

RAYTHEON TECHNOLOGIES CORPORATION
CORPORATE GOVERNANCE GUIDELINES¹
APRIL 26, 2021

A. FUNCTIONING OF THE BOARD

1. Size of the Board

The Company's Bylaws provide for a board of 10 to 19 members.² Within this range, the Board will determine the appropriate size of the Board from time to time based on existing conditions and circumstances.

2. Responsibilities of the Board of Directors

It is the responsibility of the directors to exercise their business judgment and to act in the best interests of the Company and its shareowners in overseeing the Company's business and affairs. Board oversight will be provided in a number of areas, including the selection and evaluation of senior executive management, the review of business objectives and major strategies, oversight of significant risks, and the establishment of corporate governance practices. Each director will be available to devote the significant time required to attend Board meetings, review Board materials and carry out his or her responsibilities as a director.

3. Election of Chairman of the Board and Designation of the Lead Director

As provided in the Company's Bylaws, the Board shall annually elect one of its members to be Chairman of the Board. The Chairman and Chief Executive Officer of RTN immediately prior to the Merger Closing Date ("Former RTN CEO") shall serve on the Board as the executive Chairman ("Executive Chairman") until the Specified Date or such earlier date that the Former RTN CEO ceases for any reason to serve in such role in accordance with the Company's Bylaws (the "Succession Date"). Upon the Succession Date, the Board shall elect the UTC Chairman and Chief Executive Officer immediately prior to the Merger Closing Date (the "Pre-Closing CEO") as Chairman. Upon such election, the Pre-Closing CEO shall continue to serve as CEO of the Company.

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1. These Guidelines contain certain provisions which are subject to Sections 2.11 and 2.18 of the Raytheon Technologies Corporation (the "Company") Amended and Restated Bylaws, which were adopted in connection with the merger of United Technologies Corporation ("UTC") and Raytheon Company ("RTN"). The Company's Bylaws provide terms and conditions under which the Board of Directors of the Company ("the Board") shall initially be composed of certain individuals who were members of the RTN board of directors and certain individuals who were members of the UTC board of directors, in each case as of the merger closing date (the "Merger Closing Date"), and certain other matters until April 3, 2022 (the "Specified Date").
 2. The number of directors may be increased to the extent necessary to comply with Section 2.18(F) of the Company's By-Laws.

The independent directors shall designate from among themselves a director to serve as Lead Director. Until the Specified Date, the independent directors on the Board shall select the Lead Director from among the RTN Continuing Independent Directors (as such term is defined in the Company's Bylaws). The responsibilities of the Lead Director are set forth in Attachment A.

There is no fixed policy on whether the roles of Chairman of the Board and Chief Executive Officer should be separate or combined. This decision will be made in the best interests of the Company considering the circumstances at the time.

4. Board Composition

It is Board policy that a substantial majority of the directors shall be independent, in accordance with the requirements of applicable law and the listing standards of the New York Stock Exchange ("NYSE"). The Board has adopted the standards set forth in its Director Independence Policy to assist it in making determinations of independence. In addition, until the Specified Date, the composition of the Board shall be in accordance with Sections 2.11 and 2.18 of the Bylaws.

5. Private Sessions of the Independent Directors

The independent directors shall meet in regularly scheduled private sessions without management. Other private sessions may be called by the Lead Director, if deemed necessary. The Lead Director will preside at such private sessions when present.

6. Board Self-Evaluation

The Board will conduct an annual self-evaluation of the performance of the full Board, the standing committees of the Board, and individual directors. The Committee on Governance and Public Policy is responsible for and will oversee the design and conduct of the annual self-evaluation. The self-evaluation will focus on the Board's effectiveness and inform the Board's consideration of (i) board roles, (ii) succession planning, (iii) refreshment objectives, and (iv) opportunities to increase the effectiveness of the Board. The self-evaluation process will be jointly led by the Lead Director and the chair of the Committee on Governance and Public Policy.

Each of the standing committees of the Board will also report to the Board annually on the committee's self-evaluation of its own performance.

7. Board Interaction with Corporate Constituencies

Management is responsible for establishing effective communications with shareowners, customers, employees, governments, the press and other corporate constituencies. After consultation with management, individual directors may on occasion meet with representatives of corporate constituencies having an interest in the Company. Management, absent unusual circumstances, should be present at such meetings.

B. BOARD MEMBERSHIP

1. Criteria for Board Membership

The Committee on Governance and Public Policy periodically reviews and recommends for approval by the Board criteria for membership on the Board and the skills and characteristics required of Board members. The Board's current policy is that candidates for the Board should have objectivity and independence in making informed business decisions; extensive knowledge,

experience and judgment; the highest integrity; loyalty to the interests of the Company and its shareowners; a willingness to devote the extensive time necessary to fulfill a director's duties; the ability to contribute to the diversity of perspectives present in board deliberations; and an appreciation of the role of the corporation in society.

The Board has delegated the screening and evaluation process for director candidates to the Committee on Governance and Public Policy. Director candidates who are nominated by the Committee with the concurrence of the Board receive an invitation to join the Board issued by the Chairman on behalf of the full Board.

2. Stock Ownership and Board Compensation

Each member of the Board should be a long-term Company shareowner or holder of Company stock units. Toward that end, a majority of each non-management director's annual retainer is paid in Company stock units.

To further encourage the alignment of management and shareowner interests, the Board will, from time to time, adopt stock ownership requirements for non-management directors and the Company's Executive Leadership Group. The Chief Executive Officer is currently required to own shares of the Company's Common Stock, tax deferred stock units or other share equivalents having a value equal to at least six times base salary within five years of attaining that position. Non-employee members of the Board are required to own shares of the Company's Common Stock, tax deferred stock units or other share equivalents having a value equal to at least five times the then applicable base annual cash retainer within five years of joining the Board.

3. Independence of Directors

No director shall qualify as "independent" for purposes of the NYSE independence standards unless the Board affirmatively determines on an annual basis that the director has no material relationship with the Company. The Board has adopted the standards set forth in its Director Independence Policy to assist it in making determinations of independence.

4. Conflicts of Interest

Directors must be loyal to and act in the best interests of the Company and its shareowners. Directors must avoid conflicts of interest and any appearance thereof, as defined by applicable laws and as set forth in the Company's Code of Conduct.

Prior to beginning service as a director, each new director will disclose all situations that could reasonably represent a conflict of interest by providing relevant financial and other information to the Company. The Company will provide a questionnaire intended to facilitate this process. All directors will update this information as changes occur.

Annually, the Company will survey its directors to affirm compliance with this policy and to ensure that matters are reported publicly as required by applicable laws. These disclosures must include any "related person transactions," as defined by Securities and Exchange Commission regulations and NYSE listing standards. All disclosures will be made to the Corporate Secretary who, together with the Corporate Vice President, Global Compliance, will review the circumstances with the Committee on Governance and Public Policy or the Board, as appropriate. The Committee or the Board, as appropriate, will determine whether a conflict of interest or "related person transaction" exists and decide the appropriate course of action, consistent with the Company's best interests. The Board has adopted a Related Person Transactions Policy to assist it in reviewing potential related person transactions.

Any waiver with respect to a conflict of interest or related person transaction for a director or executive officer must be approved by the Committee on Governance and Public Policy or the Board.

5. Director Orientation and Continuing Education

Each new director will participate in an orientation program to familiarize the director with the roles and responsibilities of the Board and its committees. The orientation program will also include reviews of the Company's (i) business units, operations and management; (ii) strategic plans; (iii) financial statements and significant financial, accounting and risk management issues; (iv) compliance programs and the Code of Ethics; and (v) the internal audit function and independent auditors. The orientation will include meetings with key executives and, to the extent practical, visits to significant facilities and operations. The new director orientation program will also include reviews of specific topics based on each director's committee assignments.

Additional presentations and materials will be provided to the directors from time to time on an individual basis or collectively, as appropriate, to familiarize the directors with new developments, as necessary to allow them to carry out their responsibilities as Board and committee members. The Board will have the opportunity to conduct at least one annual on-site visit to a Company operating unit, familiarizing directors with the operations of that unit and facilitating direct interaction between directors and operating personnel as appropriate. Directors are also encouraged to attend outside continuing education programs for directors and will be reimbursed by the Company for the cost of such programs and related expenses. The Corporate Secretary will assist directors in identifying such programs.

6. Uncontested Director Elections

In an uncontested election of directors, any nominee for director who is an incumbent director and who receives a greater number of votes cast "against" than votes "for" his or her election will promptly tender his or her resignation to the Chair of the Committee on Governance and Public Policy (the "Committee") following certification of the shareholder vote. The Committee will promptly make a recommendation to the Board about whether to accept or reject the tendered resignation.

The Board will act on the Committee's recommendation no later than 90 days after the date of the shareowners' meeting. The Board will consider the Committee's recommendation and any additional information the Board believes to be relevant in deciding whether to accept the tendered resignation. The Company will promptly publicly disclose the Board's decision (providing an explanation of the process by which the decision was reached and, if applicable, the reasons for rejecting the tendered resignation) in a Form 8-K filed with the Securities and Exchange Commission.

To the extent that the Board accepts one or more directors' resignations, the Committee will recommend to the Board whether to fill such vacancy or vacancies or to reduce the size of the Board. The Board will consider the Committee's recommendation and any additional information the Board believes to be relevant in deciding whether to fill such vacancy or vacancies and/or to reduce the size of the Board. Until the Specified Date, any such vacancy created by the cessation of service of a UTC Continuing Independent Director (as such term is defined in the Company's Bylaws), a UTC Continuing Non-Independent Non-CEO Director (as such term is defined in the Company's Bylaws) or a RTN Continuing Independent Director (as such term is defined in the Company's Bylaws) shall be filled by an individual proposed for nomination to the Committee by a majority of the remaining UTC Continuing Directors (as such term is defined in the Company's Bylaws) or RTN Continuing Independent Directors, as applicable, provided that any such proposed individual qualifies in accordance with Sections 2.11 and 2.18 of the Bylaws.

Any director who tenders his or her resignation pursuant to this provision will not participate in the Committee recommendation or Board consideration regarding the tendered resignation. If a majority of the members of the Committee receive a majority vote “against” in the same election, then the independent directors who did not receive a majority vote “against” will appoint a Board committee amongst themselves solely to consider the tendered resignations and to recommend to the participating eligible Board members whether to accept or reject each resignation.

7. Change in Primary Responsibilities/Outside Board Memberships

If a director’s principal employment or principal responsibilities outside of the Company change substantially, the director will offer to resign from the Board. The Committee on Governance and Public Policy will recommend to the Board whether the resignation should be accepted.

The number of public company boards on which a director may serve, including the Company Board, is limited to (a) four in the case of a director who is not also an executive officer of a public company and (b) two in the case of a director who is an executive officer of a public company (including the board of the company at which the director is employed). The latter limitation also applies to the Company’s Chief Executive Officer.

Members of the Board will also notify the Chair of the Committee on Governance and Public Policy and the General Counsel or the Corporate Secretary prior to joining the board of a public company or for-profit company or accepting a paid employment, consulting or advisory engagement which reasonably could raise director independence, conflicts of interest or other issues in order to permit a review of any relationship between the Company and such other entity that may affect the independence of the director, require disclosure or conflict with other legal requirements. The Lead Director and the Chair of the Committee on Governance and Public Policy may approve any proposed directorship or engagement after appropriate consultation with the General Counsel.

The Committee on Governance and Public Policy shall consider (a) whether any proposed or ongoing directorship, service or engagement would conflict with a Company policy or service on the Company’s Board, (b) the impact on the time required for Company Board and committee attendance, preparation and participation, and (c) other factors it deems appropriate. Until the Specified Date, any vacancy created by the cessation of service of a UTC Continuing Independent Director, a UTC Continuing Non-Independent Non-CEO Director or a RTN Continuing Independent Director shall be addressed in the same manner as set forth in Section B.6.

8. Board Membership of a Former Chief Executive Officer

If the Chief Executive Officer resigns that position and is also a member of the Board, he or she will offer to resign from the Board at the same time. A decision on whether to accept the resignation will be discussed by the Board and with the new Chief Executive Officer. This is a matter to be decided based on the facts in each instance.

9. Term Limits/Retirement

There are no fixed term limits for members of the Board since such a policy could deprive the Company of the benefit of the experience and insight into the Company’s operations that develop and strengthen over time. The Committee on Governance and Public Policy periodically reviews the continued tenure of directors, with special attention – based on the composition and needs of the Board at that time and other considerations the Committee deems appropriate – to those directors who have served on the Board for 15 or more years.

The current policy of the Board is that directors shall not stand for reelection and shall retire from the Board as of the annual meeting of shareowners following their attainment of age seventy-two. The Board retains the authority to approve exceptions to this policy based upon special circumstances.

10. CONFIDENTIALITY

The proceedings and deliberations of the Board are confidential. Each director shall maintain the confidentiality of these proceedings and deliberations. Each director shall also maintain the confidentiality of all proprietary, privileged or otherwise protected information obtained in connection with his or her service as a director and may use such information only for the purpose of his or her service as a director.

C. COMMITTEE ORGANIZATION

The Board has established the following standing committees to assist in the performance of the Board's duties: Audit, Finance, Governance and Public Policy, Human Capital and Compensation, and Special Activities. The Audit and Human Capital and Compensation Committees, and the Committee on Governance and Public Policy shall be composed solely of independent directors. The rotation of committee assignments is not mandated as a matter of policy. The Committee on Governance and Public Policy periodically reviews committee structure and assignments and makes recommendations to the Board. In formulating its recommendations to the Board on committee assignments, the Committee shall consider, among other factors it deems appropriate, an objective of rotating committee chairs and members at least every five years. The Committee on Governance and Public Policy shall also engage in committee leadership planning, including periodic review of individual director development in relation to the desired attributes and experience identified by the Committee for the role of each committee chair. In any event, until the Specified Date, (i) the chairperson of each of the Audit and Finance Committees shall be a UTC Continuing Director, (ii) the chairperson of each of the Human Capital and Compensation and Special Activities Committees and the Committee on Governance and Public Policy shall be a RTN Continuing Director and (iii) each standing committee shall be composed of an equal number of UTC Continuing Directors and RTN Continuing Directors. Subject to the foregoing, the Company's Bylaws, applicable legal and NYSE listing requirements, the Board may form new committees or disband existing committees depending upon its needs and circumstances.

D. BOARD AND COMMITTEE MEETINGS

1. Agendas and Schedules for Meetings

The Chairman of the Board, in conjunction with the Chief Executive Officer and the Lead Director shall plan and approve the schedule and agenda for meetings of the Board to be held during the year. Agendas shall include key subjects to be presented and discussed during such meetings, as well as periodic reviews of long-term strategic objectives and management development plans.

The chair of each Board committee shall establish the agenda and determine the frequency and length of the respective committee meetings.

Directors are encouraged to suggest at any time agenda items for Board or committee meetings, to request additional meeting materials and to raise at any Board or committee meeting subjects not on the agenda for that meeting.

2. Board Materials and Presentations

The Chairman of the Board, in conjunction with the Chief Executive Officer shall approve information sent to the Board of Directors, subject to advice from the Lead Director.

Consistent with the efficient use of time and resources and to the extent practicable, briefing materials and supporting data related to matters to be reviewed at planned meetings are distributed to directors sufficiently in advance of Board meetings to allow appropriate consideration. Management should exercise judgment as to materials appropriate for advance distribution.

Senior executives are encouraged to attend Board meetings, as appropriate, at the invitation of the Chief Executive Officer, the Board, the Chairman and/or Lead Director (as applicable). Similarly, senior executives are encouraged to bring other executives to Board meetings or to other Board functions, as appropriate, who are high potential individuals who would benefit from exposure to the Board, or who are subject area experts who may contribute to the Board's discussions.

E. BOARD OVERSIGHT OF MANAGEMENT

1. Evaluation of Chief Executive Officer

The performance of the Chief Executive Officer is subject to ongoing evaluation by the Board. The Board's evaluation shall be communicated to the CEO annually by the Chairman and the Lead Director (if any), or by the Lead Director, if the Chairman is the Chief Executive Officer. This annual evaluation is based on objective criteria, including performance of the business, accomplishment of long-term strategic objectives, development of management, and other more subjective criteria. The evaluation is used by the Human Capital and Compensation Committee in the course of its deliberations when considering the compensation of the Chief Executive Officer.

2. Board Access to Management and Advisors

Board members will have full access to all management and, as necessary and appropriate, independent advisors.

3. Management Development and Succession Planning

The Board reviews succession planning and management development on an annual basis. The Board also has available on a continuing basis the Chief Executive Officer's recommendations as to his or her successor should the Chief Executive Officer unexpectedly be unable to serve.

4. Shareowner Communications

Shareowners and other interested persons may send communications to the Board, the Chairman of the Board or the Lead Director (as applicable), or to one or more independent directors through the various methods provided on the Company's website. Communications relating to the Company's accounting, internal controls, auditing matters or business practices will be reviewed by the Company's Global Ethics and Compliance Office and reported to the Audit Committee in accordance with Section E.5., below. All other communications will be reviewed by the Corporate Secretary and reported to the Board, as appropriate.

5. Audit Committee Communications

The Audit Committee has established and authorized the Corporate Vice President, Global Ethics & Compliance, to maintain procedures for the receipt, retention and treatment of complaints received by the Company regarding: (i) accounting, internal accounting controls or auditing matters, and (ii) the confidential, anonymous submission by the Company's employees, shareowners and other interested persons of concerns regarding questionable accounting or auditing matters, and business practices. These complaints and concerns can be communicated to the Company's Ombudsman through the methods provided on the Company's website. The Corporate Vice President, Global Ethics & Compliance, will review and investigate, as appropriate, such complaints and concerns and report thereon to the Audit Committee on a regular basis.

6. Review of Government Relations and Political Action Committees

The Board shall review and monitor the Company's conduct of government relations activities, including the activities of any political action committees.

ATTACHMENT A

LEAD DIRECTOR RESPONSIBILITIES

A. The Lead Director shall collaborate and regularly communicate with the Executive Chairman and with the Chief Executive Officer (“CEO”) in fulfilling his/her responsibilities relating to the management, development and effective functioning of the Board of Directors.

B. The Lead Director shall act in an advisory capacity to the Executive Chairman and the CEO in matters concerning the interests of the organization and the Board of Directors and relationships between management and the Board of Directors.

C. Specific responsibilities of the Lead Director shall include:

1. Preside at Sessions of the Independent Directors

a. The Lead Director shall preside at all private sessions of the independent directors, develop the agendas for such sessions and provide feedback regarding such sessions to the Executive Chairman and the CEO.

2. Call Private Sessions of the Independent Directors

a. The Lead Director has the authority to call private sessions of the independent directors, develop the agendas for such sessions and shall provide feedback regarding such sessions to the Executive Chairman and the CEO.

3. Perform other Corporate Governance Functions

a. In conjunction with the Executive Chairman and the CEO, the Lead Director shall ensure that the respective responsibilities of the Board of Directors and management are understood, and that the boundaries between Board of Directors’ and management responsibilities are respected.

b. At the request of the independent directors, the Lead Director shall serve as liaison on Board-wide issues between the independent directors and the Executive Chairman.

c. The Lead Director shall collaborate with the Executive Chairman and CEO to plan and organize the activities of the Board of Directors, including:

1. The agendas and schedules for meetings as contemplated by Section D.1 of these Corporate Governance Guidelines;

2. The quality, quantity and timeliness of the information sent to the Board by management;

3. Subject to Section C of these Corporate Governance Guidelines, the formation of Committees and the integration of their activities with the work of the Board of Directors;

4. The ongoing formal and informal communication with and among directors;

5. Ensuring that ongoing evaluation and compensation of the Chief Executive Officer by the Board of Directors is conducted and communicated as contemplated by Section E.1 of these Corporate Governance Guidelines; and
 6. Fulfilling special assignments at the request of the Chief Executive Officer and the Board of Directors.
- d. The Lead Director shall communicate periodically on an individual basis with each of the other independent directors.

4. Relations with Shareowners and other Stakeholders

- a. As contemplated by Section A.7 of these Corporate Governance Guidelines, at the request of management or major shareowners, the Lead Director shall coordinate with the Executive Chairman and the CEO in serving as representative(s) of the Board of Directors on occasion at meetings with representatives of significant constituencies having an interest in the Company, and ensuring availability for such occasions.