semiconductor companies' manufacturing processes. Our strong market position is supported by proximity to customers and deep partnerships around the globe. We continue to invest in R&D to remain at the forefront of leading-edge technology and prepare for the accelerating transition to reduced-nanometer chips driven by artificial intelligence ("AI") applications. Additionally, the convergence of front-end fabrication and back-end advanced packaging technologies is driving further demand for high-purity metals, polymers, etchants and solvents, creating additional tailwinds for our Electronic Materials business. We also collaborate with leading semiconductor manufacturers and OEMs to provide premium thermal solutions, building on our current portfolio of heat spreaders and thermal interface materials. In our thermal solutions offering, we expect significant growth due to increasing needs for efficient heat transfer in electric vehicle batteries and GPU data center cooling.

The Safety & Defense Solutions business competes across diverse end markets, including defense, life sciences and commercial applications. Given that Spectra fibers are primarily used in military and law enforcement applications, this business's growth is closely tied to global defense spending, which we expect to continue to increase. When demand in military spending weakens, we usually see demand for law enforcement equipment pick up, benefiting our exposure to both markets. We have decades-long customer relationships and extensive expertise in product manufacturing and innovation. The strength of these relationships and our manufacturing capabilities differentiate us from other suppliers. We anticipate additional growth from product expansion into mid-market applications, supported by capacity expansions and a robust sales pipeline.

The Research & Performance Chemicals business serves a wide range of end markets, including pharmaceuticals, oil & gas, chemicals, authentication, automotive, oral care and construction. Our research chemicals business is a leading supplier of high-purity chemicals to the pharmaceutical market. Our specialty additives business also benefits from high-growth battery system applications, as we currently support battery manufacturers in transitioning to dry-process manufacturing. We expect the underlying business end markets to deliver growth consistent with GDP, with specific areas expected to see higher growth.

ESM faces competition across its products and end markets from established companies. Due to our large, specialized product offering across various end markets, our ESM segment faces a wide variety of competitors, different for each of our major product lines.

Our Competitive Strengths

We believe we benefit from the following competitive strengths:

Global Leader in Innovative Advanced Materials

We are a global leader in advanced materials, providing innovative and specialized offerings with strategic positions in targeted, high-growth end markets that value differentiated technology and manufacturing capabilities, resulting in a high level of customer intimacy.

Honeywell and the management team of its Advanced Materials business has worked to position the business to successfully operate in high value-added specialty solutions markets, requiring complex chemistry and material science know-how. Our portfolio focuses on critical, enabling solutions which help our end customers solve environmentally-driven regulatory challenges, provide unique lightweight defense products and develop cutting edge products in the semiconductor, healthcare and life sciences markets. Across our diverse business lines, we are recognized as a market leader through our technology, quality and innovation.

In our RAS segment, we operate world-scale production facilities in the U.S., as well as global partnerships, that provide specialty solutions across the molecular value chain for regulatory-compliant, next-generation LGWP refrigerants and blowing agents. We are a key supplier of refrigerants used in stationary refrigerant applications and in automotive vehicles in global markets. We believe we are a leading global producer of blowing agents for several large end markets due to our strong U.S. footprint and deep partnerships in key regions. Our innovation and manufacturing capabilities provide a strong platform to expand into market adjacencies with add-on products and derivatives. For example, we believe we are well positioned to establish a leadership position in battery chemicals for the automotive and stationary storage end markets, which can be integrated into our existing production capabilities. In the healthcare industry, our leadership position in specialty molecular solutions allows us to be a leading supplier of emission-reducing propellants for metered dose inhalers. For over 50 years, we have been an industry leader for specialty medical and pharmaceutical barrier packaging, where our protective films provide the highest moisture barrier of any clear thermoplastic film.

In our ESM segment, we are an innovation and quality leader for the production of UHMWPE fiber. We maintain a strong customer base and relationships with various military organizations and law enforcement agencies, making us a key supplier in the value chain. We were also among the first materials suppliers for the semiconductor industry, building upon over 50 years of experience as a key supplier to the electronics industry. Today, we are a leading provider of sputtering targets and other ultra-high-purity materials, enabling semiconductor customers to manufacture leading-edge products. We are a key U.S.-based manufacturer of copper manganese sputtering targets, a key material used in the most advanced 3nm process in semiconductor and industrial manufacturing. In addition, we provide high-purity specialty chemical solutions enabling semiconductor manufacturers and other niche end markets to increase yields and production output. Furthermore, we have a leading brand and distribution network in life sciences research materials, where we provide high-purity solutions to several end markets, enabling complex chemical research processes in state-of-the-art laboratories.

Each of our brands, such as Solstice, Genetron, Aclar, Spectra, Fluka, and Hydranal, is valued for high quality, purity and safety standards, as well as high customer satisfaction throughout the industry. As a technology leader, we heavily focus on proprietary solutions, supported by a differentiated intellectual property portfolio with over

5,700 issued patents and pending applications as of June 30, 2025. We have four standalone focused R&D centers while a majority of our 21 manufacturing sites have integrated R&D capabilities. We employ a dedicated team of over 300 technologists and engineers around the globe, helping us to be at the forefront of innovation. We maintain a leading manufacturing base with unique capabilities, global scale and customer proximity. Our extensive experience in chemical synthesis and commercial-scale manufacturing led to the development of process-related patents and other proprietary technology (including know-how and trade secrets).

Deep Customer Relationships and Manufacturing Proximity

We help solve the most complex problems for our customers by providing differentiated and highly specialized solutions, with unique manufacturing capabilities in proximity to our customer base, which are often developed in partnership with our customers.

We serve a diverse and global customer base of over 3,000 customers, largely comprised of blue chip companies and industry leaders, as well as government agencies, across a variety of resilient end markets. In 2024, no single customer accounted for more than 3% of our net sales, and our top 10 customers accounted for less than a fifth of our net sales. The strength of our customer relationships and the quality of our differentiated products facilitate our ability to enter into long-term customer contracts. This is demonstrated by an average customer tenure of over 10 years. We have supplied many of our largest customers for several decades and we continue to cultivate our deep customer relationships.

By working with our customers on their most demanding and sophisticated challenges, we become deeply supportive of our customers' processes. The opportunity to solve and co-develop products for our customers' most complex problems enables us to make offerings even more specialized and application specific. For example, through these cooperations we developed a portfolio of products which satisfy the global regulatory mandates for the next generation cooling products. We leveraged our specialty refrigerant materials core competencies to expand to the healthcare industry, where we offer Solstice Air, our ultra-LGWP propellant for metered dose inhalers. Our Spectra lightweight, high-strength, industrial grade fibers are used as ballistic armor protection materials for vests, vehicles and helmets. We are a supplier to the U.S. military, and our high-end armor technology is supplied to several other governments' military and law enforcement agencies, for which we have been a trusted supplier since entering the market in the early 1990s. Spectra fiber is made of UHMWPE using our proprietary gel-spinning process. In addition, we expanded our offerings of Spectra fibers used in military applications to medical device manufacturers for ultrafine, lifesaving medical fibers in the healthcare industry.

Besides a high level of customer intimacy achieved through our specialized, client-specific, manufacturing know-how, we benefit from manufacturing sites located in close physical proximity to our customers. We focus on providing strong supply chain security and benefit from reshoring trends and policies. We maintain a strong U.S. presence, as well as a global footprint strengthened by partners across the globe, especially in India and other parts of Asia. We manage a large, global customer base across more than 120 countries and territories. Furthermore, our manufacturing footprint in the U.S. includes growing end markets experiencing increasing investments, such as energy or semiconductors. These factors result in high customer retention, characterized by long customer tenure, low churn rates and a growing customer base. Combined, we have industry-leading customer satisfaction scores, averaging above 96% during the last eight quarters, as of June 30, 2025.

Long-Term Secular Growth Across End Markets

We benefit from strong secular demand resulting from certain growing trends, including government regulated sustainability targets, semiconductor production, healthcare and life sciences, defense and safety and advanced electrification—all across a diverse set of products, systems and solutions. Our exposure to long-term secular growth trends across segments results from our efforts to position our product lines toward highly specialized offerings in targeted, high-growth end markets.

Across our RAS segment, we expect to benefit from growing demand for regulatory-compliant next-generation LGWP refrigerants. Demand for new, innovative and more LGWP refrigerants is driven by government regulations, customer sustainability goals and increased product efficiency. For example, since January 2025, manufacturers in the U.S. are required to use a refrigerant with a GWP of 700 or lower pursuant to a U.S. Environmental Protection

Agency (“EPA”) mandate. Our offering that meets this requirement is R-454B, which is being widely adopted in new air conditioning and heat pump systems in the U.S., with other major countries following suit. For HVAC/R end markets, we offer a broad range of LGWP and reduced GWP refrigerants, designed to address a broad range of global sustainability and regulatory requirements. Other applications driving demand include heating electrification—which increases regulatory demand for heat pumps—and data center cooling. Additionally, we anticipate benefiting from growing demand for specialty battery solutions driven by the automotive and stationary storage end markets. We believe we are well positioned to capitalize on this demand due to our world-scale U.S. facility and deep manufacturing capabilities, enabling expansion into adjacent products and end markets. Furthermore, we anticipate growing demand for advanced materials in healthcare applications such as medical aerosols for metered dose inhalers and protective materials in healthcare packaging. Lastly, we expect increased demand for critical products and conversion services used in nuclear power generation, driven by domestic localization and heightened energy security requirements. We believe we, as the sole U.S. domestic supplier of uranium hexafluoride conversion services, are well positioned to meet this demand.

Our ESM segment serves several highly attractive end markets. In the electronics market, we anticipate increased demand for existing and new material solutions within our sputtering targets, dielectrics and thermal management portfolios, which are necessary for producing leading-edge semiconductors, advanced packaging and advanced displays. In the ballistic armor market, we expect growth driven by increased global government defense and security spending. As a U.S.-based producer of specialty lightweight high-strength industrial-grade fiber, we are well positioned to benefit from the U.S. military’s transition of next-generation integrated head protection systems and small arms protective insert plates. Additionally, we foresee continued growth in demand for various specialty high-purity chemicals for oligonucleotide synthesis, increasingly utilized in important life sciences areas such as genetic research, biotechnology, molecular diagnostics and pharmaceutical R&D.

Value Creation Opportunities as an Independent Company

We believe our status as a standalone company will unlock multiple new value creation opportunities for Solstice Advanced Materials.

Solstice Advanced Materials is currently part of Honeywell’s Energy and Sustainability Solutions segment, representing approximately 10% of Honeywell’s total net sales as of 2024. By becoming a standalone company, we expect to increase our ability to direct our focus and capital in a more agile fashion. We will have full autonomy to solely concentrate on Solstice Advanced Materials, operating dynamically and making strategic investments to execute our long-term strategy.

We plan to create additional value for customers and stakeholders through defined and actionable strategies. We believe our strong balance sheet and market positions, together with flexible capital allocation, will support growth opportunities and capital returns to shareowners. We anticipate strong organic growth driven by our leadership positions, new product innovations, manufacturing capabilities, robust customer base and positive secular global trends. We intend to enhance organic growth through customer-partnered innovation and expansion into adjacent and new products, geographies, customer groups and end markets. Previously established ventures with strategic partners in key geographies allow us to enter new markets, accelerate go-to-market speed, drive local adoption and increase customer proximity. We will leverage global manufacturing partnerships to drive regional growth while focusing on efficient cost structures to sustain our strong margin profile.

Inorganically, we expect to continuously identify and evaluate a robust pipeline of strategic acquisition targets to realize value upside and optimize our portfolio. Our standalone status will enhance our disciplined approach to portfolio management. Solstice Advanced Materials is well positioned to pursue inorganic growth in various advanced materials businesses characterized by differentiated innovation in high-growth markets, and will benefit from management’s rigorous application of the Solstice Accelerator operating model, validated by a track record of value creation in our core businesses.

Resilient and Best-in-Class Financial Profile

We believe we have an attractive financial profile characterized by resilience, long-term mid-single-digit organic growth and strong Adjusted EBITDA margins that will be supported by the Solstice Accelerator operating model.

We grew our net sales at a CAGR of 6.2% from 2019 to 2024. Our net sales growth benefited from rising customer demand and the ability to drive value for customers, realized in pricing for products and solutions according to a value-based approach.

Our diversified product lines, customer base and end markets allow significant net sales visibility given our long-term customer contracts. Our increasing order rates surpass our existing production capacity in key product lines. These attributes facilitate efficient resource allocation, financial planning and investments. Our strong customer base, coupled with our innovative R&D teams and technical client-specific support and intellectual property, facilitate the recurring nature of our net sales.

We believe our Adjusted EBITDA margin profile is among the strongest in the industry and is supported by our high-value-add specialty solutions, manufacturing expertise, customer proximity and mastery of the Honeywell Accelerator operating model (to which we will have a license and will continue on a standalone basis after the Spin-Off as the Solstice Accelerator operating model). We believe our value proposition creates strong customer demand and loyalty, given the strong reliability and quality of our products. Throughout Honeywell's ownership, we achieved commercial and operational excellence through the Honeywell Accelerator operating model, which is deeply embedded throughout our organization and ingrained in each business line, across the hierarchical structure and which we will continue to apply through Solstice Accelerator. With the constant implementation and execution of this operating model, we expect to experience consistent and superior sales, order and pricing management, faster execution speed, greater customer satisfaction, higher manufacturing efficiencies, cost savings and increased innovation and product development. Within Honeywell, we continuously invested in our business and production capabilities, with capital expenditures averaging 8% of net sales between 2022 and 2024. As outlined in the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations," our capital expenditures may increase in the coming years due to strategic and disciplined project-related manufacturing expansion as a response to expected long-term customer demand beyond current production capacity.

Strong Management Team

Our management team combines extensive industry experience and demonstrated leadership with a proven track record.

To enhance its Advanced Materials business, Honeywell has significantly invested in management for the business, establishing a leadership team composed of experts from industry-leading firms, each with an outstanding record of success, that has worked to position the business to successfully operate within high-value-add specialty solutions markets and delivered growth, profitability and competitive strength. Our current executive management team has an average of approximately 25 years of relevant work experience, primarily in the advanced materials and specialty chemicals industries.

Dr. Rajeev Gautam will serve as non-executive Chairman of the Board of Directors of Solstice Advanced Materials, effective upon completion of the Spin-Off. Dr. Gautam brings more than four decades of experience at Honeywell in the process technologies and advanced materials sectors. Prior to his retirement in 2021, he served as President and Chief Executive Officer of Honeywell PMT, the segment in which the Advanced Materials business operated, and previously served as President of Honeywell UOP. David Sewell joined Honeywell as President and Chief Executive Officer of the Advanced Materials business in March 2025 and is expected to serve as President and Chief Executive Officer of Solstice Advanced Materials following the Spin-Off. Mr. Sewell brings more than 30 years of experience in the materials and chemicals industries, having previously served as the President and Chief Executive Officer of WestRock Company. Prior to this, he was the President and Chief Operating Officer of The Sherwin-Williams Company and spent more than 15 years in General Electric's Plastics and Advanced Materials Division. Tina Pierce became Chief Financial Officer of the Advanced Materials business in May 2025 and is expected to serve as Senior Vice President and Chief Financial Officer of Solstice Advanced Materials following the Spin-Off. Previously, Ms. Pierce served as the Vice President and Chief Financial Officer of Honeywell's Industrial Automation segment and has over 25 years of experience at Honeywell as a global Chief Financial Officer of several Honeywell businesses, including the Industrial Automation, PMT and Home and Building Technologies segments. Jeffrey Dorno and Simon Mawson previously led business units of Honeywell Advanced Materials and were promoted to lead the businesses that will become Solstice Advanced Materials' two business segments, each taking

on the role of Senior Vice President for RAS and ESM, respectively. Brian Rudick, previously the Vice President and General Counsel of Honeywell's Energy and Sustainable Solutions business segment, and Jason Clifford, previously the Vice President, Human Resources – Global Operations & Technology and Regional HR Leader of Analog Devices, are expected to serve as Senior Vice President and General Counsel and Senior Vice President and Chief Human Resources Officer, respectively, of Solstice Advanced Materials following the Spin-Off. Each leader brings a significant range of experience in the chemicals and specialty materials industry, with a focus on business growth and strengthening customer relationships.

Solstice Advanced Materials' executive leadership team is supported by a strong and experienced mid-level management team and more than 3,900 employees who drive product innovation, manage day-to-day operations, deliver best-in-class customer service and execute our long-term strategy. Members of the second-layer management team, directly reporting to segment General Managers, average over 20 years of relevant industry experience in advanced materials and specialty chemicals sectors. Both the top- and mid-level management teams will maintain strong alignment with our shareowners' interests immediately following the Spin-Off, with managerial incentives tied to shareowner success.

Our Strategies

Utilize Our Leading Positions to Capture Organic Secular Growth

We benefit from leading positions across our existing business lines in LGWP refrigerant materials, specialty fibers, electronic materials, healthcare and life sciences. Under our common product platforms, we believe we are favorably positioned to capture the long-term secular growth trends in the markets our segments serve.

We aim to utilize our leading positions in LGWP refrigerants and blowing agents to benefit from a growing regulation-driven transition to more environmentally conscious specialty solutions across two main markets: stationary end markets, where manufacturers in the U.S. are required to use LGWP refrigerants in new air conditioning and heat pump systems, and emerging automotive end markets currently transitioning to LGWP refrigerants, similar to regulated markets. In regulated markets, such as the U.S., the EU, Japan and South Korea, LGWP refrigerants are used in almost every new car sold. We will further concentrate on high-end, light-weight armor technology, providing our customers with well-recognized Spectra products during periods of increasing security needs and the U.S. military's transition of next-generation integrated head protection systems and small arms protective insert plates. We intend to reinforce our leading position as a key U.S.-based manufacturer of copper manganese sputtering targets (used to fabricate leading-edge semiconductors), and we believe we are well positioned to capitalize on the significant reshoring of leading-edge production. In addition, we intend to leverage our know-how to enter the advanced packaging and advanced display spaces with new offerings. We aim to capitalize on growing needs for healthcare and life sciences applications across our portfolio. Specifically, we expect to leverage our domain expertise to capitalize on increasing demand for LGWP inhaler solutions for asthma patients, greater longevity of pharmaceutical products driven by sustainability targets and customer preferences, and accelerating growth of high-purity research chemicals for state-of-the-art oligonucleotide synthesis, which we believe is set to transform the pharmaceutical industry.

Drive Innovation in Close Partnership with Our Customers

We operate some of the industry's most innovative R&D centers, which provide a strong basis for future innovation and the continued development of differentiated products, technologies and patents. Each business is responsible for executing an innovation roadmap and ensuring alignment with our long-term R&D and company strategy. Individual innovation projects and overall innovation portfolio management will be guided by the Solstice Accelerator operating model to ensure alignment, maximize efficiency and leverage group resources. Our net sales are influenced by new product introductions, defined as new products launched in the past five years, which contributed 45% of our sales in 2024. Ongoing investments in both our core and new products help us to sustain strong product offerings and give us confidence around our superior innovation capabilities and successful customer collaborations.

We continuously explore R&D partnership opportunities with customers to advance our intellectual property portfolio while delivering high-performance products at competitive prices. Focus areas include next-generation

refrigerant molecules, where we believe we are well suited to partner with industry leaders or customers. We see further opportunities in battery chemical materials, next-generation electronic materials for advanced packaging and advanced displays, and renewable energy and electrification solutions. These opportunities could drive deeper collaboration through customer partnerships or joint ventures, shared facility investments and leveraging industry-leading expertise to expand into new strategic markets and technologies.

We maintain a large global customer base and strong customer relationships by developing client-specific solutions to solve their most complex problems. We partner with multiple customers to develop our next-generation phase-change materials for a variety of end applications. We intend to remain close to our customers through production proximity and co-development. We believe that developing new solutions in partnership with customers provides a high level of predictability for potential sales. One successful example is our partnership with a leading pharmaceutical manufacturer, whose next-generation inhalers will use Solstice Air, reducing greenhouse gas emissions by up to 99.9% compared to the propellant it replaces.

Invest Further into Our Manufacturing Capabilities

We forecast strong demand growth across our major business lines, which will support our strategy to efficiently deploy capital to maintain and upgrade our world-class production capabilities. Additionally, we expect to benefit from increased agility and independence in our capital allocation policy as a standalone company. For example, we expect our current production facilities for LGWP refrigerants to serve as a robust platform to build next-generation ultra-LGWP molecules, facilitating continued growth of our core business across multiple products and end markets.

We plan to leverage partnerships to share investments into new large-scale production facilities, while benefiting from partnership synergies and cost-sharing. Such partnerships and joint ventures help us to drive local product adoption and increase customer proximity, in addition to our wholly owned operations. We expect benefits from rapid execution, continuing to leverage our extensive R&D expertise and flexible pilot facilities. Our advanced pilot and scale up capabilities allow us to design and start up new plants efficiently. We plan to continuously adapt our unique production strategies and implement stage-gated approaches where necessary, allowing us flexibility in market entry strategies across key regions.

We intend to utilize best practices under the Solstice Accelerator operating model to drive operational efficiencies and mechanical integrity within our factories. We remain committed to the highest standards of safety, governance and environmental responsibility in our operations.

Further Expand into Adjacent Products and End Markets

We believe we are well positioned to utilize our common platforms and manufacturing capabilities to expand into adjacent products and markets in the near-to mid-term. We have significant experience in value-added product portfolio expansion, targeting growth and margin accretive business areas. For instance, we have successfully expanded our LGWP refrigerant solutions into multiple end markets, including automotive, stationary, foam and industrial, and healthcare. Additionally, we successfully entered the copper manganese sputtering targets market for advanced-node semiconductors by leveraging our 50 years of leadership experience as an electronic materials supplier.

Through our common production platform for LGWP refrigerants, we plan to expand into heating electrification via heat pumps in Europe replacing gas fired boilers, driven by sustainability initiatives and regulations, and in other global regions driven by heat efficiency improvements. We see potential to enter the data center cooling market, leveraging our robust R&D capabilities and intellectual property portfolio to develop new specialty solutions. We believe we are well positioned to expand into battery chemicals for automotive and stationary storage end markets. Such expansions rely on specialized manufacturing capabilities, which we can provide due to our expertise in complex production and purification processes. We aim to further expand our healthcare and life sciences end market presence through packaging and fibers, among other areas. Leveraging our expertise and connections in the electronics market, we are developing new materials for advanced packaging and advanced displays. Additionally, we are utilizing new UHMWPE fiber process innovations to enter the armor mid-market with new offerings, where we have partnered with our customers and have a strong sales pipeline.

Accelerate Growth Through Portfolio Optimization

Solstice Advanced Materials leadership intends to continuously reassess and optimize our existing product portfolio. We believe that we will be well positioned to pursue inorganic growth strategies in numerous business units. We regularly identify and evaluate a robust pipeline of acquisition targets across all businesses to broaden our portfolio, access differentiated technologies and innovations, and expand our exposure to high-growth markets. As a standalone company, we expect our agility and independence in capital allocation decisions will allow us to effectively pursue identified, actionable acquisition opportunities.

We see add-on opportunities, synergy potential and value creation opportunities in our existing business lines, such as electronic materials, thermal management components and systems, LGWP refrigerants, blowing agents, solvents and aerosols and other fluorinated materials, and near-adjacent life sciences chemicals. Our acquisition strategy will focus on long-term secular trends aligned with our strategic pillars for inorganic growth. We remain open-minded toward adjacent product segments, end markets and customer groups, as previously demonstrated by our expansions into healthcare via medical fibers or emission-reducing propellants for inhalers. We plan to focus on several end markets including thermal management and materials for our next-gen semiconductor technology, battery and electronic materials, advanced healthcare packaging, adjacent packaging materials, recyclability, biopharmaceuticals, life sciences and downstream composites. We expect our acquisition targets will benefit from our management's deep knowledge and rigorous application of the Solstice Accelerator operating model, validated by a proven record of value creation.

Maintain a Sharp Focus on Cost Structure and Superior Execution

We aim to maintain and expand our best-in-class Adjusted EBITDA margins. An integral part of our strong margin profile is our focus on high value-add specialty solutions for our customers. By focusing on strongly differentiated, customer-specific solutions, we expect our customers to continue purchasing our products based on quality and reliability as key differentiators.

We aim to maintain a lean cost structure based on operational excellence and continuous improvement guided by the Solstice Accelerator operating model. Our manufacturing processes are continuously monitored and analyzed, leading to improved manufacturing standards, including our world-class safety commitment, and asset efficiency. Our global manufacturing footprint and proximity to customers, combined with strategic production partnerships, support our lean cost structure. We benefit from commercial excellence through productive supplier negotiations and scale across common production platforms that drive value.

Additionally, we will execute productivity initiatives amplified by the Solstice Accelerator operating model. These initiatives are embedded deeply across each business line. For example, we identified circularity opportunities in sputtering target production, increasing material utilization, yields and recyclability, while reducing costs and waste. We constantly implement new technological solutions, such as real-time tracking tools in refrigerant and chemical supply chains, increasing efficiencies, customer satisfaction and cost savings. We remain committed to operational excellence.

Corporate Information

We are a Delaware limited liability company formed in the State of Delaware on January 7, 2025, and, prior to the Distribution, a wholly owned subsidiary of Honeywell. Honeywell formed Solstice Advanced Materials for the purpose of effectuating the Spin-Off. Solstice Advanced Materials has engaged in no business activities to date and it has no material assets or liabilities of any kind, other than those incident to its formation and those incurred in connection with the Spin-Off. Pursuant to the Internal Reorganization, prior to the Distribution, we will convert into a Delaware corporation. After completion of the Spin-Off, we will be an independent, publicly traded company. Our principal executive offices are located at 115 Tabor Road, Morris Plains, NJ 07950. Our telephone number is . Our website address is . Information contained on, or connected to, our website or Honeywell's website does not and will not constitute part of this Information Statement or the Registration Statement on Form 10 of which this Information Statement is a part. We have included our website address only as an inactive textual reference and do not intend it to be an active link to our website.

Risk Factors

You should carefully consider all of the information in this Information Statement and each of the risks described in this Information Statement, which we believe are the principal risks that we face. Set forth below are some, but not all, of these risks:

Risks Relating to Our Business

- We have no operating history as an independent, publicly traded company, and our historical combined financial information is not necessarily representative of the results we would have achieved as an independent, publicly traded company and may not be a reliable indicator of our future results;
- If we are unable to innovate and successfully introduce new products, or new technologies or processes reduce the demand for our products or the price at which we can sell products, our profitability could be adversely affected;
- Raw material price fluctuations, inflation, scarcity, the ability of key suppliers to meet quality and delivery requirements, or catastrophic events can increase the cost of our products and services, impact our ability to meet commitments to customers and cause us to incur significant liabilities;
- Our products and operations are subject to numerous and increasingly complex government regulations, which may be subject to change, and compliance with these regulations could require us to incur additional costs or to reformulate or discontinue certain of our products and could have a significant impact on our business, financial condition, results of operations and cash flows;
- Global climate change and related regulations and changes in customer demand could negatively affect our business, financial condition, results of operations and cash flows;
- We and our customers operate in a politically sensitive environment, and negative public and political perceptions of nuclear energy and radioactive materials could materially and adversely affect us, our customers, and the markets in which we operate;
- A significant percentage of our sales and operations is in non-U.S. jurisdictions and is subject to the economic, political, regulatory, foreign exchange and other risks of international operations;
- If significant tariffs or other restrictions continue to be placed on foreign imports by the U.S. and related countermeasures are taken by impacted foreign countries, our business, financial condition, results of operations and cash flows could be negatively affected;
- We may not be able to obtain additional capital that we need in the future on favorable terms or at all;
- We depend on the recruitment and retention of qualified personnel, and our failure to attract and retain such personnel, could adversely affect our business, financial condition, results of operations and cash flows;
- Our operations and the prior operations of predecessor companies expose us to the risk of material environmental liabilities;
- Chemical manufacturing is inherently hazardous and may result in accidents, which may disrupt our operations or expose us to significant losses, liabilities or reputational harm;
- We face the risk of significant decommissioning and remediation expense in the event of a shut down of any manufacturing or other site, including sites in respect of which regulators, including the U.S. Nuclear Regulatory Commission (the “NRC”) and the EPA (pursuant to the Resource Conservation and Recovery Act (“RCRA”)), may require letters of credit or other financial assurance;
- We cannot predict with certainty the outcome of litigation matters, government proceedings and other contingencies and uncertainties;

- We may be impacted by increasing stakeholder interest in public company performance, disclosure, and goal-setting with respect to environmental, social and governance (“ESG”) matters;
- If our intellectual property were compromised or copied, if our competitors were to develop similar or superior intellectual property or technology or if we fail to maintain, protect, defend or enforce our intellectual property or to be successful in litigation related to our intellectual property or the intellectual property of others, our business, financial condition, results of operations and cash flows could be negatively affected;

Risks Relating to the Spin-Off

- If the Distribution, together with certain related transactions, does not qualify for the Intended Tax Treatment (as defined herein), Honeywell and its shareowners could be subject to significant U.S. federal income tax liability and, in certain circumstances, Solstice Advanced Materials could be required to indemnify Honeywell for material taxes pursuant to indemnification obligations under the anticipated Tax Matters Agreement;
- To preserve the tax-free treatment to Honeywell and its shareowners of the Distribution and certain related transactions under the Tax Matters Agreement that Solstice Advanced Materials anticipates entering into with Honeywell, Solstice Advanced Materials will be restricted from taking certain actions that could adversely impact the intended tax treatment of the Distribution and such related transactions;
- Until the Distribution occurs, Honeywell has sole discretion to change the terms of the Spin-Off in ways that may be unfavorable to us or decide not to proceed with the Spin-Off;
- We may be unable to achieve some or all of the benefits that we expect to achieve from the Spin-Off;
- We may be unable to make, on a timely or cost-effective basis, the changes necessary to operate as an independent, publicly traded company, and we may experience increased costs after the Spin-Off;
- We expect to incur new indebtedness substantially concurrently with or prior to the Distribution, and the degree to which we will be leveraged following completion of the Distribution could adversely affect our business, financial condition, results of operations and cash flows;
- The terms of the new indebtedness we expect to incur substantially concurrently in connection with the Distribution will restrict our current and future operations, particularly our ability to incur debt that we may need to fund initiatives in response to changes in our business, the industries in which we operate, the economy and governmental regulations;
- We may have potential business conflicts of interest with Honeywell with respect to our past and ongoing relationships;
- Solstice Advanced Materials may have received better terms from unaffiliated third parties than the terms received in the commercial agreements it will enter into with Honeywell;
- In connection with the Spin-Off, Solstice Advanced Materials will assume and indemnify Honeywell for certain liabilities. If Solstice Advanced Materials is required to make payments pursuant to these indemnities, Solstice Advanced Materials may need to divert cash to meet those obligations and Solstice Advanced Materials’ financial results could be negatively impacted. In addition, Honeywell will indemnify Solstice Advanced Materials for certain liabilities. These indemnities may not be sufficient to insure Solstice Advanced Materials against the full amount of liabilities Solstice Advanced Materials incurs;

Risks Relating to Our Common Stock and the Securities Market

- No market for our common stock currently exists and an active trading market may not develop or be sustained after the Spin-Off. Following the Spin-Off, our stock price may fluctuate significantly; and
- We will evaluate whether to pay cash dividends on our common stock in the future, and the terms of our indebtedness may limit our ability to pay dividends on our common stock or the amount thereof.

Questions and Answers about the Spin-Off

The following provides only a summary of certain information regarding the Spin-Off. You should read this Information Statement in its entirety for a more detailed description of the matters described below.

Q: What is the Spin-Off?

A: The Spin-Off is the method by which we will separate from Honeywell. In the Spin-Off, Honeywell will distribute to its shareowners as of the close of business on the Record Date all the outstanding shares of Solstice Advanced Materials common stock on a pro rata basis. Following the Spin-Off, we will be an independent, publicly traded company, and Honeywell will not retain any ownership interest in our Company.

Q: What are the reasons for the Spin-Off?

A: The Honeywell Board believes that the Spin-Off of the Advanced Materials business from Honeywell is in the best interests of Honeywell and its shareowners for a number of reasons. Primarily, Honeywell and Solstice Advanced Materials will each have a more focused business and be better able to dedicate financial, management and other resources to leverage their respective areas of strength and differentiation once the Spin-Off occurs. See “The Spin-Off—Reasons for the Spin-Off” for more information.

Q: Is the completion of the Spin-Off subject to the satisfaction or waiver of any conditions?

A: Yes, the completion of the Spin-Off is subject to the satisfaction, or the Honeywell Board’s waiver, of certain conditions. Any of these conditions may be waived by the Honeywell Board to the extent such waiver is permitted by law. In addition, Honeywell may at any time prior to the Distribution decide to abandon the Spin-Off or modify or change the terms of the Spin-Off. See “The Spin-Off—Conditions to the Distribution” for more information.

Q: Will the number of Honeywell shares I own change as a result of the Spin-Off?

A: No, the number of shares of Honeywell common stock you own will not change as a result of the Spin-Off.

Q: Will the Spin-Off affect the trading price of my Honeywell common stock?

A: We expect the trading price of shares of Honeywell common stock immediately following the Distribution to be lower than the trading price immediately prior to the Distribution because the trading price will no longer reflect the value of Solstice Advanced Materials. There can be no assurance that, following the Distribution, the combined trading prices of the Honeywell common stock and our common stock will equal or exceed what the trading price of Honeywell common stock would have been in the absence of the Spin-Off.

It is possible that after the Spin-Off, the combined equity value of Honeywell and Solstice Advanced Materials will be less than Honeywell’s equity value before the Spin-Off.

See “Risk Factors” for more information.

Q: What will I receive in the Spin-Off in respect of my Honeywell common stock?

A: As a holder of Honeywell common stock, you will receive a dividend of _____ share(s) of Solstice Advanced Materials common stock for every _____ share(s) of Honeywell common stock you hold as of the close of business on the Record Date (as defined herein). The distribution agent will distribute only whole shares of our common stock in the Spin-Off. See “The Spin-Off—Treatment of Fractional Shares” for more information on the treatment of the fractional share you may be entitled to receive in the Distribution. Your proportionate interest in Honeywell will not change as a result of the Spin-Off. For a more detailed description, see “The Spin-Off.”

Q: What is being distributed in the Distribution?

A: Honeywell will distribute approximately _____ shares of our common stock in the Distribution, based on the approximately _____ shares of Honeywell common stock outstanding as of _____, 2025. The actual number of _____

shares of our common stock that Honeywell will distribute will depend on the total number of shares of Honeywell common stock outstanding as of the close of business on the Record Date. The shares of our common stock that Honeywell distributes will constitute all of the issued and outstanding shares of our common stock immediately prior to the Distribution. For more information on the shares being distributed in the Distribution, see “Description of Our Capital Stock—Common Stock.”

Q: What is the record date for the Distribution?

A: Honeywell will determine record ownership as of the close of business on _____, 2025, which we refer to as the “Record Date.”

Q: When and how will the Distribution occur?

A: The Distribution is expected to be effective as of 12:01 a.m., New York City time on _____, 2025, which we refer to as the “Distribution Date.” On the Distribution Date, Honeywell will release the shares of Solstice Advanced Materials common stock to the distribution agent to distribute to Honeywell shareowners as of the close of business on the Record Date. The whole shares of our common stock will be credited in book-entry accounts for Honeywell shareowners entitled to receive the shares in the Distribution.

Q: What do I have to do to participate in the Distribution?

A: You are not required to take any action in order to participate, but we urge you to read this Information Statement carefully. All holders of Honeywell common stock as of the close of business on the Record Date will participate in the Distribution. Holders of Honeywell common stock on the Record Date will not need to pay any cash or deliver any other consideration, including any shares of Honeywell common stock, in order to receive shares of our common stock in the Distribution. In addition, no shareowner approval of the Distribution is required. We are not asking you for a vote and request that you do not send us a proxy card.

Q: If I sell my shares of Honeywell common stock on or before the Distribution Date, will I still be entitled to receive shares of Solstice Advanced Materials common stock in the Distribution?

A: If you sell your shares of Honeywell common stock before the Record Date, you will not be entitled to receive shares of Solstice Advanced Materials common stock in the Distribution. If you hold shares of Honeywell common stock on the Record Date and you decide to sell them on or before the Distribution Date, you may have the ability to choose to sell your Honeywell common stock with or without your entitlement to receive our common stock in the Distribution. You should discuss the available options in this regard with your bank, broker or other nominee. See “The Spin-Off—Trading Prior to the Distribution Date” for more information.

Q: How will fractional shares be treated in the Distribution?

A: The distribution agent will not distribute any fractional shares of our common stock in connection with the Spin-Off. Instead, the distribution agent will aggregate all fractional shares into whole shares and sell the whole shares in the open market at prevailing market prices on behalf of Honeywell shareowners entitled to receive a fractional share. The distribution agent will then distribute the aggregate cash proceeds of the sales, net of brokerage fees, transfer taxes and other costs, pro rata to these holders based on the fractional share each holder would otherwise be entitled to receive and net of any required withholding for taxes applicable to each holder. We anticipate that the distribution agent will make these sales in the “when-issued” market and “when-issued” trades will generally settle within two trading days following the Distribution Date. See “How will our common stock trade?” for additional information regarding “when-issued” trading and “The Spin-Off—Treatment of Fractional Shares” for a more detailed explanation of the treatment of fractional shares. The distribution agent will, in its sole discretion, without any influence by Honeywell or us, determine when, how, through which broker-dealer and at what price to sell the whole shares of our common stock. The distribution agent is not, and any broker-dealer used by the distribution agent will not be, an affiliate of either Honeywell or us.

Q: What are the U.S. federal income tax consequences to me of the Distribution?

A: It is a condition to the completion of the Distribution that Honeywell receives a tax opinion of Skadden, Arps, Slate, Meagher & Flom LLP (“Skadden” and such opinion, the “Skadden Tax Opinion”) and a tax opinion of Ernst & Young LLP (“EY,” such opinion, the “EY Tax Opinion” and the EY Tax Opinion together with the Skadden Tax Opinion, the “Tax Opinions”), in each case, regarding the qualification of the Distribution, together with certain related transactions, as a reorganization within the meaning of sections 368(a)(1)(D), 361 and 355 of the Internal Revenue Code of 1986, as amended (the “Code”) (the “Intended Tax Treatment”). Nevertheless, this condition may be waived by Honeywell in its sole discretion. Accordingly, and so long as the Distribution, together with certain related transactions, qualifies for the Intended Tax Treatment, no gain or loss will be recognized by a U.S. Holder (as defined in “The Spin-Off—U.S. Federal Income Tax Consequences of the Distribution”) for U.S. federal income tax purposes, and no amount will be included in such holder’s income, for U.S. federal income tax purposes, upon the receipt of shares of Solstice Advanced Materials common stock pursuant to the Distribution. A U.S. Holder will, however, recognize gain or loss for U.S. federal income tax purposes with respect to cash (if any) received in lieu of fractional shares.

For more information regarding the potential U.S. federal income tax consequences of the Spin-Off to Solstice Advanced Materials, Honeywell and U.S. Holders, see the section of this Information Statement entitled “U.S. Federal Income Tax Consequences of the Distribution.” Each U.S. Holder should consult its tax advisor as to the particular consequences of the Distribution to it, including the applicability and effect of any U.S. federal, state, local and non-U.S. tax laws.

Q: How will I determine my tax basis in the Solstice Advanced Materials shares I receive in the Distribution?

A: Assuming that the Distribution is tax-free to Honeywell shareowners (except with respect to any cash received in lieu of fractional shares) for U.S. federal income tax purposes, a U.S. Holder’s aggregate tax basis in their shares of Honeywell common stock held immediately before the Distribution will be allocated between their shares of Honeywell common stock and the shares of Solstice Advanced Materials common stock received in the Distribution (including any fractional share interest in Solstice Advanced Materials common stock for which cash is received) in proportion to the relative fair market values of each immediately following the Distribution. Honeywell will provide its shareowners with information to enable them to compute their tax basis in both Honeywell and Solstice Advanced Materials shares. This information will be posted on Honeywell’s website following the Distribution Date.

Each U.S. Holder should consult its tax advisor about the particular consequences of the Distribution to it, including a situation where it has purchased Honeywell shares at different times or for different amounts and the application of state, local and non-U.S. tax laws. For a more detailed description, see the section of this Information Statement entitled “U.S. Federal Income Tax Consequences of the Distribution.”

Q: Does Solstice Advanced Materials intend to pay cash dividends?

A: Once the Spin-Off is effective, we will be evaluating whether to pay cash dividends to our shareowners. The timing, declaration, amount and payment of future dividends to shareowners, if any, will fall within the discretion of our Board. Among the items we will consider when establishing a dividend policy will be the capital needs of our business and opportunities to retain future earnings for use in the operation of our business and to fund future growth. Additionally, the terms of the indebtedness we intend to incur in connection with the Spin-Off will limit our ability to pay cash dividends. There is no guarantee that any dividends will be declared by our Board, or if so declared, will be continued in the future. See “Dividend Policy” for more information.

Q: Will Solstice Advanced Materials incur any debt prior to or at the time of the Distribution?

A: In connection with the Spin-Off, we expect to incur indebtedness in an aggregate principal amount of approximately \$2.0 billion in the form of a senior secured term loan facility and through the issuance of senior unsecured notes, the applicable net proceeds of which will be used to complete the Solstice Advanced Materials Cash Distribution. We also intend to enter into (i) a revolving credit facility to be available for our working capital

and other cash needs in an aggregate committed amount as of the date of the Spin-Off of \$1.0 billion and (ii) one or more bilateral letter of credit facilities in an aggregate amount of \$750 million that we intend to use to replace or assume existing letters of credit and to provide incremental capacity to address future letter of credit requirements. The terms of such indebtedness are subject to change and will be finalized prior to the closing of the Spin-Off. See “Capitalization” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources” and “Description of Material Indebtedness” for more information.

Q: How will our common stock trade?

A: Currently, there is no public market for our common stock. We intend to apply to list our common stock on Nasdaq under the ticker symbol “SOLS.” Completion of the Distribution is subject to the satisfaction or waiver of a number of conditions, which are described in more detail in “The Spin-Off—Conditions to the Distribution,” including that the listing of Solstice Advanced Materials common stock on Nasdaq shall have been approved, subject to official notice of issuance.

We cannot predict the trading prices for our common stock before, on or after the Distribution Date. We anticipate that trading in our common stock will begin on a “when-issued” basis as early as one trading day prior to the Record Date for the Distribution and will continue up to and including the Distribution Date. “When-issued” trading in the context of a spin-off refers to a sale or purchase made conditionally on or before the Distribution Date because the securities of the spun-off entity have not yet been distributed. “When-issued” trades generally settle within two trading days after the Distribution Date. On the Distribution Date, any “when-issued” trading of our common stock will end and “regular-way” trading will begin. Regular-way trading refers to trading after the security has been distributed and typically involves a trade that settles on the second full trading day following the date of the trade. See “The Spin-Off—Trading Prior to the Distribution Date” for more information.

Q: Do I have appraisal rights in connection with the Spin-Off?

A: No. Holders of Honeywell common stock are not entitled to appraisal rights in connection with the Spin-Off.

Q: Who is the transfer agent and registrar for Solstice Advanced Materials common stock?

A: Following the Spin-Off, _____ will serve as the transfer agent and registrar for Solstice Advanced Materials common stock. EQ Shareowner Services currently serves and will continue to serve as Honeywell’s transfer agent and registrar. _____ will serve as the distribution agent in the Distribution and will assist Honeywell in the distribution of our common stock to Honeywell shareowners.

Q: Are there risks associated with owning shares of Solstice Advanced Materials common stock?

A: Yes, there are substantial risks associated with owning shares of Solstice Advanced Materials common stock. Accordingly, you should read carefully the information set forth under “Risk Factors” in this Information Statement.

Q: Where can I get more information?

A: If you have any questions relating to the mechanics of the Distribution, you should contact the distribution agent at:

Before the Spin-Off, if you have any questions relating to the Spin-Off, you should contact Honeywell at:

Investor Relations
Honeywell International Inc.
855 S. Mint Street
Charlotte, NC 28202

After the Spin-Off, if you have any questions relating to Solstice Advanced Materials, you should contact us at:

Investor Relations
Solstice Advanced Materials, LLC
115 Tabor Road
Morris Plains, NJ 07950

RISK FACTORS

You should carefully consider all of the information in this Information Statement and each of the risks described below, which we believe are the principal risks that we face. Some of the risks relate to our business, others to the Spin-Off. Some risks relate principally to the securities markets and ownership of our common stock. Any of the following risks, as well as other risks not currently known to us or that we currently consider immaterial, could materially and adversely affect our business, financial condition, results of operations and cash flows and the actual outcome of matters as to which forward-looking statements are made in this Information Statement. The following risk factors should not be considered to represent a complete set of all potential risks that could affect us.

Risks Relating to Our Business

We have no operating history as an independent, publicly traded company, and our historical combined financial information is not necessarily representative of the results we would have achieved as an independent, publicly traded company and may not be a reliable indicator of our future results.

We derived the historical combined financial information included in this Information Statement from Honeywell's consolidated financial statements, and this information does not necessarily reflect the results of operations and financial position we would have achieved as an independent, publicly traded company during the periods presented or those that we will achieve in the future. This is primarily because of the following factors:

- Prior to the Spin-Off, we operated as part of Honeywell's broader corporate organization, and Honeywell performed various corporate functions for us. Our historical combined financial information reflects allocations of corporate expenses from Honeywell for these and similar functions. These allocations may not reflect the costs we will incur for similar services in the future as an independent publicly traded company.
- We will enter into transactions with Honeywell that did not exist prior to the Spin-Off, such as Honeywell's provision of transition and other services and brand licensing agreements, and undertake indemnification obligations, which will cause us to incur new costs. See "Certain Relationships and Related Party Transactions—Agreements with Honeywell."
- Our historical combined financial information does not reflect changes that we expect to experience in the future as a result of our Spin-Off from Honeywell, including changes in the financing, cash management, operations, cost structure and personnel needs of our business. As part of Honeywell, we enjoyed certain benefits from Honeywell's operating diversity, size, brand, reputation, purchasing power, borrowing leverage and available capital for investments, and we may lose these benefits after the Spin-Off. As an independent entity, we may be unable to purchase goods, services and technologies, such as insurance and health care benefits and computer software licenses, or access capital markets on terms as favorable to us as those we obtained as part of Honeywell prior to the Spin-Off, and our business, financial condition, results of operations and cash flows may be adversely affected. In addition, our historical combined financial data does not include an allocation of interest expense comparable to the interest expense we will incur as a result of the Internal Reorganization and the Distribution, including interest expense in connection with the incurrence of indebtedness at the Company.

Although a portion of our business historically operated as a specialty materials company prior to its consolidation with Honeywell, our current business has no operating history as an independent, publicly traded company outside the broader Honeywell operating environment. In addition, uncertainty related to the Spin-Off may lead customers and other parties with which we currently do business or may do business in the future to terminate or attempt to negotiate changes in our existing business relationships, or cause them to consider entering into business relationships with parties other than us.

We may face operational inefficiencies as we continue to integrate our business after the Spin-Off. Following the Spin-Off, we will also face additional costs and demands on management's time associated with being an independent, publicly traded company, including costs and demands related to corporate governance, investor and public relations and public reporting. In addition, while we have been profitable as part of Honeywell, we cannot assure you that our profits will continue at a similar level when we are an independent, publicly traded company. For

additional information about our past financial performance and the basis of presentation of our Combined Financial Statements, see “Selected Historical and Unaudited Pro Forma Combined Financial Data,” “Unaudited Pro Forma Combined Financial Information,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our historical audited Combined Financial Statements, and the Notes thereto, included elsewhere in this Information Statement.

If we are unable to innovate and successfully introduce new products, or new technologies or processes reduce the demand for our products or the price at which we can sell products, our profitability could be adversely affected.

Our industries and the end-use markets into which we sell our products experience periodic technological changes and product improvements, as well as changes in mandates on or regulation of products and services. For example, certain end markets of our Refrigerants business are in the process of transitioning to regulatory-compliant next-generation LGWP refrigerants and may in the future be impacted by regulations of fluorinated chemistries. Our future growth will depend on our ability to gauge the direction of commercial and technological progress and regulatory change in key end markets, our ability to fund and successfully develop, manufacture and market products in such changing end markets, and our ability to adapt to changing needs and market trends accurately. However, we may be unable to develop new products or technologies, either alone or with third parties, or license intellectual property rights from third parties on a commercially competitive basis. If we fail to keep pace with the evolving technological innovations in our end markets on a competitive basis, including with respect to innovation related to the development of alternative uses for, or application of, products developed that utilize such end-use products, our business, financial condition, results of operations and cash flows could be adversely affected. We also cannot predict whether technological innovations will, in the future, result in a lower demand for our products or affect the competitiveness of our business. We may be required to invest significant resources to adapt to changing technologies, markets, customer behaviors and demands, competitive environments, and laws, regulations or enforcements. We cannot anticipate market acceptance of new products or future products. In addition, we may not achieve the expected benefits associated with new products developed to meet new laws, regulations or enforcements if the implementation of such laws, regulations or enforcements is delayed, and we may face competition from illegal or counterfeit products in regulated markets.

Raw material price fluctuations, inflation, scarcity, the ability of key suppliers to meet quality and delivery requirements or catastrophic events can increase the cost of our products and services, impact our ability to meet commitments to customers and cause us to incur significant liabilities.

The cost of raw materials is a key element in the cost of our products. As of December 31, 2024, the majority of our raw material supply was under contract. While we have implemented mitigation strategies designed to reduce the impact of supply chain disruptions, any inability to source necessary materials when and as needed, or offset material price or labor inflation through increased prices to customers, market-based or long-term fixed price contracts with suppliers, productivity actions or commodity hedges could adversely affect our results of operations.

Although our global sourcing teams collaborate closely with supply chain and production leadership to develop strategies that secure adequate raw material supplies, it is difficult to predict what effects shortages or price increases, in addition to other supply chain disruptions, may have in the future. Our ability to manage inventory and meet delivery requirements may be constrained by our suppliers’ inability to scale production and adjust delivery of long-lead time products during times of volatile demand. In addition, the scarcity of certain raw materials, including wet Spar, and/or current or future global economic uncertainty, including inflation and high interest rates, the impact of trade actions (including the imposition of tariffs or other trade actions impacting raw materials we source from global trade counterparties), supply chain and labor disruptions, unemployment rates, banking instability, any U.S. government shutdown, any downgrades in the U.S. government’s sovereign credit rating, public health crises, volatile financial markets, geopolitical instability and regional conflicts and potential recession may affect the financial stability of our key suppliers or their access to financing, which may in turn affect their ability to perform their obligations to us. If one or more of our suppliers experiences financial difficulties, delivery delays or other performance problems, our resulting inability to fill our supply needs would jeopardize our ability to fulfill obligations under commercial and government contracts, which could, in turn, result in reduced sales and profits, contract penalties or terminations, and damage to customer relationships.

In an effort to reduce the impact of current and future supply chain disruptions, we have implemented short-term and long-term strategies to reduce the impact of such disruptions, including pricing actions, longer-term planning for constrained materials, material supply tracking tools, direct engagement with key suppliers to meet customer demand and development of new or redesigned products that satisfy our product quality controls and engineering qualifications and/or any applicable regulatory requirements. We cannot provide any assurance that our mitigation strategies will continue to be successful, or that we will be able to alter our strategies or develop new strategies if and as needed.

Our products and operations are subject to numerous and increasingly complex government regulations, which may be subject to change, and compliance with these regulations could require us to incur additional costs or to reformulate or discontinue certain of our products and could have a significant impact on our business, financial condition, results of operations and cash flows.

Our operations are significantly influenced by the regulatory and legislative environment in which we operate. Our products, technologies and services are subject to numerous and increasingly complex, federal, state, local and foreign laws and regulations. This legal framework includes customs regulations, import and international trade laws, export controls, antitrust laws, environmental and chemical manufacturing, regulations and treaties related to security and controlled materials, global climate change, health and safety requirements, zoning and occupancy laws and regulatory record-keeping and reporting obligations; all of which impact the manufacture, import, export, promotion and sale of our products, the operation of our production and warehouse facilities, and our relationships with our customers, suppliers, employees and competitors.

Our products and manufacturing processes are also subject to numerous ongoing reviews by certain governmental authorities. Governmental, regulatory and societal demands for increasing levels of product safety (such as chemical composition, packaging and labeling) and environmental protection (such as the management, movement and disposal of hazardous substances and increased societal demand for regulation to reduce greenhouse gas (“GHG”) emissions or otherwise restrict the use of manufacture and use of hazardous substances) are resulting in increased pressure for more stringent regulatory control with respect to the chemical industry. Such regulations include (or may in the future include), but are not limited to:

- U.S.-based regulations, such as the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), the RCRA and similar state and global laws for management and remediation of hazardous materials, the Clean Air Act and Clean Water Act and similar state and global laws for the protection of air and water resources, the Toxic Substances Control Act (TSCA) and the American Innovation in Manufacturing Act of 2020, which requires the phasedown of certain HFCs by 85% from historic baseline levels by 2036;
- foreign chemical control regulations, such as the EU’s REACH (Registration, Evaluation, Authorization and Restriction of Chemicals), the EU F-Gas Regulation and similar regimes that have now been adopted in several other countries, the Chemical Substances Control Law in Japan, MEP Order No. 12 in China and the Toxic Chemical Substance Control Act in Taiwan for the production and distribution of chemicals in commerce and reporting of potential adverse effects;
- emerging ESG regulations in the EU and globally, including, but not limited to, the Corporate Sustainability Reporting Directive, its transposition in EU countries, and the EU Taxonomy for sustainability targeted activities;
- numerous other local, state, federal and foreign laws, regulations and enforcements governing materials movement, packaging, labeling and disposal, including bans and moratoria on certain substances and chemicals; and
- other potential future regulations related to fluorinated chemistries or other industries in which we operate, or the strengthening of existing regulations applicable to us, such as the 2025 REACH Recast, a large-scale revision of the current REACH regulation that will, among other things, expand the in-scope hazardous substances subject to REACH and strengthen enforcement and auditing processes.

Compliance with all of these regulations and adaptation to changes in our regulatory environment, particularly in, but not limited to, the U.S., the EU and the Greater China region, has in the past required, and may in the future require, us to incur significant costs and capital expenditures, including to maintain comprehensive data management systems, and lead us to redesign our products or supply chain to ensure compliance with the applicable standards or use different types or sources of materials, which could have an adverse impact on the efficiency of our manufacturing process, the performance of our products, add greater testing lead-times for product introductions or other similar effects. From time to time, we may face challenges related to regulatory compliance, especially in an ever-changing regulatory landscape, and may be subject to regulatory penalties and other government proceedings, which could have a material adverse effect on our business and financial condition. Any of these changes or challenges could materially alter our market share and reputation, or otherwise have a material adverse effect on our business, financial condition, results of operations and cash flows.

Global climate change and related regulations and changes in customer demand could negatively affect our business, financial condition, results of operations and cash flows.

The effects of climate change could create financial risks to our business. For example, the effects of physical impacts of climate change could disrupt our operations by impacting the availability and cost of materials needed for manufacturing, exacerbate existing risks to our supply chain, disrupt our operations, and increase insurance and other operating costs. These factors may impact our decisions to construct new facilities or maintain existing facilities in areas most prone to physical climate risks. We could also face indirect financial risks passed through the supply chain and disruptions that could result in increased prices for our products and the resources needed to produce them.

The growing focus on addressing global climate change has resulted in more regulations designed to reduce GHG emissions and more customer demand for products and services that have a lower carbon footprint or that help businesses and consumers reduce carbon emissions throughout their value chains. These regulations tend to be implemented under global, national and sub-national climate objectives or policies, and target the global warming potential of refrigerants, energy efficiency and the combustion of fossil fuels. Although we offer and continue to invest in developing solutions that help our customers meet their carbon reduction and sustainability goals, many of our products combust fossil fuels, consume energy and use refrigerants. Regulations and carbon reduction goals which seek to reduce GHG emissions could reduce demand for such products and present a risk to our business. We may be required to further increase R&D and other capital expenditures in order to develop offerings that meet these new regulations, standards and customer demands. There can be no assurance that our new product development efforts will be successful, that our products will be accepted by the market, or that economic returns will reflect our investments in new product development. Moreover, policy initiatives or regulatory changes deemphasizing goals for reducing GHG emissions, including, for example, executive orders issued by the current Administration with respect to climate change and EPA's proposal to rescind its prior determination that GHG emissions pose a danger to public health and welfare, could reduce the demand for products in this area and, in turn, the value of our investments into such products.

We and our customers operate in a politically sensitive environment, and negative public and political perceptions of nuclear energy and radioactive materials could materially and adversely affect us, our customers, and the markets in which we operate.

Successful execution of our Alternative Energy Services business is dependent upon public support for nuclear power, in general, in the U.S. and other countries. The risks associated with uses of radioactive materials at our AES Facility and the public perception of those risks can affect our business. Opposition by third parties can delay or prevent the licensing and construction of new nuclear facilities and in some cases can limit the operation of nuclear facilities. Adverse public reaction to developments in the use of nuclear power could directly affect our business and indirectly affect our customers' businesses. In addition, journalists, trade press and other third parties, potentially including one or more of the agencies with regulatory jurisdiction over us, may publish statements that negatively affect the public or political perception of us. We may also face adverse public or political perception due to a variety of environmental and social factors, including as relevant standards continue to evolve. Stakeholder and policymaker expectations on such matters are not uniform, and any failure to successfully navigate such expectations may result in various adverse impacts. Adverse public opinion or political perceptions or changes in

applicable international treaties could result in increased regulatory requirements and costs, reduced access to or higher prices for raw materials and intermediates, or increase the likelihood that our operations are subject to liabilities or adverse claims. In the past, adverse public reaction, increased regulatory scrutiny and related litigation contributed to extended licensing and construction periods for new nuclear power plants, sometimes delaying construction schedules by decades or more, or even shutting down operations at already-constructed nuclear power facilities. To the extent that negative public and/or political perception of the nuclear fuel industry and radioactive materials, or changes in applicable law, regulations or international treaties, materially and adversely impacts our Alternative Energy Services business, our business, financial condition results of operations and cash flows may also be materially and adversely impacted. In addition, if we were forced, or otherwise determined, to shut down the AES Facility, we may incur material costs.

A significant percentage of our sales and operations is in non-U.S. jurisdictions and is subject to the economic, political, regulatory, foreign exchange and other risks of international operations.

Our international operations represented approximately 39% of our net sales based on country of origin (or 58% of our net sales including U.S. exports) for the year ended December 31, 2024. Risks related to international operations include exchange control regulations, wage and price controls, fluctuations in foreign currency exchange rates, antitrust regulations, employment regulations, foreign investment laws, import, export and other trade restrictions and barriers (such as tariffs, sanctions and embargoes), differing levels of protection of intellectual property, acts of industrial espionage, violations by our employees of anti-corruption laws (despite our efforts to mitigate such risk), changes in regulations regarding transactions with state-owned enterprises, nationalization of private enterprises, acts of terrorism, acts of war, civil strife, social or political activism, boycotts and our ability to hire and maintain qualified staff and maintain the safety of our employees in these regions. Instability and uncertainties arising from the global geopolitical environment, the impacts of war and other geopolitical events (including, but not limited to, the war in Ukraine, the conflict in the Middle East, and the growing geopolitical tensions in the Greater China region), and the evolving international and domestic political, regulatory and economic landscape, including changes in global trade policies, such as sanctions and trade barriers, and trends such as populism, economic nationalism and negative sentiment toward multinational companies, as well as the cost of compliance with increasingly complex and often conflicting regulations worldwide, can impair our flexibility in modifying product, marketing, pricing or other strategies for growing our businesses, as well as our ability to improve productivity and maintain acceptable operating margins.

Existing free trade laws and regulations provide certain beneficial duties and tariffs for qualifying imports and exports. Changes in laws or policies governing the terms of foreign trade, and in particular increased trade restrictions, tariffs or taxes on imports from countries where we manufacture products or from where we import products or raw materials, either directly or through our suppliers, could have an impact on our competitive position and financial results.

The conflict between Russia and Ukraine has led to sanctions, export and import controls, and trade restrictions by the U.S. and other countries against Russian and Belarusian governments, government-related entities and other entities and individuals. In retaliation, Russia has taken actions against the U.S., the North Atlantic Treaty Organization members, and other nations. The evolving conflict may worsen existing conditions or cause new impacts, such as escalation in other European regions where we operate, increased U.S.-Russia tensions, and other unforeseen effects. These could result in higher costs, operational impacts, and adversely affect our financial position, ability to meet obligations, and overall financial condition. Continued escalation of the conflict may further impact our financial results and other disclosed risk factors.

Operating outside of the U.S. also exposes us to foreign exchange risk, which we monitor and seek to reduce through hedging activities. However, foreign exchange hedging activities bear a financial cost and may not always be available to us or be successful in eliminating such volatility. Finally, we generate significant amounts of cash outside of the U.S. that is invested with financial and non-financial counterparties. While we employ comprehensive controls regarding global cash management to guard against cash or investment loss and to ensure our ability to fund our operations and commitments, a material disruption to the counterparties with whom we transact business could expose us to financial loss.

Operating outside the U.S. also exposes us to additional intellectual property risk. The laws and enforcement practices of certain jurisdictions in which we operate may not protect our intellectual property rights to the same extent as in the U.S. and may impose joint venture, technology transfer, local service or other foreign investment requirements and restrictions that potentially compromise control over our technology and proprietary information. Failure of foreign jurisdictions to protect our intellectual property rights, an inability to effectively enforce such rights in foreign jurisdictions or the imposition of foreign jurisdiction investment or sourcing restrictions or requirements could result in loss of valuable proprietary information and could impact our competitive position and financial results.

If significant tariffs or other restrictions continue to be placed on foreign imports by the U.S. and related countermeasures are taken by impacted foreign countries, our business, financial condition, results of operations and cash flows could be negatively affected.

The U.S. government has imposed significant tariffs on a wide range of products and other imports into the U.S. and could implement additional tariffs and barriers to trade. If significant tariffs or other restrictions continue to be placed on foreign imports and related countermeasures are taken by impacted foreign countries, our business, financial condition, results of operations and cash flows may be negatively affected. Current tariffs, along with other trade actions, have begun to trigger retaliatory actions by certain affected countries, and other foreign governments may also impose trade measures, including reciprocal tariffs, on other U.S. goods in the future. These tariffs and other trade actions could further increase the cost of, and reduce demand for, our products, which would adversely impact our business. In addition, political tensions as a result of trade policies could reduce trade volume, investment, technological exchange and other economic activities between major international economies, resulting in a material adverse effect on global economic conditions and the stability of global financial markets.

We may not be able to obtain additional capital that we need in the future on favorable terms or at all.

We may require additional capital in the future to finance our growth and development, upgrade and improve our manufacturing capabilities, implement further marketing and sales activities, fund ongoing R&D activities, satisfy regulatory and environmental compliance obligations and national approvals requirements and meet general working capital needs. Our capital requirements will depend on many factors, including acceptance of and demand for our solutions, the extent to which we invest in new technology and R&D projects and the status and timing of these developments. If our access to capital were to become constrained significantly, or if costs of capital increased significantly, due to lowered credit ratings, prevailing business conditions, the volatility of the capital markets or other factors, our business, financial condition, results of operations and cash flows could be adversely affected.

Moreover, we have historically relied on Honeywell for assistance in satisfying our capital requirements. After the Spin-Off, we will not be able to rely on the earnings, assets, cash flow or credit rating of Honeywell, and Honeywell will not provide funds to finance our capital requirements. As a result, after the Spin-Off, we will be responsible for obtaining and maintaining sufficient working capital and other funds to satisfy our cash requirements independent of Honeywell, and debt or equity financing may not be available to us on terms we find acceptable. In addition, after the Spin-Off and during a transition period of months, Honeywell will provide us support through certain parent company guarantees that will remain in place and letters of credit and bank guarantees that have been issued on our behalf. These arrangements will have to be renegotiated in the future upon their expiration and may require incremental capital or borrowing capacity that might not be readily available on terms we find acceptable.

Even if we are able to obtain financing or access the capital markets, incurring additional debt may significantly increase our interest expense and financial leverage, and our level of indebtedness could restrict our ability to fund future development and acquisition activities. Also, regardless of the terms of our debt or equity financing, our agreements and obligations under the Tax Matters Agreement that address compliance with Section 355 of the Code, may limit our ability to issue stock. See “The Spin-Off—U.S. Federal Income Tax Consequences of the Distribution.” We believe that, at the time of the Distribution, we will have adequate capital resources to meet our projected operating needs, capital expenditures and other cash requirements. However, we may need additional capital resources in the future and if we are unable to obtain sufficient resources for our operating needs, capital expenditures and other cash requirements for any reason, our business, financial condition and results of operations could be adversely affected. See “—Risks Relating to the Spin-Off—We may be unable to make, on a timely or

cost-effective basis, the changes necessary to operate as an independent, publicly traded company, and we may experience increased costs after the Spin-Off.”

We may be unable to compete successfully in the competitive markets in which we operate and, as a result, we may experience pricing pressure, fewer customer orders, reduced margins and the loss of market share.

We may be unable to compete successfully in the competitive markets in which we operate. In these markets, despite our strong market position, we encounter competition from numerous and varied competitors in all areas of our businesses. Some of our competitors have longer operating histories, greater resources, greater brand recognition (which may be exacerbated by the loss of Honeywell’s brand recognition following the Spin-Off) and a larger base of customers than we do. As a result, we may lose business, customers and market share if we are unable to devote greater resources to R&D, manufacturing, formulation, promotion, sale or support of our products, withstand adverse changes in economic conditions or prices of raw materials, and/or maintain competitive pricing. In addition, our competitors could enter into exclusive arrangements with our existing or potential customers or suppliers which could limit our ability to generate sales, acquire necessary raw materials and/or significantly increase costs.

We operate in industries which are fragmented on a global scale and consolidation of our competitors could also place us at a competitive disadvantage and reduce our profitability by jeopardizing the strength of our positions in one or more of our markets, which could adversely affect our business, financial condition, results of operations or cash flow as well as our growth potential.

Our business is subject to both seasonal fluctuations and cyclical market conditions, which could cause variability in our financial results and liquidity.

Our financial results and liquidity are influenced by both the seasonality of our revenue and cash flow and the cyclical nature of the markets for many of our products. For example, the revenue from our RAS segment is subject to seasonal fluctuations, with sales activity generally being highest in the first half of the year, driven in part by seasonal demand and inventory build-up related to warmer weather and maintenance cycles in our Refrigerants business that peaks in the second quarter. Our Building Solutions & Intermediates business typically experiences peak sales in the fourth quarter due to weather conditions and increased construction project activity, and our Healthcare Packaging business experiences peak sales mid-year, ahead of the winter season when medication consumption typically increases. This seasonality across the businesses within our RAS segment impacts the comparison of our financial condition and results of operations on a quarter-by-quarter basis.

Additionally, the markets for certain of our products are cyclical. For example, our ESM segment experiences cyclicalities, primarily due to inherently cyclical end markets such as semiconductors and construction. These industries are sensitive to economic fluctuations, with our Electronic Materials business tied to semiconductor fabrication cycles and our Research & Performance Chemicals business influenced by trends in building and infrastructure investment. In these end markets, prolonged periods of reduced investment or demand—such as downturns in semiconductor fabrication spending or construction activity—could adversely affect our performance. The cyclicalities of the results in certain of our businesses result in significant fluctuations in profits and cash flow from period to period and over the business cycle.

The combination of seasonal revenue fluctuations and the cyclicalities of our markets results in variability in our profits and cash flow from period to period and over the business cycle. This variability can impact our financial results and liquidity, making it challenging to predict our financial performance accurately.

Concentrations of credit, counterparty, and market risk may adversely affect our business, financial condition, results of operations and cash flows.

We maintain long-term contractual relationships with many of our customers, suppliers and other counterparties. While we monitor the financial health of these counterparties, we are exposed to credit and market risks of such counterparties, including those concentrated in the same or similar industries and geographic regions. Changes in political and economic conditions could also lead to concerns about the creditworthiness of counterparties and their ability to pay in the same or similar industry or geography, impacting our ability to renew our long-term contractual arrangements or collect amounts due under these arrangements. Among other factors, geopolitical events, inflation,

rising interest rates, banking instability, and changes in economic conditions, including an economic downturn or recession, could also result in the credit deterioration or insolvency of a significant counterparty.

We may be unable to successfully execute or effectively integrate acquisitions.

We will regularly review our portfolio of businesses and may pursue inorganic growth through strategic acquisitions. We may not be able to complete transactions on favorable terms, on a timely basis, or at all. In addition, our results of operations and cash flows may be adversely impacted by (i) the failure of acquired businesses to meet or exceed expected returns, including risk of impairment; (ii) the failure to integrate multiple acquired businesses into Solstice Advanced Materials simultaneously and on schedule and/or to achieve expected synergies; and (iii) the discovery of unanticipated liabilities, labor relations difficulties, cybersecurity concerns, compliance issues or other problems in acquired businesses for which we lack contractual protections, insurance or indemnities, or, with regard to divested businesses, claims by purchasers to whom we have provided contractual indemnification.

We face risks associated with our joint ventures and strategic co-development partnerships.

We are party to several joint ventures and strategic co-development partnerships in both the U.S. and abroad. Going forward, we may acquire interests in more joint venture enterprises or form other strategic co-development partnerships to execute our business strategy by utilizing our partners' skills, experiences and resources. These joint ventures and co-development partnerships involve risks that our joint venture or strategic co-development partnerships partners may:

- have economic or business interests or goals that are inconsistent with or adverse to ours;
- take actions contrary to our requests or contrary to our policies or objectives, including actions that may violate applicable law;
- be unable or unwilling to fulfill their obligations under relevant joint venture or other agreements;
- have financial or business difficulties;
- take actions that may harm our reputation; or
- have disputes with us as to the scope of their rights, responsibilities and obligations.

In certain cases, joint ventures and strategic co-development partnerships may present us with a lack of ability to fully control all aspects of their operations, including due to veto rights, and we may not have full visibility with respect to all operations, customer relations and compliance practices, among others.

Our present or future joint venture and strategic co-development partnerships projects may not be successful. We have had, and in the future may have, disputes or encounter other problems with respect to our present or future joint venture or strategic co-development partnerships partners or our joint venture or strategic co-development partnerships agreements may not be effective or enforceable in resolving these disputes or we may not be able to resolve such disputes and solve such problems in a timely manner or on favorable economic terms, or at all. Any failure by us to address these potential disputes or conflicts of interest effectively could have a material adverse effect on our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.

We depend on the recruitment and retention of qualified personnel, and our failure to attract and retain such personnel, could adversely affect our business, financial condition, results of operations and cash flows.

Due to the complex nature of our business, our future performance is highly dependent upon the continued services of our employees and management who have significant industry expertise, including our engineering and design personnel and trained sales force. Our performance is also dependent on the development of additional personnel and the hiring of new qualified engineering, design, manufacturing, marketing, sales and management personnel for our operations. Competition for qualified personnel in our markets is intense, and we may not be successful in

attracting or retaining qualified personnel, particularly as a standalone company that may not have the same reputation or brand recognition as Honeywell. Moreover, we are dependent on the institutional knowledge of our longer-term employees and management with respect to our industries and manufacturing processes, and the transfer of that knowledge to subsequent generations of employees to maintain operational continuity. The loss of key employees, our inability to attract new qualified employees or adequately train and transfer knowledge to employees, or the delay in hiring key personnel could negatively affect our business, financial condition, results of operations and cash flows.

Our operations and the prior operations of predecessor companies expose us to the risk of material environmental liabilities.

We are subject to potentially material liabilities related to the investigation and cleanup of environmental hazards and to third-party claims of personal injuries or property damages that may arise from hazardous substance releases and exposures. Under certain environmental laws, parties can be liable for contamination resulting from hazardous substances released at current or formerly owned or operated sites or at third-party waste disposal facilities on a joint and several basis and without regard to fault or the legality of the conduct giving rise to the releases. In particular, under the Separation Agreement we are generally being contractually allocated all environmental liabilities associated with the Advanced Materials business (as described under “Certain Relationships and Related Party Transactions—Agreements with Honeywell—Separation Agreement”) and are required to indemnify Honeywell and its affiliates against any of the liabilities that have been contractually allocated to us. After the Spin-Off, we could incur liabilities under these laws or pursuant to the Separation Agreement arising out of our current and past operations and the operations and properties of predecessor companies (including offsite waste disposal). Legacy sites related to our business are involved in various environmental investigations and remediation obligations due to historic operations. For example, some of our formulating and manufacturing facilities have an extended history of chemical formulating and manufacturing operations or other industrial activities, and contaminants have been detected at some of our sites and offsite disposal locations. See “Certain Relationships and Related Party Transactions—Agreements with Honeywell—Liabilities” and “Risk Factors—Risks Relating to the Spin-Off” for more information.

Ultimate environmental costs and liabilities are difficult to predict and may significantly vary from current estimates. To the extent available, we maintain what we believe to be adequate insurance coverage. However, there can be no assurance that we won’t incur losses in excess of our current reserves for environmental matters or beyond the limits or outside the terms of any such insurance coverage, or that we will be able to maintain adequate insurance at rates we consider reasonable. In addition, the discovery of additional contaminants, the inability or failure of other liable parties to satisfy their obligations, the imposition of additional cleanup obligations, or the commencement of related third-party claims could result in additional material costs and negatively impact our business, financial condition, results of operations and cash flows.

We are also subject to potentially material liabilities related to the compliance of our operations with the requirements of various federal, state, local and foreign governments that regulate the discharge of materials into the environment and the generation, handling, storage, treatment and disposal of and exposure to hazardous substances. We believe that, as a general matter, our policies, practices and procedures are properly designed to prevent unreasonable risk of environmental damage and personal injury and that our handling, manufacture, use and disposal of hazardous substances are in accordance with environmental and safety laws and regulations. However, if we are found to be in violation of these laws and regulations, we may be subject to substantial fines, criminal sanctions, trade restrictions, product recalls and public scrutiny and be required to install costly equipment or make operational changes to achieve compliance with such laws and regulations.

In addition, changes in laws, regulations or government enforcement of policies concerning the environment, the discovery of previously unknown contamination or new technology or information related to individual contaminated sites, the establishment of stricter state or federal toxicity standards with respect to certain contaminants, or the imposition of new cleanup requirements or remedial techniques, could require us to incur additional currently unanticipated costs in the future that would have a negative effect on our business, financial condition, results of operations and cash flows.

Chemical manufacturing is inherently hazardous and may result in accidents, which may disrupt our operations or expose us to significant losses, liabilities or reputational harm.

The hazards associated with chemical manufacturing and the related storage and transportation of raw materials, products and wastes are inherent in our operations as our R&D, manufacturing, formulating, packaging and transportation activities involve the use of dangerous, toxic or hazardous materials and the generation of hazardous waste. We cannot eliminate the risk of accidental contamination, discharge or injury resulting from those materials. Also, our suppliers or contract manufacturers may use and/or generate such materials and waste in connection with producing, storing and/or transporting our products. We may be required to indemnify our suppliers, contract manufacturers or waste disposal contractors against damages and other liabilities arising out of the production, handling, storage or transportation of our products or raw materials or the disposal of related wastes. Potential risks include explosions and fires, chemical spills and other discharges or releases of toxic or hazardous substances or gases, or pipeline and storage tank leaks and ruptures. Those hazards may result in personal injury and loss of life, damage to property and contamination of the environment, all or any of which may result in a suspension of operations and the imposition of civil or criminal fines, penalties and other sanctions, cleanup costs, claims by governmental entities or third parties and reputational harm to the Company. The loss or shutdown of operations over an extended period could have a material adverse effect on our business, financial condition, results of operations and cash flows.

We face the risk of significant decommissioning and remediation expense in the event of a shut down any manufacturing or other site, including sites in respect of which regulators, including the NRC and EPA (pursuant to the RCRA), may require letters of credit or other financial assurance.

We may incur substantial decommissioning and remediation expenses in the event of a decision to shut down any of our manufacturing sites or the closure of waste treatment, storage and disposal facilities, particularly in relation to our sites that handle hazardous materials or are subject to regulatory oversight. For example, RCRA requires closure and post-closure care activities, such as clean-up and monitoring, for certain hazardous waste management units at end-of-life and the NRC requires certain decommissioning processes when a nuclear facility is closed, including, among other things, reducing residual radioactivity and cleaning up any contamination. The decommissioning requirements regarding the safe dismantling of facilities, disposal of hazardous materials and remediation of the site, may become more stringent over time and may demand time and significant financial resources. The costs associated with decommissioning and remediation can be influenced by several factors, including the level of contamination at the relevant manufacturing site, any changes in environmental regulations or enforcement policies, the availability of decommissioning and remediation technologies and general fluctuations in market prices. Failure to adequately plan for and manage decommissioning and remediation expenses could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Furthermore, regulators, including the NRC and EPA, may increase financial assurance requirements from us in connection with these decommissioning activities to ensure that sufficient funds are available to cover the costs, including the provision of letters of credit, surety bonds or other forms of financial guarantees. Honeywell currently procures letters of credit to backstop certain asset retirement obligations that would be applicable if the AES Facility were decommissioned in the future as required by the NRC, though we expect the Company to procure its own letters of credit following the Spin-Off. Ongoing and future compliance with these financial assurance requirements can impact our financial resources and liquidity. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources” for more information.

We cannot predict with certainty the outcome of litigation matters, government proceedings and other contingencies and uncertainties.

In the ordinary course of business, we may make certain commitments, including representations, warranties and indemnities relating to current and past operations, including those related to divested businesses, and issue guarantees of third-party obligations. We are subject to a number of lawsuits, investigations and disputes (some of which involve substantial amounts claimed) arising from the conduct of our business, including matters relating to commercial transactions, intellectual property and environmental, health and safety matters. For more information about these legal proceedings, including information regarding various ongoing legal proceedings related to the AES

Facility, see Note 19 “Commitments and Contingencies” of the Notes to the audited Combined Financial Statements and Note 14 “Commitments and Contingencies” of the Notes to the unaudited Condensed Combined Financial Statements. In addition, while we do not believe it to be a probable scenario, if we do not meet certain timing requirements for completing projects partially funded by the Department of Energy, we may be required to pay liquidated damages. See “Business—Our Portfolio and Reported Segments—Refrigerants & Applied Solutions Segment” for more information about our agreement in principle with the Department of Energy with respect to the sharing of certain costs in connection with the expansion of our AES Facility.

Our potential liabilities are subject to change over time due to new developments (including new discovery of facts, changes in legislation, and outcomes of similar cases through the judicial system) or changes in assumptions and we may become subject to or be required to pay damage awards or settlements that could have an adverse effect on our business, financial condition, results of operations and cash flows. If we were required to make payments, such payments could be significant and could exceed the amounts we have accrued with respect thereto, adversely affecting our business, financial condition, results of operations and cash flows. While we maintain insurance for certain risks, the amount of our insurance coverage may not be adequate to cover the total amount of all insured claims and liabilities. The incurrence of significant liabilities for which there is no or insufficient insurance coverage could adversely affect our liquidity and financial condition, results of operations and cash flows.

Our business, reputation and financial performance may be materially impacted by cybersecurity attacks or data privacy or information security breaches.

Our business operations, reputation and financial performance are highly dependent on the integrity and security of our information technology (“IT”) infrastructure. Cybersecurity is and will be a critical component of our enterprise risk management program. We face a wide range of global cybersecurity threats and incidents, from uncoordinated individual attempts to gain unauthorized access to sophisticated and targeted attacks known as advanced persistent threats. These threats could be directed at our company, our products, our customers, and our third-party software and service providers, including cloud providers. Our customers, including the U.S. government, increasingly require robust cybersecurity protections and standards in our products and services, which may result in additional costs to comply with such demands. While we have experienced, and expect to continue to experience, these types of threats and incidents, none of them to date have been material to the Company.

Despite deploying measures to deter, prevent, detect, respond to and mitigate these threats (including identity and access controls, data protection, vulnerability assessments, monitoring of our IT networks and systems, and maintenance of backup and protective systems) cybersecurity incidents could still occur. These incidents, which may be exacerbated by current geopolitical conflicts, could result in the misappropriation, destruction, corruption or unavailability of critical data and confidential or proprietary information, theft of funds and disruption of business operations. The evolving nature and increasing frequency of cyber threats, including the use of AI to craft sophisticated attacks, poses additional challenges in anticipating and preventing such incidents. If we fail to deter, detect or report cybersecurity incidents in a timely manner, we may suffer from financial and other harm, including to our information, operations, performance, employees and reputation.

We also collect, store and process confidential or sensitive data, including proprietary business information and personal data, which is subject to data privacy and security laws, regulations and contractual obligations. Despite our efforts to protect such data, we may be vulnerable to material security breaches, theft, misplaced or lost data, programming errors or human errors. These vulnerabilities could lead to the compromise of data, improper use of our products, unauthorized access, use, disclosure, modification, or destruction of data, defective products, production downtimes and operational disruptions. Noncompliance with applicable industry standards or legal obligations regarding data privacy and security could result in costs, fines, litigation or regulatory actions, and could lead customers to select competitors’ products and services.

A material disruption of our operations, particularly at our manufacturing facilities or within our IT infrastructure, could adversely affect our business, financial condition, results of operations and cash flows.

Our facilities, supply chains, distribution systems, and IT systems are subject to catastrophic loss due to natural disasters or other weather-related disruptions, including hurricanes and floods, which may be exacerbated by the

effects of climate change, power outages, fires, explosions, terrorism, equipment failures, sabotage, cyber incidents, any potential effects of climate change and adverse weather conditions, including water scarcity and rising sea levels, labor disputes, critical supply failure, inaccurate downtime forecast, political disruption and regional conflicts, public health crises, like a regional or global pandemic, and other reasons, which can result in undesirable consequences, including financial losses and damaged relationships with customers. We employ IT systems and networks to support the business and rely on them to process, transmit and store electronic information, and to manage or support a variety of business processes and activities. Although preventative measures may help to mitigate damage, such measures could be costly or may not be effective, and disruptions to our manufacturing facilities or IT infrastructure from system failures, shutdowns, power outages and energy shortages, telecommunication or utility failures, cybersecurity incidents, and other events, including disruptions at our cloud computing, server, systems and other third party IT service providers, could interfere with our operations, interrupt production and shipments, damage customer and business partner relationships, and negatively impact our reputation. In addition, the insurance we maintain may not be adequate to cover our losses resulting from any business interruption, including those resulting from a natural disaster or other severe weather event or a cyber-attack or other security incident, and recurring extreme weather events or other adverse events could reduce the availability or increase the cost of insurance.

We may be impacted by increasing stakeholder interest in public company performance, disclosure, and goal-setting with respect to ESG matters.

In response to customer, investor, employee, governmental, and other stakeholder interest in ESG practices, we may establish goals and other objectives related to ESG matters. Our ability to achieve any goal or objective that we may establish in the future, including with respect to ESG initiatives, is subject to numerous risks, many of which are outside of our control. Examples of such risks include: (i) the availability and cost of low- or non-carbon-based energy sources and technologies, (ii) evolving regulatory requirements affecting ESG standards or disclosures, (iii) the availability of suppliers that can meet our sustainability, diversity and other standards, (iv) our ability to recruit, develop and retain diverse talent in our labor markets, and (v) the impact of our organic growth and acquisitions or dispositions of businesses or operations. In addition, standards for tracking and reporting on ESG matters have not been harmonized and continue to evolve. Our processes and controls for reporting of ESG matters may not always comply with evolving and disparate standards for identifying, measuring and reporting ESG metrics, our interpretation of reporting standards may differ from those of others, and such standards may change over time, any of which could result in significant revisions to our performance metrics, goals or reported progress in achieving such goals. We may also face increasing scrutiny regarding the accuracy of our ESG-related disclosures, and may be subject to claims of “greenwashing” if our disclosures are perceived as misleading or unsubstantiated. On the other hand, some investors may have a negative response to ESG practices as a result of anti-ESG sentiment and may choose not to invest in us, or divest in their holdings of us, as a result of our ESG practices and initiatives. Furthermore, there is also an increasing number of state- and federal-level anti-ESG initiatives in the U.S. that may conflict with other regulatory requirements, resulting in regulatory uncertainty.

If our ESG practices or business portfolio do not meet evolving regulatory, investor or other stakeholder expectations and standards, then our reputation, our ability to attract or retain employees and our attractiveness as an investment, supplier, business partner or acquiror could be negatively impacted. Our failure or perceived failure to pursue or fulfill our goals, targets and objectives or to satisfy various reporting standards within the timelines we may announce, or at all, could have similar negative impacts and expose us to government enforcement actions and private litigation, including those related to alleged greenwashing.

If our intellectual property were compromised or copied, if our competitors were to develop similar or superior intellectual property or technology or if we fail to maintain, protect, defend or enforce our intellectual property or to be successful in litigation related to our intellectual property or the intellectual property of others, our business, financial condition, results of operations and cash flows could be negatively affected.

Intellectual property rights, including patents, confidential information (including trade secrets and know-how), trademarks and tradenames, are important to our business. We endeavor to protect our intellectual property rights in key jurisdictions in which our products are made, used, sold or imported. Our success depends to a significant degree upon our ability to obtain, maintain and defend or otherwise protect our intellectual property rights.

However, in certain jurisdictions, we may be unable to obtain protection for our intellectual property or to successfully defend or enforce our numerous patents, trademarks and other proprietary rights. If third parties expand their manufacturing capacity for refrigerants in China (including in respect of hydrofluoroolefins), third-party infringement of our intellectual property rights may increase. Our patents and other intellectual property rights may expire or be challenged, invalidated, designed around or found to be unenforceable or otherwise compromised. A failure to protect, defend or enforce our intellectual property could have an adverse effect on our financial condition and results of operations. Similarly, third parties may assert claims against us and our direct and indirect customers, alleging that our products infringe upon, misappropriate or otherwise violate third-party intellectual property rights.

We have a variety of unpatented proprietary technologies, including trade secrets and know-how, particularly related to our manufacturing operations, and we believe that such technologies provide us with a competitive advantage. While we have policies, procedures and agreements and, with certain of our projects, employ an intellectual property protection manager to ensure compliance with these protection measures to protect the applicable technologies, these tools may be insufficient to prevent loss of technology or leakage of applicable confidential information or trade secrets, including because these agreements may not be enforceable or, even if they are legally enforceable, we may not have adequate remedies for breaches of such agreements. We also may not be able to readily detect breaches of such procedures or agreements. The failure to protect our unpatented proprietary technology, including know-how and trade secrets, could result in significantly lower revenues, reduced profit margins or loss of market share.

If we must take legal action to protect, defend or enforce our intellectual property rights, any suits or proceedings could result in significant costs and diversion of resources and management's attention, and we may not prevail in any such suits or proceedings. We have occasionally received, and may in the future receive, third-party claims alleging infringement of third-party intellectual property rights, which could be costly to defend and could require us to pay damages, limit our future use of certain technologies, harm our brand and reputation, increase our costs and prevent us from offering some services or products. We may decide to settle such claims on unfavorable terms or be required to pay damages, stop providing or using the affected products or services, undertake workarounds or substantial reengineering of our products or services or enter into royalty or licensing agreements, which may include terms that are not commercially acceptable to us. We may receive notices calling upon us to defend partners, clients, suppliers or distributors against third-party claims under indemnification clauses in our contracts, in respect of intellectual property matters. A failure to maintain, protect, defend or enforce our intellectual property rights could have an adverse effect on our business, financial condition, results of operations and cash flows.

Our U.S. and non-U.S. tax liabilities are dependent, in part, upon the distribution of income among various jurisdictions in which we operate, as well as changes in tax law or regulation.

Our future results of operations could be adversely affected by changes in the effective tax rate as a result of a change in the mix of earnings in countries with differing statutory tax rates, changes in tax laws, regulations and judicial rulings (or changes in the interpretation thereof), potential taxation of digital services, changes in generally accepted accounting principles, changes in the valuation of deferred tax assets and liabilities, changes in the amount of earnings permanently reinvested offshore, the results of audits and examinations of previously filed tax returns and continuing assessments of our tax exposures, and various other governmental enforcement initiatives. Our tax expense includes estimates of tax reserves and reflects other estimates and assumptions, including assessments of future earnings of the Company, which could impact the valuation of our deferred tax assets. In addition, our future effective tax rates could be subject to volatility or adversely affected by changes in tax laws, regulations, accounting principles or interpretations thereof.

The Organization for Economic Co-operation and Development ("OECD")/G20 and other invited countries developed a global tax framework inclusive of a 15% global minimum tax under the Pillar Two Global Anti-Base Erosion Rules ("Pillar Two"). On December 15, 2022, the Council of the EU formally adopted the OECD's framework to achieve a coordinated implementation among EU Member States consistent with EU law. The EU's Pillar Two Directive effective dates are January 1, 2024, and January 1, 2025, for different aspects of the directive. Other major jurisdictions are actively considering and implementing changes to their tax laws to adopt certain parts of the OECD's proposals. We have assessed this framework and determined, based upon available guidance, that these changes will not have a material impact on our results of operations. Any future changes in OECD guidance or

interpretations, including local country tax legislative changes thereof, could impact our initial assessment; therefore, we will continue to monitor and refine our assessment as further guidance is made available.

We may be required to make significant cash contributions to the defined benefit pension plans that we intend to sponsor after the Spin-Off.

After the Spin-Off, we intend to sponsor defined benefit pension plans under which certain eligible Company employees will earn pension benefits following the Spin-Off. Plans will be established in several countries including the U.S. The Federal Pension Protection Act of 2006, which is generally applicable to U.S. defined benefit pension plans, generally requires that defined benefit pension plans maintain certain capitalization levels. We are currently still in negotiations related to the U.S. defined benefit pension plan and are not able to estimate the timing or amount of the cash contributions we will be required to make in the future to meet the requirements of applicable law. However, we expect that, as pension liabilities accrue under this defined benefit pension plan, we may be required by law to make future plan contributions that may be material and could adversely affect our business, financial condition, results of operations and cash flows.

If we fail to maintain proper and effective internal controls, our ability to produce accurate and timely financial statements could be impaired, our stock price and our ability to access the capital markets could be adversely impacted, and investors' views of us could be harmed.

The Sarbanes-Oxley Act of 2002, as amended (the "Sarbanes-Oxley Act") requires, among other things, that we maintain effective internal control over financial reporting and disclosure controls and procedures. In particular, we must perform system and process evaluation and testing of our internal control over financial reporting to allow management and our independent registered public accounting firm to report on the effectiveness of our internal control over financial reporting, as required by Section 404 of the Sarbanes-Oxley Act, with auditor attestation of the effectiveness of our internal controls, beginning with our second required annual report on Form 10-K. To comply with these requirements, we may need to upgrade our systems, implement additional financial and management controls, reporting systems and procedures and hire additional accounting and finance staff. We expect to incur additional annual expenses for the purpose of addressing these and other public-company reporting requirements. If we are unable to upgrade our financial and management controls, reporting systems, IT systems and procedures in a timely and effective fashion, our ability to comply with financial reporting requirements and other rules that apply to reporting companies under the U.S. Securities and Exchange Act of 1934, as amended (the "Exchange Act"), could be impaired. If we are not able to comply with the requirements of Section 404 in a timely manner or if we or our independent registered public accounting firm identifies deficiencies in our internal control over financial reporting that are deemed to be material weaknesses, the market price of shares of common stock could decline and we could be subject to sanctions or investigations by the U.S. Securities and Exchange Commission (the "SEC") or other regulatory authorities, which would require additional financial and management resources.

Our ability to comply with Section 404 requires us to be able to prepare timely and accurate financial statements. Any delay in the implementation of, or disruption in the transition to, new or enhanced systems, procedures or controls may cause our operations to suffer, and we may be unable to conclude that our internal control over financial reporting is effective and to obtain an unqualified report on internal controls from our auditors as required under Section 404 of the Sarbanes-Oxley Act. Moreover, we cannot be certain that these measures would ensure that we implement and maintain adequate controls over our financial processes and reporting in the future. Even if we were to conclude, and our auditors were to concur, that our internal control over financial reporting provided reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP, because of its inherent limitations, internal control over financial reporting might not prevent or detect fraud or misstatements. This, in turn, could have an adverse impact on trading prices for our shares of common stock and could adversely affect our ability to access the capital markets. See "Risks Relating to the Spin-Off—As we build our IT infrastructure and transition our data to our own systems, we could incur substantial additional costs and experience temporary business interruptions, including cybersecurity incidents."

Risks Relating to the Spin-Off

If the Distribution, together with certain related transactions, does not qualify for the Intended Tax Treatment, Honeywell and its shareowners could be subject to significant U.S. federal income tax liability and, in certain circumstances, Solstice Advanced Materials could be required to indemnify Honeywell for material taxes pursuant to indemnification obligations under the anticipated Tax Matters Agreement.

Completion of the Distribution is conditioned on Honeywell's receipt of the Tax Opinions to the effect that the Distribution, together with certain related transactions, will qualify for the Intended Tax Treatment. Honeywell can waive receipt of either or both Tax Opinions as a condition to the completion of the Distribution.

The Tax Opinions will rely on certain facts, assumptions, representations and undertakings from Honeywell and Solstice Advanced Materials, including those regarding the past and future conduct of the companies' respective businesses and other matters. An opinion of counsel neither binds the IRS nor precludes the IRS or the courts from adopting a contrary position. Therefore, notwithstanding the Tax Opinions, the IRS could determine that the Distribution is taxable if it determines that any of these facts, assumptions, representations or undertakings are not correct or have been violated, or that the Distribution should be taxable for other reasons, including if the IRS were to disagree with the conclusions in the Tax Opinions. For more information regarding the Tax Opinions, see the section of this Information Statement entitled "The Spin-Off—U.S. Federal Income Tax Consequences of the Distribution."

To preserve the tax-free treatment to Honeywell and its shareowners of the Distribution and certain related transactions under the Tax Matters Agreement that Solstice Advanced Materials anticipates entering into with Honeywell, Solstice Advanced Materials will be restricted from taking certain actions that could adversely impact the intended tax treatment of the Distribution and such related transactions.

To preserve the tax-free treatment to Honeywell and its shareowners of the Distribution and certain related transactions under the Tax Matters Agreement that Solstice Advanced Materials anticipates entering into with Honeywell, Solstice Advanced Materials may be restricted from taking certain actions after the Distribution that could adversely impact the intended tax treatment of the Distribution and certain related transactions. Failure to adhere to any such restrictions, including in certain circumstances that may be outside of Solstice Advanced Materials' control, could result in tax being imposed on Honeywell for which Solstice Advanced Materials could bear responsibility and for which Solstice Advanced Materials could be obligated to indemnify Honeywell. In addition, even if Solstice Advanced Materials is not responsible for tax liabilities of Honeywell under the anticipated Tax Matters Agreement, Solstice Advanced Materials nonetheless could potentially be liable under applicable tax law for such liabilities if Honeywell were to fail to pay such taxes.

The terms of the anticipated Tax Matters Agreement may, furthermore, restrict Solstice Advanced Materials from taking certain actions, particularly for the two years following the Distribution, including (among other things) the ability to freely issue stock, to merge or agree to merge with a third party, to be acquired or agree to be acquired by certain parties and to raise additional equity capital. Any such restrictions could impair Solstice Advanced Materials' ability to implement strategic initiatives. Also, any indemnity obligation to Honeywell might discourage, delay or prevent a change of control that Solstice Advanced Materials or its shareowners may otherwise consider favorable. These restrictions may limit Solstice Advanced Materials' ability to enter into certain strategic transactions or other transactions that it may believe to be in the best interests of its shareowners or that might increase the value of its business. In addition, under the anticipated Tax Matters Agreement, Solstice Advanced Materials may be required to indemnify Honeywell against certain tax liabilities as a result of the acquisition of its stock or assets, even if it did not participate in or otherwise facilitate the acquisition.

Until the Distribution occurs, Honeywell has sole discretion to change the terms of the Spin-Off in ways that may be unfavorable to us or decide not to proceed with the Spin-Off.

Until the Distribution occurs, the Company will be a wholly owned subsidiary of Honeywell. Accordingly, Honeywell will effectively have the sole and absolute discretion to determine and change the terms of the Spin-Off, including the establishment of the Record Date for the Distribution and the Distribution Date. These changes could be unfavorable to us. In addition, the Distribution is subject to the satisfaction or waiver by Honeywell in its sole

discretion of a number of conditions. We cannot assure you that any or all of these conditions will be met. Honeywell may also decide at any time not to proceed with the Spin-Off.

We may be unable to achieve some or all of the benefits that we expect to achieve from the Spin-Off.

We believe that as an independent, publicly traded company, we will be able to, among other things, design and implement corporate strategies and policies that are better targeted to our business's areas of strength and differentiation, better focus our financial and operational resources on those specific strategies, create effective incentives for our management and employees that are more closely tied to our business performance, provide investors more flexibility, achieve alignment with a more natural shareowner base and implement and maintain a capital structure designed to meet our specific needs. We may be unable to achieve some or all of the benefits that we expect to achieve as an independent company in the time we expect, if at all, for a variety of reasons, including: (i) the completion of the Spin-Off will require significant amounts of our management's time and effort, which may divert management's attention from operating and growing our business; (ii) following the Spin-Off, we may be more susceptible to market fluctuations and other adverse events than if it were still a part of Honeywell; and (iii) following the Spin-Off, our businesses will be less diversified than Honeywell's businesses prior to the Spin-Off. If we fail to achieve some or all of the benefits that we expect to achieve as an independent company, or do not achieve them in the time we expect, our stock price, business, financial condition, results of operations and cash flows could be adversely affected.

We may be unable to make, on a timely or cost-effective basis, the changes necessary to operate as an independent, publicly traded company, and we may experience increased costs after the Spin-Off.

We have historically operated as part of Honeywell's corporate organization, and Honeywell has provided us with various corporate functions. Following the Spin-Off, Honeywell will have no obligation to provide us with assistance other than the transition and other services described under "Certain Relationships and Related Party Transactions—Agreements with Honeywell." These services do not include every service that we have received from Honeywell in the past, and Honeywell is only obligated to provide the transition services for limited periods following completion of the Spin-Off. The agreements relating to such transition services and to the Spin-Off more generally will be negotiated prior to the Spin-Off, at a time when our business will still be operated by Honeywell. In entering into these agreements, the Company will not have an independent board of directors or a management team independent of Honeywell representing its interests while the agreements are being negotiated. It is possible that we might have been able to achieve more favorable terms if the circumstances differed. We will rely on Honeywell to satisfy its performance and payment obligations under any transition services agreements and other agreements related to the Spin-Off, and if Honeywell does not satisfy such obligations, we could incur operational difficulties or losses.

Following the Spin-Off and the cessation of any transition services agreements, we will need to provide internally or obtain from unaffiliated third parties the services we will no longer receive from Honeywell. These services include legal, accounting, IT, software development, human resources, investor relations and other infrastructure support, the effective and appropriate performance of which are critical to our operations. We may be unable to replace these services in a timely manner or on terms and conditions as favorable as those we receive from Honeywell. Because our business has historically operated as part of the wider Honeywell organization, we may be unable to successfully establish the infrastructure or implement the changes necessary to operate independently, or may incur additional costs that could adversely affect our business. If we fail to obtain the quality of services necessary to operate effectively or incur greater costs in obtaining these services, our business, financial condition, results of operations and cash flows may be adversely affected.

We expect to incur new indebtedness substantially concurrently with or prior to the Distribution, and the degree to which we will be leveraged following completion of the Distribution could adversely affect our business, financial condition, results of operations and cash flow.

In connection with the Spin-Off, we expect to incur indebtedness in an aggregate principal amount of approximately \$2.0 billion in the form of a senior secured term loan facility and through the issuance of senior unsecured notes, the applicable net proceeds of which will be used to complete the Solstice Advanced Materials Cash Distribution. We

also intend to enter into (i) a revolving credit facility to be available for our working capital and other cash needs in an aggregate committed amount as of the date of the Spin-Off of \$1.0 billion and (ii) one or more bilateral letter of credit facilities in an aggregate amount of \$750 million that we intend to use to replace or assume existing letters of credit and to provide incremental capacity to address future letter of credit requirements.

We have historically relied upon Honeywell to fund our working capital requirements and other cash requirements. After the Spin-Off, we will not be able to rely on the earnings, assets or cash flow of Honeywell, and Honeywell will not provide funds to finance our working capital or other cash requirements. As a result, after the Spin-Off, we will be responsible for servicing our own debt and obtaining and maintaining sufficient working capital and other funds to satisfy our cash requirements. After the Spin-Off, our access to and cost of debt financing will be different than it would have been as a part of Honeywell. Differences in access to and cost of debt financing may result in differences in the interest rate charged to us on financings, as well as the amount of indebtedness, types of financing structures and debt markets that may be available to us.

Our ability to make payments on and to refinance our indebtedness, including the debt incurred in connection with the Spin-Off, as well as any future debt that we may incur, will depend on our ability to generate cash in the future from operations, financings or asset sales. Our ability to generate cash is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control, as well as the risk factors set forth herein.

The terms of the new indebtedness we expect to incur substantially concurrently in connection with the Distribution will restrict our current and future operations, particularly our ability to incur debt that we may need to fund initiatives in response to changes in our business, the industries in which we operate, the economy and governmental regulations.

We expect that the terms of the indebtedness we expect to incur in connection with the Distribution will include a number of restrictive covenants that impose significant operating and financial restrictions on us and our subsidiaries and limit our ability to engage in actions that may be in our long-term best interests. These may restrict our and our subsidiaries' ability to take some or all of the following actions:

- incur or guarantee additional indebtedness or sell disqualified or preferred stock;
- pay dividends on, make distributions in respect of, repurchase or redeem capital stock;
- make investments or acquisitions;
- sell, transfer or otherwise dispose of assets;
- create liens;
- enter into sale/leaseback transactions;
- enter into agreements restricting the ability to pay dividends or make other intercompany transfers;
- consolidate, merge, sell or otherwise dispose of all or substantially all of our or our subsidiaries' assets;
- enter into transactions with affiliates;
- prepay, repurchase or redeem certain kinds of indebtedness;
- issue or sell stock of our subsidiaries; and/or
- significantly change the nature of our business.

Furthermore, the lenders of this indebtedness may require that we pledge our assets as collateral as security for our repayment obligations or that we abide by certain financial or operational covenants. Our ability to comply with such covenants and restrictions may be affected by events beyond our control, including prevailing economic, financial and industry conditions. If market or other economic conditions deteriorate, our ability to comply with

these covenants may be impaired. A breach of any of these covenants, if applicable, could result in an event of default under the terms of this indebtedness. If an event of default occurred, the lenders would have the right to accelerate the repayment of such debt, and the event of default or acceleration could result in the acceleration of the repayment of any other debt to which a cross-default or cross-acceleration provision applies. We might not have, or be able to obtain, sufficient funds to make these accelerated payments, and lenders could then proceed against any collateral. Any subsequent replacement of the agreements governing such indebtedness or any new indebtedness could have similar or greater restrictions. The occurrence and ramifications of an event of default could adversely affect our business, financial condition, results of operations and cash flows. Moreover, as a result of all of these restrictions, we may be limited in how we conduct our business and pursue our strategy, unable to raise additional debt financing to operate during general economic or business downturns or unable to compete effectively or to take advantage of new business opportunities.

The commercial and credit environment may adversely affect our access to capital.

Our ability to issue debt or enter into other financing arrangements on acceptable terms could be adversely affected if there is a material decline in the demand for our products or in the solvency of our customers or suppliers or if there are other significantly unfavorable changes in economic conditions. Volatility in the world financial markets could increase borrowing costs or affect our ability to access the capital markets. These conditions may adversely affect our ability to obtain targeted credit ratings prior to and following the Spin-Off.

Our customers, prospective customers, suppliers or other companies with whom we conduct business may need assurances that our financial stability on a standalone basis is sufficient to satisfy their requirements for doing or continuing to do business with them.

Some of our customers, prospective customers, suppliers or other companies with whom we conduct business may need assurances that the Company's financial stability on a standalone basis is sufficient to satisfy their requirements for doing or continuing to do business with them. Any failure of parties to be satisfied with our financial stability could have an adverse effect on our business, financial condition, results of operations and cash flows.

We may have potential business conflicts of interest with Honeywell with respect to our past and ongoing relationships.

Conflicts of interest may arise with Honeywell in a number of areas relating to our past and ongoing relationships, including:

- labor, tax, employee benefit, indemnification and other matters arising from our Spin-Off from Honeywell;
- employee recruiting and retention; and
- business combinations involving our Company.

We may not be able to resolve any potential conflicts and, even if we do so, the resolution may be less favorable to us than if we were dealing with a previously unaffiliated party.

As we build our IT infrastructure and transition our data to our own systems, we could incur substantial additional costs and experience temporary business interruptions, including cybersecurity incidents.

Following the Spin-Off, we will install and implement IT infrastructure to support certain of our business functions, including payment systems, enterprise resource planning systems, accounting and reporting, manufacturing process control, customer service, inventory control and distribution. We may incur substantially higher costs than currently anticipated as we transition from the existing transactional and operational systems and data centers we currently use as part of Honeywell. Such transition must also comply with applicable personal data privacy laws. If we are unable to transition effectively, we may incur temporary interruptions in business operations and/or become more susceptible to cybersecurity incidents. Any delay in implementing or operational interruptions suffered while implementing our new IT infrastructure could disrupt our business and have an adverse effect on our business, financial condition, results of operations and cash flows.

Restrictions under the Intellectual Property Cross-License Agreement may limit Solstice Advanced Materials' ability to develop and commercialize certain products and services and/or prosecute, maintain and enforce certain intellectual property.

Solstice Advanced Materials will be dependent to a certain extent on Honeywell to prosecute, maintain and enforce certain of the intellectual property licensed to Solstice Advanced Materials under the Intellectual Property Cross-License Agreement. For example, Honeywell will be responsible for filing, prosecuting and maintaining (at its discretion) patents that Honeywell licenses to Solstice Advanced Materials. Honeywell will also have the sole right to enforce its intellectual property, including patents, trade secrets and other know-how licensed to Solstice Advanced Materials.

Under the Intellectual Property Cross-License Agreement, if Solstice Advanced Materials challenges certain patents licensed to Solstice Advanced Materials under such agreement, Solstice Advanced Materials could have its rights relating to certain patents or all patents licensed to it terminated. Although Solstice Advanced Materials intends to put appropriate procedures in place to avoid triggering these consequences under the Intellectual Property Cross-License Agreement, there is a risk that challenges to the validity, patentability, enforceability or inventorship of patents that Solstice Advanced Materials routinely files may inadvertently trigger these consequences, which could limit Solstice Advanced Materials' ability to develop and commercialize products and services.

In addition, Solstice Advanced Materials' use of the intellectual property licensed to it under the Intellectual Property Cross-License Agreement is restricted to certain fields, which could limit Solstice Advanced Materials' ability to develop and commercialize certain products and services. For example, the licenses granted to Solstice Advanced Materials under the agreement will not extend to all fields of use that Solstice Advanced Materials may in the future decide to enter into. These restrictions may make it more difficult, time-consuming and/or expensive for Solstice Advanced Materials to develop and commercialize certain new products and services, or may result in certain of Solstice Advanced Materials' products or services being later to market than those of Solstice Advanced Materials' competitors.

Solstice Advanced Materials may have received better terms from unaffiliated third parties than the terms received in the commercial agreements it will enter into with Honeywell.

In connection with the Spin-Off, Solstice Advanced Materials will enter into various other agreements with Honeywell, including, but not limited to, a Transition Services Agreement, Employee Matters Agreement, Trademark License Agreement, Intellectual Property Cross-License Agreement, Accelerator License Agreement and certain other leases, commercial services and distribution or supply agreements, which will govern certain leased real property, the provision of certain commercial services and distribution or the supply of products following the Spin-Off that were previously provided within Honeywell. Such agreements are intended to be entered into on arm's-length terms similar to those that would be agreed with an unaffiliated third party such as a buyer in a sale transaction, but Solstice Advanced Materials will not have an independent board of directors or a management team independent of Honeywell representing the interests of Solstice Advanced Materials while such agreements are being negotiated. In addition, until the Spin-Off is completed, Solstice Advanced Materials will continue to be a wholly-owned subsidiary of Honeywell and, accordingly, Honeywell will still have the sole discretion to determine and change the terms of the Spin-Off until the Distribution Date. As a result of these factors, some of the terms of such agreements may not reflect terms that would have resulted from arm's-length negotiations among unaffiliated third parties, and it is possible that Solstice Advanced Materials may have been able to achieve more favorable terms if the circumstances differed. See "Certain Relationships and Related Party Transactions" for more information.

In connection with the Spin-Off, Solstice Advanced Materials will assume and indemnify Honeywell for certain liabilities. If Solstice Advanced Materials is required to make payments pursuant to these indemnities, Solstice Advanced Materials may need to divert cash to meet those obligations, and Solstice Advanced Materials' financial results could be negatively impacted. In addition, Honeywell will indemnify Solstice Advanced Materials for certain liabilities. These indemnities may not be sufficient to insure Solstice Advanced Materials against the full amount of liabilities Solstice Advanced Materials incurs.

Pursuant to the Separation Agreement, the Employee Matters Agreement, the Tax Matters Agreement and the Trademark License Agreement with Honeywell, Solstice Advanced Materials will agree to assume and indemnify Honeywell for certain liabilities, including environmental liabilities associated with the Advanced Materials business, including toxic tort or other hazardous material exposure claims, for uncapped amounts, which may include, among other items, associated defense costs, settlement amounts and judgments. Payments pursuant to these indemnities may be significant and could negatively impact Solstice Advanced Materials' business, particularly indemnities relating to Solstice Advanced Materials' actions that could impact the tax-free nature of the distribution. Third parties could also seek to hold Solstice Advanced Materials responsible for any of the liabilities allocated to Honeywell and those related to discontinued and/or divested businesses and operations of Honeywell. Honeywell will agree to indemnify Solstice Advanced Materials for such liabilities, but such indemnities may not be sufficient to protect Solstice Advanced Materials against the full amount of such liabilities. Even if Solstice Advanced Materials ultimately succeeds in recovering from Honeywell any amounts for which Solstice Advanced Materials is held liable, Solstice Advanced Materials may be temporarily required to bear these losses itself. Each of these risks could negatively affect Solstice Advanced Materials' business, financial condition, results of operations and cash flows. See "Certain Relationships and Related Party Transactions—Agreements with Honeywell—Liabilities." and "Certain Relationships and Related Party Transactions—Agreements with Honeywell—Separation Agreement." for more information.

The Spin-Off and related transactions may expose us to potential liabilities arising out of state and federal fraudulent conveyance laws and legal distribution requirements.

Although the Honeywell Board expects to receive an opinion from a nationally recognized independent appraisal firm, in form and substance satisfactory to Honeywell, confirming that (i) following the Distribution, Solstice Advanced Materials and Honeywell will each be solvent and adequately capitalized, (ii) Honeywell has adequate surplus under Delaware law to declare the Distribution and (iii) Solstice Advanced Materials has adequate surplus under Delaware law to declare the Solstice Advanced Materials Cash Distribution, in each of clauses (i) and (ii), after giving effect to the Solstice Advanced Materials Cash Distribution (collectively, the "Solvency and Surplus Opinion"), the Spin-Off could be challenged under various state and federal fraudulent conveyance laws. Fraudulent conveyances or transfers are generally defined to include transfers made or obligations incurred with the actual intent to hinder, delay or defraud current or future creditors or transfers made or obligations incurred for less than reasonably equivalent value when the debtor was insolvent or that rendered the debtor insolvent, inadequately capitalized or unable to pay its debts as they become due. An unpaid creditor could claim that Honeywell did not receive fair consideration or reasonably equivalent value in the Spin-Off, and that the Spin-Off left Honeywell insolvent or with unreasonably small capital or that Honeywell intended or believed it would incur debts beyond its ability to pay such debts as they mature. If a court were to agree with such a plaintiff, then such court could void the Spin-Off as a fraudulent transfer or impose substantial liabilities on Solstice Advanced Materials, which could adversely affect Solstice Advanced Materials' financial condition and its results of operations. Among other things, the court could return some of Solstice Advanced Materials' assets or your shares of Solstice Advanced Materials common stock to Honeywell, provide Honeywell with a claim for money damages against Solstice Advanced Materials in an amount equal to the difference between the consideration received by Honeywell and the fair market value of Solstice Advanced Materials at the time of the distribution, or require Solstice Advanced Materials to fund liabilities of other companies involved for the benefit of creditors.

The Spin-Off is also subject to review under state corporate distribution statutes. Under the Delaware General Corporation Law (the "DGCL"), a corporation may only pay dividends to its shareowners either (i) out of its surplus (net assets minus capital) or (ii) if there is no such surplus, out of its net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year. Although the Honeywell Board intends to make the Distribution out of Honeywell's surplus and our Board intends to make the Solstice Advanced Materials Cash

Distribution out of Solstice Advanced Materials' surplus, and the Honeywell Board expects to receive the Solvency and Surplus Opinion to that effect, there can be no assurance that a court will not later determine that some or all of the Distribution or Solstice Advanced Materials Cash Distribution was unlawful.

Risks Relating to Our Common Stock and the Securities Market

No market for our common stock currently exists and an active trading market may not develop or be sustained after the Spin-Off. Following the Spin-Off, our stock price may fluctuate significantly.

There is currently no public market for our common stock. Following the Spin-Off, and subject to obtaining requisite approval, we intend to list our common stock on Nasdaq. We anticipate that before the Distribution Date, trading of shares of our common stock will begin on a "when-issued" basis and this trading will continue up to and including the Distribution Date. However, an active trading market for our common stock may not develop as a result of the Spin-Off or may not be sustained in the future. The lack of an active market may make it more difficult for shareowners to sell our shares and could lead to our share price being depressed or volatile.

We cannot predict the prices at which our common stock may trade after the Spin-Off or whether the combined market value of a share of our common stock and a share of Honeywell common stock will be less than, equal to or greater than the market value of a share of Honeywell common stock prior to the Spin-Off. The market price of our common stock may fluctuate widely, depending on many factors, some of which may be beyond our control, including:

- actual or anticipated fluctuations in our results of operations due to factors related to our business;
- success or failure of our business strategies;
- competition and industry capacity;
- changes in interest rates and other factors that affect earnings and cash flows;
- our level of indebtedness, our ability to make payments on or service our indebtedness and our ability to obtain financing as needed;
- our ability to continuously satisfy financial covenants associated to any debt transactions and/or agreements;
- our indemnification obligations to Honeywell;
- our ability to retain and recruit qualified personnel;
- our quarterly or annual earnings, or those of other companies in our industry;
- announcements by us or our competitors of significant acquisitions or dispositions;
- changes in accounting standards, policies, guidance, interpretations or principles;
- the failure of securities analysts to cover, or positively cover, our common stock after the Spin-Off;
- changes in earnings estimates by securities analysts or our ability to meet those estimates;
- the operating and stock price performance of other comparable companies;
- investor perception of our Company and our industry;
- overall market fluctuations unrelated to our operating performance;
- results from any material litigation or government investigation;
- changes in laws and regulations (including tax laws and regulations) affecting our business;

- changes in capital gains taxes and taxes on dividends affecting shareowners; and
- general economic conditions and other external factors.

Furthermore, our business profile and market capitalization may not fit the investment objectives of some Honeywell shareowners and, as a result, these Honeywell shareowners may sell their shares of our common stock after the Spin-Off. See “—Substantial sales of our common stock may occur in connection with the Spin-Off, which could cause our stock price to decline.” Low trading volume for our stock, which may occur if an active trading market does not develop, among other reasons, would amplify the effect of the above factors on our stock price volatility.

Should the market price of our shares drop significantly, shareowners may institute securities class action lawsuits against the Company. A lawsuit against us could cause us to incur substantial costs and could divert the time and attention of our management and other resources.

Substantial sales of our common stock may occur in connection with the Spin-Off, which could cause our stock price to decline.

Honeywell shareowners receiving shares of our common stock in the Distribution generally may sell those shares immediately in the public market. It is likely that some Honeywell shareowners, including some of its larger shareowners, will sell their shares of our common stock received in the Distribution if, for reasons such as our business profile or market capitalization as an independent company, we do not fit their investment objectives or, in the case of index funds, we are not a participant in the index in which they are investing. The sales of significant amounts of our common stock or the perception in the market that such sales might occur may decrease the market price of our common stock.

We will evaluate whether to pay cash dividends on our common stock in the future, and the terms of our indebtedness may limit our ability to pay dividends on our common stock or the amount thereof.

Once the Spin-Off is effective, we will be evaluating whether to pay cash dividends to our stockholders. The timing, declaration, amount and payment of future dividends to stockholders, if any, will fall within the discretion of our board of directors. Among the items we will consider when establishing a dividend policy will be our financial condition, earnings, sufficiency of distributable reserves, capital needs of our business, opportunities to retain future earnings for use in the operation of our business and to fund future growth, capital requirements, debt service obligations, legal requirements and regulatory constraints. Additionally, the terms of the indebtedness we intend to incur in connection with the Spin-Off and other amounts owed to Honeywell under the Transition Services Agreement, Tax Matters Agreement and Employee Matters Agreement, will limit our ability to pay cash dividends. For more information, see “Dividend Policy.” There can be no assurance that we will initiate the payment of a dividend to our shareowners in the future or continue to pay any dividend if we do commence paying dividends.

Your percentage ownership in the Company may be diluted in the future.

Your percentage ownership in the Company may be diluted in the future because of equity issuances for acquisitions, capital market transactions or otherwise, including equity awards that we will be granting to our directors, officers and other employees. We expect to have one or more equity compensation plans that will provide for the grant of common stock-based equity awards to our directors, officers and other employees. Such awards will have a dilutive effect on our earnings per share, which could adversely affect the market price of our common stock. In particular, prior to the Spin-Off, we expect our Board to adopt, and Honeywell, as our sole shareowner, to approve, a stock incentive plan of Solstice Advanced Materials and its affiliates for the benefit of certain of our current and future employees and other service providers, as well as an equity plan for our non-employee directors.

In addition, our Amended and Restated Certificate of Incorporation will authorize us to issue, without the approval of our shareowners, one or more classes or series of preferred stock having such designation, powers, preferences and relative, participating, optional and other special rights, including preferences over our common stock with respect to dividends and distributions, as our Board may generally determine. The terms of one or more classes or series of preferred stock could dilute the voting power or reduce the value of our common stock. For example, we

could grant the holders of preferred stock the right to elect some number of the members of our Board in all events or upon the happening of specified events, or the right to veto specified transactions. Similarly, the repurchase or redemption rights or liquidation preferences that we could assign to holders of preferred stock could affect the residual value of our common stock. See “Description of Our Capital Stock.”

From time to time, Solstice Advanced Materials may opportunistically evaluate and pursue acquisition opportunities, including acquisitions for which the consideration thereof may consist partially or entirely of newly issued shares of Solstice Advanced Materials common stock and, therefore, such transactions, if consummated, would dilute the voting power and/or reduce the value of our common stock. We intend to issue debt securities in connection with the Spin-Off that will not be convertible into equity securities of Solstice Advanced Materials and therefore will not have a dilutive effect on Solstice Advanced Materials common shareowners’ percentage ownership in Solstice Advanced Materials.

The rights associated with the Company’s common stock will differ from the rights associated with Honeywell common stock.

Upon completion of the Spin-Off, the rights of Honeywell shareowners who become Company shareowners will be governed by the Amended and Restated Certificate of Incorporation of the Company and by Delaware law. The rights associated with Honeywell common stock are different from the rights associated with Solstice Advanced Materials common stock. Material differences between the rights of Honeywell shareowners and the rights of Solstice Advanced Materials shareowners include differences with respect to, among other things, the removal of directors, the convening of special shareowner meetings, anti-takeover measures, exculpation of officers, designation of federal district courts as the exclusive forum for causes of action arising under the Securities Act of 1933, as amended (the “Securities Act”) or any rules or regulations promulgated thereunder, and provisions relating to the ability to amend the certificate of incorporation. See “Description of Our Capital Stock—Certain Provisions of Delaware Law, Our Amended and Restated Certificate of Incorporation and Amended and Restated By-Laws” for more information.

Certain provisions in our Amended and Restated Certificate of Incorporation and Amended and Restated By-Laws and Delaware law may discourage takeovers.

Several provisions of our Amended and Restated Certificate of Incorporation, Amended and Restated By-Laws and Delaware law may discourage, delay or prevent a merger or acquisition. These include, among others, provisions that:

- allow our Board to issue preferred stock without shareowner approval;
- provide for staggered terms for directors on our Board for a period following the Spin-Off;
- discourage attempts to remove and replace incumbent directors for a period following the Spin-Off;
- prevent shareowners from altering the size of our Board for a period following the Spin-Off;
- do not permit our shareowners to act by written consent and require that shareowner action must take place at an annual or special meeting of our shareowners, in each case except as such rights may otherwise be provided to holders of preferred stock;
- establish advance notice requirements for shareowner nominations and proposals;
- do not permit shareowners to cumulate votes in the election of directors;
- allow our directors, and not shareowners, to fill vacancies on our Board (including those resulting from an enlargement of the Board);
- limit the persons who may call special meetings of shareowners;
- limit our ability to enter into business combination transactions; and

- discourage attempts to amend anti-takeover provisions in the Amended and Restated Certificate of Incorporation and Amended and Restated By-Laws for a period following the Spin-Off.

In addition, following the Spin-Off, Solstice Advanced Materials will be subject to Section 203 of the DGCL. Section 203 of the DGCL provides that, subject to limited exceptions, persons that (without prior Board approval) acquire, or are affiliated with a person that acquires, more than 15% of the outstanding voting stock of a Delaware corporation shall not engage in any business combination with that corporation, including by merger, consolidation or acquisitions of additional shares, for a three-year period following the date on which that person or its affiliate becomes the holder of more than 15% of the corporation's outstanding voting stock.

We believe these provisions will protect our shareowners from coercive or otherwise unfair takeover tactics by requiring potential acquirers to negotiate with our Board and by providing our Board with more time to assess any acquisition proposal. These and other provisions of our Amended and Restated Certificate of Incorporation, Amended and Restated By-Laws and Delaware law may discourage, delay or prevent certain types of transactions involving an actual or a threatened acquisition or change in control of the Company, including unsolicited takeover attempts, even though the transaction may offer our shareowners the opportunity to sell their shares of our common stock at a price above the prevailing market price. These provisions may also prevent or discourage attempts to remove and replace incumbent directors. See "Description of Our Capital Stock" for more information.

Our Amended and Restated By-Laws will designate the courts of the State of Delaware or the federal district courts of the U.S., as applicable, as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by our shareowners, which could limit our shareowners' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or other employees.

Our Amended and Restated By-Laws will provide that, in all cases to the fullest extent permitted by law, unless we consent in writing to the selection of an alternative forum, any state or federal court located within the State of Delaware will be the sole and exclusive forum for any derivative action or proceeding brought on behalf of the Company, any action asserting a claim of breach of a fiduciary duty owed by any director, officer, other employee, shareowner or agent of the Company to the Company or the Company's shareowners, any action asserting a claim arising pursuant to the DGCL, our Amended and Restated Certificate of Incorporation or our Amended and Restated By-Laws, or any action asserting a claim governed by the internal affairs doctrine. Notwithstanding the foregoing, our Amended and Restated By-Laws will provide that, unless we consent in writing to the selection of an alternative forum, the federal district courts of the U.S. shall, to the fullest extent permitted by law, be the sole and exclusive forum for the resolution of any complaint asserting solely a cause of action arising under the Securities Act or any rules or regulations promulgated thereunder. These exclusive forum provisions will not apply to any action brought to enforce a duty or liability created by the Exchange Act or any rules or regulations promulgated thereunder, to the extent such application would be contrary to law. Our shareowners will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder as a result of our exclusive forum provisions. The choice of forum provision in our Amended and Restated By-Laws may limit a shareowner's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, other employees, shareowners or agents, which may discourage such lawsuits against us or our directors, officers, other employees, shareowners or agents. If a court were to find this provision of our Amended and Restated By-Laws inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions.

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This Information Statement contains “forward-looking statements” that involve risks and uncertainties. These statements can be identified by the fact that they do not relate strictly to historical or current facts, but rather are based on current expectations, estimates, assumptions and projections about our industry and our business and financial results. Forward-looking statements often include words such as “anticipates,” “estimates,” “expects,” “projects,” “forecasts,” “intends,” “plans,” “continues,” “believes,” “may,” “will,” “goals” and words and terms of similar substance in connection with discussions of future operating or financial performance. As with any projection or forecast, forward-looking statements are inherently susceptible to uncertainty and changes in circumstances. Our actual results may vary materially from those expressed or implied in our forward-looking statements. Accordingly, undue reliance should not be placed on any forward-looking statement made by us or on our behalf. Although we believe that the forward-looking statements contained in this Information Statement are based on reasonable assumptions, you should be aware that many factors could affect our actual financial results or results of operations and could cause actual results to differ materially from those in such forward-looking statements, including, but not limited to:

- our lack of operating history as an independent, publicly traded company and unreliability of historical combined financial information as an indicator of our future results;
- our ability to successfully develop new technologies and introduce new products;
- changes in the price and availability of raw materials that we use to produce our products;
- our ability to comply with complex government regulations and the impact of changes in such regulations;
- global climate change and related regulations and changes in customer demand;
- the public and political perceptions of nuclear energy and radioactive materials;
- economic, political, regulatory, foreign exchange and other risks of international operations;
- the impact of tariffs or other restrictions on foreign imports;
- our ability to borrow funds and access capital markets and any limitations in the terms of our indebtedness;
- our ability to compete successfully in the markets in which we operate;
- the effect on our revenue and cash flow from seasonal fluctuations and cyclical market conditions;
- concentrations of our credit, counterparty and market risk;
- our ability to successfully execute or effectively integrate acquisitions;
- our joint ventures and strategic co-development partnerships;
- our ability to recruit and retain qualified personnel;
- potential material environmental liabilities;
- the hazardous nature of chemical manufacturing;
- decommissioning and remediation expenses and regulatory requirements;
- potential material litigation matters;
- the impact of potential cybersecurity attacks, data privacy breaches and other operational disruptions;
- increasing stakeholder interest in public company performance, disclosure, and goal-setting with respect to ESG matters;

- failure to maintain, protect and enforce our intellectual property or to be successful in litigation related to our intellectual property or the intellectual property of others, or competitors developing similar or superior intellectual property or technology;
- unforeseen U.S. federal income tax and foreign tax liabilities;
- U.S. federal income tax reform;
- our ability to operate as an independent, publicly traded company without certain benefits available to us as a part of Honeywell;
- our inability to maintain intellectual property agreements;
- timing, declaration, amount and payment of our dividend program;
- potential cash contributions to benefit pension plans;
- our ability to maintain proper and effective internal controls; and
- certain factors discussed elsewhere in this Information Statement.

These and other factors are more fully discussed in the “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” sections and elsewhere in this Information Statement. These risks could cause actual results to differ materially from those implied by forward-looking statements in this Information Statement. Even if our results of operations, financial condition and liquidity and the development of the industry in which we operate are consistent with the forward-looking statements contained in this Information Statement, those results or developments may not be indicative of results or developments in subsequent periods.

Any forward-looking statements made by us in this Information Statement speak only as of the date on which they are made. We are under no obligation to, and expressly disclaim any obligation to, update or alter our forward-looking statements, whether as a result of new information, subsequent events or otherwise.

THE SPIN-OFF

Background

On October 8, 2024, Honeywell announced its plan to spin off its Advanced Materials business into an independent, publicly traded company through a pro rata distribution of Solstice Advanced Materials common stock to Honeywell shareowners. The Distribution is intended to be generally tax-free for U.S. federal income tax purposes, except for any cash received in lieu of fractional shares. In reaching the decision to pursue the Spin-Off, Honeywell considered a range of potential structural alternatives for the Advanced Materials business and concluded that the Spin-Off is the most attractive alternative for enhancing shareowner value.

To effect the Spin-Off, Honeywell will first undertake the Internal Reorganization. The Internal Reorganization will involve the allocation, transfer or conveyance by Honeywell, or its affiliates, of its assets and liabilities in advance of the Distribution so that Solstice Advanced Materials, or its affiliates, is allocated, transferred or conveyed the entities, assets and liabilities of the Advanced Materials business, while the remaining entities, assets and liabilities will remain with Honeywell and its affiliates.

Following the Internal Reorganization and upon the satisfaction or waiver by Honeywell of the conditions to the Distribution (which are described in more detail in “—Conditions to the Distribution”), on the Distribution Date, Honeywell will effect the distribution of all of the shares of Solstice Advanced Materials common stock on a pro rata basis to the holders of Honeywell common stock on the basis of share(s) of Solstice Advanced Materials common stock for every share(s) of Honeywell common stock you hold as of the close of business on the Record Date. As a result of the Distribution, we will become an independent, publicly traded company, and Honeywell will not own any equity interest in us, and we will operate independently from Honeywell. No approval of Honeywell shareowners is required in connection with the Spin-Off, and Honeywell shareowners will not have any appraisal rights in connection with the Spin-Off.

Prior to completion of the Spin-Off, we intend to enter into a Separation Agreement and several other agreements with Honeywell related to the Spin-Off. These agreements, including a Transition Services Agreement, Tax Matters Agreement, Employee Matters Agreement, Trademark License Agreement, Intellectual Property Cross-License Agreement, Accelerator License Agreement and certain other leases, commercial services and distribution or supply agreements, will govern the relationship between Honeywell and Solstice Advanced Materials following completion of the Spin-Off and allocate between Honeywell and Solstice Advanced Materials various assets, liabilities and obligations, including employee benefits, intellectual property, environmental and tax-related assets and liabilities, and in the case of the leases, commercial services and distribution or supply agreements, govern the relationship between Honeywell and Solstice Advanced Materials for certain leased real property, the provision of certain commercial services and the distribution or supply of products, on an arm’s length basis. See “Certain Relationships and Related Party Transactions” for more information.

Completion of the Distribution is subject to the satisfaction or the Honeywell Board’s waiver, to the extent permitted by law, of a number of conditions. In addition, Honeywell may at any time until the Distribution Date decide to abandon the Spin-Off or modify or change the terms of the Spin-Off. As a result, we cannot provide any assurances that the Spin-Off will be completed. For a more detailed discussion, see “—Conditions to the Distribution.”

Aspects of the Spin-Off may increase the risks associated with ownership of shares of Solstice Advanced Materials. In connection with the Spin-Off, we expect to incur indebtedness in an aggregate principal amount of approximately \$2.0 billion in the form of a senior secured term loan facility and through the issuance of senior unsecured notes, the applicable net proceeds of which will be used to complete the Solstice Advanced Materials Cash Distribution. We also intend to enter into (i) a revolving credit facility to be available for our working capital and other cash needs in an aggregate committed amount as of the date of the Spin-Off of \$1.0 billion and (ii) one or more bilateral letter of credit facilities in an aggregate amount of \$750 million that we intend to use to replace or assume existing letters of credit and to provide incremental capacity to address future letter of credit requirements. The terms of such indebtedness are subject to change and will be finalized prior to the closing of the Spin-Off. Furthermore, as an independent entity, we may lose some of the benefits of purchasing power, borrowing leverage and available capital for investments associated with being part of a larger entity. See “Risk Factors” in this Information Statement.

Reasons for the Spin-Off

In 2024, the Honeywell Board authorized a comprehensive review of Honeywell's business portfolio and capital allocation options with the goal of enhancing shareowner value. As part of its review process, the Honeywell Board met regularly to evaluate Honeywell's businesses and available strategic opportunities, such as opportunities for dispositions, acquisitions, business combinations and other separations.

Following months of thorough evaluation, the Honeywell Board determined that proceeding with the Spin-Off would be in the best interests of Honeywell and its shareowners. As part of this evaluation, Honeywell considered a number of factors, including strategic clarity and flexibility for Honeywell and Solstice Advanced Materials after the Spin-Off, including the ability for Honeywell to advance its strategic priorities of accelerating organic growth, evolving its Honeywell Accelerator operating system and optimizing its portfolio supported by the foundational strength of its digital backbone and supply chain following extensive transformation over the past several years. In particular, the Honeywell Board considered the following potential benefits of this approach:

- ***Simplified Strategic Focus and Purpose.*** Following the Spin-Off, Honeywell and Solstice Advanced Materials will each be a more focused business better able to dedicate financial, management and other resources to leverage their respective strategic objectives. Each company will pursue appropriate growth opportunities and execute strategic plans best suited to address the distinct market trends and opportunities. Solstice Advanced Materials plans to focus on expanding leading positions in key products, invest in target growth areas, ensure continued operational discipline and capture transformative productivity. As a result, Solstice Advanced Materials will be able to maintain a greater strategic focus on innovation, enabling it to develop new, more environmentally conscious solutions and products with next-generation chemistry to create value for its shareowners, including through its leading brands, such as Solstice, Genetron, Aclar, Spectra, Fluka and Hydranal.
- ***Enhanced Organizational Agility and Accountability.*** The Spin-Off will allow the management teams and boards of directors of each of Honeywell and Solstice Advanced Materials to leverage their relevant domain expertise and devote their time and attention to the development and implementation of corporate strategies and policies that are based primarily on the specific business characteristics of their respective companies. Each company will be able to adapt faster to clients' changing needs, address specific market dynamics, target innovation and investments in select growth areas and accelerate decision-making processes.
- ***Distinct and Compelling Investment Profiles.*** Investment in one company or the other may appeal to investors with different goals, interests and concerns. The Spin-Off will allow investors to make independent investment decisions with respect to Honeywell and Solstice Advanced Materials and may result in greater alignment between the interests of Solstice Advanced Materials' shareowner base and the characteristics of Solstice Advanced Materials' business, capital structure and financial results.
- ***Aligned Performance Incentives.*** We believe that the Spin-Off will enable Solstice Advanced Materials to create incentives for its management and employees more closely aligned with its business performance. Solstice Advanced Materials' equity-based compensation arrangements will more closely align the interests of Solstice Advanced Materials' management and employees with the interests of its shareowners and should increase Solstice Advanced Materials' ability to attract and retain personnel.
- ***Customized Capital Structure and Capital Allocation Priorities.*** The Spin-Off will enable each of Honeywell and Solstice Advanced Materials to leverage its distinct growth profile and cash flow characteristics to optimize its capital structure and capital allocation strategy. In addition, after the Spin-Off, the respective businesses within each company will no longer need to compete internally for capital and other corporate resources with businesses allocated to another company.

In determining whether to effect the Spin-Off, the Honeywell Board considered the costs and risks associated with the transaction, including the risk that the Spin-Off is abandoned and not completed, the risk of volatility in our stock price immediately following the Spin-Off due to sales by Honeywell shareowners whose investment objectives may not be met, the time it may take for us to attract our optimal shareowner base, the possibility of disruptions in our business as a result of the Spin-Off, the risk that the combined trading prices of our common stock and

Honeywell common stock after the Spin-Off may drop below the trading price of Honeywell common stock before the Spin-Off, the loss of synergies and scale from operating as one company, and the potential inability to realize the anticipated benefits of the Spin-Off. Notwithstanding these costs and risks, taking into account the factors discussed above, the Honeywell Board determined that the Spin-Off provided the best opportunity to achieve the above benefits and enhance shareowner value. Honeywell will pay substantially all of the third-party fees, costs and expenses associated with the Spin-Off incurred before and in connection with the consummation of the Spin-Off except for tax obligations, which will be addressed by the Tax Matters Agreement. Honeywell and the Company will bear its own third-party fees, costs and expenses associated with the Spin-Off incurred after the consummation of the Spin-Off.

The Honeywell Board concluded that the potential benefits of the Spin-Off outweighed the potential negative factors in connection therewith. However, neither Honeywell nor Solstice Advanced Materials can assure you that, following the Spin-Off, any of the benefits described above or otherwise will be realized to the extent anticipated or at all.

When and How You Will Receive Solstice Advanced Materials Shares

Honeywell will distribute to its shareowners, as a pro rata dividend, share(s) of Solstice Advanced Materials common stock for every share(s) of Honeywell common stock outstanding as of the close of business on , 2025, the Record Date of the Distribution.

Prior to the Distribution, Honeywell will deliver all of the issued and outstanding shares of our common stock to the distribution agent. will serve as distribution agent in connection with the Distribution and will serve as transfer agent and registrar for our common stock.

If you own Honeywell common stock as of the close of business on , 2025, the shares of our common stock that you are entitled to receive in the Distribution will be issued to your account as follows:

- **Registered shareowners.** If you own your shares of Honeywell common stock directly through Honeywell’s transfer agent, you are a registered shareowner. In this case, the distribution agent will credit the whole shares of our common stock you receive in the Distribution by way of direct registration in book-entry form to a new account with our transfer agent. Registration in book-entry form refers to a method of recording share ownership where no physical stock certificates are issued to shareowners, as is the case in the Distribution. You will be able to access information regarding your book-entry account for Solstice Advanced Materials shares at or by calling .

Commencing on or shortly after the Distribution Date, the distribution agent will mail to you an account statement that indicates the number of whole shares of our common stock that have been registered in book-entry form in your name. We expect it will take the distribution agent up to two weeks after the Distribution Date to complete the distribution of the shares of our common stock and mail statements of holding to all registered shareowners.

- **“Street name” or beneficial shareowners.** If you own your shares of Honeywell common stock beneficially through a bank, broker or other nominee, the bank, broker or other nominee holds the shares in “street name” and records your ownership on its books. In this case, your bank, broker or other nominee will credit your account with the whole shares of our common stock that you receive in the Distribution on or shortly after the Distribution Date. We encourage you to contact your bank, broker or other nominee if you have any questions concerning the mechanics of having shares held in “street name.”

If you sell any of your shares of Honeywell common stock on or before the Distribution Date, the buyer of those shares may in some circumstances be entitled to receive the shares of our common stock to be distributed in respect of the Honeywell shares you sold. See “—Trading Prior to the Distribution Date” for more information.

We are not asking Honeywell shareowners to take any action in connection with the Spin-Off. We are not asking you for a proxy and request that you not send us a proxy. We are also not asking you to make any payment or

surrender or exchange any of your shares of Honeywell common stock for shares of our common stock. The number of outstanding shares of Honeywell common stock will not change as a result of the Spin-Off.

Treatment of Fractional Shares

The distribution agent will not distribute any fractional shares of our common stock in the Distribution. Instead, the distribution agent will aggregate all fractional shares into whole shares and sell the whole shares in the open market at prevailing market prices on behalf of Honeywell shareowners entitled to receive a fractional share. The distribution agent will then distribute the aggregate cash proceeds of the sales, net of brokerage fees, transfer taxes and other costs, pro rata to these holders based on the fractional share each holder would otherwise be entitled to receive and net of any required withholding for taxes applicable to each holder. We anticipate that the distribution agent will make these sales in the “when-issued” market and “when-issued” trades will generally settle within two trading days following the Distribution Date. See “—Trading Prior to the Distribution Date” for additional information regarding “when-issued” trading. The distribution agent will, in its sole discretion, without any influence by Honeywell or us, determine when, how, through which broker-dealer and at what price to sell the whole shares. The distribution agent is not, and any broker-dealer used by the distribution agent will not be, an affiliate of either Honeywell or us.

The distribution agent will send a check to each registered holder of Honeywell common stock entitled to a fractional share in the cash amount deliverable in lieu of that holder’s fractional share as soon as practicable following the Distribution Date. We expect the distribution agent to take about two weeks after the Distribution Date to complete the distribution of cash in lieu of fractional shares to Honeywell shareowners. If you hold your shares through a bank, broker or other nominee, your bank, broker or nominee will receive, on your behalf, your pro rata share of the aggregate net cash proceeds of the sales based on the fractional share you would otherwise be entitled to receive. No interest will be paid on any cash you receive in lieu of a fractional share. The cash you receive in lieu of a fractional share will generally be taxable to you for U.S. federal income tax purposes. See “—U.S. Federal Income Tax Consequences of the Distribution” below for more information.

U.S. Federal Income Tax Consequences of the Distribution

The following discussion is a summary of the generally applicable U.S. federal income tax consequences that may be relevant to Honeywell and to the holders of Honeywell common stock in connection with the Distribution. This discussion is based on the Code, the Treasury Regulations promulgated thereunder, judicial interpretations thereof and administrative rulings and published positions of the IRS, all as in effect as of the date hereof and all of which are subject to change or differing interpretations, possibly with retroactive effect. Any such change could affect the accuracy of the statements and conclusions set forth herein. This summary assumes that the Spin-Off will be consummated in accordance with the Separation Agreement and as described in this Information Statement.

Except as specifically described below, this summary is limited to holders of shares of Honeywell common stock that are U.S. Holders, as defined immediately below. For purposes of this discussion, a “U.S. Holder” is a beneficial owner of Honeywell common stock that is, for U.S. federal income tax purposes:

- an individual who is a citizen or a resident of the U.S.;
- a corporation or other entity taxable as a corporation for U.S. federal income tax purposes, created or organized under the laws of the U.S. or any state thereof or the District of Columbia;
- an estate, the income of which is includible in gross income for U.S. federal income tax purposes regardless of its source; or
- a trust, (a) the administration of which is subject to the primary supervision of a U.S. court and which has one or more U.S. persons who have the authority to control all substantial decisions of the trust or (b) that has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

This discussion is limited to U.S. Holders of Honeywell common stock that hold their Honeywell common stock as “capital assets” within the meaning of Section 1221 of the Code (generally, property held for investment). Further,

this discussion is for general information only and does not purport to address all aspects of U.S. federal income taxation that may be relevant to a particular holder in light of their particular circumstances, nor does it address the consequences to holders subject to special treatment under the U.S. federal income tax laws, such as:

- dealers or traders in securities or currencies;
- traders that elect to use a mark-to-market method of accounting;
- tax-exempt entities;
- banks, financial institutions or insurance companies;
- pension plans, cooperatives, real estate investment trusts, regulated investment companies or grantor trusts;
- persons who acquired Honeywell common stock pursuant to the exercise of any employee stock options or otherwise as compensation;
- persons who actually or constructively own 10% or more, by voting power or value, of Honeywell common stock;
- persons owning Honeywell common stock as part of a straddle, hedge, conversion, constructive sale or other integrated transaction for U.S. federal income tax purposes;
- certain former citizens or long-term residents of the U.S.;
- persons whose functional currency is not the U.S. dollar;
- persons who are subject to the alternative minimum tax;
- persons who are subject to special accounting rules under Section 451(b) of the Code;
- partnerships or other entities or arrangements subject to tax as partnerships for U.S. federal income tax purposes or persons holding Honeywell common stock through such entities; or
- persons who hold Honeywell common stock through an individual retirement account, tax-qualified retirement plan or other tax-deferred account.

If a partnership, or any other entity or arrangement treated as a partnership for U.S. federal income tax purposes, is a beneficial owner of shares of Honeywell common stock, the tax treatment of a partner in such partnership will generally depend on the status of the partner and the activities of the partnership. A partnership for U.S. federal income tax purposes that beneficially owns shares of Honeywell common stock and its partners should consult their tax advisor as to the tax consequences of the Distribution.

In addition, this summary does not address any U.S. state or local or non-U.S. tax considerations or any U.S. federal estate, gift or other non-income tax considerations or the Medicare tax on certain net investment income.

HOLDERS OF HONEYWELL COMMON STOCK SHOULD CONSULT THEIR TAX ADVISOR WITH RESPECT TO THE PARTICULAR TAX CONSIDERATIONS RELEVANT TO THEM REGARDING THE DISTRIBUTION, INCLUDING THE APPLICABILITY OF U.S. FEDERAL, STATE AND LOCAL AND NON-U.S. TAX LAWS.

Tax Opinions

It is a condition to the completion of the Distribution that Honeywell receives the Tax Opinions from its tax counsel, Skadden and EY, substantially to the effect that, among other things, the Distribution will qualify as a reorganization within the meaning of sections 368(a)(1)(D), 361 and 355 of the Code. This condition may be waived by Honeywell in its sole discretion.

In rendering the Tax Opinions to be given as of the closing of the Distribution, Skadden and EY will rely on (i) customary representations and covenants made by Honeywell and Solstice Advanced Materials, including those contained in certificates of officers of Honeywell and Solstice Advanced Materials, and (ii) specified assumptions, including an assumption regarding the completion of the Internal Reorganization transactions, the Distribution and certain related transactions in the manner contemplated by the transaction agreements. In addition, Skadden's and EY's ability to provide the Tax Opinions will depend on the absence of changes in existing facts or law between the date of this Information Statement and the closing date of the Distribution. If any of the representations, covenants or assumptions on which Skadden and EY will rely are inaccurate, Skadden and EY may not be able to provide the Tax Opinions or the tax consequences of the Distribution could differ from those described below.

The Tax Opinions will not be binding upon the IRS or any court. We cannot assure you that the IRS will agree with the conclusions expected to be set forth in the Tax Opinions, and it is possible that the IRS or another tax authority could adopt a position contrary to one or all of those conclusions and that a court could sustain that contrary position. If any of the facts, representations, assumptions or undertakings described or made in connection with the Tax Opinions are not correct, are incomplete or have been violated, Honeywell's ability to rely on the Tax Opinions could be jeopardized. As of the date of this Information Statement, we are not aware of any facts or circumstances, however, that would cause these facts, representations or assumptions to be untrue or incomplete or that would cause any of these undertakings to fail to be complied with, in any material respect.

Treatment of the Distribution

Assuming the Distribution, together with certain related transactions, qualifies as a reorganization within the meaning of sections 368(a)(1)(D), 361 and 355 of the Code, for U.S. federal income tax purposes:

- no gain or loss will be recognized by Honeywell as a result of the Distribution (except for certain items that may be required to be recognized under Treasury Regulations regarding consolidated federal income tax returns);
- no gain or loss will be recognized by, or be includible in the income of, a U.S. Holder solely as a result of the receipt of Solstice Advanced Materials common stock in the Distribution, except with respect to any cash received in lieu of fractional shares;
- the aggregate tax basis of the shares of Honeywell common stock and Solstice Advanced Materials common stock (including any fractional shares deemed received, as discussed below) in the hands of each U.S. Holder immediately after the Distribution will be the same as the aggregate tax basis of the Honeywell common stock held by such holder immediately before the Distribution, allocated between the Honeywell common stock and Solstice Advanced Materials common stock in proportion to their relative fair market value immediately following the Distribution;
- the holding period of Solstice Advanced Materials common stock received by a U.S. Holder (including any fractional shares deemed received, as discussed below) will include the holding period of the Honeywell common stock with respect to which such Solstice Advanced Materials common stock was received; and
- a U.S. Holder that has acquired different blocks of Honeywell common stock at different times or at different prices should consult its tax advisors regarding the allocation of their aggregate adjusted basis among, and its holding period of, our shares distributed with respect to blocks of Honeywell common stock.

If, notwithstanding the conclusions that we expect to be included in the Tax Opinions, it is ultimately determined that the Distribution does not qualify as tax-free under sections 368(a)(1)(D), 361 and 355 of the Code for U.S. federal income tax purposes, then Honeywell would generally recognize gain with respect to the transfer of Solstice Advanced Materials common stock and certain related transactions. In addition, each U.S. Holder that receives shares of Solstice Advanced Materials common stock in the Distribution would be treated as receiving a distribution in an amount equal to the fair market value of Solstice Advanced Materials common stock that was distributed to such holder, which would generally be taxed as a dividend to the extent of the holder's pro rata share of Honeywell's current or accumulated earnings and profits, including Honeywell's taxable gain, if any, on the Distribution, then treated as a non-taxable return of capital to the extent of the holder's basis in Honeywell common stock and thereafter treated as capital gain from the sale or exchange of Honeywell stock.

Even if the Distribution otherwise qualifies for tax-free treatment under Sections 368(a)(1)(D), 361 and 355 of the Code, the Distribution may result in corporate level taxable gain to Honeywell under Section 355(e) of the Code if either Honeywell or Solstice Advanced Materials undergoes a 50% or greater ownership change as part of a plan or series of related transactions that includes the Distribution, potentially including transactions occurring after the Distribution. If an acquisition or issuance of stock triggers the application of Section 355(e) of the Code, Honeywell would recognize taxable gain as described above, but the Distribution would be tax-free to each Honeywell shareowner (except with respect to any tax on any cash received in lieu of fractional shares).

A U.S. Holder that receives cash in lieu of a fractional share of Solstice Advanced Materials common stock should be treated as though such U.S. Holder first received a distribution of the fractional share of Solstice Advanced Materials common stock and then sold it for the amount of cash received. Such U.S. Holder should recognize capital gain or loss, measured by the difference between the cash received for such fractional share and the U.S. Holder's tax basis in that fractional share, as determined above. Such capital gain or loss should generally be long-term capital gain or loss if the U.S. Holder's holding period for such Honeywell common stock exceeds one year on the date of the Distribution.

U.S. Treasury Regulations require certain holders of Honeywell common stock who receive Solstice Advanced Materials common stock in the Distribution to attach a detailed statement setting forth certain information relating to the Distribution to their respective U.S. federal income tax returns for the year in which the Distribution occurs. Within a reasonable period after the Distribution, Honeywell will provide holders who receive Solstice Advanced Materials common stock in the Distribution with the information necessary to comply with such requirement. In addition, all holders are required to retain permanent records relating to the amount, basis and fair market value of Solstice Advanced Materials common stock received in the Distribution and to make those records available to the IRS upon request of the IRS.

Results of the Spin-Off

After the Spin-Off, we will be an independent, publicly traded company. Immediately following the Distribution, we expect to have approximately shares of our common stock outstanding, based on the number of Honeywell shareowners and shares of Honeywell common stock outstanding on , 2025. The actual number of shares of our common stock Honeywell will distribute in the Distribution will depend on the actual number of shares of Honeywell common stock outstanding on the Record Date, which will reflect any issuance of new shares or exercises of outstanding options pursuant to Honeywell's equity plans, and any repurchase of Honeywell shares by Honeywell under its common stock repurchase program, on or prior to the Record Date. Shares of Honeywell common stock held by Honeywell as treasury shares will not be considered outstanding for purposes of and will not be entitled to participate in the Distribution. The Spin-Off will not affect the number of outstanding shares of Honeywell common stock or any rights of Honeywell shareowners. However, following the Distribution, the equity value of Honeywell will no longer reflect the value of the Advanced Materials business. There can be no assurance that the combined trading prices of the Honeywell common stock and our common stock will equal or exceed what the trading price of Honeywell common stock would have been in absence of the Spin-Off.

Prior to the completion of the Spin-Off, we intend to enter into a Separation Agreement and several other agreements with Honeywell related to the Spin-Off. These agreements will govern the relationship between us and Honeywell up to and after completion of the Spin-Off and allocate between us and Honeywell various assets, liabilities, rights and obligations, including employee benefits, environmental, intellectual property and tax-related assets and liabilities. We describe these arrangements in greater detail under "Certain Relationships and Related Party Transactions—Agreements with Honeywell."

Listing and Trading of Our Common Stock

As of the date of this Information Statement, we are a wholly owned subsidiary of Honeywell. Accordingly, no public market for our common stock currently exists, although a "when-issued" market in our common stock may develop prior to the Distribution. See "—Trading Prior to the Distribution Date" below for an explanation of a "when-issued" market. We intend to apply to list our shares of common stock on Nasdaq under the symbol "SOLS." Completion of the Distribution is subject to the satisfaction or waiver of a number of conditions, which are described

in more detail in “—Conditions to the Distribution,” including that the listing of Solstice Advanced Materials common stock on Nasdaq shall have been approved, subject to official notice of issuance. Following the Spin-Off, Honeywell common stock will continue to trade on Nasdaq under the ticker symbol “HON.”

Neither we nor Honeywell can assure you as to the trading price of Honeywell common stock or our common stock after the Spin-Off or as to whether the combined trading prices of our common stock and the Honeywell common stock after the Spin-Off will equal or exceed the trading prices of Honeywell common stock prior to the Spin-Off. The trading price of our common stock may fluctuate significantly following the Spin-Off.

The shares of our common stock distributed to Honeywell shareowners will be freely transferable, except for shares received by individuals who are our affiliates. Individuals who may be considered our affiliates after the Spin-Off include individuals who control, are controlled by or are under common control with us, as those terms generally are interpreted for federal securities law purposes. These individuals may include some or all of our directors and executive officers. Individuals who are our affiliates will be permitted to sell their shares of our common stock only pursuant to an effective registration statement under the Securities Act or an exemption from the registration requirements of the Securities Act, such as those afforded by Section 4(a)(1) of the Securities Act or Rule 144 thereunder.

Trading Prior to the Distribution Date

We expect a “when-issued” market in our common stock to develop as early as one trading day prior to the Record Date for the Distribution and continue up to and including the Distribution Date. “When-issued” trading refers to a sale or purchase made conditionally on or before the Distribution Date because the securities of the spun-off entity have not yet been distributed. If you own shares of Honeywell common stock as of the close of business on the Record Date, you will be entitled to receive shares of our common stock in the Distribution. You may trade this entitlement to receive shares of our common stock, without the shares of Honeywell common stock you own, on the “when-issued” market. We expect “when-issued” trades of our common stock to settle within two trading days after the Distribution Date. On the Distribution Date, we expect that “when-issued” trading of our common stock will end and “regular-way” trading will begin.

We also anticipate that, as early as one trading day prior to the Record Date and continuing up to and including the Distribution Date, there will be two markets in Honeywell common stock: a “regular-way” market and an “ex-distribution” market. Shares of Honeywell common stock that trade on the regular-way market will trade with an entitlement to receive shares of our common stock in the Distribution. Shares that trade on the ex-distribution market will trade without an entitlement to receive shares of our common stock in the Distribution. Therefore, if you sell shares of Honeywell common stock in the regular-way market up to and including the Distribution Date, you will be selling your right to receive shares of our common stock in the Distribution. However, if you own shares of Honeywell common stock as of the close of business on the Record Date and sell those shares on the ex-distribution market up to and including the Distribution Date, you will still receive the shares of our common stock that you would otherwise be entitled to receive in the Distribution.

If “when-issued” trading occurs, the listing for our common stock is expected to be under a trading symbol different from our regular-way trading symbol. We will announce our “when-issued” trading symbol when and if it becomes available. If the Spin-Off does not occur, all “when-issued” trading will be null and void.

Conditions to the Distribution

We expect that the Distribution will be effective on the Distribution Date; provided that the following conditions shall have been satisfied or waived by Honeywell:

- the Honeywell Board shall have declared the dividend of Solstice Advanced Materials common stock to effect the Distribution and shall have approved the Distribution and all related transactions, which approval may be given or withheld in the Honeywell Board’s absolute and sole discretion (and such declaration or approval not having been withdrawn);

- each of us and Honeywell and each of our or Honeywell's applicable subsidiaries shall have entered into all ancillary agreements to which it and/or such subsidiary is contemplated to be a party;
- the SEC shall have declared effective the Registration Statement on Form 10, of which this Information Statement is a part, under the Exchange Act (or the Form 10 having otherwise become effective pursuant to and in accordance with Section 12(d) of the Exchange Act), no stop order relating to the Form 10 shall be in effect, and no proceedings seeking such a stop order shall be pending before or threatened by the SEC;
- the listing of Solstice Advanced Materials common stock on Nasdaq shall have been approved, subject to official notice of issuance;
- Honeywell shall have received the Skadden Tax Opinion;
- Honeywell shall have received the EY Tax Opinion;
- the Internal Reorganization shall have been completed prior to the Distribution Date (other than those steps, if any, that Honeywell, in its sole discretion, shall have determined need not be completed or may be completed after the Spin-Off);
- debt financing shall be available on terms acceptable to Honeywell and Solstice Advanced Materials shall have completed the debt financing transactions necessary to complete the Spin-Off;
- the Solstice Advanced Materials Cash Distribution shall have been completed and not rescinded;
- no order, injunction or decree issued by any governmental entity of competent jurisdiction or other legal restraint or prohibition preventing consummation of the Distribution or any of the related transactions, including the Internal Reorganization, shall be pending, threatened, issued or in effect, and no other event outside the control of Honeywell shall have occurred or failed to occur that prevents the consummation of all or any portion of the Distribution;
- no events or developments shall have occurred or exist that, in the sole and absolute discretion of the Honeywell Board, would make it inadvisable to effect the Distribution or result in the Distribution and related transactions not being in the best interest of Honeywell or its shareowners;
- Honeywell, as Solstice Advanced Materials' sole stockholder immediately prior to the Spin-Off, shall have elected the individuals to be members of our Board following the Distribution, and those directors having resigned from the Honeywell Board, as applicable;
- the Honeywell Board shall have received the Solvency and Surplus Opinion; and
- prior to the Distribution Date, a notice of internet availability of this Information Statement or this Information Statement shall have been mailed to the holders of Honeywell common stock.

Any of the above conditions may be waived by the Honeywell Board to the extent such waiver is permitted by law. If the Honeywell Board waives any condition prior to the effectiveness of the Registration Statement on Form 10, of which this Information Statement forms a part, and the result of such waiver is material to Honeywell shareowners, we will file an amendment to the Registration Statement on Form 10, of which this Information Statement forms a part, to revise the disclosure in the Information Statement accordingly. In the event that Honeywell waives a condition after this Registration Statement becomes effective and such waiver is material, we would communicate such change to Honeywell shareowners by filing a Form 8-K describing the change.

The fulfillment of the above conditions will not create any obligation on Honeywell's part to complete the Distribution. While the Honeywell Board does not currently intend to waive any of the conditions to the Distribution described in this Information Statement, the Honeywell Board may waive any of the conditions to the Distribution (including the receipt by the Honeywell Board of the Solvency and Surplus Opinion) and proceed with the Distribution even if all such conditions have not been met. We are not aware of any material federal, foreign or state regulatory requirements with which we must comply, other than SEC rules and regulations, or any material

approvals that we must obtain, other than the approval for listing of our common stock and the SEC's declaration of the effectiveness of the Registration Statement, in connection with the Distribution. The Honeywell Board, in its sole discretion, may at any time until the Distribution decide to abandon the Spin-Off or modify or change the terms of the Spin-Off.

Reasons for Furnishing this Information Statement

We are furnishing this Information Statement solely to provide information to Honeywell shareowners who will receive shares of our common stock in the Distribution. You should not construe this Information Statement as an inducement or encouragement to buy, hold or sell any of our securities or any securities of Honeywell. We believe that the information contained in this Information Statement is accurate as of the date set forth on the cover. Changes to the information contained in this Information Statement may occur after that date, and neither we nor Honeywell undertakes any obligation to update the information except in the normal course of our and Honeywell's public disclosure obligations and practices.

DIVIDEND POLICY

Once the Spin-Off is effective, we will be evaluating whether to pay cash dividends to our shareowners. The timing, declaration, amount and payment of future dividends to shareowners, if any, will fall within the discretion of our Board. Among the items we will consider when establishing a dividend policy will be our financial condition, earnings, sufficiency of distributable reserves, capital needs of our business, opportunities to retain future earnings for use in the operation of our business and to fund future growth, capital requirements, debt service obligations, legal requirements and regulatory constraints. Additionally, the terms of the indebtedness we intend to incur in connection with the Spin-Off and other amounts owed to Honeywell under the Transition Services Agreement, Tax Matters Agreement and Employee Matters Agreement, will limit our ability to pay cash dividends. There can be no assurance that we will initiate the payment of a dividend to our shareowners in the future or continue to pay any dividend if we do commence the payment of dividends. See “Risk Factors—Risks Relating to Our Common Stock and the Securities Market—We will evaluate whether to pay cash dividends on our common stock in the future, and the terms of our indebtedness may limit our ability to pay dividends on our common stock or the amount thereof.”

SELECTED HISTORICAL AND UNAUDITED PRO FORMA COMBINED FINANCIAL DATA

The following tables present certain selected historical combined financial information as of December 31, 2024 and 2023, and for each of the years ended December 31, 2024, 2023 and 2022, and as of June 30, 2025, and each of the six-month periods ended June 30, 2025 and 2024. The selected historical combined financial information as of December 31, 2024 and 2023, and for each of the years ended December 31, 2024, 2023 and 2022, are derived from our historical audited Combined Financial Statements included elsewhere in this Information Statement. The selected historical combined financial information as of June 30, 2025, and each of the six-month periods ended June 30, 2025 and 2024, are derived from our historical unaudited Condensed Combined Financial Statements included elsewhere in this Information Statement. The unaudited Condensed Combined Financial Statements have been prepared on the same basis as the audited Combined Financial Statements and, in the opinion of our management, include all adjustments, consisting of only ordinary recurring adjustments, necessary for a fair statement of the information set forth in this Information Statement.

The selected historical combined financial data presented below should be read in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, our historical audited Combined Financial Statements and the accompanying Notes thereto, and our historical unaudited Condensed Combined Financial Statements and the accompanying Notes thereto included elsewhere in this Information Statement. For each of the periods presented, our business was wholly owned by Honeywell. The financial information included herein may not necessarily reflect our financial position, results of operations and cash flows in the future or what our financial position, results of operations and cash flows would have been had we been an independent, publicly traded company during the periods presented. In addition, our historical combined financial information does not reflect changes that we expect to experience in the future as a result of our Spin-Off from Honeywell, including changes in the financing, operations, cost structure and personnel needs of our business. Further, the historical combined financial information includes allocations of certain Honeywell corporate expenses, as described in Note 3 “Related Party Transactions” of the Notes to the audited Combined Financial Statements and the unaudited Condensed Combined Financial Statements. We believe the assumptions and methodologies underlying the allocation of these expenses are reasonable. However, such expenses may not be indicative of the actual level of expense that we would have incurred if we had operated as an independent, publicly traded company or of the costs expected to be incurred in the future. For factors that could cause actual results to differ materially from those presented in the selected historical and Unaudited Pro Forma Combined Financial Data, see “Cautionary Statement Concerning Forward-Looking Statements” and “Risk Factors” included elsewhere in this Information Statement.

The following tables also present certain Unaudited Pro Forma Combined Financial Information of Solstice Advanced Materials as of and for the six months ended June 30, 2025 and the year ended December 31, 2024. The Unaudited Pro Forma Combined Financial Information is derived from our historical Combined Financial Statements included elsewhere in this Information Statement and is not intended to be a complete presentation of our financial position or results of operations had the transactions contemplated by the Separation Agreement and related agreements occurred as of the dates indicated. The Unaudited Pro Forma Combined Financial Statements should be read in conjunction with our “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our historical Combined Financial Statements and the accompanying Notes included elsewhere in this Information Statement. The Unaudited Pro Forma Combined Statements of Operations give effect to the Pro Forma Transactions (as defined herein) as if they had occurred on January 1, 2024, the first day of fiscal 2024. The Unaudited Pro Forma Combined Balance Sheet gives effect to the Pro Forma Transactions as if they had occurred on June 30, 2025, our latest balance sheet date. Refer to the “Unaudited Pro Forma Combined Financial Information” for further information about the Spin-Off transactions.

(in millions)	Pro Forma		Historical				
	Six Months ended June 30,	Year ended December 31,	Six Months ended June 30,		Years ended December 31,		
	2025	2024	2025	2024	2024	2023	2022
Product sales	\$ 1,783	\$ 3,453	\$ 1,783	\$ 1,778	\$ 3,453	\$ 3,424	\$ 3,439
Service sales	147	317	147	172	317	225	148
Net sales	1,930	3,770	1,930	1,950	3,770	3,649	3,587
Costs, expenses and other							
Cost of products sold	1,136	2,222	1,132	1,146	2,214	2,149	2,099
Cost of services sold	116	250	116	135	250	217	85
Total cost of products and services sold	1,252	2,472	1,248	1,281	2,464	2,366	2,184
Research and development expenses	46	84	45	41	83	81	79
Selling, general and administrative expenses	211	454	198	199	398	378	357
Other expense (income)	47	11	49	(3)	15	(6)	3
Interest and other financial charges	72	149	3	7	13	16	21
Total costs, expenses and other	1,628	3,170	1,543	1,525	2,973	2,835	2,644
Income before taxes	302	600	387	425	797	814	943
Income tax expense	144	167	148	101	192	195	211
Net income	158	433	239	324	605	619	732
Less: Net income (loss) attributable to noncontrolling interest	8	11	8	14	11	(2)	14
Net income attributable to Solstice Advanced Materials	\$ 150	\$ 422	\$ 231	\$ 310	\$ 594	\$ 621	\$ 718

(in millions)	Pro Forma		Historical	
	As of June 30,	As of June 30,	As of December 31,	
	2025	2025	2024	2023
Cash and cash equivalents	\$ 450	\$ 873	\$ 661	\$ 606
Total assets	5,070	5,457	5,004	4,657
Long-term debt	1,967	—	—	—
Total liabilities	3,915	1,984	1,822	1,629
Noncontrolling interest	(69)	(69)	(76)	(83)
Total equity	1,155	3,473	3,182	3,028
Total liabilities and equity	5,070	5,457	5,004	4,657

In addition to our operating results, as calculated in accordance with GAAP, we use, and plan to continue using certain non-GAAP financial measures when monitoring and evaluating operating performance. The non-GAAP financial presented in this Information Statement are supplemental measures of our performance and our liquidity that we believe help investors understand our financial condition and operating results and assess our future prospects. For more information about our non-GAAP financial measures and other performance metrics, see “Non-GAAP Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations Non-GAAP Financial Measures.”

(Dollars in millions)	Historical				
	For the Six Months ended June 30,		For Years Ended December 31,		
	2025	2024	2024	2023	2022
Net Income (GAAP)	\$ 239	\$ 324	\$ 605	\$ 619	\$ 732
Income tax expense	148	101	192	195	211
Depreciation	105	84	175	170	146
Amortization	11	28	42	51	7
Interest and other financial charges	3	7	13	16	21
Other expense ⁽¹⁾	59	7	34	11	24
Stock compensation expense	12	9	17	18	17
Other non-recurring items ⁽²⁾	(6)	1	10	1	(23)
Asset retirement obligation accretion	1	1	2	1	2
Transaction-related costs	2	2	4	1	3
Pension and other postretirement expense	1	1	2	2	1
Repositioning charges	—	—	2	5	2
Adjusted EBITDA (non-GAAP)	\$ 575	\$ 565	\$ 1,098	\$ 1,090	\$ 1,143

(1) Represents Other expense excluding Equity income of affiliated companies, which is included in Adjusted EBITDA.

(2) Including but not limited to impairment charges, litigation and insurance settlements, and gains and losses on disposal of assets.

CAPITALIZATION

The following table sets forth our cash and cash equivalents and capitalization as of June 30, 2025, on a historical basis and a pro forma basis, to give effect to the Spin-Off and the transactions related to the Spin-Off as further described under “Unaudited Pro Forma Combined Financial Information,” as if they occurred on June 30, 2025. The cash and cash equivalents and capitalization information in the following table may not necessarily reflect what our cash and cash equivalents and capitalization would have been had we been operating as a standalone company as of June 30, 2025. Additionally, the information in the following table may not necessarily reflect what our cash and cash equivalents and capitalization may be in the future.

The following table should be read in conjunction with the section of this Information Statement titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” “Unaudited Pro Forma Combined Financial Information,” and our unaudited Condensed Combined Financial Statements and the accompanying Notes thereto included elsewhere in this Information Statement.

As of June 30, 2025 (in millions, except per share amounts)	Historical	Pro Forma
Cash		
Cash and cash equivalents ⁽¹⁾	\$ 873	\$ 450
Indebtedness		
Long-term debt	—	1,967
Total indebtedness	—	1,967
Equity		
Common stock, par value \$0.01	—	—
Additional paid-in capital	—	—
Net Parent investment	3,706	1,388
Accumulated other comprehensive loss	(164)	(164)
Total Net Parent investment	3,542	1,224
Noncontrolling interest	(69)	(69)
Total equity	3,473	1,155
Total capitalization	\$ 3,473	\$ 3,122

(1) Reflects pro forma cash and cash equivalents as of June 30, 2025. The amount of cash and cash equivalents actually held by Solstice Advanced Materials after giving effect to the Spin-Off, the anticipated debt incurred and the Solstice Advanced Materials Cash Distribution will also depend upon each of Solstice Advanced Materials’ and Honeywell’s cash flow prior to the Distribution and any adjustments to effect the desired capital structure and capital allocation strategy of each of Solstice Advanced Materials and Honeywell.

We have not yet finalized our post-Spin-Off capitalization. Adjusted financial data reflecting our post-Spin-Off capitalization will be included in an amendment to this Information Statement.

UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION

The following Unaudited Pro Forma Combined Financial Statements consist of Unaudited Pro Forma Combined Statements of Operations for the six months ended June 30, 2025 and the year ended December 31, 2024 and an Unaudited Pro Forma Combined Balance Sheet as of June 30, 2025, which have been derived from our historical Combined Financial Statements included elsewhere in this Information Statement. The historical Combined Financial Statements were prepared on a carve-out basis from Honeywell International Inc.'s historical audited and unaudited consolidated financial statements which are not included in this Information Statement. All significant pro forma adjustments and their underlying assumptions are described more fully in the Notes to the Unaudited Pro Forma Combined Financial Statements, which you should read in conjunction with such Unaudited Pro Forma Combined Financial Statements.

The Unaudited Pro Forma Combined Statements of Operations give effect to the Pro Forma Transactions as if they had occurred on January 1, 2024, the first day of fiscal 2024. The Unaudited Pro Forma Combined Balance Sheet gives effect to the Pro Forma Transactions as if they had occurred on June 30, 2025, our latest balance sheet date. References in this section and in the following Unaudited Pro Forma Combined Financial Statements and the Company's Combined Financial Statements and Notes thereto included in this Information Statement to the "Company," or "Solstice Advanced Materials" shall mean the Solstice Advanced Materials business of Honeywell International Inc. and references to "Honeywell" shall mean Honeywell International Inc.

The Unaudited Pro Forma Combined Financial Statements include certain transaction accounting adjustments that reflect the accounting for transactions in accordance with GAAP and autonomous entity adjustments that reflect certain incremental expenses or other charges necessary, if any, to present fairly our Unaudited Pro Forma Combined Statement of Operation and Unaudited Pro Forma Combined Balance Sheet as of and for the period indicated as if the Company was a separate standalone entity. The following Unaudited Pro Forma Combined Financial Statements illustrates the effects of the following transactions (collectively, the "Pro Forma Transactions"):

- the transfer and/or contractual allocation to Solstice Advanced Materials pursuant to the Separation Agreement, Tax Matters Agreement and Employee Matters Agreement of certain residual corporate and other shared assets and liabilities that were not included in the historical Combined Financial Statements;
- the impact of the Transition Services Agreement and other transaction related agreements between Solstice Advanced Materials and Honeywell and the provisions contained therein (see "Certain Relationships and Related Party Transactions");
- the effect of our anticipated post-separation capital structure, including (i) the issuance of approximately shares, (ii) the incurrence of indebtedness of approximately \$2.0 billion at an estimated weighted average interest rate of 6.40% and (iii) a cash balance of approximately \$450 million;
- transaction and incremental income and costs expected to be incurred as an autonomous entity and specifically related to the Spin-Off; and
- other adjustments described in the Notes to the Unaudited Pro Forma Combined Financial Statements.

The Unaudited Pro Forma Combined Financial Statements have been prepared to include transaction accounting (including the impact of changes to our legal entity structure in anticipation of the Spin-Off), autonomous entity and management adjustments to reflect the financial condition and results of operations as if we were a stand-alone entity. Transaction adjustments have been presented to show the impact and associated cost as a direct result of the legal separation from Honeywell, including the establishment of Solstice Advanced Materials' expected capital structure and funding at the time of Spin-Off, and the Tax Matters Agreement. Autonomous entity adjustments have been presented to show the impact of items such as the Transition Services Agreement, lease arrangements with third parties and Honeywell and certain incremental costs expected to be incurred as an autonomous entity. In addition, the Unaudited Pro Forma Combined Financial Statements include a presentation of management adjustments that management believes are necessary to enhance an understanding of the pro forma effects of the transaction. Actual future costs incurred may differ from these estimates.

The Unaudited Pro Forma Combined Financial Statements were prepared in accordance with Article 11 of Regulation S-X, as amended. The Unaudited Pro Forma Combined Financial Statements are subject to the assumptions, adjustments and estimates described in the accompanying Notes. The Pro Forma Transactions are based on available information and assumptions we believe are reasonable; however, such adjustments are subject to change. A final determination regarding our capital structure has not yet been made, and the Separation Agreement, Tax Matters Agreement, Transition Services Agreement, Employee Matters Agreement and other transaction related agreements have not been finalized. As such, the Unaudited Pro Forma Combined Financial Statements may be revised in future amendments to reflect the impact on our capital structure and the final form of those agreements, to the extent any such revisions would be deemed material.

The Unaudited Pro Forma Combined Financial Statements have been presented for informational purposes only. The Unaudited Pro Forma Information is not necessarily indicative of our results of operations or financial condition had the Spin-Off and the related transactions been completed on the dates assumed and should not be relied upon as a representation of our future performance or financial position as a separate public company. The historical Combined Financial Statements have been derived from Honeywell's historical accounting records and include certain corporate overhead and other shared costs which have been allocated to the Company. The allocations have been determined on a reasonable basis; however, the amounts are not necessarily representative of the amounts that would have been reflected in the financial statements had the Company been an entity that operated independently of Honeywell during the periods or at the dates presented. See Note 1, "Business Overview and Basis of Presentation" and Note 3, "Related Party Transactions" to the audited Combined Financial Statements and unaudited Condensed Combined Financial Statements included elsewhere in this Information Statement for further information on the allocation of corporate and other shared costs. The following Unaudited Pro Forma Combined Financial Statements should be read in conjunction with our historical audited Combined Financial Statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included elsewhere in this Information Statement.

UNAUDITED PRO FORMA COMBINED STATEMENT OF OPERATIONS

For the six months ended June 30, 2025 (in millions, except per share amounts)

	Historical	Transaction Accounting Adjustments	Autonomous Entity Adjustments	Pro Forma
Product sales	\$ 1,783	\$ —	\$ —	\$ 1,783
Service sales	147	—	—	147
Net sales	1,930	—	—	1,930
Costs, expenses and other				
Cost of products sold	1,132	4 (d)	—	1,136
Cost of services sold	116	—	—	116
Total cost of products and services sold	1,248	4	—	1,252
Research and development expenses	45	1 (d)	—	46
Selling, general and administrative expenses	198	5 (d)	8 (l), (m), (n)	211
Other expense	49	(2) (b)	—	47
Interest and other financial charges	3	69 (a)	—	72
Total costs, expenses and other	1,543	77	8	1,628
Income before taxes	387	(77)	(8)	302
Income tax expense	148	(4) (g)	— (k)	144
Net income	239	(73)	(8)	158
Less: Net income attributable to noncontrolling interest	8	—	—	8
Net income attributable to Solstice Advanced Materials	\$ 231	\$ (73)	\$ (8)	\$ 150
Earnings per share:				
Basic				(i)
Diluted				(i)
Weight average common shares outstanding:				
Basic				(i)
Diluted				(i)

See accompanying Notes to the Unaudited Pro Forma Combined Financial Statements.

UNAUDITED PRO FORMA COMBINED STATEMENT OF OPERATIONS

For the year ended December 31, 2024 (in millions, except per share amounts)	Historical	Transaction Accounting Adjustments	Autonomous Entity Adjustments	Pro Forma
Product sales	\$ 3,453	\$ —	\$ —	\$ 3,453
Service sales	317	—	—	317
Net sales	3,770			3,770
Costs, expenses and other				
Cost of products sold	2,214	8 (d)	—	2,222
Cost of services sold	250	—	—	250
Total cost of products and services sold	2,464	8	—	2,472
Research and development expenses	83	1 (d)	—	84
Selling, general and administrative expenses	398	9 (b), (d)	47 (j), (l), (m), (n)	454
Other expense	15	(4) (b)	—	11
Interest and other financial charges	13	136 (a)	—	149
Total costs, expenses and other	2,973	150	47	3,170
Income before taxes	797	(150)	(47)	600
Income tax expense	192	(17) (g)	(8) (k)	167
Net income	605	(133)	(39)	433
Less: Net income attributable to noncontrolling interest	11	—	—	11
Net income attributable to Solstice Advanced Materials	\$ 594	\$ (133)	\$ (39)	\$ 422
Earnings per share:				
Basic				(i)
Diluted				(i)
Weight average common shares outstanding:				
Basic				(i)
Diluted				(i)

See accompanying Notes to the Unaudited Pro Forma Combined Financial Statements.

UNAUDITED PRO FORMA COMBINED BALANCE SHEET

As of June 30, 2025 (in millions)	Historical	Transaction Accounting Adjustment	Autonomous Entity Adjustments	Pro Forma
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 873	\$ (423) ^(a)	\$ —	\$ 450
Accounts receivable, less allowance of \$7	659	—	—	659
Inventories	648	—	—	648
Other current assets	67	—	—	67
Total current assets	2,247	(423)	—	1,824
Property, plant and equipment – net	1,798	—	—	1,798
Goodwill	820	—	—	820
Other intangible assets – net	37	—	—	37
Deferred income taxes	2	—	—	2
Product loans receivable	263	—	—	263
Other assets	290	32 ^{(a), (b)}	4 ^(l)	326
Total assets	\$ 5,457	\$ (391)	\$ 4	\$ 5,070
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 876	\$ —	\$ —	\$ 876
Accrued liabilities	356	3 ^(d)	1 ^(l)	360
Total current liabilities	1,232	3	1	1,236
Long-term debt	—	1,967 ^(a)	—	1,967
Deferred income taxes	173	(43) ^(h)	—	130
Product loans payable	297	—	—	297
Other liabilities	282	—	3 ^(l)	285
Total liabilities	1,984	1,927	4	3,915
EQUITY				
Common stock, par value \$0.01	—	— ^(c)	—	—
Additional paid-in capital	—	— ^{(c), (f)}	—	—
Net Parent investment	3,706	(2,318) ^{(b), (c), (d), (h)}	—	1,388
Accumulated other comprehensive loss	(164)	—	—	(164)
Total Net Parent investment	3,542	(2,318)	—	1,224
Noncontrolling interest	(69)	—	—	(69)
Total equity	3,473	(2,318)	—	1,155
Total liabilities and equity	\$ 5,457	\$ (391)	\$ 4	\$ 5,070

See accompanying Notes to the Unaudited Pro Forma Combined Financial Statements.

Note 1. Notes to the Unaudited Pro Forma Combined Financial Statements**Transaction Accounting Adjustments**

- (a) Adjustments reflect interest expense and commitment fees related to indebtedness in an aggregate principal amount of \$2.0 billion that we expect will be incurred by us in connection with the consummation of the Spin-Off and that will be used primarily as partial consideration for the Advanced Materials business that Honeywell is transferring to us in connection with the Spin-Off. It is estimated that our cash balance will be approximately \$450 million at Spin-Off. The adjustments assume that the indebtedness will comprise a senior secured term loan facility in an aggregate principal amount of \$1.0 billion and senior unsecured notes in an aggregate principal amount of \$1.0 billion. The terms of such indebtedness are subject to change and will be finalized prior to the closing of the Spin-Off, and the pro forma adjustments may change accordingly. The adjustment also assumes that we will enter into a revolving credit facility in an aggregate committed amount of \$1.0 billion. We expect to capitalize an additional \$5 million of issuance costs associated with the revolving credit facility, which will be amortized over the life of the facility agreement. Such issuance costs associated with the revolving credit facility have been included in Other assets in the Unaudited Pro Forma Combined Balance Sheet. The terms of the revolving credit facility are subject to change and will be finalized prior to the closing of the Spin-Off, and the pro forma adjustments may change accordingly. See “Capitalization” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations Liquidity and Capital Resources” for additional details.

The following represents adjustments to Long-term debt:

(in millions)	As of June 30, 2025
Issuance of debt	\$ 2,000
Discount and debt issuance costs	(33)
Total pro forma adjustment to Long-term debt	\$ 1,967

The following represents adjustments to Interest expense:

(in millions)	For the Six Months Ended June 30, 2025	For the Year Ended December 31, 2024
Interest expense on total debt	\$ 66	\$ 131
Amortization of debt issuance costs	3	5
Total pro forma adjustment to Interest expense from debt	\$ 69	\$ 136

A 1/8 percent variance in the assumed interest rate on the floating rate indebtedness would change interest expense by \$1 million and \$3 million for the six months ended June 30, 2025 and for the year ended December 31, 2024, respectively.

- (b) Reflects the impact of our assumption of certain pension assets and liabilities for employees who are eligible for benefits under the U.S. defined benefit pension plan that is currently sponsored by Honeywell. For these employees we intend to sponsor a defined benefit pension plan after the Spin-Off with terms and benefits consistent with the existing Honeywell plans. As of June 30, 2025, the total net pension asset to be contributed to us amounted to \$27 million. The Unaudited Pro Forma Combined Statements of Operations reflect an estimate of service costs, interest costs and expected return on plan assets for the defined benefit pension plan resulting in a net benefit of \$2 million and \$5 million for the six months ended June 30, 2025 and for the year ended December 31, 2024, respectively.
- (c) Reflects the reclassification of Honeywell’s net investment in the Company, which was recorded in Net Parent investment, to Additional paid-in capital and Common stock to reflect the assumed issuance of shares of our common stock at a par value of \$0.01 per share pursuant to the Separation Agreement immediately prior to the Spin-Off. We have assumed the number of outstanding shares of our common stock based on the number of shares of Honeywell common stock outstanding on June 30, 2025, and a distribution ratio of share(s) of

our common stock for every share(s) of Honeywell common stock. The actual number of shares issued will not be known until the record date for the Distribution.

- (d) Reflects adjustment for certain employee related liabilities and compensation expense for employees that have historically been shared with other Honeywell businesses and will be transferred to Solstice Advanced Materials from Honeywell and Honeywell affiliates in connection with the Spin-Off. See Note 1, “Business Overview and Basis of Presentation” to the historical unaudited Condensed Combined Financial Statements for further discussion of the basis of presentation of the Solstice Advanced Materials’ historical assets and liabilities. The table below provides further details on the addition of this compensation expense to the Unaudited Pro Forma Combined Statements of Operations for the six months ended June 30, 2025 and for the year ended December 31, 2024:

(in millions)	For the Six Months Ended June 30, 2025	For the Year Ended December 31, 2024
Cost of products sold	\$ 4	\$ 8
Research and development expenses	1	1
Selling, general and administrative expenses	5	10
Total adjustment	\$ 10	\$ 19

- (e) Reflects an adjustment to remove various assets and liabilities that are expected to be retained by Honeywell and primarily consists of recorded in the historical Combined Balance Sheet.
- (f) The additional paid-in capital adjustments are summarized below:

(in millions)	As of June 30, 2025
Cash payments to Honeywell ^(a)	\$ —
Defined benefit pension ^(b)	—
Net Parent investment ^(c)	—
Solstice Advanced Materials common stock issuance ^(c)	—
Net assets transferred to Solstice Advanced Materials ^(d)	—
Net assets that will be retained by Honeywell ^(e)	—
Deferred taxes ^(h)	—
Total adjustment	\$ —

- (g) Represents the income tax impact of the transaction accounting pro forma adjustments for the six months ended June 30, 2025 and for the year ended December 31, 2024. This adjustment was primarily calculated by applying the statutory tax rates in the respective jurisdictions to each of the pre-tax pro forma adjustments, adjusted for the impact of a reduction in foreign tax credit utilization.
- (h) Reflects the deferred tax effects of the pro forma adjustments at the applicable statutory income tax rates, and reversal of outside basis differences in certain foreign subsidiaries of \$14 million. Additionally, there is an adjustment to derecognize deferred tax balances related to capitalized research and development that existed as a result of using the separate return method but will not exist in Solstice Advanced Materials’ financial statements following the Spin-Off of \$51 million.
- (i) Pro forma basic and diluted earnings per share and pro forma weighted-average basic shares outstanding for the six months ended June 30, 2025 and for the year ended December 31, 2024, reflect the number of shares of Solstice Advanced Materials common stock which are expected to be outstanding upon completion of the Spin-Off (see note (c) above).

Autonomous Entity Adjustments

- (j) In connection with the Spin-Off, Solstice Advanced Materials will enter into a Transition Services Agreement (“TSA”) with Honeywell whereby Honeywell will continue to provide Solstice Advanced Materials IT support services at a cost for an estimated duration of twelve months post Spin-Off. The TSA has no impact on pro forma net income for the six months ended June 30, 2025 and resulted in a \$31 million decrease to pro forma net income for the year ended December 31, 2024.
- (k) Represents the tax impact of the autonomous entity pro forma adjustments for the six months ended June 30, 2025 and for the year ended December 31, 2024.
- (l) Reflects the net impact of lease arrangements with third parties and sub-lease arrangements with Honeywell that have been entered into or will be entered into prior to the Spin-Off. This adjustment records the operating lease right-of-use assets and related operating lease liabilities based on the estimated present value of the lease payments over the lease term. The income statement impact of this adjustment results in a net benefit of less than \$1 million for the six months ended June 30, 2025 and a net benefit of \$1 million for the year ended December 31, 2024.
- (m) Reflects the impact of new compensation agreements for new and existing executives of Solstice Advanced Materials. This adjustment of \$7 million and \$13 million for the six months ended June 30, 2025 and for the year ended December 31, 2024, respectively, is primarily related to an increase in salary, bonus and stock-based compensation.
- (n) Reflects the impact of the Trademark License Agreement as described in “Certain Relationships and Related Party Transactions” of \$1 million and \$4 million for the six months ended June 30, 2025 and for the year ended December 31, 2024, respectively, in respect of certain products sales.

Management Adjustments

We elected to present management adjustments to the Unaudited Pro Forma Combined Financial Statements and included adjustments necessary for a fair statement of such information.

Following the Spin-Off, we expect to incur incremental costs as a stand-alone entity in certain of our corporate functions (e.g., IT, finance and legal, among others) as well as certain operational functions (e.g., procurement and supply chain, among others). We received the benefit of economies of scale as a business unit within Honeywell’s overall centralized model; however, in establishing these independent corporate and support functions, the expenses may be higher than the prior shared allocation.

As a stand-alone public company, we expect to incur certain costs in addition to those incurred pursuant to the TSA as described in note (j) and other transaction and autonomous entity adjustments noted above. This includes costs resulting from:

- One-time and non-recurring expenses associated with Spin-Off and stand-up of functions required to operate as a stand-alone public entity. These non-recurring costs relate to system implementation costs; and
- Recurring and ongoing costs required to operate new functions required for a public company, such as external reporting, internal audit, treasury, investor relations, board of directors and officers, stock administration, and expanding the services of existing functions such as information technology, finance, supply chain, human resources, legal, tax, facilities, branding, security, government relations, community outreach, and insurance.

We estimate that we would have incurred approximately \$28 million (including estimated recurring expenses of \$28 million) for the six months ended June 30, 2025 and \$90 million of total expenses (including one-time expenses of approximately \$46 million and estimated recurring expenses of \$44 million) for the year ended December 31, 2024, if the Spin-Off had occurred on January 1, 2024. We expect to incur these costs beginning at Spin-Off, with one-time costs expected to be incurred over a period of twelve months post Spin-Off.

These management adjustments are reflective of the dis-synergies that we expect as a stand-alone public company. We estimated these dis-synergies by assessing the resources and associated one-time and recurring costs that each function (e.g., finance, IT, human resources, etc.) will require to stand up and operate Solstice Advanced Materials as a stand-alone public company.

The additional expenses have been estimated based on assumptions that our management believes are reasonable. However, actual additional costs that will be incurred could be different from the estimates and would depend on several factors, including the economic environment, results of contractual negotiations with third party vendors, ability to execute on proposed separation plans, and strategic decisions made in areas such as manufacturing, selling and marketing, R&D, IT, and infrastructure. In addition, adverse effects and limitations including those discussed in the section entitled “Risk Factors” to this document may impact actual costs incurred. We may also decide to increase or reduce resources or invest more heavily in certain areas in the future, which may differentiate the management adjustments even further from actual costs incurred in the future.

The management adjustments presented below are incremental to the autonomous entity pro forma adjustments. Management believes the presentation of these adjustments is necessary to enhance an understanding of the pro forma effects of the transaction. If we decide to increase or reduce resources or invest more heavily in certain areas in the future, that will be part of our future decisions and will not be included in the management adjustments below.

The tax effect has been determined by applying the applicable statutory tax rates to the aforementioned adjustments for the period presented. These management adjustments include forward-looking statements. See “Cautionary Statement Concerning Forward-Looking Statements” for additional details.

The table below sets forth the management adjustments for the six months ended June 30, 2025.

(in millions, except per share amounts)	Net income (loss)	Basic earnings (loss) per share	Diluted earnings (loss) per share
Unaudited pro forma combined net income ⁽¹⁾	\$ 158		
Net income attributable to noncontrolling interest	8		
Unaudited pro forma combined net income attributable to Solstice Advanced Materials ⁽¹⁾	\$ 150	\$ —	\$ —
Management adjustments	(28)	—	—
Income tax expense (benefit)	(6)	—	—
Unaudited pro forma combined net income attributable to Solstice Advanced Materials after Management adjustments	\$ 128	\$ —	\$ —
Weighted average Solstice Advanced Materials common shares outstanding			
Basic	—		
Diluted	—		

(1) As shown in the Unaudited Pro Forma Combined Statement of Operations.

The table below sets forth the management adjustments for the year ended December 31, 2024.

(in millions, except per share amounts)	Net income (loss)	Basic earnings (loss) per share	Diluted earnings (loss) per share
Unaudited pro forma combined net income ⁽¹⁾	\$ 433		
Net income attributable to noncontrolling interest	11		
Unaudited pro forma combined net income attributable to Solstice Advanced Materials ⁽¹⁾	\$ 422	\$ —	\$ —
Management adjustments	(90)	—	—
Income tax expense (benefit)	(22)	—	—
Unaudited pro forma combined net income attributable to Solstice Advanced Materials after Management adjustments	\$ 354	\$ —	\$ —
Weighted average Solstice Advanced Materials common shares outstanding			
Basic	—		
Diluted	—		

(1) As shown in the Unaudited Pro Forma Combined Statement of Operations.

BUSINESS

Our Company

Solstice Advanced Materials is a global, differentiated advanced materials company and a leading global provider of refrigerants, semiconductor materials, protective fibers and healthcare packaging. We operate through two segments, reported as Refrigerants & Applied Solutions (which we refer to in this Information Statement as “**RAS**”) and Electronic & Specialty Materials (which we refer to in this Information Statement as “**ESM**”). Our business is recognized as an industry innovator as well as a technology and quality leader, supported by some of the industry’s most well-known brands.

Our RAS segment is a leading manufacturer of LGWP refrigerants, blowing agents, solvents and aerosol materials. RAS serves the end markets of HVAC/R, automotive, energy, building and appliance insulation and healthcare. RAS products include, among others, LGWP refrigerants, blowing agents, aerosol propellants, cleaning solvents, high-barrier pharmaceutical packaging materials and alternative energy services. Our products are distributed and sold through well-known brands like Solstice, Genetron and Aclar. Our ESM segment is a leading provider of electronic materials, industrial-grade fibers and laboratory life sciences chemicals. ESM primarily serves the semiconductor, defense, pharmaceutical and construction end markets. ESM products include, among others, sputtering targets, lightweight high-strength fibers and high-purity life sciences solutions. Our products are distributed and sold through well-known brands like Spectra, Fluka, and Hydranal.

We benefit from strong secular demand resulting from certain growing trends, including government regulated sustainability targets, semiconductor production, healthcare and life sciences, defense and safety and advanced electrification—all across a diverse set of products, systems and solutions. Over the last decade, we tailored our products toward highly specialized offerings in targeted, high-growth end markets that value differentiated technology and manufacturing capabilities. We maintain longstanding leadership positions backed by decades of innovation in high value-added product segments. Our strong manufacturing capabilities are often located in proximity to our customers across the globe. Our long history of innovation, supported by over 5,700 issued patents and pending applications as of June 30, 2025, allows us to closely collaborate with our customers, providing us with a client-specific, specialized product portfolio.

During 2024, we served over 3,000 customers across a wide range of end markets in approximately 120 countries and territories. Our global presence included 21 manufacturing sites, four R&D sites and more than 3,900 employees as of June 30, 2025.

On October 8, 2024, Honeywell announced its plan to spin off its Advanced Materials business as an independent, publicly traded company to its shareowners. The Advanced Materials business is currently part of Honeywell’s Energy and Sustainability Solutions reported segment. The Advanced Materials business dates back to the 1800s, becoming part of Allied Chemical and Dye Corporation in 1920 and later AlliedSignal, which merged with Honeywell in 1999. The Advanced Materials business was officially established within Honeywell after Honeywell’s Spin-Off of AdvanSix, its Resins and Chemicals business, in 2016.

We intend to create value for our stakeholders and enhance our value proposition to customers through defined and actionable strategies. We plan to further improve our customer offerings by capitalizing on secular growth trends and making targeted investments into innovation and manufacturing capabilities. We seek to enhance our growth prospects through disciplined portfolio management, including organic expansion into higher-value adjacent products and end markets, as well as inorganically through selective strategic acquisitions. We also plan to focus on disciplined cost management and leveraging our supply chain expertise to support profitable growth.

Our strong Adjusted EBITDA margin profile is supported by the Honeywell Accelerator operating model. The Honeywell Accelerator operating model utilizes systems, processes, best practices and management philosophies spanning across the whole organization and benefiting customers and stakeholders. In connection with the separation, Honeywell will provide Honeywell Accelerator tools and processes to Solstice Advanced Materials, and after the Spin-Off, Solstice Advanced Materials will use, evolve and tailor such tools and processes to develop the Solstice Accelerator operating model. We strongly believe that the Solstice Accelerator operating model will provide

us with strong competitive advantages relative to our peers. We expect that the Solstice Accelerator operating model will be deeply embedded throughout our organization, across business lines and hierarchical structures.

Our Competitive Strengths

We believe we benefit from the following competitive strengths:

Global Leader in Innovative Advanced Materials

We are a global leader in advanced materials, providing innovative and specialized offerings with strategic positions in targeted, high-growth end markets that value differentiated technology and manufacturing capabilities, resulting in a high level of customer intimacy.

Honeywell and the management team of its Advanced Materials business have worked to position the business to successfully operate in high value-added specialty solutions markets, requiring complex chemistry and material science know-how. Our portfolio focuses on critical, enabling solutions which help our end customers solve environmentally-driven regulatory challenges, provide unique lightweight defense products and develop cutting edge products in the semiconductor, healthcare and life sciences markets. Across our diverse business lines, we are recognized as a market leader through our technology, quality and innovation.

In our RAS segment, we operate world-scale production facilities in the U.S., as well as global partnerships, that provide specialty solutions across the molecular value chain for regulatory-compliant, next-generation LGWP refrigerants and blowing agents. We are a key supplier of refrigerants used in stationary refrigerant applications and in automotive vehicles in global markets. We believe we are a leading global producer of blowing agents for several large end markets due to our strong U.S. footprint and deep partnerships in key regions. Our innovation and manufacturing capabilities provide a strong platform to expand into market adjacencies with add-on products and derivatives. For example, we believe we are well positioned to establish a leadership position in battery chemicals for the automotive and stationary storage end markets, which can be integrated into our existing production capabilities. In the healthcare industry, our leadership position in specialty molecular solutions allows us to be a leading supplier of emission-reducing propellants for metered dose inhalers. For over 50 years, we have been an industry leader for specialty medical and pharmaceutical barrier packaging, where our protective films provide the highest moisture barrier of any clear thermoplastic film.

In our ESM segment, we are an innovation and quality leader for the production of UHMWPE fiber. We maintain a strong customer base and relationships with various military organizations and law enforcement agencies, making us a key supplier in the value chain. We were also among the first materials suppliers for the semiconductor industry, building upon over 50 years of experience as a key supplier to the electronics industry. Today, we are a leading provider of sputtering targets and other ultra-high-purity materials, enabling semiconductor customers to manufacture leading-edge products. We are a key U.S.-based manufacturer of copper manganese sputtering targets, a key material used in the most advanced 3nm process in semiconductor and industrial manufacturing. In addition, we provide high-purity specialty chemical solutions enabling semiconductor manufacturers and other niche end markets to increase yields and production output. Furthermore, we have a leading brand and distribution network in life sciences research materials, where we provide high-purity solutions to several end markets, enabling complex chemical research processes in state-of-the-art laboratories.

Each of our brands, such as Solstice, Genetron, Aclar, Spectra, Fluka, and Hydranal, is valued for high quality, purity and safety standards, as well as high customer satisfaction throughout the industry. As a technology leader, we heavily focus on proprietary solutions, supported by a differentiated intellectual property portfolio with over 5,700 issued patents and pending applications as of June 30, 2025. We have four standalone focused R&D centers while a majority of our 21 manufacturing sites have integrated R&D capabilities. We employ a dedicated team of over 300 technologists and engineers around the globe, helping us to be at the forefront of innovation. We maintain a leading manufacturing base with unique capabilities, global scale and customer proximity. Our extensive experience in chemical synthesis and commercial-scale manufacturing led to the development of process-related patents and other proprietary technology (including know-how and trade secrets).

Deep Customer Relationships and Manufacturing Proximity

We help solve the most complex problems for our customers by providing differentiated and highly specialized solutions, with unique manufacturing capabilities in proximity to our customer base, which are often developed in partnership with our customers.

We serve a diverse and global customer base of over 3,000 customers, largely comprised of blue chip companies and industry leaders, as well as government agencies, across a variety of resilient end markets. In 2024, no single customer accounted for more than 3% of our net sales, and our top 10 customers accounted for less than a fifth of our net sales. The strength of our customer relationships and the quality of our differentiated products facilitate our ability to enter into long-term customer contracts. This is demonstrated by an average customer tenure of over 10 years. We have supplied many of our largest customers for several decades and we continue to cultivate our deep customer relationships.

By working with our customers on their most demanding and sophisticated challenges, we become deeply supportive of our customers' processes. The opportunity to solve and co-develop products for our customers' most complex problems enables us to make offerings even more specialized and application specific. For example, through these cooperations we developed a portfolio of products which satisfy the global regulatory mandates for the next generation of cooling products. We leveraged our specialty refrigerant materials core competencies to expand to the healthcare industry, where we offer Solstice Air, our ultra-LGWP propellant for metered dose inhalers. Our Spectra lightweight, high-strength, industrial grade fibers are used as ballistic armor protection materials for vests, vehicles and helmets. We are a supplier to the U.S. military, and our high-end armor technology is supplied to several other governments' military and law enforcement agencies, for which we have been a trusted supplier since entering the market in the early 1990s. Spectra fiber is made of UHMWPE using our proprietary gel-spinning process. In addition, we expanded our offerings of Spectra fibers used in military applications to medical device manufacturers for ultrafine, lifesaving medical fibers in the healthcare industry.

Besides a high level of customer intimacy achieved through our specialized, client-specific, manufacturing know-how, we benefit from manufacturing sites located in close physical proximity to our customers. We focus on providing strong supply chain security and benefit from reshoring trends and policies. We maintain a strong U.S. presence, as well as a global footprint strengthened by partners across the globe, especially in India and other parts of Asia. We manage a large, global customer base across more than 120 countries and territories. Furthermore, our manufacturing footprint in the U.S. includes growing end markets experiencing increasing investments, such as energy or semiconductors. These factors result in high customer retention, characterized by long customer tenure, low churn rates and a growing customer base. Combined, we have industry-leading customer satisfaction scores, averaging above 96% during the last eight quarters, as of June 30, 2025.

Long-Term Secular Growth Across End Markets

We benefit from strong secular demand resulting from certain growing trends, including government regulated sustainability targets, semiconductor production, healthcare and life sciences, defense and safety and advanced electrification—all across a diverse set of products, systems and solutions. Our exposure to long-term secular growth trends across segments results from our efforts to position our product lines toward highly specialized offerings in targeted, high-growth end markets.

Across our RAS segment, we expect to benefit from growing demand for regulatory-compliant next-generation LGWP refrigerants. Demand for new, innovative and more LGWP refrigerants is driven by government regulations, customer sustainability goals and increased product efficiency. For example, since January 2025, manufacturers in the U.S. are required to use a refrigerant with a GWP of 700 or lower pursuant to an EPA mandate. Our patented offering that meets this requirement is R-454B, which is being widely adopted in new air conditioning and heat pump systems in the U.S., with other major countries following suit. For HVAC/R end markets, we offer a broad range of LGWP and reduced GWP refrigerants, designed to address a broad range of global sustainability and regulatory requirements. Other applications driving demand include heating electrification—which increases regulatory demand for heat pumps—and data center cooling. Additionally, we anticipate benefiting from growing demand for specialty battery solutions driven by the automotive and stationary storage end markets. We believe we

are well positioned to capitalize on this demand due to our world-scale U.S. facility and deep manufacturing capabilities, enabling expansion into adjacent products and end markets. Furthermore, we anticipate growing demand for advanced materials in healthcare applications such as medical aerosols for metered dose inhalers and protective materials in healthcare packaging. Lastly, we expect increased demand for critical products and conversion services used in nuclear power generation, driven by domestic localization and heightened energy security requirements. We believe we, as the sole U.S. domestic supplier of uranium hexafluoride conversion services, are well positioned to meet this demand.

Our ESM segment serves several highly attractive end markets. In the electronics market, we anticipate increased demand for existing and new material solutions within our sputtering targets, dielectrics and thermal management portfolios, which are necessary for producing leading-edge semiconductors, advanced packaging and advanced displays. In the ballistic armor market, we expect growth driven by increased global government defense and security spending. As a U.S.-based producer of specialty lightweight high-strength industrial-grade fiber, we are well positioned to benefit from the U.S. military's transition of next-generation integrated head protection systems and small arms protective insert plates. Additionally, we foresee continued growth in demand for various specialty high-purity chemicals for oligonucleotide synthesis, increasingly utilized in important life sciences areas such as genetic research, biotechnology, molecular diagnostics and pharmaceutical R&D.

Value Creation Opportunities as an Independent Company

We believe our status as a standalone company will unlock multiple new value creation opportunities for Solstice Advanced Materials.

Solstice Advanced Materials is currently a part of Honeywell's Energy and Sustainability Solutions segment, representing approximately 10% of Honeywell's total net sales as of 2024. By becoming a standalone company, we expect to increase our ability to direct our focus and capital in a more agile fashion. We will have full autonomy to solely concentrate on Solstice Advanced Materials, operating dynamically and making strategic investments to execute our long-term strategy.

We plan to create additional value for customers and stakeholders through defined and actionable strategies. We believe our strong balance sheet and market positions, together with flexible capital allocation, will support growth opportunities and capital returns to shareowners. We anticipate strong organic growth driven by our leadership positions, new product innovations, manufacturing capabilities, robust customer base and positive secular global trends. We intend to enhance organic growth through customer-partnered innovation and expansion into adjacent and new products, geographies, customer groups and end markets. Previously established ventures with strategic partners in key geographies allow us to enter new markets, accelerate go-to-market speed, drive local adoption and increase customer proximity. We will leverage global manufacturing partnerships to drive regional growth while focusing on efficient cost structures to sustain our strong margin profile.

Inorganically, we expect to continuously identify and evaluate a robust pipeline of strategic acquisition targets to realize value upside and optimize our portfolio. Our standalone status will enhance our disciplined approach to portfolio management. Solstice Advanced Materials is well positioned to pursue inorganic growth in various advanced materials businesses characterized by differentiated innovation in high-growth markets, and will benefit from management's rigorous application of the Solstice Accelerator operating model, validated by a track record of value creation in our core businesses.

Resilient and Best-in-Class Financial Profile

We believe we have an attractive financial profile characterized by resilience, long-term mid-single-digit organic growth and strong Adjusted EBITDA margins that will be supported by the Solstice Accelerator operating model.

We grew our net sales at a CAGR of 6.2% from 2019 to 2024. Our net sales growth benefited from rising customer demand and the ability to drive value for customers, realized in pricing for products and solutions according to a value-based approach.

Our diversified product lines, customer base and end markets allow significant net sales visibility given our long-term customer contracts. Our increasing order rates surpass our existing production capacity in key product lines. These attributes facilitate efficient resource allocation, financial planning and investments. Our strong customer base, coupled with our innovative R&D teams and technical client-specific support and intellectual property, facilitate the recurring nature of our net sales.

We believe our Adjusted EBITDA margin profile is among the strongest in the industry and is supported by our high-value-add specialty solutions, manufacturing expertise, customer proximity and mastery of the Honeywell Accelerator operating model (Honeywell will provide us with Honeywell Accelerator tools and processes, and after the Spin-Off, we will use, evolve and tailor such tools and processes to develop the Solstice Accelerator operating model). We believe our value proposition creates strong customer demand and loyalty, given the strong reliability and quality of our products. Throughout Honeywell's ownership, we achieved commercial and operational excellence through the Honeywell Accelerator operating model, which is deeply embedded throughout our organization and ingrained in each business line, across the hierarchical structure and which we will continue to apply through Solstice Accelerator. With the constant implementation and execution of this operating model, we expect to experience consistent and superior sales, order and pricing management, faster execution speed, greater customer satisfaction, higher manufacturing efficiencies, cost savings and increased innovation and product development. Within Honeywell, we continuously invested in our business and production capabilities, averaging 8% of capital expenditures as a percentage of net sales, between 2022 and 2024. As outlined in the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations," our capital expenditures may increase in the coming years due to strategic and disciplined project-related manufacturing expansion as a response to expected long-term customer demand beyond current production capacity.

Strong Management Team

Our management team combines extensive industry experience and demonstrated leadership with a proven track record.

To enhance its Advanced Materials business, Honeywell has significantly invested in management for the business, establishing a leadership team composed of experts from industry-leading firms, each with an outstanding record of success, that has worked to position the business to successfully operate within high-value-add specialty solutions markets and delivered growth, profitability and competitive strength. Our current executive management team has an average of approximately 25 years of relevant work experience, primarily in the advanced materials and specialty chemicals industries.

Dr. Rajeev Gautam will serve as non-executive Chairman of the Board of Directors of Solstice Advanced Materials, effective upon completion of the Spin-Off. Dr. Gautam brings more than four decades of experience at Honeywell in the process technologies and advanced materials sectors. Prior to his retirement in 2021, he served as President and Chief Executive Officer of Honeywell PMT, the segment in which the Advance Materials business operated, and previously served as President of Honeywell UOP. David Sewell joined Honeywell as President and Chief Executive Officer of the Advanced Materials business in March 2025 and is expected to serve as President and Chief Executive Officer of Solstice Advanced Materials following the Spin-Off. Mr. Sewell brings more than 30 years of experience in the materials and chemicals industries, having previously served as the President and Chief Executive Officer of WestRock Company. Prior to this, he was the President and Chief Operating Officer of The Sherwin-Williams Company and spent more than 15 years in General Electric's Plastics and Advanced Materials Division. Tina Pierce became Chief Financial Officer of the Advanced Materials business in May 2025 and is expected to serve as Senior Vice President and Chief Financial Officer of Solstice Advanced Materials following the Spin-Off. Previously, Ms. Pierce served as the Vice President and Chief Financial Officer of Honeywell's Industrial Automation segment and has over 25 years of experience at Honeywell as a global Chief Financial Officer of several Honeywell businesses, including the Industrial Automation, PMT and Home and Building Technologies segments. Jeffrey Dorno and Simon Mawson previously led business units of Honeywell Advanced Materials and were promoted to lead the businesses that will become Solstice Advanced Materials' two business segments, each taking on the role of Senior Vice President for RAS and ESM, respectively. Brian Rudick, previously the Vice President and General Counsel of Honeywell's Energy and Sustainable Solutions business segment, and Jason Clifford, previously the Vice President, Human Resources – Global Operations & Technology and Regional HR Leader of

Analog Devices, are expected to serve as Senior Vice President and General Counsel and Senior Vice President and Chief Human Resources Officer, respectively, of Solstice Advanced Materials following the Spin-Off. Each leader brings a significant range of experience in the chemicals and specialty materials industry, with a focus on business growth and strengthening customer relationships.

Solstice Advanced Materials' executive leadership team is supported by a strong and experienced mid-level management team and more than 3,900 employees who drive product innovation, manage day-to-day operations, deliver best-in-class customer service and execute our long-term strategy. Members of the second-layer management team, directly reporting to segment General Managers, average over 20 years of relevant industry experience in advanced materials and specialty chemicals sectors. Both the top- and mid-level management teams will maintain strong alignment with our shareowners' interests immediately following the Spin-Off, with managerial incentives tied to shareowner success.

Our Strategies

Utilize Our Leading Positions to Capture Organic Secular Growth

We benefit from leading positions across our existing business lines in LGWP refrigerant materials, specialty fibers, electronic materials, healthcare and life sciences. Under our common product platforms, we believe we are favorably positioned to capture the long-term secular growth trends in the markets our segments serve.

We aim to utilize our leading positions in LGWP refrigerants and blowing agents to benefit from a growing regulation-driven transition to more environmentally conscious specialty solutions across two main markets: stationary end markets, where manufacturers in the U.S. are required to use LGWP refrigerants in new air conditioning and heat pump systems, and emerging automotive end markets currently transitioning to LGWP refrigerants, similar to regulated markets. In regulated markets, such as the U.S., the EU, Japan and South Korea, LGWP refrigerants are used in almost every new car sold. We will further concentrate on high-end, light-weight armor technology, providing our customers with well-recognized Spectra products during periods of increasing security needs and the U.S. military's transition of next-generation integrated head protection systems and small arms protective insert plates. We intend to reinforce our leading position as a key U.S.-based manufacturer of copper manganese sputtering targets (used to fabricate leading-edge semiconductors), and we believe we are well positioned to capitalize on the significant reshoring of leading-edge production. In addition, we intend to leverage our know-how to enter the advanced packaging and advanced display spaces with new offerings. We aim to capitalize on growing needs for healthcare and life sciences applications across our portfolio. Specifically, we expect to leverage our domain expertise to capitalize on increasing demand for LGWP inhaler solutions for asthma patients, greater longevity of pharmaceutical products driven by sustainability targets and customer preferences, and accelerating growth of high-purity research chemicals for state-of-the-art oligonucleotide synthesis, which we believe is set to transform the pharmaceutical industry.

Drive Innovation in Close Partnership with Our Customers

We operate some of the industry's most innovative R&D centers, which provide a strong basis for future innovation and the continued development of differentiated products, technologies and patents. Each business is responsible for executing an innovation roadmap and ensuring alignment with our long-term R&D and company strategy. Individual innovation projects and overall innovation portfolio management will be guided by the Solstice Accelerator operating model to ensure alignment, maximize efficiency and leverage group resources. Our net sales are influenced by new product introductions, defined as new products launched in the past five years, which contributed 45% of our sales in 2024. Ongoing investments in both our core and new products help us to sustain strong product offerings and give us confidence around our superior innovation capabilities and successful customer collaborations.

We continuously explore R&D partnership opportunities with customers to advance our intellectual property portfolio while delivering high-performance products at competitive prices. Focus areas include next-generation refrigerant molecules, where we believe we are well suited to partner with industry leaders or customers. We see further opportunities in battery chemical materials, next-generation electronic materials for advanced packaging and advanced displays, and renewable energy and electrification solutions. These opportunities could drive deeper

collaboration through customer partnerships or joint ventures, shared facility investments and leveraging industry-leading expertise to expand into new strategic markets and technologies.

We maintain a large global customer base and strong customer relationships by developing client-specific solutions to solve their most complex problems. We partner with multiple customers to develop our next-generation phase-change materials for a variety of end applications. We intend to remain close to our customers through production proximity and co-development. We believe that developing new solutions in partnership with customers provides a high level of predictability for potential sales. One successful example is our partnership with a leading pharmaceutical manufacturer, whose next-generation inhalers will use Solstice Air, reducing greenhouse gas emissions by up to 99.9% compared to the propellant it replaces.

Invest Further into Our Manufacturing Capabilities

We forecast strong demand growth across our major business lines, which will support our strategy to efficiently deploy capital to maintain and upgrade our world-class production capabilities. Additionally, we expect to benefit from increased agility and independence in our capital allocation policy as a standalone company. For example, we expect our current production facilities for LGWP refrigerants to serve as a robust platform to build next-generation ultra-LGWP molecules, facilitating continued growth of our core business across multiple products and end markets.

We plan to leverage partnerships to share investments into new large-scale production facilities, while benefiting from partnership synergies and cost-sharing. Such partnerships and joint ventures help us to drive local product adoption and increase customer proximity, in addition to our wholly owned operations. We expect benefits from rapid execution, continuing to leverage our extensive R&D expertise and flexible pilot facilities. Our advanced pilot and scale up capabilities allow us to design and start up new plants efficiently. We plan to continuously adapt our unique production strategies and implement stage-gated approaches where necessary, allowing us flexibility in market entry strategies across key regions.

We intend to utilize best practices under the Solstice Accelerator operating model to drive operational efficiencies and mechanical integrity within our factories. We remain committed to the highest standards of safety, governance and environmental responsibility in our operations.

Further Expand into Adjacent Products and End Markets

We believe we are well positioned to utilize our common platforms and manufacturing capabilities to expand into adjacent products and markets in the near-to mid-term. We have significant experience in value-added product portfolio expansion, targeting growth and margin accretive business areas. For instance, we have successfully expanded our LGWP refrigerant solutions into multiple end markets, including automotive, stationary, foam and industrial and healthcare. Additionally, we successfully entered the copper manganese sputtering targets market for advanced-node semiconductors by leveraging our 50 years of leadership experience as an electronic materials supplier.

Through our common production platform for LGWP refrigerants, we plan to expand into heating electrification via heat pumps in Europe replacing gas fired boilers, driven by sustainability initiatives and regulations, and in other global regions driven by heat efficiency improvements. We see potential to enter the data center cooling market, leveraging our robust R&D capabilities and intellectual property portfolio to develop new specialty solutions. We believe we are well positioned to expand into battery chemicals for automotive and stationary storage end markets. Such expansions rely on specialized manufacturing capabilities, which we can provide due to our expertise in complex production and purification processes. We aim to further expand our healthcare and life sciences end market presence through packaging and fibers, among other areas. Leveraging our expertise and connections in the electronics market, we are developing new materials for advanced packaging and advanced displays. Additionally, we are utilizing new UHMWPE fiber process innovations to enter the armor mid-market with new offerings, where we have partnered with our customers and have a strong sales pipeline.

Accelerate Growth Through Portfolio Optimization

Solstice Advanced Materials leadership intends to continuously reassess and optimize our existing product portfolio. We believe that we will be well positioned to pursue inorganic growth strategies in numerous business units. We regularly identify and evaluate a robust pipeline of acquisition targets across all businesses to broaden our portfolio, access differentiated technologies and innovations, and expand our exposure to high-growth markets. As a standalone company, we expect our agility and independence in capital allocation decisions will allow us to effectively pursue identified, actionable acquisition opportunities.

We see add-on opportunities, synergy potential and value creation opportunities in our existing business lines, such as electronic materials, thermal management components and systems, LGWP refrigerants, blowing agents, solvents and aerosols and other fluorinated materials, and near-adjacent life sciences chemicals. Our acquisition strategy will focus on long-term secular trends aligned with our strategic pillars for inorganic growth. We remain open-minded toward adjacent product segments, end markets and customer groups, as previously demonstrated by our expansions into healthcare via medical fibers or emission-reducing propellants for inhalers. We plan to focus on several end markets including thermal management and materials for our next-gen semiconductor technology, battery and electronic materials, advanced healthcare packaging, adjacent packaging materials, recyclability, biopharmaceuticals, life sciences and downstream composites. We expect our acquisition targets will benefit from our management's deep knowledge and rigorous application of the Solstice Accelerator operating model, validated by a proven record of value creation.

Maintain a Sharp Focus on Cost Structure and Superior Execution

We aim to maintain and expand our best-in-class Adjusted EBITDA margins. An integral part of our strong margin profile is our focus on high value-add specialty solutions for our customers. By focusing on strongly differentiated, customer-specific solutions, we expect our customers to continue purchasing our products based on quality and reliability as key differentiators.

We aim to maintain a lean cost structure based on operational excellence and continuous improvement guided by the Solstice Accelerator operating model. Our manufacturing processes are continuously monitored and analyzed, leading to improved manufacturing standards, including our world-class safety commitment, and asset efficiency. Our global manufacturing footprint and proximity to customers, combined with strategic production partnerships, support our lean cost structure. We benefit from commercial excellence through productive supplier negotiations and scale across common production platforms.

Additionally, we will execute productivity initiatives amplified by the Solstice Accelerator operating model. These initiatives are embedded deeply across each business line. For example, we identified circularity opportunities in sputtering target production, increasing material utilization, yields and recyclability, while reducing costs and waste. We constantly implement new technological solutions, such as real-time tracking tools in refrigerant and chemical supply chains, increasing efficiencies, customer satisfaction and cost savings. We remain committed to operational excellence.

Our Portfolio and Reported Segments

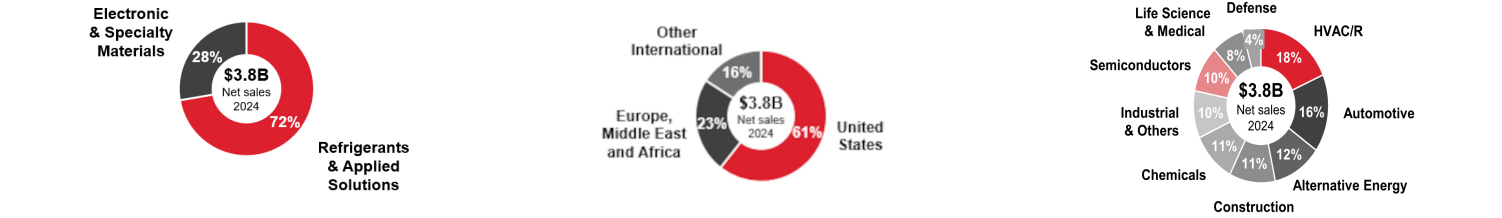
We operate through two segments, reported as RAS and ESM. Each segment has its own product portfolio and set of complementary businesses, serving distinct end markets. RAS primarily focuses on specialty solutions across the molecular value chain of LGWP refrigerant, blowing agent, solvent and aerosol materials for various end markets such as HVAC/R, automotive, energy, building and appliance insulation and healthcare. ESM provides primarily electronic materials, industrial-grade fibers and laboratory life sciences chemicals for diverse end markets such as semiconductors, defense, pharmaceutical and construction. We leverage sales activities, distribution activities and R&D know-how across both segments for select applications and end markets.

Below is a description of Solstice Advanced Materials’ net sales by segment, region and end market for the year ended December 31, 2024:

Segment Mix

Geographic Mix⁽¹⁾

End Market



(1) Net sales are classified according to their country of origin. Included in United States Net sales are export sales of \$720 million for the year ended December 31, 2024.

Refrigerants & Applied Solutions Segment

Overview of Refrigerants & Applied Solutions

Our RAS segment is a leading manufacturer of LGWP refrigerants, blowing agents, solvents and aerosol materials. RAS serves the end markets of HVAC/R, automotive, energy, building and appliance insulation and healthcare. Its products include LGWP refrigerants, blowing agents, aerosol propellants, cleaning solvents, high-barrier pharmaceutical packaging materials and alternative energy services. Our products are distributed and sold through well-known brands such as Solstice, Genetron and Aclar.

Below is a description of RAS’ net sales by product offering and region for the year ended December 31, 2024:

Product Offering

Geographic Mix⁽¹⁾



(1) Net sales are classified according to their country of origin. Included in United States Net sales are export sales.

Overview of Businesses

RAS operates through the following businesses: Refrigerants, Building Solutions & Intermediates, Alternative Energy Services and Healthcare Packaging.

- **Refrigerants:** The Refrigerants business develops and manufactures leading LGWP refrigerants for stationary and automotive applications. We serve comfort cooling as well as the refrigeration end markets. Our products are primarily sold to HVAC/R and automotive OEMs as well as aftermarket wholesalers under our Solstice and Genetron brands. We differentiate ourselves through strong brand recognition, global channel access and a deep aftermarket partner network. We are a leading global provider of refrigerants for the automotive end market, clearly differentiated by global commercial reach, customer relationships and a strong intellectual property portfolio, further strengthened by our position in the vehicle service aftermarket business.
- **Building Solutions & Intermediates:** The Building Solutions & Intermediates business is a leading supplier of LGWP blowing agents for insulating foam and appliance insulation, as well as cleaning solvents. We mainly serve the construction end market. Our products and services are sold to a wide range of customers, from construction companies and appliance OEMs to distributors. We are recognized as a technology leader with a strong U.S. footprint, benefiting from significant commercial reach, channel access and deep customer relationships due to unique formulation processes specific to each customer.
- **Alternative Energy Services:** The Alternative Energy Services business provides uranium hexafluoride conversion and related services to utilities operating nuclear power plants. Together with our joint venture partner General Atomics, we are the only provider of these services in the U.S.
- **Healthcare Packaging:** The Healthcare Packaging business is a global leader in specialty packaging materials characterized by a high moisture barrier and high clarity as well as lower emissions medical aerosols, leveraging our fluorinated chemistries expertise. We serve the medical and pharmaceutical end markets. Our products are primarily sold to medical and pharmaceutical packaging producers through our Aclar and Solstice brands. For over 50 years, we maintained our position as an industry leader for differentiated specialty medical and pharmaceutical barrier packaging.

Business and Products

RAS comprises Refrigerants, Building Solutions & Intermediates, Alternative Energy Services and Healthcare Packaging, each of which develops, produces and sells advanced materials based on the fluorine molecular value chain, achieving high synergies across businesses.

Our Refrigerants business develops and manufactures LGWP refrigerants for two main end markets: stationary and automotive. The refrigerants portfolio primarily includes HFOs, HFO blends and some HFCs for currently converting markets. The stationary refrigerants business is a leading manufacturer of energy-efficient, ultra-LGWP refrigerants, mainly used in HVAC/R systems for residential cooling, commercial and industrial refrigeration, supermarkets, cold storage, chillers, food processing and data centers. Additionally, our Solstice HFO refrigerants are used in heat pumps for district, residential and commercial heating applications. In food retail, our energy-efficient Solstice HFO refrigerants are used by supermarkets around the globe for low and medium temperature applications such as coolers, freezers and refrigerated displays. For industrial applications, our Solstice HFO refrigerants replace boilers as heating sources in chillers and heat pumps. Our Solstice 454B is an LGWP refrigerant, helping to minimize environmental impact through increased efficiency while lowering our customers' redesign costs and capital expenditures. Solstice 454C outperforms carbon dioxide in normal and high ambient conditions in various applications, helping customers meet energy efficiency and sustainability goals without sacrificing system performance. For end markets converting towards LGWP refrigerants, we still offer reduced-GWP HFCs under our Genetron brand. We are well positioned to capitalize on adjacent opportunities such as data center cooling or the electrification of heating via heat pumps.

Our automotive refrigerants business is a leading manufacturer of LGWP refrigerants, primarily R-1234yf. LGWP refrigerants are required in nearly every new car sold in regulated markets as part of a vehicle's air conditioning system, absorbing heat and cooling the vehicle's interior. For automotive and transportation applications, our

Solstice refrigerants are used in conventional, hybrid, electric, heavy-duty and refrigerated vehicles. In regulated markets, which are well advanced in the transition to LGWP refrigerants, we offer HFOs, as well as HFCs for the part of the market that still needs to transition. Similarly, we offer both HFOs and HFCs in developing countries, which are at an earlier stage of the transition to LGWP refrigerants.

Our Building Solutions & Intermediates business is a key supplier in fluorine-based derivatives. We develop and manufacture LGWP blowing agents for residential and commercial structures, appliance insulation and cleaning solvents. Our Solstice LGWP blowing agents enable spray foam to provide superior insulation for residential and commercial properties while reducing energy usage. For automotive and transportation applications, our Solstice blowing agents insulate conventional, hybrid, electric, heavy-duty and refrigerated vehicles. For industrial applications, our Solstice solvents and flushing agents are used for vapor degreasing and precision cleaning.

Our Alternative Energy Services business provides uranium hexafluoride conversion and related services to utilities operating nuclear power plants in North America, Europe and Asia. Conversion requires extensive expertise in hydrofluorination and fluorination processes, positioning us as the only U.S.-based supplier. Our Alternative Energy Services business operates through ConverDyn, a joint venture with General Atomics, where we currently act as controlling partner. Solstice Advanced Materials provides uranium hexafluoride conversion services from the AES Facility to the Company's ConverDyn joint venture through a decades-long supply agreement. In addition, from time to time in the ordinary course of business to the extent permitted under applicable law, ConverDyn has in the past, and may in the future, purchase additional conversion services from third parties on an ad hoc, purchase order basis on terms attractive to ConverDyn to facilitate incremental sales to ConverDyn's customers and/or build inventory to support future sales to ConverDyn's customers. After a temporary production halt from 2017 to mid-2023 (implemented in response to market dynamics that had been created by an approximate five-year period of excess global supply), we restarted operations in 2023 and continue investing to increase throughput and reduce downtime. The joint venture experiences strong long-term customer demand, with approximately \$2 billion in backlog orders as of June 30, 2025, and the Company currently expects supply and demand in this area to be balanced in the long-term. In addition, the U.S. President has recently ordered, among other actions, the Secretary of Energy to "develop a plan to expand domestic uranium conversion capacity," (Executive Order 14302, §3). Because the AES Facility is the sole domestic facility producing uranium hexafluoride gas, and continued commercial viability and expansion of production at the AES Facility is instrumental to the fulfillment of the Administration's energy dominance objectives, the Department of Energy has an agreement in principle with the Company pursuant to which we understand the Department of Energy intends to share in certain costs in connection with the expansion of our AES Facility. While we do not believe it to be a probable scenario, if we do not meet certain timing requirements for completing projects partially funded by the Department of Energy, we may be required to pay liquidated damages. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Segment Results—Refrigerants & Applied Solutions" for more information about the Company's ConverDyn joint venture.

Our Healthcare Packaging business is a global leader in high-barrier, clear polymers for thermoformed healthcare packaging applications as well as lower emissions medical aerosols, leveraging our fluorinated chemistries expertise. Our specialty films are used in medical and pharmaceutical packaging, where our protective films achieve the highest moisture barrier of any clear thermoplastic film while also lowering total packaging costs for our customers. Our ultra-high moisture barrier protects the efficacy of medicines, while the transparent material acts as a consumer-friendly film. We are able to laminate our films with a wide range of substrates to add oxygen and light barrier protection when needed. Furthermore, our packaging materials are recyclable and PVC-free. Our Aclar and Aclar Accel high-barrier packaging materials are mainly used in blister packaging in the medicine and pharmaceutical packaging space. Some of the best-known over-the-counter and prescription medications have been packaged by our products for over 50 years. We see several opportunities to expand into adjacent areas demanding high barrier performance and high clarity, mainly in the healthcare and pharmaceutical space as well as in semiconductor packaging. In addition, we develop and manufacture lower emissions aerosols for healthcare applications and inhalation therapy. Our Solstice Air aerosols are near-zero GWP propellants for metered dose inhalers in the healthcare space. We see potential opportunities in adjacent areas in healthcare with additional medical aerosols.

R&D and Innovation

We primarily conduct our R&D in-house, leveraging national or university laboratories where applicable. The majority of our R&D capabilities in the RAS segment are centralized in Buffalo, New York. We benefit from a centralized R&D approach, as the products of our RAS segment are mainly based on the fluorine chemical value chain. In our Buffalo R&D center, we combine all major functions to develop and innovate across the Solstice Advanced Materials product portfolio. Our discovery group researches new molecules, our applications group is responsible for further developing these molecules to fit their end application, and our analytical and properties teams provide support throughout the development process. Our pilot plants test new molecules and materials in the production process and their final application. Besides our Buffalo R&D center, we have additional R&D centers located throughout the world. Located within our manufacturing plants, our international RAS R&D centers support local requirements such as materials testing. Furthermore, our RAS segment benefits from customer interactions during co-development processes, where we develop customer-specific solutions.

We foster innovation initiatives in our Buffalo R&D center through roughly 60 internal symposiums and events each year. RAS R&D employees engage in continuous dialogue and knowledge transfer with their colleagues from the ESM segment, as we see transferable knowledge opportunities across various applications. Our RAS segment benefits from access to electronic customers in the ESM segment, supporting our R&D efforts in thermal management. We expect to utilize additional synergy potential across both segments in battery materials and complex production processes, such as purification and separation.

R&D, innovation and the resulting intellectual property portfolio are major cornerstones and core differentiation pillars of our RAS segment. Our Buffalo research lab has specialized in fluorine chemistry research for more than 65 years. It primarily focuses on environmentally improved materials, new applications for existing molecules and new molecules for existing and new applications. Leveraging our Z21 innovation process, which will be part of the Solstice Accelerator operating model, we have established a clear new-product introduction path from idea to first revenue, achieving greater speed, value and customer satisfaction.

Industry, End Markets and Competition

Our Refrigerants business offers refrigerants for stationary applications to serve residential and commercial end markets, as well as industrial heating, cooling and refrigeration. Our refrigerants are used in HVAC/R systems in supermarkets, cold storage, chillers, food processing, heat pumps, data centers and comfort cooling and heating in residential and commercial buildings. Stationary markets remain among the last to convert to HFOs. The development and production of traditional HFCs is relatively commoditized among industry players. We benefit from our existing presence in the U.S. and Europe, where markets provide regulatory protection for incumbent producers. The transition toward LGWP HFOs strengthens our leadership position in LGWP refrigerants, especially in the U.S. and Europe. We expect demand for LGWP refrigerants in stationary applications to grow at rates exceeding GDP, driven by the regulatory transition from HFCs toward LGWP renewable HFOs and electrification of heating via heat pumps. We differentiate ourselves through strong brand recognition, global channel access and a deep partner network, particularly in the aftermarket business. We also benefit from a strong intellectual property portfolio, especially in LGWP HFOs.

Our Refrigerants business also offers refrigerants for automotive end markets sold to OEMs in both regulated and developing countries. Our refrigerants are used in HVAC/R systems in automotive vehicles of all types, including conventional, hybrid, electric, heavy-duty and refrigerated vehicles. While regulated jurisdictions such as the U.S., EU, Japan and South Korea have nearly fully transitioned to LGWP refrigerants, we expect that China will drive significant adoption of R-1234yf going forward. Furthermore, electric and hybrid vehicles use up to double the amount of refrigerants compared to traditional combustion-engine vehicles, further driving growth in the market for our core products. We hold an established market position in electric vehicles sold in regulated markets, supporting our future growth opportunities. We also have a competitive advantage through our global commercial reach and customer relationships. In addition, we are a key supplier in the vehicle service aftermarket business. Our position as a market leader in the development and production of R-1234yf is supported by a strong intellectual property portfolio. We expect demand for refrigerants in these end markets will grow at rates exceeding GDP.

Our Building Solutions & Intermediates business offers LGWP blowing agents primarily used in the construction end market for building insulation, as well as appliance insulation across various industries. For LGWP blowing agents, we are recognized as a technology leader and a major supplier in the U.S. We maintain a significant footprint, enabling broad commercial reach, channel access and deep customer relationships. In this business, the formulation process is unique to each customer, further strengthening our relationships. We believe the end markets for our blowing agents are generally cyclical, growing on average at GDP rates over the long term.

The joint venture in our Alternative Energy Services business continues to experience a strong backlog of demand, and we maintain a leadership position due to our extensive know-how in complex conversion processes within a highly regulated market. Our multi-year sales agreements in this business provide for long-term pricing and insulate us from price volatility. We expect the relevant end market for our uranium hexafluoride conversion services to grow at rates consistent with GDP over the long term.

Our Healthcare Packaging business offers our Aclar and Aclar Accel high-barrier packaging materials used in medical and pharmaceutical packaging, protecting over-the-counter and prescription medications. We view our pharmaceutical end market as steady and defensive. We anticipate growing demand for high-barrier, high-clarity packaging materials driven by medication efficacy, consumer preferences for packaging transparency and a lower cost base for our customers. We expect demand for these packaging materials to outpace GDP growth. Recognized as a technology and innovation leader, we offer high-performance moisture barriers and high clarity in our differentiated film. With respect to our lower emissions healthcare aerosols, we primarily sell into the metered dose inhalers end market, which we believe will grow in line with GDP. Additional conversion to LGWP aerosols in that end market could drive the demand for lower emissions aerosols, growing at rates exceeding GDP.

RAS faces competition across its products and end markets from established companies. Our main competitors for the RAS segment include Arkema, Chemours, Daikin, Orbia and not-in-kind alternatives. Depending on the product line and end market, we also experience competition from various smaller and regional players.

Sales, Distribution Channels and Customers

The RAS sales organization is specialized by geography and business unit. For each product segment, we have specialized sales representatives across the U.S., Europe, Latin America and Asia. Within each region, we have separate experts for our different businesses serving unique end markets, such as automotive, stationary, foam or pharmaceutical. In mature markets such as the U.S. or Europe, our sales force is more specialized across applications to serve our longstanding customer base with unique services. For example, in stationary refrigerants, we differentiate between OEM and aftermarket customers. For our largest and global customers, we have dedicated strategic account directors acting as key account managers. Due to the specialized nature of our products and end markets, we benefit from the dedicated split between business units, geographies and customer types, where applicable. Our sales team works closely with our marketing organization. Our marketing teams specifically support sales excellence and operations, sales analytics, as well as technology and digital tools to improve customer experience, channel access and pricing dynamics.

Globally, the RAS segment serves over 700 customers. Our 10 largest customers in the RAS segment accounted for less than 25% of segment sales in 2024. No single RAS customer accounted for more than 4% of our segment sales in 2024.

The Refrigerants business sells its refrigerant products for the stationary market to HVAC/R OEMs and aftermarket wholesalers. We sell our refrigerant products for the automotive end market directly to car assembly plants of major OEMs, as well as to wholesalers and retailers in the vehicle service aftermarket business. The Building Solutions & Intermediates business sells its products mainly to construction companies and appliance OEMs, distributors, as well as refineries. Our Alternative Energy Services business supplies converted uranium hexafluoride downstream to customers who purify the product, making it usable in energy end applications. Our Healthcare Packaging business primarily sells its high-barrier packaging materials and aerosols directly to healthcare packaging converters and manufacturers, as well as aerosol formulators. We stay close to our OEM customers through deep relationships between our product development teams, alignment between our R&D pipeline and our customers' technology roadmap, trade shows and recurring touchpoints with our customers' top-level management. We maintain strong

relationships with our channel partners. We use distributors in geographies where we have limited local presence, in fragmented or small customer groups, and in end markets where end customers purchase through wholesalers or where the distributor holds quotas. This allows us to focus on larger sales quantities, maximize sales force efficiency and improve our payment terms. We introduce and maintain specific channel partner programs and incentives to deepen our long-term relationships and help our customers grow their businesses through our expertise. We own our warehouse facilities, mainly located within our manufacturing sites. Our logistics network for transporting products to customers primarily relies on third-party service providers; however, in the U.S., we lease trucks and railcars for major product lines.

In the Refrigerants and Building Solutions & Intermediates businesses, we have sales contracts with OEM customers, often with durations of one to five years, paired with fixed pricing mechanisms and cost recovery clauses. In the aftermarket business, several contracts have durations of one to three years. For healthcare end markets, sales agreements can be up to 10 years or more. Certain of our sales contracts include minimum purchase obligations, providing excellent revenue visibility over the coming years. The RAS sales organization emphasizes long-term customer supply relationships. Overall, our sales and customer service teams differentiate themselves through highly technical and specialized sales representatives, deep expertise in applications, products and end markets, strong top-level management relationships, service quality and reliability, and a consultative approach to selling specialty products within specialized verticals.

Seasonality and Cyclicalities

Our RAS segment is exposed to various end markets. Our primary end market exposure includes HVAC/R systems for residential, commercial and industrial heating, cooling and refrigeration, automotive vehicles, construction, energy and healthcare packaging. Among these, we experience the most cyclicalities in the construction end market, while healthcare packaging is an example of a more defensive end market. Although HVAC/R system and automotive vehicle end markets tend to be more cyclical, our product sales are less tied to new system or vehicle sales. We benefit from a strong aftermarket business and the ongoing transition toward LGWP products within these end markets. Overall, our RAS segment tends to experience steady and resilient sales growth over time.

Historically, our RAS segment experiences its highest sales in the first half of the year. Our Refrigerants business experiences peak sales in the second quarter, driven by seasonal demand and inventory build-up related to warmer weather and maintenance cycles. Our Building Solutions & Intermediates business typically experiences peak sales in the fourth quarter due to weather conditions and increased construction project activity. Our Healthcare Packaging business experiences peak sales mid-year, ahead of the winter season when medication consumption typically increases.

Electronic & Specialty Materials Segment

Overview of Electronic & Specialty Materials

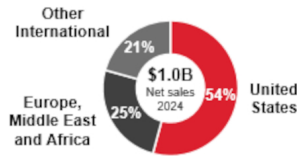
Our ESM segment is a leading provider of electronic materials, industrial-grade fibers, laboratory life sciences materials, as well as specialty chemicals. ESM primarily serves the semiconductor, defense, pharmaceutical and construction end markets. Its products include, among others, sputtering targets, lightweight high-strength fibers and high-purity life sciences solutions. Our products are distributed and sold through well-known brands like Spectra, Fluka and Hydranal.

Below is a description of ESM’s net sales by product offering and region for the year ended December 31, 2024:

Product Offering



Geographic Mix⁽¹⁾



(1) Net sales are classified according to their country of origin. Included in United States Net sales are export sales.

Overview of Businesses

ESM operates through the following businesses: Electronic Materials, Safety & Defense Solutions and Research & Performance Chemicals.

- **Electronic Materials:** The Electronic Materials business specializes in sputtering targets, electronic polymers, thermal solutions and high-purity etchants and wash solvents used in semiconductor manufacturing. Solstice Advanced Materials is a leader in providing components for cutting-edge semiconductor technologies. Our core products for front-end semiconductors include copper manganese and titanium sputtering targets, which utilize a unique extrusion process enabling greater precision in grain structure and extended product lifetime, as well as our HF etchants, wash solvents and industry-leading electronic polymers and phase change materials. This business serves the leading-edge fabricators in the semiconductor industry due to their precision and reliability. Our copper manganese targets and electronic polymers are positioned to meet emerging demands in advanced packaging and advanced display segments, while our industry-leading phase change materials are well suited for demanding applications such as cooling GPUs and EV battery inverters. The Electronic Materials business is well-positioned to benefit from AI-related tailwinds and the increasing demand for advanced, lower-nanometer chips.
- **Safety & Defense Solutions:** Our primary product offering within the Safety & Defense Solutions business is UHMWPE materials, which are specialty fibers primarily used for armor, as well as medical and industrial applications. Our products are primarily sold to manufacturers of end products such as military and safety armor through our Spectra brand. We maintain a leading position across these applications because Spectra fibers have lighter weight than competing products and offer best-in-class levels of performance.
- **Research & Performance Chemicals:** The Research & Performance Chemicals business includes research chemicals, fine chemicals and specialty additives. Within research chemicals, under the Fluka brand, we are a leading supplier of reagents for DNA and RNA assays, Karl Fischer titration reagents under the Hydranal brand—which one of the industry’s most trusted brand in Karl Fischer titration due to its quality, consistency and innovation—and solvents for chromatographic and spectroscopic applications through our Burdick & Jackson, Riedel-de Haën and Chromasolv brands. The fine chemicals business provides a comprehensive range of high-purity inorganic halides, phosphorus derivatives, sulfur derivatives, oxides and various other inorganic compounds to serve diverse markets such as metal surface treatment, electroplating, oral care, personal care,

healthcare, nutrition, sealants, adhesives, catalysts and energy. We are a trusted provider due to our high-quality and reliable formulations. Our high-purity chemicals business is a key producer in Europe. Within specialty additives, we offer plastic and wax blends for various end uses, maintaining a leading position in PVC, coatings and asphalt segments.

Business and Products

ESM is comprised of Electronic Materials, Safety & Defense Solutions and Research & Performance Chemicals. Due to the highly differentiated nature of each of our businesses within the ESM segment, we operate each ESM segment business according to its unique needs, leveraging common platforms and functions where applicable. We employ best-in-class tools and systems to support the mechanical integrity of our complex manufacturing sites and processes.

Our Electronic Materials business offers high-quality sputtering targets, electronic polymers, thermal solutions, high-purity etchants and wash solvents for use in front-end and back-end semiconductor manufacturing. We are a leading manufacturer of sputtering targets, particularly copper manganese targets, for which we developed a unique extrusion process allowing high control over grain structure. We work closely with end customers to continually refine the performance of our sputtering targets, enabling us to offer one of the highest-performing products in our customers' semiconductor manufacturing processes, where the cost of failure is exceptionally high. With our sputtering targets, we collaborate directly with fabrication engineers to gather performance feedback for continuous development and refinement. As a result, we achieve unique production quality in high-performance sputtering targets, especially in metals such as copper manganese and titanium, and provide customers the option to customize alloy composition, grain size and purity where possible. Additionally, we partner with customers' R&D teams to develop next-generation alloys for advanced technologies. Our Electronic Materials business also offers electronic polymers, used in front-end semiconductors, and thermal solutions such as integrated heat spreaders and thermal interface materials. Our electronic polymers are well suited for advanced semiconductor manufacturing needs such as planarization, gap-fill, hard mask and doping. Our high-performance thermal solutions, especially phase change materials, benefit from growth associated with battery inverters used in electric vehicles and GPU cooling in data centers. We also provide high-purity electronic wet chemicals such as etchants and blends, solvents and wafer-thinning materials. Our Electronic Materials business differentiates itself through proximity to customers and close collaboration in co-development processes, allowing us to remain at the forefront of innovation. We built this deep customer intimacy through decades of strong, close partnerships.

Our Safety & Defense Solutions business offers specialty fibers made from UHMWPE materials, sold under our Spectra brand. Our fibers are used in military, law enforcement, industrial, commercial and life sciences applications. Spectra fiber offers superior performance relative to our competitors and significantly lighter weight than steel, making it a preferred choice in applications such as industrial ropes and fishing lines. Its best-in-class performance and lighter weight are critical for the reliability and usability of Spectra fibers in armor applications, whether for personal protective gear or vehicular armor. Spectra fibers are sold directly to manufacturers of end products such as armor, rope, fishing lines and medical devices. The Spectra business works closely with both manufacturers and end customers to ensure the fibers meet the needs of end users. The manufacturing and R&D operations of the Spectra business are co-located and supported by specialized employees with decades of experience in both R&D and commercial operations. We are a global leader in high-end, lightweight armor technology, maintaining strong governmental relationships through which we continually develop and refine our fiber technologies. As we continue to innovate and leverage our R&D capabilities, we see opportunities for further growth with even more advanced fibers. In armor applications, this innovation is critical for providing the U.S. military with more effective, lighter-weight armor, and we remain at the forefront of this technology development.

Our Research & Performance Chemicals business primarily offers high-purity chemicals and research chemicals, in addition to specialty waxes and additives. We produce and refine various chemicals, including HF, inorganic compounds, organic compounds and fluorine salts. Our research chemicals business provides high-purity chemicals, such as solvents and Hydranal titration reagents, used in laboratory applications. This business serves pharmaceutical, oil & gas and chemicals end markets and maintains strong brand recognition in Europe. Our solutions support battery systems transitioning to dry manufacturing processes. Additionally, we benefit from extensive reach through our e-commerce platform. Within Research & Performance Chemicals, we acquire, process

and resell materials to customers and are developing new chemical recycling solutions to help reduce waste. In specialty additives, the Honeywell Titan polymer (and after the Spin-Off, Solstice Titan polymer) can be used in high-performance asphalt applications at lower overall cost and with reduced environmental impact.

R&D and Innovation

The R&D capabilities of our ESM segment are primarily located within the manufacturing plants of their respective businesses and product lines. We conduct R&D primarily in-house, leveraging national or university laboratories where applicable, and tailor our approach specifically to each business. The co-location of R&D teams and production plants accelerates our innovation speed and ensures we remain highly attuned to our customers' needs. We combine our R&D centers within manufacturing plants with pilot plants to test new solutions, applications and materials during the production process and their final applications. Additionally, our ESM segment benefits from customer interactions in co-development processes, where we develop customer-specific solutions and applications.

We foster innovation across our R&D centers through regular events and internal congresses, facilitating knowledge transfer and collaborative innovation. There is constant dialogue and knowledge sharing with R&D colleagues from the RAS segment, as we see transferable knowledge opportunities across various applications. For example, our ESM segment strongly benefits from the RAS segment's expertise in thermal technology and its capability to quickly scale pilot plants to large-scale production operations. We also leverage additional synergies across both segments in battery materials and complex production processes, such as purification and separation.

R&D and innovation are key cornerstones and core differentiators of our ESM segment. While our resulting intellectual property portfolio is important, we rely even more on proprietary processes and manufacturing techniques to differentiate our products. Our ESM segment's R&D primarily focuses on developing new product offerings for leading-edge chip fabrication, advanced packaging, advanced display, batteries, as well as UHMWPE fiber process development. Through our Z21 innovation process, which will be part of the Solstice Accelerator operating model, we established a clear path for new product introductions from idea to initial revenue, achieving greater speed, value and customer satisfaction.

Industry, End Markets and Competition

Through our three distinct business lines within ESM, we serve highly attractive end markets with opportunities for further growth and product innovation, particularly in the semiconductor, life sciences and defense end markets.

The semiconductor industry is forecasted to grow significantly above GDP rates, with leading-edge semiconductors expected to grow even faster. As a leading supplier of copper manganese and ultra high purity titanium sputtering targets, we work directly with leading-edge semiconductor fabricators. Becoming a trusted supplier to semiconductor manufacturers is a demanding process, as any performance deficiency can result in high failure costs. We are among the highest-reliability producers of sputtering targets and maintain strong capabilities in copper manganese and titanium targets, supplying high-performance products for top semiconductor companies' manufacturing processes. Our strong market position is supported by proximity to customers and deep partnerships around the globe. We continue to invest in R&D to remain at the forefront of leading-edge technology and prepare for the accelerating transition to reduced-nanometer chips driven by AI applications. Additionally, the convergence of front-end fabrication and back-end advanced packaging technologies is driving further demand for high-purity metals, polymers, etchants and solvents, creating additional tailwinds for our Electronic Materials business. We also collaborate with leading semiconductor manufacturers and OEMs to provide premium thermal solutions, building on our current portfolio of heat spreaders and thermal interface materials. In our thermal solutions offering, we expect significant growth due to increasing needs for efficient heat transfer in electric vehicle batteries and GPU data center cooling.

The Safety & Defense Solutions business competes across diverse end markets, including defense, life sciences and commercial applications. Given that Spectra fibers are primarily used in military and law enforcement applications, this business's growth is closely tied to global defense spending, which we expect to continue to increase. When demand in military spending weakens, we usually see demand for law enforcement equipment pick up, benefiting our exposure to both markets. We have decades-long customer relationships and extensive expertise in product manufacturing and innovation. The strength of these relationships and our manufacturing capabilities differentiate us

from other suppliers. We anticipate additional growth from product expansion into mid-market applications, supported by capacity expansions and a robust sales pipeline.

The Research & Performance Chemicals business serves a wide range of end markets, including pharmaceuticals, oil & gas, chemicals, authentication, automotive, oral care and construction. Our research chemicals business is a leading supplier of high-purity chemicals to the pharmaceutical market. Our specialty additives business also benefits from high-growth battery system applications, as we currently support battery manufacturers in transitioning to dry-process manufacturing. We expect the underlying business end markets to deliver growth consistent with GDP, with specific areas expected to see higher growth.

ESM faces competition across its products and end markets from established companies. Due to our large, specialized product offering across various end markets, our ESM segment faces a wide variety of competitors, different for each of our major product lines.

Sales, Distribution Channels and Customers

The ESM sales team is organized by business. Our sales team works closely with our marketing organization, which specifically supports areas such as sales excellence and operations, sales analytics, and technology and digital tools to improve customer experience, channel access and pricing dynamics.

Globally, the ESM segment serves over 2,400 customers. Our 10 largest customers accounted for approximately 30% of segment sales in 2024. Combined, our two largest customers accounted for approximately 15% of segment sales in 2024. No other single ESM customer accounted for more than 4% of segment sales in 2024.

We primarily distribute our products directly to other manufacturers within the value chain, who then deliver final products to end customers. We maintain longstanding relationships with leading semiconductor and technology players in our Electronic Materials business. Within our Safety & Defense Solutions business, we sell Spectra fibers to armor manufacturers. We maintain a strong relationship with the U.S. government as an end user, as it establishes quality standards for armor technology products. Our Research & Performance Chemicals business sells directly to semiconductor, battery and pharmaceutical manufacturers, as well as research labs and consumer brands. We maintain close relationships with our direct manufacturer customers through collaboration between our product development teams, alignment of our R&D pipeline with customers' technology roadmaps, trade shows and recurring touchpoints with customers' top-level management.

We also maintain strong relationships with our channel partners. We use distributors in geographies where we have limited local presence, with fragmented or smaller customer groups, or in end markets where end customers purchase through wholesalers or distributors hold quotas. This approach allows us to focus on larger sales volumes and improve payment terms. We offer specific channel partner programs and incentives to deepen our long-term relationships and help customers grow their businesses through our expertise. As part of our broader product distribution strategy, we own warehouse facilities, primarily located within manufacturing sites. Our logistics network to transport products to customers mainly relies on third-party service providers.

In most businesses, we benefit from multi-year sales contracts. These contracts often include indexed pricing mechanisms tied to underlying raw material prices, particularly metals, protecting our business from commodity price fluctuations. Many of our sales contracts also include minimum purchase obligations, providing revenue stability and predictability. Contracts with channel partners typically range from one to three years.

The ESM sales organization emphasizes long-term customer supply relationships. Our sales teams and customer service differentiate themselves through highly technical and specialized sales representatives, deep expertise in applications, products and end markets, strong top-level management relationships, service quality and reliability, and a consultative approach to selling specialty products within specialized verticals.

Seasonality and Cyclicity

The ESM portfolio experiences a moderate degree of cyclicity, primarily due to exposure to inherently cyclical end markets such as semiconductors and construction. These industries are sensitive to economic fluctuations, with our

Electronic Materials business tied to semiconductor fabrication cycles and our Research & Performance Chemicals business influenced by trends in building and infrastructure investments, life sciences and pharmaceutical innovation cycles. While seasonality has limited impact on our operations, prolonged periods of reduced investment or demand—such as downturns in semiconductor fabrication spending or construction activity—could adversely affect our performance. Currently, we benefit from an upswing in semiconductor investments, driven by the rapid advancement of AI. Additionally, our Electronic Materials business benefits from the rapid growth in data centers, which are expected to have lower cyclicalities compared to traditional semiconductor manufacturing due to anticipated sustained demand for advanced technology infrastructure.

To balance our cyclical exposure, our portfolio includes defensive businesses that provide stability across economic cycles. For instance, our Safety & Defense Solutions business, including Spectra armor products, is linked to military and civilian defense spending—a sector often resilient during economic downturns. Similarly, our Research & Performance Chemicals business serves life sciences and pharmaceutical markets, which tend to be less sensitive to economic fluctuations due to consistent demand for healthcare and innovation.

Furthermore, ESM benefits from secular growth trends that create sustained demand and offset cyclical pressures. Examples include the shift toward high-performance armor using Spectra fibers, adoption of copper-manganese alloys in electronics, stannous fluoride (SnF) in oral care, and copolymer-based solutions in Research & Performance Chemicals. These innovations reflect structural industry shifts, driving sustained growth and reducing reliance on short-term economic cycles. We believe that by leveraging a diversified portfolio and capitalizing on long-term opportunities, ESM is well positioned to navigate inherent cyclicalities in certain end markets while delivering consistent stakeholder value.

Raw Materials

Solstice Advanced Materials' supply chains are designed for maximum competitiveness through advantaged sourcing of key raw materials. Starting with our sourcing agreements, we utilize a mixture of fixed and market-based pricing and engage in long-term supply contracts to ensure reliable raw material availability. The majority of our raw material supply is under contract. We benefit from both a strong global presence and local relationships to maximize our sourcing efforts. Our sourcing teams collaborate closely with supply chain and production leadership to develop strategies that secure adequate raw material supplies. We had adequate supplies of raw materials in 2024 and anticipate continued adequate supplies in 2025.

Solstice Advanced Materials' primary raw materials include chlor-alkali based materials, ethylene, polyethylene, wet Spar and copper. We source raw materials from global and regional suppliers where possible and maintain multiple supplier relationships to protect against supply disruptions and potential price increases, including as a result of the impact of the imposition of tariffs or other trade actions impacting raw materials we source from global trade counterparties. To further mitigate the risk of raw material unavailability and cost fluctuations, we introduced raw material substitutions where feasible. Additionally, we secured long-term contracts with key suppliers and increased customer contracts that include raw material price pass-through terms. We do not believe the loss of any particular supplier would materially impact our business.

See the section entitled "Risk Factors" for additional information on supply chain constraints.

Manufacturing and Processing

Our core principles are to manufacture in proximity to our customers to provide high supply chain security, protect against geopolitical uncertainty, maintain a lean and efficient manufacturing setup to optimize cost structure, and leverage our common global manufacturing and R&D platforms.

Our manufacturing organization is structured to effectively serve all global markets in which we operate. Most manufacturing sites specialize in one or two product lines within their respective segments, allowing them to develop strong manufacturing know-how and support our industry-leading positions. We emphasize strong collaboration between our manufacturing sites and IT teams to implement state-of-the-art planning and scheduling systems, predictive maintenance programs and future integration with Solstice Accelerator operating model initiatives to enhance throughput, reliability, production safety and to decrease manufacturing downtimes.

We leverage production capabilities, inventory management and logistics across the RAS and ESM segments where applicable. We consolidate our processes and logistics for finished goods across both segments, leveraging domestic and global logistics through distribution centers.

Solstice Advanced Materials significantly invested in health, safety and environment initiatives over the past three years and has instilled safety as a core value by elevating our safety culture throughout the organization. We have improved our safety culture by implementing new safety committees, creating job safety analysis (JSA)/hazard recognition improvement strategies, and developing tools, processes and reporting structures.

Properties

Solstice Advanced Materials is headquartered in Morris Plains, New Jersey, U.S., and maintains a global network of production facilities and technical centers in cost-effective and strategic locations. We also use contract manufacturing and joint ventures to provide regional access or lower manufacturing costs as appropriate.

We directly own or lease 44 properties, including manufacturing sites, R&D facilities, land and corporate functions, several of which are located on the same property. Most of the manufacturing facilities have R&D capabilities and warehousing on site. The company's plants and equipment are maintained in good operating condition, and we believe our current production capacity for primary products is sufficient to meet foreseeable demand. Our global footprint enables us to serve customers locally. The following table shows the geographic distribution of our sites:

	Americas	Asia Pacific	EMEA	Total
Manufacturing	17	3	1	21
R&D	3	1	—	4
Land	2	—	—	2
Corporate	8	6	3	17
Total	30	10	4	44

We own most manufacturing sites and lease most properties involving corporate functions. The following table shows the split of these sites (excluding JV operations):

	Owned	Leased	Total
Operations	20	7	27
Corporate	—	17	17

Prior to the Spin-Off, we shared several properties with Honeywell. We entered into site-sharing and services agreements with Honeywell, under which we and Honeywell allow each other to use certain shared facilities. For further information, please refer to the section "Certain Relationships and Related Party Transactions." The following table shows the split of these sites (excluding JV operations):

	Not Shared	Shared
Operations	27	—
Corporate	15	2

Both of the facilities shared with Honeywell are leased office buildings. The following table shows the split of owned and leased shared facilities with Honeywell:

	Owned	Leased
Shared Facilities	—	2

Trademarks and Intellectual Property

Intellectual property—including patents, trademarks and unpatented proprietary technology (including trade secrets and know-how)—is critical to maintaining our technology leadership and competitive edge. Our business strategy generally involves filing patent applications globally for proprietary new products, applications and manufacturing technology unless we determine to protect such products and technology (or portions of such products and technology) through trade secrets rather than patents, taking into consideration the nature of the products and technologies at issue, as well as the nature of the protections afforded by patents and trade secrets in applicable jurisdictions. We actively work on a global basis to create, defend and enforce our intellectual property rights. The protection afforded by patents and trademarks varies by country, scope of an individual patent and trademark, and availability of legal remedies in each country. Although certain proprietary intellectual property rights are important to our company's success, we do not believe that we are materially dependent on any particular patent or trademark. Securing our intellectual property is critical to maintaining our technology leadership and competitive position, especially with respect to new technologies or extensions of existing technologies. As of June 30, 2025, we owned over 5,700 issued patents and pending patent applications worldwide to protect our R&D investments in new products and technology, and we have access to certain other patent portfolios through various strategic relationships. Unpatented proprietary technology (including trade secrets and know-how) is an important part of our intellectual property portfolio, and various aspects of our products and manufacturing processes are kept as trade secrets, which from time to time may be licensed to third parties in connection with our business operations. We seek to protect our trade secrets and other confidential and proprietary information through comprehensive internal and external controls, including policies, procedures, contractual protections including confidentiality agreements with our employees and third parties and we employ an intellectual property protection manager for certain projects.

Our RAS segment is an innovation leader in the markets in which it participates. With over 4,000 issued patents and pending patent applications globally, we have one of the largest patent portfolios in these markets. Additionally, the business benefits from various third-party patent portfolios to which it has access through various strategic relationships. With respect to R-1234yf, while certain patents relating to applications of the technology expired or are near expiration, we own certain composition patents covering the molecule with expiration dates ranging into the 2030s and patents covering other aspects of our Solstice refrigerants portfolio, including refrigerant blends containing R-1234yf and methods of making R-1234yf, with varying expiration dates at least into the mid-2030s. Given the experience obtained from the number of manufacturing plants that we built ourselves or in partnership with others, we have a significant amount of unpatented technology in the form of know-how and trade secrets, which provide the business with a competitive advantage. The business considers various trademarks such as Solstice, Enovate, Genetron and Aclar to be valuable assets to Solstice Advanced Materials.

Our ESM segment is a technology and innovation leader in the majority of the markets in which it participates. Because some of the foundational patents expired, our ESM segment relies upon proprietary knowledge, continuing technological innovation and trade secrets to develop and maintain our competitive position in this sector. Nevertheless, within this segment, we hold significant intellectual property in the form of trade secrets and patents, and, while we believe that no single patent or trade secret is material in relation to our combined business as a whole, we believe that our patents and trade secrets are material in the aggregate. Our proprietary gel-spinning process to manufacture Spectra fiber and our proprietary extrusion process to manufacture sputtering targets are important parts of our technology, and our business could be harmed if our trade secrets are not maintained in confidence. Within our ESM segment's intellectual property portfolio, we consider our Spectra, Gold Shield, Fluka and A-C trademarks to be valuable assets.

We have certain strategic collaborations and cross-licenses with third parties. For example, the RAS segment partners with others to solve time-critical, high-value and often high-risk customer problems. Agreements governing these cooperations may provide each party with access to relevant intellectual property of the other to enable each party to commercialize the developed solution.

Regulatory and Environmental Compliance

Solstice Advanced Materials operates in a constantly evolving regulatory environment, and we are subject to numerous and increasingly complex federal, state, local and foreign legal and regulatory requirements for our

operations and products. It is our practice to identify potential regulatory risks early in the R&D process and manage them proactively throughout the product lifecycle through routine assessments, protocols, standards, performance measures and audits. Governing bodies regularly issue new regulations or amend existing ones. We implemented global systems and procedures designed to ensure compliance with existing laws and regulations.

We work collaboratively with a number of stakeholder groups, including government agencies, trade associations and non-governmental organizations, to proactively engage in federal, state and international public policy processes ranging from climate change to chemical management. We also have ongoing interactions with our suppliers, carriers, distributors and customers to achieve similar product stewardship.

See the section entitled “Risk Factors” and Note 19 “Commitments and Contingencies” of the Notes to the audited Combined Financial Statements and Note 14 “Commitments and Contingencies” of the Notes to the unaudited Condensed Combined Financial Statements for additional information for additional information on government regulation and environmental matters that could impact our business and current regulatory commitments and legal proceedings, respectively.

Employees

As of June 30, 2025, we had more than 3,900 employees, over 300 of which are technologists and engineers in our R&D operations. Nearly all of our European employees and approximately 20% of our U.S. employees are part of a union or works council. We believe that our relations with our employees, unions and works council have generally been and continue to be very good and stable.

We invest significantly in our employees through multiple programs designed to attract and retain talent and support employee productivity. For example, we established the Early Career Engineer Rotational Program (“ECERP”), which helps Solstice Advanced Materials attract and retain young engineering talent. Programs such as ECERP remain key to the Company’s success in recruiting the right talent. ECERP allows engineering graduates and final-year college students to experience diverse roles across divisions and manufacturing sites within our business units. This program helps our young talent identify the right teams for them and helps the Company build talent from within. Solstice Advanced Materials also leverages technological platforms to boost employee productivity. These platforms provide mechanical integrity for our complex manufacturing sites and processes, sales pipeline management, analytical pricing software and data warehousing, all under one consolidated ERP system. Technological advancements allow us to benefit from increased employee output and satisfaction through tracking tools, collaboration opportunities, best-practice blueprints, sales training materials, customer support platforms and more.

Continuous investment by Solstice Advanced Materials in our employees yielded strong results, including an annually improving voluntary attrition ratio. We actively manage turnover risk using proprietary technology and ongoing employee interactions. Our internal employee engagement surveys achieve over 90% participation rates, and we have experienced improved employee satisfaction results over the last three years.

Legal Proceedings

We are subject to a number of lawsuits, investigations and disputes (some of which involve substantial amounts claimed) arising from the conduct of our business, including matters relating to commercial transactions, intellectual property and environmental, health and safety matters. We recognize a liability for any contingency that is probable of occurrence and reasonably estimable. We continually assess the likelihood of adverse judgments or outcomes in these matters, as well as potential ranges of possible losses (taking into consideration any insurance recoveries), based on careful analysis of each matter with the assistance of outside legal counsel and, if applicable, other experts. See Note 19 “Commitments and Contingencies” of the Notes to the audited Combined Financial Statements and Note 14 “Commitments and Contingencies” of the Notes to the unaudited Condensed Combined Financial Statements for additional information on our commitments and contingencies.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This section should be read in conjunction with the audited Combined Financial Statements and related Notes and the unaudited Condensed Combined Financial Statements and related Notes, included in this Information Statement, as well as the information contained in the sections of this Information Statement titled "Unaudited Pro Forma Combined Financial Information" and "Business." The section of this Information Statement titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" contains forward-looking statements. See the sections of the Information Statement titled "Cautionary Statement Concerning Forward-Looking Statements" and "Risk Factors" for a discussion of the uncertainties, risks and assumptions associated with these forward-looking statements that could cause future results to differ materially from those reflected in this section. The financial information discussed below and included in this Information Statement may not necessarily reflect what our financial condition, results of operations or cash flows would have been had we been a standalone company during the periods presented or what our financial condition, results of operations and cash flows may be in the future.

OVERVIEW

Business Overview

Solstice Advanced Materials is a global, differentiated advanced materials company and a leading global provider of refrigerants, semiconductor materials, protective fibers and healthcare packaging. We operate through two segments, reported as Refrigerants & Applied Solutions (which we refer to in this Information Statement as "**RAS**") and Electronic & Specialty Materials (which we refer to in this Information Statement as "**ESM**"). Our business is recognized as an industry innovator as well as technology and quality leader, supported by some of the industry's most well-known brands.

Our RAS segment is a leading manufacturer of LGWP refrigerants, blowing agents, solvents and aerosol materials. RAS serves the end markets of HVAC/R, automotive, energy, building and appliance insulation, and healthcare. RAS products include, among others, LGWP refrigerants, blowing agents, aerosol propellants, cleaning solvents, high-barrier pharmaceutical packaging materials and alternative energy services. Our products are distributed and sold through well-known brands like Solstice, Genetron, and Aclar. Our ESM segment is a leading provider of electronic materials, high-strength fibers and laboratory life science chemicals. ESM primarily serves the semiconductor, defense, pharmaceutical and construction end markets. ESM products include, among others, sputtering targets, lightweight high-strength fibers and high-purity life science solutions. Our products are distributed and sold through well-known brands like Spectra, Fluka, and Hydranal.

We benefit from strong secular demand resulting from certain growing trends, including government regulated sustainability targets, semiconductor production, healthcare and life sciences, defense and safety, and advanced electrification—all across a diverse set of products, systems and solutions. Over the last decade, we tailored our products toward highly specialized offerings in targeted, high-growth end markets that value differentiated technology and manufacturing capabilities. We maintain longstanding leadership positions backed by decades of innovation in high value-added product segments. Our long history of innovation, supported by over 5,700 issued patents and pending applications as of June 30, 2025, allows us to closely collaborate with our customers, providing us with a client-specific, specialized product portfolio. Additionally, our strong manufacturing capabilities are often close in proximity to our customers across the globe.

During 2024, we served over 3,000 customers across a wide range of end markets in approximately 120 countries and territories. Our global presence included 21 manufacturing sites, four R&D sites and more than 3,900 employees as of June 30, 2025.

Spin-off from Honeywell

In October 2024, Honeywell announced its plan to spin off its Advanced Materials business into an independent, publicly traded company. The Spin-Off is expected to be completed through a tax-free pro rata distribution of all of the outstanding shares of common stock of Solstice Advanced Materials to Honeywell shareowners. Completion of

the Spin-Off is subject to certain conditions which are described more fully under “The Spin-Off—Conditions to the Distribution”.

Relationship with Honeywell

The Combined Financial Statements included in this Information Statement are derived from Honeywell’s historical accounting records and presented on a standalone basis as if the Solstice Advanced Materials’ operations had been conducted independently from Honeywell. The Combined Financial Statements are prepared in accordance with GAAP and Honeywell’s historical accounting policies, by aggregating financial information from the components of Solstice Advanced Materials’ and Honeywell’s accounting records directly attributable to Solstice Advanced Materials.

The Combined Financial Statements include all revenues and costs directly attributable to the Advanced Materials business and an allocation of expenses related to certain Honeywell corporate functions. These expenses are allocated to the Advanced Materials business based on a proportion of net sales. Solstice Advanced Materials and Honeywell consider these allocations to be a reasonable reflection of the utilization of services or the benefits received. However, the allocations may not be indicative of the actual expense that would have been incurred had Solstice Advanced Materials operated as an independent, standalone entity, nor are they indicative of future expenses of Solstice Advanced Materials.

In connection with the Spin-Off, we intend to enter into the Separation Agreement and certain other agreements with Honeywell, including a Transition Services Agreement, a Tax Matters Agreement, an Employee Matters Agreement, an Intellectual Property Cross-License Agreement, Trademark License Agreement and Accelerator License Agreement, as described in “Certain Relationships and Related Party Transactions.” We generally expect to be able to utilize Honeywell’s services for a transitional period following the Spin-Off before we replace these services over time with services supplied either internally or by third parties. The expenses for the services may vary from the historical costs directly billed and allocated to us for the same services.

We expect to incur certain costs in connection with our establishment as a standalone public company (the “Separation-related costs”). The Separation-related costs include one-time and non-recurring expenses associated with the separation and stand up of functions required to operate as a standalone public entity. These non-recurring costs primarily relate to system implementation costs, business and facilities separation, applicable employee related costs, development of our brand and other matters. The Separation-related costs are expected to continue through at least fiscal year 2026. Additionally, we will incur increased costs as a result of becoming an independent, publicly traded company, primarily from establishing or expanding the corporate support for our businesses, including IT, human resources, treasury, tax, internal audit, risk management, stock-based compensation programs, accounting and financial reporting, investor relations, governance, legal, procurement and other services. See “Unaudited Pro Forma Combined Financial Information” for additional details.

For additional information about the Spin-Off, see “The Spin-Off” and “Certain Relationships and Related Party Transactions—Agreements with Honeywell”.

Macroeconomic Conditions

We continue to monitor macroeconomic and geopolitical developments amid heightened trade tensions, economic and trade policy uncertainty, and inflationary risks. The trade policy volatility during 2025—including new tariffs and, in some cases, subsequent rollbacks or suspensions—could adversely impact global growth and contribute to inflationary pressures. Global conflicts, tariffs, labor disruptions, and regulations continue to generate volatility in global markets and can contribute to supply chain vulnerabilities and pricing fluctuations. We remain proactive in our collaboration with suppliers to minimize shortages and mitigate supply chain and pricing volatility.

Mitigation strategies remain crucial to meet customer demand in this evolving environment. Our mitigation strategies include supply chain simplification, continued alignment to local supply sources, pricing actions and dual source strategies, long-term strategies for constrained materials, direct engagement with key suppliers, and new supplier development. Strong relationships with strategic primary and secondary suppliers allow us to collaborate to reliably source key components and raw materials, develop new products, commit our resources to assist certain

suppliers, and at times, alter designs of existing products. We believe these mitigation strategies enable us to reduce supply risk, foster new product innovation, and expand our market presence. Additionally, due to the stringent quality controls and product qualification we perform on any new or altered product, these mitigation strategies have not impacted, and we do not expect them to impact, product quality or reliability.

To date, our strategies have helped minimize our exposure to these conditions. However, if we are not successful in sustaining or executing mitigation strategies, these macroeconomic conditions could have a material adverse effect on our results of operations, cash flows or financial condition.

RESULTS OF OPERATIONS

The following table sets forth our results of operations for the six months ended June 30, 2025 and 2024.

(Dollars in millions)	For the Six Months Ended June 30,	
	2025	2024
Product sales	\$ 1,783	\$ 1,778
Service sales	147	172
Net sales	1,930	1,950
Costs, expenses and other		
Cost of products sold	1,132	1,146
Cost of services sold	116	135
Total cost of products and services sold	1,248	1,281
Research and development expenses	45	41
Selling, general and administrative expenses	198	199
Other expense (income)	49	(3)
Interest and other financial charges	3	7
Total costs, expenses and other	1,543	1,525
Income before taxes	387	425
Income tax expense	148	101
Net income	239	324
Less: Net income attributable to noncontrolling interest	8	14
Net income attributable to Advanced Materials	\$ 231	\$ 310

Net Sales

The following table sets forth the factors contributing to year-over-year changes in our net sales for the six months ended June 30, 2025 and 2024.

Change in net sales from prior period	For the Six Months Ended June 30, 2025 vs 2024
Volume	(2) %
Price	1 %
Foreign currency translation	— %
Acquisitions, divestitures and other, net	— %
Total % change in net sales	(1)%

A discussion of Net sales by reportable segment can be found under the “Segment Results” section within this “Management’s Discussion and Analysis of Financial Condition.”

For the six months ended June 30, 2025 compared with the six months ended June 30, 2024

Net sales decreased due to lower sales volumes partially offset by favorable pricing. The lower sales volume was driven by a decrease in alternative energy services attributed to certain large sales transactions which occurred in 2024 that did not recur in 2025, partly offset by volume increases primarily in refrigerants and in the ESM segment. The price increase was driven by favorable refrigerants and research and performance chemicals pricing.

Cost of Products and Services Sold

(Dollars in millions)	For the Six Months Ended June 30,	
	2025	2024
Total cost of products and services sold	\$ 1,248	\$ 1,281
Gross margin percentage	35 %	34 %

For the six months ended June 30, 2025 compared with the six months ended June 30, 2024

Cost of product and services sold decreased by \$33 million or 3% for the six months ended June 30, 2025, which included non-recurring asset sale gains of \$10 million recorded in 2025. The remaining decrease was primarily driven by \$66 million due to the aforementioned volume declines in alternative energy services, partly offset by volume increases primarily in refrigerants of \$34 million and in the ESM segment of \$13 million. Gross margin improved 1% primarily driven by pricing improvements in refrigerants and research and performance chemicals.

Research and Development Expenses

(Dollars in millions)	For the Six Months Ended June 30,	
	2025	2024
Total Research and development expenses	\$ 45	\$ 41
Percentage of net sales	2 %	2 %

For the six months ended June 30, 2025 compared with the six months ended June 30, 2024

As a percentage of net sales, Research and development expenses remained relatively flat at 2%. The Company continues to invest in innovation across our portfolio of offerings.

Selling, General and Administrative Expenses

(Dollars in millions)	For the Six Months Ended June 30,	
	2025	2024
Selling, general and administrative expenses	\$ 198	\$ 199
Percentage of net sales	10 %	10 %

For the six months ended June 30, 2025 compared with the six months ended June 30, 2024

Selling, general and administrative expenses remained relatively flat at \$198 million for the six months ended June 30, 2025.

Other Expense (Income)

Other expense (income) primarily includes the following:

(Dollars in millions)	For the Six Months Ended June 30,	
	2025	2024
Separation costs	\$ 57	\$ —
Foreign exchange loss – net	3	5
Equity income of affiliated companies	(10)	(10)
Environmental expenses	1	1
Other – net	(2)	1
Total Other expense (income)	\$ 49	\$ (3)

For the six months ended June 30, 2025 compared with the six months ended June 30, 2024

Other expense (income) increased by \$52 million for the six months ended June 30, 2025, driven by separation-related costs in 2025 related to the Spin-Off, consisting primarily of professional advisory services. Equity income of affiliated companies remained flat and consisted of equity income from our Quimobásicos, SinoChem and Asahi-Schwebel joint ventures. See Note 13 “Investments” of the Notes to the unaudited Condensed Combined Financial Statements for further details on equity investments.

Interest and Other Financial Charges

(Dollars in millions)	For the Six Months Ended June 30,	
	2025	2024
Interest and other financial charges	\$ 3	\$ 7

For the six months ended June 30, 2025 compared with the six months ended June 30, 2024

Interest and other financial charges includes interest expense on finance leases and interest income. Interest and other financial charges decreased by \$4 million for the six months ended June 30, 2025, driven by certain finance leases reaching the end of their term. See Note 9 “Leases” of the Notes to the unaudited Condensed Combined Financial Statements for additional information on finance leases.

Income tax expense

(Dollars in millions)	For the Six Months Ended June 30,	
	2025	2024
Total tax expense	\$ 148	\$ 101
Effective tax rate	38 %	24 %

For the six months ended June 30, 2025 compared with the six months ended June 30, 2024

The effective tax rate in 2025 was higher than the effective tax rate in 2024 as a result of increased tax expense related to restructuring in advance of the anticipated spin off of the Advanced Materials business. See Note 6 “Income Taxes” of the Notes to the unaudited Condensed Combined Financial Statements for additional information on the effective tax rate.

RESULTS OF OPERATIONS

The following table sets forth our results of operations for the years ended December 31, 2024, 2023 and 2022.

(Dollars in millions)	Years Ended December 31,		
	2024	2023	2022
Product sales	\$ 3,453	\$ 3,424	\$ 3,439
Service sales	317	225	148
Net sales	3,770	3,649	3,587
Costs, expenses and other			
Cost of products sold	2,214	2,149	2,099
Cost of services sold	250	217	85
Total cost of products and services sold	2,464	2,366	2,184
Research and development expenses	83	81	79
Selling, general and administrative expenses	398	378	357
Other expense (income)	15	(6)	3
Interest and other financial charges	13	16	21
Total costs, expenses and other	2,973	2,835	2,644
Income before taxes	797	814	943
Income tax expense	192	195	211
Net income	605	619	732
Less: Net income (loss) attributable to noncontrolling interest	11	(2)	14
Net income attributable to Solstice Advanced Materials	\$ 594	\$ 621	\$ 718

Net Sales

The following table sets forth the factors contributing to year-over-year changes in our net sales for the years ended December 31, 2024 and 2023.

Change in net sales from prior period	For Years Ended December 31,	
	2024 vs. 2023	2023 vs. 2022
Volume	3 %	(1) %
Price	— %	3 %
Foreign currency translation	— %	— %
Acquisitions, divestitures and other, net	— %	— %
Total % change in net sales	3 %	2 %

A discussion of Net sales by reportable segment can be found under the “Segment Results” section within this “Management’s Discussion and Analysis of Financial Condition.”

2024 compared with 2023

Net sales increased due to higher sales volumes driven by an increase in alternative energy services due to a full year of operations of our AES Facility, increased demand for our HFO Refrigerants as customers converted from HFCs to HFOs, and strong Spectra demand.

2023 compared with 2022

Net sales increased due to favorable pricing partially offset by lower sales volumes. The price increase was driven by favorable alternative energy and refrigerants pricing. The decrease in volume was attributable to lower overall demand in the pharmaceutical and semiconductor end markets driven by post-pandemic volatility.

Cost of Products and Services Sold

(Dollars in millions)	For Years Ended December 31,		
	2024	2023	2022
Total cost of products and services sold	\$ 2,464	\$ 2,366	\$ 2,184
Gross margin percentage	35 %	35 %	39 %

2024 compared with 2023

Cost of product and services sold increased by \$98 million or 4% for the year ended December 31, 2024. The increase was driven by higher plant operating costs due to a full year of operations at our AES Facility after restarting in July 2023. Gross margin remained flat at approximately 35%.

2023 compared with 2022

Cost of product and services sold increased by \$182 million or 8% for the year ended December 31, 2023. The increase was driven by \$77 million of additional costs due to the restart of our AES Facility in July 2023 after being idle for over six years and a non-recurring insurance settlement gain of \$24 million related to Hurricane Ida recorded in 2022 that did not reoccur in 2023. Gross margin decreased 4%.

Research and Development Expenses

(Dollars in millions)	For Years Ended December 31,		
	2024	2023	2022
Total Research and development expenses	\$ 83	\$ 81	\$ 79
Percentage of net sales	2 %	2 %	2 %

As a percentage of net sales, Research and development expenses remained relatively flat at 2%. The Company continues to invest in innovation across our portfolio of offerings.

Selling, General and Administrative Expenses

(Dollars in millions)	For Years Ended December 31,		
	2024	2023	2022
Selling, general and administrative expenses	\$ 398	\$ 378	\$ 357
Percentage of net sales	11 %	10 %	10 %

2024 compared with 2023

Selling, general and administrative expenses increased by \$20 million or 5% for the year ended December 31, 2024, primarily driven by a \$9 million legal settlement and a \$4 million increase in overhead allocations from Honeywell.

2023 compared with 2022

Selling, general and administrative expenses increased by \$21 million or 6% for the year ended December 31, 2023, driven by additional professional services incurred for select regulatory matters.

Other Expense (Income)

Other expense (income) primarily includes the following:

(Dollars in millions)	For Years Ended December 31,		
	2024	2023	2022
Separation costs	\$ 21	\$ —	\$ —
Foreign exchange loss – net	11	10	—
Equity income of affiliated companies	(19)	(17)	(21)
Environmental expenses	—	9	24
Other – net	2	(8)	—
Total Other expense (income)	\$ 15	\$ (6)	\$ 3

2024 compared with 2023

Other expense (income) increased by \$21 million for the year ended December 31, 2024, driven by accrued separation-related costs in 2024 related to the Spin-Off, of which none had been paid as of December 31, 2024. The increase in other expense was partially offset by increased equity income from our Asahi-Schwebel joint venture. See Note 18 “Investments” of the Notes to the audited Combined Financial Statements for further details on equity investments.

2023 compared with 2022

Other expense (income) decreased by \$9 million for the year ended December 31, 2023, which was driven by \$9 million of non-recurring gains on land sales in 2023 and a decrease of \$15 million in environmental remediation charges associated with the Delaware Valley Works Facility, partially offset by unfavorable changes in foreign exchange loss – net of \$10 million and lower equity income primarily from our Quimobásicos joint venture. See Note 18 “Investments” and Note 19 “Commitment and Contingencies” of the Notes to the audited Combined Financial Statements for further details on equity investments and environmental liabilities.

Interest and Other Financial Charges

(Dollars in millions)	For Years Ended December 31,		
	2024	2023	2022
Interest and other financial charges	\$ 13	\$ 16	\$ 21

2024 compared with 2023

Interest and other financial charges includes interest expense on finance leases and interest income. Interest and other financial charges decreased by \$3 million or 19% for the year ended December 31, 2024, driven by certain finance leases reaching the end of their term resulting in lower interest expense. See Note 11 “Leases” of the Notes to the audited Combined Financial Statements for additional information on finance leases.

2023 compared with 2022

Interest and other financial charges decreased by \$5 million or 24%, driven by certain finance leases reaching the end of their term resulting in lower interest expense. See Note 11 “Leases” of the Notes to the audited Combined Financial Statements for additional information on finance leases.

Income tax expense

(Dollars in millions)	For Years Ended December 31,		
	2024	2023	2022
Total tax expense	\$ 192	\$ 195	\$ 211
Effective tax rate	24 %	24 %	22 %

2024 compared with 2023

The effective tax rate in 2024 was flat with 2023 due to a decrease in the foreign-derived intangible income (“FDII”) deduction offset by an increase in excess tax benefits from stock-based compensation.

2023 compared with 2022

The effective tax rate increased from 2022 to 2023 due to a decreased benefit provided by the FDII deduction.

Our effective tax rates for fiscal years 2024, 2023 and 2022 were higher than the U.S. federal statutory rate of 21% due to state income taxes and income earned in jurisdictions that are subject to taxes at rates higher than the U.S. federal statutory rate, partially offset by tax benefits from the FDII deduction and U.S. federal research and development tax credits.

See Note 6 “Income Taxes” of the Notes to the audited Combined Financial Statements for additional information on the effective tax rate.

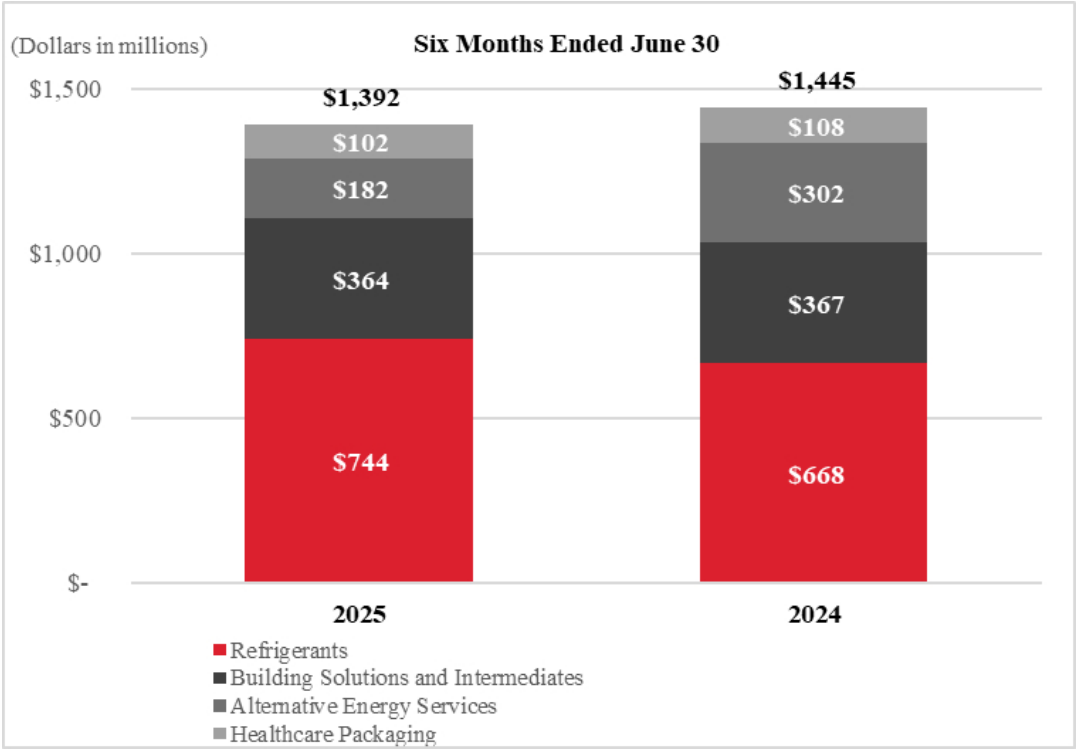
SEGMENT RESULTS

We manage and report our operating results through two reportable segments: Refrigerants & Applied Solutions (which we refer to in this Information Statement as “RAS”) and Electronic & Specialty Materials (which we refer to in this Information Statement as “ESM”). The remainder of our operations are presented in Corporate and All Other, which is not a reportable business segment.

Segment Adjusted EBITDA is the primary measure of segment profitability used by our Chief Operating Decision Maker. We define Segment Adjusted EBITDA as segment net income excluding income taxes, general corporate unallocated expense, depreciation, amortization, interest and other financial charges, other (income) expense, stock compensation expense, pension and other postretirement income (expense), transaction-related costs, repositioning charges, asset retirement obligations accretion, and certain other items that are otherwise of an unusual or non-recurring nature, including but not limited to, impairment charges, litigation, and insurance settlements, and gains and losses on disposal of assets.

Refrigerants & Applied Solutions

Net Sales



The following table sets forth the net sales, Segment Adjusted EBITDA, and Segment Adjusted EBITDA margin amounts for our RAS segment for the six months ended June 30, 2025 and 2024.

(Dollars in millions)	For the Six Months Ended June 30,	
	2025	2024
Net sales	\$ 1,392	\$ 1,445
Segment Adjusted EBITDA	548	557
Segment Adjusted EBITDA margin	39 %	39 %

The following table sets forth the reported and organic net sales growth in our RAS segment's net sales for the six months ended June 30, 2025 and 2024.

	For the Six Months Ended June 30, 2025 vs. 2024
Total % change in net sales	(4) %
Foreign currency translation	— %
Acquisitions, divestitures and other, net	— %
Organic⁽¹⁾	(4)%

(1) See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures" for definition of Organic sales percentage.

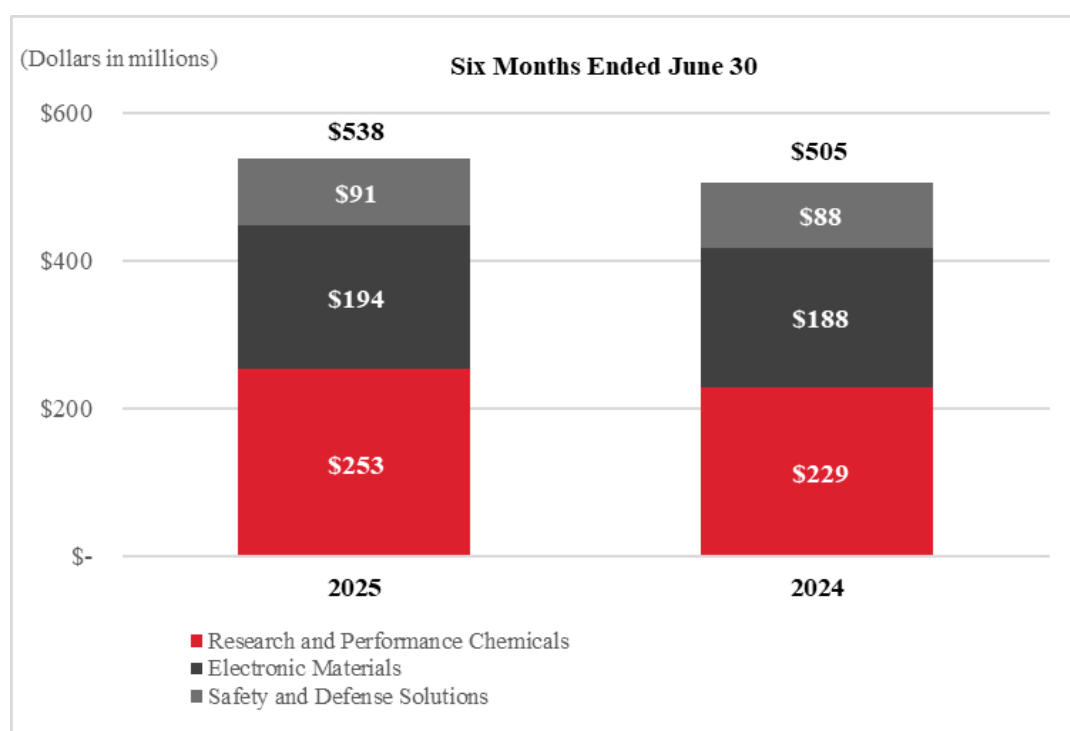
For the six months ended June 30, 2025 compared with the six months ended June 30, 2024

RAS net sales decreased by \$53 million or 4% for the six months ended June 30, 2025 due to a \$108 million reduction in our alternative energy services offering attributed to large sales transactions which occurred in 2024 that did not recur in 2025. This decrease was offset by \$61 million of volume growth and \$10 million of favorable pricing in refrigerants.

Segment Adjusted EBITDA decreased by \$9 million or 2% and Segment Adjusted EBITDA margin remained flat at 39% for the six months ended June 30, 2025.

Electronic & Specialty Materials

Net Sales



The following table sets forth the net sales, Segment Adjusted EBITDA, and Segment Adjusted EBITDA margin amounts for our ESM segment for the six months ended June 30, 2025 and 2024.

(Dollars in millions)	For the Six Months Ended June 30,	
	2025	2024
Net sales	\$ 538	\$ 505
Segment Adjusted EBITDA	105	88
Segment Adjusted EBITDA margin	20 %	17 %

The following table sets forth the reported and organic net sales growth in our ESM segment's net sales for the six months ended June 30, 2025 and 2024.

	For the Six Months Ended June 30, 2025 vs. 2024
Total % change in net sales	6 %
Foreign currency translation	— %
Acquisitions, divestitures and other, net	— %
Organic⁽¹⁾	6 %

(1) See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures" for definition of Organic sales percentage.

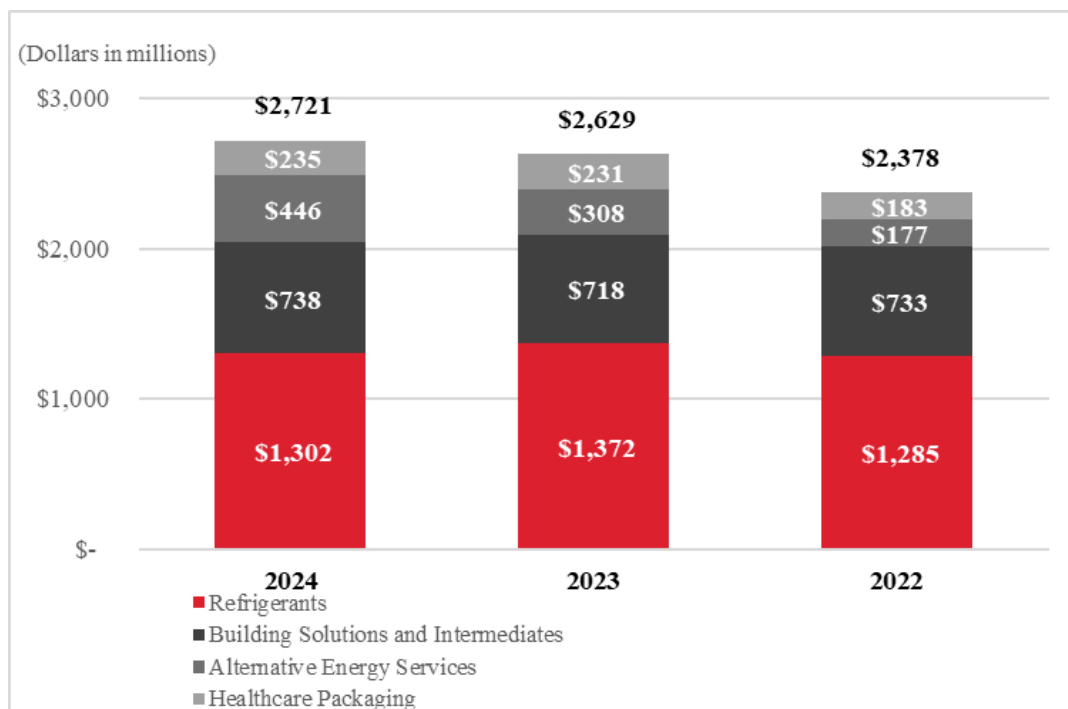
For the six months ended June 30, 2025 compared with the six months ended June 30, 2024

ESM net sales increased by \$33 million or 6% for the six months ended June 30, 2025. The increase was attributable to demand driven volume increases of \$14 million and \$13 million in our research and performance chemicals and electronic materials offerings, respectively, as well as favorable pricing of \$10 million in our research and performance chemicals offering.

Segment Adjusted EBITDA increased by \$17 million or 19% and Segment Adjusted EBITDA margin increased 3% for the six months ended June 30, 2025.

Refrigerants & Applied Solutions

Net Sales



The following table sets forth the net sales, Segment Adjusted EBITDA, and Segment Adjusted EBITDA margin amounts for our RAS segment for the years ended December 31, 2024, 2023, and 2022.

(Dollars in millions)	For Years Ended December 31,		
	2024	2023	2022
Net sales	\$ 2,721	\$ 2,629	\$ 2,378
Segment Adjusted EBITDA	1,058	1,039	989
Segment Adjusted EBITDA margin	39 %	40 %	42 %

The following table sets forth the reported and organic net sales growth in our RAS segment's net sales for the years ended December 31, 2024 and 2023.

	For Years Ended December 31,	
	2024 vs. 2023	2023 vs. 2022
Total % change in net sales	4 %	11 %
Foreign currency translation	— %	— %
Acquisitions, divestitures and other, net	— %	— %
Organic⁽¹⁾	4 %	11 %

(1) See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures" for definition of Organic sales percentage.

2024 compared with 2023

RAS net sales increased by \$92 million or 4% for the year ended December 31, 2024. The increase was driven by \$138 million of alternative energy services revenue attributable to a full year of operations of our AES Facility and \$47 million attributable to strong demand for our Solstice Advanced Materials HFO Refrigerants as customers converted from HFCs to HFOs. These increases were offset by an \$86 million reduction in HVAC/R OEM and aftermarket refrigerants attributed to lower volumes.

Segment Adjusted EBITDA increased by \$19 million or 2% and Segment Adjusted EBITDA margin decreased 1% for the year ended December 31, 2024.

2023 compared with 2022

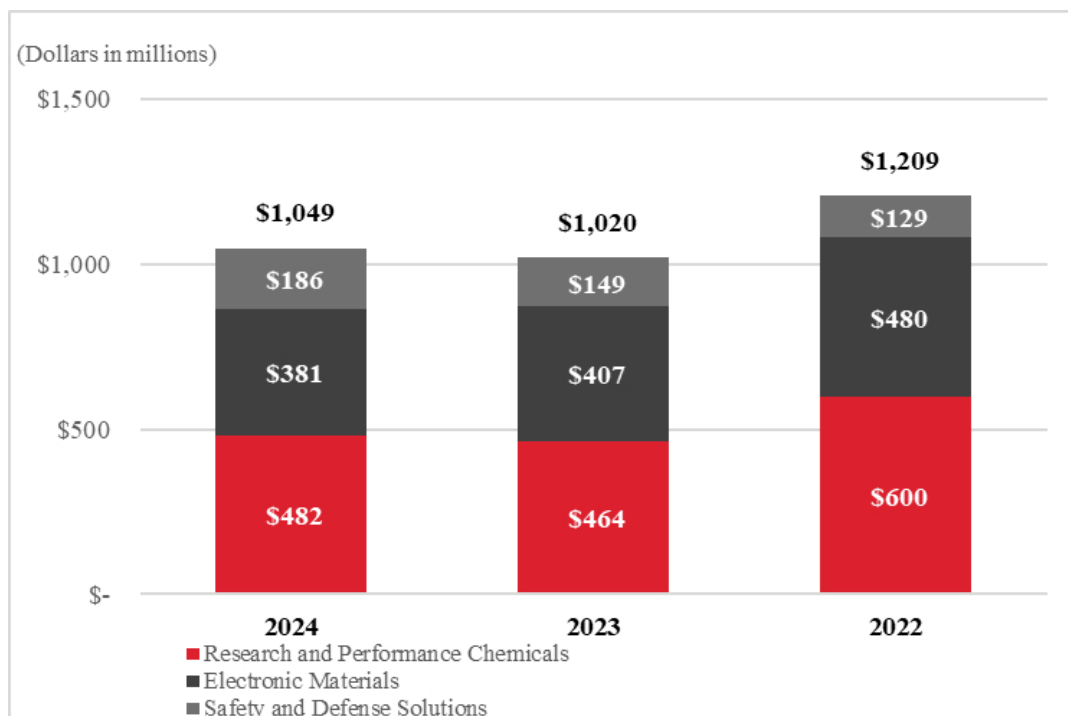
RAS net sales increased by \$251 million or 11% for the year ended December 31, 2023. The increase was primarily driven by \$131 million of alternative energy services revenue attributable to the restart of our AES Facility in July 2023, increased demand for our Aclar offering in healthcare packaging end markets of \$40 million, and an \$87 million increase in refrigerants attributable to increased demand for our Solstice Advanced Materials HFO Refrigerants as customers converted from HFCs to HFOs.

In connection with the restart of our AES Facility in July 2023, certain performance guarantees were provided by Honeywell to customers of ConverDyn to provide additional comfort to customers regarding the risk of future voluntary production halts, which we will seek to replace with guarantees from Solstice Advanced Materials. We have agreed to indemnify Honeywell against claims on such Honeywell performance guarantees pursuant to the terms of the Separation Agreement. As a result, our ability to voluntarily halt production in the future without incurring material financial expense is limited, and we do not currently expect to voluntarily cease production.

Segment Adjusted EBITDA increased by \$50 million or 5% and Segment Adjusted EBITDA margin decreased by 2% for the year ended December 31, 2023.

Electronic & Specialty Materials

Net Sales



The following table sets forth the net sales, Segment Adjusted EBITDA, and Segment Adjusted EBITDA margin amounts for our ESM segment for the years ended December 31, 2024, 2023, and 2022.

(Dollars in millions)	For Years Ended December 31,		
	2024	2023	2022
Net sales	\$ 1,049	\$ 1,020	\$ 1,209
Segment Adjusted EBITDA	201	195	302
Segment Adjusted EBITDA margin	19 %	19 %	25 %

The following table sets forth the reported and organic net sales growth in our ESM segment's net sales for the years ended December 31, 2024 and 2023.

	For Years Ended December 31,	
	2024 vs. 2023	2023 vs. 2022
Total % change in net sales	3 %	(16)%
Foreign currency translation	— %	— %
Acquisitions, divestitures and other, net	— %	— %
Organic⁽¹⁾	3 %	(16)%

(1) See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures" for definition of Organic sales percentage.

2024 compared with 2023

ESM net sales increased by \$29 million or 3% for the year ended December 31, 2024. The increase was attributable to strong Spectra demand in our safety and defense solutions offering.

Segment Adjusted EBITDA increased by \$6 million or 3% and Segment Adjusted EBITDA margin remained relatively flat at 19% for the year ended December 31, 2024.

2023 compared with 2022

ESM net sales decreased by \$189 million or 16% for the year ended December 31, 2023 due to a \$209 million reduction in our research and performance chemicals and electronic materials offerings attributed to lower volumes driven by post-pandemic supply chain volatility. This decrease was partially offset by a \$20 million increase in our safety and defense offering attributable to strong Spectra demand.

Segment Adjusted EBITDA decreased by \$107 million or 35% and Segment Adjusted EBITDA margin decreased 6% for the year ended December 31, 2023.

Corporate and All Other

Corporate and All Other primarily includes unallocated corporate costs and is not a separate reportable business segment as segment reporting criteria is not met. The Company continues to monitor the activities in Corporate and All Other to determine the need for further reportable business segment disaggregation.

NON-GAAP FINANCIAL MEASURES

We use non-GAAP financial measures to supplement the financial measures prepared in accordance with U.S. GAAP. These include (1) Organic sales percentage, (2) Adjusted EBITDA and (3) Adjusted EBITDA margin.

Below are definitions and reconciliations of certain non-GAAP financial measures to the most directly comparable financial measures calculated and presented in accordance with 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. Management believes these non-GAAP financial measures provide investors with a meaningful measure of its performance period to period, align the measures to how management evaluates performance internally, and make it easier for investors to compare our performance to peers. These measures should be considered in addition to, and not as replacements for, the most directly comparable GAAP measure. The non-GAAP financial measures we use are as follows:

- **Organic sales percentage:** The Company defines organic sales percentage 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.
- **Adjusted EBITDA and Adjusted EBITDA margin:** The Company defines Adjusted EBITDA as net income excluding income taxes, depreciation, amortization, interest and other financial charges, other expense, stock compensation expense, pension and other postretirement income (expense), transaction-related costs, repositioning charges, asset retirement obligation accretion, and certain other items that are otherwise of an unusual or non-recurring nature (including but not limited to impairment charges, litigation and insurance settlements, and gains and losses on disposal of assets). The Company defines Adjusted EBITDA margin as Adjusted EBITDA divided by Net sales. We believe these measures are useful to investors as they provide greater transparency with respect to supplemental information used by management in its financial and operational decision making, as well as understanding ongoing operating trends. The table below reconciles Net income, the most directly comparable GAAP measure, to the Company's non-GAAP measure of Adjusted EBITDA for the six months ended June 30, 2025 and 2024, and the years ended December 31, 2024, 2023 and 2022.

(Dollars in millions)	For Six Months Ended June 30,			
	2025		2024	
	Amount	Percentage of Net Sales	Amount	Percentage of Net Sales
Net Income (GAAP)	\$ 239	12 %	\$ 324	17 %
Income tax expense	148	8	101	5
Depreciation	105	5	84	4
Amortization	11	1	28	2
Interest and other financial charges	3	—	7	—
Other expense ⁽¹⁾	59	3	7	—
Stock compensation expense	12	1	9	1
Other non-recurring items ⁽²⁾	(6)	—	1	—
Asset retirement obligation accretion	1	—	1	—
Transaction costs	2	—	2	—
Pension and other postretirement expense	1	—	1	—
Repositioning charges	—	—	—	—
Adjusted EBITDA (non-GAAP)	\$ 575	30 %	\$ 565	29 %

(1) Represents Other expense excluding Equity income of affiliated companies, which is included in Adjusted EBITDA.

(2) Including but not limited to impairment charges, litigation and insurance settlements, and gains and losses on disposal of assets.

(Dollars in millions)	For Years Ended December 31,					
	2024		2023		2022	
	Amount	Percentage of Net Sales	Amount	Percentage of Net Sales	Amount	Percentage of Net Sales
Net Income (GAAP)	\$ 605	16 %	\$ 619	17 %	\$ 732	20 %
Income tax expense	192	5	195	5	211	6
Depreciation	175	5	170	5	146	4
Amortization	42	1	51	1	7	—
Interest and other financial charges	13	—	16	—	21	1
Other expense ⁽¹⁾	34	1	11	1	24	1
Stock compensation expense	17	1	18	1	17	1
Other non-recurring items ⁽²⁾	10	—	1	—	(23)	(1)
Asset retirement obligation accretion	2	—	1	—	2	—
Transaction costs	4	—	1	—	3	—
Pension and other postretirement expense	2	—	2	—	1	—
Repositioning charges	2	—	5	—	2	—
Adjusted EBITDA (non-GAAP)	\$ 1,098	29 %	\$ 1,090	30 %	\$ 1,143	32 %

(1) Represents Other expense excluding Equity income of affiliated companies, which is included in Adjusted EBITDA.

(2) Including but not limited to impairment charges, litigation and insurance settlements, and gains and losses on disposal of assets.

LIQUIDITY AND CAPITAL RESOURCES

Sources of Historical Liquidity

We historically generated positive net operating cash flows.

As part of Honeywell, Solstice Advanced Materials has been dependent upon Honeywell for all of its working capital and financing requirements. Honeywell uses a centralized approach to cash management and financing of its

operations. Accordingly, a substantial portion of the Advanced Materials business' cash accounts are regularly cleared to Honeywell at Honeywell's discretion, and Honeywell funds its operating and investing activities as needed. This arrangement is not reflective of the manner in which the Advanced Materials business would have been able to finance its operations had it been a standalone business separate from Honeywell during the periods presented. Transfers of cash between Honeywell and the Advanced Materials business are included within Net transfers to Honeywell on the Combined Statements of Cash Flows and the Combined Statements of Equity included elsewhere in this Information Statement.

We continually evaluate our liquidity requirements in light of our operating needs, growth initiatives and capital resources. In conjunction with the planned Spin-Off, we expect to further evaluate our liquidity needs, capital structure and sources of capital on a standalone basis and expect to enter into future borrowings. For further information on the future sources of liquidity and capital resources for our business, see "Future Sources of Liquidity" below.

Future Sources of Liquidity

Following the Spin-Off, our capital structure and sources of liquidity will change from our historical capital structure because we will no longer be part of Honeywell's centralized treasury management and centralized funding programs. Our ability to fund our operating needs will depend on our ability to continue to generate positive cash flows from operations, and on our ability to obtain debt financing on acceptable terms or to issue additional equity or equity-linked securities not anticipated in this Information Statement. Management believes that our cash balances and funds provided by operating activities, along with expected borrowing capacity and access to capital markets, taken as a whole, will provide (i) adequate liquidity to meet all of our current and long-term obligations when due, including third-party debt that we expect to incur in connection with the Spin-Off, (ii) adequate liquidity to fund capital expenditures and (iii) flexibility to meet investment opportunities that may arise. However, we cannot assure that we will be able to obtain additional debt or equity financing on acceptable terms in the future.

In connection with the Spin-Off, we expect to incur indebtedness in an aggregate principal amount of approximately \$2.0 billion in the form of a senior secured term loan facility and through the issuance of senior unsecured notes, the applicable net proceeds of which will be used to complete the Solstice Advanced Materials Cash Distribution. We also intend to enter into a revolving credit facility to be available for our working capital and other cash needs in an aggregate committed amount as of the date of the Spin-Off of \$1.0 billion. The terms of such indebtedness are subject to change and will be finalized prior to the closing of the Spin-Off.

We expect to utilize our cash flows to continue to invest in our business, growth strategies, people and the communities we operate in as well as to repay our indebtedness over time.

Interim Cash Flows

Summarized cash flow information for the six months ended June 30, 2025 and 2024 is as follows:

(Dollars in millions)	For the Six Months Ended June 30,	
	2025	2024
Net cash provided by operating activities	\$ 310	\$ 364
Net cash used in investing activities	(118)	(133)
Net cash used in financing activities	(12)	(205)

Operating

Net cash provided by operating activities decreased \$54 million to \$310 million for the six months ended June 30, 2025 compared to \$364 million for the same period in 2024. The decrease in net cash provided by operating activities is attributable to lower net income attributable to Solstice Advanced Materials offset by greater working capital inflows, in particular due to inflows of deferred revenue as well as increased payables related to purchased services and direct material spend, partially offset by higher accounts receivable and inventories.

Investing

Net cash used in investing activities decreased \$15 million to \$118 million for the six months ended June 30, 2025 compared to \$133 million for the same period in 2024. The decrease in net cash used in investing activities was driven by proceeds from fixed asset disposals, partially offset by higher capital expenditures within our ESM segment.

Financing

Net cash used in financing activities decreased \$193 million to \$12 million for the six months ended June 30, 2025 compared to \$205 million for the same period in 2024 primarily due to a decrease in net transfers to Honeywell and a decrease in finance lease payments.

Annual Cash Flows

Summarized cash flow information for the years ended December 31, 2024, 2023 and 2022 is as follows:

(Dollars in millions)	For Years Ended December 31,		
	2024	2023	2022
Net cash provided by operating activities	\$ 842	\$ 760	\$ 759
Net cash used in investing activities	(298)	(324)	(305)
Net cash used in financing activities	(453)	(378)	(331)

Operating

Net cash provided by operating activities increased \$82 million to \$842 million for the year ended December 31, 2024 compared to \$760 million for the same period in 2023. The increase in net cash provided by operating activities is attributable to greater working capital inflows, in particular due to improvements in collection of accounts receivable, partially offset by inflows of deferred income and conversion loans related to alternative energy services in 2023 which were not repeated in 2024.

Net cash provided by operating activities increased \$1 million to \$760 million for the year ended December 31, 2023 compared to \$759 million for the same period in 2022. The increase in net cash provided by operating activities is attributable to greater working capital inflows, in particular due to inflows of deferred revenue and conversion loans as well as increased payables related to purchased services and direct material spend, partially offset by higher accounts receivable due to higher net sales, as well as lower net income attributable to Solstice Advanced Materials.

Investing

Net cash used in investing activities decreased \$26 million to \$298 million for the year ended December 31, 2024 compared to \$324 million for the same period in 2023. The decrease in net cash used in investing activities was primarily attributable to a decrease in capitalized restart costs incurred for the AES Facility.

Net cash used in investing activities increased \$19 million to \$324 million for the year ended December 31, 2023 compared to \$305 million for the same period in 2022. The increase in net cash used in investing activities was driven by higher capital expenditures within our RAS segment, partially offset by proceeds from the sale of assets and lower capitalized restart costs in 2023 compared to 2022 for the AES Facility.

Financing

Net cash used in financing activities increased \$75 million to \$453 million for the year ended December 31, 2024 compared to \$378 million for the same period in 2023 primarily due to an increase in net transfers to Honeywell and an increase in finance lease payments.

Net cash used in financing activities increased \$47 million to \$378 million for the year ended December 31, 2023 compared to \$331 million for the same period in 2022 primarily due to a increase in net transfers to Honeywell and an increase in finance lease payments.

Cash and Cash Requirements

Summary

As of June 30, 2025 and December 31, 2024, our cash and cash equivalents totaled \$873 million and \$661 million, respectively. Our ability to generate positive cash flows from operations is dependent on general economic conditions, and the competitive environment in our industry, and is subject to the business and other risk factors described in the section of this Information Statement titled “Risk Factors.” If we are unable to generate sufficient cash flows from operations, or otherwise comply with the terms of any external borrowings, we may be required to seek additional financing alternatives.

Following the Spin-Off, we anticipate our cash balance will be approximately \$450 million. We believe that we have sufficient liquidity based on our current cash position, cash flows from operations and expected future financing to meet our expected payments related to our material cash requirements for at least the next 12 months.

Cash and Cash Equivalents Held by Foreign Subsidiaries

Cash and cash equivalents held by Solstice Advanced Materials’ foreign subsidiaries were \$816 million, \$647 million and \$593 million as of June 30, 2025, December 31, 2024 and 2023, respectively.

Material Cash Requirement from Contractual and Other Obligations

In the normal course of business, we enter into various contractual obligations that impact, or could impact, the liquidity of our operations. The following table and discussion outlines our material obligations as of December 31, 2024 on an undiscounted basis, with projected cash payments in the years shown. As of June 30, 2025, the Company’s future contractual obligations have not materially changed.

(Dollars in millions)	For Years Ended December 31,				
	Total	2025	2026-2027	2028-2029	Thereafter
Purchase obligations ⁽¹⁾	\$ 1,268	\$ 578	\$ 580	\$ 110	\$ —
Operating and finance lease obligations ⁽²⁾	161	52	56	34	19
Estimated environmental liability payments ⁽³⁾	52	6	8	33	5
Uranium ore loans ⁽⁴⁾	264	—	264	—	—
Uranium hexafluoride loans ⁽⁵⁾	29	—	29	—	—
Total contractual obligations	\$ 1,774	\$ 636	\$ 937	\$ 177	\$ 24

(1) Purchase obligations are entered into with various vendors in the normal course of business and are consistent with our expected requirements.

(2) Commitments under operating and finance leases (including interest) primarily relate to leasehold properties, automobiles, rails cars and other equipment. See Note 11 “Leases” of the Notes to the audited Combined Financial Statements for additional information.

(3) The payment amounts in the table only reflect the environmental liabilities which are probable and reasonably estimable as of December 31, 2024.

(4) ConverDyn will periodically enter into both lending and borrowing arrangements for quantities of uranium ore as part of its ongoing operations. During 2024, ConverDyn entered into separate agreements to lend quantities of uranium ore, which are reflected as product loans receivable, and to borrow quantities of uranium ore, which are reflected as product loans payable. These agreements currently extend to December 31, 2026. The amount above represents the loan payable due December 31, 2026. See Note 1 “Business Overview and Basis of Presentation” of the Notes to the audited Combined Financial Statements for additional information.

(5) See Note 2 “Summary of Significant Accounting Policies” of the Notes to the audited Combined Financial Statements for additional information.

The above table excludes the following:

- Estimated principal amount of indebtedness of approximately \$2.0 billion and associated estimated interest payments of \$131 million per year in connection with the Spin-Off.
- Future benefit payments for past and future service for certain pension and postretirement plans we expect Honeywell to convey to us pursuant to the Employee Matters Agreement and the Separation Agreement.
- Future payments to decommission our AES Facility. We estimate our asset retirement obligation based on the estimated useful lives of the underlying asset, third-party estimates as to the cost to decommission the asset in the future, and federal and state regulatory requirements; however, revisions to the liability could occur due to changes in the estimated useful lives of the underlying assets, estimated dates of decommissioning, changes in decommissioning costs, changes in federal or state regulatory guidance on the decommissioning of such facilities, or other changes in estimates. See Note 19 “Commitments and Contingencies – Asset Retirement Obligations” of the Notes to the audited Combined Financial Statements for additional information.

Capital Expenditures

Our capital expenditures primarily consist of continuing investments to maintain the safety and reliability of our existing operations and corporate footprint, additional investments in new and existing facilities to support new production introduction and capacity expansion to grow our business. For the years ended December 31, 2024, 2023 and 2022, our capital expenditures were \$296 million, \$299 million and \$254 million, respectively. For the year ending December 31, 2025, we expect that our capital expenditures will be between \$365 million and \$415 million. The increase is primarily driven by growth in capital expenditures to support new products and solutions for our electronic materials and advanced fiber offerings.

Parent Company Credit Support

Honeywell provides the Company with parent credit support in certain jurisdictions. To support the Company in selling products and services globally, Honeywell entered into and may enter into contracts on behalf of the Company or issue parent company guarantees or letters of credit. Honeywell also provides similar credit support for some non-customer related activities of the Company, including procuring letters of credit as required by the NRC to backstop certain asset retirement obligations that would be applicable if the AES Facility were decommissioned in the future, though we expect the Company to procure its own letters of credit following the Spin-Off. There are no known instances historically where payments or performance from Honeywell were required under parent company guarantees relating to the Company’s customer contracts. As such, no amounts related to parent company guarantees have been recorded by the Company in the Condensed Combined Financials as of or for the six months ended June 30, 2025 and 2024 or in the Combined Financial Statements as of or for the years ended December 31, 2024, 2023 and 2022.

Off-Balance Sheet Arrangements

We do not engage in any off-balance sheet financial arrangements that have or are reasonably likely to have a material current or future effect on our financial condition, changes in financial condition, net sales or expenses, results of operations, liquidity, capital expenditures or capital resources.

CRITICAL ACCOUNTING ESTIMATES

The preparation of our Combined Financial Statements in accordance with GAAP is based on the selection and application of accounting policies that require us to make significant estimates and assumptions about the effects of matters that are inherently uncertain. Many estimates and assumptions involved in the application of accounting principles have a material impact on reported financial condition and operating performance and on the comparability of such reported information over different reporting periods. Critical accounting estimates or assumptions are those where the nature of the estimates or assumptions is material due to the levels of subjectivity and judgment necessary to account for highly uncertain matters or the susceptibility of such matters to change, and the impact of the estimates and assumptions on financial condition or operating performance is material. We

consider the estimates and assumptions discussed below to be critical to the understanding of our financial statements. Actual results could differ from our estimates and assumptions, and any such differences could be material to our Combined Financial Statements.

Income Taxes – On a recurring basis, we assess the need for a valuation allowance against our deferred tax assets by considering all available positive and negative evidence, such as past operating results, projections of future taxable income, enacted tax law changes, and the feasibility and impact of tax planning initiatives. Our projections of future taxable income include a number of estimates and assumptions regarding our volume, pricing and costs, as well as the timing and amount of reversals of taxable temporary differences.

See Note 2 “Summary of Significant Accounting Policies” of the Notes to the audited Combined Financial Statements for further discussion of additional income tax policies.

Goodwill – The Company’s business combinations result in the recognition of goodwill. We engage independent third-party valuation specialists for assistance in the allocation of the purchase price and determination of the fair value of goodwill, which involves the use of accounting estimates and assumptions based on information available at or near the acquisition date. We believe the accounting estimates and assumptions are reasonable based on information available at the date of acquisition through historical experience and information obtained from management of the acquired entity; however, there is inherent uncertainty in the accounting estimates as assumptions are forward-looking and could be affected by future economic and market conditions.

Goodwill is subject to annual impairment testing as of October 1, or more frequently, if necessary. In testing goodwill, the fair value is estimated utilizing a discounted cash flow approach, including strategic and annual operating plans, adjusted for terminal value assumptions. These impairment tests use estimates and assumptions. If actual results differ from such estimates and assumptions it could materially impact our financial condition or operating performance. To address this uncertainty, we perform sensitivity analyses on key estimates and assumptions. Once the fair value is determined, if the carrying amount exceeds the fair value, it is impaired. Any impairment is measured as the difference between the carrying amount and its fair value.

We perform annual goodwill impairment tests for our four reporting units using a quantitative assessment. Over the past three fiscal years, there have been no impairments. As of October 1, 2024, the fair value of each reporting unit was greater than 150% of their respective carrying values.

Defined Benefit Pension Plans – We sponsor an unfunded defined benefit pension plan in Germany. For financial reporting purposes, net periodic pension (income) expense is calculated annually based upon various actuarial assumptions, including a discount rate for plan obligations and an expected long-term rate of return on plan assets. Changes in the discount rate and expected long-term rate of return on plan assets could materially affect the annual pension (income) expense amount. Annual pension (income) expense is comprised of service and interest cost, assumed return on plan assets, prior service amortization (Pension ongoing (income) expense), and a potential mark-to-market adjustment (MTM Adjustment).

The key assumptions used in developing our net periodic pension (income) expense for our pension plans included the following:

	For Years Ended December 31,		
	2024	2023	2022
Discount rate			
Projected benefit obligation	3.4 %	3.3 %	3.8 %
Salary scale	2.8 %	2.8 %	2.8 %

The MTM Adjustment represents the recognition of net actuarial gains or losses in excess of 10% of the greater of the fair value of plan assets or the plans’ projected benefit obligation (the corridor). Net actuarial gains or losses occur when the actual experience differs from any of the various assumptions used to value our pension plans or when assumptions change. The primary factors contributing to actuarial gains or losses are changes in the discount rate used to value pension obligations as of the measurement date each year and the difference between expected and

actual returns on plan assets. The mark-to-market accounting method results in the potential for volatile and difficult to forecast MTM Adjustments. These adjustments were not significant for the years ended December 31, 2024, 2023, and 2022.

The discount rate reflects the market rate on December 31 (measurement date) for high-quality fixed income investments with maturities corresponding to our benefit obligations and is subject to change each year. The discount rate can be volatile from year to year as it is determined based upon prevailing interest rates as of the measurement date. We used a 3.4% discount rate to determine benefit obligations as of December 31, 2024, reflecting an increase in the market interest rate environment since the prior year-end.

Pension ongoing (income) expense for our Germany plan is not expected to be significant in 2025. Also, if required, a MTM Adjustment will be recorded in the fourth quarter of 2025 in accordance with our pension accounting method as previously described. It is difficult to reliably forecast or predict whether there will be a MTM Adjustment in 2025, and if one is required, what the magnitude of such adjustment will be. MTM Adjustments are primarily driven by events and circumstances beyond the control of the Company such as changes in interest rates and the performance of the financial markets.

Contingent Liabilities – We are subject to a number of lawsuits, investigations, and claims (some of which involve substantial dollar amounts) arising out of the conduct of our business operations or those of previously owned entities, including matters relating to commercial transactions, government contracts, product liability, employee benefit plans, intellectual property, legal, and environmental, health, and safety matters. We continually assess the likelihood of any adverse judgments or outcomes to our contingencies, as well as potential amounts or ranges of probable losses, and recognize a liability, if any, for these contingencies based on a careful analysis of each matter with the assistance of outside legal counsel and, if applicable, other experts. Such analysis includes making judgments concerning matters such as the outcome of negotiations and the impact of evidentiary requirements. Because most contingencies are resolved over long periods of time, liabilities may change in the future due to new developments (including new discovery of facts, changes in legislation, and outcomes of similar cases through the judicial system) or changes in assumptions.

Asset retirement obligations – We record asset retirement obligations associated with the retirement of tangible long-lived assets as a liability in the period in which the obligation is incurred and its fair value can be reasonably estimated. These obligations primarily represent legal obligations to return our AES Facility to its initial state in connection with the site being decommissioned (if ever). The liability is measured at the present value of the obligation when incurred and is adjusted in subsequent periods. Corresponding asset retirement costs are capitalized as part of the carrying value of the related long-lived assets and depreciated over the asset's useful life.

See Note 19 “Commitments and Contingencies” of Notes to the audited Combined Financial Statements for further discussion of our asset retirement obligations.

Environmental Liabilities and Expenditures - We accrue for environmental remediation costs when it is probable that a liability has been incurred and a reasonable estimate of the liability can be made. Where the available information is sufficient to estimate the amount of liability, that estimate has been used. Where the information is only sufficient to establish a range of probable liability, and no point within the range is more likely than any other, the lower end of the range has been used. Estimated liabilities are determined based on existing remediation laws and technologies and our planned remedial responses, which are derived from environmental studies, sampling, testing, and analyses. Inherent uncertainties exist in such evaluations, primarily due to unknown environmental conditions, changing governmental regulations regarding liability, and emerging remediation technologies. These liabilities are adjusted periodically as remediation efforts progress and as additional technology, regulatory, and legal information become available.

Costs related to environmental remediation are charged to expense in the period that the associated liability is accrued.

See Note 19 “Commitments and Contingencies” of the Notes to the audited Combined Financial Statements for further discussion of our environmental matters.

OTHER MATTERS

Recent Accounting Pronouncements

See Note 2 “Summary of Significant Accounting Policies” of the Notes to the audited Combined Financial Statements for a discussion of recent accounting pronouncements.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Foreign Currency Risks

We operate a global business in a wide variety of foreign currencies and are exposed to market risk for changes in foreign currency exchange rates arising from international financing activities between subsidiaries, foreign currency denominated monetary assets and liabilities, and transactions arising from international trade. Although Honeywell uses financial instruments to hedge certain foreign currency risks, we are not fully protected against foreign currency fluctuations and our reported results of operations could be affected by changes in foreign currency exchange rates. To manage our exposures and mitigate the impact of currency fluctuations on the operations of our foreign subsidiaries, we hedge our main transactional exposures through the use of foreign exchange forward and option contracts. Accordingly, the Combined Statements of Operations include the impact of Honeywell's derivative financial instruments that is deemed to be associated with our operations and has been allocated to us utilizing a reasonable allocation method. The fair values of outstanding derivative instruments have not been allocated to our Combined Balance Sheets. Following the Spin-Off, we intend to implement a foreign currency risk management program on our own behalf.

Interest Rate Risk

Our Combined Balance Sheets and Combined Statements of Operations do not include an attribution of Honeywell's third-party debt or interest expense from Honeywell because we are not the legal obligor of the debt and the borrowings were not directly attributable to our business. We expect to incur indebtedness in connection with the Spin-Off, at which time our exposure to interest rate risk is expected to increase.

MANAGEMENT AND BOARD OF DIRECTORS

Our Executive Officers

The following sets forth information regarding individuals who are expected to serve as our executive officers, including their positions after the Spin-Off. While some of these individuals currently serve as employees of Honeywell, none of these individuals currently serve as executive officers of Honeywell. After the Spin-Off, none of our executive officers will be employees of Honeywell. The information set forth below is as of August 21, 2025.

Name	Age	Position
David Sewell	57	President and Chief Executive Officer
Jason Clifford	51	Senior Vice President and Chief Human Resources Officer
Jeffrey Dorno	44	Senior Vice President, Refrigerants & Applied Solutions
Simon Mawson	55	Senior Vice President, Electronic & Specialty Materials
Tina Pierce	58	Senior Vice President and Chief Financial Officer
Brian Rudick	55	Senior Vice President, General Counsel and Corporate Secretary

David Sewell, age 57, has served as President and Chief Executive Officer of the Advanced Materials business since March 2025, and is expected to serve as President and Chief Executive Officer of the Company following the Spin-Off. Mr. Sewell has more than 30 years of experience in the materials and chemicals industries, having most recently served as President and Chief Executive Officer of WestRock Company, one of the world's largest paper and packaging companies, from March 2021 to March 2025. Prior to this, Mr. Sewell served in various roles at The Sherwin-Williams Company, a global leader in the manufacture, development, distribution and sale of paint, coatings and related products, from February 2007 to March 2021, including serving as President and Chief Operating Officer from March 2019 to March 2021. Prior to his 14 years at Sherwin-Williams, Mr. Sewell spent more than 15 years in General Electric's Plastics and Advanced Materials Division. Mr. Sewell has served on the board of directors of Huntsman Corporation since January 2022 and served on the board of directors of WestRock from March 2021 to March 2025. Mr. Sewell is also a member of the board of directors of the National Association of Manufacturers. Mr. Sewell holds a bachelor's degree in economics from the University of Southern California. Mr. Sewell was chosen to lead Solstice Advanced Materials and serve as a member of our Board because of his expertise in the materials and chemicals industries, his extensive experience managing the operation of multinational companies and his strong leadership abilities.

Jason Clifford, age 51, has served as Vice President, Human Resources of the Advanced Materials business since June 2025, and is expected to serve as Senior Vice President and Chief Human Resources Officer of the Company following the Spin-Off. Mr. Clifford joins the Advanced Materials business after a tenure of over two years at Analog Devices, a global semiconductor company, where he served as Vice President, Human Resources – Global Operations & Technology and Regional HR Leader. Prior to this, Mr. Clifford had nearly 17 years of experience at Honeywell, across multiple business groups and global human resources roles, including serving as Vice President, Human Resources & Communication at Honeywell Building Technologies from 2021 to 2023, as Vice President, Human Resources & Communication at PMT from 2018 to 2021 and Vice President, Corporate Human Resources from 2017 to 2018. Prior to Honeywell, he served as Human Resources Director for Frito Lay's Mid-Atlantic Region from 2004 to 2006 and in several human resources roles at DuPont from 2002 to 2004 and ARAMARK from 1996 to 2002. Mr. Clifford holds a bachelor's degree in Industrial and Labor Relations and a Master of Business Administration from Cornell University.

Jeffrey Dorno, age 44, has served as President of Honeywell's Sustainability and Decarbonization business segment since July 2024 and is expected to serve as Senior Vice President, Refrigerants & Applied Solutions of the Company following the Spin-Off. Mr. Dorno joined Honeywell in 2017 and has served in various roles within Honeywell's Electronics and Chemicals, Fluorine Products, Advanced Materials and Sustainability and Decarbonization business segments. Prior to joining Honeywell, Mr. Dorno served as Product Manager from 2013 to 2015 and as Product Director from 2015 to 2017 at The Dow Chemical Company. Mr. Dorno served in the United States Navy from 2006 to 2009 and was an instructor at the United States Naval Academy from 2009 to 2011. Mr. Dorno holds a

bachelor's degree in Electrical Engineering from the United States Naval Academy, a Master of Science in Electrical Engineering from Stanford University and a Master of Business Administration from Harvard.

Simon Mawson, age 55, has served as President of Honeywell's Advanced Industrial Solutions business segment since July 2024, and is expected to serve as Senior Vice President, Electronic & Specialty Materials of the Company following the Spin-Off. Dr. Mawson has over 25 years of experience in the chemical industry. He previously served as Vice President and General Manager of Honeywell's Electronics and Materials business segment from 2022 to 2024. Prior to joining Honeywell, Dr. Mawson served as Senior Vice President, Head of Business Accelerators / Incubators, from 2020 to 2022, and Senior Vice President / General Manager of Adhesives Technologies, from 2014 to 2019, at Henkel AG & Co. KGaA. Dr. Mawson also previously held various other positions in the chemical industry, including Vice President, Novecare at Solvay Chemicals, Inc. from 2011 to 2014, Global Marketing Director, Coatings Additives at Dow Chemical from 2009 to 2010 and various Sales and Marketing roles at Rohm and Haas from 2001 to 2009. He started his career as a R&D Process Engineer at Univation Technologies, a Union Carbide/Exxon Chemical JV. Dr. Mawson holds a bachelor's degree in Chemical Engineering from North Carolina State University, a PhD in Chemical Engineering from The University of Texas at Austin and a Master of Business Administration from Duke University.

Tina Pierce, age 58, has served as Chief Financial Officer of the Advanced Materials business since May 2025, and is expected to serve as Senior Vice President and Chief Financial Officer of the Company following the Spin-Off. Ms. Pierce has over 25 years of experience at Honeywell in several major business segments, including serving as Vice President and Chief Financial Officer of Honeywell Industrial Automation from January 2024 to May 2025, as Vice President and Chief Financial Officer of the PMT business segment from 2020 to 2023 and as Vice President and Chief Financial Officer of the Home and Building Technologies business segment from 2017 to 2020. Ms. Pierce has also served on the board of directors of Garrett Motion, Inc. from 2021 to 2024 and HarbisonWalker International from 2019 to 2021. Ms. Pierce holds a bachelor's degree in finance from Ball State University and a Master of Business Administration from Florida State University.

Brian Rudick, age 55, served as Vice President and General Counsel of Honeywell's Energy and Sustainability Solutions business segment from 2024 to July 2025 and is expected to serve as Senior Vice President, General Counsel and Corporate Secretary of the Company following the Spin-Off. Mr. Rudick has 20 years of experience at Honeywell in various legal and business roles across several major business segments, including serving as a member of the board of directors of Honeywell Automation India Limited from 2023 to 2024, as Vice President and General Counsel of the Performance Materials and Technologies ("PMT") business segment from 2022 to 2023 and Vice President and General Counsel of the Safety and Productivity Solutions business segment from 2016 to 2022. Prior to joining Honeywell, Mr. Rudick worked as an Associate at K&L Gates from 1996 to 2005. Mr. Rudick holds a bachelor's degree in history from Penn State University and a Juris Doctor degree from University of Pittsburgh School of Law.

Our Directors

The following sets forth information with respect to those persons who are expected to serve on our Board following the Spin-Off. The information set forth below is as of August 21, 2025.

Name	Age	Position
Dr. Rajeev Gautam	73	Chairman of the Board of Directors
David Sewell	57	Director
Peter Gibbons	64	Director
Fiona C. Laird	64	Director
Rose Lee	59	Director
William Oplinger	58	Director
Sivasankaran Somasundaram	59	Director
Matthew Trerotola	58	Director
Patrick Ward	62	Director
Brian Worrell	55	Director

Dr. Rajeev Gautam, age 73, is expected to serve as non-executive Chairman of our Board. Dr. Gautam has more than four decades of experience at Honeywell in the process technologies and advanced materials sectors. He served as President and Chief Executive Officer of Honeywell PMT, from 2016 until his retirement from Honeywell in 2021. From 2006 to 2015 he held key positions within Honeywell UOP, including President and Chief Executive Officer from 2009 to 2015, Chief Technology Officer, PMT, from June 2008 to December 2008, and Chief Technology Officer, Honeywell UOP, from 2006 to 2008. He is also currently serving, since 2021, on the board of directors of NN, Inc. Dr. Gautam earned a bachelor's degree in chemical engineering from the Indian Institute of Technology and a master's degree in chemical engineering from Drexel University. Additionally, he holds a doctorate in chemical engineering from the University of Pennsylvania and a Master of Business Administration from the University of Chicago. Dr. Gautam was chosen as Chairman of our Board because of his extensive experience at Honeywell within the process technologies and advanced materials sectors and his background as a director for a multinational public company.

David Sewell, age 57, is expected to serve as a member of our Board. See “—Executive Officers” above for Mr. Sewell's biography.

Peter Gibbons, age 64, is expected to serve as a member of our Board following the Spin-Off. Mr. Gibbons has 25 years of international experience leading business transformation for consumer, retail, automotive distribution, industrial and specialty chemical businesses. From 2021 until his retirement in April 2025, Mr. Gibbons served as Group President of Enterprise Supply Chain at 3M Co., responsible for all aspects of manufacturing, supply chain and engineering. Prior to 3M, Mr. Gibbons served as Chief Executive Officer of the last mile tire distributor TireHub LLC, a joint venture between Bridgestone and Goodyear, from 2018 to 2021. From 2013 to 2018, Mr. Gibbons served as Executive Vice President Global Development and Product Supply & Chief Supply Chain Officer at Mattel. From 2011 to 2024, he served as a member of the Management Board of CP Kelco and from 2012 to 2018 as a member of the Executive Advisory Board of SCM World. Prior to this, from 2007 to 2012, Mr. Gibbons served initially as Senior Vice President Global Manufacturing Operations and was later promoted, in 2008, to Executive Vice President Global Supply Chain Operations at Starbucks. Prior to Starbucks, Mr. Gibbons worked at the executive leadership level in Europe, Latin America and North America at ICI Paints, a global chemical company, from 1989 to 2007. Mr. Gibbons holds a Master of Business Administration from the University of Strathclyde and a bachelor's degree in physics from the University of Edinburgh. Mr. Gibbons offers our Board expertise in managing the operations of international commercial and industrial businesses and strengthens our Board's experience in the industrial and specialty chemicals sectors.

Fiona C. Laird, age 64, is expected to serve as a member of our Board following the Spin-Off. Ms. Laird currently serves as Chief Human Resources Officer and Senior Vice President, Communications of Marathon Petroleum Corporation, an integrated downstream and midstream energy company operating the United States largest refining

system, a role she has had since 2018, having previously served as Chief Human Resources Officer at Andeavor Corporation prior to its acquisition by Marathon Petroleum Corporation. Ms. Laird also served as Chief Human Resources and Communications Officer at Newell Brands, Inc., from 2016 to 2017. From 1991 to 2016 Ms. Laird held executive roles in global human resources, communications and law over a 25-year international career at Unilever PLC. Prior to joining Unilever, Ms. Laird practiced law at the New York law firm of Mudge, Rose, Guthrie, Alexander & Ferdon and in the Cleveland office of Porter, Wright, Morris & Arthur LLC. From 2013 to 2018 Ms. Laird was also a non-executive director of N Brown Group, PLC, a leading UK-based multi-channel retailer. Ms. Laird holds a Juris Doctor degree with Honors from Case Western Reserve University School of Law and a bachelor's degree in English and history from the University of Strathclyde, Glasgow Scotland. Given her extensive experience in the human resources, communications and legal functions of multinational public companies, Ms. Laird offers our Board best practice expertise in governing a public company at global scale, as well as in managing complex change management and designing value-creating organization, leadership and talent strategies.

Rose Lee, age 59, has served as a member of the Honeywell Board since 2022, a role in which Ms. Lee is expected continue to serve until completion of the Spin-Off, and is expected to serve as a member of our Board following the Spin-Off. From 2021 until her retirement in March 2025, Ms. Lee served as President and Chief Executive Officer of Cornerstone Building Brands, Inc., a leading manufacturer of exterior building products. Prior to joining Cornerstone Building Brands, Ms. Lee served as President of DuPont de Nemours, Inc.'s Water & Protection business and Corporate Officer, from 2015 to 2021. Prior to DuPont de Nemours, Ms. Lee spent 15 years with Saint-Gobain Corp. in several general management, strategic planning, and information technology roles, each with increasing responsibility from 1999 until 2014. Ms. Lee has also previously held various engineering and management positions at Pratt & Whitney, a Raytheon Technologies company, and was a senior consultant at Booz Allen Hamilton. Ms. Lee also served as a director of Crown Holdings, Inc. from 2016 to 2022 and Cornerstone Building Brands from 2021 until 2025. Ms. Lee holds a Master of Business Administration from the Massachusetts Institute of Technology, a master's degree in mechanical engineering from Rensselaer Polytechnic Institute and a bachelor's degree in aerospace, aeronautical and astronautical engineering from Cornell University. Ms. Lee offers our Board expertise in the construction, transportation, energy, and defense sectors, and our Board will benefit from her extensive experience as a chief executive officer and director of multinational public companies.

William Oplinger, age 58, is expected to serve as a member of our Board following the Spin-Off. Mr. Oplinger has served as President and Chief Executive Officer of Alcoa Corporation, a global industry leader in bauxite, alumina, and aluminum, since 2023. Prior to that role, Mr. Oplinger also served as Executive Vice President and Chief Operating Officer, from February 2023 to August 2023, and as Executive Vice President and Chief Financial Officer, from 2016 to 2023, of Alcoa Corporation. Prior to joining Alcoa Corporation, Mr. Oplinger most recently served as Executive Vice President and Chief Financial Officer of Alcoa Inc., Alcoa Corporation's former parent company, from 2013 until 2016. Mr. Oplinger joined Alcoa Inc. in 2000 and held key corporate positions in financial analysis and planning and as Director of Investor Relations prior to later serving in several principal positions in Alcoa Inc.'s Global Primary Products business, including Chief Financial Officer, Controller, Operational Excellence Director, and Chief Operating Officer. Mr. Oplinger has served on the board of directors of Alcoa Corporation since 2023. Mr. Oplinger holds a bachelor's degree in industrial engineering and operations research from Virginia Tech and a master's degree in industrial administration from Carnegie Mellon University. Mr. Oplinger offers our Board extensive experience managing the operations of an international industrial company given his broad experience in executive, operational, financial, risk management and various other leadership positions at multinational public companies.

Sivasankaran Somasundaram, age 59, is expected to serve as a member of our Board following the Spin-Off. Mr. Somasundaram served as President and Chief Executive Officer of ChampionX Corp. (formerly Apergy Corp.) from its spin-off from Dover Corporation in 2018 until its merger with Schlumberger Limited ("SLB") in July 2025 and currently serves as Executive Advisor to Chief Executive Officer of SLB. Mr. Somasundaram was previously the President and Chief Executive Officer of Dover Energy (a segment of Dover Corporation) from 2013 until the spin-off in 2018. Mr. Somasundaram joined Dover Corporation in 2004 and held various other senior executive leadership roles, including Executive Vice President – Dover Energy, Executive Vice President – Dover Fluid Management, President – Fluid Solutions Platform, President – Gas Equipment Group and President – RPA Process

Technologies. Before joining Dover, Mr. Somasundaram served in various global leadership roles at GL&V Inc. and Baker Hughes Inc. Mr. Somasundaram has served on the board of directors of Lennox International Inc. since 2024. Mr. Somasundaram was also previously a member of the board of directors of ChampionX from 2018 until its merger with SLB in 2025 and Magellan Midstream Partners from 2022 until its merger with ONEOK, Inc. in 2023. He recently joined the Advisory Board of Directors of the Bettering Human Lives Foundation, an organization working to bring clean cooking options to energy-deprived populations in Africa. Mr. Somasundaram also serves in the Advisory Boards of Energy Work Force and Technology Council, World Affairs Council of Greater Houston, University of Oklahoma Gallogly College of Engineering, and the Indo American Community Service. Mr. Somasundaram holds a master's degree in industrial engineering from the University of Oklahoma and a bachelor's degree in mechanical engineering from Anna University. Mr. Somasundaram offers our Board expertise in managing the operations of international industrial and energy businesses as well as extensive experience from his service on other public company boards.

Matthew Trerotola, age 58, is expected to serve as a member of our Board following the Spin-Off. Mr. Trerotola was most recently the Chief Executive Officer and Chair for Enovis Corporation, an innovation-driven medical technology company, from 2023 until his retirement in 2025, and President and Chief Executive Officer of Enovis and its predecessor Colfax Corporation from 2015 to 2022. Prior to joining Enovis, from 2014 to 2015, Mr. Trerotola was an Executive Vice President and a member of the Office of the Chief Executive at DuPont de Nemours, Inc. and from 2013 to 2014 he served as Senior Vice President. While at DuPont, Mr. Trerotola was responsible for DuPont's Electronics & Communications and Safety & Protection segments, and he also had corporate responsibility for DuPont's Asia-Pacific business. Prior to joining DuPont in 2013, Mr. Trerotola served in several leadership roles at Danaher Corporation, a global science and technology innovator, including Vice President and Group Executive for Life Sciences, Group Executive – Product Identification and President – Videojet business. Mr. also previously served as a consultant at McKinsey & Company. Mr. Trerotola has served on the board of directors of AptarGroup, Inc. since 2022 and previously served as a director of Enovis from 2015 to 2025. Mr. Trerotola holds a Master of Business Administration from Harvard and a bachelor's degree in chemical engineering from the University of Virginia. Mr. Trerotola offers our Board expertise in operations and strategy across various industries including industrial markets, healthcare, medical technologies and regulated markets, and our Board will benefit from his extensive experience as a chief executive officer and director of multinational public companies.

Patrick Ward, age 62, is expected to serve as a member of our Board following the Spin-Off. Mr. Ward most recently served as Vice President and Chief Financial Officer of Cummins Inc., a global power leader that designs, manufactures, distributes and services engines and related technologies, from 2008 until his retirement in 2019. Mr. Ward held a broad range of financial leadership positions after joining Cummins in 1987, including serving as vice president, engine business controller, and executive director, power generation business controller. Mr. Ward has served on the board of directors of Corteva, Inc. since 2019 and Flex, Ltd. since 2022. Mr. Ward holds a Master of Business Administration from Strathclyde Business School and a HNC in Accounting from Dundee College of Commerce. Mr. Ward offers our Board expertise in financial management, finance, risk management and strategy given his significant background in various financial roles, including as Chief Financial Officer, and our Board will benefit from his extensive service on other public company boards.

Brian Worrell, age 55, is expected to serve as a member of our Board following the Spin-Off. Mr. Worrell most recently served as Chief Financial Officer of Baker Hughes Company from 2017 to 2022, following which he served as an advisor to Baker Hughes through 2023. Prior to that, Mr. Worrell served in various roles at General Electric Company, including Vice President and Chief Financial Officer of the Oil & Gas Segment from 2014 to 2017, Vice President, Corporate Financial Planning and Analysis from 2011 to 2014, and Vice President, Corporate Audit Staff from 2006 to 2010. Prior to holding these roles, Mr. Worrell also served as the Chief Financial Officer for GE Oil and Gas from 2003 to 2006. From 1997 through 2002, Mr. Worrell held several financial leadership roles in GE Healthcare. Mr. Worrell has served on the board of directors of Ralliant Corporation since June 2025. Mr. Worrell holds a bachelor's degree in economics from the University of North Carolina at Chapel Hill. Mr. Worrell offers our Board over 30 years of experience as a financial executive at multinational companies with extensive experience in strategy, mergers and acquisitions, supply chain, capital markets and leadership development.

Our Board of Directors Following the Spin-Off and Director Independence

Immediately following the Spin-Off, we expect that our Board will be comprised of 10 directors. All of our directors other than Mr. Sewell, who is expected to serve as President and Chief Executive Officer, will meet the independence requirements set forth in the listing standards of Nasdaq at the time of the Spin-Off.

Committees of the Board

Effective upon the completion of the Spin-Off, our Board will have the following committees, each of which will operate under a written charter that will be posted on our website prior to the Spin-Off.

Audit Committee

The Audit Committee will be established in accordance with Section 3(a)(58)(A) and Rule 10A-3 under the Exchange Act. The responsibilities of our Audit Committee will be more fully described in our Audit Committee charter. We anticipate that our Audit Committee, among other duties, will oversee:

- management's conduct of our financial reporting process (including the development and maintenance of systems of internal accounting and financial controls);
- the integrity of our financial statements;
- our compliance with legal and regulatory requirements;
- the qualifications, independence and compensation of our outside auditor;
- the performance of our internal audit function;
- the outside auditor's annual audit of our financial statements;
- the Company's risk management assessment; and
- the preparation of certain reports required by the rules and regulations of the SEC.

The Audit Committee will have at least _____ members and will consist entirely of independent directors, each of whom will meet the independence requirements set forth in the listing standards of Nasdaq, Rule 10A-3 under the Exchange Act and our Audit Committee charter. Each member of the Audit Committee will be financially literate, and at least one member of the Audit Committee will have accounting and related financial management expertise and satisfy the criteria to be an "audit committee financial expert" under the rules and regulations of the SEC, as those qualifications are interpreted by our Board in its business judgment. The initial members of the Audit Committee will be determined prior to the Spin-Off.

Compensation Committee

The responsibilities of our Compensation Committee will be more fully described in our Compensation Committee charter, and we anticipate that they will include, among other duties:

- determining and approving the compensation of our Chief Executive Officer;
- reviewing and approving the compensation of our other executives;
- overseeing the Chief Executive Officer succession planning process, including an emergency succession plan;
- reviewing the operation and structure of the Company's compensation program; and
- preparing any report on executive compensation required by the rules and regulations of the SEC.

The Compensation Committee will have at least _____ members and will consist entirely of independent directors, each of whom will meet the independence requirements set forth in the listing standards of Nasdaq,

Rule 10C-1 under the Exchange Act and our Compensation Committee charter. The members of our Compensation Committee will be “non-employee directors” (within the meaning of Rule 16b-3 under the Exchange Act) and “outside directors” (within the meaning of Section 162(m) of the Code). The initial members of our Compensation Committee will be determined prior to the Spin-Off.

Nominating and Governance Committee

The responsibilities of our Nominating and Governance Committee will be more fully described in our Nominating and Governance Committee charter, and we anticipate that they will include, among other duties:

- identifying, reviewing and recommending to our Board individuals for election to the Board consistent with the qualifications and criteria for election to the Board established by our Board from time to time;
- adopting and reviewing policies regarding the consideration of candidates for our Board proposed by shareowners and other criteria for membership on our Board;
- reviewing and recommending to the Board changes to the Corporate Governance Guidelines applicable to the Company and reviewing the Company’s policies and programs relating to health, safety and environmental matters and other similar matters; and
- overseeing our Board’s annual self-evaluation.

The Nominating and Governance Committee will consist entirely of independent directors, each of whom will meet the independence requirements set forth in the listing standards of Nasdaq and our Nominating and Governance Committee charter. The initial members of the Nominating and Governance Committee will be determined prior to the Spin-Off.

Code of Business Conduct

Prior to the completion of the Spin-Off, we will adopt a written code of business conduct that is designed to deter wrongdoing and to promote, among other things:

- honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- the protection of the confidentiality of our non-public information;
- the responsible use of and control over our assets and resources;
- full, fair, accurate, timely and understandable disclosure in reports and documents that we file with the SEC and other regulators and in our other public communications;
- compliance with applicable laws, rules and regulations; and
- accountability for adherence to the code and prompt internal reporting of any possible violation of the code.

Director Qualification Standards and Nomination Process

Our initial Board will be selected through a process involving both Honeywell and us. The initial directors who will serve after the Spin-Off will begin their terms substantially concurrently the time of the Distribution, with the exception of one independent director who will begin his or her term prior to the date on which “when-issued” trading of our common stock commences and will serve on our Audit Committee.

Corporate Governance Guidelines

Our Board will adopt Corporate Governance Guidelines designed to assist us and our Board in implementing effective corporate governance practices. The Corporate Governance Guidelines will be reviewed regularly in light of changing circumstances by the Nominating and Governance Committee in order to continue serving the best

interests of Solstice Advanced Materials and its stockholders. A copy of our Corporate Governance Guidelines will be posted on our website.

Communications with Non-Management Members of the Board of Directors

Generally, it is the responsibility of our management to speak for us in communications with outside parties, but we intend to set forth, in our corporate governance policies, certain processes by which shareowners and other interested third parties may communicate with non-management members of our Board.

DIRECTOR COMPENSATION

Following the Spin-Off, we expect that our Nominating and Governance Committee will periodically review and make recommendations to our Board regarding the form and amount of compensation for non-employee directors. Directors who are also our employees are expected to receive no compensation for service on our Board. Honeywell has approved an initial director compensation program for the Company that is designed to enable continued attraction and retention of highly qualified directors and to address the time, effort, expertise and accountability required of active Board membership. This program is described in further detail below.

Annual Compensation

In general, we believe that annual compensation for non-employee directors should consist of both a cash component, designed to compensate members for their service on the Board and its committees, and an equity component, designed to align the interests of directors and stockholders and, to create an incentive for continued service on the Board, generally vesting on the earlier of the first anniversary of the grant date and the Annual Meeting of Stockholders.

Cash Retainer	\$100,000
Board Chairman – Additional Cash Retainer	\$125,000
Board Committee Membership – Additional Cash Retainer	Audit Committee Chair: \$25,000 Audit Committee Member: \$12,000 Compensation Committee Chair: \$20,000 Compensation Committee Member: \$10,000 Nominating and Governance Committee Chair: \$15,000 Nominating and Governance Committee Member: \$10,000 Other Committee Chair: \$15,000 Other Committee Member: \$10,000

Annual Equity Grants

RSUs vest on the earliest of the first anniversary of the date of grant, the director's death or disability, or removal from the Board coincident with the occurrence of a change in control.	Each non-employee director receives an annual restricted stock unit grant with a target value of \$155,000 on the date of the Annual Meeting of Stockholders. New directors in 2026 will receive a prorated award for the partial year commencing on the Spin-Off.

Cash elements are paid in quarterly installments and prorated for partial years of service.

Other Benefits

Non-employee directors will also be provided with \$ in business travel accident insurance.

Stock Ownership Guidelines

We expect to adopt a stock ownership policy pursuant to which each non-employee director, while serving as a director of the Company, must hold Company common stock (including unvested RSUs) with a market value of at least five times the annual cash retainer (or \$500,000) before being permitted to sell any Solstice Advanced Materials common stock holdings, including net shares from vesting of restricted stock unit grants (i.e., shares vested less shares required to pay applicable taxes).

COMPENSATION DISCUSSION AND ANALYSIS

Introduction

While the anticipated Solstice Advanced Materials executive compensation programs and policies have been discussed with the Management Development and Compensation Committee of Honeywell's board of directors (the "Honeywell MDCC"), those programs and policies remain subject to review and approval by Solstice Advanced Materials' own Compensation Committee. Solstice Advanced Materials is currently a part of Honeywell, and its Compensation Committee has not yet been formed.

For purposes of this Compensation Discussion and Analysis ("CD&A") and the disclosure that follows, Mr. Dormo, who currently serves as the President, Sustainability and Decarbonization of Honeywell's Advanced Materials business, and is expected to serve as our Senior Vice President, Refrigerants & Applied Solutions following the Spin-Off, and Dr. Mawson, who currently serves as the President, Advanced Industrial Solutions of Honeywell's Advanced Materials business, and is expected to serve our Senior Vice President, Electronic & Specialty Materials following the Spin-Off, are the only individuals who would have been considered executive officers of the Advanced Materials business in 2024. We refer to these individuals as our "named executive officers" or "NEOs" for purposes of the CD&A and the disclosure that follows. The CD&A discusses Honeywell's historical compensation programs as applied to Mr. Dormo and Dr. Mawson, and outlines certain aspects of Solstice Advanced Materials' anticipated post-distribution compensation structure for those individuals.

Mr. Sewell, who is expected to serve as President and Chief Executive Officer of Solstice Advanced Materials following the Spin-Off, was not employed by Honeywell in 2024. While Ms. Pierce, who is expected to serve as Chief Financial Officer of Solstice Advanced Materials following the Spin-Off, and Mr. Rudick, who is expected to serve as Senior Vice President, General Counsel and Corporate Secretary of Solstice Advanced Materials following the Spin-Off, were employed by Honeywell in 2024, Ms. Pierce and Mr. Rudick were neither executive officers of Honeywell nor were they employed by the Advanced Materials business in 2024. Mr. Clifford, who is expected to serve as Senior Vice President, Chief Human Resources Officer of Solstice Advanced Materials following the Spin-Off, was not employed by Honeywell in 2024.

After the Spin-Off, we will review the compensation for all of our executive officers and determine the appropriate compensation, benefits and perquisites for them, and accordingly the compensation, benefits and perquisites provided to them after the Spin-Off will not necessarily be the same as those discussed below.

Executive Compensation Philosophy and Approach

Honeywell Practice

Honeywell's executive compensation program creates long-term shareowner value through four key objectives:

- **Attract and Retain World-Class Leadership Talent** with the skills and experience necessary to develop and execute business strategies, drive superior financial results, and nimbly adapt and react to constantly evolving end-market conditions in an enterprise with the company's scale, breadth, complexity, and global footprint.
- **Emphasize Variable, At-Risk Compensation** with an appropriate balance of near-term and long-term objectives that align executive and shareowner interests.
- **Pay for Superior Results and Sustainable Growth** by rewarding and differentiating among executives based on the achievement of enterprise, business unit, and individual objectives as well as efforts to advance Honeywell's long-term growth initiatives.
- **Manage Risk Through Oversight and Compensation Program Design Features and Practices** that balance short-term and long-term incentives, are not overly leveraged, and cap maximum payments.

Going Forward

We anticipate that our executive compensation objectives and approach will initially be similar to Honeywell's. Following the Spin-Off, our Compensation Committee will review these objectives and approach to ensure they meet our business needs and strategic objectives.

Compensation Process

In carrying out its responsibilities, the Honeywell MDCC balances a number of important considerations, including:

- The importance of aligning pay with company and individual performance.
- The need to attract, retain, and reward executives with a proven track record of delivering consistent financial and operating results and driving "seed-planting" initiatives that will create sustainable long-term shareowner value.
- The complex multi-industry and global nature of Honeywell's businesses and the importance of growth outside of the United States for future success.
- The importance of maintaining and executing on a thorough and rigorous succession planning process.

Key factors that shape the Honeywell MDCC's overall assessment of performance and appropriate levels of compensation include:

- Operational and financial performance for the entire company and the relevant business units.
- Robust financial and operating goals and targets for each executive.
- Business/macroeconomic conditions impacting the industries in which Honeywell's businesses operate.
- Execution against strategic initiatives and the impact of investments that will benefit financial performance in future years.
- Each executive's long-term leadership potential and associated retention risk.
- The senior executive development and succession plan.
- Total shareowner return (TSR).
- Trends and best practices in executive compensation.
- Peer group comparisons, including performance, pay levels, and related practices.

The Honeywell MDCC reviews these factors over various time periods to ensure a strong linkage between pay and performance and to provide historical context and an understanding of how current compensation decisions may affect future wealth accumulation and executive retention.

On an annual basis, the Honeywell MDCC reviews information provided by its independent compensation consultant regarding compensation paid to similarly situated executive officers at compensation peer group companies as a point of reference. Similarly, third-party survey data or published reports may be utilized as a general indicator of relevant market conditions. The Honeywell MDCC does not target a specific competitive position relative to the market in making its compensation determinations.

Going Forward

We anticipate that our executive compensation process upon the Spin-Off will generally follow the same process as Honeywell's executive compensation process. Following the Spin-Off, our Compensation Committee will review all aspects its process and may make adjustments that it believes are appropriate in establishing our executive compensation process.

Compensation Peer Group

Honeywell Practice

To ensure appropriate levels of executive officer compensation and the alignment of pay and performance, the Honeywell MDCC believes it is important to understand how Honeywell compares to other relevant companies.

On an annual basis, the Honeywell MDCC reviews information provided by its independent compensation consultant regarding compensation paid to similarly situated executive officers at a group of companies that are considered “Honeywell’s Compensation Peer Group” and assesses Honeywell’s financial performance against these companies. Although the Honeywell MDCC does not target a specific competitive position relative to its comparator group, this information provides the Honeywell MDCC (and the independent directors of the full Honeywell board of directors in the case of the Honeywell CEO) a point of reference when making its compensation determinations with respect to the Honeywell NEOs. In addition, the Honeywell MDCC periodically reviews relative financial performance against a subset of companies with complex multi-industry characteristics, like Honeywell, or relevant indices.

The companies selected by the Honeywell MDCC for inclusion in Honeywell’s 2024 Compensation Peer Group have one or more of the following attributes:

- Business operations with similar scope and complexity to Honeywell.
- Industrial companies with technology drivers.
- Peer group overlap with potential peer (e.g., peer of peer).
- Global scope of operations and/or diversified product lines.
- Within reasonable range of sales and/or market capitalization.
- Demonstrated competitor for executive talent.

The Honeywell MDCC reviews the appropriateness of Honeywell’s Compensation Peer Group companies on an annual basis and discusses whether any changes are necessary. No changes were made to Honeywell’s Compensation Peer Group in 2024.

The following table lists Honeywell’s Compensation Peer Group companies for 2024:

Aerospace & Defense	Machinery	Chemicals
The Boeing Company	Deere & Company	DuPont de Nemours, Inc.
General Dynamics Corporation	Caterpillar Inc.	Dow Inc.
Lockheed Martin Corporation	Illinois Tool Works Inc.	
RTX Corporation		
Electrical Equipment	Oil & Gas	Industrial Conglomerates
Eaton Corporation plc	Schlumberger Limited	3M Company
Emerson Electric Co.	Phillips 66	General Electric Company
Building Products	Technology/Communications Equip.	Technology/Medical Equip.
Johnson Controls International plc	Cisco Systems, Inc.	Medtronic plc

Going Forward

The Honeywell MDCC, with recommendations from its independent compensation consultant, Pay Governance, adopted a Solstice Advanced Materials peer group to help inform its decision-making with respect to the Company’s

executive compensation program and ensure that such program supports the Company’s recruitment and retention needs and is fair and efficient. The Honeywell MDCC selected companies for inclusion in this peer group based on (1) the extent to which they compete with the Company for executive talent because they operate in a similar industry, (2) comparability of revenues and market capitalization and (3) other qualitative factors such as business fit and complexity. This compensation peer group is comprised of the following companies:

Specialty Chemicals

Celanese Corporation	Eastman Chemical Company	RPM International Inc.
Albemarle Corporation	Axalta Corporation	H.B. Fuller Company
Avient Corporation	NewMarket Corporation	Element Solutions Inc.
Stepan Company		

Commodity Chemicals

Olin Corporation	Cabot Corporation	Tronox Holdings plc

Diversified Chemicals

Huntsman Corporation	The Chemours Company

The table below sets forth for this peer group and Solstice Advanced Materials information regarding revenue, net income and total assets (based on the most recently reported four quarters for each company as of December 31, 2024), market capitalization (as of December 31, 2024) and employee headcount (based on each company’s most recent fiscal year end as of December 31, 2024), in each case, derived from the Standard & Poor’s Capital IQ database.

	(\$ in millions)					Employees at End of Last Fiscal Year
	Revenue	Market capitalization	Net income	Total assets		
75 th percentile	\$ 6,288	\$ 6,790	\$ 407	\$ 7,547		10,682
Median	\$ 5,276	\$ 4,967	\$ 113	\$ 6,620		7,500
25 th percentile	\$ 3,157	\$ 3,403	\$ 1	\$ 4,917		6,550
Solstice Advanced Materials	\$ 3,770	N/A	\$ 605	\$ 5,004		3,500
Solstice Advanced Materials percentile rank	39 %	N/A	91 %	29 %		12 %

Following the Spin-Off, our Compensation Committee will review the peer group on a periodic basis and determine whether any changes are appropriate based on its view of the competitive environment in which we operate.

Components of Executive Compensation and Benefits

Honeywell Practice

The following table provides an overview of Honeywell's executive compensation program as applied to our NEOs and describes the link between each of its regular direct compensation elements and its business strategy and performance:

		Element	Description	Link to Strategy and Performance
FIXED	SHORT-TERM	BASE SALARY	Base salaries are determined based on scope of responsibility, years of experience, and individual performance.	To attract and compensate high-performing and experienced leaders at a competitive level of cash compensation.
		ANNUAL INCENTIVE COMPENSATION PLAN (ICP)	The overall ICP pool and strategic business group (SBG) pools are determined based on fiscal year performance, individual ICP awards are determined using budget and individual performance.	To motivate and reward executives for achieving annual corporate, business unit, and functional goals in key areas of financial and operational performance.
VARIABLE	LONG-TERM INCENTIVES (LT)	PERFORMANCE CASH UNITS (PCUs)	1/3 of annual LTI. - Covers three-year period. - Target value of \$100 per unit with payout range from 0-200% depending on level of achievement.	- Focuses executives on the achievement of specific long-term financial performance goals directly aligned with operating and strategic plans. - Metrics: Total Cumulative Revenue, Average Segment Margin Rate and Average Return on Investment (ROI).
		STOCK OPTIONS	Executive Officers: 1/3 of annual LTI.	Directly aligns the interests of our executives with shareowners. Stock options only have value for executives if operating performance results in stock price appreciation.
		RESTRICTED STOCK UNITS (RSUs)	Executive Officers: 1/3 of annual LTI.	Strengthens key executive retention over relevant time periods to ensure consistency and execution of long-term strategies.

Going Forward

We anticipate that our executive compensation program upon the Spin-Off will generally include the same elements as Honeywell's executive compensation programs. Following the Spin-Off, our Compensation Committee will review the primary elements of our executive compensation program, and mix thereof, to ensure they meet our business needs and strategic objectives. This will include a review of base salary as well as short-term and long-term incentive programs and other elements of compensation.

2024 Executive Compensation Decisions

2024 Base Salary

Honeywell Practice

Base salaries of executives are reviewed annually to determine if any adjustment is warranted. Several factors are considered, including scope of responsibility, required knowledge, individual performance, country's salary budget, demonstration of Honeywell's behaviors and relative market position.

For 2024, the NEOs received an annual base pay adjustment as a part of the annual compensation process. Annual base pay increases ranged from 3% to 5.5%.

Going Forward

Following the Spin-Off, we anticipate that our Compensation Committee will establish base salary levels for our executive officers taking into account a review of benchmarking data for similar roles, individual performance, and competitive positioning.

2024 Short-Term Incentive Compensation

Honeywell Practice

Honeywell's annual incentive compensation plan (the "Honeywell ICP") is designed to motivate and reward executives for their contributions. As prescribed in Honeywell's ICP program, at the end of the performance year, the Chief Executive Officer of Honeywell recommends the overall Honeywell ICP pool, as well as pools for each SBG, to the Honeywell MDCC for final approval. After these pools are approved by the Honeywell MDCC, the SBG funding level is provided to SBG management for allocation among strategic business unit ("SBU") based on quantitative and qualitative assessment of performance. The executive's Honeywell ICP payout is then determined by multiplying the executive's individual Honeywell ICP target by the SBU funding level, subject to upward or downward adjustment as recommended by SBG management based on the executive's individual performance. The Honeywell CEO reviews all SBG management recommendations and provides final approval of each individual Honeywell ICP payout.

Factors used to determine the Honeywell ICP pools include:

- Business performance against pre-established goals for sales, earnings per share, net income and free cash flow.
- Other key financial and operational metrics.
- Honeywell performance relative to peers and relevant industry and economic conditions.

After applying the steps described above, the Honeywell CEO approved the 2024 Honeywell ICP payouts as follows:

	<u>SBU Funding Level</u>	<u>Honeywell ICP Target</u>	<u>Individual Performance Adjustment</u>	<u>Actual Honeywell ICP Payout</u>	<u>Actual Honeywell ICP Payout as a % of Target</u>
Jeffrey Dormo	98 %	45 %	116.5 %	\$ 235,000	110.0 %
Simon Mawson	77 %	45 %	106.7 %	\$ 162,000	82.1 %

Going Forward

Following the Spin-Off, we anticipate that our Compensation Committee will develop a short-term incentive plan focused on near-term operational and financial goals that support our business objectives, while also allowing for meaningful pay differentiation tied to performance of individuals and groups.

2024 Long-Term Incentive Compensation

Honeywell Practice

Honeywell's long-term incentives ("Honeywell LTI") focuses executives on the achievement of specific long-term financial performance goals directly aligned with Honeywell's operating and strategic plans. For 2024 LTI awards to executives, SBG management recommended and the Honeywell CEO approved a total annual Honeywell LTI value to be awarded and then allocated the award in equal parts between PCUs, RSUs, and stock options. Each of the three elements and the respective values awarded to each NEO are described in detail below.

	<u>2024 Total Honeywell LTI Value</u>
Jeffrey Dormo	\$ 460,000
Simon Mawson	\$ 275,000

Performance Cash Units

PCUs granted to our NEOs in 2024 represented one-third of their total annual Honeywell LTI value and mix. The Performance Plan is a three-year, cash-based plan that measures performance against plan metrics from January 1, 2024 through December 31, 2026. Each PCU has a target value of \$100 USD per unit and award payouts range from 0% to 200% depending on the level of achievement.

The plan metrics of Total Revenue, Segment Margin, and Return on Investment targets are each measured separately over the performance period. Each of the metrics has a performance threshold that must be reached before earning a payout. Once the threshold is reached, the payout percentage for that metric ranges from 50% to 200%.

Total Revenue	Segment Margin	Return on Investment
• Reflects top-line organic growth • Measures total cumulative revenue of performance period • Impact of acquisitions and divestitures during the period is excluded • Foreign currency exchange rates (FX) will be held constant to the base year for measurement purposes	• Reflects effectiveness of productivity initiatives and ensures growing profits at a multiple of sales growth • Measures average annual segment margin over the performance period • Impact of acquisitions and divestitures during the period is excluded • No adjustment for changes in FX over the performance period	• Indicates how effectively capital is being leveraged and managed • Measures average annual return on investment over the performance period • Impact of acquisitions and divestitures during the period is excluded • Impact of pensions, cash, debt, and deferred taxes is excluded • No adjustment for changes in the FX over the performance period

For corporate executives, 100% of the award is based on performance against the three metrics measured at the total Honeywell level and each metric is weighted evenly. For SBG executives, 50% of the award is based on an even weighting of the three metrics for the total Honeywell level and 50% is based on an even weighting of the three metrics at the SBG level.

Stock Options

Stock options granted to the NEOs in 2024 represented one-third of their total annual Honeywell LTI value and mix. The Honeywell MDCC believes that stock options continue to be an important element for focusing executives on actions that drive long-term stock appreciation, which is directly aligned with the interests of our shareowners.

Stock options vest 25% per year over four years and have a 10-year term to exercise. The strike price for the 2024 annual stock options granted to the executives in February 2024 was the fair market value of Honeywell stock on the date of grant February 16, 2024. The grant date fair value of a stock option was determined by a third-party valuation company using a Black-Scholes valuation method.

Restricted Stock Units

RSUs granted to the NEOs in 2024 represented one-third of their total annual Honeywell LTI value and mix. RSUs vest on the third anniversary of the grant date. This vesting period is aligned with market practices and is designed to strengthen retention.

Going Forward

Following the Spin-Off, our long-term incentive award program will initially be similar to Honeywell's program. Our Compensation Committee will review our program with the goal of ensuring it is effective in attracting, retaining and motivating skilled executives and aligning the interests of management and stockholders.

Other Compensation and Benefits Programs

Retirement Plans

Honeywell Practice

Honeywell offers various retirement benefits to its NEOs. Specifically, depending upon when and where they joined Honeywell, some Honeywell NEOs may participate in broad-based plans, including a defined benefit pension plan and a 401(k) savings plan that provides matching Honeywell contributions. Honeywell also maintains an unfunded supplemental retirement plan to replace the portion of an executive's pension benefit that cannot be paid under the broad-based plans because of Internal Revenue Service (the "IRS") limitations.

Going Forward

We anticipate that we will adopt similar retirement plans as those maintained by Honeywell upon the Spin-Off. Following the Spin-Off, our Compensation Committee will review the retirement plans adopted by Solstice Advanced Materials to ensure that they meet our business needs and strategic objectives.

Non-Qualified Deferred Compensation Plans

Honeywell Practice

Honeywell executives may choose to participate in certain non-qualified deferred compensation plans to permit retirement savings in a tax-efficient manner. Executives can elect to defer up to 100% of their annual incentive compensation plan awards. In addition, executives may also participate in the Honeywell Excess Benefit Plan and Supplemental Savings Plan (the "SS Plan") to defer base salary that cannot be contributed to Honeywell's 401(k) savings plan due to IRS limitations. These amounts are matched by Honeywell only to the extent required to make up for a shortfall in the available match under the 401(k) savings plan due to IRS limitations. Deferred compensation balances earn interest at a fixed rate based on Honeywell's 15-year cost of borrowing, which is subject to change on an annual basis (5.91% for 2024). Matching contributions are treated as if invested in Honeywell common stock.

Honeywell limits deferred compensation amounts owed to executives by having the interest rate accruing on deferrals under the SS Plan be a rate that changes annually based on Honeywell's 15-year cost of borrowing, and requiring payment of the SS Plan deferrals to begin shortly after termination of employment in a lump sum unless the participant leaves Honeywell after reaching retirement (age 55 with 10 years of service).

Going Forward

We anticipate that we will adopt a similar non-qualified deferred compensation plan as the one maintained by Honeywell upon the Spin-Off. Following the Spin-Off, our Compensation Committee will review the non-qualified deferred compensation plan adopted by Solstice Advanced Materials to ensure that they meet our business needs and strategic objectives.

Benefits and Perquisites

Honeywell Practice

Honeywell's NEOs are entitled to participate in Honeywell-wide benefits such as life, medical, dental, and accidental death and disability insurance, which are competitive with other similarly sized companies. Honeywell's NEOs participate in these programs on the same basis as the rest of its salaried employees. Honeywell also maintains low-cost excess liability coverage for all executive-level personnel, including the Honeywell NEOs. Honeywell's NEOs are also eligible for an annual executive physical, and Charlotte-based officers participate in a low-cost regional concierge medical service program.

Going Forward

We anticipate that our benefits and perquisites upon the Spin-Off will generally include the same benefits and perquisites as provided by Honeywell. Following the Spin-Off, our Compensation Committee will review the

benefits and perquisites provided by Solstice Advanced Materials to ensure they meet our business needs and strategic objectives.

Additional Compensation Matters

Policies and Practices Related to the Grant of Certain Equity Awards

Honeywell Practice

Honeywell does not schedule the grant of stock options or other equity awards in anticipation of the disclosure of material nonpublic information, and Honeywell does not schedule the disclosure of material nonpublic information based on the timing of grants of stock options or other equity awards. Honeywell has not adopted a formal policy that would require Honeywell to grant, or to avoid granting, stock options or other equity awards at certain times. In practice, however, as part of Honeywell's regular annual long-term incentive (LTI) grant process, the Honeywell MDCC generally has granted stock options and other equity awards to its executives at their meeting in or around February of each year. The full Honeywell board of directors is responsible for determining Chairman and CEO compensation which includes the granting their equity awards. Similarly, annual grants of equity awards to Honeywell's non-employee directors generally have been made by Honeywell's board of directors each year at its meeting on the date of the annual meeting of shareowners. The dates for those Honeywell MDCC and Honeywell board of directors meetings generally are set well in advance and on a fairly consistent cadence from year to year. However, the Honeywell MDCC and the Honeywell board of directors are also authorized to grant stock options and other equity awards at other times during the year. For example, stock options and other equity awards may be, and have been, granted in connection with new hires and promotions.

Going Forward

We anticipate that Solstice Advanced Materials' incentive compensation grant practices initially will be comparable to those of Honeywell. Following the Spin-Off, our Compensation Committee and management will review such practices to ensure they meet our business and strategic needs and the objectives of our executive compensation program.

Stock Ownership Guidelines

Honeywell Practice

The Honeywell MDCC believes that Honeywell executives more effectively pursue shareowners' long-term interests if they hold substantial amounts of stock. Accordingly, the Honeywell MDCC maintains minimum stock ownership guidelines for all executive officers.

Under these guidelines, Honeywell's CEO must hold shares of common stock equal in value to ten times his current annual base salary. Other executive officers of Honeywell are required to own shares equal in value to five times their current base salary. Shares used in determining whether these guidelines are met include shares held personally, equivalent shares held in qualified and non-qualified retirement accounts, and outstanding RSUs. Executive officers have five years following their appointment to meet these guidelines.

Honeywell's stock ownership guidelines require officers to hold for at least one year 100% of the "net shares" obtained from RSUs that vest and the "net shares" issued from PSUs. "Net shares" means the number of shares issued when RSUs vest or PSUs are earned, less the number of shares withheld or sold to pay applicable taxes. After the one-year holding period, officers may sell net shares or net gain shares (subject to pre-approval by Honeywell's CEO); however, after the sale, they must continue to meet the prescribed minimum stock ownership level.

Going Forward

We expect to adopt substantially similar stock ownership requirements in connection with the Spin-Off; provided, however, that Solstice Advanced Materials' CEO will have a requirement to hold shares of common stock equal in value to five times his annual base salary and other executive officers of Solstice Advanced Materials will be required to own shares equal in value to three times their annual base salary.

Recoupment/Clawback

Honeywell Practice

Honeywell's board of directors determined that it is in Honeywell's best interests to ensure that all performance-based cash compensation and equity awards reflect actual performance. Consistent with such determination, Honeywell's board of directors adopted a Clawback Policy, in accordance with Rule 10D-1 of the Exchange Act and Nasdaq listing standards.

This Clawback Policy is administered by the Honeywell MDCC and enables Honeywell to recover from covered current and former executives certain incentive-based compensation in the event of an accounting restatement resulting from material noncompliance with any financial reporting requirements under the federal securities laws. Honeywell's Clawback Policy covers current and former executive officers, including all officers for purposes of Section 16 of the Exchange Act, and applies to any incentive-based cash compensation, that is granted, earned, or vested based wholly or in part on the attainment of any Honeywell financial reporting measure.

If Honeywell is required to prepare an accounting restatement due to material noncompliance with any financial reporting requirement under the securities laws, including any required accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period, the Honeywell MDCC shall require any executive officer covered by Honeywell's Clawback Policy to reimburse or forfeit to Honeywell the amount of incentive-based compensation received by such executive officer based on the financial statements prior to the restatement that exceeds the amount such executive officer would have received had the incentive-based compensation been determined based on the financial restatement. The Honeywell MDCC will not consider the executive officer's responsibility or fault or lack thereof in enforcing Honeywell's Clawback Policy to recoup the amount described above.

In addition, Honeywell maintains the clawback guidelines set forth in Honeywell's Corporate Governance Guidelines. Under these guidelines, if the Honeywell board of directors determines that a covered executive officer engaged in any misconduct that materially contributes to, or causes, a significant restatement of financial results, this may, independently, result in the recoupment (or clawback) of performance-based incentive awards (both equity- and cash-based awards).

In addition, if during the two-year period following an executive officer's termination of employment with Honeywell, he or she commences employment with, or otherwise provides services to a Honeywell competitor, without the Honeywell MDCC's prior approval, or otherwise violates other restrictive covenants (including non-solicitation commitments), then Honeywell reserves the right, for awards issued under its stock incentive plans, to:

- Cancel all unexercised options and unvested equity; and
- Recover any gains attributable to options that were exercised, and any value attributable to RSUs and Performance Plan awards that were paid, during the period beginning 12 months before and ending two years after the executive officer's termination of employment.

Honeywell has entered into non-competition agreements with each of its NEOs that preclude them from going to work for a competitor for up to two years after termination of employment. The list of competitors and the duration of the non-competition covenant has been tailored, in each case, to the executive officer's position and the competitive threat this represents. Because money damages cannot adequately compensate Honeywell for violations of these non-competition covenants, we have a full range of equitable remedies at our disposal to enforce these agreements, including the ability to seek injunctive relief.

Going Forward

Our Compensation Committee is expected to adopt substantially similar recoupment policies in connection with the Spin-Off.

Tax Deductibility of Executive Compensation

Honeywell Practice

Section 162(m) of the Internal Revenue Code limits the federal income tax deduction for annual individual compensation to \$1 million for Honeywell's "covered employees" without any exception for performance-based compensation, subject to a transition rule for certain written binding contracts in effect on November 2, 2017, and not materially modified after that date. Honeywell intends to comply with the transition rule for written binding contracts in effect on November 2, 2017, to the extent applicable, so long as the Honeywell MDCC determines that to be in Honeywell's best interest. The Honeywell MDCC seeks to closely align executive pay with performance, even if there is no longer a "performance-based" provision under Section 162(m), and, in any case, the Honeywell MDCC reserves the ability to structure compensation arrangements to provide appropriate compensation to Honeywell's executives, even where such compensation is not deductible under Section 162(m).

Going Forward

We anticipate that, similar to the approach followed by the Honeywell MDCC, following the Spin-Off our Compensation Committee will review the tax impact of executive compensation on Solstice Advanced Materials as well as on our executive officers in addition to taking into account other considerations such as accounting impact, shareholder alignment, market competitiveness, effectiveness and perceived value to employees. Because many different factors influence a well-rounded, comprehensive and effective executive compensation program, some of the compensation provided to our executive officers may not be deductible under Section 162(m).

Insider Trading Policies and Procedures

Honeywell Practice

The Honeywell board of directors has adopted an insider trading policy that applies to all of Honeywell's directors, officers, and employees, as well as certain other designated individuals, to prevent the misuse of confidential information about Honeywell, as well as other companies with which Honeywell has a business relationship, and to promote compliance with all applicable securities laws. Among other things, the Honeywell's insider trading policy prohibits engaging in transactions in securities based on material non-public information and prohibits directors, executive officers, and certain other employees from buying or selling Honeywell's securities during certain periods, except pursuant to an approved trading plan under Rule 10b5-1 of the Securities Exchange Act of 1934, as amended (Rule 10b5-1). Certain types of transactions in Honeywell's securities are also prohibited under Honeywell's insider trading policy, as described further under "Pledging and Hedging Transactions in Company Securities" (see below). In addition, certain individuals, including directors and officers, are required to receive pre-clearance from Honeywell's Corporate Secretary, and directors and officers are additionally required to receive prior approval from Honeywell's Chairman, prior to engaging in transactions in Honeywell's securities. Honeywell's insider trading policy also sets forth mandatory guidelines that apply to all executive officers, directors, and employees of Honeywell who adopt Rule 10b5-1 plans for trading in Honeywell's securities, which are intended to ensure compliance with Rule 10b5-1 and to conform to best practices with respect to the design and implementation of Rule 10b5-1 plans.

It is also Honeywell's policy that Honeywell will not engage in transactions in Honeywell securities, or adopt any securities repurchase plans, while in possession of material non-public information relating to the Company or its securities other than in compliance with applicable law, subject to the policies and procedures adopted by Honeywell. Honeywell currently has a stock repurchase program in place. Repurchases may be made through a variety of methods, which could include open market purchases, accelerated share repurchase transactions, negotiated block transactions, Rule 10b5-1 plans, other transactions that may be structured through investment banking institutions or privately negotiated, or a combination of the foregoing.

Going Forward

We anticipate that Solstice Advanced Materials will adopt similar policies and procedures.

Pledging and Hedging Transactions in Company Securities

Honeywell Practice

Honeywell's executive officers, directors, and any of their respective designees are prohibited from pledging Honeywell's securities or using Honeywell's securities to support margin debt. All other employees of Honeywell must exercise extreme caution in pledging Honeywell's securities or using Honeywell's securities to support margin debt.

Hedging by directors, executive officers, employees on Honeywell's restricted trading list, any employee in possession of material nonpublic information, or any of their designees is prohibited, and it is strongly discouraged for all other employees. For this purpose, hedging means purchasing financial instruments (including prepaid variable forward sale contracts, equity swaps, collars, and interests in exchange funds) or otherwise engaging in transactions that are designed to hedge or offset any decrease in the market value of Honeywell stock held, directly or indirectly, by them, whether the stock was acquired as part of a compensation arrangement or otherwise.

All of Honeywell's employees, directors, and any of their respective designees are prohibited from engaging in short sales of Honeywell securities. Selling or purchasing puts or calls or otherwise trading in or writing options on Honeywell's securities by employees, officers, and directors is also prohibited.

Going Forward

We anticipate that Solstice Advanced Materials will adopt similar policies and procedures.

Executive Compensation

Summary Compensation Table

The following table summarizes the compensation for the fiscal year ended December 31, 2024 for our NEOs employed by Honeywell in 2024 based on compensation received from Honeywell.

Name and Principal Position	Year	Salary (\$) ⁽¹⁾	Bonus (\$)	Stock Awards (\$) ⁽²⁾	Option Awards (\$) ⁽³⁾	Non-Equity Incentive Plan Compensation (\$) ⁽⁴⁾	Change in Pension Value and Non-Qualified Deferred Compensation Earnings (\$)	All Other Compensation (\$) ⁽⁵⁾	Total (\$)
Jeffrey Dorno, SVP, Refrigerants & Applied Solutions	2024	474,110		517,450	153,341	347,746		33,688	1,526,335
Simon Mawson, SVP, Electronic & Specialty Materials	2024	437,266		91,842	91,695	272,400		31,481	924,648

(1) Represents actual base salary paid in 2024.

(2) The 2024 Stock Awards columns represents the RSU awards granted during the year. The unit grant date fair values of RSUs for Mr. Dorno and Dr. Mawson for annual awards was \$197.51 granted on March 1, 2024. In addition Mr. Dorno received a discretionary award on May 1, 2024 with a unit grant date fair value of \$194.54. RSU unit values are determined using the average of the high and low stock prices of Honeywell stock on the grant date.

(3) 2024 Option Awards shown reflect the aggregate grant date fair value of the awards computed in accordance with FASB ASC Topic 718, using the Black-Scholes option-pricing model at the time of grant, with the expected-term input derived from a risk-adjusted Monte Carlo simulation of the historical exercise behavior and probability-weighted movements in Honeywell's stock price over time. Annual stock options were awarded to Mr. Dorno and Dr. Mawson and have a grant date of March 1, 2024, at a Black-Scholes value of \$37.75 per option.

(4) The amount for Mr. Dorno and Dr. Mawson includes the sum of both their 2024 annual ICP award and their earned payout from PCUs issued for the January 1, 2022 – December 31, 2024, cycle, that is required to be reported in the final year of the performance period under SEC rules, even though granted in 2022 and covering a three-year period. The following table provides the breakdown of the amounts reported as 2024 Non-Equity Incentive Plan Compensation for Mr. Dorno and Dr. Mawson:

Name	2024 ICP Award	2022-2024 Performance Cash Award	Total Non-Equity Incentive Plan Compensation
Jeffrey Dorno	\$ 235,000	\$ 112,746	\$ 347,746
Simon Mawson	162,000	110,400	272,400

(5) For 2024, All Other Compensation consists of the following:

Name	Matching Contributions ^(a)	Excess Liability Insurance ^(b)	All Other Compensation
Jeffrey Dorno	\$ 33,188	\$ 500	\$ 33,688
Simon Mawson	30,981	500	31,481

- (a) Represents total employer matching contributions to each Executive's accounts in the tax-qualified Honeywell 401(k) Plan and the non-tax qualified SS Plan. The value of registrant contributions includes annual matching contributions that were credited to the Executives in January 2025 for the 2024 year.
- (b) Represents the annual premiums paid by Honeywell to purchase excess liability insurance coverage for each NEO.

Grants of Plan-Based Awards

The following table provides additional information about plan-based compensation disclosed in the Summary Compensation Table for 2024. This table includes both equity and non-equity awards.

Name	Award Type ⁽¹⁾	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards			Estimated Future Payouts Under Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or Units (#) ⁽³⁾	All Other Option Awards: Number of Securities Underlying Options (#) ⁽³⁾	Exercise or Base Price of Option Awards (\$/Sh)	Closing Price on Date of Grant of Option Awards	Grant Date Fair Value of Stock and Option Awards (\$) ⁽⁸⁾
			Threshold (\$) ⁽²⁾	Target (\$)	Maximum (\$)	Threshold (#)	Target (#)	Maximum (#)					
Jeffrey Dorno	ICP	—	21,366	213,657	427,314								
	RSU	3/1/2024							777 ⁽⁴⁾				\$ 153,465
	NQSO	3/1/2024								4,062	\$ 197.51	\$ 198.67	\$ 153,341
	PCU	3/1/2024	256	1,534	3,068								\$ 153,400
	RSU	5/1/2024							1,871 ⁽⁵⁾				
Simon Mawson	ICP	—	19,724	197,242	394,486								
	RSU	3/1/2024							465 ⁽⁶⁾				\$ 91,842
	NQSO	3/1/2024								2,429	\$ 197.51	\$ 198.67	\$ 91,695
	PCU	3/1/2024	153	917	1,834								\$ 91,700

- (1) Award Type:
ICP = Incentive Compensation Plan (for 2024 performance year, paid in 2025)
NQSO = Nonqualified Stock Option
PCU = 2024–2026 Performance Cash Unit
RSU = Restricted Stock Unit
- (2) Represents the minimum level of performance that must be achieved for any amount to be payable.
- (3) Represents the number of RSUs awarded to the Named Executive Officer in 2024 under the 2016 Stock Incentive Plan.
- (4) RSU award will vest 100% on March 1, 2027, subject to continued employment.
- (5) RSU award will vest 33% on each May 1, 2026 and May 1, 2027, and 34% on May 1, 2028, subject to continued employment.
- (6) RSU award will vest 100% on March 1, 2027, subject to continued employment.
- (7) NQSO awards in this column represent the number of annual stock options awarded to the NEOs on the Grant Date. These stock options vest in equal annual installments over a period of four years and have a 10-year term. The exercise price is equal to the fair market value of Honeywell stock on the date of grant.
- (8) The grant date fair values for NQSO awards were calculated in accordance with FASB ASC Topic 718, using the Black-Scholes option valuation model at the time of grant. NQSO grant date values were \$37.75 for the March 1, 2024 grant. A more detailed discussion of the assumptions used in the valuation of stock option awards may be found in Note 15 of the Notes to the Financial Statements in Honeywell's Form 10-K for the year ended December 31, 2024. The grant date fair values for RSUs were determined using the average of the high and low stock prices of Honeywell stock on the grant date. Grant date fair values for RSUs issued in 2024 were \$197.51 for March 1, 2024, grants. The grant date fair value for PCU awards was \$100.

Outstanding Equity Awards

The following table lists outstanding equity grants for each NEO as of December 31, 2024.

Name	Grant Year	Option Awards ⁽¹⁾				Stock Awards			
		Number of Securities Underlying Unexercised Options (#) Exercisable ⁽¹⁾	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (\$) ⁽²⁾
Jeffrey Dorno	2024	—	4,062	197.51	2/28/2034	2,694	608,469 ⁽³⁾	—	—
	2023	570	1,711	194.31	2/22/2033	475	107,227 ⁽⁴⁾	—	—
	2022	1,325	1,324	189.72	2/10/2032	1,523	344,025 ⁽⁵⁾	—	—
	2021	1,675	558	202.72	2/11/2031	778	175,651 ⁽⁶⁾	—	—
	2020	3,114	—	180.92	2/16/2030	739	167,006 ⁽⁷⁾	—	—
	2019	1,917	—	154.22	2/25/2029	547	123,619 ⁽⁸⁾	—	—
Simon Mawson	2024	—	2,429	197.51	2/28/2034	475	107,263 ⁽⁹⁾	—	—
	2023	573	1,717	194.31	2/22/2033	2,132	481,527 ⁽¹⁰⁾	—	—
	2022	1,189	1,188	184.24	6/12/2032	458	103,531 ⁽¹¹⁾	—	—

(1) Stock option grants vest in four installments at the rate of 25% per year beginning on the first anniversary of the grant date.

(2) Market value determined using the closing market price of \$225.89 per share of common stock on December 31, 2024.

(3) Mr. Dorno received two RSU awards in 2024. A discretionary RSU award will vest 33% on each May 1, 2026 and May 1, 2027, and 34% on May 1, 2028. The annual award granted in 2024 will vest 100% on March 1, 2027. The number of RSUs reflected in the table includes dividend equivalents applied through December 31, 2024, which were reinvested as additional unvested RSUs that will vest based on the same vesting schedule as the RSUs to which they relate.

(4) 2023 RSU grants will vest 100% on February 23, 2026. The number of RSUs reflected in the table includes dividend equivalents applied through December 31, 2024, which were reinvested as additional unvested RSUs that will vest based on the same vesting schedule as the RSUs to which they relate.

(5) Mr. Dorno received two RSU awards in 2022. A discretionary RSU award which a portion of this award vested on July 28, 2024; the remaining will vest 49% on July 28, 2025, and 51% on July 28, 2026. The annual award granted in 2022 vested 100% on February 11, 2025. The number of RSUs reflected in the table includes dividend equivalents applied through December 31, 2024, which were reinvested as additional unvested RSUs that will vest based on the same vesting schedule as the RSUs to which they relate.

(6) A portion of these 2021 RSU grants vested on July 29, 2023; the remaining portion of this award will vest 49% on July 29, 2025 and 51% on July 29, 2027. The number of RSUs reflected in the table includes dividend equivalents applied through December 31, 2024, which were reinvested as additional unvested RSUs that will vest based on the same vesting schedule as the RSUs to which they relate.

(7) A portion of these 2020 RSU grants vested on July 30, 2022 and July 30, 2024; the remaining portion of this award will vest on July 30, 2026. The number of RSUs reflected in the table includes dividend equivalents applied through December 31, 2024, which were reinvested as additional unvested RSUs that will vest based on the same vesting schedule as the RSUs to which they relate.

(8) A portion of these 2019 RSU grants vested on July 25, 2021 and July 25, 2023; the remaining portion of this award will vest on July 25, 2025. The number of RSUs reflected in the table includes dividend equivalents applied through December 31, 2024, which were reinvested as additional unvested RSUs that will vest based on the same vesting schedule as the RSUs to which they relate.

(9) 2024 RSU grants will vest 100% on March 1, 2027. The number of RSUs reflected in the table includes dividend equivalents applied through December 31, 2024, which were reinvested as additional unvested RSUs that will vest based on the same vesting schedule as the RSUs to which they relate.

(10) Dr. Mawson received two RSU awards in 2023. A discretionary RSU award will vest 33% on each August 1, 2025 and August 1, 2026, and 34% on August 1, 2027. The annual award granted in 2023 will vest 100% on February 23, 2026. The number of RSUs reflected in the table includes dividend equivalents applied through December 31, 2024, which were reinvested as additional unvested RSUs that will vest based on the same vesting schedule as the RSUs to which they relate.

(11) The annual award granted in 2022 will vest 100% on June 13, 2025. The number of RSUs reflected in the table includes dividend equivalents applied through December 31, 2024, which were reinvested as additional unvested RSUs that will vest based on the same vesting schedule as the RSUs to which they relate.

Non-qualified Deferred Compensation

Honeywell maintains a deferred compensation plan for the NEOs, the SS Plan. It is expected that the Company will establish a deferred compensation plan that mirrors the SS Plan in all material respects, subject to the Company's

right to amend or terminate the plan in the future at any time for any reason. The following table provides information on nonqualified deferred compensation of the NEOs during 2024.

Name	Executive Contributions in Last Fiscal Year (\$) ^(a)	Company Contributions in Last Fiscal Year (\$) ^(b)	Aggregate Earnings in Last Fiscal Year (\$) ^(c)	Aggregate Withdrawals / Distributions (\$)	Aggregate Balance at Last Fiscal Year End (\$)
Jeffrey Dorno	\$ 14,929	\$ 13,063	\$ 5,417	\$ —	\$ 80,307
Simon Mawson	115,241	10,856	10,991	—	239,854

- (a) Executive contributions are included for 2024 in the Summary Compensation Table.
- (b) Honeywell contributions are included in All Other Compensation for 2024 in the Summary Compensation Table. These amounts reflect the employer matching contributions credited to the NEO's accounts under the SS Plan in January 2025 for the 2024 plan year.
- (c) The following table details the extent to which amounts reported in the contributions and earnings columns are reported in the Summary Compensation Table ("SCT") and amounts reported in the aggregate balance column were reported in the Summary Compensation Table for previous years. In the table above, for the SS Plan, the "Aggregate Earnings in Last Fiscal Year" column includes interest credits and changes in the value of the Honeywell common stock fund to December 31, 2024. The value of the Honeywell common stock fund increases or decreases in accordance with Honeywell's stock price and the reinvestment of dividends.

Name	Executive Contributions in SCT	Registrant Contributions in SCT	Earnings in SCT	Portion of Aggregate Balance Included in Prior SCTs
Jeffrey Dorno	\$ 14,929	\$ 13,063	\$ —	\$ —
Simon Mawson	115,241	10,856	—	—

Excess Benefit Plan and Supplemental Savings Plan

The SS Plan allows executives, including the NEOs, to defer the portion of their annual base salary that cannot be contributed to the applicable tax-qualified 401(k) plan due to the annual deferral and compensation limits imposed by the Internal Revenue Code and/or up to an additional 25% of base annual salary for the plan year.

To the extent amounts were not already matched on a similar basis under the Honeywell's applicable 401(k) plan, Honeywell matches deferrals posted to the SS Plan at the rate of 87.5% on the first 8% of eligible pay. Matching contributions are always vested and are credited on an annual basis if the participant was actively employed or on a disability leave of absence as of December 15, 2024.

Interest Rate. Participant deferrals are credited with a rate of interest, compounded daily, based on Honeywell's 15-year cost of borrowing. The rate is subject to change annually, and for 2024, it was 5.91%. Above-market interest credited on SS Plan deferrals and reflected in the Summary Compensation Table on page 144 includes the difference between market interest rates determined by SEC rules and the interest credited under the SS Plan. Matching contributions are treated as invested in Honeywell common stock. Dividends are treated as reinvested in additional shares of Honeywell common stock.

Distribution. Amounts deferred for the 2005 plan year and later will be distributed in a lump sum in January of the year following the termination of the participant's active employment. For the 2020 plan year and later, a participant can elect to receive five, 10, or 15 installments in lieu of the lump sum payment, which election will take effect only if the participant terminates employment after reaching age 55 with 10 years of service; for the 2006 to 2019 plan years, a participant could elect up to 10 installments under the same terms.

Except in hardship circumstances, amounts deferred for the 2004 plan year and earlier will be distributed either in January of any subsequent year or in January of the year following termination of employment, as elected by the participant. The participant could elect to receive distributions in a lump sum or up to 15 annual installments.

Participant deferrals to the SS Plan are distributed in cash only. Matching contributions are distributed in shares of Honeywell common stock.

Amounts deferred for the 2005 plan year and later cannot be withdrawn before the distribution date for any reason. Amounts deferred for the 2004 plan year and earlier may be withdrawn before the distribution date if a hardship exists or the participant requests an immediate withdrawal subject to a penalty of 6%.

Potential Payments upon Termination or Change in Control

This section describes the benefits payable to Mr. Dormo and Dr. Mawson if a termination of employment occurred on December 31, 2024.

Payments and Benefits	Named Executive Officer	Termination by the Company Without Cause (\$)	Death (\$)	Disability (\$)	Change in Control -- No Termination of Employment (\$)	Change in Control - Termination of Employment by Company Without Cause, by NEO for Good Reason, or Due to Disability (\$)
Cash Severance	Jeffrey Dormo	363,975	—	—	—	363,975
	Simon Mawson	337,500	—	—	—	337,500
ICP	Jeffrey Dormo	—	—	—	—	163,789
	Simon Mawson	—	—	—	—	151,875
Benefits and Perquisites	Jeffrey Dormo	7,326	—	—	—	7,326
	Simon Mawson	7,264	—	—	—	7,264
All Other Payments/Benefits	Jeffrey Dormo	—	—	—	—	—
	Simon Mawson	—	—	—	—	—
Total	Jeffrey Dormo	371,301	—	—	—	535,090
	Simon Mawson	344,764	—	—	—	496,639

EXPLANATION OF BENEFITS — TERMINATION EVENTS

The following describes the benefits that are quantified in the table above assuming the event occurred on December 31, 2024. In regard to each portion of the benefit, the benefits that are paid in the context of a Change in Control (“CIC”) are, except as noted, the same as the benefits paid other than as a result of a CIC.

Benefit Event	Amount and Terms of Payments (Other Than Upon a Change in Control)	Change in Control Provisions
Severance Benefits — Cash Payment Involuntary termination without cause, CIC termination without cause or by an Executive for good reason.	• Nine months of base salary. • Paid periodically, in cash.	• Nine months of base salary. • Paid periodically, in cash.
Annual Bonus for the Year of Termination — Cash Payment Annual ICP Plan bonus is payable to Executives for the year in which a CIC occurs.	• N/A	• Based on achievement of pre-established ICP goals for the stub period ending on the CIC (as defined in the ICP Plan) date, prorated through the CIC date. • Paid in cash at the time ICP awards are typically paid to Honeywell executives for the year in which a CIC occurs, but only if the employee is actively employed on the payment date, has been involuntarily terminated other than for cause, or has terminated employment for good reason.
Certain Benefits and Perquisites Termination of employment without cause, CIC or voluntary termination of employment for good reason.	• Basic life insurance coverage is continued at Honeywell's cost for the severance period. • Medical and dental benefits are continued during the severance period at active employee contribution rates.	• Basic life insurance coverage is continued at Honeywell's cost for the severance period. • Medical and dental benefits are continued during the severance period at active employee contribution rates.
Other Payments/Benefits	• N/A	• N/A

Impact of Equity-Based Awards

This section describes the impact of a termination of employment or a CIC on outstanding stock options, RSUs, and PCUs held by our NEOs. Additional information about these awards is included in the Outstanding Equity Awards Table on page 146. The table below shows the values of in-the-money outstanding unvested stock options, RSUs, and PCUs⁽¹⁾ held by our executives as of December 31, 2024, based on the closing price of a share of common stock (\$225.89) as reported on the Nasdaq on that date. These awards are scheduled to vest and to expire on various dates in the future. As described below, the vesting of these awards will be accelerated upon death, disability, or a qualifying termination of employment following a CIC. Equity awards do not automatically vest upon a CIC to the extent assumed or replaced by the successor in the transaction. In addition, stock options will remain outstanding for different periods depending on the circumstances. The value to an executive of these provisions depends on the vesting period and remaining terms of the awards.

Name	In-the-money Value of Unvested Stock Options	Unvested RSU	Unvested PCUs ⁽¹⁾
Jeffrey Dorno	\$ 230,131	\$ 1,525,998	\$ 222,813
Simon Mawson	172,638	692,320	200,100

(1) Includes the portion of unvested PCUs that would vest upon death, disability, or a qualifying termination upon Change in Control when awards are rolled over or replaced by a successor.

TERMINATION OR CIC IMPACT ON OUTSTANDING AWARDS

Treatment of outstanding stock plan awards following termination of employment depends on the plan under which the awards were granted, as follows:

Plan	Treatment of Stock Options, RSUs and PCUs
2011 Stock Incentive Plan of Honeywell International Inc. and Its Affiliates	• RSUs become vested in full upon death or disability. • Following termination of employment, unless otherwise agreed by the Company pursuant to the terms of the plan, participants (or their beneficiaries) have until the earlier of the original expiration date or the following period in which to exercise vested options. • Three (3) years in the event of death, disability, or a voluntary or involuntary termination (other than for cause) after qualifying for “early retirement” (age 55 and 10 years of service) or “full retirement” (age 60 and 10 years of service). • One (1) year in the case of any other involuntary termination without cause; and • Thirty (30) days in the case of a voluntary termination. • Those rules are hereinafter referred to as the “2011 Stock Plan Exercise Rules.” • Unvested stock options and RSUs do not automatically vest upon a CIC if rolled over or replaced by the successor. Following a CIC, vesting shall only occur if a participant's employment is terminated, either by the successor without cause or by the participant for good reason (that is “double trigger” vesting) within two years following a CIC. Those rules are hereinafter referred to as the “Double Trigger CIC Rules.”
2016 Stock Incentive Plan of Honeywell International Inc. and Its Affiliates	• The Double Trigger CIC Rules apply to unvested stock options and RSUs under this plan. Double trigger vesting also applies to PCUs awarded under this plan where the awards are rolled over or replaced by the successor, with vesting on a pro rata basis at target for incomplete performance periods, and based on the actual earned award for completed performance cycles, and paid within 90 days of a participant’s termination of employment, other by the successor without cause or by the participant for good reason (that is “double trigger” vesting), within two years following a CIC. RSU and PCU awards that are not rolled over or replaced by the successor vest immediately upon the CIC. • The 2011 Stock Plan Exercise Rules apply to vested stock options under this plan. • There is no acceleration of vesting of awards upon reaching retirement age. Unvested RSUs and a prorated amount of a PCU award are paid upon a termination due to death or disability. Unvested stock options vest upon a termination due to death or disability.

DEFINED TERMS USED IN THIS SECTION

As used in the Company's plans, the following terms are assigned the meanings summarized below.

Term	Summary of Definition
Change in Control	• The acquisition of 30% or more of Honeywell's common stock; • The purchase of all or part of the common stock pursuant to a tender offer or Exchange offer; • A merger where Honeywell does not survive as an independent, publicly owned corporation; • A sale of substantially all of Honeywell's assets; or • A substantial change in Honeywell's Board over a two-year period. • Additionally, under the Senior Severance Plan, any event that the Honeywell MDCC, in its discretion, determines to be a Change in Control for purposes of that plan; provided that under the 2011 or 2016 Stock Incentive Plan, each of the events described above would only be a Change in Control if it constitutes a "change in control event" within the meaning of United States Department of Treasury Regulation §1.409A-3(i)(5Hi).
Termination for Cause	• Clear and convincing evidence of a significant violation of Honeywell's Code of Business Conduct; • The misappropriation, embezzlement, or willful destruction of Honeywell property of significant value; • The willful failure to perform, gross negligence, or intentional misconduct of significant duties that results in material harm to the business of Honeywell; • The conviction (treating a <i>nolo contendere</i> plea as a conviction) of a felony (whether or not any right to appeal has been or may be exercised); • The failure to cooperate fully in a Honeywell investigation or to be fully truthful when providing evidence or testimony in such investigation; or • Clear and convincing evidence of the willful falsification of any financial records of Honeywell that are used in compiling Honeywell's financial statements or related disclosures, with the intent of violating generally accepted accounting principles or, if applicable, International Financial Reporting Standards.
Termination for Good Reason	• A material diminution in the NEO's authority duties, or responsibilities; • A material decrease in base compensation; • A material reduction in the aggregate benefits available to the NEO where such reduction does not apply to all similarly situated employees; • Any geographic relocation of the NEO's position to a location that is more than 50 miles from his or her previous work location; • Any action that constitutes a constructive discharge; or • The failure of a successor to assume these obligations under the Senior Severance Plan.

Treatment of Outstanding Equity Awards Resulting from the Distribution

We expect that Honeywell equity awards outstanding at the time of the distribution will be adjusted with the intent to maintain the economic value of those awards before and after the Spin-Off. Other than vested stock options, all Honeywell equity awards held by Solstice Advanced Materials employees and directors will be converted into Solstice Advanced Materials equity awards, as further described below, with terms, such as the vesting schedule, that will generally continue unchanged.

Restricted Stock Units	Honeywell restricted stock units will be converted into Solstice Advanced Materials restricted stock units of comparable value.
Unvested Stock Options	Unvested Honeywell stock options will be converted into options of comparable value to purchase Solstice Advanced Materials common stock.
Vested Stock Options	Vested Honeywell stock options will remain outstanding at Honeywell in accordance with the terms of the Honeywell stock option award and Honeywell equity plan, disregarding the effect of any termination of service with Honeywell in connection with the Distribution and, following the date of the Distribution, a termination of service with Solstice Advanced Materials will be deemed a termination of service with Honeywell.
Performance Cash Units (“PCU”)	Each outstanding PCU will be assumed by Solstice Advanced Materials and converted into an adjusted PCU with the same terms and conditions. Performance conditions applicable to such adjusted PCUs with respect to any PCUs granted prior to 2025 and the first tranche of the PCUs granted in 2025 will have performance deemed achieved at the actual level of performance immediately prior to the Distribution Date, as determined by the Honeywell MDCC, and will continue to vest solely based on service conditions. With respect to the second and third tranches of the PCUs granted in 2025, performance conditions applicable to such adjusted PCUs may be adjusted by our Compensation Committee following the distribution.

Solstice Advanced Materials 2025 Stock Incentive Plan

Prior to the Spin-Off, we expect our Board to adopt, and Honeywell, as our sole shareowner, to approve, the 2025 Stock Incentive Plan of Solstice Advanced Materials Inc. and its Affiliates (the “Equity Plan”) for the benefit of certain of our current and future employees and other service providers, including our non-employee directors. The following summary of the material terms of the Equity Plan is qualified in its entirety by reference to the full text of the Equity Plan, the form of which is incorporated by reference herein and to be filed as Exhibit 10.7 to the Form 10 of which this Information Statement forms a part.

In addition, the Equity Plan will be used to settle outstanding Honeywell equity awards that will be converted into awards that are denominated in our common stock following the Distribution pursuant to the Employee Matters Agreement, which are referred to in this section as “Conversion Awards.” These Conversion Awards will otherwise generally remain in effect pursuant to their existing terms and the terms of the plan under which they were originally granted. See the section above entitled “Treatment of Outstanding Equity Awards Resulting from the Distribution.”

Purpose of the Equity Plan. The purpose of the Equity Plan is to aid the Company in recruiting and retaining highly qualified employees and other service providers who are in a position to contribute materially to our success and long-term objectives. We expect that awards of stock-based compensation and opportunities for stock ownership in Solstice Advanced Materials will provide incentives to our employees and other service providers to exert their best efforts for the success of our business and thereby align their interests with those of our shareowners.

Shares Available for Awards. If the Equity Plan is approved by Honeywell, as our sole shareowner, and our Board, it is expected that the maximum aggregate number of shares of our common stock that may be issued under all stock-based awards granted under the Equity Plan would be 10,000,000. In addition, it is expected that the Equity Plan will limit the number of shares of common stock available for grant in the form of incentive stock options to 10,000,000. Further, awards will be subject to minimum vesting conditions, such that no award will vest prior to the first anniversary of the grant date; provided, however, that the Compensation Committee may accelerate the vesting or waive the minimum vesting condition upon a Participant’s death or disability or other termination of service or a change in control, grant awards that are not subject to the minimum vesting condition with respect to 5% or less of the aggregate number of shares reserved for issuance under the Equity Plan, and grant awards to non-employee directors that are not subject to the minimum vesting condition.

Under the Equity Plan, it is expected that Solstice Advanced Materials will have the flexibility to grant different types of equity compensation awards, including stock options, stock appreciation rights, restricted stock, restricted stock units, performance stock units and other awards based, in whole or in part, on the value of Solstice Advanced Material’s equity, as well as cash-based awards. The grant, vesting, exercise and settlement of awards granted under

the Equity Plan may be subject to the satisfaction of time- or performance-based conditions, as determined at or after the date of grant of an award under the Equity Plan.

In the event of any change in corporate structure that affects our outstanding common stock (e.g., a cash or stock dividend, stock split, reverse stock split, spin-off, recapitalization, merger, reorganization etc.), our Compensation Committee shall make adjustments that it deems equitable or appropriate, in its sole discretion, including adjustments to the share limits described above, the number and type of shares subject to outstanding awards, or the purchase or exercise price of outstanding awards. In the case of any unusual or nonrecurring event (including events described in the preceding sentence) affecting the Company or changes in applicable laws, regulations or accounting principles, our Compensation Committee may make adjustments to outstanding awards in order to prevent dilution or enlargement of the benefits intended to be provided under the Equity Plan.

Shares that are subject to awards that are paid in cash, terminate, lapse or are canceled or forfeited, issued in connection with awards that are assumed, converted or substituted as a result of acquisition or a combination with another company, and the Conversion Awards would not be counted for purposes of the limits above. Shares that are reacquired by the Company with cash tendered in payment of the exercise price of an award and shares that are tendered or withheld in payment of all or part of the exercise price or tax withholding amount relating to an award shall not be added back to the number of shares authorized under the Equity Plan. In addition, if stock appreciation rights are settled in shares upon exercise, the total number of shares actually issued upon exercise rather than the number of shares subject to the award would be counted against the number of shares authorized under the Equity Plan.

Double Trigger Change in Control Vesting. If a Participant's service is terminated by the Company without Cause or by the Participant for Good Reason during the two-year period following a Change in Control, all outstanding awards shall become vested and/or exercisable as of the effective date of such termination, and all conditions shall be waived with respect to such awards. In addition, each employee with an outstanding performance award will be deemed to have achieved a level of performance that would cause all of the employee's performance awards to vest, become exercisable, or become payable at target levels, prorated for performance awards for which the performance period has not expired at the time of such termination, and all restrictions on performance awards will immediately lapse. All vested performance awards shall be made in a lump sum not later than 70 days following the effective date of such termination.

The Equity Plan defines the term "Change in Control" by incorporating the definition required under Section 409A of the Code, which requires a "change in control event" to be objectively determinable with no discretionary authority reserved to the Compensation Committee.

Eligibility. It is expected that employees and other service providers of Solstice Advanced Materials or its affiliates, including our non-employee directors, would be eligible to receive awards under the Equity Plan.

Administration. Our Compensation Committee will administer the Equity Plan. The Compensation Committee will have discretion and authority to interpret the Equity Plan, prescribe, amend and rescind rules and regulations regarding the Equity Plan, select employees and other service providers to receive awards, determine the form, terms and conditions of awards, and take other actions it deems necessary or advisable for the proper operation or administration of the Equity Plan. The Compensation Committee may delegate its duties and authority under the Equity Plan, except for the authority to grant and administer Awards to certain senior executives and its duty to establish and certify the attainment of certain performance conditions attached to certain Awards.

The Board may also exercise the powers of our Compensation Committee with respect to the Equity Plan and awards granted thereunder at any time.

Tax Consequences of Awards. The following is a brief summary of the principal United States federal income tax consequences of awards and transactions under the Equity Plan for the employees and other service providers selected to participate in the Equity Plan (the "Participants") and the Company. This summary is not intended to be exhaustive and, among other things, does not describe local, state or foreign tax consequences.

Options and Stock Appreciation Rights. A Participant will not recognize any income at the time a stock option or stock appreciation right is granted, nor will the Company be entitled to a deduction at that time. When a stock option is exercised, the Participant will recognize ordinary income in an amount equal to the excess of the fair market value of the shares received as of the date of exercise over the exercise price of the option. When a stock appreciation right is exercised, the Participant will recognize ordinary income in an amount equal to the cash received or, if the stock appreciation right is settled in shares, the shares received as of the date of exercise. The Company generally will be entitled to a corresponding tax deduction in the same time period and amount as the Participant recognizes income.

Restricted Stock and Restricted Stock Units. A Participant will not recognize any income at the time of grant of a restricted stock unit or share of restricted stock (whether subject to time-based vesting or performance-based vesting), and the Company will not be entitled to a deduction at that time. The Participant will recognize ordinary income in an amount equal to the fair market value of the shares received or, if the restricted stock unit is paid in cash, the amount payable, upon settlement of a restricted stock unit. In the year in which shares of restricted stock are no longer subject to a substantial risk of forfeiture (i.e., in the year that the shares vest), the Participant will recognize ordinary income in an amount equal to the excess of the fair market value of the shares on the date of vesting over the amount, if any, the Participant paid for the shares. Under certain circumstances and if permitted by an individual award, a Participant may elect (within 30 days after being granted restricted stock) to recognize ordinary income in the year of receipt instead of the year of vesting. If such an election is made, the amount of income recognized by the Participant will be equal to the excess of the fair market value of the shares on the date of receipt over the amount, if any, the Participant paid for the shares. The Company generally will be entitled to a corresponding tax deduction in the same time period and amount as the Participant recognizes income.

Other Types of Awards. If other awards are granted under the Equity Plan, the tax consequences may differ from those described above for stock options, stock appreciation rights, restricted stock and restricted stock units. As a general matter, the Company typically would be entitled to a tax deduction in respect of any such compensatory awards in the same time period and amount as the Participant recognizes income in respect of such awards.

Withholding of Taxes. The Company has the right to require, prior to the issuance or delivery of shares in settlement of any award, the Participant to pay any taxes required by law.

Solstice Advanced Materials Offer Letters

Each of our executive officers has entered into an offer letter (“Solstice Advanced Materials Offer Letters”) that sets forth the initial base salary and target incentive compensation opportunity that will become effective on the date of the Spin-Off. Following the Spin-Off, pursuant to the Solstice Advanced Materials Offer Letters, each executive officer will be eligible to receive annual long-term incentive awards consisting of stock options, restricted stock units or cash awards, or some combination thereof, and each executive officer will be granted a “Founder’s Grant” of restricted stock units that will vest 50% on each the third and fourth anniversaries of the grant date, subject to the executive officer’s continued employment through each vesting date.

In addition, each executive officer is also entitled to other executive benefits, including excess liability insurance and severance as provided to other senior executives of Solstice Advanced Materials. The table below sets forth the compensation adjustments that will become effective following the Spin-Off.

Name	Base Salary	Target Annual Incentive Compensation Opportunity	Target Annual Long-Term Incentive Value	Founder’s Grant
David Sewell	\$ 1,060,000	125 %	\$ 5,615,000	\$ 5,000,000
Tina Pierce	\$ 625,000	80 %	\$ 1,300,000	\$ 1,500,000
Brian Rudick	\$ 545,000	75 %	\$ 850,000	\$ 1,000,000
Jeffrey Dormo	\$ 515,000	75 %	\$ 850,000	\$ 1,000,000
Simon Mawson	\$ 475,000	75 %	\$ 600,000	\$ 1,000,000
Jason Clifford	\$ 450,000	75 %	\$ 650,000	\$ 750,000

Solstice Advanced Materials Severance Plan for Designated Officers

In connection with the Spin-Off, Solstice Advanced Materials expects to adopt the Solstice Advanced Materials Inc. Severance Plan for Designated Officers (the “Officer Severance Plan”). The Officer Severance Plan will become effective as of the Distribution Date, subject to the occurrence of the distribution and will provide certain severance benefits both before or after a change in control of the Company to ensure that our executives are motivated primarily by the needs of the businesses for which they are responsible, rather than circumstances that are outside the ordinary course of business.

In the case of a change in control, severance benefits are payable only if both parts of the “double trigger” are satisfied. That is, (i) there must be a CIC of our Company, and (ii)(A) the executive must be involuntarily terminated other than for cause, or (ii)(B) the executive must initiate the termination of his or her own employment for good reason.

The Officer Severance Plan will provide benefits in the event of an involuntary termination other than for cause and enhanced benefits in the event of an involuntary termination other than for cause by Solstice Advanced Materials or voluntary termination by the executive for good reason if the termination occurs within two years following a change in control event, including:

Benefit	Non-Change in Control Involuntary Termination without Cause	Change in Control Termination without Cause or by Executive for Good Reason
Severance Benefits – Cash Payment	• 24 months of base salary for CEO, 12 months for CEO’s direct reports • Paid periodically, in cash • Pro rata target bonus (for CEO and CEO’s direct reports only)	• 36 months of base salary for CEO and 24 months for CEO’s direct reports • Paid in lump sum • Pro rata bonus based on the greater of target percentage (prior to change in control) and the average target percentages applied in the three years prior to the date of termination (for CEO and CEO’s direct reports only)
Benefits Continuation	• Medical and dental benefits are continued during the severance period at active employee contribution rates	• Medical and dental benefits are continued during the severance period at active employee contribution rates

Benefits provided under the Officer Severance Plan are conditioned on the executive executing a full release of claims and certain non-competition and non-solicitation covenants in favor of the Company. The right to continued severance benefits under the plan ceases in the event of a violation of such covenants. In addition, we would seek to recover severance benefits already paid to any executive who violates such restrictive covenants.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

As of the date of this Information Statement, Honeywell beneficially owns all of the outstanding shares of our common stock. After the Spin-Off, Honeywell will not own any shares of our common stock. The following table provides information regarding the anticipated beneficial ownership of our common stock at the time of the Distribution by:

- each of our shareowners whom we believe (based on the assumptions described below) will beneficially own more than 5% of our outstanding common stock;
- each of our directors;
- each of our named executive officers; and
- all of our directors and executive officers as a group.

Except as otherwise noted below, we based the share amounts on each person's beneficial ownership of Honeywell common stock on , 2025, giving effect to a Distribution ratio of share(s) of our common stock for every share(s) of Honeywell common stock.

Except as otherwise noted in the footnotes below, each person or entity identified in the table has sole voting and investment power with respect to the securities beneficially owned.

Immediately following the Spin-Off, we estimate that shares of our common stock will be issued and outstanding, based on the approximately shares of Honeywell common stock outstanding on , 2025. The actual number of shares of our common stock that will be outstanding following the completion of the Spin-Off will be determined on , 2025.

	Title of the Class of Securities Owned	Amount and Nature of Ownership	Percentage of Class of Securities Owned
Directors and Named Executive Officers:			
Jeffrey Dormo			
Dr. Simon Mawson			
Dr. Rajeev Gautam			
David Sewell			
Peter Gibbons			
Fiona C. Laird			
Rose Lee			
William Oplinger			
Sivasankaran Somasundaram			
Matthew Trerotola			
Patrick Ward			
Brian Worrell			
Directors and Executive Officers as a Group (15 persons)			
Principal Shareowners:			
The Vanguard Group ⁽¹⁾			
100 Vanguard Blvd.			
Malvern, Pennsylvania 19355			
BlackRock, Inc. ⁽²⁾			
50 Hudson Yards			
New York, New York 10001			

* Represents beneficial ownership of less than 1% of the outstanding common stock.

- (1) Based on the most recently available Schedule 13G filed with the SEC on February 13, 2024, by The Vanguard Group with respect to Honeywell common stock. According to its Schedule 13G, The Vanguard Group and certain related entities have shared voting power in respect of 761,343 shares of Honeywell common stock, sole dispositive power in respect of 58,475,718 shares of Honeywell common stock and shared dispositive power in respect of 2,645,301 shares of Honeywell common stock.
- (2) Based on the most recently available Schedule 13G filed with the SEC on January 29, 2024, by BlackRock, Inc. with respect to Honeywell common stock. According to its Schedule 13G, BlackRock, Inc. has sole voting power in respect of 38,935,560 shares of Honeywell common stock and sole dispositive power in respect of 42,313,312 shares of Honeywell common stock.

DESCRIPTION OF MATERIAL INDEBTEDNESS

Solstice Advanced Materials intends to incur certain indebtedness prior to or concurrent with the Spin-Off. If Solstice Advanced Materials enters into arrangements for such indebtedness prior to the effectiveness of the Registration Statement on Form 10, of which this Information Statement forms a part, a description of such arrangements will be included in an amendment to this Information Statement.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Agreements with Honeywell

In order to govern the ongoing relationships between us and Honeywell after the Spin-Off and to facilitate an orderly transition, we and Honeywell intend to enter into agreements providing for the allocation between us and Honeywell of Honeywell's assets, employees, liabilities and obligations (including its investments, property and employee benefits and tax-related assets and liabilities) and for a framework for our relationship following the Spin-Off with Honeywell. The following summarizes the material terms of certain of these agreements.

Separation Agreement

We intend to enter into a Separation Agreement with Honeywell prior to or substantially concurrently with the Distribution. The Separation Agreement will set forth our agreements with Honeywell regarding the principal actions to be taken in connection with the Spin-Off, including those related to the Internal Reorganization and Distribution. It will also set forth other agreements that govern certain aspects of our relationship with Honeywell following the Spin-Off. This summary of the Separation Agreement is qualified in its entirety by reference to the full text of the Separation Agreement, the form of which is attached as Exhibit 2.1 to the Form 10 of which this Information Statement forms a part.

Transfer of Assets and Assumption of Liabilities. The Separation Agreement identifies assets and liabilities to be contractually allocated to each of us and Honeywell as part of the Spin-Off. We note, however that (x) the contractual allocation of employee-related liabilities (including pension liabilities) and related assets is set forth in the Employee Matters Agreement (see the section below entitled “—Employee Matters Agreement” for a summary of such allocation) and (y) the contractual allocation of tax liabilities and assets is set forth in the Tax Matters Agreement (see the section below entitled “—Tax Matters Agreement” for a summary of such allocation). In particular, the Separation Agreement provides that, among other things, subject to the terms and conditions contained in the Separation Agreement:

Assets

- Generally, assets primarily related to the Advanced Materials business have been contractually allocated to us;
- Generally, all other assets of Honeywell have been contractually retained by Honeywell;
- We have been contractually allocated the equity interests of subsidiaries that are intended to be our subsidiaries after the Spin-Off (which includes the subsidiaries listed in Exhibit 21.1 to the Form 10 of which this Information Statement forms a part), in addition to any other specified joint venture or other minority equity interests intended to be owned by us after the Spin-Off;
- We have been contractually allocated certain real property set forth on a schedule;
- We have been contractually allocated certain contracts set forth on a schedule and all contracts that relate exclusively to the Advanced Materials business, assets and/or liabilities and that are not related (other than in a de minimis respect) to the Honeywell business, assets and/or liabilities;
- We have been contractually allocated the Solstice name, all brands specific to the Advanced Materials business, certain specified patents set forth on a schedule and all other intellectual property (excluding patents) that is exclusively related to the Advanced Materials business and certain intellectual property set forth on a schedule, and Honeywell has been contractually allocated the Honeywell name and all Honeywell brands, as well as certain intellectual property set forth on a schedule and all other intellectual property (subject, in each case, to certain licenses described in more detail in the sections below entitled “—Intellectual Property Cross-License Agreement” and “—Trademark License Agreement”);
- We have been contractually allocated accruals, counterclaims, insurance claims, rights to coverage under applicable insurance policies, warranties, contractual indemnities, control rights and other similar rights, in each case, to the extent related to any liability that has been contractually allocated to us;

- We have been contractually allocated certain IT assets set forth on a schedule and all IT assets exclusively related to the Advanced Materials business (subject to certain limited exceptions); and
- We have generally been contractually allocated all of the financial assets to the extent related to the Advanced Materials business and/or that are owned by us or one of our subsidiaries.

Liabilities

- Generally, liabilities to the extent related to the Advanced Materials business have been contractually allocated to us;
- Generally, all other liabilities of Honeywell have been contractually retained by Honeywell;
- We have generally been contractually allocated liabilities (including under applicable federal and state securities laws) relating to (i) any disclosure document filed or furnished with the SEC in connection with the Spin-Off (including the Form 10 of which this Information Statement forms a part), except for statements expressly relating to the Honeywell business, (ii) any financing disclosure documents in connection with any offer by us for sale or registration of the transfer or distribution of any securities or indebtedness, except for statements expressly relating to the Honeywell business, and (iii) any of our financing arrangements;
- We have generally been contractually allocated liabilities (including environmental liabilities) to the extent related to businesses and operations of Honeywell that were previously discontinued or divested that were, at the time of discontinuation or divestment, primarily managed by or primarily associated with the Advanced Materials business or any portion thereof as then conducted;
- In respect of other environmental liabilities not already covered by the above, we have been contractually allocated (i) any environmental liabilities relating to any real property contractually allocated to us, (ii) any environmental liabilities relating to any legacy sites that were primarily managed by or primarily associated with the Advanced Materials business or set forth on a schedule, (iii) any environmental liabilities resulting from the Advanced Materials business and (iv) any offsite environmental liabilities to the extent related to wastes generated at such properties or by the Advanced Materials business;
- Liabilities for borrowed money, interest rate swaps and similar arrangements that were incurred or guaranteed by us or any of our subsidiaries will be retained by or contractually allocated to us or the applicable subsidiary;
- We have generally retained, assumed or have been contractually allocated other financial liabilities to the extent related to the Advanced Materials business; and
- We have been contractually allocated liabilities relating to indemnification obligations to any of our or our subsidiaries' current or former directors or officers and ownership of any specified joint venture or other minority equity interests intended to be owned by us after the Spin-Off.

Except as may expressly be set forth in the Separation Agreement or any ancillary agreement, all assets have been transferred on an "as is," "where is" basis and the respective transferees will bear the economic and legal risks that (i) any conveyance will prove to be insufficient to vest in the transferee good title, free and clear of any security interest, and (ii) any necessary consents or governmental approvals are not obtained or that any requirements of laws or judgments are not complied with. In general, neither of us nor Honeywell will make any representations or warranties regarding any assets or liabilities transferred or contractually allocated pursuant to the Separation Agreement, any consents or governmental approvals that may be required in connection with such transfers or contractual allocations, or any other matters.

Information in this Information Statement with respect to the assets and liabilities of the parties following the Spin-Off is presented based on the contractual allocation of such assets and liabilities pursuant to the Separation Agreement, unless the context otherwise requires. Certain of the liabilities and obligations contractually allocated to one party or for which one party will have an indemnification obligation under the Separation Agreement and the other agreements relating to the Spin-Off are, and following the Spin-Off may continue to be, the legal or contractual liabilities or obligations of another party. Each such party that continues to be subject to such legal or

contractual liability or obligation will rely on the applicable party that was contractually allocated the liability or obligation or the applicable party that undertook an indemnification obligation with respect to the liability or obligation, as applicable, under the Separation Agreement, to satisfy the performance and payment obligations or indemnification obligations with respect to such legal or contractual liability or obligation.

Further Assurances. To the extent that any transfers of assets or contractual allocations of liabilities contemplated by the Separation Agreement have not been consummated on or prior to the Distribution Date, the parties agree to cooperate with each other to effect such transfers or assumptions while holding such assets or liabilities for the benefit of the appropriate party so that all the benefits and burdens relating to such asset or liability inure to the party contractually allocated such asset or liability. Each party agree to use commercially reasonable efforts to take or to cause to be taken all actions, and to do, or to cause to be done, all things reasonably necessary under applicable law or contractual obligations to consummate and make effective the transactions contemplated by the Separation Agreement.

The Distribution. The Separation Agreement governs the rights and obligations of the parties regarding the Distribution and certain actions that must occur prior to the Distribution.

Honeywell will cause its agent to distribute to holders of record of Honeywell common stock as of the close of business on the Record Date all of the then-issued and outstanding shares of Solstice Advanced Materials common stock. Honeywell will have the sole and absolute discretion to determine the terms of, and whether to proceed with, the Distribution and, to the extent it determines to so proceed, to determine the Distribution Date.

Conditions. The Separation Agreement provides that the Distribution is subject to several conditions that must be satisfied or waived by Honeywell in its sole discretion. For further information regarding these conditions, see the section entitled “The Spin-Off—Conditions to the Distribution.”

Shared Contracts. Generally, shared contracts have been assigned in part if so assignable, or amended, bifurcated or replicated to facilitate the Spin-Off so that the appropriate party is contractually allocated the rights, benefits and the related portion of any liabilities inuring to the business of the appropriate party, and each party will use commercially reasonable efforts to obtain the consents required to partially assign, amend, bifurcate or replicate any shared contract.

Intercompany Accounts. The Separation Agreement provides that, subject to certain specified exceptions in the Separation Agreement, schedules or any ancillary agreement, certain accounts that were formerly intercompany accounts within Honeywell will be settled prior to the Spin-Off.

Release of Claims and Indemnification. Except as otherwise provided in the Separation Agreement, each party fully released and forever discharged the other parties and their respective subsidiaries and affiliates from all liabilities existing or arising from any acts or events occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed on or before the Spin-Off. The releases will not extend to obligations or liabilities under any agreements between the parties that remain in effect following the Spin-Off pursuant to the Separation Agreement or any ancillary agreement. These releases are subject to certain exceptions set forth in the Separation Agreement.

The Separation Agreement provides for cross-indemnities that, except as otherwise provided in the Separation Agreement, are principally designed to place financial responsibility for the obligations and liabilities contractually allocated to us under the Separation Agreement with us and financial responsibility for the obligations and liabilities contractually allocated to Honeywell under the Separation Agreement with Honeywell. Specifically, each party will indemnify, defend and hold harmless the other parties, their respective affiliates and subsidiaries and each of their respective officers, directors, employees and agents (and each of the heirs, executors, successors and assigns of any of the foregoing) for any losses to the extent relating to, arising out of or resulting from:

- the liabilities each party was contractually allocated pursuant to the Separation Agreement (or any third-party claim that would, if resolved in favor of the claimant, constitute such a liability); and
- any breach by such party of any provision of the Separation Agreement.

Each party's indemnification obligations with respect to such liabilities pursuant to the Separation Agreement or such breach are uncapped; provided that the amount of each party's indemnification obligations are subject to reduction by any insurance proceeds or other third-party proceeds received by the party being indemnified that reduce the amount of the loss. The Separation Agreement also specifies procedures with respect to claims subject to indemnification and related matters. Indemnification with respect to taxes is governed by the Tax Matters Agreement.

Legal Matters. Except as otherwise set forth in the Separation Agreement or any ancillary agreement, we have been contractually allocated liabilities relating to legal matters that are exclusively related to the Advanced Materials business, assets, or the liabilities contractually allocated to us or, for liabilities relating to legal matters shared between us and Honeywell, liabilities relating to such legal matters to the extent related to the Advanced Materials business, assets or the liabilities contractually allocated to us, and Honeywell has been contractually allocated all other liabilities relating to legal matters. Each party to the Separation Agreement will indemnify the other party for its respective indemnifiable losses, if any, arising out of or resulting from such legal matters allocated to such party, as well as, following the Spin-Off, for those arising out of or resulting from any legal matters related to the liabilities such party has been contractually allocated or (unless contractually allocated specifically to the other party) its ongoing business. Each party to a claim has agreed to cooperate in defending any claims against both parties for events that took place prior to, on or after the date of the Spin-Off.

Distribution to Honeywell. The Separation Agreement provides that, as a condition to the consummation of the Distribution, the Solstice Advanced Materials Cash Distribution of approximately \$ _____ has been completed and not rescinded.

Insurance. Following the Spin-Off, we will generally be responsible for obtaining and maintaining, at our own cost, our own insurance coverage for liabilities for which we are assuming responsibility, although we will continue to have coverage under certain insurance policies issued to Honeywell or other entities for certain matters that arise out of or relate to acts, omissions or occurrences that occurred prior to the Spin-Off, subject to the terms, conditions and exclusions of such policies.

Dispute Resolution. Except as otherwise set forth in the Separation Agreement, if a dispute arises between us and Honeywell under the Separation Agreement, the general counsels of the parties and such other executive officers as the parties may designate will negotiate to resolve any disputes for a reasonable period of time. If the parties are unable to resolve the dispute in this manner, then the dispute will be resolved through binding arbitration. If either party files a judicial proceeding to resolve a dispute in contravention of the arbitration provisions included in the Separation Agreement, the other party will be entitled to any costs they may incur in defending such an action, including a \$15 million punitive fee (subject to an annual adjustment to account for inflation of 5%) and any additional punitive, exemplary, treble or similar damages as may be awardable under applicable law. Each of Solstice Advanced Materials and Honeywell acknowledges and agrees that if any party files an action in contravention of the arbitration provisions included in the Separation Agreement, the non-breaching party shall suffer reputational loss as a direct consequence of such action for which it is entitled to damages.

Non-Solicit. The Separation Agreement will include certain non-solicitation obligations with respect to each of us and Honeywell. Specifically, and subject to certain customary exceptions, for a period of eighteen (18) months following the Distribution Date, each of us and Honeywell will not hire any (i) employee of the other party or its subsidiaries employed in certain specified roles or (ii) former employee of the other party or its subsidiaries employed in such a specified role who was on the payroll of the other party or its subsidiaries within the prior six (6) months.

Term, Termination and Amendment. Prior to the Distribution, the Honeywell Board has the unilateral right to terminate or modify the terms of the Separation Agreement, without the prior written consent of us or the shareowners of Honeywell. After the Distribution, the term of the Separation Agreement is indefinite and it may only be terminated or modified with the prior written consent of both Honeywell and us.

Other Matters Governed by the Separation Agreement. Other matters governed by the Separation Agreement include, among others, access to financial and other information, confidentiality, access to and provision of records and separation of guarantees and other credit support instruments.

Transition Services Agreement

In connection with the Spin-Off, Honeywell and Solstice Advanced Materials will enter into a transition services agreement (the “Transition Services Agreement”) pursuant to which Honeywell will provide certain transitional services to us. The services, including services such as information technology support, human resources support, treasury administration support, and logistics support, will be provided for a limited time, generally for no longer than 12 months following the Distribution Date, and will be provided for specified fees, which are generally based on the cost of services provided.

This summary of the Transition Services Agreement is qualified in its entirety by reference to the full text of the form of Transition Services Agreement, which is attached as Exhibit 10.1 to the Form 10 of which this Information Statement forms a part.

Tax Matters Agreement

In connection with the Spin-Off, Honeywell and Solstice Advanced Materials will enter into a tax matters agreement (the “Tax Matters Agreement”) that will govern the parties’ respective rights, responsibilities and obligations with respect to tax liabilities and benefits, tax attributes, the preparation and filing of tax returns, the control of audits and other tax proceedings and other matters regarding taxes.

The Tax Matters Agreement will provide special rules that allocate tax liabilities in the event the Share Distribution or certain related transactions fail to qualify as a transaction that is tax-free for U.S. federal income tax purposes (other than any cash that Honeywell shareowners receive in lieu of fractional shares). Under the Tax Matters Agreement, Solstice Advanced Materials will generally agree to indemnify Honeywell and its affiliates against any and all tax-related liabilities incurred by them relating to the distribution and certain related transactions, to the extent caused by any representation by Solstice Advanced Materials being incorrect or an acquisition of Solstice Advanced Materials’ stock or assets or by any other action undertaken or failure to act by Solstice Advanced Materials. This indemnification will apply even if Honeywell has permitted Solstice Advanced Materials to take an action that would otherwise have been prohibited under the tax-related covenants described below.

Pursuant to the Tax Matters Agreement, Solstice Advanced Materials will agree to certain covenants that contain restrictions intended to preserve the tax-free status of the Distribution and certain related transactions. Solstice Advanced Materials may take certain actions prohibited by these covenants only if Solstice Advanced Materials obtains prior written consent of Honeywell, in its sole discretion, waiving such requirement. Solstice Advanced Materials will be barred from taking any action, or failing to take any action, including any action or failure to take any action that would be inconsistent with the Tax Opinions, where such action or failure to take any action adversely affects the tax-free status of these transactions. In addition, during the period ending two years after the date of the distribution, these covenants will include specific restrictions on Solstice Advanced Materials’: (i) discontinuing the active conduct of Solstice Advanced Materials’ trade or business; (ii) issuance or sale of stock or other securities (including securities convertible into Solstice Advanced Materials stock, but excluding certain compensatory arrangements); (iii) liquidating, merging or consolidating with any other person; (iv) amending Solstice Advanced Materials’ charter (or other organizational documents) or taking any other action, whether through a stockholder vote or otherwise, affecting the voting rights of Solstice Advanced Materials common stock; (v) sale of a significant portion of its assets; and (vi) entering into any other corporate transaction which would cause Solstice Advanced Materials to undergo a 40% or greater change in its stock ownership or otherwise be expected to result in the failure to preserve the tax-free treatment of these transactions.

This summary of the Tax Matters Agreement is qualified in its entirety by reference to the full text of the form of Tax Matters Agreement, which is attached as Exhibit 10.2 to the Form 10 of which this Information Statement forms a part.

Employee Matters Agreement

In connection with the Spin-Off, Honeywell and Solstice Advanced Materials will enter into an Employee Matters Agreement (the “Employee Matters Agreement”) that will address employment and employee compensation and benefits matters. The Employee Matters Agreement will address the allocation and treatment of assets and liabilities relating to employees and compensation and benefit plans and programs in which our employees participated prior to the Spin-Off. Except as specifically provided in the Employee Matters Agreement, we will generally be responsible for all employment and employee compensation and benefits-related liabilities relating to our employees, former employees and other service providers. In particular, we will assume certain assets and liabilities with respect to our current and former employees under certain of Honeywell’s U.S. and non-U.S. (i) defined benefit pension plans (with assets and liabilities generally allocated based on formulas specified in the Employee Matters Agreement for each pension plan) and (ii) life insurance programs and nonqualified deferred compensation plans. Generally, except as may be provided in the Transition Services Agreement, each of our employees will cease active participation in Honeywell compensation and benefit plans as of the Spin-Off. The Employee Matters Agreement also provides that we will establish certain compensation and benefit plans for the benefit of our employees following the Spin-Off, including a 401(k) savings plan for U.S. employees, which will accept direct rollovers of account balances from the Honeywell 401(k) savings plan for any of our employees who elect to do so. Generally, following the Spin-Off, we will assume and be responsible for any annual bonus payments, including with respect to the year in which the Spin-Off occurs, and any other cash-based incentive or retention awards to our current and former employees. Honeywell long-term incentive compensation awards held by Solstice Advanced Materials employees will be treated as described in “Compensation Discussion and Analysis—Treatment of Long-Term Incentive Compensation in Connection with the Spin-Off.” The Employee Matters Agreement will incorporate the indemnification provisions contained in the Separation Agreement and described above. In addition, the Employee Matters Agreement will provide that we will indemnify Honeywell for certain employee-related liabilities associated with the Transition Services Agreement.

This summary of the Employee Matters Agreement is qualified in its entirety by reference to the full text of the form of Employee Matters Agreement, which is attached as Exhibit 10.3 to the Form 10 of which this Information Statement forms a part.

Agreements Governing Intellectual Property

In connection with the Spin-Off, Honeywell and Solstice Advanced Materials will enter into an intellectual property cross-license agreement (the “Intellectual Property Cross-License Agreement”), a trademark license agreement (the “Trademark License Agreement”) and an Accelerator License Agreement (the “Accelerator License Agreement”) that will govern the parties’ respective rights, responsibilities and obligations with respect to certain intellectual property allocated to each of Honeywell and Solstice Advanced Materials under the Separation Agreement that is related to the other party’s businesses.

Intellectual Property Cross-License Agreement

Pursuant to the Intellectual Property Cross-License Agreement, each of Solstice Advanced Materials and Honeywell, and their respective affiliates, will grant and receive non-exclusive licenses to and from each other in respect of certain patents, know-how (including trade secrets) and copyrights allocated under the Separation Agreement to use in their respective businesses and natural evolutions thereof. The Intellectual Property Cross-License Agreement will expire on a licensed patent-by-licensed patent and licensed copyright-by-licensed copyright basis upon expiration of the relevant intellectual property and will be perpetual with respect to all other intellectual property licensed by each of us and Honeywell, and will otherwise be non-terminable except in certain circumstances where either party challenges the validity or scope of the patents licensed to such party under the agreement (in which case, the other party may terminate the licenses granted to such party). In addition, the agreement will be assignable in whole or in relevant part to their respective Affiliates or a successor to all or a portion of the business or assets related to the agreement, but will not otherwise be assignable without consent.

This summary of the Intellectual Property Cross-License Agreement is qualified in its entirety by reference to the full text of the form of Intellectual Property Cross-License Agreement, which is attached as Exhibit 10.4 to the Form 10 of which this Information Statement forms a part.

Trademark License Agreement

The Trademark License Agreement will provide Solstice Advanced Materials with a transitional period of time, from eight weeks to two years based on usage type, to phase out our use of certain names, trademarks and brands owned by or allocated to Honeywell under the Separation Agreement. In addition, under the Trademark License Agreement, Honeywell and its affiliates will grant an exclusive, royalty-bearing, one-year license to us under the Honeywell trademark for use in connection with our 1234yf DIY products in the U.S. and Canada (which license we may elect to extend once for an additional one-year period) and 10-year license (subject to certain early termination rights) to us under the Honeywell trademark for use in connection with certain refrigerant products in Saudi Arabia, United Arab Emirates, Pakistan, Qatar, Oman, Kuwait, Jordan, Egypt, Israel and Iraq.

This summary of the Trademark License Agreement is qualified in its entirety by reference to the full text of the form of Trademark License Agreement, which is attached as Exhibit 10.5 to the Form 10 of which this Information Statement forms a part.

Accelerator License Agreement

The Accelerator License Agreement will provide Solstice Advanced Materials with a perpetual, non-exclusive, royalty-free license to use, modify, enhance, and improve the Honeywell Accelerator operating model. Under the Accelerator License Agreement, Honeywell will license to us the Honeywell Accelerator operating model for use in connection with the conduct of the Solstice Advanced Materials business as of the Distribution Date. The license will be terminable by Honeywell only in connection with an uncured material breach.

This summary of the Accelerator License Agreement is qualified in its entirety by reference to the full text of the form of Accelerator License Agreement, which is attached as Exhibit 10.6 to the Form 10 of which this Information Statement forms a part.

Other Agreements

In certain limited cases, we (or our applicable subsidiary) will enter into certain sub-leases with Honeywell (or its applicable subsidiary) pursuant to which a portion of certain sites currently leased from third parties under operating leases will be sub-leased to us, Honeywell or one of our or Honeywell's applicable subsidiaries until the end of the term of the primary lease.

In addition, we or certain of our subsidiaries also intend to enter into certain other commercial services and distribution or supply agreements with Honeywell or certain of its subsidiaries, the terms and conditions and costs of which will be specified in each such agreement, which are intended to be on an arm's length basis and on market terms.

Policy and Procedures Governing Related Party Transactions

Prior to the completion of the Spin-Off, our Board will adopt a written policy regarding the review, approval and ratification of transactions with related persons. We anticipate that this policy will provide that our Nominating and Governance Committee review each of Solstice Advanced Materials' transactions involving an amount exceeding \$120,000 and in which any "related person" had, has or will have a direct or indirect material interest. In general, "related persons" are our directors, director nominees, executive officers and stockholders beneficially owning more than 5% of our outstanding common stock and immediate family members or certain affiliated entities of any of the foregoing persons. We expect that our Nominating and Governance Committee will approve or ratify only those transactions that are fair and reasonable to Solstice Advanced Materials and in our and our stockholders' best interests.

DESCRIPTION OF OUR CAPITAL STOCK

General

Prior to the Spin-Off and following our conversion into a Delaware corporation, Honeywell, as our sole shareowner, will approve and adopt our Amended and Restated Certificate of Incorporation, and our Board will approve and adopt our Amended and Restated By-Laws. The following summarizes information concerning our capital stock, including material provisions of our Amended and Restated Certificate of Incorporation, our Amended and Restated By-Laws and certain provisions of Delaware law and is qualified in its entirety by reference to these documents. You are encouraged to read the forms of our Amended and Restated Certificate of Incorporation and our Amended and Restated By-Laws in their entirety, which will be filed as exhibits to our Registration Statement on Form 10, of which this Information Statement is a part, for greater detail with respect to these provisions.

Distribution of Securities

During the past three years, we have not sold any securities, including sales of reacquired securities, new issues, securities issued in exchange for property, services or other securities and new securities resulting from the modification of outstanding securities that were not registered under the Securities Act.

Authorized Capital Stock

Immediately following the Spin-Off, our authorized capital stock will consist of _____ shares of common stock, par value \$0.01 per share, and _____ shares of preferred stock.

Common Stock

Shares Outstanding

Immediately following the Distribution, we estimate that approximately _____ shares of our common stock will be issued and outstanding, based on shares of Honeywell common stock outstanding as of _____ 2025. The actual number of shares of our common stock outstanding immediately following the Distribution will depend on the actual number of shares of Honeywell common stock outstanding on the Record Date and will reflect any issuance of new shares or exercise of outstanding options pursuant to Honeywell's equity plans and any repurchases of Honeywell shares by Honeywell pursuant to its common stock repurchase program, in each case on or prior to the Record Date.

Dividends

Holders of shares of our common stock will be entitled to receive dividends when, as and if declared by our Board at its discretion out of funds legally available for that purpose, subject to the preferential rights of any preferred stock that may be outstanding. The timing, declaration, amount and payment of future dividends will depend on our financial condition, earnings, capital requirements and debt service obligations, as well as legal requirements, regulatory constraints, industry practice and other factors that our Board deems relevant. Additionally, the terms of the indebtedness we intend to incur in connection with the Spin-Off will limit our ability to pay cash dividends. Our Board will make all decisions regarding our payment of dividends from time to time in accordance with applicable law. See "Dividend Policy."

Voting Rights

Each holder of a share of our common stock will be entitled to one vote for each such share held in his or her name on the stock record of Solstice Advanced Materials upon all questions presented to our shareowners (other than those reserved to the holders of our preferred stock pursuant to applicable law or the provision of the certificate of designations creating that series) and our common stock will have the exclusive right to vote for the election of directors (other than those directors, if any, elected by the holders of our preferred stock pursuant to applicable law or the provision of the certificate of designations creating that series) and for all other purposes. All corporate actions, other than the removal of directors until the 2028 annual meeting of shareowners and the amendment of certain provisions of the Amended and Restated Certificate of Incorporation and Amended and Restated By-Laws

until the 2028 annual meeting of shareowners, are decided by a majority vote of shares present in person or represented by proxy and entitled to vote on the subject matter.

Quorum

The holders of a majority of the shares of our capital stock entitled to vote at a shareowners' meeting constitute a quorum at such meeting. In the absence of a quorum, the chair of the meeting or a majority in interest of those present in person or represented by proxy and entitled to vote at the meeting may adjourn the meeting from time to time until a quorum shall be present.

Election of Directors

Directors are generally elected by a majority of the votes cast by holders of our common stock at a meeting for the election of directors where there is a quorum. However, directors are elected by a plurality of the votes cast by holders of our common stock at a meeting for the election of directors where there is a quorum if, as of the record date for such meeting, the number of nominees exceeds the number of directors to be elected. A majority of the votes cast means that the number of votes cast "for" a director's election exceeds the number of votes cast "against" that director's election (excluding abstentions).

Other Rights

Subject to the preferential liquidation rights of any preferred stock that may be outstanding, upon our liquidation, dissolution or winding-up, the holders of our common stock will be entitled to share ratably in our assets legally available for distribution to our shareowners.

Fully Paid

The issued and outstanding shares of our common stock are fully paid and non-assessable. Any additional shares of common stock that we may issue in the future will also be fully paid and non-assessable.

The holders of our common stock will not have preemptive rights or preferential rights to subscribe for shares of our capital stock or rights to redeem or convert their shares of common stock.

Preferred Stock

Our Amended and Restated Certificate of Incorporation will authorize our Board to designate and issue from time to time one or more series of preferred stock without shareowner approval. Our Board may fix and determine the preferences, limitations and relative rights of each series of preferred stock. There are no present plans to issue any shares of preferred stock.

Certain Provisions of Delaware Law, Our Amended and Restated Certificate of Incorporation and Amended and Restated By-Laws

Amended and Restated Certificate of Incorporation and Amended and Restated By-Laws

Certain provisions in our proposed Amended and Restated Certificate of Incorporation and our proposed Amended and Restated By-Laws summarized below may be deemed to have an anti-takeover effect and may delay, deter or prevent a tender offer or takeover attempt that a shareowner might consider to be in its best interests, including attempts that might result in a premium being paid over the market price for the shares held by shareowners. These provisions are intended to enhance the likelihood of continuity and stability in the composition of our Board and in the policies formulated by our Board and to discourage certain types of transactions that may involve an actual or threatened change of control.

- *Classified Board.* Our Amended and Restated Certificate of Incorporation will provide that, until the annual shareowner meeting in 2028, our Board will be divided into three classes, with each class consisting, as nearly as may be possible, of one-third of the total number of directors. The directors designated as Class I directors will have terms expiring at the annual meeting of shareowners in 2026. The directors designated as Class II

directors will have terms expiring at the following year's annual meeting in 2027, and the directors designated as Class III directors will have terms expiring at the following year's annual meeting in 2028. Commencing with the annual meeting in 2026, directors elected to succeed those directors whose terms then expire will be elected for a term of office to expire at the 2028 annual meeting. Beginning at the 2028 annual meeting, all of our directors will stand for election each year for annual terms, and our Board will therefore no longer be divided into three classes. Before our Board is declassified, it would take at least two elections of directors for any individual or group to gain control of our Board. Accordingly, while the classified board is in effect, these provisions could discourage a third party from initiating a proxy contest, making a tender offer or otherwise attempting to control us.

- *Removal.* Our Amended and Restated Certificate of Incorporation will provide that (i) prior to the 2028 annual meeting of shareowners, our shareowners may remove directors only for cause and only by the affirmative vote of the holders of at least 66 2/3% of our then outstanding shares of capital stock entitled to vote generally in the election of directors, voting as a single class and (ii) at or following the 2028 annual meeting of shareowners, our shareowners may remove directors, with or without cause, only by the affirmative vote of holders of at least a majority of our then outstanding shares of capital stock entitled to vote generally in the election of directors, voting as a single class.
- *Size of our Board.* Our Amended and Restated Certificate of Incorporation and Amended and Restated By-Laws will provide that, until the 2028 annual meeting of shareowners, the number of directors on our Board may be determined from time to time only by the vote of a majority of the then authorized number of directors. At or following the 2028 annual meeting of shareowners, the authorized number of directors may be determined from time to time either by a vote of a majority of the then authorized number of directors or by the affirmative vote of the holders of a majority of the voting power of the then outstanding shares of our capital stock entitled to vote generally in the election of directors, voting together as a single class.
- *Vacancies.* Delaware law provides that vacancies and newly created directorships resulting from a resignation or any increase in the authorized number of directors elected by all of the shareowners having the right to vote as a single class may be filled by a majority of the directors then in office, unless the governing documents of a corporation provide otherwise. Our Amended and Restated Certificate of Incorporation and Amended and Restated By-Laws provide that vacancies occurring in our Board resulting from death, resignation, disqualification, removal or other cause shall be filled by the affirmative vote of a majority of the remaining directors then in office, even if less than a quorum of our Board, or by a sole remaining director. Any director elected in accordance with the preceding sentence shall hold office until the annual meeting of shareowners at which the full term of office of the class to which such director has been elected expires and until such director's successor shall have been elected and qualified or until such director's earlier death, resignation, disqualification or removal.
- *No Shareowner Action by Written Consent.* Our Amended and Restated Certificate of Incorporation will expressly exclude the right of our shareowners to act by written consent. Shareowner action must take place at an annual meeting or at a special meeting of our shareowners.
- *Special Shareowner Meetings.* Our Amended and Restated Certificate of Incorporation and our Amended and Restated By-Laws will provide that, prior to the 2028 annual meeting of shareowners, only our Chief Executive Officer, Chairman of the Board, or a majority of our Board will be able to call a special meeting of shareowners. From and including the 2028 annual meeting of shareowners, a special meeting of shareowners may be called by the Secretary upon the written request of holders owning not less than 15% of our outstanding common stock as of the date of the request.
- *Requirements for Advance Notification of Shareowner Nominations and Proposals.* Our Amended and Restated By-Laws will establish advance notice procedures with respect to shareowner proposals and nomination of candidates for election as directors. Generally, such proposal will be made not later than the close of business on the 90th day, nor earlier than the close of business on the 120th day in advance of the anniversary of the previous year's annual meeting. For purposes of the first annual meeting, the anniversary date of our 2025 annual meeting shall be deemed to be May 20, 2026 and proposals therefore must be made not later than the

close of business on February 19, 2026, nor earlier than the close of business on January 20, 2026. These advance-notice provisions may have the effect of precluding a contest for the election of our directors or the consideration of shareowner proposals if the proper procedures are not followed and of discouraging or deterring a third party from conducting a solicitation of proxies to elect its own slate of directors or to approve its own proposal, without regard to whether consideration of those nominees or proposals might be harmful or beneficial to us and our shareowners.

- *Cumulative Voting.* The DGCL provides that shareowners are denied the right to cumulate votes in the election of directors unless the company's certificate of incorporation provides otherwise. Our Amended and Restated Certificate of Incorporation will not provide for cumulative voting.
- *Amendments to Certificate of Incorporation.* Our Amended and Restated Certificate of Incorporation will provide that the provisions of our Amended and Restated Certificate of Incorporation may only be amended in the manner prescribed by the DGCL, except that until the 2028 annual meeting of shareowners, the affirmative vote of the holders of at least 66 2/3% of our then outstanding shares of capital stock entitled to vote generally in the election of directors will be required to amend certain provisions relating to: (i) the classification, size, term, election, removal, nomination and filling of vacancies with respect to our Board; (ii) the ability to call special meetings of shareowners; (iii) the amendment of certain provisions of the By-Laws (as further described below); and (iv) any provision relating to the amendment of such provisions.
- *Amendments to By-Laws.* Our Amended and Restated Certificate of Incorporation and Amended and Restated By-Laws will provide that the provisions of our Amended and Restated By-Laws may only be amended by our Board or by the affirmative vote of the holders of a majority of all of our then outstanding shares of capital stock entitled to vote generally in the election of directors, except that until the 2028 annual meeting of shareowners, the affirmative vote of the holders of at least 66 2/3% of our then outstanding shares of capital stock entitled to vote generally in the election of directors will be required to amend certain provisions relating to: (i) the ability to call special meetings of shareowners; (ii) the size, removal and filling of vacancies with respect to our Board; and (iii) any provision relating to the amendment of such provisions.
- *Issuance of Preferred Stock.* Our Amended and Restated Certificate of Incorporation will provide that our Board will have the authority to issue preferred stock through the adoption of resolutions and without requiring shareowner approval.

Delaware Takeover Statute

We are subject to Section 203 of the DGCL, which, subject to certain exceptions, prohibits a Delaware corporation from engaging in any business combination with any interested shareowner for a period of three years following the date that such shareowner became an interested shareowner.

Limitation on Liability of Directors and Indemnification of Directors and Officers

Delaware law authorizes corporations to limit or eliminate the personal liability of directors and officers to corporations and their shareowners for monetary damages for certain breaches of directors' fiduciary duties as directors, and our Amended and Restated Certificate of Incorporation will include such an exculpation provision. Our Amended and Restated Certificate of Incorporation will include provisions that require us to indemnify, to the fullest extent allowable under the DGCL, the personal liability of directors and officers for monetary damages for actions taken as a director, officer or agent of ours, or for serving at our request as a director, officer or agent at another corporation or enterprise, as the case may be. Our Amended and Restated Certificate of Incorporation will also provide that we must indemnify and advance reasonable expenses to our directors and officers subject to our receipt of an undertaking from the indemnified party as may be required under the DGCL. Our Amended and Restated Certificate of Incorporation will expressly authorize us to carry directors' and officers' insurance to protect Solstice Advanced Materials and its directors, officers and agents for certain liabilities.

The limitation of liability and indemnification provisions that will be included in our Amended and Restated Certificate of Incorporation may discourage shareowners from bringing a lawsuit against directors for breach of their fiduciary duty. These provisions may also have the effect of reducing the likelihood of derivative litigation against

our directors and officers, even though such an action, if successful, might otherwise benefit us and our shareowners. However, these provisions will not limit or eliminate our rights, or those of any shareowner, to seek non-monetary relief such as injunction or rescission in the event of a breach of a director's duty of care. The provisions will not alter the liability of directors under the federal securities laws. In addition, your investment may be adversely affected to the extent that in a class action, derivative or direct suit, we pay the costs of settlement and damage awards against directors and officers pursuant to these indemnification provisions. There is currently no pending material litigation or proceeding against any of our directors, officers or employees for which indemnification is sought.

Exclusive Forum

Our Amended and Restated By-Laws will provide, in all cases to the fullest extent permitted by law, that unless we consent in writing to the selection of an alternative forum, the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of Solstice Advanced Materials, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer, other employee, shareowner or agent of Solstice Advanced Materials to Solstice Advanced Materials or Solstice Advanced Materials' shareowners, (iii) any action asserting a claim arising pursuant to any provision of the DGCL, our Amended and Restated Certificate of Incorporation or our Amended and Restated By-Laws or (iv) any action asserting a claim governed by the internal affairs doctrine shall be a state or federal court located within the State of Delaware. Notwithstanding the foregoing, unless we consent in writing to the selection of an alternative forum, the federal district courts of the U.S., shall, to the fullest extent permitted by law, be the sole and exclusive forum for the resolution of any complaint asserting solely a cause of action arising under the Securities Act or any rules or regulations promulgated thereunder. These exclusive forum provisions will not apply to any action brought to enforce a duty or liability created by the Exchange Act or any rules or regulations promulgated thereunder, to the extent such application would be contrary to law. Our shareowners will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder as a result of our exclusive forum provisions. The exclusive forum provision may limit a shareowner's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, other employees, shareowners or agents, which may discourage such lawsuits against us or our directors, officers, other employees, shareowners or agents.

Transfer Agent and Registrar

The transfer agent and registrar for our common stock will be .

Listing

We intend to apply to list our common stock on Nasdaq, under the ticker symbol "SOLS."

WHERE YOU CAN FIND MORE INFORMATION

We have filed a Registration Statement on Form 10 with the SEC with respect to the shares of our common stock that Honeywell shareowners will receive in the Distribution as contemplated by this Information Statement. This Information Statement is a part of, and does not contain all the information set forth in, the Registration Statement and the other exhibits and schedules to the Registration Statement. For further information with respect to us and our common stock, please refer to the Registration Statement, including its other exhibits and schedules. Statements we make in this Information Statement relating to any contract or other document are not necessarily complete, and you should refer to the exhibits attached to the Registration Statement for copies of the actual contract or document. You may review a copy of the Registration Statement, including its exhibits and schedules, on the Internet website maintained by the SEC at www.sec.gov. Information contained on any website we refer to in this Information Statement does not and will not constitute a part of this Information Statement or the Registration Statement on Form 10 of which this Information Statement is a part and such references are intended to be inactive textual references only.

As a result of the Spin-Off, we will become subject to the information and reporting requirements of the Exchange Act and, in accordance with the Exchange Act, we will file periodic reports, proxy statements and other information with the SEC.

You may request a copy of any of our filings with the SEC at no cost by writing us at the following address:

Investor Relations
Solstice Advanced Materials, LLC
115 Tabor Road
Morris Plains, NJ 07950

We also intend to maintain a website at _____, at which you may access these materials free of charge as soon as reasonably practicable after they are electronically filed with, or furnished to, the SEC. Our investor relations website provides notifications of news or announcements regarding our financial performance, including SEC filings, investor events, press and earnings releases, and blogs.

We intend to furnish holders of our common stock with annual reports containing financial statements prepared in accordance with GAAP and audited and reported on by an independent registered public accounting firm.

SOLSTICE ADVANCED MATERIALS
(A BUSINESS OF HONEYWELL INTERNATIONAL INC.)

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareowners and Board of Directors of Honeywell International Inc.

Opinion on the Financial Statements

We have audited the accompanying combined balance sheets of Solstice Advanced Materials (A Business of Honeywell International Inc.) (the “Company”) as of December 31, 2024 and 2023, and the related combined statements of operations, comprehensive income, equity, and cash flows for each of the three years in the period ended December 31, 2024, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Emphasis of a Matter

As described in Note 1 to the financial statements, the accompanying combined financial statements have been derived from the historical accounting records maintained by Honeywell International Inc. (“Honeywell”) as if the operations of the Company had been conducted independently from Honeywell and were prepared on a stand-alone basis in accordance with accounting principles generally accepted in the United States of America. These financial statements may not be indicative of what they would have been had the Company operated as an independent, stand-alone entity.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Completeness of Carve-Out Adjustments – Refer to Note 1 to the financial statements

Critical Audit Matter Description

The Company recorded an allocation of expenses related to certain Honeywell corporate functions based on a proportion of net sales and includes certain assets and liabilities held by Honeywell that are specifically identifiable or otherwise attributable to the Company (the “carve-out adjustments”). The identification of these expenses, assets, and liabilities requires significant judgement by the Company’s management.

Given the complexity in identifying certain of these expenses, assets, and liabilities and judgements necessary to estimate them, auditing the carve-out adjustments required both extensive audit effort due to the volume and complexity of the adjustments and a high degree of auditor judgement when performing audit procedures and evaluating the results of those procedures.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the completeness of certain carve out related adjustments included the following, among others:

- We assessed the completeness of carve-out adjustments by developing an expectation based on adjustments recorded in prior carve-out financial statements prepared by Honeywell.
- We assessed the reasonableness of management’s process for identifying assets, liabilities, and expenses attributable to the Company.
- We assessed the reasonableness of management’s methods and assumptions for allocating expenses related to certain Honeywell corporate functions.
- We performed detail transaction testing over carve-out adjustments recorded, including:
 - Evaluating the completeness of the carve-out adjustments recorded.
 - For certain of the carve-out adjustments, with the assistance of our internal specialists, testing the source information underlying the determination of the allocation.

/s/ DELOITTE & TOUCHE LLP

Morristown, New Jersey

May 1, 2025

We have served as the Company’s auditor since 2024.

SOLSTICE ADVANCED MATERIALS
(A BUSINESS OF HONEYWELL INTERNATIONAL INC.)

COMBINED STATEMENTS OF OPERATIONS
(Dollars in millions)

	Years Ended December 31,		
	2024	2023	2022
Product sales ¹	\$ 3,453	\$ 3,424	\$ 3,439
Service sales ²	317	225	148
Net sales	3,770	3,649	3,587
Costs, expenses and other			
Cost of products sold ³	2,214	2,149	2,099
Cost of services sold	250	217	85
Total cost of products and services sold	2,464	2,366	2,184
Research and development expenses	83	81	79
Selling, general and administrative expenses	398	378	357
Other expense (income)	15	(6)	3
Interest and other financial charges	13	16	21
Total costs, expenses and other	2,973	2,835	2,644
Income before taxes	797	814	943
Income tax expense	192	195	211
Net income	605	619	732
Less: Net income (loss) attributable to noncontrolling interest	11	(2)	14
Net income attributable to Solstice Advanced Materials	\$ 594	\$ 621	\$ 718

1. Product sales include related party product sales of \$95 million, \$111 million, and \$107 million, for periods ending December 31, 2024, 2023, and 2022, respectively.
2. Service sales include related party service sales of \$30 million, \$0 million, and \$0 million, for periods ending December 31, 2024, 2023, and 2022, respectively.
3. Cost of products sold include related party cost of products sold of \$15 million, \$21 million, and \$34 million, for periods ending December 31, 2024, 2023, and 2022, respectively.

The Notes to the Combined Financial Statements are an integral part of this statement.

SOLSTICE ADVANCED MATERIALS
(A BUSINESS OF HONEYWELL INTERNATIONAL INC.)
COMBINED STATEMENTS OF COMPREHENSIVE INCOME
(Dollars in millions)

	Years Ended December 31,		
	2024	2023	2022
Net income	\$ 605	\$ 619	\$ 732
Other comprehensive (loss) income, net of tax			
Foreign exchange translation adjustment	(62)	7	(60)
Pension and other postretirement benefit adjustments	(4)	(2)	2
Cash flow hedges recognized in other comprehensive income	20	10	22
Less: Reclassification adjustment for gains included in net income	(9)	(2)	(24)
Changes in fair value of cash flow hedges	11	8	(2)
Total other comprehensive (loss) income, net of tax	(55)	13	(60)
Comprehensive income	\$ 550	\$ 632	\$ 672

The Notes to the Combined Financial Statements are an integral part of this statement.

SOLSTICE ADVANCED MATERIALS
(A BUSINESS OF HONEYWELL INTERNATIONAL INC.)

COMBINED BALANCE SHEETS
(Dollars in millions)

	December 31,	
	2024	2023
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 661	\$ 606
Accounts receivable, less allowances of \$7 and \$11, respectively ¹	569	620
Inventories	558	552
Other current assets	73	92
Total current assets	1,861	1,870
Property, plant and equipment – net	1,746	1,638
Goodwill	806	814
Other intangible assets – net	35	41
Deferred income taxes	3	2
Product loans receivable ²	264	—
Other assets ³	289	292
Total assets	\$ 5,004	\$ 4,657
LIABILITIES		
Current liabilities:		
Accounts payable ⁴	\$ 778	\$ 772
Accrued liabilities ⁵	305	353
Total current liabilities	1,083	1,125
Deferred income taxes	179	184
Product loans payable	293	32
Other liabilities	267	288
Total liabilities	1,822	1,629
EQUITY		
Net Parent investment	3,471	3,269
Accumulated other comprehensive loss	(213)	(158)
Total Net Parent investment	3,258	3,111
Noncontrolling interest	(76)	(83)
Total equity	3,182	3,028
Total liabilities and equity	\$ 5,004	\$ 4,657

1. Accounts receivable include related party receivables of \$40 million and \$44 million, as of December 31, 2024 and 2023, respectively.
2. Product loans receivable include related party loans receivables of \$156 million and \$0 million as of December 31, 2024 and 2023, respectively.
3. Other assets include related party long-term receivables of \$7 million and \$0 million as of December 31, 2024 and 2023, respectively.
4. Accounts payable include related party accounts payables of \$3 million and \$7 million as of December 31, 2024 and 2023, respectively.
5. Accrued liabilities include related party payables of \$60 million and \$53 million as of December 31, 2024 and 2023, respectively.

The Notes to the Combined Financial Statements are an integral part of this statement.

SOLSTICE ADVANCED MATERIALS
(A BUSINESS OF HONEYWELL INTERNATIONAL INC.)

COMBINED STATEMENTS OF CASH FLOWS
(Dollars in millions)

	Years Ended December 31,		
	2024	2023	2022
Cash flows from operating activities:			
Net income	\$ 605	\$ 619	\$ 732
Adjustments to reconcile net income to net cash provided by operating activities			
Depreciation	175	170	146
Amortization	42	51	7
Equity income of affiliated companies	(19)	(17)	(21)
Gain on sale of fixed assets	—	(9)	—
Stock compensation expense	17	18	17
Deferred income taxes	(6)	(36)	6
Other	—	11	2
Changes in assets and liabilities			
Accounts receivable ¹	40	(134)	(54)
Inventories	(16)	(78)	(120)
Other current assets	(3)	(14)	(14)
Accounts payable ²	12	78	54
Deferred income and customer advances	(20)	53	(3)
Accrued liabilities ³	44	19	(18)
Other ⁴	(29)	29	25
Net cash provided by operating activities	842	760	759
Cash flows from investing activities:			
Capital expenditures	(296)	(299)	(254)
Cash paid for long-life catalysts and deferred maintenance	(1)	(33)	(50)
Proceeds from disposals of property, plant, and equipment	—	11	—
Other	(1)	(3)	(1)
Net cash used for investing activities	(298)	(324)	(305)
Cash flows from financing activities:			
Net transfers to Parent	(414)	(345)	(307)
Finance lease payments	(39)	(33)	(24)
Net cash used for financing activities	(453)	(378)	(331)
Effect of foreign exchange rate changes on cash and cash equivalents	(36)	(1)	(37)
Net increase in cash and cash equivalents	55	57	86
Cash and cash equivalents at beginning of period	606	549	463
Cash and cash equivalents at end of period	\$ 661	\$ 606	\$ 549

	Years Ended December 31,		
	2024	2023	2022
Supplemental cash flow information:			
Income taxes paid, net of refunds	\$ 22	\$ 24	\$ 11
Interest paid on finance leases	10	17	20
Purchases of property, plant, and equipment included in accounts payable	39	54	79

1. Includes decrease/(increase) in related party receivables of \$4 million, \$(10) million, and \$(17) million for periods ending December 31, 2024, 2023, and 2022, respectively.
2. Includes (decrease)/increase in related party accounts payables of \$(4) million, \$(6) million, and \$9 million for periods ending December 31, 2024, 2023, and 2022, respectively.
3. Includes increase in related party accrued liabilities of \$7 million, \$6 million, and \$5 million for periods ending December 31, 2024, 2023, and 2022, respectively.
4. Includes (increase) in related party long-term receivable of \$(7) million for period ending December 31, 2024.

The Notes to the Combined Financial Statements are an integral part of this statement.

SOLSTICE ADVANCED MATERIALS
(A BUSINESS OF HONEYWELL INTERNATIONAL INC.)

COMBINED STATEMENTS OF EQUITY

(Dollars in millions)

	Net Parent Investment	Accumulated Other Comprehensive Loss	Noncontrolling Interest	Total Equity
Balance as of January 1, 2022	\$ 2,542	\$ (111)	\$ (95)	\$ 2,336
Net income	718	—	14	732
Foreign exchange translation adjustment	—	(60)	—	(60)
Pension and other postretirement benefit adjustments	—	2	—	2
Changes in fair value of cash flow hedges	—	(2)	—	(2)
Net transfers to Parent	(287)	—	(3)	(290)
Balance as of December 31, 2022	\$ 2,973	\$ (171)	\$ (84)	\$ 2,718
Net income	621	—	(2)	619
Foreign exchange translation adjustment	—	7	—	7
Pension and other postretirement benefit adjustments	—	(2)	—	(2)
Changes in fair value of cash flow hedges	—	8	—	8
Net transfers to Parent	(325)	—	3	(322)
Balance as of December 31, 2023	\$ 3,269	\$ (158)	\$ (83)	\$ 3,028
Net income	594	—	11	605
Foreign exchange translation adjustment	—	(62)	—	(62)
Pension and other postretirement benefit adjustments	—	(4)	—	(4)
Changes in fair value of cash flow hedges	—	11	—	11
Net transfers to Parent	(392)	—	(4)	(396)
Balance as of December 31, 2024	\$ 3,471	\$ (213)	\$ (76)	\$ 3,182

The Notes to the Combined Financial Statements are an integral part of this statement.

SOLSTICE ADVANCED MATERIALS
(A BUSINESS OF HONEYWELL INTERNATIONAL INC.)

NOTES TO THE COMBINED FINANCIAL STATEMENTS
(Dollars in millions, unless otherwise noted)

Note 1. Business Overview and Basis of Presentation

The accompanying Combined Financial Statements and notes present the combined results of operations, financial position and cash flows of the Solstice Advanced Materials business (“Solstice Advanced Materials,” the “Business” or the “Company”) of Honeywell International Inc. (“Honeywell” or “Parent”). The Company is a global specialty chemicals and advanced materials company with positions in refrigerants, semiconductor materials, protective fibers, and healthcare packaging. The Company manages and reports its operating results through its two reportable segments: (i) Refrigerants & Applied Solutions and (ii) Electronic & Specialty Materials, in accordance with Accounting Standards Codification (“ASC”) 280, *Segment Reporting*. The remainder of the Business’ operations are presented in Corporate and All Other, which is not a reportable business segment.

On October 8, 2024, Honeywell announced its plan to spin-off its Advanced Materials business into an independent, U.S. publicly traded company. The spin-off is expected to be completed through a tax-free pro rata distribution of all of the outstanding shares of common stock of Solstice Advanced Materials to Honeywell stockholders.

For the years presented in these Combined Financial Statements, the Business historically operated as part of Honeywell’s Energy and Sustainability Solutions reportable business segment; consequently, separate financial statements have not historically been prepared for the Business. The Combined Financial Statements have been derived from Honeywell’s historical accounting records as if the operations of the Business had been conducted independently from Honeywell and were prepared on a stand-alone basis in accordance with accounting principles generally accepted in the United States of America (“GAAP”).

The Combined Financial Statements include all revenues and costs directly attributable to the Business and an allocation of expenses related to certain Honeywell corporate functions (refer to Note 3 – Related Party Transactions). These expenses are allocated to the Business based on a proportion of net sales. The Business and Honeywell consider these allocations to be a reasonable reflection of the utilization of services or the benefits received. However, the allocations may not be indicative of the actual expenses that would have been incurred had the Business operated as an independent, stand-alone entity, nor are they indicative of future expenses of the Business.

The Combined Financial Statements include assets and liabilities specifically attributable to the Business and certain assets and liabilities held by Honeywell that are specifically identifiable or otherwise attributable to the Business. Honeywell uses a centralized approach to cash management and financing of its operations. Accordingly, a substantial portion of the Business’ cash accounts are regularly cleared to the Parent at Honeywell’s discretion and Honeywell funds the Business’ operating and investing activities as needed. Transfers of cash between Honeywell and the Business are included within Net transfers to Parent on the Combined Statements of Cash Flows and the Combined Statements of Equity. Cash and cash equivalents in the Combined Financial Statements represent cash and cash equivalents held by, or amounts otherwise attributable to, the Business. Honeywell’s long-term debt and related interest expense are not attributed to the Business for any of the periods presented as the Business is not the legal obligor of such borrowings and Honeywell’s borrowings are not directly attributable to the Business. This arrangement is not reflective of the debt costs the Business would have incurred had it been a stand-alone business separate from Honeywell during the periods presented.

The historical results of operations, financial position and cash flows of the Business presented in these Combined Financial Statements may not be indicative of what they would have been had the Business been an independent stand-alone entity, nor are they necessarily indicative of the Business’ future combined results of operations, financial position, and cash flows.

All intercompany transactions and balances within the Business have been eliminated. Transactions between the Business and Honeywell are deemed to have been settled immediately through Net Parent investment. The net effect

of the deemed settled transactions is reflected in the Combined Statements of Cash Flows as Net transfers to Parent within financing activities and in the Combined Balance Sheets as Net Parent investment.

Note 2. Summary of Significant Accounting Policies

Principles of Combination

The Combined Financial Statements include the accounts of Solstice Advanced Materials, as well as entities in which a controlling interest is maintained. For those entities in which the Company controls and its ownership is less than 100%, the outside shareowners' interests are shown as Noncontrolling interest on the Combined Balance Sheets. Investments in companies in which the Company, directly or indirectly, owns a 20% to 50% interest, or has the ability to exercise significant influence over the operating and financial policies of the investee, are accounted for using the equity method of accounting. As a result, Solstice Advanced Materials' share of the earnings or losses of such equity affiliates is included within Other expense (income) in the Combined Statements of Operations, and the Company's investment is reflected within Other assets in the Combined Balance Sheets. Refer to Note 18 – Investments for further details.

The Company assesses the requirements related to variable interest entities ("VIE"), including a qualitative assessment of power and economics that considers which entity has the power to direct the activities that most significantly impact the VIEs economic performance, and has the right to receive any benefits or the obligation to absorb any losses of the VIE. The Company consolidates all VIEs where the Company is the primary beneficiary. Refer to Note 18 – Investments for further details.

Recent Accounting Pronouncements

The Company considers the applicability and impact of all Accounting Standards Updates ("ASU") issued by the Financial Accounting Standards Board ("FASB"). ASUs not listed below were assessed and determined to be either not applicable or are expected to have a minimal impact on the Company's Combined Statements of Operations, Combined Balance Sheets and Combined Statements of Cash Flows.

In November 2024, the FASB issued ASU 2024-03, *Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*, which requires companies to disclose additional information about the types of expenses in commonly presented expense captions. The new standard requires tabular disclosure of specified natural expenses in certain expense captions, a qualitative description of amounts that are not separately disaggregated, and disclosure of the Company's definition and total amount of selling expenses. The ASU should be applied prospectively for annual reporting periods beginning after December 15, 2026, with retrospective application and early adoption permitted. The Company is currently evaluating the impacts of this guidance on the Company's Combined Financial Statements.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Taxes Disclosures*, which requires greater disaggregation of income tax disclosures. The new standard requires additional information to be disclosed with respect to the income tax rate reconciliation and income taxes paid disaggregated by jurisdiction. For public business entities, this ASU should be applied prospectively for fiscal years beginning after December 15, 2024, with retrospective application permitted. The Company is currently evaluating the impacts of this guidance on the Company's Combined Financial Statements.

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*, which requires companies to enhance the disclosures about segment expenses. The new standard requires the disclosure of the Company's Chief Operating Decision Maker ("CODM"), expanded incremental line-item disclosures of significant segment expenses used by the CODM for decision-making, and the inclusion of previous annual only segment disclosure requirements on a quarterly basis. This ASU should be applied retrospectively for fiscal years beginning after December 15, 2023, and early adoption is permitted. The Company adopted this guidance on January 1, 2024 and provided the required disclosure for the years ended December 31, 2024, 2023 and 2022. Refer to Note 20 – Segment Financial Data.

In August 2023, the FASB issued ASU 2023-05, *Business Combinations - Joint Venture Formations*, which requires joint ventures (“JVs”) to initially measure its assets and liabilities at fair value on the formation date. The guidance will be effective prospectively to all JVs formed on or after January 1, 2025, with early adoption permitted. The Company will adopt the guidance and apply the provisions of ASU 2023-05 to JVs formed on or after January 1, 2025.

In September 2022, the FASB issued ASU 2022-04, *Liabilities – Supplier Finance Programs (Topic 405): Disclosure of Supplier Finance Program Obligations*, to enhance the transparency of supplier finance programs. The new standard requires annual disclosure of the key terms of the program, a description of where in the financial statements amounts outstanding under the program are presented, a rollforward of such amounts, and interim disclosure of amounts outstanding as of the end of each period. The guidance does not affect recognition, measurement, or financial statement presentation of supplier finance programs. The ASU is effective on January 1, 2023, except for the rollforward, which is effective on January 1, 2024. The Company adopted this guidance on January 1, 2023. The adoption of this standard does not have a material impact on the Company’s Combined Financial Statements.

Use of Estimates

The Company prepares its Combined Financial Statements in conformity with GAAP. In doing so, the Company is required to make estimates and assumptions that affect the amounts reported in the Combined Financial Statements and accompanying notes. The Company bases these estimates on historical experience and on various other assumptions that the Company believes are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The Company’s actual results may differ materially from these estimates. Significant estimates inherent in the preparation of these Combined Financial Statements include, but are not limited to, accounting for allocation of expenses related to certain Honeywell corporate functions, evaluation of goodwill and other intangible assets for impairment, environmental liabilities, asset retirement obligations (“ARO”), pensions and income taxes.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and highly liquid investments having an original maturity of three months or less. The Company participates in Honeywell’s cash management and financing programs. The cash reflected on the Combined Balance Sheets represents cash on hand at certain foreign and domestic locations which do not participate in Honeywell’s centralized cash management program and are specifically identifiable to the Business.

Inventories

Inventories are stated at the lower of cost or net realizable value, with cost determined on a first-in, first-out basis. Carrying value adjustments for inventory obsolescence are equal to the difference between cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation.

Property, Plant and Equipment

Property, plant and equipment are recorded at cost, less accumulated depreciation. For financial reporting, the straight-line method of depreciation is used over the estimated useful lives of 10 to 50 years for buildings and improvements and three to 16 years for machinery and equipment. Recognition of the fair value of obligations associated with the retirement of tangible long-lived assets is required when there is a legal obligation to incur such costs. Upon initial recognition of a liability, the cost is capitalized as part of the related long-lived asset and depreciated over the corresponding asset’s useful life.

Repair and Maintenance

Repair and maintenance costs, other than major maintenance costs, are expensed as incurred and included within Cost of products and services sold.

The Company accounts for planned major maintenance activities in accordance with ASC 360, *Property, Plant, and Equipment*, and has selected the deferral method to account for its planned major maintenance activities. Under the deferral method, major maintenance costs are capitalized and amortized over a period of one year on a straight-line basis, which is generally the time of the next scheduled major maintenance. Major maintenance costs are capitalized as part of Other current assets in the Combined Balance Sheets when incurred.

Goodwill and Indefinite-Lived Intangible Assets

The Company recognizes goodwill and indefinite-lived intangible asset balances in conjunction with business combinations, with amounts being recorded at their respective fair values upon the closing of a transaction. Subsequent to the closing of a business combination, the Company evaluates and books adjustments, as applicable, to the preliminary amounts recorded over the relevant measurement period, which is not to exceed one year from the acquisition date.

Goodwill and indefinite-lived intangible assets are subject to impairment testing annually as of the first day of the fourth quarter, or if a triggering event occurs or changes in circumstances indicate that the carrying amount may not be fully recoverable. This testing compares carrying values to fair values and, when appropriate, the carrying value of these assets is reduced to fair value. The Company completed its annual goodwill and indefinite-lived intangible assets impairment tests for the years ended December 31, 2024, 2023, and 2022 and determined that there was no impairment as of each of those dates.

Definite-Lived Intangible Assets

The Company recognizes definite-lived intangible asset balances in conjunction with business combinations, with amounts being recorded at their respective fair values upon the closing of a transaction. Subsequent to the closing of a business combination, the Company evaluates and books adjustments, as applicable, to the preliminary amounts recorded over the relevant measurement period, which is not to exceed one year from the acquisition date.

Other intangible assets with definite lives consist of customer lists, technology and patents, and other intangibles and are amortized over their estimated useful lives, ranging from two to 20 years.

Product Loans

The Company enters into both lending and borrowing arrangements for quantities of uranium ore as part of its ongoing operations. During 2024, the Company entered into separate agreements to lend quantities of uranium ore, which are reflected as product loans receivable, and to borrow quantities of uranium ore, which are reflected as product loans payable. These agreements settle on December 31, 2026. As both the loans receivable and loans payable may be settled in cash, they are both separately measured at fair value on a quarterly basis. As of December 31, 2024, uranium ore product loans receivable and product loans payable reflected in the Combined Balance Sheets were \$264 million, respectively.

Under the terms of the agreements, the Company is entitled to loan fees from the borrower which are billed over the term of the contract and recognized at inception of the loan as service sales. The Company records trade accounts receivables and unbilled receivables for the invoiced and non-invoiced balances, respectively.

The Company enters into agreements to borrow quantities of uranium hexafluoride to fulfil customer orders for committed contracts. As of December 31, 2024 and December 31, 2023, uranium hexafluoride product loans payable reflected in the Combined Balance Sheets were \$29 million and \$52 million, respectively.

Foreign Currency Translation

Assets and liabilities of operations outside of the United States (“U.S.”) with a functional currency other than the U.S. dollar are translated into U.S. dollars using year-end exchange rates. Sales, costs, and expenses are translated at the average exchange rates in effect during the year. Foreign currency translation gains and losses are included as a component of Accumulated other comprehensive loss.

Leases

At the inception of a contract, the Company assesses whether the contract is, or contains, a lease. This assessment evaluates (i) whether the contract involves the use of a distinct identified asset, (ii) whether the Company obtains the right to substantially all the economic benefit from the use of the asset throughout the period, and (iii) whether the Company has the right to direct the use of the asset.

All significant lease arrangements are recognized at lease commencement. Operating lease right-of-use (“ROU”) assets and lease liabilities are recognized at commencement. An ROU asset and corresponding lease liability are not recorded for leases with an initial term of 12 months or less (short-term leases), and the Company recognizes lease expense for these leases as incurred over the lease term.

ROU assets represent the Company’s right to use an underlying asset during the reasonably certain lease term, and lease liabilities represent the Company’s obligation to make lease payments arising from the lease. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option.

Lease payments may be fixed or variable; however, only fixed payments or in-substance fixed payments are included in determining the lease liability. Variable lease payments are recognized in operating expenses in the period in which the obligation for those payments is incurred. Lease expense is recognized on a straight-line basis over the lease term. The Company’s lease agreements with lease and non-lease components are accounted for separately.

The Company evaluates leases to determine if they are operating leases or finance leases, which, in turn, determines the appropriate accounting processes. Operating lease ROU assets and lease liabilities are recognized based on the present value of lease payments over the lease term. The operating lease ROU asset includes any lease payments related to initial direct cost and prepayments and excludes lease incentives. Finance leases are recorded as a finance lease liability and property, plant and equipment – net, based on the present value of lease payments. The asset is depreciated, and the liability is amortized with interest expense incurred over the life of the lease. The Company continually evaluates any change in classification from finance leases to operating leases.

The Company primarily uses its incremental borrowing rate in determining the present value of the lease payments. In determining the borrowing rate, the Company considers the lease term, secured incremental borrowing rate, and for leases denominated in a currency different than the U.S. dollar, the collateralized borrowing rate in the foreign currency using the U.S. dollar and foreign currency swap spread, when available.

Defined Benefit Plans

Honeywell-sponsored defined benefit plans

Many of the Company’s employees participate in defined benefit pension plans administered and sponsored by Honeywell. The Company does not record assets or liabilities to recognize the funded status of these plans because the Company is not the legal sponsor of these plans. The Combined Financial Statements reflect the cost for these plans as if they were multi-employer plans. Costs are allocated to the Company on a pro rata basis of net sales, utilizing the Business’ proportion of total Honeywell net sales in each respective year. These allocated costs reflect the Company’s employees’ proportionate share of total costs in the Honeywell plans in which they participate, as well as an allocation of Honeywell’s corporate costs for these plans.

Solstice Advanced Materials-sponsored defined benefit plans

Certain employees of the Company participate in unfunded defined benefit plans administered and sponsored by Solstice Advanced Materials. These plans cover non-U.S. employees and retirees in certain jurisdictions, principally in Germany. The related liabilities of these plans are included in Accrued liabilities and Other liabilities on the Combined Balance Sheets (refer to Note 17 – Postretirement Benefit Plans). The Company records the service cost component in Cost of products and services sold, Research and development expenses and Selling, general and administrative expenses in the Combined Statements of Operations.

Supply Chain Financing

Honeywell maintains agreements with third-party financial institutions that offer voluntary supply chain financing (“SCF”) programs to suppliers of the Company. The SCF programs enable suppliers, at their sole discretion, to sell their receivables to third-party financial institutions in order to receive payment on receivables earlier than the negotiated commercial terms between suppliers and the Company. Supplier sale of receivables to third-party financial institutions is on terms negotiated between the supplier and the respective third-party financial institution. The Company agrees on commercial terms for the goods and services procured from suppliers, including prices, quantities, and payment terms, which normally range between 60 to 120 days, regardless of whether the supplier elects to participate in the SCF programs. A suppliers’ voluntary participation in the SCF programs has no bearing on the Company’s payment terms and the Company has no economic interest in a supplier’s decision to participate in the SCF programs. The Company agrees to pay participating third-party financial institutions the stated amounts of confirmed invoices from suppliers on the original maturity dates of the invoices.

Amounts outstanding related to SCF programs are included in Accounts payable in the Combined Balance Sheets. The following table summarizes the Company’s outstanding obligations confirmed as valid related to the SCF programs for the years ended December 31, 2024, and 2023:

	Years Ended December 31,	
	2024	2023
Confirmed obligations outstanding at the beginning of the year	\$ 72	\$ 81
Invoices confirmed during the year	198	185
Less: Confirmed invoices paid during the year	174	194
Confirmed obligations outstanding at the end of the year	\$ 96	\$ 72

Sales Recognition

Product and services sales are recognized when, or as, the Company transfers control of the promised products or services to its customers. Revenue is measured as the amount of consideration the Company expects to receive in exchange for transferring goods. The Company recognizes contract assets for goods exchanged under a contract that are not yet billable to the customer due to consignment inventory or specific shipping terms. These assets are later reclassified as trade receivables when invoiced, usually timed with the customer’s use of the product. In most circumstances, the Company recognizes revenue for products and services at the point in time in which the underlying products or services transfer to the customer.

Service sales are primarily derived from the Company’s uranium conversion services. Revenue is measured based on the consideration specified in a contract with a customer. In a toll conversion arrangement, the Company is contractually obligated to convert customer-owned uranium to a chemical state suitable for enrichment. The Company provides the converted uranium, based on the terms of the sales contract, at which point the specified quantity of converted uranium is transferred to the customer. At this point, the customer obtains control and revenue is recognized for the toll conversion services.

Revenues include estimates of variable consideration. The Company measures variable consideration at the most likely amount the Company will receive from customers. The terms of a contract or the historical business practice can give rise to variable consideration due to, but not limited to, cash-based incentives, rebates, performance awards, or credits. The Company estimates variable consideration using forecasts of Company performance and other information (historical, current and forecasted) reasonably available to the Company. Customers do not have the right to return products, except in limited circumstances.

Research and Development

Research and development costs for projects are expensed as incurred and included in Research and development expenses in the Combined Statements of Operations.

Income Taxes

Income taxes, as presented in the Combined Financial Statements attribute current and deferred income taxes of Honeywell to the Company's stand-alone financial statements in a manner that is systematic, rational and consistent with the asset and liability method prescribed by ASC 740, *Income Taxes* ("ASC 740"). Accordingly, the Company's income tax provision was prepared following the separate return method. The separate return method applies ASC 740 to the stand-alone financial statements of each member of the consolidated group as if the group members were separate taxpayers. As a result, actual transactions included in the consolidated financial statements of Honeywell may not be included in the separate Combined Financial Statements of the Company. Similarly, the tax treatment of certain items reflected in the Combined Financial Statements of the Company may not be reflected in the consolidated financial statements and tax returns of Honeywell. Therefore, items such as net operating losses, credit carryforwards and valuation allowances may exist in the stand-alone financial statements that may or may not exist in Honeywell's consolidated financial statements. As such, the income taxes of the Company as presented in the Combined Financial Statements may not be indicative of the income taxes that the Company will generate in the future.

The Company's deferred tax assets and liabilities represent differences between the tax bases of assets and liabilities and their reported amounts in the Combined Financial Statements, applying enacted tax rates expected to be in effect for the year in which the differences are expected to reverse. The Company reduces deferred tax assets by a valuation allowance if, based on the weight of available evidence, it is more likely than not that some portion or all the deferred tax assets will not be realized.

Since the Company's results are included in the Parent's consolidated tax returns, payments to certain tax authorities are made by the Parent and not by the Company. For tax jurisdictions where the Company is included with the Parent in a consolidated tax filing, the Company does not maintain taxes payable to or from the Parent. The payments are deemed to be settled immediately with the legal entities paying the tax in the respective tax jurisdictions and are reflected in the Combined Statements of Cash Flows as Net transfers to Parent within financing activities and in the Combined Balance Sheets as Net Parent investment.

The Company uses significant judgment to evaluate tax positions. The Company establishes reserves for income taxes when, despite the belief that tax positions are fully supportable, certain positions remain that do not meet the minimum recognition threshold. The Company establishes uncertain tax positions when a tax position is more likely than not to be sustained upon examination by the applicable taxing authority. In the normal course of business, the Company and its subsidiaries are examined by various federal, state, and foreign tax authorities. The Company assesses the potential outcomes of these examinations and any future examinations for the current or prior years in determining the adequacy of the provision for income taxes. The Company continually assesses the likelihood and amount of potential adjustments and adjusts the income tax provision, the current tax liability, and deferred taxes in the period in which the facts that give rise to a change in estimate become known.

Litigation

Company accrues for litigation matters when it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated. Where the available information is only sufficient to establish a range of probable liability, and no point within the range is more likely than any other, the lower end of the range has been used. When a material loss contingency is reasonably possible, but not probable, the Company does not record a liability, but instead discloses the nature of the matter and an estimate of the loss or range of loss, to the extent such estimate can be made. Legal costs, such as outside counsel fees and expenses, are charged to expense in the period that services are rendered.

Environmental

The Company accrues costs related to environmental matters when it is probable that it has incurred a liability related to a contaminated site and the amount can be reasonably estimated. See Note 19 Commitments and Contingencies for additional information.

Note 3. Related Party Transactions

Corporate Allocations

The Combined Financial Statements reflect allocations of certain expenses from Honeywell including, but not limited to, legal, accounting, information technology (“IT”), human resources and other infrastructure support. The allocation method used is a pro rata basis of net sales, utilizing the Company’s proportion of total Honeywell revenue in each respective year, relative to the Honeywell expense cost pool. Allocations for management costs and corporate support services provided to the Company totaled \$205 million, \$201 million and \$195 million for the years ended December 31, 2024, 2023 and 2022, respectively, and such amounts are included within Selling, general and administrative expenses in the Combined Statements of Operations. These corporate allocations include stock-based compensation expense allocated to the Company for corporate and shared employees of \$12 million, \$13 million and \$11 million and U.S. pension service costs of \$3 million, \$3 million and \$9 million for the years ended December 31, 2024, 2023 and 2022, respectively.

Related Party Sales and Purchases

Product sales to affiliates

Product and service sales in the Combined Statements of Operations include sales to Honeywell or its affiliates of \$125 million, \$111 million and \$107 million for the years ended December 31, 2024, 2023 and 2022, respectively.

Certain of these product sales are cash-settled and reflected on the Combined Balance Sheets. Accounts receivable – net includes \$40 million and \$44 million of these transactions as of December 31, 2024, and 2023, respectively.

Purchases from affiliates

Purchases made by the Company from Honeywell or its affiliates were \$22 million, \$26 million and \$41 million for the years ended December 31, 2024, 2023 and 2022, respectively.

Accounts payable includes \$3 million and \$7 million as of December 31, 2024 and 2023, respectively, related to such transactions.

In addition to normal recurring purchases, ConverDyn holds accrued liabilities of \$60 million and \$53 million as of December 31, 2024 and 2023, respectively, to an affiliate of General Atomics relating to payments owed by ConverDyn for the standby costs of maintaining a uranium conversion facility owned by such affiliate of General Atomics. These payments cannot be paid by ConverDyn until ConverDyn fully pays to the Company the costs of operating the AES Facility. Until repaid, these obligations to the affiliate General Atomics accrue interest at the U.S. prime rate plus two percent.

Product loans

During 2024, ConverDyn entered into an arrangement to borrow certain products from a customer of ConverDyn and loan such products to an affiliate of General Atomics until December 31, 2026, in exchange for a fixed fee billed annually. Service net sales within the Combined Statements of Operations includes \$30 million for the year ended December 31, 2024, related to this arrangement. As of December 31, 2024, the Combined Balance Sheets includes short-term and long-term unbilled Accounts receivable of approximately \$18 million and Product loans receivable of approximately \$156 million related to the loan fees receivable and the uranium ore Product loans receivable, respectively. Related to this matter, as of December 31, 2024, the Combined Balance Sheet included short-term and long-term payables and obligations in respect of loan fees payable and loans payable from ConverDyn to such customer of approximately \$1 million and approximately \$156 million, respectively, resulting in a net position of approximately \$17 million loan fees receivable and approximately \$0 loans payable/receivable for ConverDyn related to these arrangements.

Cash Management and Net Parent Investment

Honeywell uses a centralized approach for the purpose of cash management and financing of its operations. The Company's excess cash is transferred to Honeywell daily, and Honeywell funds the Company's operating and investing activities as needed. The Company operates a centralized non-interest-bearing cash pool in the U.S. and regional interest-bearing cash pools outside of the U.S. The total net effect of the settlement of these intercompany transactions is reflected in the Combined Statements of Cash Flows as a financing activity and in the Combined Balance Sheets as Net Parent investment.

Parent Company Credit Support

Honeywell provides the Company with parent credit support in certain jurisdictions. To support the Company in selling products and services globally, Honeywell enters into contracts on behalf of the Company or issues Parent guarantees. Honeywell provides similar credit support for some non-customer related activities of the Company, including Parent guarantees for the decommissioning of nuclear facilities required by the Nuclear Regulatory Commission as well as environmental remediation of certain sites (refer to Note 19 – Commitments and Contingencies for further details). There are no instances under the Company's existing customer contracts requiring payments or performance under parent company guarantees. As such, the Company recorded no amounts related to parent company guarantees in the Combined Financial Statements as of or for the years ended December 31, 2024, 2023 and 2022.

Note 4. Revenue Recognition and Contracts with Customers

The Company has a comprehensive offering of products and services sold to a variety of customers in multiple end markets. See the following disaggregated revenue table and related discussions by reportable business segment for details:

	Years Ended December 31,		
	2024	2023	2022
Refrigerants & Applied Solutions			
Refrigerants	\$ 1,302	\$ 1,372	\$ 1,285
Building Solutions and Intermediates	738	718	733
Alternative Energy Services	446	308	177
Healthcare Packaging	235	231	183
Net Refrigerants & Applied Solutions	2,721	2,629	2,378
Electronic & Specialty Materials			
Research and Performance Chemicals	482	464	600
Electronic Materials	381	407	480
Safety and Defense Solutions	186	149	129
Net Electronic & Specialty Materials	1,049	1,020	1,209
Net sales	\$ 3,770	\$ 3,649	\$ 3,587

Contract Balances

The Company tracks progress on satisfying performance obligations under contracts with customers and records the related billings and cash collections on the Combined Balance Sheets in Accounts receivable – net and Other assets (unbilled receivables (contract assets)) and Accrued liabilities and Other liabilities (customer advances and deferred revenue (contract liabilities)). Unbilled receivables (contract assets) arise when the revenue associated with the contract is recognized prior to billing and derecognized when billed in accordance with the terms of the contract. Contract assets are recognized when the revenue associated with the contract is recognized prior to billing and derecognized when billed in accordance with the terms of the contract. Contract liabilities are recorded when customers remit contractual cash payments in advance of the Company satisfying performance obligations under contractual arrangements. Contract liabilities are derecognized when revenue is recorded.

Contract balances are classified as assets or liabilities on a contract-by-contract basis at the end of each reporting period. The following table summarizes the Company's contract assets and liabilities balances:

	December 31,	
	2024	2023
Contract assets - January 1	\$ 26	\$ 18
Contract assets - December 31	51	26
Change in Contract assets - increase	25	8
Contract liabilities - January 1	(59)	(6)
Contract liabilities - December 31	(39)	(59)
Change in Contract liabilities - decrease (increase)	20	(53)
Net change	\$ 45	\$ (45)

For the years ended December 31, 2024, 2023 and 2022, the Company recognized revenue of \$45 million, \$3 million and \$3 million, respectively, that was previously included in the beginning balance of contract liabilities.

When contracts are modified to account for changes in contract specifications and requirements, the Company considers whether the modification either creates new or changes the existing enforceable rights and obligations. The effect of a contract modification on the transaction price and the Company's measure of progress for the performance obligation to which it relates is recognized as an adjustment to revenue (either as an increase in or a reduction of revenue) on a cumulative catch-up basis. When the modifications include additional performance obligations that are distinct and at stand-alone selling price, they are accounted for as a new contract and performance obligations, which are recognized prospectively.

Performance Obligations

A performance obligation is a promise in a contract to transfer a distinct good or service to the customer and is defined as the unit of account. The Company allocates a contract's transaction price to each distinct performance obligation and recognizes revenue when, or as, the performance obligation is satisfied. When contracts with customers require highly complex integration or manufacturing services not separately identifiable from other promises in the contracts and, therefore, not distinct, then the entire contract is accounted for as a single performance obligation. For contracts with multiple performance obligations, the Company allocates the contract's transaction price to each performance obligation based on the estimated relative stand-alone selling price of each distinct good or service in the contract. For product sales, each product sold to a customer typically represents a distinct performance obligation. In such cases, the observable stand-alone sales are used to determine the stand-alone selling price.

Performance obligations satisfied as of a point in time are supported by contracts with customers, providing a framework for the nature of the distinct goods, services or bundle of goods and services. The timing of satisfying the performance obligation is typically indicated by the terms of the contract. Substantially all of the Company's revenue relates to transfer of control of products at a point in time.

As of December 31, 2024, the Company's remaining performance obligations ("RPO"), which is the aggregate amount of total contract transaction price that is unsatisfied or partially unsatisfied was approximately \$2,496 million. RPO as of December 31, 2024 will be satisfied over the course of future periods. The Company's disclosure of the timing for satisfying the performance obligation is based on the requirements of contracts with customers. The timing of satisfaction of the Company's performance obligations does not significantly vary from the typical timing of payment. However, from time to time, these contracts may be subject to modifications, impacting the timing of satisfying the performance obligations. Performance obligations expected to be satisfied within one year and greater than one year are 32% and 68%, respectively.

Note 5. Other Expense (Income)

Other expense (income) consists of the following:

	Years Ended December 31,		
	2024	2023	2022
Separation costs	\$ 21	\$ —	\$ —
Foreign exchange loss – net	11	10	—
Equity income of affiliated companies	(19)	(17)	(21)
Environmental expenses	—	9	24
Other – net	2	(8)	—
Total Other expense (income)	\$ 15	\$ (6)	\$ 3

Note 6. Income Taxes***Income Before Taxes***

The sources of income from continuing operations before income taxes are as follows:

	Years Ended December 31,		
	2024	2023	2022
U.S.	\$ 553	\$ 569	\$ 688
Non-U.S.	244	245	255
Total	\$ 797	\$ 814	\$ 943

Tax Expense

Tax expense consists of the following:

	Years Ended December 31,		
	2024	2023	2022
Current:			
U.S. Federal	\$ 97	\$ 131	\$ 97
U.S. State	36	40	52
Non-U.S.	65	60	56
Total current tax expense	198	231	205
Deferred:			
U.S. Federal	(3)	(31)	10
U.S. State	(2)	(6)	(5)
Non-U.S.	(1)	1	1
Total deferred tax (benefit) expense	(6)	(36)	6
Total Tax expense	\$ 192	\$ 195	\$ 211

The U.S. federal statutory income tax rate is reconciled to the effective income tax rate as follows:

	Years Ended December 31,		
	2024	2023	2022
U.S. federal statutory income tax rate	21.0 %	21.0 %	21.0 %
Taxes on non-U.S. earnings ¹	2.9	2.3	1.5
Foreign-derived intangible income benefit	(1.4)	(1.8)	(2.9)
U.S. state income taxes	3.3	3.2	3.8
Research and development credits	(1.1)	(1.1)	(0.7)
Other	(0.6)	0.4	(0.3)
Effective income tax rate	24.1 %	24.0 %	22.4 %

1. Includes U.S. taxes on non-U.S. earnings, net of foreign tax credits.

Deferred Tax Assets (Liabilities)

The tax effects of temporary differences and tax carryforwards which give rise to future income tax benefits and payables are as follows:

	December 31,	
	2024	2023
Deferred tax assets		
Pension	\$ 7	\$ 7
Other accruals and reserves	29	24
Environmental reserves	14	14
Lease liabilities	38	51
Capitalized research & development	48	36
Other	11	11
Gross deferred tax assets	147	143
Valuation allowance	—	—
Total deferred tax assets	147	143
Deferred tax liabilities		
Right-of-use assets	(47)	(56)
Outside basis difference	(9)	(12)
Intangible assets	(26)	(28)
Unremitted earnings of foreign subsidiaries	(44)	(37)
Property, plant and equipment	(197)	(192)
Total deferred tax liabilities	(323)	(325)
Net deferred tax liability	\$ (176)	\$ (182)

As of December 31, 2024, the Company recorded a \$44 million deferred tax liability on all unremitted foreign earnings based on estimated earnings and profits of approximately \$1.3 billion as of the combined balance sheet date. As of December 31, 2023, the Company recorded a \$37 million deferred tax liability on all unremitted foreign earnings based on estimated earnings and profits of approximately \$1.2 billion as of the combined balance sheet date.

Unrecognized Tax Benefits

	December 31,		
	2024	2023	2022
Change in unrecognized tax benefits			
Balance at beginning of year	\$ 8	\$ 8	\$ 9
Gross increases related to current period tax positions	1	1	1
Gross increases related to prior period tax positions	—	—	—
Expiration of the statute of limitations for the assessment of taxes	—	—	—
Foreign currency translation	—	—	(1)
Settled with Parent through Net Parent investment	(1)	(1)	(1)
Balance at end of year	\$ 8	\$ 8	\$ 8

As of December 31, 2024, 2023 and 2022, there were \$8 million, \$8 million and \$8 million, respectively, of unrecognized tax benefits that if recognized would affect the effective tax rate.

The following table summarizes tax years that remain subject to examination by major tax jurisdictions as of December 31, 2024:

Jurisdiction	Open Tax Years	
	Examination in progress	Examination not yet initiated
U.S. Federal	2017-2021	2022-2024
U.S. State	2013-2022	2023-2024
China	2013-2024	N/A
Germany	2013-2020	2021-2024

Based on the outcome of these examinations, or as a result of the expiration of statute of limitations for specific jurisdictions, it is reasonably possible that certain unrecognized tax benefits for tax positions taken on previously filed tax returns will materially change from those recorded as liabilities in the Company's financial statements. It is not reasonably possible to estimate the increase or decrease in unrecognized tax benefits within the next 12 months.

Estimated interest and penalties related to the underpayment of income taxes are classified as a component of Income tax expense in the Combined Statement of Operations and totaled less than \$1 million for the years ended December 31, 2024, 2023 and 2022, respectively. Accrued interest and penalties were \$1 million, \$1 million, and less than \$1 million as of December 31, 2024, 2023 and 2022, respectively.

The Company's unrecognized tax positions are recorded within Other liabilities in the Combined Balance Sheets.

Note 7. Inventories

	December 31,	
	2024	2023
Raw materials	\$ 67	\$ 105
Work in process	193	199
Finished products	298	248
Total Inventories	\$ 558	\$ 552

Note 8. Property, Plant and Equipment – Net

	December 31,	
	2024	2023
Land and improvements	\$ 24	\$ 26
Machinery and equipment	3,218	3,040
Buildings and improvements	623	612
Construction in progress	285	254
Total Property, plant and equipment	4,150	3,932
Less – Accumulated depreciation	(2,404)	(2,294)
Total Property, plant and equipment – net	\$ 1,746	\$ 1,638

The company recorded depreciation expense for property, plant, and equipment, of \$175 million, \$170 million and \$146 million for the years ended December 31, 2024, 2023 and 2022, respectively.

Note 9. Goodwill and Other Intangible Assets – Net

The below table summarizes the change in goodwill for the years ended December 31, 2024 and December 31, 2023, by segment:

	December 31, 2022	Currency Translation Adjustment	December 31, 2023	Currency Translation Adjustment	December 31, 2024
Refrigerants & Applied Solutions	\$ 617	\$ 2	\$ 619	\$ (6)	\$ 613
Electronic & Specialty Materials	194	1	195	(2)	193
Total Goodwill	\$ 811	\$ 3	\$ 814	\$ (8)	\$ 806

Other intangible assets are comprised of the following:

	December 31, 2024			December 31, 2023		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Definite-life intangibles						
Customer relationships	\$ 34	\$ (27)	\$ 7	\$ 34	\$ (25)	\$ 9
Patents and technology	6	(4)	2	7	(4)	3
Other intangible assets	3	(2)	1	4	(2)	2
Total definite-life intangibles – net	43	(33)	10	45	(31)	14
Indefinite-life intangibles						
Trademarks	25	—	25	27	—	27
Total Other intangible assets – net	\$ 68	\$ (33)	\$ 35	\$ 72	\$ (31)	\$ 41

Amortization expense related to intangible assets was \$3 million for each of the years ended December 31, 2024, 2023 and 2022.

Estimated intangible asset amortization expense for each of the next five years are as follows:

	Amount
2025	\$ 3
2026	1
2027	1
2028	1
2029	1

Note 10. Other Assets

	December 31,	
	2024	2023
Equity method investments	\$ 146	\$ 130
Right-of-use assets	90	108
Long-life catalysts – net	25	26
Long-term accounts receivable	15	1
Deferred maintenance – net	7	20
Capitalized software – net	6	6
Other	—	1
Total Other assets	\$ 289	\$ 292

The Company recorded amortization expense related to Deferred maintenance and Long-life catalysts of \$37 million, \$46 million, and \$3 million for the years ended December 31, 2024, 2023, and 2022, respectively, recorded within Cost of products and services sold. Deferred maintenance primarily related to capitalized restart costs incurred for the Alternative Energy Services Facility (“[AES Facility](#)”). These items are amortized over their expected replacement period ranging from two to six years. Amortization expense for capitalized software was \$2 million, \$2 million, and \$1 million for the years ended December 31, 2024, 2023, and 2022, respectively, recorded within Selling, general and administrative expenses.

Note 11. Leases

The Company’s operating lease portfolio includes corporate offices, Research and development facilities, manufacturing sites, IT equipment, rail cars, automobiles and certain other equipment. The majority of the Company’s leases have remaining lease terms of one year to 20 years, some of which include options to extend the leases for five years or more. Operating lease ROU assets are included in Other assets on the Combined Balance Sheets. The Company includes the current portion of operating lease liabilities in Accrued liabilities, and the non-current portion of operating lease liabilities in Other liabilities on the Combined Balance Sheets.

The Company’s finance leases relate to supplier arrangements where plants were constructed by two suppliers exclusively to fulfill the Company’s long-term purchases. The Company continually evaluates changes in classification from finance leases to operating leases. Finance lease assets are included in Property, plant, and equipment on the Combined Balance Sheets. The current portion of finance lease liabilities are included in Accrued liabilities, and the non-current portion of finance lease liabilities are included in Other liabilities on the Combined Balance Sheets.

A portion of the Company's real estate leases is subject to annual changes in the Consumer Price Index ("CPI"). The changes to the CPI are treated as variable lease payments and recognized in the period in which the obligation for those payments is incurred.

	December 31,		
	2024	2023	2022
Operating lease cost	\$ 36	\$ 24	\$ 21
Short-term lease cost	—	2	7
Finance lease cost:			
Amortization of right-of-use assets	18	20	17
Interest on lease liability	10	17	20
Total finance lease cost	28	37	37
Total lease cost	\$ 64	\$ 63	\$ 65

Supplemental cash flow information related to leases was as follows:

	December 31,		
	2024	2023	2022
Cash paid for amounts included in the measurement of lease liabilities			
Operating cash flows for operating leases	\$ 34	\$ 23	\$ 21
Operating cash flows for finance leases	10	17	20
Financing cash flows for finance leases	39	33	24
Right-of-use assets obtained in exchange for lease obligations			
Operating leases	20	47	2
Finance leases	—	1	67

Supplemental combined balance sheet information related to leases was as follows:

	December 31,	
	2024	2023
Operating leases:		
Operating lease right-of-use assets	\$ 90	\$ 108
Accrued liabilities	\$ 24	\$ 25
Other liabilities	64	81
Total operating lease liabilities	\$ 88	\$ 106
Finance leases:		
Property, plant and equipment	\$ 196	\$ 196
Accumulated depreciation	(102)	(85)
Property, plant and equipment – net	\$ 94	\$ 111
Accrued liabilities	\$ 22	\$ 39
Other liabilities	37	57
Total finance lease liabilities	\$ 59	\$ 96
Weighted-average remaining lease term (in years):		
Operating leases	6	6
Finance leases	4	4
Weighted-average discount rate:		
Operating leases	3.0 %	2.8 %
Finance leases	8.4 %	12.7 %

As of December 31, 2024, maturities of lease liabilities were as follows:

	Operating Leases	Finance Leases
2025	\$ 26	\$ 26
2026	18	12
2027	15	11
2028	10	11
2029	7	6
Thereafter	19	—
Total lease payments	95	66
Less: Interest	(7)	(7)
Total maturities of lease liabilities	\$ 88	\$ 59

Note 12. Fair Value Measurements

The accounting guidance for fair value measurements and disclosures establishes a three-level fair value hierarchy:

- Level 1 - Inputs are based on quoted prices in active markets for identical assets and liabilities.
- Level 2 - Inputs are based on observable inputs other than quoted prices in active markets for identical or similar assets and liabilities.
- Level 3 - One or more inputs are unobservable and significant.

Financial and nonfinancial assets and liabilities are classified based on the lowest level of input that is significant to the fair value measurement.

The following table sets forth the Company's financial assets and liabilities accounted for at fair value on a recurring basis:

	December 31, 2024			December 31, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Product loans receivable	\$ —	\$ 264	\$ —	\$ —	\$ —	\$ —
Foreign currency exchange contracts	—	16	—	—	6	—
Total Assets	\$ —	\$ 280	\$ —	\$ —	\$ 6	\$ —
Liabilities						
Product loans payable	\$ —	\$ 264	\$ —	\$ —	\$ —	\$ —
Foreign currency exchange contracts	—	—	—	—	2	—
Commodity contracts	—	—	—	—	1	—
Total Liabilities	\$ —	\$ 264	\$ —	\$ —	\$ 3	\$ —

The Company values foreign currency exchange contracts and commodity contracts using broker quotations, or market transactions in either the listed or over-the-counter markets. As such, these derivative instruments are classified within level 2.

During 2024, the Company entered into separate agreements to lend quantities of uranium ore, which are reflected as product loans receivable, and to borrow quantities of uranium ore, which are reflected as product loans payable. As both the loans receivable and loans payable may be settled in cash, they are both separately measured on a quarterly basis at fair value which is derived using underlying uranium ore published industry average prices. As such, these instruments are classified within level 2.

The Company uses foreign currency exchange contracts to hedge foreign currency exposure. The foreign currency exchange contracts can be designated as cash flow hedges or not designated in qualifying hedging relationships under qualifying hedging activities. For the contracts designated as cash flow hedges, the Company records changes in fair value of the derivatives in Accumulated other comprehensive loss and subsequently recognized in earnings when the hedged items impact earnings. For contracts not designated as hedges, the Company records the changes in fair value in the Combined Statements of Operations based on the nature of the derivative contract and the underlying item. All derivatives instruments are presented within Accrued liabilities on the Combined Balance Sheets. As of December 31, 2024, and 2023, the Company held contracts with notional amounts of \$741 million and \$776 million, respectively, to exchange foreign currencies.

In addition, the Company entered into contracts to mitigate ethylene commodity price volatility and elected to apply hedge accounting to these contracts. The carrying value of cash and cash equivalents, trade accounts receivables and trade payables contained in the Combined Balance Sheets approximates fair value.

Note 13. Accrued Liabilities

	December 31,	
	2024	2023
Customer rebates	\$ 60	\$ 53
ConverDyn JV partner payable	60	53
Income taxes	44	31
Compensation, benefits and other employee-related	38	35
Operating lease liabilities	24	25
Finance lease liabilities	22	39
Separation costs	21	—
Environmental costs	6	2
Customer advances and deferred income	6	46
Product loans payable - current	—	20
Other	24	49
Total Accrued liabilities	\$ 305	\$ 353

Note 14. Other Liabilities

	December 31,	
	2024	2023
Operating lease liabilities	\$ 64	\$ 81
Pension and other employee-related	57	58
Environmental costs	47	52
Finance lease liabilities	37	57
Deferred income	33	13
Asset retirement obligation	17	16
Income taxes	9	10
Other	3	1
Total Other liabilities	\$ 267	\$ 288

Note 15. Stock-Based Compensation Plans

Honeywell maintains stock-based compensation plans under which it grants stock options and restricted stock units to certain management level employees. Since the Company operated together with other Honeywell businesses, the Combined Statements of Operations reflects an allocation of these expenses on a specific identification basis for employees who exclusively supported the Company or, when specific identification is not practicable, a proportional cost allocation method primarily based on revenue or directly identifiable actual costs, depending on the nature of the services. The amounts presented are not necessarily indicative of future awards and do not necessarily reflect the costs that the Company would have incurred as an independent company for the periods presented.

For the years ended December 31, 2024, 2023 and 2022, \$17 million, \$18 million and \$17 million of stock-based compensation cost was recognized in Selling, general and administrative expenses in the Combined Statements of Operations, respectively, of which \$5 million, \$5 million and \$6 million related to compensation costs for direct employees of the Business, respectively, and \$12 million, \$13 million and \$11 million related to compensation costs allocated from Honeywell, respectively. Refer to Note 3 – Related Party Transactions – Corporate Allocations for further details.

Note 16. Accumulated Other Comprehensive Loss

The changes in Accumulated other comprehensive loss are provided in the table below.

	Pretax	Tax	After Tax
Year Ended December 31, 2022			
Foreign exchange translation adjustment	\$ (60)	\$ —	\$ (60)
Pension adjustments	3	(1)	2
Changes in fair value of effective cash flow hedges	(4)	2	(2)
Total net current period other comprehensive loss	\$ (61)	\$ 1	\$ (60)
Year Ended December 31, 2023			
Foreign exchange translation adjustment	\$ 7	\$ —	\$ 7
Pension adjustments	(3)	1	(2)
Changes in fair value of effective cash flow hedges	9	(1)	8
Total net current period other comprehensive income	\$ 13	\$ —	\$ 13
Year Ended December 31, 2024			
Foreign exchange translation adjustment	\$ (62)	\$ —	\$ (62)
Pension adjustments	(6)	2	(4)
Changes in fair value of effective cash flow hedges	13	(2)	11
Total net current period other comprehensive loss	\$ (55)	\$ —	\$ (55)

Components of Accumulated Other Comprehensive Loss

	December 31,	
	2024	2023
Cumulative foreign exchange translation adjustment	\$ (218)	\$ (156)
Pension and other postretirement benefit adjustments	(5)	(1)
Fair value adjustments of cash flow hedges	10	(1)
Total Accumulated other comprehensive loss	\$ (213)	\$ (158)

Changes in Accumulated Other Comprehensive Loss by Component

	Foreign Exchange Translation Adjustment	Pension Adjustments	Changes in Fair Value of Cash Flow Hedges	Total
Balance as of January 1, 2022	\$ (103)	\$ (1)	\$ (7)	\$ (111)
Other comprehensive loss before reclassifications	(60)	2	22	(36)
Amounts reclassified from accumulated other comprehensive loss	—	—	(24)	(24)
Net current period other comprehensive loss	(60)	2	(2)	(60)
Balance as of December 31, 2022	\$ (163)	\$ 1	\$ (9)	\$ (171)
Other comprehensive income before reclassifications	7	(2)	10	15
Amounts reclassified from accumulated other comprehensive loss	—	—	(2)	(2)
Net current period other comprehensive income	7	(2)	8	13
Balance as of December 31, 2023	\$ (156)	\$ (1)	\$ (1)	\$ (158)
Other comprehensive loss before reclassifications	(62)	(4)	20	(46)
Amounts reclassified from accumulated other comprehensive loss	—	—	(9)	(9)
Net current period other comprehensive loss	(62)	(4)	11	(55)
Balance as of December 31, 2024	\$ (218)	\$ (5)	\$ 10	\$ (213)

Amounts reclassified out of Accumulated other comprehensive loss related to pension adjustments are included within Other expense (income) in the Combined Statements of Operations. Amounts reclassified out of Accumulated other comprehensive loss related to cash flow hedges are included within Net sales or Cost of products and services sold in the Combined Statements of Operations, depending on the nature of the underlying transaction being hedged.

Note 17. Postretirement Benefit Plans

Honeywell Sponsored Pension Plans

Certain employees of the Solstice Advanced Materials Business participate in U.S. pension plans sponsored by Honeywell. For the purposes of the Combined Financial Statements, the Company accounts for these plans as multiemployer plans as they are not sponsored by the Business. Therefore, the related assets and liabilities are not reflected in the Combined Balance Sheets. The Combined Statements of Operations reflect a proportionate allocation of \$3 million, \$3 million, and \$9 million for the year ended December 31, 2024, 2023 and 2022, respectively, related to service costs for the multiemployer plans associated with the Solstice Advanced Materials Business' employees.

Solstice Advanced Materials Sponsored Pension and Postretirement Benefit Plans

The Company sponsors a number of unfunded non-U.S. defined benefit pension plans. The largest plans are closed to new participants. The plans use a December 31 measurement date consistent with the Business' fiscal year.

The following tables summarize the combined balance sheet impact, including the benefit obligations, assets, and funded status associated with the Company's significant pension plans:

	December 31,	
	2024	2023
Change in benefit obligation		
Benefit obligation at beginning of year	\$ 62	\$ 55
Interest cost	2	2
Changes in financial assumptions (gain) loss	(1)	3
Actuarial loss	4	3
Benefits paid	(3)	(3)
Other, including currency impact	(3)	2
Benefit obligation at end of year	61	62
Amounts recognized in the Combined Balance Sheets consist of		
Accrued liabilities	4	4
Other liabilities	57	58
Net amount recognized	61	62
Amounts recognized in Accumulated other comprehensive loss:		
Net actuarial gain	6	3
Net amount recognized	\$ 6	\$ 3

Information for pension plans with accumulated benefit obligations and projected benefit obligations in excess of plan assets:

	December 31,	
	2024	2023
Projected benefit obligation	\$ 61	\$ 62
Accumulated benefit obligation	61	62
Fair value of plan assets	—	—

Net periodic pension expense (benefit) for the years ended December 31, 2024, 2023 and 2022 was not significant. Other changes in benefit obligations recognized in Other comprehensive (loss) income are as follows:

	Years Ended December 31,		
	2024	2023	2022
Net actuarial loss (gain) arising the during period	\$ 6	\$ 3	\$ (3)
Amortization of prior actuarial (gains) losses	—	—	—
Total recognized in other comprehensive loss (income)	6	3	(3)
Net recognized in net periodic pension expense (benefit) and other comprehensive loss	\$ 8	\$ 5	\$ (2)

Major actuarial assumptions used in determining the benefit obligation and net periodic pension expense (benefit) for pension plans are presented in the following table as weighted averages:

	Benefit Obligation			Net Periodic Pension Costs		
	2024	2023	2022	2024	2023	2022
Discount rate						
Projected benefit obligation	3.4 %	3.3 %	3.8 %	3.3 %	3.3 %	3.7 %
Salary scale	2.8 %	2.8 %	2.8 %	2.8 %	2.8 %	2.8 %

The weighted-average discount rates used to measure pension benefit obligations and net costs are set by reference to specific analyses using each plan's specific cash flows and high-quality bond indices to assess reasonableness. For significant plans, the Company utilizes a full yield curve approach in the estimation of the service cost and interest cost components by applying the specific spot rates along the yield curve used in determination of the benefit obligation to the relevant projected cash flows.

The Company did not make any significant cash contributions to its defined benefit pension plans during the years ended December 31, 2024, 2023 and 2022 and does not expect to make any significant contributions in 2025. Contributions do not reflect benefits to be paid directly from the plan assets. Benefits paid in the years ended December 31, 2024, 2023 and 2022 were approximately \$3 million for each of the periods. Benefit payments expected to be paid as follows:

	Amount
2025	\$ 4
2026	4
2027	4
2028	4
2029	4
2030-2034	18

Note 18. Investments

Equity method investments

The total balance of the Company's equity method investments recorded within Other assets in the Combined Balance Sheets as of December 31, 2024 and 2023 was \$146 million and \$130 million, respectively. These equity method investments are not considered significant for disclosure of summarized financial information on either an individual or aggregated basis.

The Company's principal equity method investments as of December 31, 2024, 2023 and 2022 are as follows:

Asahi-Schwebel JV

Asahi-Schwebel (Taiwan) Co., Ltd. is a JV between the Company and Asahi Kasei EMD Corporation which manufactures woven glass fabrics in China and sells licensed products worldwide. The JV supplies raw materials and semi-finished products to the Company. The Company holds a 49% ownership interest in this JV. The Company does not maintain a controlling interest and therefore, the investment is presented as an equity method investment in the Combined Balance Sheets. The Company's investment in this JV was \$29 million and \$27 million as of December 31, 2024 and 2023, respectively, classified as Other assets in the Combined Balance Sheets.

Quimobásicos JV

Quimobásicos, S.A. de C.V. is a JV between the Company and Celulosa y Derivados, S.A. in Mexico which specializes in manufacturing refrigerant gases for sale primarily in Central America, South America and the

Caribbean. The Company holds a 49% ownership interest in this JV. The Company does not maintain a controlling interest and therefore, the investment is presented as an equity method investment in the Combined Balance Sheets. The Company's investment in this JV was \$26 million and \$20 million as of December 31, 2024 and 2023, respectively, classified as Other assets in the Combined Balance Sheets.

Variable Interest Entities

Entities identified as Variable interest entities (“VIEs”) have been evaluated to determine whether the Company is the primary beneficiary. The Company consolidates VIEs for which it is the primary beneficiary, and if the Company is not the primary beneficiary and an ownership interest is held, the VIE is accounted for under the equity method of accounting. Investments identified as VIEs are discussed below under consolidated VIE and unconsolidated VIE.

Consolidated VIE

ConverDyn JV

ConverDyn is a JV between the Company and General Atomics, Inc. (“General Atomics”) that provides uranium hexafluoride conversion and related services to utilities operating nuclear power plants in North America, Europe and Asia. ConverDyn is the exclusive purchaser of uranium conversion services provided by the AES Facility. The Company and General Atomics each hold a 50% interest in the JV. ConverDyn is classified as a VIE as (x) the Company holds responsibility for and provides anticipated financial support of certain of ConverDyn’s obligations including certain performance guarantees related to conversion services historically provided by Honeywell to ConverDyn’s customers which guarantees the Company will seek to assume from Honeywell, and has agreed to indemnify Honeywell against, pursuant to the Separation Agreement, and (y) the Company’s operations of and cost recovery for the AES Facility allows a minimum return related to ConverDyn. The Company is the primary beneficiary as it has the power to direct activities that most significantly impact ConverDyn’s economic performance.

The following summarizes the assets and liabilities of the ConverDyn JV included in the Company’s Combined Financial Statements (including noncontrolling interests):

	December 31, 2024		December 31, 2023	
	Assets	Liabilities	Assets	Liabilities
ConverDyn JV	\$ 360	\$ 436	\$ 88	\$ 229

As of December 31, 2024, the current assets and current liabilities related to the ConverDyn JV were \$80 million and \$109 million, respectively. Of the current liabilities, \$60 million is related to the JV partner payable. The Company additionally recorded product loans receivable and product loans payable reflected in the Combined Balance Sheets which amounted to \$264 million and \$293 million, respectively.

Unconsolidated VIE

SinoChem JV

SinoChem is a JV between the Company and Sinochem Lantian New Materials Co., Ltd in China that manufactures and sells foam blowing agents for energy efficient foam insulation in Asia. The Company’s variable interest in this JV is primarily related to third party borrowings of the JV which are guaranteed by the Company. This JV is accounted for as an equity method investment as the Company does not maintain a controlling interest. The Company's investment in this JV was \$91 million and \$83 million as of December 31, 2024 and 2023, respectively, classified as Other assets in the Combined Balance Sheets.

The entity is exposed to a maximum loss equal to the sum of i) the current carrying value of the investment, assuming no future capital funding requirements and ii) its share of principal and interest payable related to third party debt owed by the JV and guaranteed by the Company. As of December 31, 2024, the Company’s total

maximum exposure to loss was \$95 million. The carrying values of assets and liabilities of the VIE are summarized below:

	December 31, 2024		December 31, 2023	
	Assets	Liabilities	Assets	Liabilities
SinoChem JV	\$ 178	\$ 28	\$ 159	\$ 27

Note 19. Commitments and Contingencies

Environmental Matters

The Company records liabilities for environmental matters when remedial efforts or damage claim payments are probable and the costs can be reasonably estimated. Such liabilities are based on the Company's best estimate of the undiscounted future costs required to complete the remedial work. The recorded liabilities are adjusted periodically as remediation efforts progress or as additional technical, regulatory, or legal information becomes available. Given the uncertainties regarding the status of laws, regulations, enforcement policies, the impact of other potentially responsible parties, technology, and information related to individual sites, the Company does not believe it is possible to develop an estimate of the range of reasonably possible environmental loss in excess of the Company's recorded liabilities. Costs related to environmental remediation are charged to expense in the period that the associated liability is accrued. The following table summarizes information concerning the Company's recorded liabilities for environmental costs:

	December 31,		
	2024	2023	2022
Beginning of year	\$ 54	\$ 46	\$ 36
Accruals for environmental matters deemed probable and reasonably estimable	—	9	24
Environmental liability payments	(1)	(1)	(14)
End of year	\$ 53	\$ 54	\$ 46

	December 31,	
	2024	2023
Accrued liabilities	\$ 6	\$ 2
Other liabilities	47	52
Total environmental liabilities	\$ 53	\$ 54

The following table sets forth the Company's environmental remediation liabilities at December 31, 2024 and 2023 for the two sites that are deemed the most significant during the periods presented, together with the aggregate liabilities for all other sites.

	December 31,	
	2024	2023
Delaware Valley Works Facility ¹	\$ 38	\$ 38
Amherstburg - Ontario, Canada	5	6
All other sites ²	10	10
Total environmental liabilities	\$ 53	\$ 54

1. The Environmental reserve liability at Delaware Valley Works Facility is associated with a repositioning project, which started remediating in 2024.

2. Comprising 16 other sites, inclusive of Buffalo River, New York and Seelze, Germany sites which started remediating in 2022.

The Company does not currently possess sufficient information to reasonably estimate the amounts of environmental liabilities to be recorded upon future completion of studies, litigation, or settlements, and neither the timing nor the

amount of the ultimate costs associated with environmental matters can be determined, although they could be material to the Company's combined results of operations and operating cash flows in the periods recognized or paid. However, considering the Company's past experience and existing reserves, the Company does not expect that environmental matters will have a material adverse effect on its combined financial position.

Asset Retirement Obligations

Asset retirement obligations result from legal obligations associated with the retirement of long-lived assets that result from the acquisition, construction, development and/or the normal operation of a long-lived asset. Accordingly, the Company recognizes asset retirement obligations in the period in which they are incurred if a reasonable estimate of fair value can be made. The associated asset retirement costs are capitalized as part of the carrying amount of the long-lived asset. The Company depreciates the amount added to property, plant and equipment on a straight-line basis, and recognizes accretion expense in connection with the discounted liability over the remaining useful life of the asset.

The Company recognized as a liability the present value of the estimated future costs to decommission its uranium conversion facility. The estimated liability is based on the estimated useful lives of the underlying asset, third-party estimates of the cost to decommission the asset in the future, and federal and state regulatory requirements, adjusted for inflation and discounted using the Company's credit-adjusted risk-free rate that range from 6.5% to 6.6%. Revisions to the liability could occur due to changes in the Company's estimated useful lives of the underlying assets, estimated dates of decommissioning and timing of related cash outflows, changes in decommissioning costs, changes in federal or state regulatory guidance on the decommissioning of such facilities, or other changes in estimates. The Company recognizes changes due to revised estimates by adjusting the carrying amount of the liability and the related long-lived asset if the asset is still in service or charged to expense in the period if the asset is no longer in service.

Other Matters

AES Facility matters

Since 2018, the Company has been involved in various legal proceedings in the United States District Court for the Southern District of Illinois related to its AES Facility, including eight separate lawsuits alleging cancer caused by radiation exposures that were settled in 2024. The Company remains involved in additional legal proceedings (i) related to alleged radiation contamination of properties around the plant by the city of Metropolis, Illinois, and the county of Massac, Illinois, and (ii) a class action lawsuit alleging property damage by a group of plaintiffs on behalf of all property owners within a three-mile radius of the facility. The Company is currently awaiting rulings on a motion for summary judgment related to the city and county cases, with rulings expected in the quarters ended June 30 or September 30, 2025. For the alleged class action, the parties completed briefing on the plaintiffs' motion for class certification and a ruling is expected in the quarter ended June 30 or September 30, 2025. All plaintiffs in these matters are seeking compensatory damages and, in certain cases, punitive damages, medical monitoring, declaratory and/or injunctive relief. The Company is also actively pursuing claims for indemnification for these lawsuits and the expenses to defend them, including from the Department of Energy under the Price Anderson Act, to which it believes it is entitled under the law, as well as claims under Honeywell's nuclear liability policies with American Nuclear Insurers. While we cannot predict the outcome of these matters, based on the facts currently known to us, we do not anticipate that these matters will have a material adverse effect on our financial condition, results of operations, or cash flows.

Other matters

The Company is subject to a number of other lawsuits, investigations, and disputes (some of which involve substantial amounts claimed) arising out of the conduct of the Company's business, including matters relating to commercial transactions, intellectual property, and environmental, health, and safety matters. The Company recognizes liabilities for any contingency that is probable of occurrence and reasonably estimable. The Company continually assesses the likelihood of adverse judgments or outcomes in such matters, as well as potential ranges of probable losses (taking into consideration any insurance recoveries), based on a careful analysis of each matter with the assistance of outside legal counsel and, if applicable, other experts.

Given the uncertainty inherent in litigation and investigations, the Company cannot predict when or how these matters will be resolved and does not believe it is possible to develop estimates of reasonably possible loss (or a range of possible loss) in excess of current accruals for commitment and contingency matters. Considering the Company's past experience and existing accruals, the Company does not expect the outcome of such matters, either individually or in the aggregate, to have a material adverse effect on the Company's Combined financial position. Because most contingencies are resolved over long periods of time, potential liabilities are subject to change due to new developments (including new discovery of facts, changes in legislation, and outcomes of similar cases through the judicial system) or changes in assumptions, which could cause the Company to pay damage awards or settlements (or become subject to equitable remedies) that could have a material adverse effect on the Company's Combined results of operations or operating cash flows in the periods recognized or paid.

Note 20. Segment Financial Data

The Company globally manages its business operations through two reportable business segments. Segment information is consistent with how the President and Chief Executive Officer of the Solstice Advanced Materials business, who is the Chief Operating Decision Maker ("CODM"), and management reviews the businesses, makes investing and resource allocation decisions, and assesses operating performance.

Refrigerants & Applied Solutions – A global provider of specialty solutions across the value chain of refrigerant and blowing agent materials for various end markets, such as cooling, air conditioning and refrigeration, automotive, energy, building and appliance insulation, and healthcare. Refrigeration & Applied Solution offerings include (i) Refrigerants, (ii) Building Solutions and Intermediates, (iii) Alternative Energy Services, and (iv) Healthcare Packaging. Refrigerants includes refrigerants for both stationary and automotive applications. The Building Solutions and Intermediates supplies low global warming potential blowing agents for foam and appliance insulation, cleaning solvents, and lower emissions medical aerosols. Alternative Energy Services provides low carbon energy services in the form of uranium hexafluoride conversion and related services and products to utilities operating nuclear power plants. Healthcare Packaging includes specialty packaging materials characterized by a high moisture barrier and high clarity.

Electronic & Specialty Materials – A global provider of electronic materials, industrial-grade fibers, and laboratory life science materials for a diverse set of end markets, such as semiconductors, defense, pharmaceutical, and construction. The Electronic & Specialty Materials offerings include (i) Research and Performance Chemicals, (ii) Electronic Materials, and (iii) Safety and Defense Solutions business units. The Research and Performance Chemicals includes research chemicals, fine chemicals, and specialty additives. Electronic Materials is a provider of sputtering targets, electronic polymers, thermal solutions, and high purity etchants and wash solvents used in semiconductor manufacturing. Safety and Defense Solutions provides ultra-high molecular weight polyethylene materials which are specialty fibers primarily for armor as well as medical and industrial applications.

The CODM evaluates segment performance based on segment adjusted EBITDA, by comparing budget-to-actual and period-over-period results. Each segment's adjusted EBITDA excludes depreciation, amortization, general corporate unallocated expense, interest and other financial charges, stock compensation expense, pension and other

postretirement income (expense), repositioning charges, accretion expense, transaction costs and other items within Other expense (income) which are collectively included within income before taxes.

The below table summarizes information about significant segment expenses and other segment items, for each historical period:

	Years Ended December 31,					
	2024		2023		2022	
	Refrigerants & Applied Solutions	Electronic & Specialty Materials	Refrigerants & Applied Solutions	Electronic & Specialty Materials	Refrigerants & Applied Solutions	Electronic & Specialty Materials
Net sales						
Products	\$ 2,404	\$ 1,049	\$ 2,404	\$ 1,020	\$ 2,230	\$ 1,209
Services	317	—	225	—	148	—
Total Net sales	2,721	1,049	2,629	1,020	2,378	1,209
Less						
Cost of products and services sold ¹	1,678	784	1,591	773	1,363	842
Selling, general and administrative expenses ²	124	77	126	77	103	79
Other segment items ³	36	26	36	27	31	27
Add						
Depreciation	137	37	116	49	104	39
Amortization	38	2	47	3	4	2
Segment Adjusted EBITDA	\$ 1,058	\$ 201	\$ 1,039	\$ 195	\$ 989	\$ 302

1. Amounts exclude ARO accretion, repositioning charges, and other non-recurring items.

2. Amounts exclude stock compensation expense, transaction costs, pension and other postretirement income (expense), repositioning charges, and other non-recurring items.

3. For each reportable segment, the other segment items category includes Research and development expenses and equity income of affiliated companies.

A reconciliation of segment adjusted EBITDA to net income is as follows:

	December 31,		
	2024	2023	2022
Refrigerants & Applied Solutions	\$ 1,058	\$ 1,039	\$ 989
Electronic & Specialty Materials	201	195	302
Segment Adjusted EBITDA	\$ 1,259	\$ 1,234	\$ 1,291
Corporate and All Other EBITDA	(161)	(144)	(148)
Depreciation ¹	(175)	(170)	(146)
Amortization ²	(42)	(51)	(7)
Interest and other financial charges	(13)	(16)	(21)
Other expense ³	(34)	(11)	(24)
Stock compensation expense ⁴	(17)	(18)	(17)
Other non-recurring items ²	(10)	(1)	23
ARO accretion ⁵	(2)	(1)	(2)
Transaction costs ⁴	(4)	(1)	(3)
Pension and other postretirement expense ⁴	(2)	(2)	(1)
Repositioning charges ²	(2)	(5)	(2)
Income tax expense	(192)	(195)	(211)
Net income	\$ 605	\$ 619	\$ 732

1. Amounts included in Cost of products and services sold, Selling, general and administrative expenses, and Research and development expenses.

2. Amounts included in Cost of products and services sold and Selling, general and administrative expenses.

3. Amounts included in Other expense (income), excluding equity income of affiliated companies.

4. Amounts included in Selling, general and administrative expenses.

5. Amounts included in Cost of products and services sold.

	December 31,	
	2024	2023
Total assets reconciliation		
Refrigerants & Applied Solutions	\$ 3,157	\$ 2,894
Electronic & Specialty Materials	1,192	1,157
Corporate and All Other	655	606
Total assets	\$ 5,004	\$ 4,657

	December 31,		
	2024	2023	2022
Capital expenditures			
Refrigerants & Applied Solutions	\$ 228	\$ 234	\$ 163
Electronic & Specialty Materials	63	61	91
Corporate and All Other	5	4	—
Total	\$ 296	\$ 299	\$ 254

Note 21. Geographic Areas and Customers

	Net Sales ¹			Long-lived Assets ²		
	Years Ended December 31,			Years Ended December 31,		
	2024	2023	2022	2024	2023	2022
United States	2,285	2,205	2,194	1,564	1,454	1,323
Europe, Middle East and Africa	886	859	815	118	117	107
Other International	599	585	578	64	67	68
Total	\$ 3,770	\$ 3,649	\$ 3,587	\$ 1,746	\$ 1,638	\$ 1,498

1. Sales between geographic areas approximate market value and are not significant. Net sales are classified according to their country of origin. Included in United States Net sales are export sales of \$720 million, \$576 million, and \$562 million for the years ended December 31, 2024, 2023, and 2022, respectively.
2. Long-lived assets are comprised of Property, plant and equipment – net.

Note 22. Subsequent Events

The Company evaluated subsequent events for recognition or disclosure through May 1, 2025, the date the Combined Financial Statements were available to be issued.

SOLSTICE ADVANCED MATERIALS
(A BUSINESS OF HONEYWELL INTERNATIONAL INC.)

CONDENSED COMBINED STATEMENTS OF OPERATIONS (Unaudited)
(Dollars in millions)

	Six Months Ended June 30,	
	2025	2024
Product sales ¹	\$ 1,783	\$ 1,778
Service sales ²	147	172
Net sales	1,930	1,950
Costs, expenses and other		
Cost of products sold ³	1,132	1,146
Cost of services sold	116	135
Total cost of products and services sold	1,248	1,281
Research and development expenses	45	41
Selling, general and administrative expenses	198	199
Other expense (income)	49	(3)
Interest and other financial charges	3	7
Total costs, expenses and other	1,543	1,525
Income before taxes	387	425
Income tax expense	148	101
Net income	239	324
Less: Net income attributable to noncontrolling interest	8	14
Net income attributable to Solstice Advanced Materials	\$ 231	\$ 310

1. Product sales include related party product sales of \$38 million and \$34 million, for periods ending June 30, 2025 and 2024, respectively.
2. Service sales include related party service sales of \$0 and \$29 million, for periods ending June 30, 2025 and 2024, respectively.
3. Cost of products sold include related party cost of products sold of \$8 million and \$10 million, for periods ending June 30, 2025 and 2024, respectively.

The Notes to the Condensed Combined Financial Statements are an integral part of this statement.

SOLSTICE ADVANCED MATERIALS
(A BUSINESS OF HONEYWELL INTERNATIONAL INC.)

CONDENSED COMBINED STATEMENTS OF COMPREHENSIVE INCOME (Unaudited)
(Dollars in millions)

	Six Months Ended June 30,	
	2025	2024
Net income	\$ 239	\$ 324
Other comprehensive income (loss), net of tax		
Foreign exchange translation adjustment	88	(38)
Pension and other postretirement benefit adjustments	(2)	(1)
Cash flow hedges recognized in other comprehensive income	(37)	4
Less: Reclassification adjustment for gains included in net income	—	(4)
Changes in fair value of cash flow hedges	(37)	—
Total other comprehensive income (loss), net of tax	49	(39)
Comprehensive income	\$ 288	\$ 285

The Notes to the Condensed Combined Financial Statements are an integral part of this statement.

SOLSTICE ADVANCED MATERIALS
(A BUSINESS OF HONEYWELL INTERNATIONAL INC.)
CONDENSED COMBINED BALANCE SHEETS (Unaudited)
(Dollars in millions)

	June 30, 2025	December 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 873	\$ 661
Accounts receivable, less allowances of \$7 and \$7, respectively ¹	659	569
Inventories	648	558
Other current assets	67	73
Total current assets	2,247	1,861
Property, plant and equipment – net	1,798	1,746
Goodwill	820	806
Other intangible assets – net	37	35
Deferred income taxes	2	3
Product loans receivable ²	263	264
Other assets ³	290	289
Total assets	\$ 5,457	\$ 5,004
LIABILITIES		
Current liabilities:		
Accounts payable ⁴	\$ 876	\$ 778
Accrued liabilities ⁵	356	305
Total current liabilities	1,232	1,083
Deferred income taxes	173	179
Product loans payable	297	293
Other liabilities	282	267
Total liabilities	1,984	1,822
EQUITY		
Net Parent investment	3,706	3,471
Accumulated other comprehensive loss	(164)	(213)
Total Net Parent investment	3,542	3,258
Non-controlling interest	(69)	(76)
Total equity	3,473	3,182
Total liabilities and equity	\$ 5,457	\$ 5,004

1. Accounts receivable include related party receivables of \$34 million and \$40 million, as of June 30, 2025 and December 31, 2024, respectively.
2. Product loans receivable include related party loans receivables of \$156 million and \$156 million as of June 30, 2025 and December 31, 2024, respectively.
3. Other assets include related party long-term receivables of \$0 and \$7 million as of June 30, 2025 and December 31, 2024, respectively.
4. Accounts payable include related party accounts payables of \$3 million and \$3 million as of June 30, 2025 and December 31, 2024, respectively.
5. Accrued liabilities include related party payables of \$64 million and \$60 million as of June 30, 2025 and December 31, 2024, respectively.

The Notes to the Condensed Combined Financial Statements are an integral part of this statement.

SOLSTICE ADVANCED MATERIALS
(A BUSINESS OF HONEYWELL INTERNATIONAL INC.)

CONDENSED COMBINED STATEMENTS OF CASH FLOWS (Unaudited)
(Dollars in millions)

	Six Months Ended June 30,	
	2025	2024
Cash flows from operating activities:		
Net income	\$ 239	\$ 324
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation	105	84
Amortization	11	28
Equity income of affiliated companies	(10)	(10)
Gain on sale of fixed assets	(15)	—
Stock compensation expense	12	9
Deferred income taxes	(7)	(4)
Other	—	—
Changes in assets and liabilities		
Accounts receivable ¹	(70)	44
Inventories	(68)	20
Other current assets	4	(8)
Accounts payable ²	87	(39)
Deferred income and customer advances	(1)	(41)
Accrued liabilities ³	24	7
Other ⁴	(1)	(50)
Net cash provided by operating activities	310	364
Cash flows from investing activities:		
Capital expenditures	(138)	(131)
Cash paid for long-life catalysts and deferred maintenance	(1)	—
Proceeds from disposals of property, plant, and equipment	23	—
Other	(2)	(2)
Net cash used for investing activities	(118)	(133)
Cash flows from financing activities:		
Net transfers to Parent	(7)	(187)
Finance lease payments	(5)	(18)
Net cash used for financing activities	(12)	(205)
Effect of foreign exchange rate changes on cash and cash equivalents	32	(19)
Net increase in cash and cash equivalents	213	7
Cash and cash equivalents at beginning of period	661	606
Cash and cash equivalents at end of period	\$ 873	\$ 613

1. Includes decrease in related party receivables of \$6 million and \$7 million for periods ending June 30, 2025 and 2024, respectively.

2. Includes increase/(decrease) in related party accounts payables of \$1 million and \$(4) million for periods ending June 30, 2025 and 2024, respectively.

3. Includes increase in related party accrued liabilities of \$4 million and \$3 million for periods ending June 30, 2025 and 2024, respectively.

4. Includes decrease/(increase) in related party long-term receivable of \$7 million and \$(7) million for periods ending June 30, 2025 and 2024, respectively.

The Notes to the Condensed Combined Financial Statements are an integral part of this statement.

SOLSTICE ADVANCED MATERIALS
(A BUSINESS OF HONEYWELL INTERNATIONAL INC.)

CONDENSED COMBINED STATEMENTS OF EQUITY (Unaudited)
(Dollars in millions)

	Net Parent Investment	Accumulated Other Comprehensive Loss	Noncontrolling Interest	Total Equity
Balance as of December 31, 2023	\$ 3,269	\$ (158)	\$ (83)	\$ 3,028
Net income	310	—	14	324
Foreign exchange translation adjustment	—	(38)	—	(38)
Pension and other postretirement benefit adjustments	—	(1)	—	(1)
Changes in fair value of cash flow hedges	—	—	—	—
Net transfers to Parent	(175)	—	(4)	(179)
Balance as of June 30, 2024	\$ 3,404	\$ (197)	\$ (73)	\$ 3,134
Balance as of December 31, 2024	\$ 3,471	\$ (213)	\$ (76)	\$ 3,182
Net income	231	—	8	239
Foreign exchange translation adjustment	—	88	—	88
Pension and other postretirement benefit adjustments	—	(2)	—	(2)
Changes in fair value of cash flow hedges	—	(37)	—	(37)
Net transfers from (to) Parent	4	—	(1)	3
Balance as of June 30, 2025	\$ 3,706	\$ (164)	\$ (69)	\$ 3,473

The Notes to the Condensed Combined Financial Statements are an integral part of this statement.

SOLSTICE ADVANCED MATERIALS
(A BUSINESS OF HONEYWELL INTERNATIONAL INC.)

NOTES TO THE CONDENSED COMBINED FINANCIAL STATEMENTS (Unaudited)
(Dollars in millions, unless otherwise noted)

Note 1. Business Overview and Basis of Presentation

The accompanying Condensed Combined Financial Statements and notes present the combined results of operations, financial position and cash flows of the Solstice Advanced Materials business (“Solstice Advanced Materials”, the “Business” or the “Company”) of Honeywell International Inc. (“Honeywell” or “Parent”). The Company is a global specialty chemicals and advanced materials company with positions in refrigerants, semiconductor materials, protective fibers, and healthcare packaging. The Company manages and reports its operating results through its two reportable segments: (i) Refrigerants & Applied Solutions and (ii) Electronic & Specialty Materials, in accordance with Accounting Standards Codification (“ASC”) 280, *Segment Reporting*. The remainder of the Business’ operations are presented in Corporate and All Other, which is not a reportable business segment.

On October 8, 2024, Honeywell announced its plan to spin-off its Advanced Materials business into an independent, U.S. publicly traded company. The spin-off is expected to be completed through a tax-free pro rata distribution of all of the outstanding shares of common stock of Solstice Advanced Materials to Honeywell stockholders.

For the periods presented in these Condensed Combined Financial Statements, the Business historically operated as part of Honeywell’s Energy and Sustainability Solutions reportable business segment; consequently, separate financial statements have not historically been prepared for the Business. The Condensed Combined Financial Statements have been derived from Honeywell’s historical accounting records as if the operations of the Business had been conducted independently from Honeywell and were prepared on a stand-alone basis in accordance with accounting principles generally accepted in the United States of America (“GAAP”) pursuant to the rules and regulations of the U.S. Securities and Exchange Commission (“SEC”) and, in the opinion of management, include all adjustments (consisting of normal, recurring adjustments, unless otherwise disclosed) necessary for a fair statement of the condensed combined results of operations, financial position, and cash flows for each period presented.

The combined results for the interim periods are not necessarily indicative of results to be expected for the full year. The 2024 year-end Combined Balance Sheet was derived from audited financial statements but does not include all disclosures required by GAAP. These financial statements should be read in conjunction with financial statements and notes included in our audited Combined Financial Statements for the year ended December 31, 2024.

The Condensed Combined Financial Statements include all revenues and costs directly attributable to the Business and an allocation of expenses related to certain Honeywell corporate functions (refer to Note 3 – Related Party Transactions). These expenses are allocated to the Business based on a proportion of net sales. The Business and Honeywell consider these allocations to be a reasonable reflection of the utilization of services or the benefits received. However, the allocations may not be indicative of the actual expenses that would have been incurred had the Business operated as an independent, stand-alone entity, nor are they indicative of future expenses of the Business.

The Condensed Combined Financial Statements include assets and liabilities specifically attributable to the Business and certain assets and liabilities held by Honeywell that are specifically identifiable or otherwise attributable to the Business. Honeywell uses a centralized approach to cash management and financing of its operations. Accordingly, a substantial portion of the Business’ cash accounts are regularly cleared to the Parent at Honeywell’s discretion and Honeywell funds the Business’s operating and investing activities as needed. Transfers of cash between Honeywell and the Business are included within Net transfers to Parent on the Condensed Combined Statements of Cash Flows and the Condensed Combined Statements of Equity. Cash and cash equivalents in the Condensed Combined Financial Statements represent cash and cash equivalents held by, or amounts otherwise attributable to, the Business. Honeywell’s long-term debt and related interest expense are not attributed to the Business for any of the periods presented as the Business is not the legal obligor of such borrowings and Honeywell’s borrowings are not directly

attributable to the Business. This arrangement is not reflective of the debt costs the Business would have incurred had it been a stand-alone business separate from Honeywell during the periods presented.

The historical results of operations, financial position and cash flows of the Business presented in these Condensed Combined Financial Statements may not be indicative of what they would have been had the Business been an independent stand-alone entity, nor are they necessarily indicative of the Business' future combined results of operations, financial position, and cash flows.

All intercompany transactions and balances within the Business have been eliminated. Transactions between the Business and Honeywell are deemed to have been settled immediately through Net Parent investment. The net effect of the deemed settled transactions is reflected in the Condensed Combined Statements of Cash Flows as Net transfers to Parent within financing activities and in the Condensed Combined Balance Sheets as Net Parent investment.

Solstice Advanced Materials historically reports its quarterly financial information using a calendar convention; the first, second, and third quarters are consistently reported as ending on March 31, June 30, and September 30, respectively. It is Solstice Advanced Materials' practice to establish actual quarterly closing dates using a predetermined fiscal calendar, which requires Solstice Advanced Materials' businesses to close their books on a Saturday in order to minimize the potentially disruptive effects of quarterly closing on the Company's business processes. The effects of this practice are generally not significant to reported results for any quarter and only exist within a reporting year. In the event differences in actual closing dates are material to year-over-year comparisons of quarterly or year-to-date results, Solstice Advanced Materials will provide appropriate disclosures. Solstice Advanced Materials' actual closing dates for the six months ended June 30, 2025, and 2024, were June 28, 2025, and June 29, 2024, respectively.

Note 2. Summary of Significant Accounting Policies

The significant accounting policies of the Company are set forth in Note 2 - Summary of Significant Accounting Policies within the Company's audited Combined Financial Statements as of December 31, 2024 and 2023 and for the years ended December 31, 2024, 2023, and 2022. The Company includes herein certain updates to those policies.

Supply Chain Financing

Amounts outstanding related to supply chain financing programs are included in Accounts payable in the Condensed Consolidated Balance Sheet. Accounts payable related to supply chain financing programs included approximately \$110 million and \$96 million as of June 30, 2025, and December 31, 2024, respectively.

Recent Accounting Pronouncements

The Company considers the applicability and impact of all Accounting Standards Updates (ASUs) issued by the Financial Accounting Standards Board (FASB). ASUs not listed below were assessed and determined to be either not applicable or are expected to have minimal impact on the Company's Condensed Combined Financial Statements.

In November 2024, the FASB issued ASU 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*, which requires companies to disclose additional information about the types of expenses in commonly presented expense captions. The new standard requires tabular disclosure of specified natural expenses in certain expense captions, a qualitative description of amounts that are not separately disaggregated, and disclosure of the Company's definition and total amount of selling expenses. The ASU should be applied prospectively for annual reporting periods beginning after December 15, 2026, with retrospective application and early adoption permitted. The Company is currently evaluating the impacts of this guidance on the Company's Condensed Combined Financial Statements.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Taxes Disclosures*, which requires greater disaggregation of income tax disclosures. The new standard requires additional information to be disclosed annually with respect to the income tax rate reconciliation and income taxes paid

disaggregated by jurisdiction. This ASU should be applied prospectively for fiscal years beginning after December 15, 2024, with retrospective application permitted. The Company is currently evaluating the impacts of this guidance on the Company's Condensed Combined Financial Statements.

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*, which requires companies to enhance the disclosures about segment expenses. The new standard requires the disclosure of the Company's Chief Operating Decision Maker (CODM), expanded incremental line-item disclosures of significant segment expenses used by the CODM for decision-making, and the inclusion of previous annual only segment disclosure requirements on a quarterly basis. The Company adopted this guidance for annual disclosures for the year ended December 31, 2024, and interim disclosures for the six months ended June 30, 2025. The adoption of this standard did not have a material impact on the Company's Condensed Combined Financial Statements.

In August 2023, the FASB issued ASU 2023-05, *Business Combinations - Joint Venture Formations*, which requires joint ventures ("JVs") to initially measure its assets and liabilities at fair value on the formation date. This ASU should be applied prospectively to all JVs formed on or after January 1, 2025, with early adoption permitted. The Company adopted the guidance and will apply the provisions of ASU 2023-05 to JVs formed on or after January 1, 2025.

Note 3. Related Party Transactions

Corporate Allocations

The Condensed Combined Financial Statements reflect allocations of certain expenses from Honeywell including, but not limited to, legal, accounting, information technology ("IT"), human resources and other infrastructure support. The allocation method used is a pro rata basis of net sales, utilizing the Company's proportion of total Honeywell revenue in each respective year, relative to the Honeywell expense cost pool. Allocations for management costs and corporate support services provided to the Company totaled \$115 million and \$105 million for the six months ended June 30, 2025 and 2024, respectively, and such amounts are included within Selling, general and administrative expenses in the Condensed Combined Statements of Operations. These corporate allocations include stock-based compensation expense allocated to the Company for corporate and shared employees of \$8 million and \$6 million and U.S. pension service costs of \$1 million and \$1 million for the six months ended June 30, 2025 and 2024, respectively.

Related Party Sales and Purchases

Product sales to affiliates

Product and service sales in the Condensed Combined Statements of Operations include sales to Honeywell or its affiliates of \$38 million and \$63 million for the six months ended June 30, 2025 and 2024, respectively.

These product sales are reflected on the Condensed Combined Balance Sheets. Accounts receivable – net includes \$34 million and \$40 million of these transactions as of June 30, 2025 and December 31, 2024, respectively.

Purchases from affiliates

Purchases made by the Company from Honeywell or its affiliates were \$12 million and \$14 million for the six months ended June 30, 2025 and 2024, respectively.

Accounts payable includes \$3 million and \$3 million as of June 30, 2025 and December 31, 2024, respectively, related to such transactions.

In addition to normal recurring purchases, ConverDyn holds accrued liabilities of \$64 million and \$60 million as of June 30, 2025 and December 31, 2024, respectively. These liabilities are due to an affiliate of General Atomics relating to payments owed by ConverDyn for the standby costs of maintaining a uranium conversion facility owned by such affiliate of General Atomics. These payments cannot be paid by ConverDyn until ConverDyn fully pays to

the Company the costs of operating the Alternative Energy Services Facility (“AES Facility”). Until repaid, these obligations to the affiliate General Atomics accrue interest at the U.S. prime rate plus two percent.

Product loans

During 2024, ConverDyn entered into an arrangement to borrow certain products from a customer of ConverDyn and loan such products to an affiliate of General Atomics until December 31, 2026, in exchange for a fixed fee billed annually. Service net sales within the Combined Statements of Operations includes \$0 and \$29 million for the six months ended June 30, 2025 and 2024, respectively, related to this arrangement. As of June 30, 2025 and December 31, 2024, the Condensed Combined Balance Sheets includes unbilled Accounts receivable of approximately \$7 million and \$18 million, and Product loans receivable of approximately \$156 million and \$156 million, related to the loan fees receivable and the uranium ore Product loans receivable, respectively. Related to this matter, as of June 30, 2025, the Combined Balance Sheet included short-term and long-term payables and obligations in respect of loan fees payable and loans payable from ConverDyn to such customer of approximately \$1 million and approximately \$156 million, respectively, resulting in a net position of approximately \$6 million loan fees receivable and approximately \$0 loans payable/receivable for ConverDyn related to these arrangements.

Cash Management and Net Parent Investment

Honeywell uses a centralized approach for the purpose of cash management and financing of its operations. The Company’s excess cash is transferred to Honeywell daily, and Honeywell funds the Company’s operating and investing activities as needed. The Company operates a centralized non-interest-bearing cash pool in the U.S. and regional interest-bearing cash pools outside of the U.S. The total net effect of the settlement of these intercompany transactions is reflected in the Condensed Combined Statements of Cash Flows as a financing activity and in the Condensed Combined Balance Sheets as Net Parent investment.

Parent Company Credit Support

Honeywell provides the Company with parent credit support in certain jurisdictions. To support the Company in selling products and services globally, Honeywell enters into contracts on behalf of the Company or issues Parent guarantees. Honeywell provides similar credit support for some non-customer related activities of the Company, including Parent guarantees for the decommissioning of nuclear facilities required by the Nuclear Regulatory Commission as well as environmental remediation of certain sites (refer to Note 14 – Commitments and Contingencies for further details). There are no instances under the Company’s existing customer contracts requiring payments or performance under parent company guarantees. As such, the Company recorded no amounts related to parent company guarantees in the Condensed Combined Financial Statements as of or for the six months ended June 30, 2025 and 2024.

Note 4. Revenue Recognition and Contracts with Customers

The Company has a comprehensive offering of products and services sold to a variety of customers in multiple end markets. See the following disaggregated revenue table and related discussions by reportable business segment for details:

	Six Months Ended June 30,	
	2025	2024
Refrigerants & Applied Solutions		
Refrigerants	\$ 744	\$ 668
Building Solutions and Intermediates	364	367
Alternative Energy Services	182	302
Healthcare Packaging	102	108
Net Refrigerants & Applied Solutions	1,392	1,445
Electronic & Specialty Materials		
Research and Performance Chemicals	253	229
Electronic Materials	194	188
Safety and Defense Solutions	91	88
Net Electronic & Specialty Materials	538	505
Net sales	\$ 1,930	\$ 1,950

Contract Balances

The Company tracks progress on satisfying performance obligations under contracts with customers and records the related billings and cash collections on the Condensed Combined Balance Sheets in Accounts receivable – net and Other assets (unbilled receivables (contract assets)) and Accrued liabilities and Other liabilities (customer advances and deferred revenue (contract liabilities)). Unbilled receivables (contract assets) arise when the revenue associated with the contract is recognized prior to billing and derecognized when billed in accordance with the terms of the contract. Contract liabilities are recorded when customers remit contractual cash payments in advance of the Company satisfying performance obligations under contractual arrangements. Contract liabilities are derecognized when revenue is recorded.

Contract balances are classified as assets or liabilities on a contract-by-contract basis at the end of each reporting period. The following table summarizes the Company's contract assets and liabilities balances:

	2025	2024
Contract assets - January 1	\$ 51	\$ 26
Contract assets – June 30	36	57
Change in contract assets - (decrease) increase	(15)	31
Contract liabilities - January 1	(39)	(58)
Contract liabilities – June 30	(38)	(17)
Change in contract liabilities - decrease	1	41
Net change	\$ (14)	\$ 72

For the six months ended June 30, 2025 and 2024, the Company recognized revenue of \$0 and \$39 million, respectively, that was previously included in the beginning balance of contract liabilities.

When contracts are modified to account for changes in contract specifications and requirements, the Company considers whether the modification either creates new or changes the existing enforceable rights and obligations. The effect of a contract modification on the transaction price and the Company's measure of progress for the performance obligation to which it relates is recognized as an adjustment to revenue (either as an increase in or a

reduction of revenue) on a cumulative catch-up basis. When the modifications include additional performance obligations that are distinct and at stand-alone selling price, they are accounted for as a new contract and performance obligations, which are recognized prospectively.

Performance Obligations

A performance obligation is a promise in a contract to transfer a distinct good or service to the customer and is defined as the unit of account. The Company allocates a contract's transaction price to each distinct performance obligation and recognizes revenue when, or as, the performance obligation is satisfied. When contracts with customers require highly complex integration or manufacturing services not separately identifiable from other promises in the contracts and, therefore, not distinct, then the entire contract is accounted for as a single performance obligation. For contracts with multiple performance obligations, the Company allocates the contract's transaction price to each performance obligation based on the estimated relative stand-alone selling price of each distinct good or service in the contract. For product sales, each product sold to a customer typically represents a distinct performance obligation. In such cases, the observable stand-alone sales are used to determine the stand-alone selling price.

Performance obligations satisfied as of a point in time are supported by contracts with customers, providing a framework for the nature of the distinct goods, services or bundle of goods and services. The timing of satisfying the performance obligation is typically indicated by the terms of the contract. Substantially all of the Company's revenue relates to transfer of control of products at a point in time.

As of June 30, 2025, the Company's remaining performance obligations ("RPO"), which is the aggregate amount of total contract transaction price that is unsatisfied or partially unsatisfied was approximately \$2,793 million. RPO as of June 30, 2025 will be satisfied over the course of future periods. The Company's disclosure of the timing for satisfying the performance obligation is based on the requirements of contracts with customers. The timing of satisfaction of the Company's performance obligations does not significantly vary from the typical timing of payment. However, from time to time, these contracts may be subject to modifications, impacting the timing of satisfying the performance obligations. Performance obligations expected to be satisfied within one year and greater than one year are 38% and 62%, respectively.

Note 5. Other Expense (Income)

Other expense (income) consists of the following:

	Six Months Ended June 30,	
	2025	2024
Separation costs	\$ 57	\$ —
Foreign exchange loss – net	3	5
Equity income of affiliated companies	(10)	(10)
Environmental expenses	1	1
Other – net	(2)	1
Total Other expense (income)	\$ 49	\$ (3)

Note 6. Income Taxes

The effective tax rate in 2025 was higher than the U.S. federal statutory rate of 21% and increased during 2025 compared to 2024 as a result of a discrete tax adjustment related to restructuring in advance of the anticipated spin-off of the Advanced Materials business.

On July 4, 2025, H.R.1, commonly referred to as the One Big Beautiful Bill Act ("OBBBA") was enacted. The OBBBA includes a broad range of tax reform provisions affecting businesses, including extending and modifying certain key Tax Cuts & Jobs Act provisions (both domestic and international), expanding certain Inflation Reduction Act incentives, and accelerating the phase-out of or repealing others.

Note 7. Inventories

	June 30, 2025	December 31, 2024
Raw materials	\$ 68	\$ 67
Work in process	210	193
Finished products	370	298
Total Inventories	\$ 648	\$ 558

Note 8. Goodwill and Other Intangible Assets – Net

The below table summarizes the change in goodwill, for the six months ended June 30, 2025, by segment:

	December 31, 2024	Currency Translation Adjustment	June 30, 2025
Refrigerants & Applied Solutions	\$ 613	\$ 11	\$ 624
Electronic & Specialty Materials	193	3	196
Total Goodwill	\$ 806	\$ 14	\$ 820

Other intangible assets are comprised of the following:

	June 30, 2025			December 31, 2024		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Definite-life intangibles						
Customer relationships	\$ 35	\$ (29)	\$ 6	\$ 34	\$ (27)	\$ 7
Patents and technology	7	(5)	2	6	(4)	2
Other intangible assets	3	(2)	1	3	(2)	1
Total definite-life intangibles – net	45	(36)	9	43	(33)	10
Indefinite-life intangibles						
Trademarks	28	—	28	25	—	25
Total Other intangible assets – net	\$ 73	\$ (36)	\$ 37	\$ 68	\$ (33)	\$ 35

Amortization expense related to intangible assets was \$2 million and \$2 million for the six months ended June 30, 2025 and 2024, respectively.

Note 9. Leases

Supplemental cash flow information related to leases was as follows:

	Six Months Ended June 30,	
	2025	2024
Right-of-use assets obtained in exchange for lease obligations		
Operating leases	20	7
Finance leases	—	—

Supplemental condensed combined balance sheet information related to leases was as follows:

	June 30, 2025	December 31, 2024
Operating leases:		
Operating lease right-of-use assets	\$ 97	\$ 90
Accrued liabilities	\$ 23	\$ 24
Other liabilities	74	64
Total operating lease liabilities	\$ 97	\$ 88
Finance leases:		
Property, plant and equipment	\$ 196	\$ 196
Accumulated depreciation	(117)	(102)
Property, plant and equipment – net	\$ 79	\$ 94
Accrued liabilities	\$ 10	\$ 22
Other liabilities	33	37
Total finance lease liabilities	\$ 43	\$ 59
Weighted-average remaining lease term (in years):		
Operating leases	6	6
Finance leases	4	4
Weighted-average discount rate:		
Operating leases	7.8 %	3.0 %
Finance leases	6.3 %	8.4 %

Leases Executed but not Commenced

The Company entered into an agreement to lease three newly constructed energy and air treatment units at one of its production facilities. The lease will be recorded as a finance lease with a lease term of 15 years. The Company anticipates the lease to commence in the third quarter of 2025, at which point a lease liability and corresponding asset of approximately \$70 million will be recognized.

Note 10. Fair Value Measurements

The accounting guidance for fair value measurements and disclosures establishes a three-level fair value hierarchy:

- Level 1 - Inputs are based on quoted prices in active markets for identical assets and liabilities.
- Level 2 - Inputs are based on observable inputs other than quoted prices in active markets for identical or similar assets and liabilities.
- Level 3 - One or more inputs are unobservable and significant.

Financial and nonfinancial assets and liabilities are classified based on the lowest level of input that is significant to the fair value measurement.

The following table sets forth the Company's financial assets and liabilities accounted for at fair value on a recurring basis:

	June 30, 2025			December 31, 2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Product loans receivable	\$ —	\$ 263	\$ —	\$ —	\$ 264	\$ —
Foreign currency exchange contracts	—	—	—	—	16	—
Total Assets	\$ —	\$ 263	\$ —	\$ —	\$ 280	\$ —
Liabilities						
Product loans payable	\$ —	\$ 263	\$ —	\$ —	\$ 264	\$ —
Foreign currency exchange contracts	—	13	—	—	—	—
Total Liabilities	\$ —	\$ 276	\$ —	\$ —	\$ 264	\$ —

The Company values foreign currency exchange contracts using broker quotations, or market transactions in either the listed or over-the-counter markets. As such, these derivative instruments are classified within level 2.

The Company has separate agreements to lend quantities of uranium ore, which are reflected as product loans receivable, and to borrow quantities of uranium ore, which are reflected as product loans payable. As both the loans receivable and loans payable may be settled in cash, they are both separately measured on a quarterly basis at fair value which is derived using underlying uranium ore published industry average prices. As such, these instruments are classified within level 2.

The Company uses foreign currency exchange contracts to hedge foreign currency exposure. The foreign currency exchange contracts can be designated as cash flow hedges or not designated in qualifying hedging relationships under qualifying hedging activities. For the contracts designated as cash flow hedges, the Company records changes in fair value of the derivatives in Accumulated other comprehensive loss and subsequently recognized in earnings when the hedged items impact earnings. For contracts not designated as hedges, the Company records the changes in fair value in the Condensed Combined Statement of Operations based on the nature of the derivative contract and the underlying item. Derivative assets are presented in Other current assets or Other assets. Derivative liabilities are presented in Accrued liabilities or Other liabilities. As of June 30, 2025 and December 31, 2024, the Company held contracts with notional amounts of \$407 million and \$741 million, respectively, to exchange foreign currencies.

Note 11. Stock-Based Compensation Plans

Honeywell maintains stock-based compensation plans under which it grants stock options and restricted stock units to certain management level employees. Since the Company operated together with other Honeywell businesses, the Condensed Combined Statements of Operations reflects an allocation of these expenses on a specific identification basis for employees who exclusively supported the Company or, when specific identification is not practicable, a proportional cost allocation method primarily based on revenue or directly identifiable actual costs, depending on the nature of the services. The amounts presented are not necessarily indicative of future awards and do not necessarily reflect the costs that the Company would have incurred as an independent company for the periods presented.

For the six months ended June 30, 2025 and 2024, \$12 million and \$9 million of stock-based compensation cost was recognized in Selling, general and administrative expenses in the Condensed Combined Statements of Operations, respectively, of which \$4 million and \$3 million related to compensation costs for direct employees of the Business, respectively, and \$8 million and \$6 million related to compensation costs allocated from Honeywell, respectively. Refer to Note 3 – Related Party Transactions – Corporate Allocations for further details.

Note 12. Accumulated Other Comprehensive Loss

The changes in Accumulated other comprehensive loss are provided in the table below.

Changes in Accumulated Other Comprehensive Loss by Component

	Foreign Exchange Translation Adjustment	Pension Adjustments	Changes in Fair Value of Cash Flow Hedges	Total
Balance as of December 31, 2023	\$ (156)	\$ (1)	\$ (1)	\$ (158)
Other comprehensive loss before reclassifications	(38)	(1)	4	(35)
Amounts reclassified from accumulated other comprehensive loss	—	—	(4)	(4)
Net current period other comprehensive loss	(38)	(1)	—	(39)
Balance as of June 30, 2024	\$ (194)	\$ (2)	\$ (1)	\$ (197)
Balance as of December 31, 2024	\$ (218)	\$ (5)	\$ 10	\$ (213)
Other comprehensive loss before reclassifications	88	(2)	(37)	49
Amounts reclassified from accumulated other comprehensive loss	—	—	—	—
Net current period other comprehensive income (loss)	88	(2)	(37)	49
Balance as of June 30, 2025	\$ (130)	\$ (7)	\$ (27)	\$ (164)

Amounts reclassified out of Accumulated other comprehensive loss related to pension adjustments are included within Other expense (income) in the Condensed Combined Statements of Operations. Amounts reclassified out of Accumulated other comprehensive loss related to cash flow hedges are included within Net sales or Cost of products and services sold in the Condensed Combined Statements of Operations, depending on the nature of the underlying transaction being hedged.

Note 13. Investments**Equity method investments**

The total balance of the Company's equity method investments recorded within Other assets in the Condensed Combined Balance Sheets as of June 30, 2025 and December 31, 2024 was \$154 million and \$146 million, respectively.

The Company holds equity method investments in three joint ventures, including a 49% interest in Asahi-Schwebel JV, a manufacturer of woven glass fabrics, a 49% interest in Quimobásicos, S.A. de C.v., a producer of refrigerant gases, and a 50% interest in SinoChem JV noted in the variable interest entities ("VIE") investment section below. The Company records these balances within Other assets in the Condensed Combined Balance Sheets. These investments are not considered significant for disclosure of summarized financial information on either an individual or aggregated basis.

Variable Interest Entities*SinoChem JV (unconsolidated)*

The Company additionally owns a 50% interest a JV with Sinochem Lantian New Materials Co., Ltd. for foam blowing agents. The Company's variable interest in this JV is primarily related to third party borrowings of the JV which are guaranteed by the Company. The investment was \$99 million and \$91 million as of June 30, 2025 and December 31, 2024, respectively.

ConverDyn JV (consolidated)

The Company owns a 50% interest in ConverDyn, provides uranium hexafluoride conversion and related services to utilities operating nuclear power plants. The Company is the primary beneficiary and consolidates the JV. The following summarizes the assets and liabilities of the ConverDyn JV included in the Company's Condensed Combined Financial Statements (including noncontrolling interests):

	June 30, 2025		December 31, 2024	
	Assets	Liabilities	Assets	Liabilities
ConverDyn JV	\$ 321	\$ 452	\$ 360	\$ 436

As of June 30, 2025, the current assets and current liabilities related to the ConverDyn JV were \$53 million and \$122 million, respectively. Of the current liabilities, \$64 million is related to the JV partner payable. The Company additionally recorded product loans receivable and product loans payable reflected in the Condensed Combined Balance Sheets which amounted to \$263 million and \$297 million, respectively.

Note 14. Commitments and Contingencies

Environmental Matters

The Company records liabilities for environmental matters when remedial efforts or damage claim payments are probable and the costs can be reasonably estimated. Such liabilities are based on the Company's best estimate of the undiscounted future costs required to complete the remedial work. The recorded liabilities are adjusted periodically as remediation efforts progress or as additional technical, regulatory, or legal information becomes available. Given the uncertainties regarding the status of laws, regulations, enforcement policies, the impact of other potentially responsible parties, technology, and information related to individual sites, the Company does not believe it is possible to develop an estimate of the range of reasonably possible environmental loss in excess of the Company's recorded liabilities. Costs related to environmental remediation are charged to expense in the period that the associated liability is accrued. The following table summarizes information concerning the Company's recorded liabilities for environmental costs:

Balance at December 31, 2024	\$ 53
Accruals for environmental matters deemed probable and reasonably estimable	1
Environmental liability payments	(1)
Balance at June 30, 2025	\$ 53

	June 30, 2025	December 31, 2024
Accrued liabilities	\$ 6	\$ 6
Other liabilities	47	47
Total environmental liabilities	\$ 53	\$ 53

The following table sets forth the Company's environmental remediation liabilities at June 30, 2025 and December 31, 2024 for the two sites that are deemed the most significant during the periods presented, together with the aggregate liabilities for all other sites.

	June 30, 2025	December 31, 2024
Delaware Valley Works Facility ¹	\$ 38	\$ 38
Amherstburg - Ontario, Canada	5	5
All other sites ²	10	10
Total environmental liabilities	\$ 53	\$ 53

1. The Environmental reserve liability at Delaware Valley Works Facility is associated with a repositioning project, which started remediating in 2024.

2. Comprising 16 other sites, inclusive of Buffalo River, New York and Seelze, Germany sites which started remediating in 2022.

The Company does not currently possess sufficient information to reasonably estimate the amounts of environmental liabilities to be recorded upon future completion of studies, litigation, or settlements, and neither the timing nor the amount of the ultimate costs associated with environmental matters can be determined, although they could be material to the Company's combined results of operations and operating cash flows in the periods recognized or paid. However, considering the Company's past experience and existing reserves, the Company does not expect that environmental matters will have a material adverse effect on its combined financial position.

Asset Retirement Obligations

Asset retirement obligations result from legal obligations associated with the retirement of long-lived assets that result from the acquisition, construction, development and/or the normal operation of a long-lived asset. Accordingly, the Company recognizes asset retirement obligations in the period in which they are incurred if a reasonable estimate of fair value can be made. The associated asset retirement costs are capitalized as part of the carrying amount of the long-lived asset. The Company depreciates the amount added to property, plant and equipment on a straight-line basis, and recognizes accretion expense in connection with the discounted liability over the remaining useful life of the asset.

The Company recognized as a liability the present value of the estimated future costs to decommission its uranium conversion facility. The estimated liability is based on the estimated useful lives of the underlying asset, third-party estimates of the cost to decommission the asset in the future, and federal and state regulatory requirements, adjusted for inflation and discounted using the Company's credit-adjusted risk-free rate that range from 6.6% to 6.5%. Revisions to the liability could occur due to changes in the Company's estimated useful lives of the underlying assets, estimated dates of decommissioning and timing of related cash outflows, changes in decommissioning costs, changes in federal or state regulatory guidance on the decommissioning of such facilities, or other changes in estimates. The Company recognizes changes due to revised estimates by adjusting the carrying amount of the liability and the related long-lived asset if the asset is still in service or charged to expense in the period if the asset is no longer in service.

Other Matters

AES Facility matters

Since 2018, the Company has been involved in various legal proceedings in the United States District Court for the Southern District of Illinois related to its AES Facility, including eight separate lawsuits alleging cancer caused by radiation exposures that were settled in 2024. The Company remains involved in additional legal proceedings (i) related to alleged radiation contamination of properties around the plant by the city of Metropolis, Illinois, and the county of Massac, Illinois, (ii) a class action lawsuit alleging property damage by a group of plaintiffs on behalf of all property owners within a three-mile radius of the facility, and (iii) one alleged personal injury case. The Company is currently awaiting rulings on a motion for summary judgment related to the city and county cases, with rulings expected in the quarter ended September 30, 2025. For the alleged class action, the parties completed briefing on the plaintiffs' motion for class certification and a ruling is expected in 2025 or 2026. All plaintiffs in these matters are seeking compensatory damages and, in certain cases, punitive damages, medical monitoring, declaratory and/or injunctive relief. The Department of Energy has an agreement in principle with the Company pursuant to which we understand the Department of Energy intends to take appropriate action to provide sufficient

assurance of the continued operational availability of AES to support the existing and future demand for uranium hexafluoride, including by extending reimbursement to the Company for certain litigation costs. In addition, the Company is also pursuing claims under Honeywell's nuclear liability policies with American Nuclear Insurers. While we cannot predict the outcome of these matters, based on the facts currently known to us, we do not anticipate that these matters will have a material adverse effect on our financial condition, results of operations, or cash flows.

Other matters

The Company is subject to a number of other lawsuits, investigations, and disputes (some of which involve substantial amounts claimed) arising out of the conduct of the Company's business, including matters relating to commercial transactions, intellectual property, and environmental, health, and safety matters. The Company recognizes liabilities for any contingency that is probable of occurrence and reasonably estimable. The Company continually assesses the likelihood of adverse judgments or outcomes in such matters, as well as potential ranges of probable losses (taking into consideration any insurance recoveries), based on a careful analysis of each matter with the assistance of outside legal counsel and, if applicable, other experts.

Given the uncertainty inherent in litigation and investigations, the Company cannot predict when or how these matters will be resolved and does not believe it is possible to develop estimates of reasonably possible loss (or a range of possible loss) in excess of current accruals for commitment and contingency matters. Considering the Company's past experience and existing accruals, the Company does not expect the outcome of such matters, either individually or in the aggregate, to have a material adverse effect on the Company's Combined financial position. Because most contingencies are resolved over long periods of time, potential liabilities are subject to change due to new developments (including new discovery of facts, changes in legislation, and outcomes of similar cases through the judicial system) or changes in assumptions, which could cause the Company to pay damage awards or settlements (or become subject to equitable remedies) that could have a material adverse effect on the Company's Combined results of operations or operating cash flows in the periods recognized or paid.

Note 15. Segment Financial Data

The Company globally manages its business operations through two reportable business segments. Segment information is consistent with how the President and Chief Executive Officer of the Solstice Advanced Materials business, who is the Chief Operating Decision Maker ("CODM"), and management reviews the businesses, makes investing and resource allocation decisions, and assesses operating performance.

The CODM evaluates segment performance based on segment adjusted EBITDA, by comparing budget-to-actual and period-over-period results. Each segment's adjusted EBITDA excludes depreciation, amortization, general corporate unallocated expense, interest and other financial charges, stock compensation expense, pension and other postretirement income (expense), repositioning charges, accretion expense, transaction costs and other items within Other expense (income) which are collectively included within income before taxes.

The below table summarizes information about significant segment expenses and other segment items, for each historical period:

	Six Months Ended June 30,			
	2025		2024	
	Refrigerants & Applied Solutions	Electronic & Specialty Materials	Refrigerants & Applied Solutions	Electronic & Specialty Materials
Net sales				
Products	1,245	538	1,273	505
Services	147	—	172	—
Total Net sales	1,392	538	1,445	505
Less				
Cost of products and services sold ¹	842	409	895	386
Selling, general and administrative expenses ²	69	38	66	37
Other segment items ³	21	14	17	13
Add				
Depreciation	79	26	64	18
Amortization	9	2	26	1
Segment Adjusted EBITDA	\$ 548	\$ 105	\$ 557	\$ 88

1. Amounts exclude ARO accretion, repositioning charges, and other non-recurring items.

2. Amounts exclude stock compensation expense, transaction costs, pension and other postretirement income (expense), repositioning charges, and other non-recurring items.

3. For each reportable segment, the other segment items category includes Research and development expenses and equity income of affiliated companies.

A reconciliation of segment adjusted EBITDA to net income is as follows:

	Six Months Ended June 30,	
	2025	2024
Refrigerants & Applied Solutions	\$ 548	\$ 557
Electronic & Specialty Materials	105	88
Segment Adjusted EBITDA	\$ 653	\$ 645
Corporate and All Other EBITDA	(78)	(80)
Depreciation ¹	(105)	(84)
Amortization ²	(11)	(28)
Interest and other financial charges	(3)	(7)
Other expense ³	(59)	(7)
Stock compensation expense ⁴	(12)	(9)
Other non-recurring items ²	6	(1)
ARO accretion ⁵	(1)	(1)
Transaction costs ⁴	(2)	(2)
Pension and other postretirement expense ⁴	(1)	(1)
Income tax expense	(148)	(101)
Net Income	\$ 239	\$ 324

1. Amounts included in Cost of products and services sold, Selling, general and administrative expenses, and Research and development expenses.

2. Amounts included in Cost of products and services sold and Selling, general and administrative expenses.

3. Amounts included in Other expense (income), excluding equity income of affiliated companies.
4. Amounts included in Selling, general and administrative expenses.
5. Amounts included in Cost of products and services sold.

	June 30, 2025	December 31, 2024
Total assets reconciliation		
Refrigerants & Applied Solutions	\$ 3,293	\$ 3,157
Electronic & Specialty Materials	1,302	1,192
Corporate and All Other	862	655
Total assets	\$ 5,457	\$ 5,004

	Six Months Ended June 30,	
	2025	2024
Capital expenditures		
Refrigerants & Applied Solutions	\$ 89	\$ 100
Electronic & Specialty Materials	49	27
Corporate and All Other	—	4
Total	\$ 138	\$ 131

Note 16. Subsequent Events

The Company evaluated subsequent events for recognition or disclosure through August 21, 2025, the date the Condensed Combined Financial Statements were available to be issued.

Solstice Advanced Materials, LLC