

RAYTHEON TECHNOLOGIES CORPORATION CLAWBACK POLICY

I. PURPOSE

The Raytheon Technologies Corporation Clawback Policy (the "Policy") has been adopted by the Compensation Committee of the Board of Directors of Raytheon Technologies Corporation ("Raytheon Technologies" or "RTX") effective as of December 6, 2020 (the "Effective Date"). This Policy shall apply to Raytheon Technologies and all of its divisions, business units, subsidiaries and affiliates (collectively the "Company"). The purpose of the Policy is to allow the Company to recoup Incentive Compensation upon the occurrence of certain Forfeiture Events.

II. DEFINITIONS

- A. **Cause** has the meaning set forth in Section (1)(h) of the Raytheon Technologies Corporation 2018 Long-Term Incentive Plan (the "LTIP"), or any successor plans.
- B. **Change-in-Control** has the meaning set forth in Section 10(e) of the Raytheon Technologies Corporation 2018 Long-Term Incentive Plan (the "LTIP"), or any successor plans.
- C. **Committee** means the Compensation Committee of the Board of Directors of Raytheon Technologies.
- D. **Covered Employee** means any current or former employee of the Company who has received Incentive Compensation.
- E. **Incentive Compensation** means (1) annual incentive awards under the Raytheon Technologies Corporation Annual Executive Incentive Plan ("AIP Awards"), or any successor plan; (2) vested or unvested equity- or cash-based awards under the LTIP ("LTIP Awards"); and (3) any other incentive-based compensation in respect of any Company plan or agreement.
- F. **Shares** means shares of RTX Common Stock.
- G. **Termination of Service** means the termination of the Covered Employee's employment with, or performance of services for, the Company.

III. FORFEITURE EVENTS

- A. **General Forfeiture.** Upon the occurrence of any of the following Forfeiture Events, a Covered Employee shall (1) forfeit all, or a portion of, outstanding Incentive Compensation, as determined by the Committee at its sole discretion, and (2) shall pay the Forfeiture Amount (as detailed in Article IV) to the Company within 30 days of receipt of written notice from the Company:
 - a. Termination of Service for Cause;
 - b. Within three years following any Termination of Service, the Committee determines that the Covered Employee engaged in conduct before the Covered Employee's termination date that would have constituted the basis for a Termination of Service for Cause;
 - c. A restatement of financial results attributable to a Covered Employee's actions, whether intentional or negligent.
 - d. At any time during the 24-month period immediately following any Termination of Service, a Covered Employee:
 - i. Solicits for employment or otherwise attempts to retain the professional services of any individual then employed or engaged by the Company (other than a person performing secretarial or similar services) or who was so employed or engaged during the three-month period preceding such solicitation; or
 - ii. Publicly disparages the Company or any of officers, directors or senior executive

- employees of the Company, or otherwise makes any public statement that is materially detrimental to the interests of the Company or such individuals; or
- e. At any time during the 12-month period following any Termination of Service, a Covered Employee becomes employed by, consults for or otherwise renders services to any business entity or person engaged in activities that compete with Raytheon Technologies or the business unit that employed the Covered Employee, unless the Covered Employee has first obtained the written consent of the Chief Human Resources Officer or her or his delegate. For purposes of applying this provision: (x) a Covered Employee shall be deemed to have been employed by each business unit that employed the Covered Employee within the two-year period immediately prior to the date of the Termination of Service, and (y) the status of a business entity or person as a competitor shall be determined by the Chief Human Resources Officer in her or his sole discretion; or
 - f. Negligent conduct injurious to the Company, including negligent supervision of a subordinate whose action requires a restatement of financial results, or other significant harm to the Company as determined by the Committee.

In addition, the Committee reserves the right to require repayment of all or any portion of Incentive Compensation from a Covered Employee under item (c) above, without regard to whether a restatement is attributable to the Covered Employee's actions, as appropriate and determined at the Committee's sole discretion.

- B. **Performance Results Measurement Forfeiture.** For AIP Awards or similar performance-based Incentive Compensation, where there is a recalculation of the performance results for a performance period whereby (i) the corrected performance measurement would have (or likely would have) resulted in a smaller payment for Incentive Compensation, and (ii) the inaccuracies were attributable, in whole or in part, to the Covered Employee's negligence or intentional misconduct; the Committee will determine in its sole discretion the Forfeiture Amount (as detailed in Article IV) that the Covered Employee is required to repay to the Company within 30 days of receipt of written notice from the Company. At a minimum, the Forfeiture Amount will equal the difference between the amount paid for the Incentive Compensation and the amount that would have been paid had the corrected performance results been used to calculate the Incentive Compensation. In addition, the Committee reserves the right to require repayment of all or any portion of Incentive Compensation from Covered Employees without regard to clause (ii) above as appropriate.

IV. FORFEITURE AMOUNT

The "Forfeiture Amount" means an amount determined by the Committee in its sole and absolute discretion, up to the sum of:

- A. the Fair Market Value of any Shares held by the Covered Employee as of the date that the Committee requires forfeiture that were acquired by the Covered Employee pursuant to an LTIP Award during the three-year period preceding such date;
- B. the amount of (1) the proceeds from the sale (including sales to RTX) of any Shares acquired by the Covered Employee pursuant to an LTIP Award during the three-year period preceding the date that the Committee requires forfeiture, less (2) the amount, if any, paid by the Covered Employee to purchase such Shares;
- C. any proceeds received by the Covered Employee upon cash settlement of any LTIP Award during the three-year period preceding the date that the Committee requires forfeiture; and
- D. any AIP awards received during the three-year period preceding the date that the Committee requires forfeiture, for which there is a recalculation of a performance goal as provided in paragraph B of Article III.

V. **COMMITTEE DETERMINATION**

The Committee has the exclusive power and authority to administer this Policy, including without limitation, the right and power to interpret the provisions of the Policy. The Committee shall make all determinations required under this Policy in its sole and absolute discretion, and such determinations shall be conclusive and binding. Notwithstanding any provision of this Policy to the contrary, the Committee has sole and absolute discretion not to require a Covered Employee to pay all or any portion of a Forfeiture Amount, and its determination not to require any Covered Employee to pay all or any portion of a Forfeiture Amount with respect to any particular act by any particular Covered Employee shall not in any way reduce or eliminate the Committee's authority to require payment of a Forfeiture Amount with respect to any other act or other Covered Employee. The Committee may delegate authority to interpret and administer this Policy to officers of Raytheon Technologies, provided however, that no such authority shall be delegated with respect to Incentive Compensation of a Covered Employee who is a reporting person under Section 16 of the Exchange Act.

VI. **OTHER LAWS**

This Policy is a nonexclusive remedy, and nothing contained herein shall preclude the Company from pursuing any other available remedies (subject to applicable law). The Policy is in addition to (and not in lieu of) any right of repayment, forfeiture or right of offset against any Covered Employee that is required pursuant to any statutory repayment requirement (regardless of whether implemented at any time prior to or following the adoption of the Policy).