UL Solutions

UL SOLUTIONS INC.

June 2025
Investor Presentation

Safety. Science. Transformation.™

Disclaimer

This presentation and related discussion are being presented by UL Solutions ("UL Solutions," the "Company," "we," "us" and "our") solely for informational purposes. This presentation and accompanying statements contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical facts contained in this presentation and related discussion may be forward-looking statements. These include statements regarding the "Company's future financial results and estimates and business prospects that involve substantial risks and uncertainties. In some cases, you can identify these statements by terms such as "may," "will," "should," "would," "likely," "expects," "plans," "anticipates," "could," "intends," "targets," "projects," "contemplates," "believes," "estimates," "predicts," "potential," "continue" and variations of these terms and similar expressions, or the negative of these terms or similar expressions (although not all forward-looking statements may contain such words). There are or will be important factors that could cause the Company's actual results to differ materially from those expressed or implied by the forward-looking statements made in this presentation, including, but not limited to, the following: any failure on the Company's part to protect and maintain its brand and reputation, or the impact on its brand or reputation of third-party events or actions outside of its control; risks associated with the Company's information technology and software, including those relating to any future data breach or other cybersecurity incident; the potential disruption of the TIC or S&A industries by technological advances in artificial intelligence; the Company's ability to innovate, adapt to changing customer needs and successfully introduce new products and services in response to changes in the Company's industries and technological advances; the Company's ability to compete in its industries and the effects of increased competition from its competitors; risks associated with conducting business outside the United States, including those relating to fluctuations in foreign currency exchange rates; the imposition of tariffs and enhanced trade, import or export restrictions or changes in U.S. trade policy or similar government actions; and global, regional or political instability and geopolitical tension; risks associated with the Company's operations in China, which subject the Company and UL-CCIC Company Limited, the Company's joint venture with the China Certification & Inspection (Group) Co., Ltd. ("CCIC"), to China's complex and rapidly evolving laws, which may be interpreted, applied or enforced inconsistently or in ways inconsistent with its current operations, as well as risks associated with the fact that the Chinese government has the power to exercise significant oversight and discretion over, and intervene in and influence, its business operations in China; the relationship between the United States and China and between the Company and CCIC, as well as changes in U.S. and Chinese regulations affecting the Company's business operations in China; any failure on the Company's part to attract, hire or retain its key employees, including its senior leadership and its skilled and trained engineering, technical and professional personnel; the level of the Company's customers' satisfaction and any failure on its part to properly and timely perform its services, meet its contractual obligations or fulfil its customers' needs; changes to the relevant regulatory frameworks or private sector requirements, including any requirement that the Company accept third-party test results or certifications of components, end products, processes or systems or any changes that result in a reduction in required inspections, tests or certifications or harmonized international or cross-industry benchmarks and standards; the Company's ability to adequately maintain, protect and enhance its intellectual property, including its registered UL-in-a-circle certification mark and other certification marks; the Company's ability to implement its growth strategies and initiatives successfully; the Company's reliance on third parties, including subcontractors and outside laboratories; the Company's ability to obtain and maintain the requisite licenses, approvals, accreditations and delegations of authority necessary to conduct its business; the outcomes of current and future legal proceedings; the Company's level of indebtedness and future cash needs; failure to generate sufficient cash to service the Company's indebtedness; a change in the assumptions the Company uses to value its goodwill or intangible assets, or the impairment of its goodwill or intangible assets; constraints imposed on the Company's ability to operate its business or make necessary capital investments due to the Company's outstanding indebtedness; the increased expenses and responsibilities associated with being a public company; the significant influence that ULSE Inc., our parent and controlling stockholder, has over the Company, including pursuant to its rights under the Company's amended and restated certificate of incorporation and the Stockholder Agreement with ULSE Inc.; natural disasters and other catastrophic events, including pandemics and the rapid spread of contagious illnesses; changes in tax laws in jurisdictions in which we operate or adverse outcomes resulting from examination of our or our affiliates tax returns; and other factors discussed in our filings with the Securities and Exchange Commission (the "SEC"), including those set forth in the section entitled "Risk Factors" in Part I, Item 1A of the Company's Annual Report on Form 10-K for the year ended December 31, 2024, as well as other factors described from time to time in our filings with the SEC. Changes in such assumptions or factors could produce materially different results. The information contained in this presentation is as of the date indicated. Except as otherwise required by law, the Company assumes no obligation to publicly update or review any forward-looking statements contained in this presentation, whether as a result of new information, future developments or otherwise.

Certain information contained in this presentation and oral statements made during this presentation relate to or are based on estimates regarding market and industry data that the Company prepared based on management's knowledge and estimates, together with information obtained from publicly available resources, other third-party sources, the Company's customers and other contacts in the markets in which the Company operates. Management's estimates are derived in part from third-party sources and data from the Company's internal research. In presenting market and industry data in this presentation, management has made certain assumptions that it believes to be reasonable based on the data available to the Company and other sources, as well as on management's knowledge of, and experience to date in, the industry and markets in which the Company operates. Projections, assumptions and estimates of the present or future, as applicable, performance of the industry in which the Company operates and the Company's future performance are necessarily subject to uncertainty and risk due to a variety of factors. These and other factors could cause results to differ materially from those expressed in the estimates made by third-party sources and by management.

All amounts in this presentation are in USD unless otherwise stated. All trademarks and logos depicted in this presentation are the property of their respective owners and are displayed solely for purposes of illustration. Such use should not be construed as an endorsement of the products or services of the Company..

Non-GAAP Financial Measures

In addition to financial measures based on generally accepted accounting principles in the United States ("GAAP"), this presentation includes supplemental non-GAAP financial information. Management uses non-GAAP measures in addition to GAAP measures to understand and compare operating results across periods and for forecasting and other purposes, including Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Net Income, Adjusted Net Income margin, Free Cash Flow and Free Cash Flow margin . Management believes these non-GAAP measures reflect results in a manner that enables, in some instances, more meaningful analysis of trends and facilitates comparison of results across periods. These non-GAAP financial measures have no standardized meaning presented in GAAP and may not be comparable to other similarly titled measures used by other companies due to potential differences between the companies in calculations. The use of these non-GAAP measures has limitations and they should not be considered as substitutes for measures of financial performance and financial position as prepared in accordance with GAAP. Reconciliations and definitions of each non-GAAP measure are included in the appendix to this presentation.

UL Solutions is a global leader

1. **Mission-driven growth company,** in the fragmented and consolidating testing, inspection and certification industry
2. **Dedication to applied safety science and ESG** underpins our reputation as a **trusted partner**
3. **Long-term customer relationships** — supported by disciplined account management and reinforced by our robust business model and iconic UL Mark — **provide recurring revenue streams**
4. **Global scale** and **operating leverage** drive opportunities to expand margins
5. **Healthy balance sheet** and **disciplined capital allocation strategy** supports organic and inorganic growth, targeting best-in-class shareholder returns

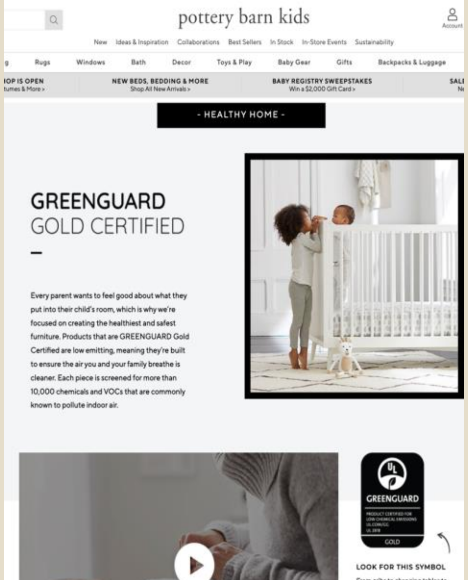
The iconic UL Mark

LISTED CERTIFIED CERTIFIED CERTIFIED SAFETY US E12345

- Iconic UL Mark introduced in 1906
- UL Mark image and service portfolio evolves as customer needs and market demands change
- Billions of new components and finished products carry the UL Mark
- Delivered to customers through certification testing; customer use maintained through ongoing certification services

"UL is a premium mark … they have the experts in the fields who really understand what the right tests and requirements look like. We all become better educated because of this."

-Small appliances customer,
North America

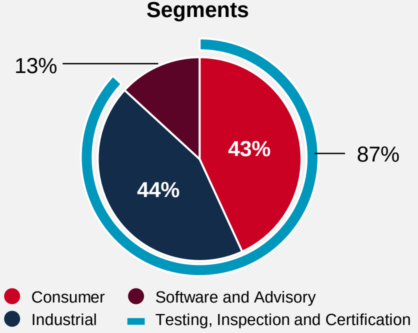


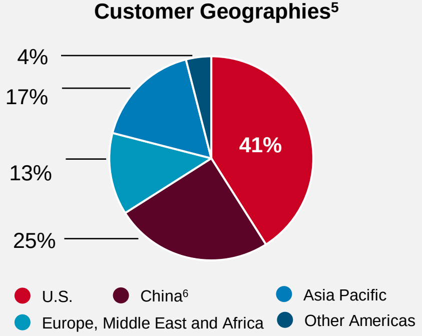
UL Solutions overview

- A leading global business services company focused on independent testing, inspection and certification (TIC)
- Dedicated to safety science since 1894[1]
- Strong brand recognition and differentiation through engineering and safety sciences
- 15,000+ employees in 150 locations globally[2]
- The UL Mark is recognized as one of the most iconic symbols of safety in the world

2024 revenue:	2024 Organic[3] change:	2024 Adjusted EBITDA[4]:
$2.9 billion	**8.7%**	**$656 million**

Revenue Breakdown (2024)





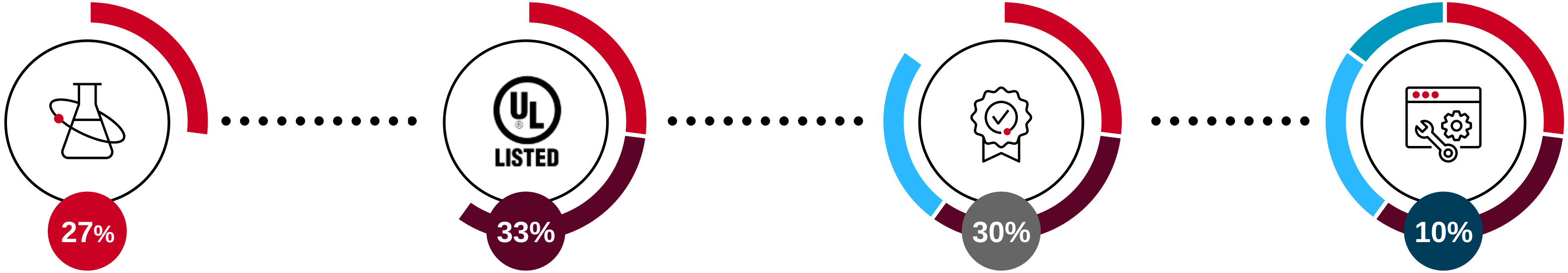
Four Major Service Categories[2]

- Certification testing 27%
- Non-certification testing and other services 30%
- Ongoing certification services 33%
- Software 10%

1. As part of the nonprofit Underwriters' Electrical Bureau, a predecessor to Underwriters Laboratories and UL Solutions.
2. As of Dec. 31, 2024.
3. Refer to definition of Organic in the Appendix.
4. Adjusted EBITDA is a non-GAAP measure. Refer to reconciliation and definition in Appendix.
5. Revenue by geography shows breakdown by customer location.
6. Represents revenue from Greater China – mainland China, Hong Kong and Taiwan.

UL Solutions has an integrated service portfolio

High percentage of recurring revenue and differentiated value proposition



Certification testing

- Industry standards, regulatory requirements and other specifications
- Safety certification services

Ongoing certification services

- Monitoring
- UL Mark integrity
- Field inspections, labels

Non-certification testing and other services

- Performance testing
- Wireless, electromagnetic compatibility (EMC), wind energy
- ESG guidance

Software

- SaaS and license-based solutions
- Regulatory, supply chain and sustainability solutions

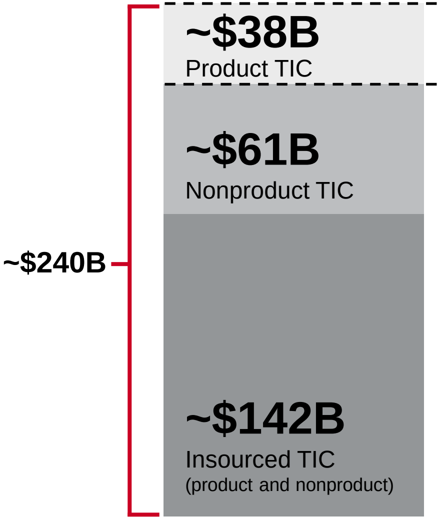
UL Solutions

Note: Percentage of revenue based on fiscal year ended December 31, 2024, revenue.

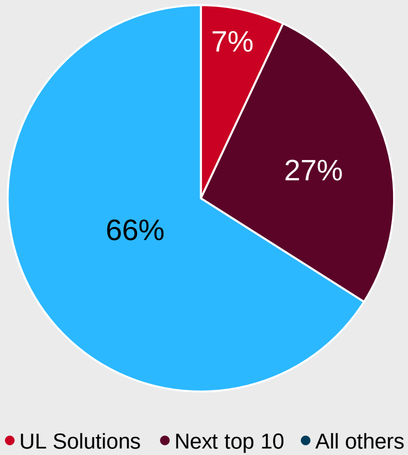
UL Solutions is a global leader

with #1 product TIC market share (by revenue)[1]

Global TIC market



$38B
Global product TIC market



1. Mission-driven growth company
2. Dedicated to applied safety science and ESG
3. Long-term customer relationships — reinforced by our iconic UL Mark — provide recurring revenue streams
4. Global scale and operating leverage
5. Healthy balance sheet and disciplined capital allocation strategy

Source: 2022 market data based on UL Solutions estimates.
[1] Outsourced product TIC market.

UL Solutions differentiates with its global accreditations and service portfolio

Helping our customers navigate the complexities of global requirements

Standards

Deep involvement – including leadership positions – in national, regional and international standards bodies

Accreditations

Broad and global portfolio of 650+ technical accreditations across 30 countries that help us maintain our commitment to integrity and technical competencies

Services

Over 400 independent third-party conformity assessment services delivered globally at scale

Note: As of December 31, 2024.

Segment overview

Strong fundamentals drive growth in all segments

	Testing, Inspection and Certification		
	Industrial	**Consumer**	**Software and Advisory**
Primary end markets	Power and energy products, industrial automation, materials and plastics, built environment products	Consumer products and electronics, medical devices, electric and autonomous vehicles, retail	Industrials: renewable energy, chemicals, built environment Consumer: consumer products and electronics, life and health sciences, automotive, retail
2024 revenue	**$1,254M**	**$1,238M**	**$378M**
2024 Adjusted EBITDA[1] | Margin	**$394M | 31.4%**	**$203M | 16.4%**	**$59M | 15.6%**
Key market opportunities	• Energy transition • Building and asset sustainability • Materials transparency • Industrial equipment IOT • Product cyber vulnerabilities • AI-enabled simulation	• Embedded software • Evolving regulations • Electric/autonomous vehicles • Sustainability • Human health • AI-enabled anomaly detection	• Regulatory compliance • Supply chain risks • ESG and sustainability • Energy transition • AI-enabled features

Outsourced product TIC market is expected to grow at a 5 – 6% CAGR from 2022-2026[2]

1. Adjusted EBITDA and Adjusted EBITDA margin are non-GAAP measures. Refer to reconciliations and definitions in Appendix.
2. 2022 – 2026 CAGR based on management estimates of outsourced product TIC market, weighted to UL Solutions' current operations.

Megatrends driving growth

Energy Transition

New Mobility

Sustainability and ESG

New Technology, Connectivity and Digitalization

Supply Chain Risks

Regulatory Compliance

Industrial segment overview

$1,254M
2024 revenue

44%
UL Solutions 2024 revenue

31.4%
2024 Adjusted EBITDA margin[1]

9.4%
2024 revenue growth

11.9%
2024 Organic[2]

4.4%
Q1 '25 revenue growth

8.1%
Q1 '25 Organic[2]

Markets

Energy and Automation

Power, automation and electrical products, renewable energy, and large batteries used in industrial, energy, utility and automotive applications

Materials

Wire, cable and plastics used in industrial and consumer electrical products and the built environment

Building Products

Building materials, and life safety and security products used in the built environment

Cybersecurity

Transaction and internet of things (IOT) products where cybersecurity is vital and demand drivers are strong

1. Adjusted EBITDA margin is a non-GAAP measure. Refer to reconciliation and definition in Appendix.
2. Refer to definition of Organic in the Appendix.

Consumer segment overview

$1,238M
2024 revenue

43%
UL Solutions 2024 revenue

16.4%
2024 Adjusted EBITDA margin[1]

5.6%
2024 revenue growth

6.9%
2024 Organic[2]

6.3%
Q1 '25 revenue growth

7.7%
Q1 '25 Organic[2]

Markets

Consumer Technology

Consumer electronics, IT equipment, medical devices and components such as rechargeable batteries and power supplies

Mobility

Electric and autonomous vehicles, and critical software and systems used in medical, aerospace and defense applications

Appliances, HVAC and Lighting

Appliance, HVAC, lighting products and components such as motors, switches and controls

Retail

Consumer products, including hardlines, softlines, health, beauty and wellness products sold through traditional and online retailers

1. Adjusted EBITDA margin is a non-GAAP measure. Refer to reconciliation and definition in Appendix.
2. Refer to definition of Organic in the Appendix.

Software and Advisory segment overview

$378M
2024 revenue

13%
UL Solutions 2024 revenue

15.6%
2024 Adjusted EBITDA margin[1]

5.0%
2024 revenue growth

4.4%
2024 Organic[2]

4.5%
Q1 '25 revenue growth

5.6%
Q1 '25 Organic[2]

Unifying platform with three core domains

Software and advisory solutions to help customers meet regulatory, supply chain and sustainability challenges

1. Adjusted EBITDA margin is a non-GAAP measure. Refer to reconciliation and definition in Appendix.
2. Refer to definition of Organic in the Appendix.

Key attributes of our financial model

Strong base of recurring revenue

- Essential nature of services drives stable, predictable revenue streams that are resilient across economic cycles
- Ongoing certification services and SaaS are generally recurring
- Long-tenured customers and strong repeat revenue base – ~60% of Fortune 500 companies and Global 500 companies[1]
- 99% customer retention in 2024 for the 500 largest customers since 2019[1]

Constant and attractive revenue growth

- Revenue CAGR of 6.9% from 2011[2] – 2024
- 8.7% 2024 Organic[3] growth
- Fueled by organic growth via new technology, product innovation, pricing leverage and acquisitions
- Diversified revenue mix with more than 80,000 customers globally across more than 35 industry verticals in 2024[1]

Strong free cash flow generation

- Consistent and attractive operating margins
- Tight working capital management and tax planning
- Disciplined approach to capital allocation
- Attractive investment opportunities for capital deployment

Healthy balance sheet

- Conservative leverage profile ensures flexibility and capacity for strategic investment
- Strong liquidity position through cash and revolving credit facility
- Investment grade ratings from third party agencies; Total Debt/Adjusted EBITDA[4] is 1.1x

1. Customer data as of Dec. 31, 2024. Customer retention in 2023 for the 500 largest customers by revenue since 2019.
2. Revenue for 2011 includes $81 million for UL-CCIC Company Limited, a joint venture interest of UL Solutions that was originally reported using the equity method of accounting.
3. Refer to definition of Organic in the Appendix.
4. Adjusted EBITDA is a non-GAAP measure. Refer to the definition and reconciliation in the Appendix. Reflects Total Debt and Adjusted EBITDA as of Dec. 31, 2024.

Compelling financial profile

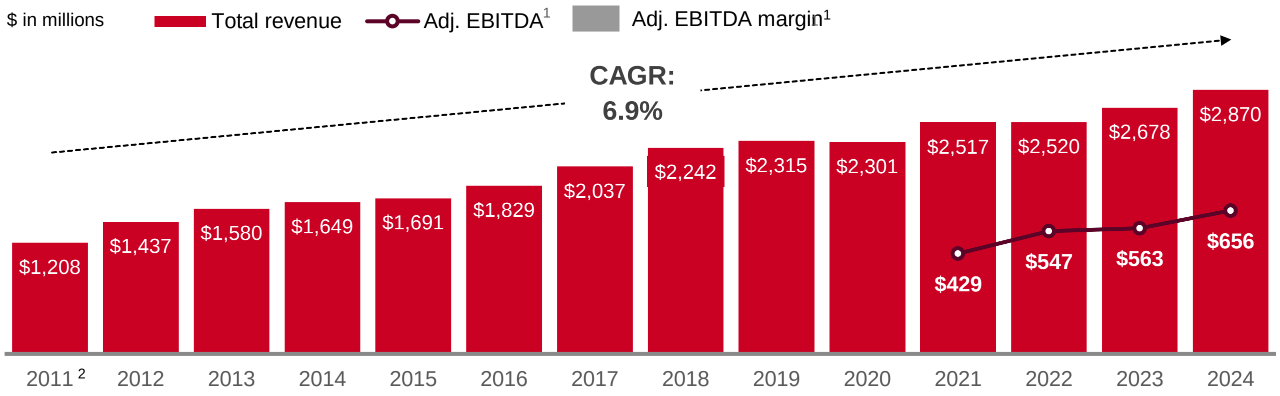
Scale	$2.9B 2024 revenue	150 Locations across more than 35 countries[3]
Growth	6.9% 2011[1] – 2024 total revenue CAGR	56 acquisitions from 2010 – 2024 to supplement strong organic drivers
Profitability	$361M | 12.6% 2024 Adjusted Net Income[2] | 2024 Adjusted Net Income margin[2]	$656M | 22.9% 2024 Adjusted EBITDA[2] | 2024 Adjusted EBITDA margin[2]
Free Cash Flow	$249M 2022 – 2024 average Free Cash Flow[2]	9.2% 2022 – 2024 average Free Cash Flow margin[2]

[1] Revenue for 2011 includes $81 million for UL-CCIC Company Limited, a joint venture interest of UL Solutions that was originally reported using the equity method of accounting.
[2] Adjusted Net Income, Adjusted Net Income margin, Adjusted EBITDA, Adjusted EBITDA margin, Free Cash Flow and Free Cash Flow margin are non-GAAP measures. Refer to reconciliations and definitions in Appendix.
[3] As of Dec. 31, 2024.

UL Solutions

UL Solutions exhibits exceptional financial momentum with strong free cash flow generation

Compelling organic growth profile with significant upside



	2021	2022	2023	2024
Free Cash Flow[1]	$314	$208	$252	$287
Adjusted EBITDA margin[1]	17.0%	21.7%	21.0%	22.9%
Organic[3]	7.5 %	2.7%[4]	6.5%	8.7%
Total Revenue Growth	9.4 %	0.1%[4]	6.3%	7.2%

Strong business services financial profile

- Long-term stable recurring revenue streams
- Attractive organic and total growth
- Strong profitability
- Significant, durable free cash flow

1. Adjusted EBITDA, Adjusted EBITDA margin and Free Cash Flow are non-GAAP measures. Refer to reconciliations and definitions in Appendix.
2. Revenue for 2011 includes $81 million for UL-CCIC Company Limited, a joint venture interest of UL Solutions that was originally reported using the equity method of accounting.
3. Refer to definition of Organic in the Appendix.
4. Revenue Growth in 2022 affected by revenue recognition change in estimate of (0.9)%.

UL Solutions

Capital allocation strategy and financial policy

Capital allocation priorities

Reinvest in the business

- Organic capex to support innovation, productivity and top-line growth
- Disciplined M&A that enhances our capabilities or extends our footprint to serve customers' evolving needs

Maintain strong balance sheet

- Conservative leverage consistent with investment grade credit ratings
- Strong liquidity positions with committed, unused revolving credit facility capacity and cash

Return capital to shareholders

- Intend to pay regular dividends (currently $0.13/share quarterly)
- UL Solutions may consider share repurchases to offset dilution

Commitment to investment grade credit ratings and conservative target leverage

UL Solutions growth strategy

1. Pursue organic opportunities

- Increase existing and new customer wallet share
- Expand presence in new and existing markets to address customer needs
- Develop innovative offerings that are fueled by tailwinds such as ESG

Proven results

2. Expand margin

- Automate and digitize work that provides innovation in customer services and operations
- Increase utilization of people and assets
- Simplify and standardize processes and metrics

Increasing productivity

3. Be the acquirer of choice

- Continue proven, value-enhancing track record of tuck-ins
- Selectively pursue M&A that expands service offerings into adjacent verticals, markets or technologies
- Commit capital that supports targets' long-term post-acquisition growth plans

Accelerated growth

Acquisitions are an important part of UL Solutions' growth

- **More than $1.3B deployed** towards 56 acquisitions 2010 – 2024
- **Acquisitions executed at attractive multiples** in critical end markets
- **Dedicated team** of M&A professionals focused on sourcing, evaluation and execution
- **Robust integration practice** with acquired businesses typically integrated within 12 months

Acquisitions since 2010

Industrial	Consumer	Software and Advisory
12	24	20

Select acquisitions

Platform additions	STR Holdings, Inc. *Quality Assurance*; The Wercs®
Adjacencies	ChemADVISOR, Inc.; AWS Truepower; Kaplan EduNeering; TestNet
Tuck-in acquisitions	cere; Healthy Buildings; HBI Healthy Buildings International; BI Batterie Ingenieure

Q1 2025 Highlights

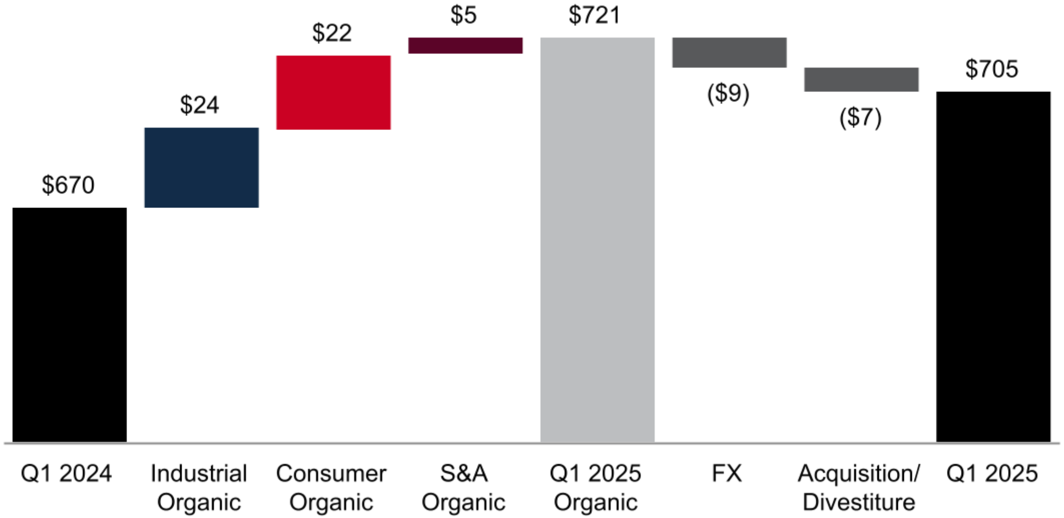
Strong execution and momentum drives Q1 performance

- 5.2% Revenue growth, 7.6% Organic[1]
- 31.1% Adjusted Net Income[2] increase
- Adjusted EBITDA[2] up 22.9% / Adjusted EBITDA margin[2] up 320 bps
- Generated Free Cash Flow[2] of $306M for the last twelve months ended March 31, 2025

1. Organic, Acquisition / Divestiture and FX are used throughout this presentation to explain the change in revenue and certain other metrics for a given period. Refer to definitions in the Appendix.
2. Adjusted Net Income, Adjusted Net Income margin, Adjusted EBITDA, Adjusted EBITDA margin, Free Cash Flow and Free Cash Flow margin are non-GAAP measures that are used throughout this presentation. Refer to the Appendix for definitions and reconciliations to the most directly comparable GAAP financial measures.

Q1 2025 Revenue +7.6% Organic[1]

$ in millions

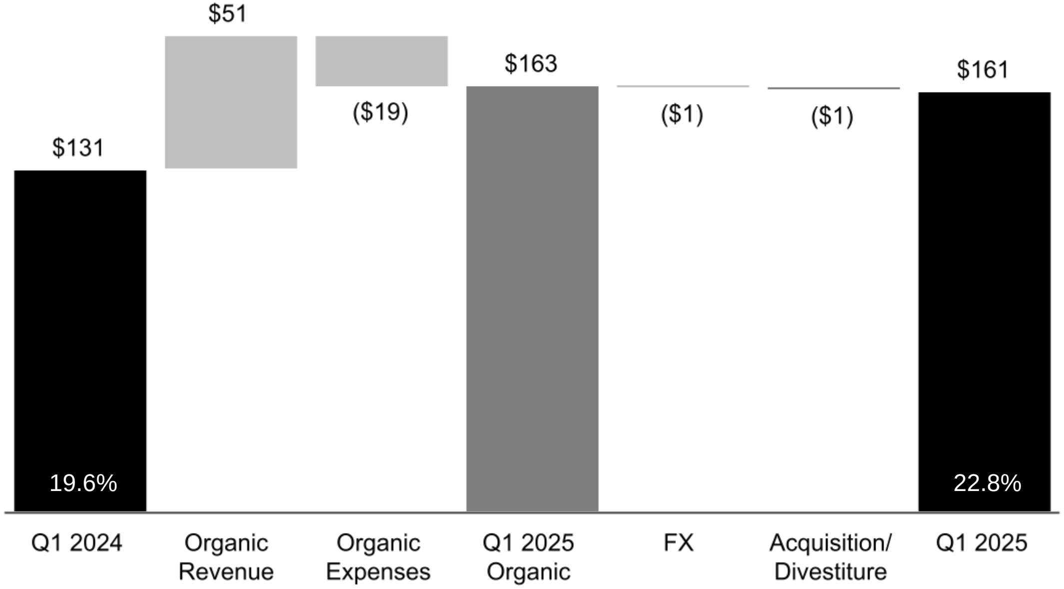


UL Solutions

1. Refer to Organic, FX and Acquisition / Divestiture definitions in Appendix.

Q1 Adjusted EBITDA[1] +22.9%

$ in millions
% Adjusted EBITDA margin



UL Solutions

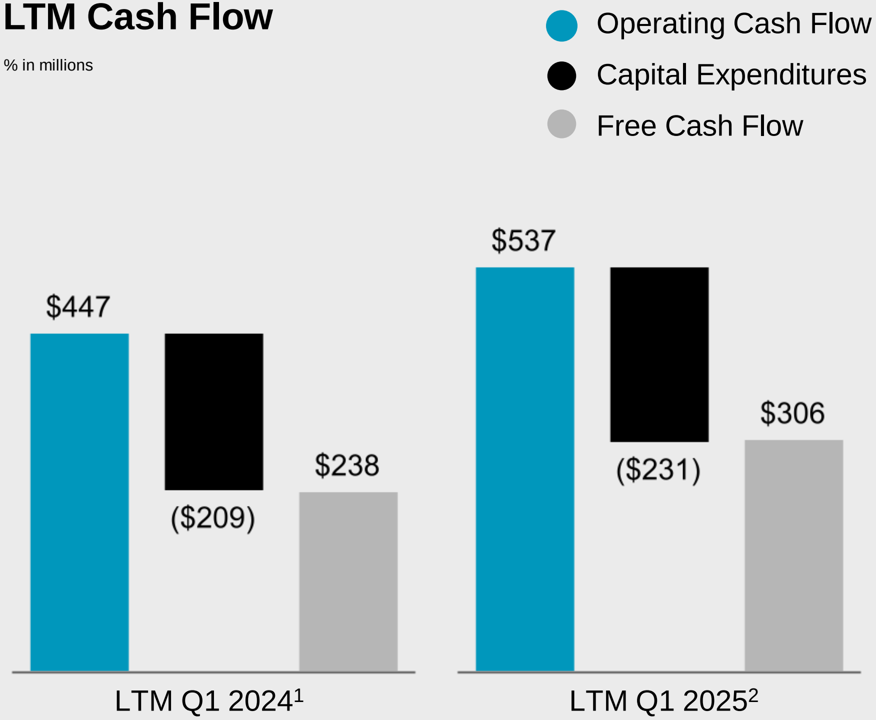
1. Adjusted EBITDA and Adjusted EBITDA margin are non-GAAP measures. Refer to the Appendix to this presentation for definition and reconciliation to the most directly comparable GAAP financial measures.

LTM Cash Flow

- Generated **Free Cash Flow** of $306M for the last twelve months ended March 31, 2025, an increase of $68M (28.6%) vs the last twelve months ended March 31, 2024
- YTD Free Cash Flow benefited from strong business performance
- YTD Capital expenditures of $51M reflects **continued organic investment** opportunities

LTM Cash Flow

% in millions



8.8%	Free Cash Flow margin %	10.5%

1. Last 12 months as of March 31, 2024.
2. Last 12 months as of March 31, 2025.

Appendix

Components of revenue change

Three Months Ended March 31, 2025

(in millions)	Organic[1]	Acquisition / Divestiture[2]	FX[3]	Total	Organic % Change	Total % Change
Revenue change						
Industrial	$ 24	$ (7)	$ (4)	$ 13	8.1 %	4.4 %
Consumer	22	—	(4)	18	7.7 %	6.3 %
Software and Advisory	5	—	(1)	4	5.6 %	4.5 %
Total	$ 51	$ (7)	$ (9)	$ 35	7.6 %	5.2 %

Year Ended December 31, 2024

(in millions)	Organic[1]	Acquisition / Divestiture[2]	FX[3]	Total	Organic % Change	Total % Change
Revenue change						
Industrial	$ 136	$ (18)	$ (10)	$ 108	11.9 %	9.4 %
Consumer	81	(1)	(14)	66	6.9 %	5.6 %
Software and Advisory	16	2	—	18	4.4 %	5.0 %
Total	$ 233	$ (17)	$ (24)	$ 192	8.7 %	7.2 %

1. Organic reflects revenue change in a given period excluding Acquisition / Divestiture and FX in that same period, expressed in dollars or as a percentage of revenue in the prior period.
2. Acquisition / Divestiture is calculated as revenue change in a given period related to acquisitions or disposals of businesses using prior period exchange rates, expressed in dollars or as a percentage of revenue in the prior period. Revenues from an acquisition or disposal are measured as Acquisition / Divestiture for the initial twelve month period following the acquisition or disposal date. Subsequently, the revenue impact from the acquired or disposed business is measured as Organic.
3. FX reflects the impact that foreign currency exchange rates have on revenue in a given period, expressed in dollars or as a percentage of revenue in the prior period. The Company uses constant currency to calculate the FX impact on revenue in a given period by translating current period revenues at prior period exchange rates, expressed as a percentage of revenue in the prior period.

Adjusted EBITDA and Adjusted EBITDA margin (non-GAAP measures)[1 2]

(in millions, unless otherwise stated)	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024	Year Ended December 31, 2024	Year Ended December 31, 2023	Year Ended December 31, 2022	Year Ended December 31, 2021
Net income	$ 71	$ 60	$ 345	$ 276	$ 309	$ 238
Depreciation and amortization	45	41	172	154	135	142
Interest expense	12	15	55	35	17	1
Other (income) expense, net	3	3	(8)	(13)	12	12
Income tax expense	23	13	70	70	74	36
Stock-based compensation	8	—	23	—	—	—
Goodwill impairment	—	—	—	37	—	—
Restructuring	(1)	(1)	(1)	4	—	—
Adjusted EBITDA[1]	$ 161	$ 131	$ 656	$ 563	$ 547	$ 429
Revenue	$ 705	$ 670	$ 2,870	$ 2,678	$ 2,520	$ 2,517
Net income margin	10.1 %	9.0 %	12.0 %	10.3 %	12.3 %	9.5 %
Adjusted EBITDA margin[2]	22.8 %	19.6 %	22.9 %	21.0 %	21.7 %	17.0 %

1. The Company defines Adjusted EBITDA as net income adjusted for depreciation and amortization expense, interest expense, other (income) expense, net, income tax expense, as well as stock-based compensation expense for equity-settled awards, material asset impairment charges and restructuring expenses, as applicable. The Company believes that the presentation of Adjusted EBITDA provides additional information to investors about certain non-cash items and unusual items that are not expected to continue at the same level in the future. Further, the Company believes Adjusted EBITDA provides a meaningful measure of business performance and provides a basis for comparing its performance to that of other peer companies using similar measures. There are material limitations to using Adjusted EBITDA. Adjusted EBITDA does not take into account certain significant items, including depreciation and amortization, interest expense, other (income) expense, net, income tax expense, stock-based compensation expense for equity-settled awards, material asset impairment charges and restructuring expenses which directly affect the Company's net income, as applicable. These limitations are best addressed by considering the economic effects of the excluded items independently, and by considering Adjusted EBITDA in conjunction with net income as calculated in accordance with GAAP.
2. Adjusted EBITDA margin is calculated as Adjusted EBITDA as a percentage of revenue.

UL Solutions

Adjusted EBITDA and Adjusted EBITDA margin (non-GAAP measures)[1 2] by segment

(in millions, unless otherwise stated)	Year Ended December 31, 2024	Year Ended December 31, 2023
Industrial		
Segment operating income	$ 338	$ 308
Depreciation and amortization expense	47	38
Stock-based compensation	9	—
Restructuring	—	1
Adjusted EBITDA[1]	$ 394	$ 347
Revenue	$ 1,254	$ 1,146
Operating income margin	27.0 %	26.9 %
Adjusted EBITDA margin[2]	31.4 %	30.3 %
Consumer		
Segment operating income	$ 114	$ 45
Depreciation and amortization expense	79	75
Stock-based compensation	11	—
Goodwill impairment	—	37
Restructuring	(1)	2
Adjusted EBITDA[1]	$ 203	$ 159
Revenue	$ 1,238	$ 1,172
Operating income margin	9.2 %	3.8 %
Adjusted EBITDA margin[2]	16.4 %	13.6 %
Software and Advisory		
Segment operating income	$ 10	$ 15
Depreciation and amortization expense	46	41
Stock-based compensation	3	—
Restructuring	—	1
Adjusted EBITDA[1]	$ 59	$ 57
Revenue	$ 378	$ 360
Operating income margin	2.6 %	4.2 %
Adjusted EBITDA margin[2]	15.6 %	15.8 %

1. See definition on previous slide.
2. See definition on previous slide.

Adjusted Net Income and Adjusted Net Income margin (non-GAAP measures)[1 2]

(in millions, unless otherwise stated)	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024	Year Ended December 31, 2024	Year Ended December 31, 2023
Net income	$ 71	$ 60	$ 345	$ 276
Other (income) expense, net	3	3	(8)	(13)
Stock-based compensation	8	—	23	—
Goodwill impairment	—	—	—	37
Restructuring	(1)	(1)	(1)	4
Tax effect of adjustments[3]	(1)	(1)	2	—
Adjusted Net Income[1]	$ 80	$ 61	$ 361	$ 304
Revenue	$ 705	$ 670	$ 2,870	$ 2,678
Net income margin	10.1 %	9.0 %	12.0 %	10.3 %
Adjusted Net Income margin[2]	11.3 %	9.1 %	12.6 %	11.4 %

1. The Company defines Adjusted Net Income as net income adjusted for other expense (income), net, stock-based compensation expense for equity-settled awards, material asset impairment charges and restructuring expenses, as applicable, each net of tax. The Company believes that the presentation of Adjusted Net Income provides additional information to investors about certain non-cash items and unusual items that are expected to continue at the same level in the future. Further, the Company believes Adjusted Net Income provides a meaningful measure of business performance and provides a basis for comparing its performance to that of other peer companies using similar measures. There are material limitations to using Adjusted Net Income. Adjusted Net Income does not take into account certain significant items, including other expense (income), stock-based compensation expense for equity-settled awards, material asset impairment charges and restructuring expenses which directly affect the Company's net income, as applicable. These limitations are best addressed by considering the economic effects of the excluded items independently, and by considering Adjusted Net Income in conjunction with net income as calculated in accordance with GAAP.
2. Adjusted Net Income margin is calculated as Adjusted Net Income as a percentage of revenue.
3. The Company computed the tax effect of adjustments to net earnings by applying the statutory tax rate in the relevant jurisdictions to the taxable income or expense items that are adjusted in the period presented. If a valuation allowance exists, the rate applied is zero.

Free Cash Flow and Free Cash Flow margin (non-GAAP measures)[1 3]

(in millions, unless otherwise stated)	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024	LTM[2] March 31, 2025	LTM[2] March 31, 2024	Year Ended December 31, 2024	Year Ended December 31, 2023	Year Ended December 31, 2022	Year Ended December 31, 2021
Net cash provided by operating activities	$ 154	$ 141	$ 537	$ 447	$ 524	$ 467	$ 372	$ 421
Capital expenditures	(51)	(57)	(231)	(209)	(237)	(215)	(164)	(107)
Free Cash Flow[1]	$ 103	$ 84	$ 306	$ 238	$ 287	$ 252	$ 208	$ 314
Revenue	$ 705	$ 670	$ 2,905	$ 2,719	$ 2,870	$ 2,678	$ 2,520	$ 2,517
Net cash provided by operating activities margin	21.8 %	21.0 %	18.5 %	16.4 %	18.3 %	17.4 %	14.8 %	16.7 %
Free Cash Flow margin[3]	14.6 %	12.5 %	10.5 %	8.8 %	10.0 %	9.4 %	8.3 %	12.5 %

1. The Company defines Free Cash Flow as cash from operating activities less cash outlays related to capital expenditures. The Company defines capital expenditures to include purchases of property, plant and equipment and capitalized software. These items are subtracted from cash from operating activities because they represent long-term investments that are required for normal business activities. The Company uses Free Cash Flow as an additional liquidity measure and believes it provides useful information to investors about the cash generated from its core operations that may be available to repay debt, make other investments and return cash to stockholders. There are material limitations to using Free Cash Flow. Free Cash Flow adjusts for cash items that are ultimately within management's discretion to direct, and therefore, may imply that there is less or more cash that is available than the most comparable GAAP measure. Free Cash Flow is not intended to represent residual cash flow for discretionary expenditures since debt repayment requirements and other non-discretionary expenditures are not deducted. These limitations are best addressed by considering the economic effects of the excluded items independently, and by considering Free Cash Flow in conjunction with net cash provided by operating activities as calculated in accordance with GAAP.
2. Last 12 months.
3. Free Cash Flow margin is calculated as Free Cash Flow as a percentage of revenue.