

Part II Organizational Action *(continued)*

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ See attachment.

18 Can any resulting loss be recognized? ▶ See attachment.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ See attachment.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here Signature ▶  Date ▶ 4/8/20

Print your name ▶ Ross Kearney Title ▶ Corporate Vice President, Tax

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.

Raytheon Technologies Corporation
EIN: 06-0570975

ATTACHMENT TO FORM 8937 – PART II
REPORT OF ORGANIZATIONAL ACTIONS AFFECTING BASIS OF SECURITIES

CONSULT YOUR TAX ADVISOR

The information contained herein is being provided pursuant to the requirements of Section 6045B of the Internal Revenue Code of 1986, as amended (the “Code”). This attachment includes a general summary regarding certain U.S. federal income tax laws and regulations relating to the effects of the Distributions (as defined below) on the tax basis of shares of United Technologies Corporation (“UTC”) common stock, and the allocation of tax basis among shares of Raytheon Technologies Corporation (“RTX”, formerly UTC) common stock, Carrier Global Corporation (“Carrier Global”) common stock, and Otis Worldwide Corporation (“Otis Worldwide”) common stock following the Distributions and Merger (as defined below). The information contained herein does not constitute tax advice and does not purport to be complete or to describe the consequences that may apply to particular categories of shareholders. Neither RTX, Carrier Global, nor Otis Worldwide provides tax advice to its shareholders. The example provided below is illustrative and is being provided pursuant to Section 6045B of the Code and as a convenience to shareholders and their tax advisers when establishing their specific tax position. You are urged to consult your own tax advisors regarding the particular consequences of the Distributions to you, including the applicability and effect of all U.S. federal, state, and local tax laws and foreign tax laws. We urge you to read the Information Statement, dated and filed with the Securities and Exchange Commission on March 16, 2020, noting especially the discussion therein under the heading “Material U.S. Federal Income Tax Consequences”. You may access the Information Statement at www.sec.gov.

This information does not apply to shares of UTC common stock sold, exchanged or otherwise disposed of prior to the Distributions.

Line 14. Describe the organizational action and, if applicable, the date of the action or the date against which the shareholders’ ownership is measured from the action.

On April 3, 2020, at 12:01 a.m. EDT, pursuant to the terms and conditions of the Separation and Distribution Agreement dated April 2, 2020 by and among UTC, Carrier Global, and Otis Worldwide, UTC distributed to its shareholders on a pro rata basis all of its shares of Carrier Global common stock and Otis Worldwide common stock (the “Distributions”). Pursuant to the Distributions, each holder of UTC common stock as of the close of business on March 19, 2020 received 1 share of Carrier Global common stock and 0.5 shares of Otis Worldwide common stock for each share of UTC common stock. No fractional shares of Carrier Global common stock or Otis Worldwide common stock were issued. Instead, UTC shareholders received cash in lieu of any fractional shares of Carrier Global common stock and Otis Worldwide common stock. The Distributions are intended to qualify under Section 355 of the Code.

Effective following the Distributions but prior to the opening of trading on the New York Stock Exchange (“NYSE”) on April 3, 2020, pursuant to the terms and conditions of the Agreement and Plan of Merger, dated June 9, 2019, by and among UTC, Light Merger Sub Corp., a wholly-owned subsidiary of UTC (“Merger Sub”), and Raytheon Company (“Raytheon”), Merger Sub merged with and into Raytheon, with Raytheon continuing as the surviving corporation and a wholly-owned subsidiary of UTC (the “Merger”). As of the effective time of the Merger, UTC changed its name to Raytheon Technologies Corporation (RTX). RTX common stock started trading on the NYSE under the ticker symbol “RTX” on April 3, 2020. Please refer to the separate Form 8937 describing the impact of the Merger to Raytheon shareholders.

Line 15. Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis.

As a result of the Distributions, UTC shareholders will be required to allocate the aggregate tax basis in their UTC common shares held immediately prior to the Distributions among the Carrier Global common shares and Otis Worldwide common shares received in the Distributions (including any fractional share interest in Carrier Global common stock or Otis Worldwide common stock to which the shareholder was entitled) and their RTX common shares held immediately after the Distributions and Merger. This allocation should be made in proportion to the relative fair market values of the Carrier Global common stock, the Otis Worldwide common stock, and the RTX common stock. Shareholders that acquired UTC common shares at different times or different prices will need to calculate their tax basis in each block of UTC common shares and then allocate a portion of that tax basis to the shares of Carrier Global common stock and Otis Worldwide common stock received (including any fractional share interest in Carrier Global common stock or Otis Worldwide common stock to which the shareholder was entitled).

Fair market value generally is the price at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of the facts. U.S. federal income tax law does not specifically prescribe how you should determine the fair market values of the RTX common stock, Carrier Global common stock, and Otis Worldwide common stock for purposes of allocating your tax basis. You should consult your tax advisor to determine what measure of fair market value is appropriate.

There are several possible methods for determining the fair market values of RTX common stock, Carrier Global common stock, and Otis Worldwide common stock. One possible approach is to utilize the NYSE closing trading prices on April 3, 2020 for RTX common stock (\$49.93 per share), Carrier Global common stock (\$16.92 per share), and Otis Worldwide common stock (\$47.32 per share) as an indication of the fair market value. Based on that approach and the assumptions and calculations set forth in Item 16 below, 55.17% of a UTC shareholder’s aggregate tax basis in his or her shares of UTC common stock immediately prior to the Distributions would be allocated to such shareholder’s shares of RTX common stock following the Distributions and Merger, 18.69% would be allocated to such shareholder’s shares of Carrier Global common stock received in the Distributions (including any fractional share interest in Carrier Global common stock to which the shareholder was entitled), and 26.14% would be allocated to such shareholder’s shares of Otis Worldwide common stock received in the

Distributions (including any fractional share interest in Otis Worldwide common stock to which the shareholder is entitled). Other approaches to determine fair market value may also be possible. You are not bound by the approach illustrated above and may, in consultation with your tax advisor, use another approach in determining fair market values for RTX, Carrier Global, and Otis Worldwide common stock.

Line 16. Describe the calculation of the change in basis and the data that supports the calculation, such as the market value of securities and the valuation date.

The following is an illustrative example of how the previously-described approach to basis allocation would be applied:

Assumptions:

- Shares of UTC common stock owned immediately prior to the Distributions: 1,000
- UTC shareholder’s aggregate tax basis (assumed to be \$100.00 per share): \$100,000
- Shares of Carrier Global common stock received in the Distributions (1,000 shares of UTC common stock multiplied by the distribution ratio of 1): 1,000
- Shares of Otis Worldwide common stock received in the Distributions (1,000 shares of UTC common stock multiplied by the distribution ratio of 0.5): 500

Tax Basis Allocation:

	# Shares Owned (A)	Assumed Beginning Basis (B)	Price (C)	FMV of Shares Owned Post Distribution and Merger (A) x (C)	% of Total FMV (D)	Allocated Tax Basis = (B) x (D)
RTX Common Stock	1,000 ¹	\$100,000 ²	\$49.93 ³	\$49,930.00	55.17% ⁶	\$55,170.00
Carrier Global Common Stock	1,000		\$16.92 ⁴	\$16,920.00	18.69% ⁷	\$18,690.00
Otis Worldwide Common Stock	500		\$47.32 ⁵	\$23,660.00	26.14% ⁸	\$26,140.00
Total				\$90,510.00	100.00%	\$100,000.00

¹ Number of UTC common shares owned immediately prior to the Distributions and Merger.

² Aggregate tax basis in the UTC common stock owned immediately prior to the Distributions and Merger.

³ Closing market price of RTX common stock on April 3, 2020.

⁴ Closing market price of Carrier Global common stock on April 3, 2020.

⁵ Closing market price of Otis Worldwide common stock on April 3, 2020.

⁶ \$49,930.00/\$90,510.00

⁷ \$16,920.00/\$90,510.00

⁸ \$23,660.00/\$90,510.00

Line 17. List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based.

Section 355, Section 358, and Section 368(a)(1)(D).

Line 18. Can any resulting loss be recognized?

No loss may be recognized by a UTC shareholder upon the receipt of Carrier Global common stock and Otis Worldwide common stock in the Distributions, except possibly with respect to cash received in lieu of a fractional share of Carrier Global common stock and Otis Worldwide common stock.

Line 19. Provide any other information necessary to implement the adjustment, such as the reportable tax year.

The Distributions were effective on April 3, 2020. For a UTC shareholder whose taxable year is the calendar year, the reportable tax year is 2020.