



SSLC PRESENTATION | GBS FINANCE

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Honeywell

CAREER JOURNEY | KUMAR KRISHNAN



Education



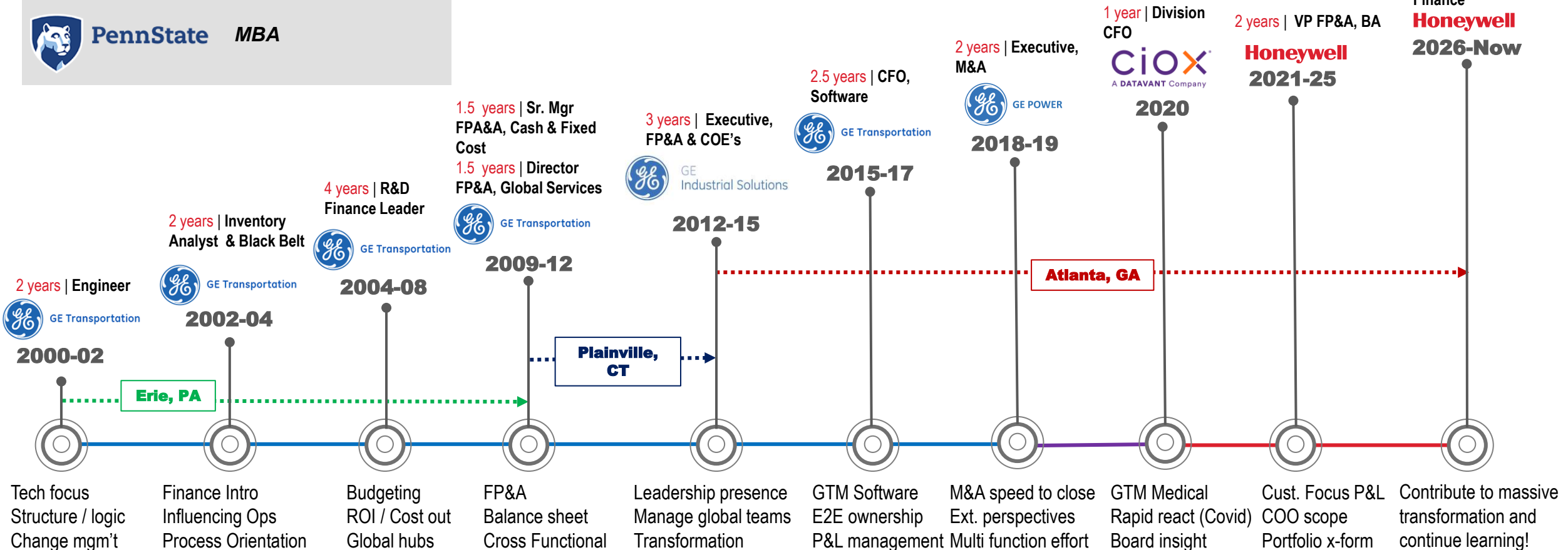
Masters, Mechanical Engineering



PennState MBA

Journey Summary

- 3 Companies, 3 Locations, Multiple experiences
- Analytical, Process Focus and Comfortable with Change
- Learned from ground up in pillar finance roles



WHY SHARED SERVICES AT HONEYWELL?

Honeywell Key Statistics

- **Technology First** | Focused on **megatrends** (Automation, Aviation, Energy Transition)
- **Global** | Operating in **~79 countries**, ~100K employees
- **2025** | ~\$40B Revenue (~7% organic), ~\$130B Market Cap
- Massive **Portfolio streamlining** | Unlocking shareholder value

What Does Split Cause for Remain Co?

- Remain Co is a **smaller company** but now has structure built for much larger enterprise | Need to **reset base**
- **Operating model needs simplified** | Corp teams cannot continue balancing public company needs + business support
- Business Units need to focus on customer satisfaction and strategic pursuits, hence **need a different support model**
- Building for **long-term success**

Splitting into 3 Companies by Mid 2026

**Honeywell
Remain Co**

**Honeywell
Aerospace**

Solstice
(Spun off Oct
2025)

How is Honeywell Responding

- HON already had a few shared services example. Now **scaling to additional functions**, including Finance
- Fundamental **shift in functional structure** to deliver end to end services out of global hubs
- **Reduce cost to serve** and create a **more scalable organization** that can respond fast to opportunities
- **Standardization, AI and Automation** will drive speed, efficiency and scale. **Shared Services** will enable this.

Driven From Need to Simplify | Efficient, Nimble, Scalable Organization

GBS FINANCE | PRINCIPLES AND SUCCESS MEASURES

EVOLVING TO A SHARED SERVICE MODEL

What is changing?

- Shift from dispersed, embedded finance teams to a **global shared services model**
- More **standardized roles, processes, and governance**
- Clearer **decision rights and accountability**
- Increased use of **automation and standardized workflows**
- Stronger focus on **continuous improvement, analytics, and KPI transparency**
- Consistent service delivery across regions

What *is not* changing?

- Finance continues to **support business strategy and decision-making**
- Embedded finance partnership remains for **business-critical activities**
- Core financial controls and compliance **remain intact**
- Ongoing focus on **accuracy, integrity, and value creation**

MEASURES OF SUCCESS



- **Clear, transparent consumption visibility** that enables businesses to actively manage demand & costs, and make informed trade-offs.
- **Stable service delivery** backed by **SLAs, strong governance, and continuity plans** to ensure critical work continues seamlessly despite attrition or volume changes.
- GBS-covered services **operating without time-zone constraints**, delivering responsiveness similar to having the team “next door.”
- Continuous **simplification, standardization, and automation** to reduce cost-to-serve while maintaining or improving quality, accuracy, and cycle times.

WHAT'S IN IT FOR THE GBS EMPLOYEES

- **More Business Focused Roles:** Centers will be nucleus that powers SBGs financial performance
- **Enhanced Collaboration:** Remove barriers, no silos across finance sub-functions. Breaking down barriers will enable more time to be spent on strategic / value added activities
- **Investment in People / Upskilling:** Focus on making you future ready through programs that target functional expertise, transferrable skills and latest trends in Finance
- **Better Technology Exposure:** Employees at centers will be first to get exposed to new tech (AI / Automation)
- **Better Job Satisfaction:** Process standardization, automation and collaboration will reduce manual/repetitive tasks, make you more efficient and enable you to provide consistently meaningful services to your customers
- **Accelerated Development:** Career opportunities across a spectrum of Finance roles ... end to end finance
- **Broader management / Leadership roles:** Increase in senior level roles at center as direct exposure to senior leaders and direct support of operations grows

Accelerated Development | Bigger Roles | Career Flexibility

WHAT DO GBS EMPLOYEES NEED TO DO DIFFERENT

Cultural

- **Mindset shift from Functional Outcome to Business Outcome: Business Wins, GBS Wins**
- **Breakdown Silos – Unified Structure with Cross Sharing Across sub-functions/regions**
- **Total Ownership across the Finance Spectrum**
- **Continuous Improvement Mindset & Sense of Urgency – Earn the Right to Grow GBS**

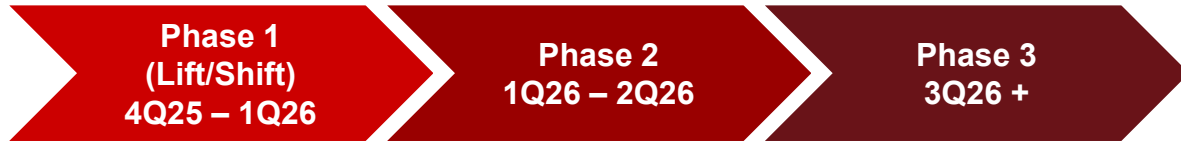
Technical

- **Service Level Agreement Development**
- **Customer Facing KPIs**
- **Standardization and Activity Based Pricing**
- **Heavy Involvement of Automation (RPA, AI)**
- **Lead in shaping GDM and ERP strategy**
- **Heavy focus on talent management: Skillset, expertise, bigger jobs**

Creating New Business Model | Ownership Mindset Will Be Key For Success

GBS FINANCE | PHASING AND PROGRESS TO DATE

Execution Phasing and Timelines



- | | | |
|--|--|---|
| <ul style="list-style-type: none"> ✓ Accounts Payable ✓ Controllership Ops ✓ T&E ✓ Some FP&A roles | <ul style="list-style-type: none"> ✓ Existing Hub Moves ✓ Select Digital finance functions ✓ Select Corp FP&A functions | <ul style="list-style-type: none"> • BU's / Corp Finance support expansion • Up- / downstream non-Finance processes |
|--|--|---|

Change Management

Low/Medium

Medium/High

High

Future State

- GBS Finance will drive majority of finance support
 - End to End ownership of Finance Processes
 - “Follow the Sun Hub Strategy”
 - Strong Governance enables intake

Progress to Date | Key 2Q Items

4Q 2025 (Startup)

- ✓ GBS Finance announced, **Framework** and **phasing** initiated
- ✓ **Organizational change** | Phase 1 moves
- ✓ **Phase 1 | VSM, Baselining** and **Workshop** completed. Laid out SLA's, KPI's, Service Offerings and AI opportunities

1Q 2026 (Design Phase & Org Structure)

- ✓ **Phase 2 Kickoff** | Further org movements and future design
- ✓ **Governance / MOS** design complete and ready for 2Q launch
- ✓ **Talent Management** workstreams & Core GBS Skills launched
- ✓ **GBS Website** launched | One – stop resource

2Q 2026 (Execution Mode)

- **Consumption Pro-forma** | **Volume-based model LIVE**
- **AI /Automation** | Progress POC's; **GBS Finnovate** 1.0 in May
- **BU's / Corp Finance** support discussions
- **Governance and MOS Launch**

GBS FINANCE | DASHBOARDS



GBS REPORTING | LANDING PAGE

ADOPTION



Track penetration of GBS Service adoption

[VIEW REPORT](#)

METERING



Measures service consumption volume

[VIEW REPORT](#)

SLA



Tracks adherence to agreed services

[VIEW REPORT](#)

KPI



Monitors key performance metrics

[VIEW REPORT](#)

UTILIZATION



Measures resource and capacity usage

[VIEW REPORT](#)

XLA



End-user experience & satisfaction

[VIEW REPORT](#)

OUTCOME KPI'S



Assess how GBS contribute to results

[VIEW REPORT](#)

AUTOMATION



Visibility to automation adoption

[VIEW REPORT](#)

BENCHMARKING



Assesses performance relative to external peers

[VIEW REPORT](#)

COST SAVINGS



Tracks annualized stranded cost savings

[VIEW REPORT](#)

GBS FINANCE | CONSUMPTION MODEL

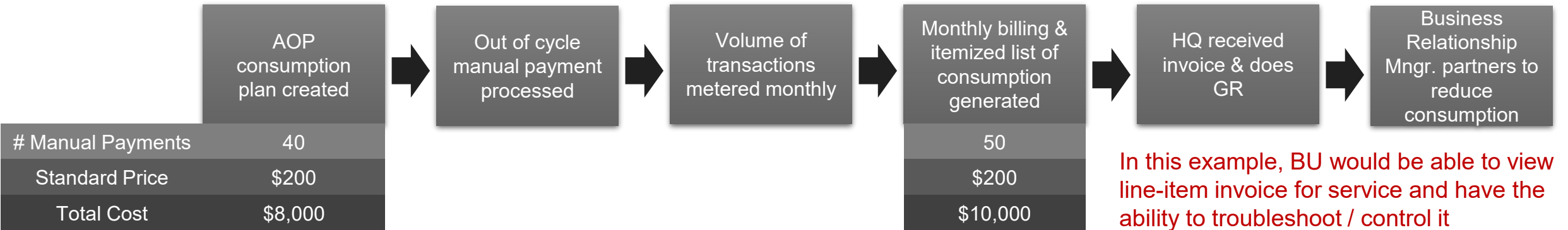
What This Enables

- Aligns core work drivers with service catalogs & SLAs
- Differential pricing for complex and manual tasks
- Pricing to be tied directly to cost pools, Transparency for SBGs
- Aligns incentives & behaviors, clear governance / change control

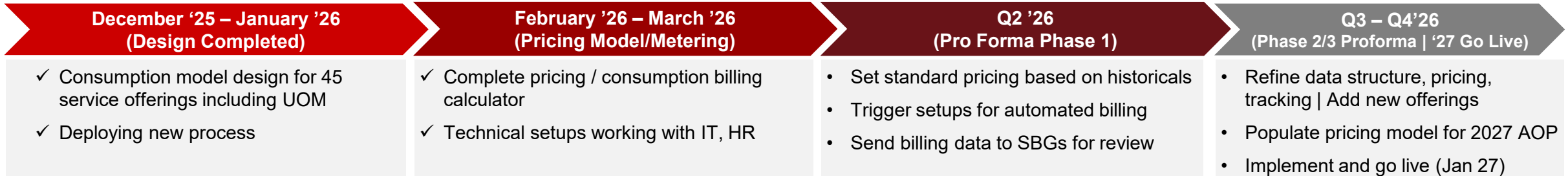
How

- Define offering catalog & standard pricing
- Meter the consumption
- Deploy data structure
- Test process for 6 months in 2026 to collect feedback & refine

Example



Execution & Timelines | Summary Roadmap



Links Volume & Complexity of Services Consumed to What BU's Pay

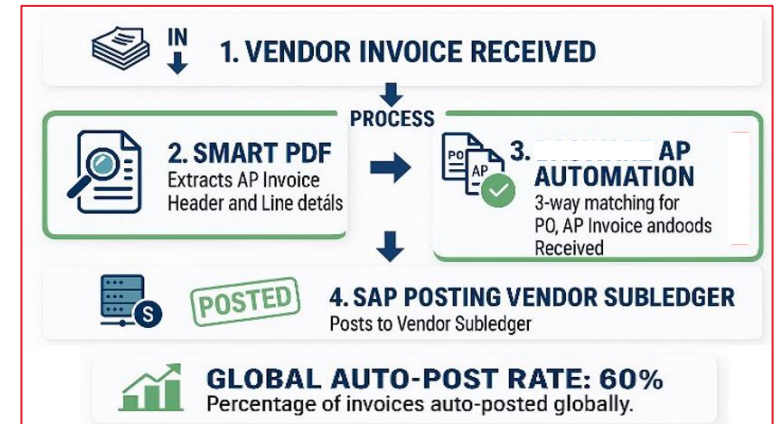
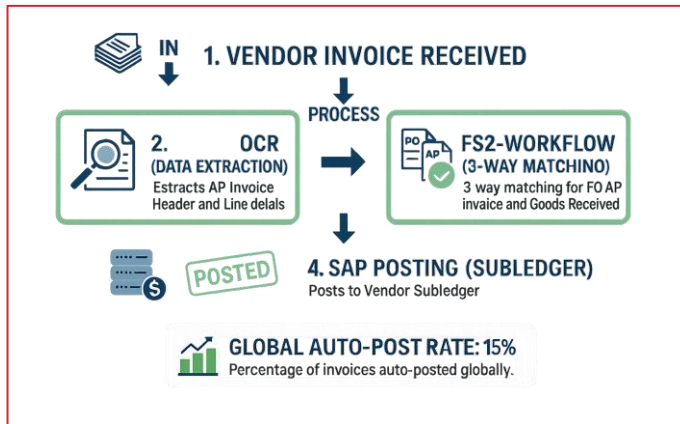
AI POC | AUTONOMOUS INVOICE PROCESSING

Existing System

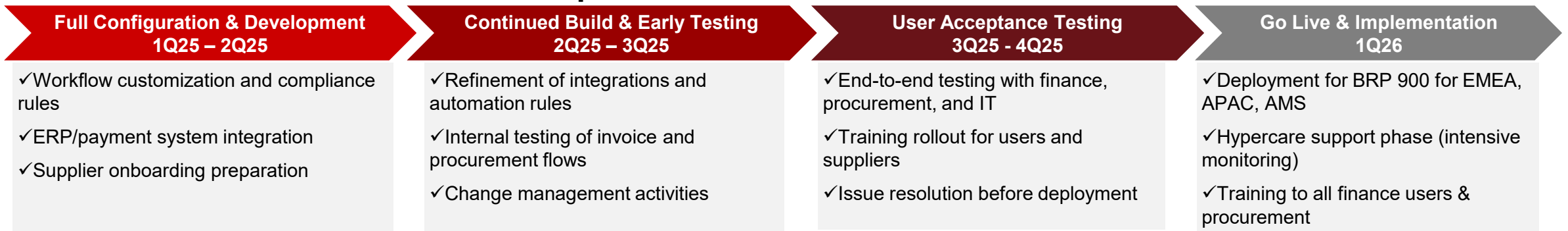
- Current process has significant limitation resulting in auto-post rate of < 15%
- Does not do an efficient job of recognizing AP header and 3-way match
- This has resulted in significant manual effort to clear and post invoices

New System Implementation

- Solution consisting of Smart PDF and AP automation resulting in high yield of 3-way match
- This will result in autonomous processing of 80% at maturity. Currently at 51% after first month of implementation



Implementation Timelines



Benefits | Efficiency (~\$1M/year) | 80% Touchless Processing at Maturity

GBS FINANCE | PROCESS INNOVATION LAB

Honeywell

GBS FINNOVATE 1.0

Rethink. Reinvent. Realize.

involve **investigate** **inspire**

ELIMINATE
Remove waste

SIMPLIFY
Reduce complexity

STANDARDIZE
Create consistency

AUTOMATE
Drive efficiency

3-Day Workshop for Process Improvement Ideas
Focused on BFS, Controllership, Accounts Payable & Travel & Expense ISC and FDO

May 19 - 21, 2026
9 AM - 2 PM (Each Day)
GBS GFC

IDEAS TODAY, TRANSFORMATION TOMORROW

Share Ideas that drive real impact

Collaborate across functions

Improve processes & customer experience

Transform together for a better tomorrow

BEST IDEAS WILL BE REWARDED!

What & Why?

- Solicit and surface transformation and automation ideas directly from employees who are closest to action
- Drive employee engagement for transformation initiatives | Not tops down, hear their voices
- Best idea wins recognition
- Learnings from first event will be used to plan and launch similar initiatives in other hubs
- Develop culture of continuous improvement where transformation is the norm

GBS FINANCE | TALENT WORKSTREAMS



SKILLS DEVELOPMENT

Our Commitment:

Drive development of future-ready skills & close priority skill gaps

Our Actions:

Champion GBS skill assessment & leverage data to develop targeted Learning & Delivery Plan

Workstream Leaders:

A G

Director Data Science

B T

GBS Hub Leader



CAREER PATHING

Our Commitment:

Enable career growth by highlighting career paths across GBS

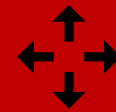
Our Actions:

Develop GBS Career Pathing Guide outlining required skills and proficiency levels by role

Workstream Leader:

B M

GBS Hub Leader



TALENT MOBILITY

Our Commitment:

Provide opportunities for cross-GBS career exploration

Our Actions:

Build talent sharing opportunities into GBS MOS & evolve succession planning

Workstream Leader:

A R

Transformation Leader



RECOGNITION

Our Commitment:

Recognize employees for embracing new ways of working & demonstrate core behaviors

Our Actions:

Develop Global GBS Recognition Strategy

Workstream Leader:

B V

GBS Hub Leader

Skills define Career Paths → Career Paths guide Mobility → Reinforced through Change & Recognition

GBS FINANCE | LESSONS LEARNED (SO FAR)

- This is a **cultural and mindset** shift | Recommend **not trying a big bang effort**, will be a journey
- Will **require Senior Leadership support** | Tops down reinforcement is a must
- **Business units** will be **wary of change** | Deal with resistance through facts and performance
- Hub Employees soft skills needs to be developed | **Stakeholder and Change management is key**
- **Define guiding principles** first | There are many flavors of shared services, GBS is one of them
- Need to **focus on talent** at the core | Without **upskilling & “future-ready” initiatives**, this will stagnate
- Honeywell wants to **focus on transparency** | **Consumption model is key**, even for internal billing
- Tie GBS success to business outcomes | **If business wins, GBS wins**
- **Strong Governance** needed mechanism as it matures | Relationship management, Helpdesk, SteerCo etc.

GBS Will Be a Journey | Delivers Meaningful Advantage to Business Through Scale, Speed, Efficiency

A blurred background image showing a group of people in a classroom or meeting. Several hands are raised in the air, indicating an interactive session. The text 'Q&A' is overlaid in the center.

Q&A