

20 | Raytheon Technologies
21 | **Investor Day**

Greg Hayes
CEO, Raytheon Technologies

Forward-looking statements

Note: All results and expectations in the presentation reflect continuing operations unless otherwise noted.

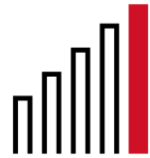
This presentation contains statements which, to the extent they are not statements of historical or present fact, constitute “forward-looking statements” under the securities laws. From time to time, oral or written forward-looking statements may also be included in other information released to the public. These forward-looking statements are intended to provide Raytheon Technologies Corporation’s (“RTC”) management’s current expectations or plans for our future operating and financial performance, based on assumptions currently believed to be valid. Forward-looking statements can be identified by the use of words such as “believe,” “expect,” “expectations,” “plans,” “strategy,” “prospects,” “estimate,” “project,” “target,” “anticipate,” “will,” “should,” “see,” “guidance,” “outlook,” “confident,” “on track” and other words of similar meaning, or by reference to future dates. Forward-looking statements may include, among other things, statements relating to future sales, earnings, cash flow, results of operations, synergies, uses of cash, share repurchases, dividends, tax payments and rates, research and development spending, other measures of financial performance, potential future plans, strategies or transactions, credit ratings and net indebtedness, other anticipated benefits to RTC of United Technologies Corporation’s (“UTC”) Rockwell Collins acquisition, the merger between UTC and Raytheon Company (“Raytheon”, and such merger, the “merger”) or the spin-offs by UTC of Otis Worldwide Corporation and Carrier Global Corporation into separate independent companies (the “separation transactions”), including estimated synergies and customer cost savings resulting from the merger and the anticipated benefits and costs of the separation transactions, our expectations regarding our products and services, technologies and customer demand, and other statements that are not solely historical facts. All forward-looking statements involve risks, uncertainties and other factors that may cause actual results to differ materially from those expressed or implied in the forward-looking statements. For those statements, we claim the protection of the safe harbor for forward-looking statements contained in the U.S. Private Securities Litigation Reform Act of 1995. Such risks, uncertainties and other factors include, without limitation: (1) the effect of economic conditions in the industries and markets in which RTC operates in the U.S. and globally and any changes therein, including financial market conditions, fluctuations in commodity prices, interest rates and foreign currency exchange rates, levels of end market demand in both the commercial and defense segments of the aerospace industry, levels of air travel, financial condition of commercial airlines, and the impact of pandemic health issues (including COVID-19 and its effects, among other things, on global supply, demand and distribution capabilities as the COVID-19 pandemic continues and results in an increasingly prolonged period of disruption to air travel and commercial activities generally, and significant restrictions and limitations on businesses, particularly within the aerospace and commercial airlines industries) aviation safety concerns, weather conditions and natural disasters, the financial condition of our customers and suppliers, and the risks associated with U.S. government sales (including changes or shifts in defense spending due to budgetary constraints, spending cuts resulting from sequestration or the allocation of funds to governmental responses to COVID-19, a government shutdown, or otherwise, and uncertain funding of programs); (2) challenges in the development, production, delivery, support, performance, safety, regulatory compliance, and realization of the anticipated benefits (including our expected returns under customer contracts) of advanced technologies and new products and services; (3) the scope, nature, impact or timing of acquisition and divestiture activity, including among other things the integration of UTC’s and Raytheon Company’s businesses and the integration of RTC with other businesses acquired before and after the merger, and realization of synergies and opportunities for growth and innovation and incurrence of related costs and expenses; (4) RTC’s levels of indebtedness, capital spending and research and development spending; (5) future availability of credit and factors that may affect such availability, including credit market conditions and our capital structure; (6) the timing and scope of future repurchases by RTC of its common stock, which are subject to a number of uncertainties and may be discontinued, accelerated, suspended or delayed at any time due to various factors, including market conditions and the level of other investing activities and uses of cash; (7) delays and disruption in delivery of materials and services from suppliers; (8) company and customer-directed cost reduction efforts and restructuring costs and savings and other consequences thereof (including the potential termination of U.S. government contracts and performance under undefinitized contract actions and the potential inability to recover termination costs); (9) new business and investment opportunities; (10) the ability to realize the intended benefits of organizational changes; (11) the anticipated benefits of diversification and balance of operations across product lines, regions and industries; (12) the outcome of legal proceedings, investigations and other contingencies; (13) pension plan assumptions and future contributions; (14) the impact of the negotiation of collective bargaining agreements and labor disputes; (15) the effect of changes in political conditions in the U.S. and other countries in which RTC and its businesses operate, including the effect of changes in U.S. trade policies on general market conditions, global trade policies and currency exchange rates in the near term and beyond; (16) changes resulting from the recent change in the U.S. Administration and potential changes in Department of Defense policies or priorities; (17) the effect of changes in tax (including U.S. tax reform enacted on December 22, 2017, which is commonly referred to as the Tax Cuts and Jobs Act of 2017), environmental, regulatory and other laws and regulations (including, among other things, export and import requirements such as the International Traffic in Arms Regulations and the Export Administration Regulations, anti-bribery and anticorruption requirements, including the Foreign Corrupt Practices Act, industrial cooperation agreement obligations, and procurement and other regulations) in the U.S. and other countries in which RTC and its businesses operate; (18) the possibility that the anticipated benefits from the combination of UTC’s and Raytheon’s businesses (including ongoing integration activities from historic UTC and Raytheon acquisitions prior to the merger) cannot be realized in full or may take longer to realize than expected, or the possibility that costs or difficulties related to the integration of UTC’s businesses with Raytheon’s will be greater than expected or may not result in the achievement of estimated synergies within the contemplated time frame or at all; (19) the ability of RTC to retain and hire key personnel and the ability of our personnel to continue to operate our facilities and businesses around the world in light of, among other factors, the COVID-19 pandemic and related personnel reductions; and (20) the intended qualification of (i) the merger as a tax-free reorganization and (ii) the separation transactions and other internal restructurings as tax-free to UTC and former UTC shareowners, in each case, for U.S. federal income tax purposes. For additional information on identifying factors that may cause actual results to vary materially from those stated in forward-looking statements, see the reports of RTC, UTC and Raytheon on Forms S-4, 10-K, 10-Q and 8-K filed with or furnished to the Securities and Exchange Commission from time to time. Any forward-looking statement speaks only as of the date on which it is made, and RTC assumes no obligation to update or revise such statement, whether as a result of new information, future events or otherwise, except as required by applicable law.

Agenda

10:30 -10:45 a.m.	Opening remarks	Greg Hayes
10:45 -11:20 a.m.	Collins Aerospace	Steve Timm
11:20 -11:55 a.m.	Raytheon Intelligence & Space	Roy Azevedo
11:55 - 12:30 p.m.	Break	
12:30 - 12:45 p.m.	Chief Transformation Officer	Mike Dumais
12:45 - 1:20 p.m.	Raytheon Missiles & Defense	Wes Kremer
1:20 - 1:55 p.m.	Pratt & Whitney	Chris Calio
1:55 - 2:10 p.m.	Chief Financial Officer	Neil Mitchill
2:10 - 2:30 p.m.	RTX closing remarks/Q&A	Greg Hayes/ Neil Mitchill



Raytheon Technologies



\$65B

2020 adjusted pro forma sales^{*1}



\$150B

YE 2020 backlog



46K+

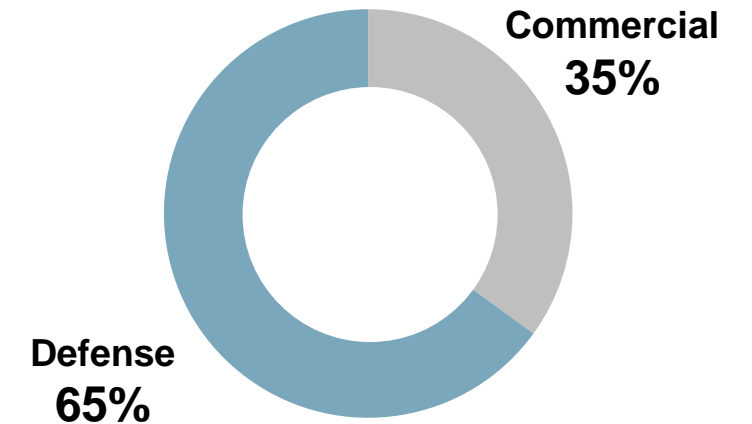
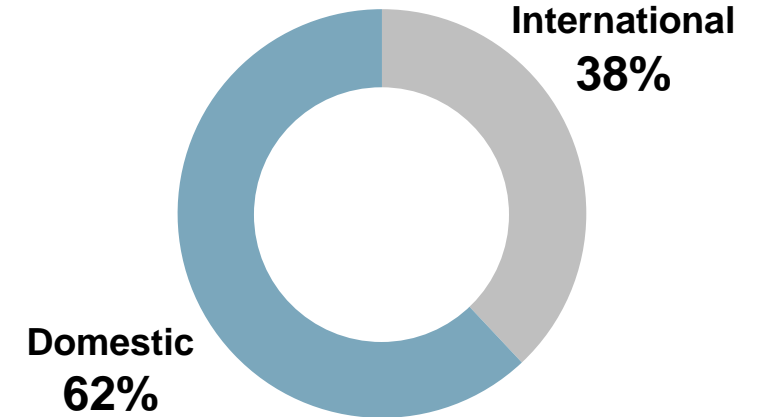
Patents



60K+

Engineers and scientists

2020 pro forma sales mix



A premier high technology aerospace and defense systems provider

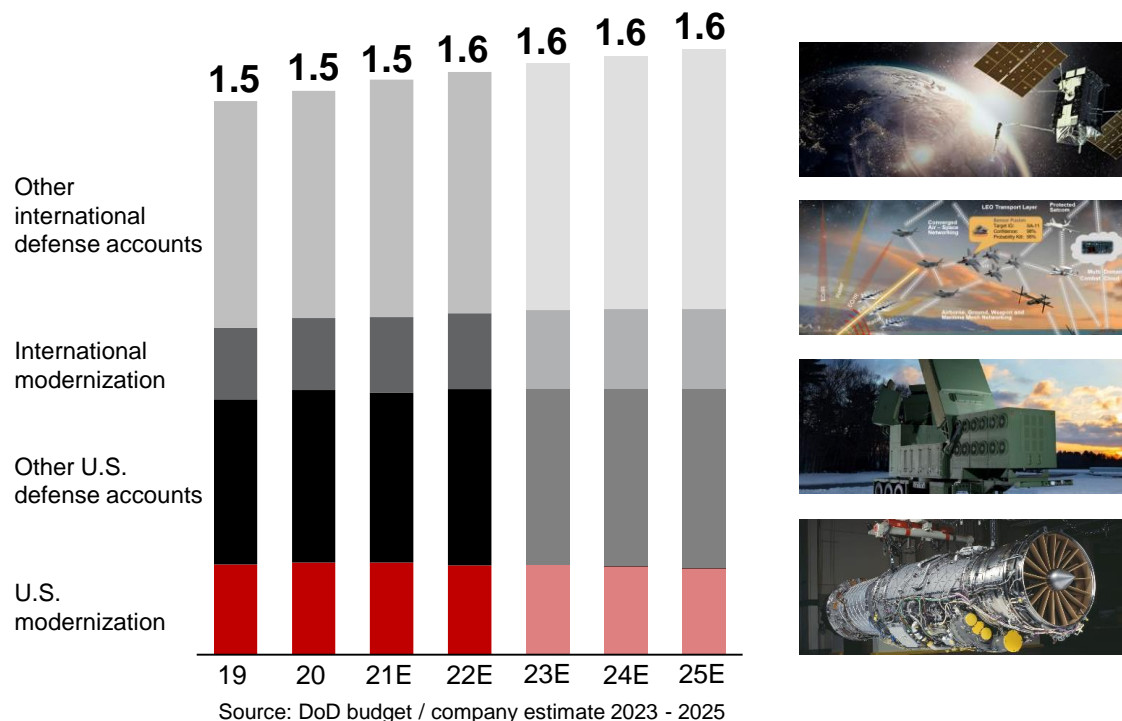
Well positioned for growth

Stable global defense spending

Focused on the highest priority areas of our customers

(\$, trillions)

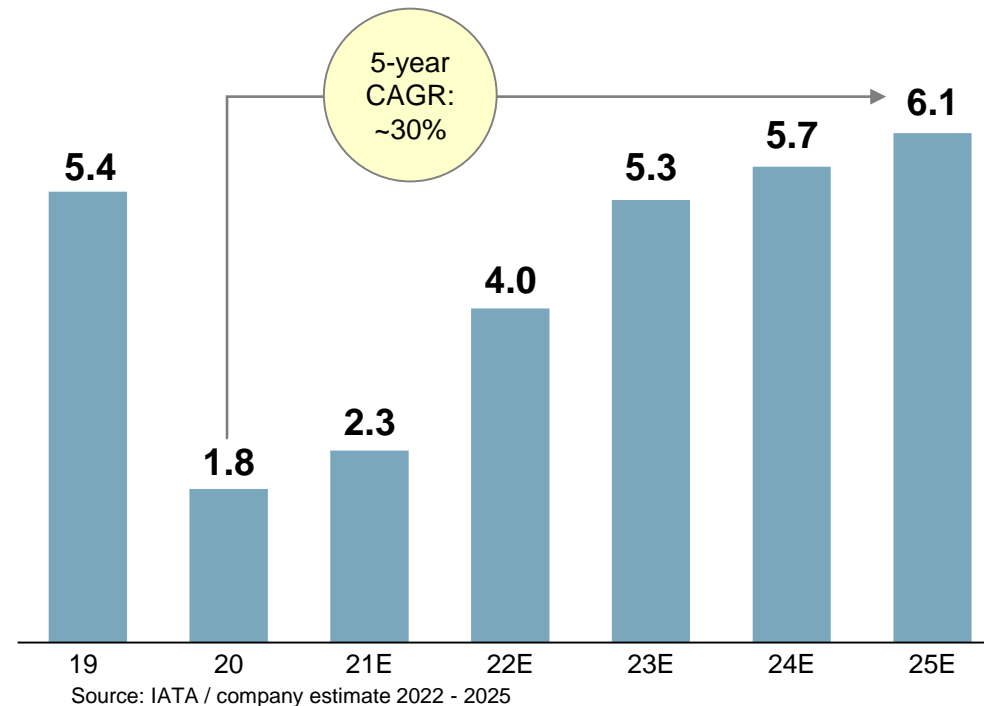
Selected growth markets



Improving passenger air traffic

Near-term growth driven by expected recovery to 2019 levels;
Long-term drivers remain intact

Global revenue passenger miles (trillions)



Investing in next-generation technologies

Key technology focus areas

Secure and connected ecosystem



- Airspace modernization
- Connected commercial operations
- Connected battlespace
- Cyber services

Autonomy and artificial intelligence



- Unmanned Aircraft Systems
- Machine learning for predictive maintenance
- Autonomous & semi autonomous operations

Power and propulsion



- Next-gen, more sustainable aircraft
- Air mobility
- Next-gen military aircraft
- Hypersonics

Precision sensing and effects

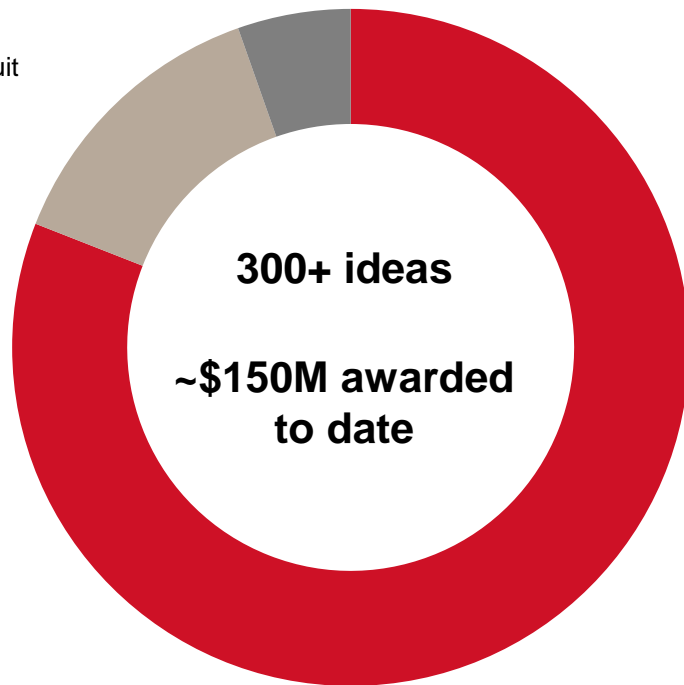


- Space/ISR
- Missiles and missile defense
- Directed energy
- Electronic warfare

Revenue synergy pipeline

Opportunity

- Idea
- Active pursuit
- Awarded



Pipeline with \$10B+ lifetime potential value

Examples

Technology collaboration



FAA Enterprise Network Services (FENS)

Cross selling – mission systems and aircraft systems



Survivable Air Operations Center (SAOC)

Integrated solutions



Future Vertical Lift (FVL)

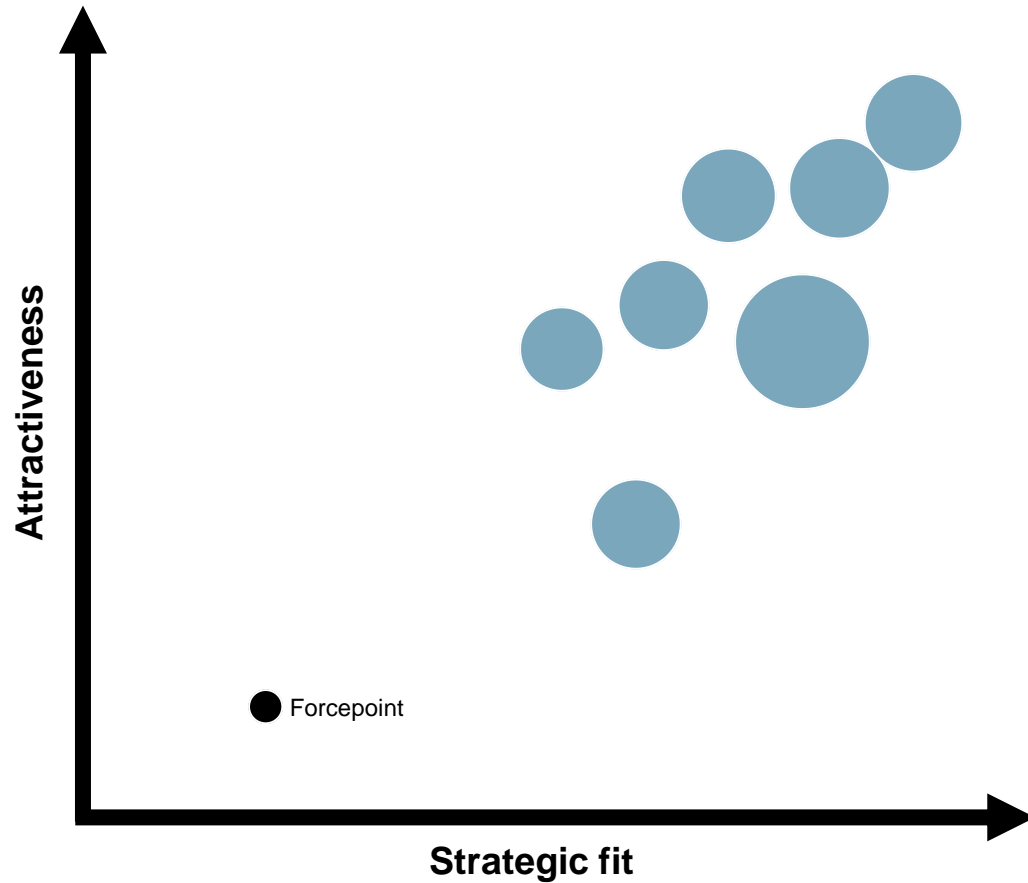
Expanded aftermarket opportunities



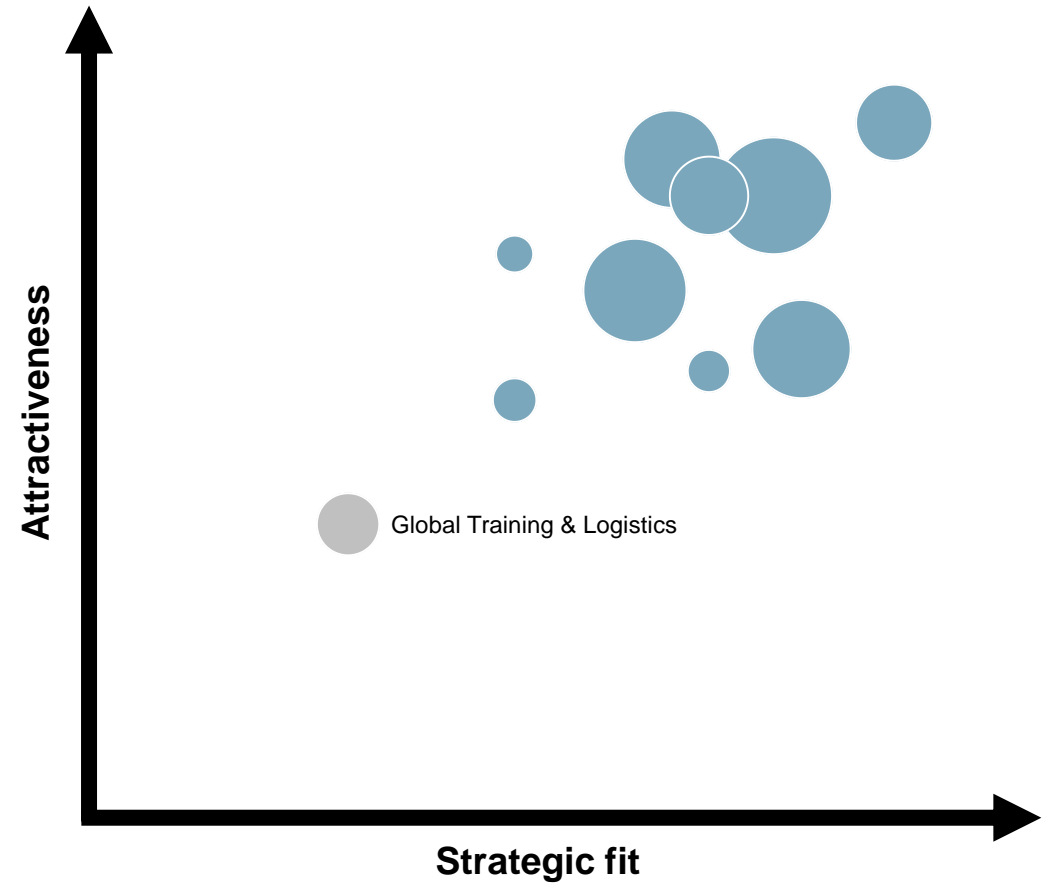
Korean Local Support Basic Order Agreement

RTX portfolio assessment

Commercially-focused businesses



Defense-focused businesses



Continuously evaluating attractiveness and strategic fit

Operational transformation

Operating system



CORE

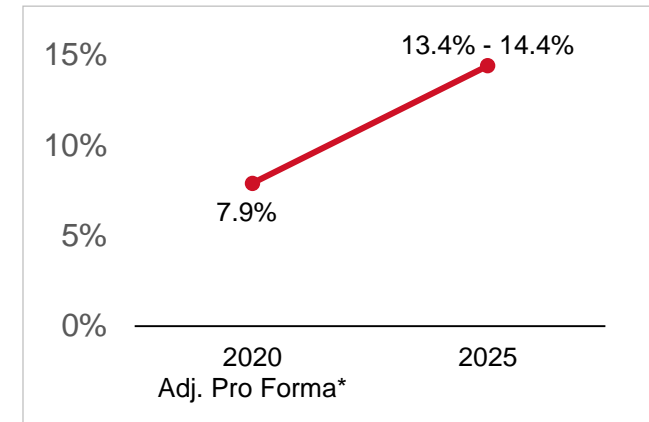
Use the power.

Digital thread



Unlocks productivity gains and improves collaboration

Margin expansion



Adj. Segment Margin*
+550 – 650bps
(2020 – 2025)

Commitment to ESG

Environmental

Reductions since 2015



▼ **18%**
greenhouse gas emissions



▼ **23%**
water consumption



▼ **22%**
hazardous waste

Social

Purpose | Community | Commitment

Diversity, Equity and Inclusion Pillars for Action



Public policy advocacy



Workforce diversity



Community engagement



Supplier diversity

Corporate Social Responsibility

connectup

10-year initiative to accelerate sustainable progress

Expand **STEM** education opportunity to strengthen hiring pipeline

Bolster **local communities** with grassroots support

Support transitioning **military service** families through education

Governance

Diverse and experienced board



40%
women and people of color



100%
senior leadership experience



87%
international experience



53%
technology and innovation experience

Leadership Team

Businesses

Presenting today




Roy Azevedo
Raytheon Intelligence & Space



Chris Calio
Pratt & Whitney




Wes Kremer
Raytheon Missiles & Defense




Steve Timm
Collins Aerospace

Functions




Timothy McBride
Global Government Relations




Marie Sylla-Dixon
Diversity



Neil Mitchill
Finance



Pam Erickson
Global Communications & Corporate Affairs




Vince Campisi
Enterprise Services




Paolo Dal Cin
Operations & Supply Chain



Mike Dumais
Transformation & Strategy



Dantaya Williams
Human Resources



Mark Russell
Technology & Global Engineering



Frank Jimenez
Office of the General Counsel

Summary

- ▶ Strong franchises
- ▶ Resilient markets
- ▶ Differentiating technology
- ▶ Operational excellence
- ▶ Experienced leadership team

Capital return to shareowners¹
\$20+ billion

2025 goals

Sales growth	Adjusted margin expansion*	Free cash flow ^{*,2}
+6 – 7% CAGR (2020 – 2025)	+550 – 650bps (2020 – 2025)	\$10B+ (2025)

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Steve Timm

President, Collins Aerospace

Collins Aerospace priorities

AEROSPACE
REDEFINED



Growth through differentiation

Industry leading performance

Structural cost optimization

Delivering margin expansion

Collins Aerospace profile

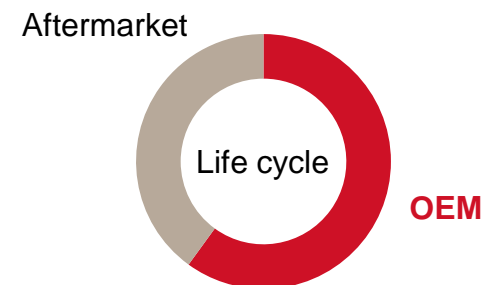
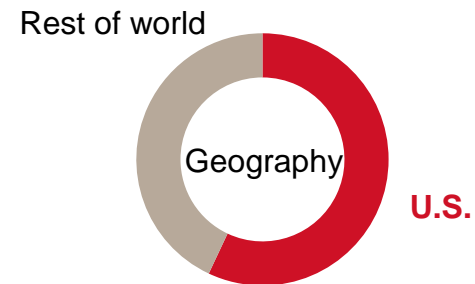
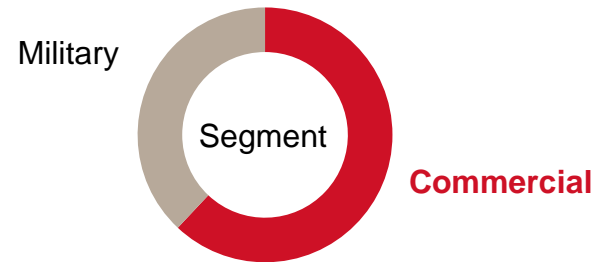
Global presence

~68K
employees

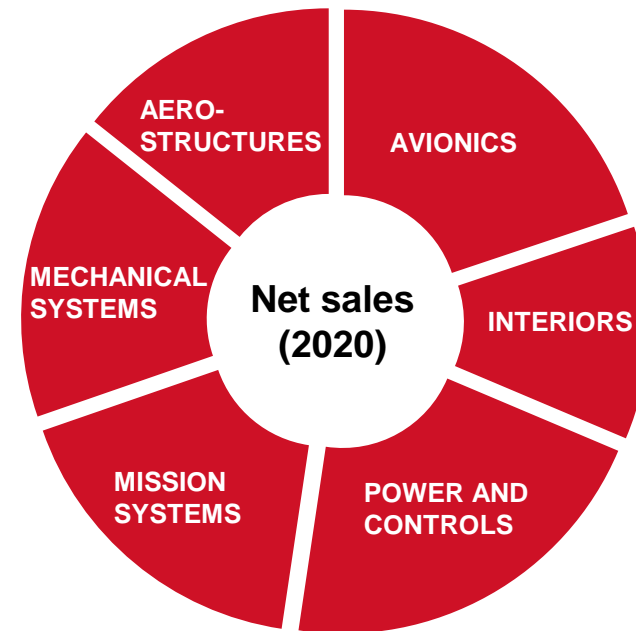
\$19.4B
2020 adjusted sales*

\$3.5B
investments
(company and customer-funded R&D)

Portfolio balance



Strategic business units



Aerospace redefined

Strategic portfolio of leading A&D franchises

Leading franchises
150+ major product lines

Aerostructures



- Nacelle Systems
- Advanced Military and Thermal Structures
- Maritime Acoustic Structures
- Integrated Structures

Avionics



- Flight Decks
- Advanced Displays
- Communication, Connectivity and Networks
- Navigation and Surveillance
- Sensors
- Digital Solutions

Interiors



- Seating
- Galley Inserts
- Lighting Systems
- Oxygen and Passenger Service Unit
- Evacuation and Ice Protection
- Monuments and Integrated Structures

~100,000 aircraft
with Collins's content

Synergistic and
multi-use investments

A leader in connectivity
driving expansion
beyond the platform

Mechanical Systems



- Wheels and Brakes
- Landing Gear
- Actuation
- Propellers
- Pilot Controls
- Hoist and Winch
- Cargo Systems

Mission Systems



- Resilient Communications and Networks
- Assured Navigation
- Autonomous Operations
- C2 Solutions
- Live, Virtual, Constructive Simulation and Training
- Missile Systems
- Ejection Seats

Power and Controls

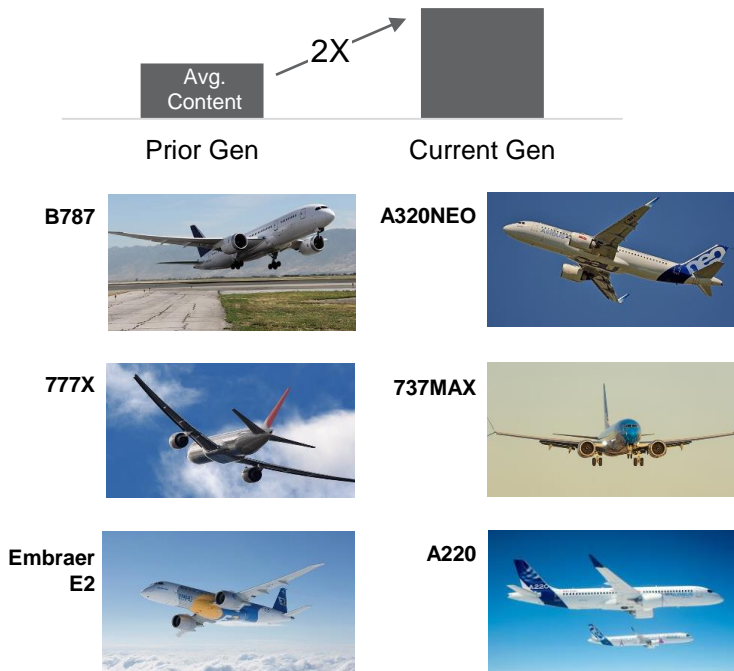


- Power Generation and Distribution
- Emergency Power
- Engine Controls
- Fuel Systems
- Environmental Systems

Positioned to outgrow the commercial OE segment

Key aircraft positions

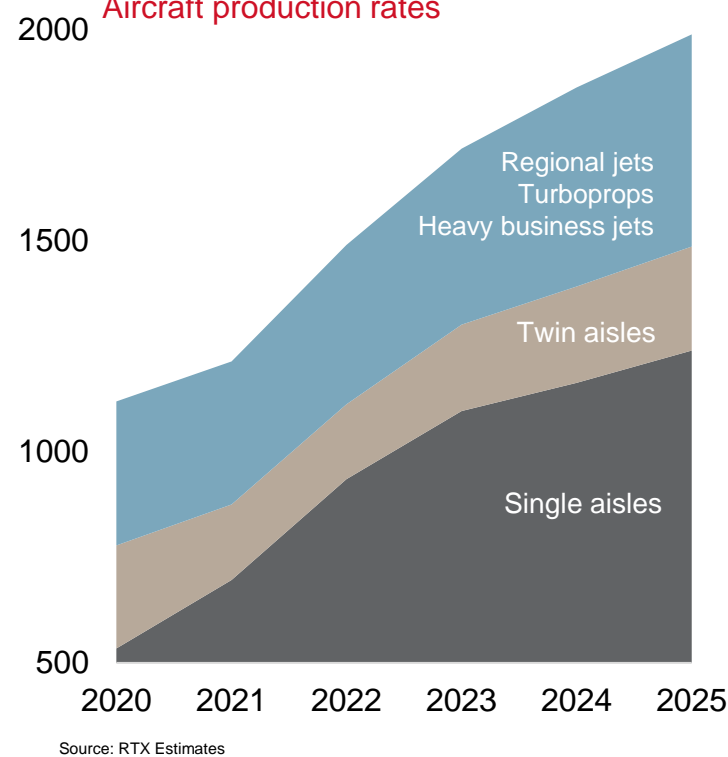
Significant share gain on key platforms



Well balanced across commercial platforms

Emerging stronger

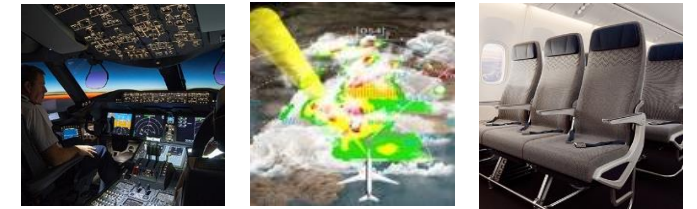
Aircraft production rates



Production rate recovery led by single aisles

Accelerating growth

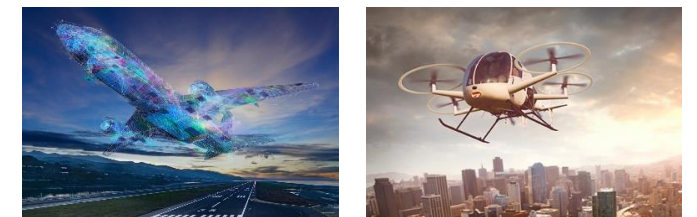
Airline capture rates



Innovative tech insertions



New and emerging platforms

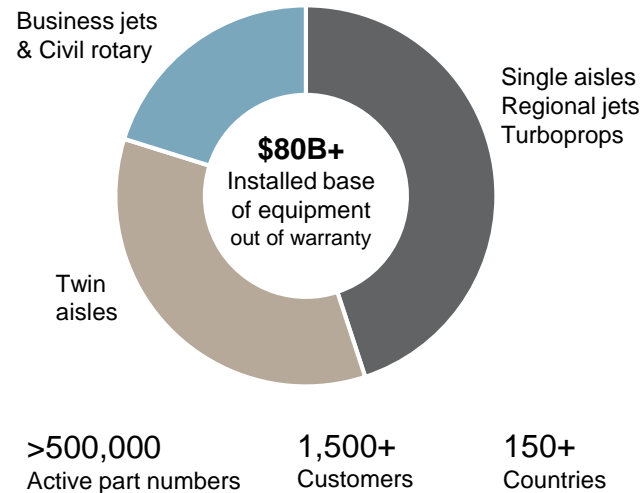


Well positioned for future growth

Emerging stronger in the commercial aftermarket

Strong installed base

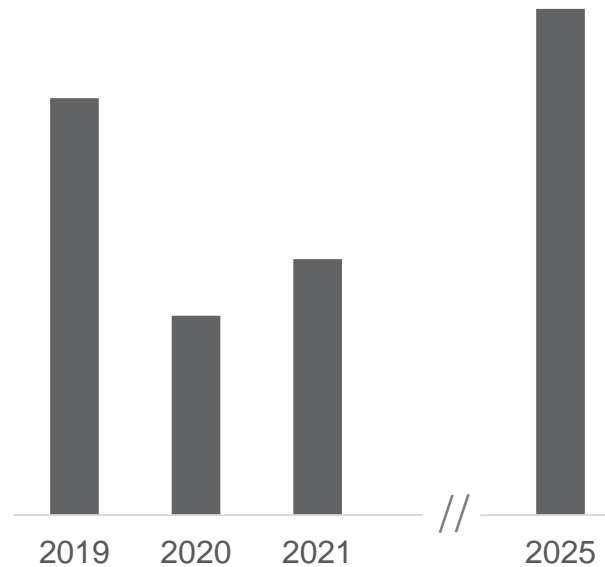
>60,000 commercial aircraft with Collins equipment



2X average content on A/C rolling off warranty vs. A/C being retired

Global recovery

Out of warranty flight hours
Passenger + cargo capacity



Source: RTX Estimates

Utilization recovery will fuel aftermarket growth

Accelerating growth

Innovative modifications and upgrades

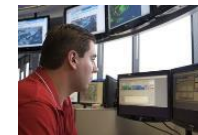


AIRSPACE MODERNIZATION

INTERIOR UPGRADES

BUSINESS AVIATION

Connected ecosystem expansion



GLOBAL AVIATION NETWORK SERVICES



AIRLINE ENABLEMENT



CABIN CONNECTIVITY SERVICES



DIGITAL SOLUTIONS



CONTACTLESS PASSENGER JOURNEY



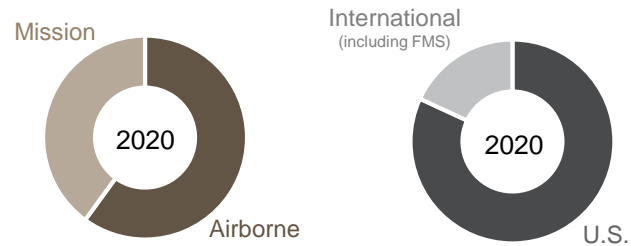
NEXT GEN AIRSPACE

~\$1B in 2020 connected ecosystem sales and significant momentum in revenue synergy capture

Robust defense business with expansion opportunities

Well positioned

Revenue balanced between mission and airborne



Equipment on >40,000 allied aircraft and all key production aircraft



Diverse mission and airborne portfolio

Accelerating growth

Connected battlespace and interoperable solutions



RESILIENT NETWORKS

ASSURED PNT

C2 CAPABILITIES

Significant expansion opportunities



Synergistic growth opportunities

Capturing programs

Modernization and sustainment programs



Generational programs



Pursuit excellence

Redefining aerospace and defense

Sustain and grow platform positions

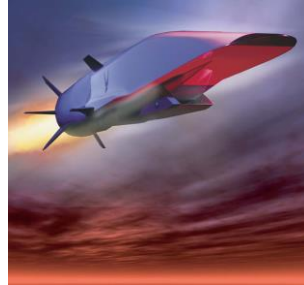
AUTONOMOUS
OPERATIONS



ELECTRIFIED
AIRCRAFT



ADVANCED
STRUCTURES



Grow beyond the platform

CONNECTED
ECOSYSTEMS



CONNECTED
BATTLESPACE



Established franchises fueled by innovation

Cross Collins synergies and differentiation

RTX as a multiplier solving complex solution sets

**Solving our
customers' most
challenging issues
across A&D segments**

Investing ~\$2B¹ per year for future growth and profit expansion

Sustaining franchise

~50% investment

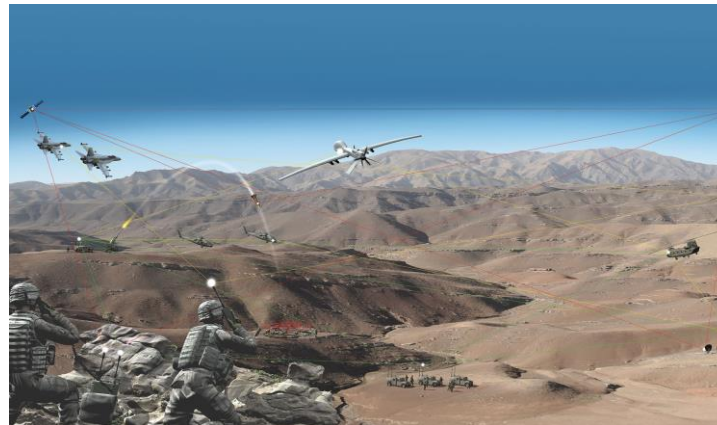
- Active and new program development
- Product upgrades and technology insertions
- Value engineering



Differentiation and expansion

~20% investment

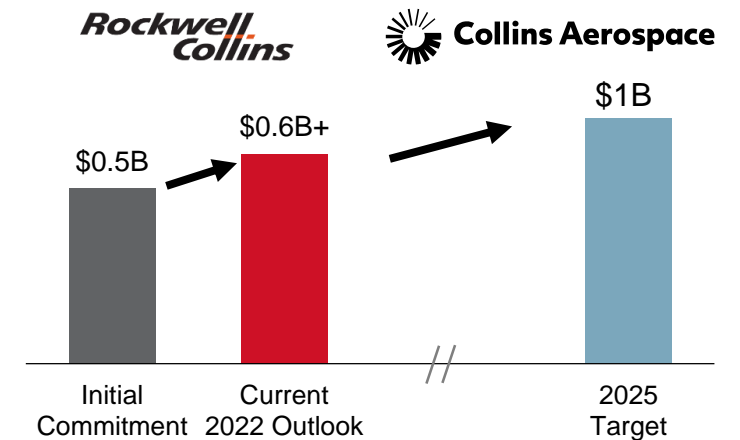
- Product and technology leadership
- Integrated solutions
- Growth beyond the platform



Structural and operational

~30% investment

- Footprint reduction
- Structural cost reduction
- Digital technology systems integration
- Digital factory and automation
- Cost synergy capture

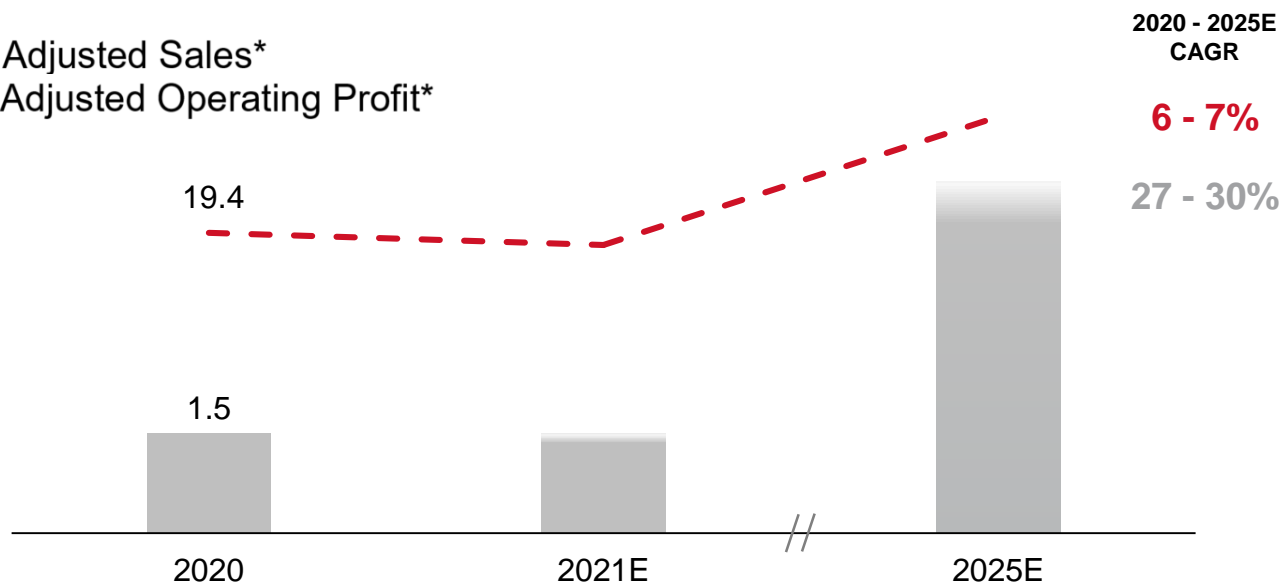


Financial summary – Collins Aerospace

2025 roadmap

(\$ billions)

— Adjusted Sales*
 ■ Adjusted Operating Profit*



2020 - 2025E
 CAGR
6 - 7%
27 - 30%

2021 Outlook

Adjusted Sales* VPY %

Adjusted Operating Profit* VPY

April 27 outlook

down mid to low single digit

(\$200M) to \$25M

Today



Collins is positioned for sustained growth with strong profit and cash generation

Key takeaways

AEROSPACE
REDEFINED

A composite image featuring a dark space background with a white jet contrail and a view of Earth from space. The text 'AEROSPACE REDEFINED' is overlaid on the left side. To the right, a list of four key takeaways is presented in white text.

Growth through differentiation

Industry leading performance

Structural cost optimization

Delivering margin expansion

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Roy Azevedo

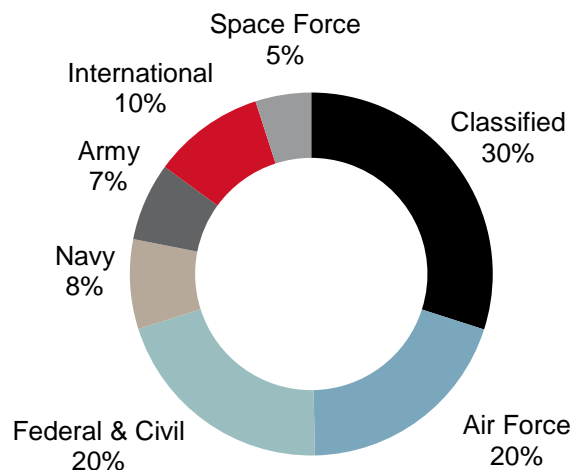
President, Raytheon Intelligence & Space

Raytheon Intelligence & Space

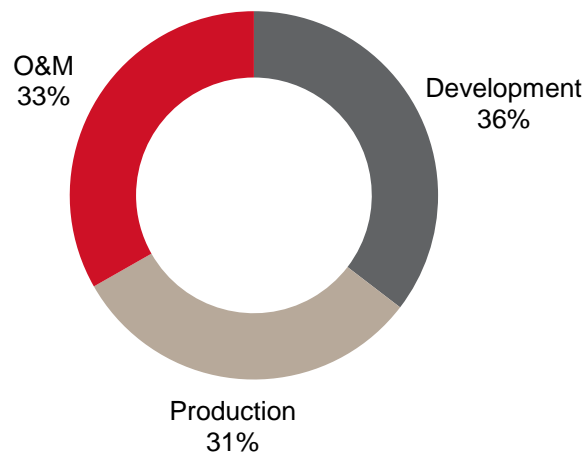
Any Domain. Any Challenge.

Developing advanced sensors, training, cyber and software solutions — delivering the disruptive technologies our customers need to succeed in any domain, against any challenge

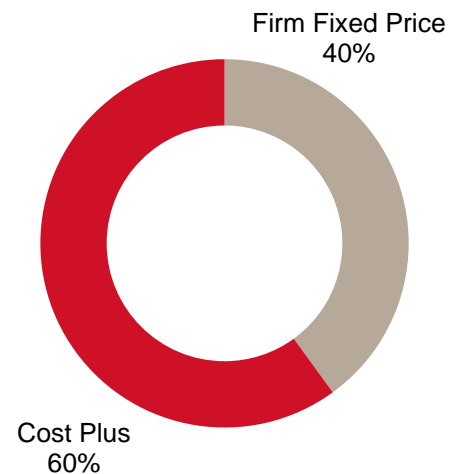
Customer diversity



Balanced product life cycle



Contract mix



Diverse customers & solutions, balanced portfolio, positioned for growth

2020

\$15.0B
adjusted pro
forma sales*

\$19.2B
backlog

5,500
programs

37K
employees

What we do

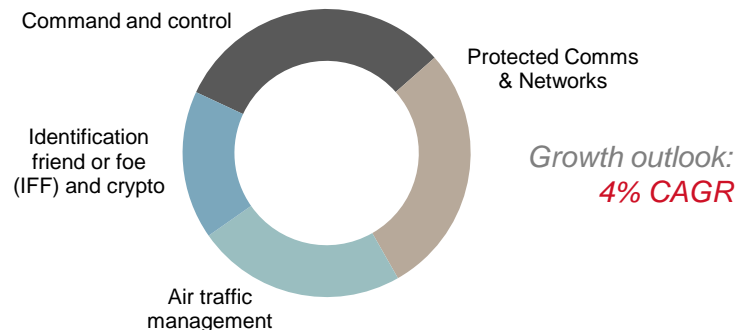
Sensing and effects

Delivering Intelligence, Surveillance, Reconnaissance (ISR); precision targeting; electronic warfare; and cyber solutions across all domains



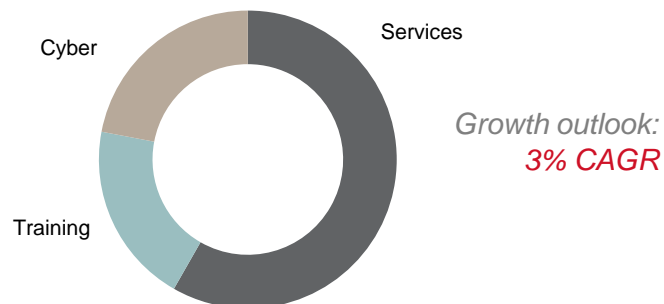
Command/control and communications

Providing automated battle management and secure, resilient communications systems to ensure decision-makers have the insights they need, when they need them



Cyber, training and services

Keeping our customers mission ready with full-spectrum cyber, training and service solutions



Solving our customers' hardest problems



Meeting our commitments



Staying true to our values



Strategic imperatives for growing our business

Market leadership



Strengthen, protect and capture market leadership in cyber, space, airborne ISR, protected communications and targeting

Platform positions



Expand positions on existing and future platforms

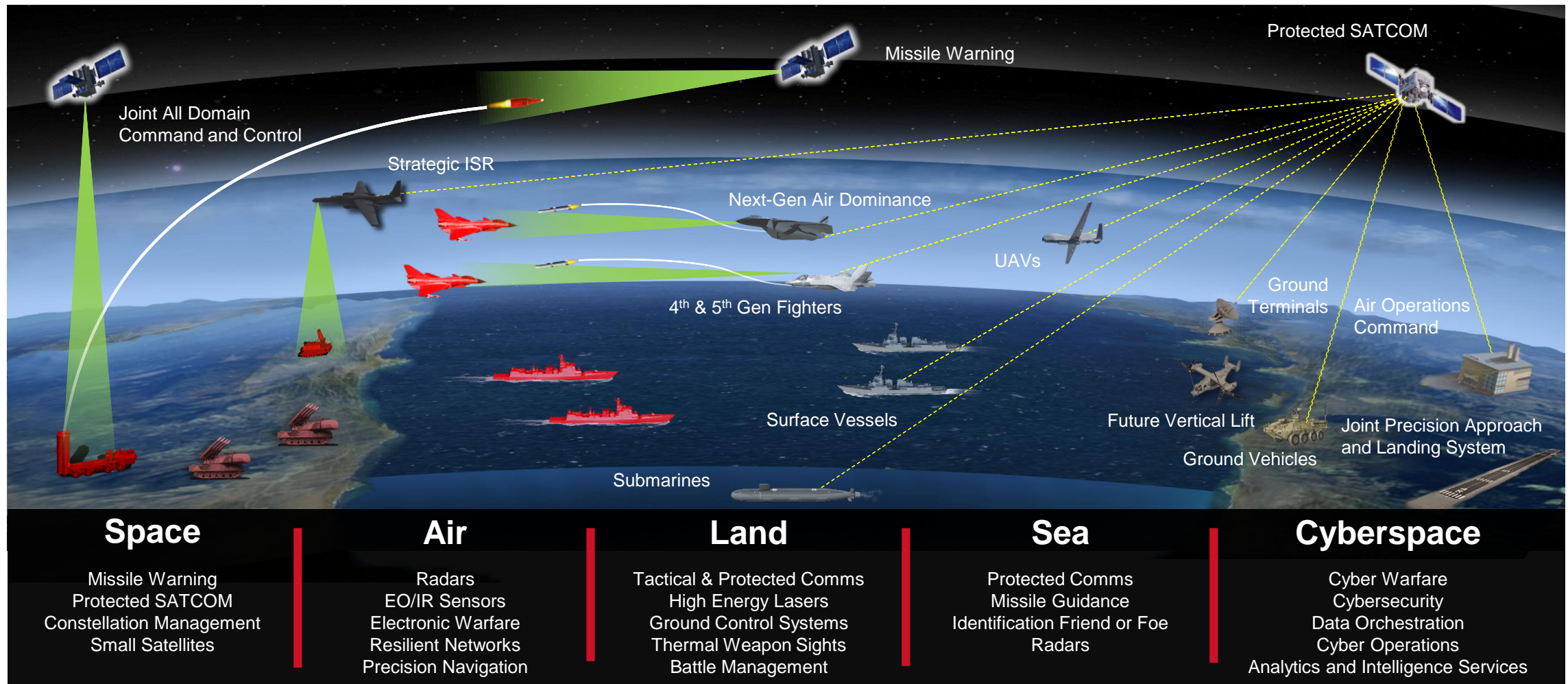
Non-kinetic effects



Deliver non-kinetic effects across the electromagnetic spectrum

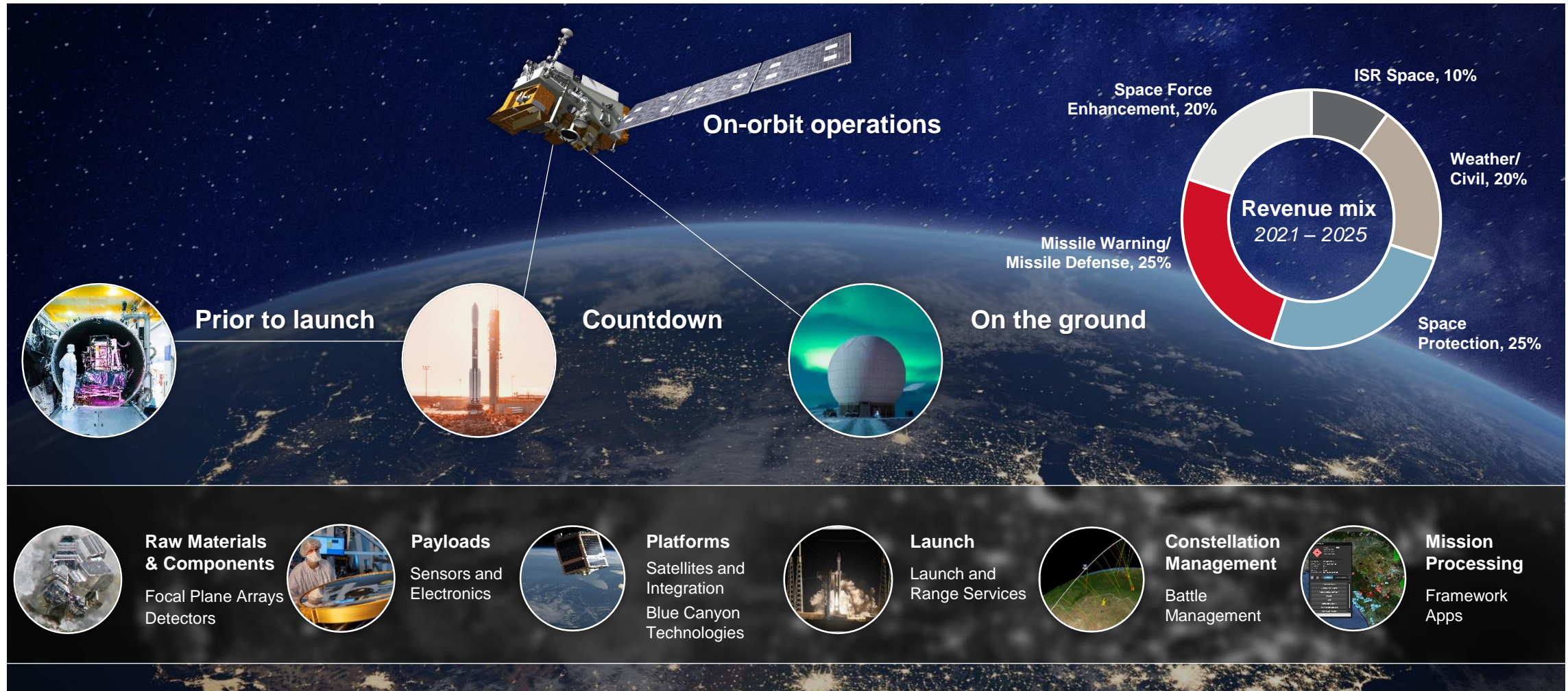
Executing our strategy while building a disruptive culture, and executing flawlessly

Differentiated defense capabilities



Solutions built on signature technologies – delivering capabilities across all domains

Solutions that span the space value chain



From raw materials to data products, our solutions enable timely decisions

Civil capabilities for a safer, more connected world



Investing in our future



Digital transformation

Transforming our speed to market, processes, flexibility for our workforce and customer experience through advanced digital capabilities



Operational efficiencies

Creating factories and offices of the future to improve performance and reduce cost



Signature technologies

Developing disruptive technologies from electro-optical/infra-red sensors to radio frequency effectors, from cyber to AI

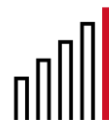
Key outcomes



**Reduced
development
cycle time**



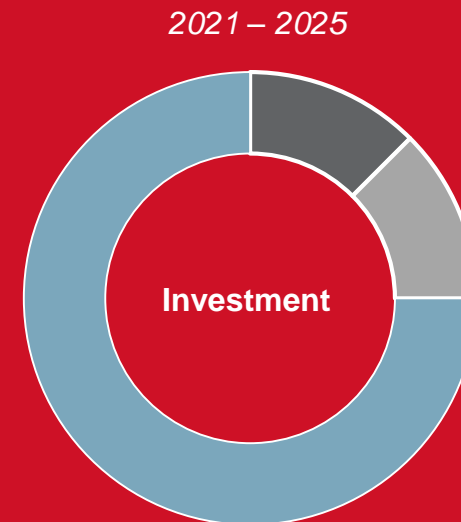
**Workforce
flexibility**



**Increased
margins**



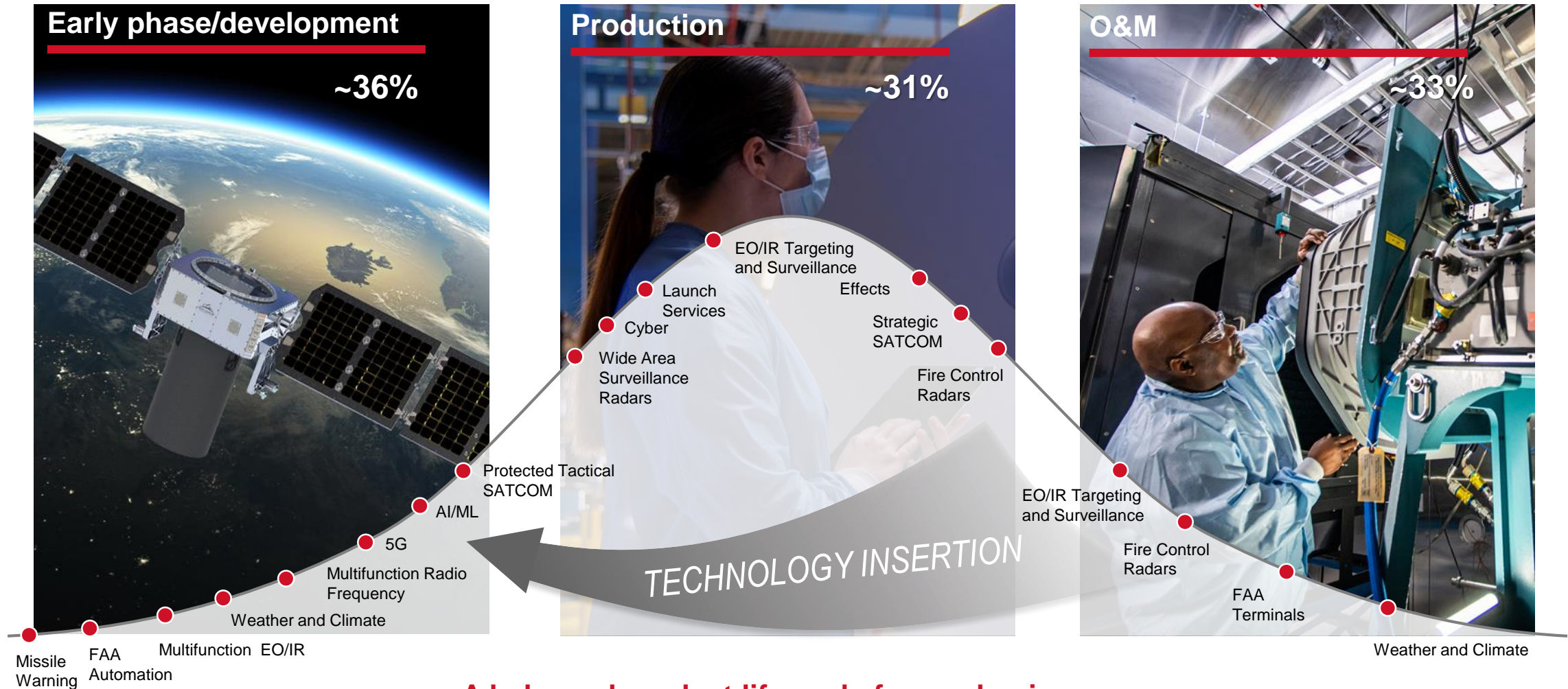
**Addressable
market expansion**



- Signature technologies
- Operational efficiency
- Digital transformation

**~\$2B total annual investment
(customer + internal) aligned
to key technologies and
market segments**

Inserting signature technologies to drive growth

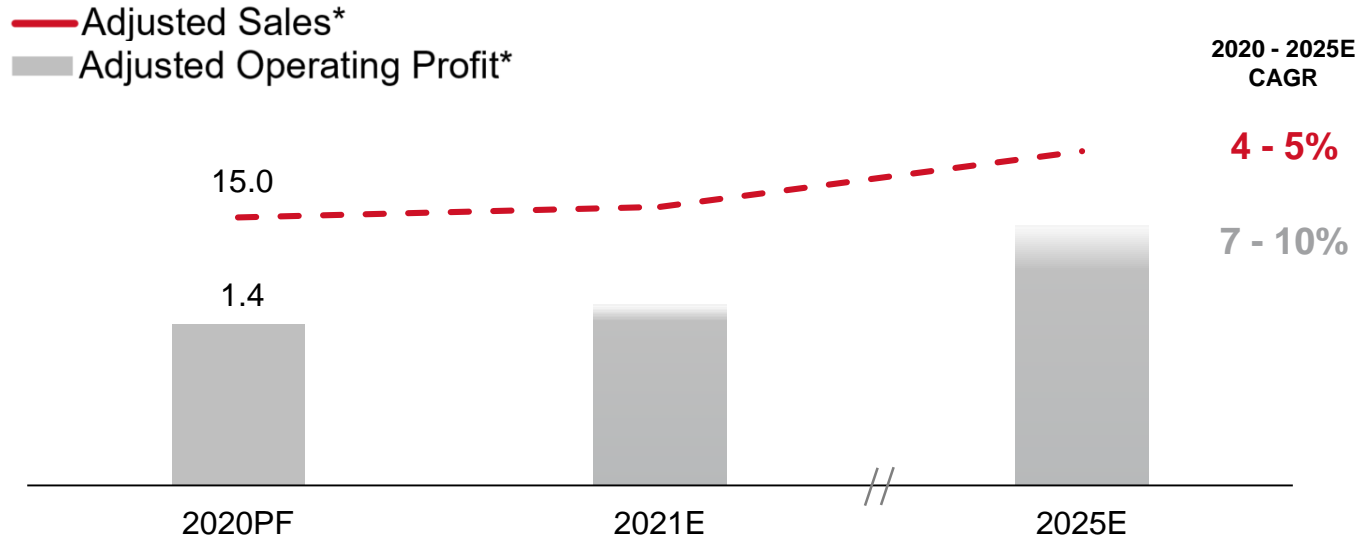


**A balanced product life cycle for our business;
Enhanced capability, reliability and affordability for our customers**

Financial summary – RIS

2025 roadmap

(\$ billions)



Above market growth with expanding margins and robust cash generation

2021 Outlook

Adjusted Sales VPY %^{*,1}

April 27th
up low to mid single

Today

Adjusted Operating Profit VPY^{*,1}

\$125M – \$175M



*See Appendix for additional information regarding these non-GAAP financial measures. 1. Versus full year 2020 pro forma adjusted results, which assume a 1/1/2020 merger.

Key takeaways

- ▶ Diverse solutions serve our customers' most challenging missions
- ▶ Balanced product life cycle portfolio
- ▶ Growing faster than our addressable market segments

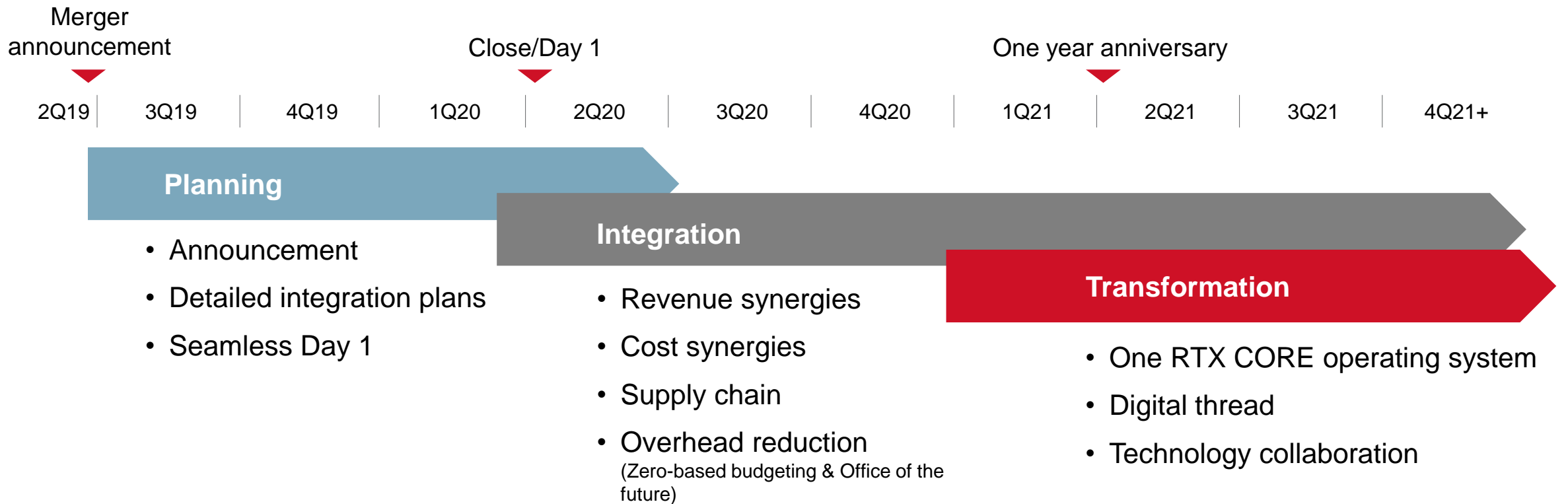
20 | Raytheon Technologies
21 | **Investor Day**

Mike Dumais

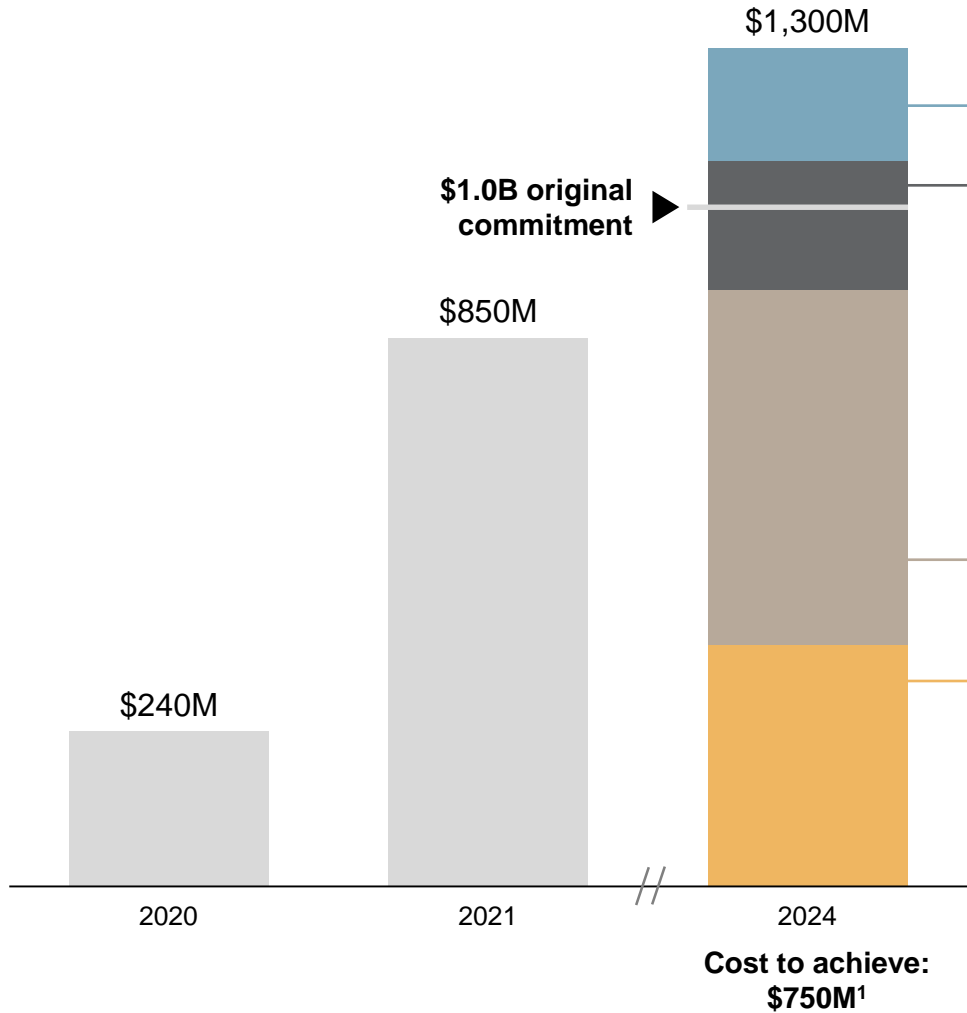
EVP and Chief Transformation Officer

Integration and transformation journey

Raytheon Technologies: the premier high technology aerospace and defense systems provider



Gross cost synergies



Footprint

50+ site projects

IT and other SG&A



Digital infrastructure upgrade/rationalization

Corporate and segment consolidation

Raytheon 4 - 2 consolidation

- Integrated Defense Systems & Missile Systems → **Raytheon Missiles & Defense**
- Intelligence, Information and Services & Space and Airborne Systems → **Raytheon Intelligence & Space**

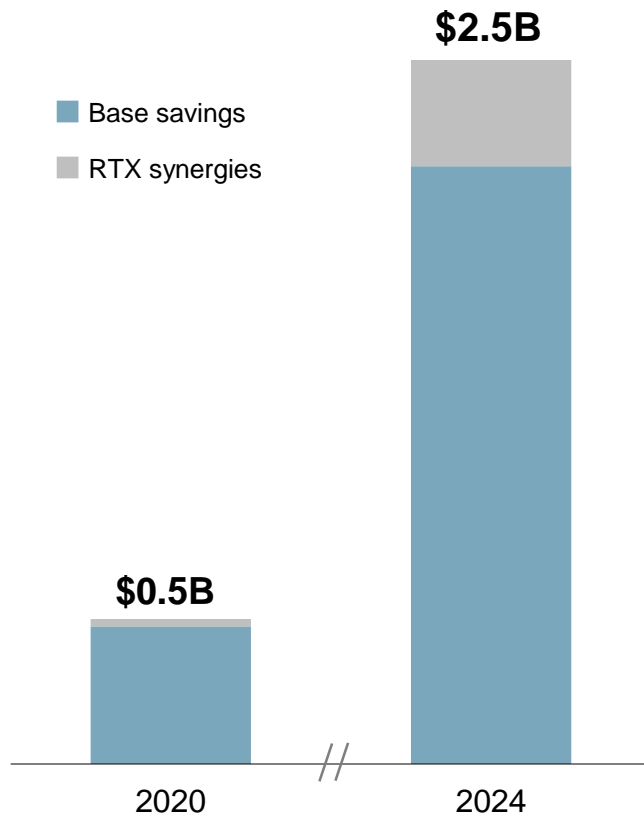
Supply Chain and procurement



300+ Synergy projects

Procurement initiatives

2020 - 2024 Savings outlook



Product initiatives ~\$1.3B

Machining



30% Reduction in suppliers
~20 - 25% Savings

Electronics



Direct negotiation with OEMs
~7 - 10% Savings

Non-product initiatives ~\$1.2B

Logistics



Optimize network
~10 - 12% savings

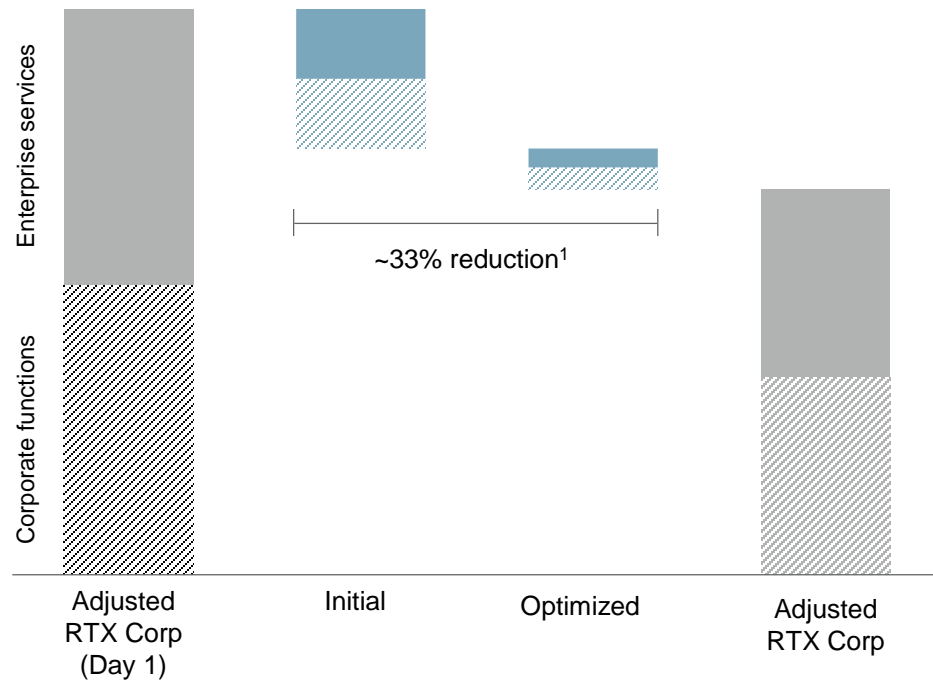
Industrial Supplies



Best of best pricing
~3 - 5% savings

Overhead reduction

Corporate office zero-based budgeting



Office of the future



Waltham, MA



Farmington, CT



East Hartford, CT



Cedar Rapids, IA

\$80M savings across >50 projects by 2024

One RTX operating system

CORE

Use the power.

Customer Oriented Results & Excellence

World-class operating system built from ACE, R6Sigma and industry best practices

Goal alignment

Consistent strategies, goals and structures



- RTX goal alignment
- Market feedback analysis
- Benchmark
- Control tower
- SIPOC¹
- RASCI²

¹ SIPOC – Supplier, Input, Process, Output, Customers

² RASCI – Responsible, Accountable, Supporting, Consulted, Informed

Environment

Digital enabled work environment



- Visual management
- 5S
- Tiered Gemba
- Lean
- Real time problem resolution
- Problem solving/root cause corrective action
- Industry 4.0

Capabilities

Effective people, processes and tools



- Process Mapping
- Time observed standard work
- Skill Matrix
- Agile
- DevSecOps

Opportunity to attack >\$1B of cost of poor quality and inefficiency

Digital thread implementations

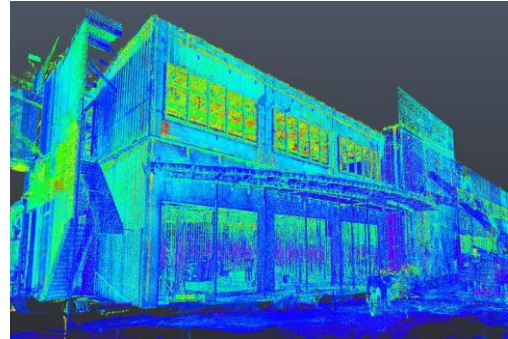
Model based design



RMD – OMFV
(Optionally Manned Fighting Vehicle)

33% reduction in requirements

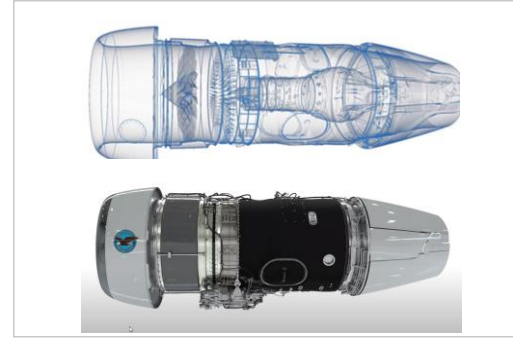
Factory digital twin



RIS – McKinney, TX

10 - 15% increase in factory productivity

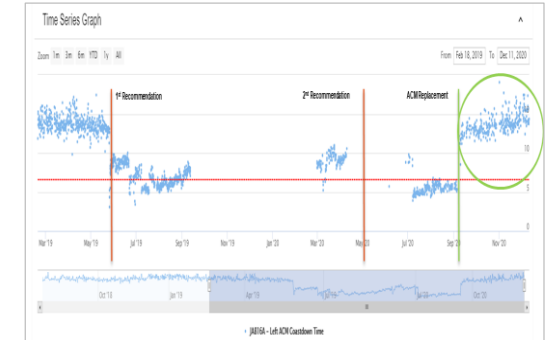
Product digital twin



Pratt & Whitney – PW815GA

Cycle time ↓
Yield ↑
Inventory ↓

Prognostics



Collins Aerospace – Ascentia®

30% decrease in delays and cancellations¹

Digital infrastructure modernization



RIS cybersecurity operations center – Galatyn, TX

Network	>50% simplification
Data centers	60% consolidation
Applications	25% reduction
Cloud adoption	>50% cloud based
Collaboration	1 common suite

\$175M of annual savings by 2024

Cross-RTX technologies

>60,000 Engineers including 2,300 PhDs; ~50% with Security Clearances






Cross-RTX capabilities¹

	Collins Aerospace	Raytheon Missiles & Defense	Raytheon Intelligence & Space	Pratt & Whitney
Autonomy and artificial intelligence	Positioning, Navigation & Timing (PNT) Situational awareness Auto-pilot/optionally-piloted	Collaborative UAS Undersea systems	Multi-INT analytics Situational awareness	Advanced prognostics Advanced inspection
Power and propulsion	Power electronics, motors and generators Aerostructures	Vehicle, propulsion and power integration	Vehicle/power integration	High temperature materials Power & thermal management Super/hypersonic propulsion
Secure and connected ecosystems	High assurance networks Anti-jam waveforms	Multi-function SW-defined apertures Sensor networking	Cyber hardening Command and Control	
Precision sensing and effects	EO/IR sensors Micro-electro-mechanical sensors	Advanced RF electronics and systems Kinetic and non-kinetic effects	RF and EO/IR sensors High energy lasers	

Defense opportunities

- ✓ Lead capability
- ✓ Contributing capability







Cross-RTX capabilities¹

	Autonomy and artificial intelligence	Power and propulsion	Secure and connected ecosystems	Precision sensing and effects	RTX differentiated solutions
	✓	✓	✓	✓	Best-in-class military engine and systems portfolios; Most capable payloads
UAS/Attritables	✓	✓	✓	✓	Autonomous, connected and collaborative systems
Hypersonics	✓	✓	✓	✓	Air breathing hypersonics and high temperature materials
	✓		✓	✓	All-domain command and control
Cyber Services	✓		✓		Cyber hardening and cyber security
Space/ISR	✓		✓	✓	Intelligent and secure advanced space solutions
	✓	✓	✓	✓	Advanced apertures and modular multi-mission effectors
Directed Energy	✓	✓	✓	✓	High power microwave
Electronic Warfare	✓		✓	✓	Next generation jammer

Commercial aerospace opportunities

- ✓ Lead capability
- ✓ Contributing capability

Cross-RTX capabilities¹

	Autonomy and artificial intelligence	Power and propulsion	Secure and connected ecosystems	Precision sensing and effects	RTX differentiated solutions
 <p>Next-Generation, More Sustainable Aircraft</p>	✓	✓	✓	✓	Optimized power and propulsion; Connected, intelligent systems
 <p>Air Mobility</p>	✓	✓	✓	✓	Electric/hybrid propulsion, avionics and autonomy
 <p>Airspace Modernization</p>	✓		✓	✓	Intelligent, connected surveillance, optimal trajectory planning, navigation and landing solutions
 <p>Connected Airline and Airport Operations</p>	✓		✓	✓	Digital solutions to increase airport / airline utilization, uptime and productivity
 <p>Reduced Crew Operations</p>	✓		✓	✓	Reduced pilot/crew workload and increased situational awareness
 <p>Prognostics for In-service Support</p>	✓	✓	✓	✓	Predictive analytics / data ecosystem; Physics-based models

Summary

Integration

- Revenue synergies
- Cost synergies
- Supply chain
- Overhead reduction
(Zero-based budgeting & Office of the future)

Transformation

- One RTX CORE operating system
- Digital thread
- Technology collaboration

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Wes Kremer

President, Raytheon Missiles & Defense

Raytheon Missiles & Defense

The industry's most advanced end-to-end solutions, delivering the advantage of one innovative partner to detect, track and defeat threats.



Air Power

Achieving air dominance depends on what aircraft carry and the technology that powers them.



Land Warfare & Air Defense

Equipping ground forces with integrated, proven precision weapons and more.



Strategic Missile Defense

Technologies that see farther, process data faster and precisely guide interceptors to targets.



Naval Power

Innovative sensors, command and control and precision weapons to protect the fleet.



\$15.3B

2020 adjusted pro forma sales*



15K
engineers



30K
employees



28
countries

\$29B YE 2020 backlog



Alignment to our customers' needs

Evolving threat environment

Near-peer naval competitors

Advanced missiles

Hypersonics

Challenges to air superiority

Coordinated swarm attacks

Next-generation solutions

	CURRENT			
	Patriot® system	SM-3® and EKV	SM-3®, SM-6® and SPY-6	Air-launched effectors
	NEXT GEN			
	LTAMDS	Next-gen interceptor	Glide phase interceptor	Hypersonics
ESTIMATED LIFETIME VALUES	\$37B	\$7B	\$5B	\$15B

Positioned for growth

Projected sales



Leveraging balanced portfolio and targeting investments to address current and future threat

Continuing sales from established franchises

- Patriot[®]
- AMRAAM[®]
- EWR
- NASAMS[™]
- SM-3[®] IB
- RAM[™]
- TPY-2

Growth franchises (double-digit CAGR)¹

- LRSO
- SPY-6
- SM-6[®]
- StormBreaker[®]
- NGI
- SM-3[®] IIA
- LTAMDS

Next-generation solutions (>15% CAGR)¹

- Hypersonics/C-hypersonics
- Distributed sensing
- Collaborative systems
- Glide phase interceptor
- Non-kinetic/directed energy
- Attritables

Investing for transformation

2019 – 2021 investments

Leveraging company-driven research and development (IRAD) into customer-driven research and development (CRAD)

CRAD
\$4.3B

80/20
split

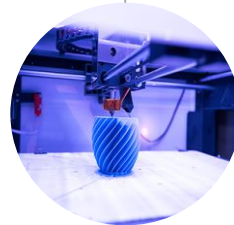
IRAD
\$0.9B

Enablers



Model-based digital thread

Accelerating speed across the value chain



Advanced materials

Pioneering high temperature weapons material



Aperture-based sensor systems

High-power RF semiconductors

Emerging markets



Offensive hypersonics and strike

Stand-off strike disruptor



Directed energy

Layered defense disruptor



Counter-hypersonics

High-performance radars and new effectors

Scaling up our investments to deliver solutions against ever-evolving threats

Investing for growth and profitability

Research and development



\$0.9B investment
2019 – 2021

- Software-defined apertures
- Composable weapons
- Integrated kill chain modeling and simulation

Infrastructure



\$0.7B investment
2019 – 2021

- Facilities for new growth franchises
- Secure environments
- Modernizing factory and lab test equipment

Productivity and automation



\$0.5B investment
2019 – 2021

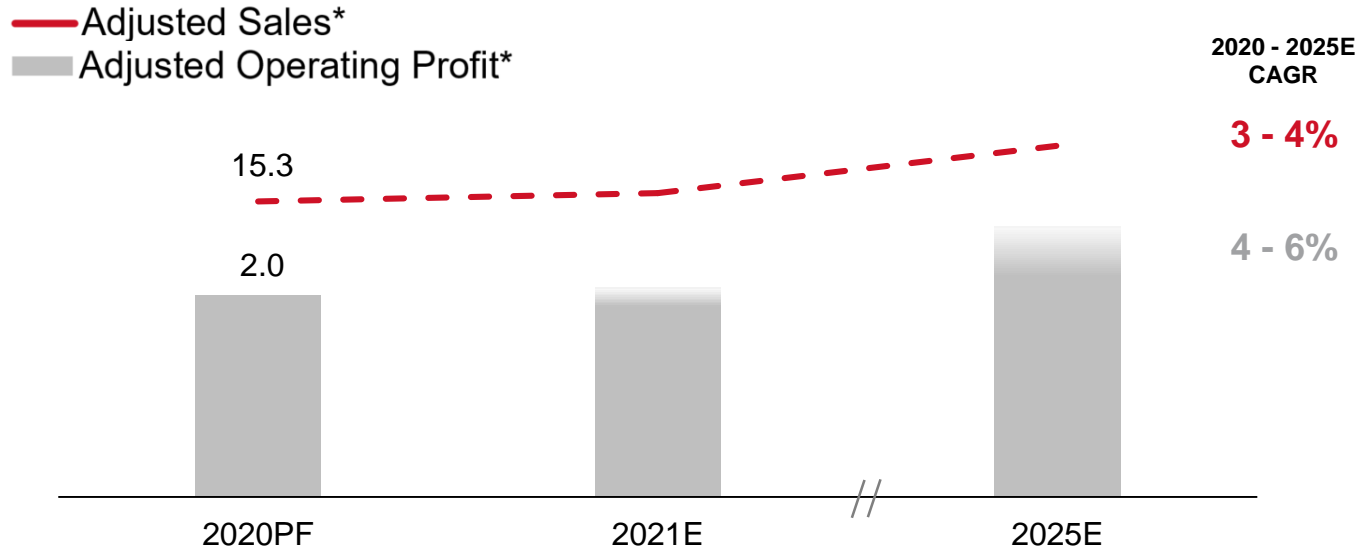
- Automated, connected factories
- Footprint consolidation
- Smart factory workstations

Focusing on operational excellence to enhance execution and drive profitability

Financial summary – RMD

2025 roadmap

(\$ billions)



**Positioned
for profitable
growth
in 2021 and
beyond**

2021 Outlook

	April 27 th	Today
Adjusted Sales VPY % ^{*,1}	up low to mid single	✓
Adjusted Operating Profit VPY ^{*,1}	\$25M – \$75M	✓

*See Appendix for additional information regarding these non-GAAP financial measures. 1. Versus full year 2020 pro forma adjusted results, which assume a 1/1/2020 merger.

Key takeaways

- ▶ Well positioned to address evolving threats, and aligned with DoD priorities
- ▶ Recent franchise wins highlight that our capabilities address customer needs
- ▶ Thoughtfully targeting investments to deliver profitable and long-term growth
- ▶ Continuing to explore and exploit transformative technology synergies across RTX

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Chris Calio

President, Pratt & Whitney

Pratt & Whitney

Balanced portfolio

Military Engines



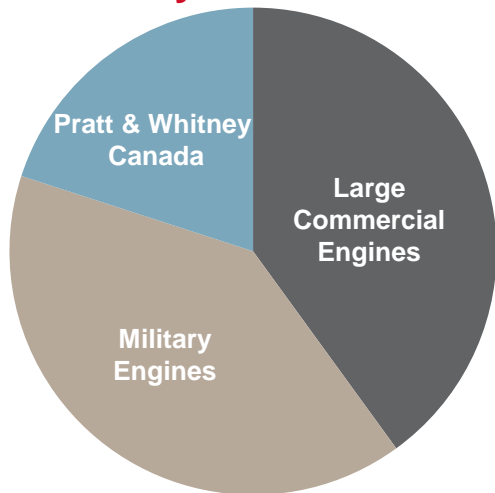
Pratt & Whitney Canada



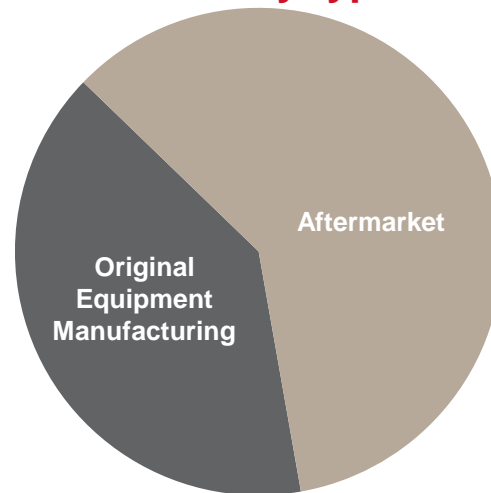
Commercial Engines



Sales by business unit



Sales by type



(2020 adjusted sales* \$17.2B)

Positioned for growth

Strong position in narrowbody segment

GTF is the architecture of the future

Premier small engine franchise

Sole-sourced positions on priority military platforms

Investments focused on advanced technology & cost reduction

Military Engines

Strong presence on highest priority defense platforms

Portfolio

Bomber



Mobility

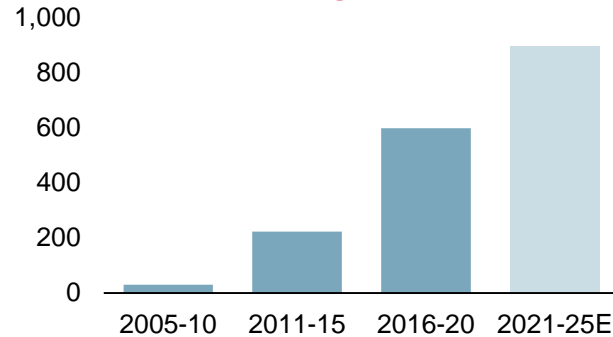


Fighter

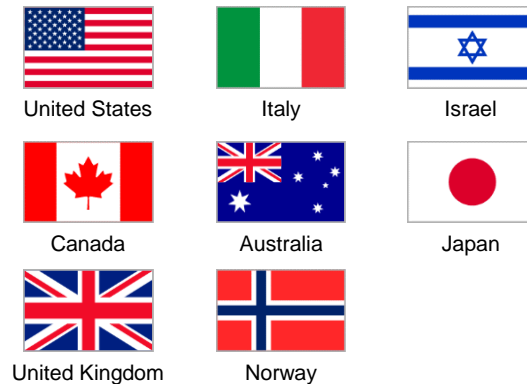


Engine deliveries

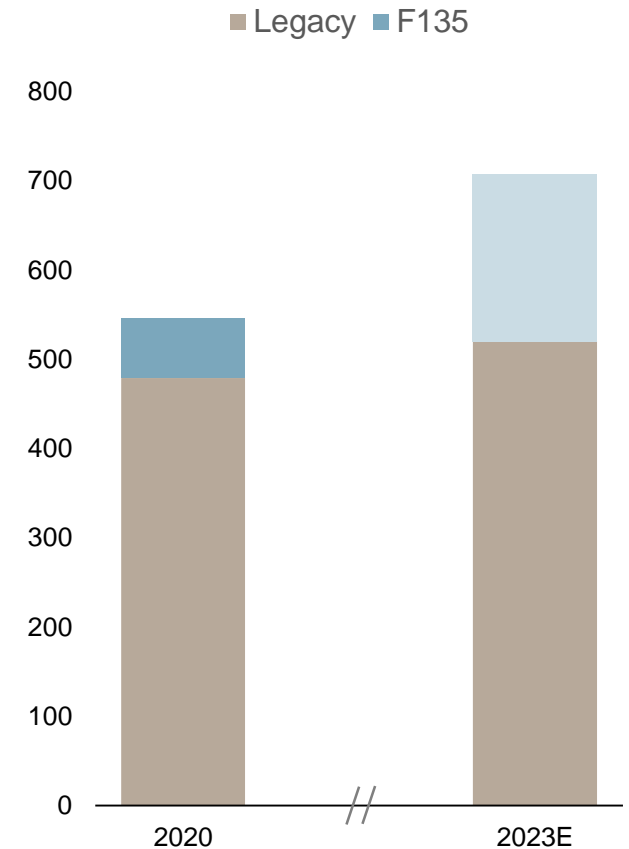
F135 engines¹



Initial Operational Capability (IOC)



Sustainment events



Pratt & Whitney Canada

Premier small engine franchise; #1 or #2 engine provider in all segments

Portfolio

Regional Turboprop



Business Aviation



APUs



General Aviation



Helicopters



Security & Defense



16,500+

Operators

~65,000

Engines in service

Continuous innovation

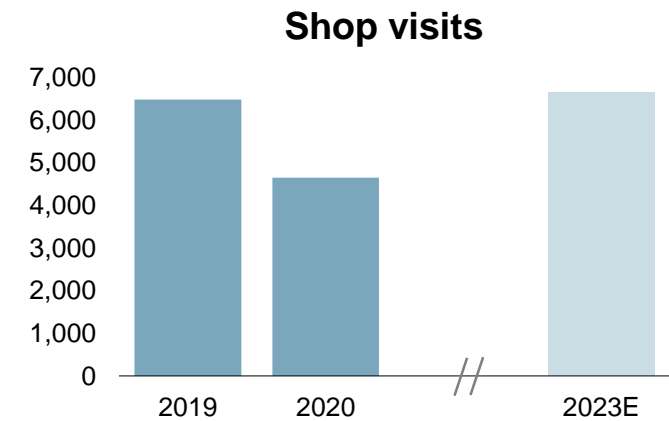
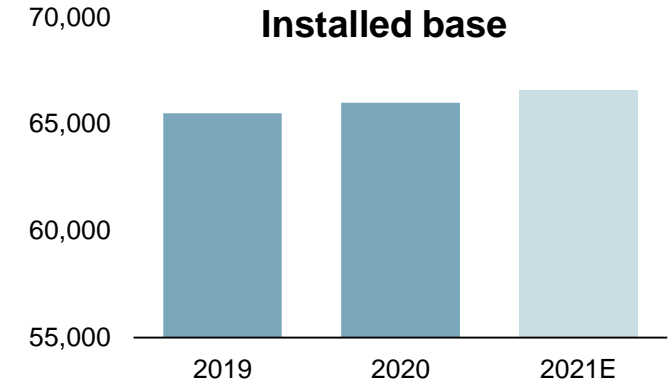


PT6 E-Series™ Engine



PW800 Engine

Fleet



Large Commercial Engines

Young, narrowbody-focused commercial fleet

Portfolio

Airbus A320neo



Airbus A220



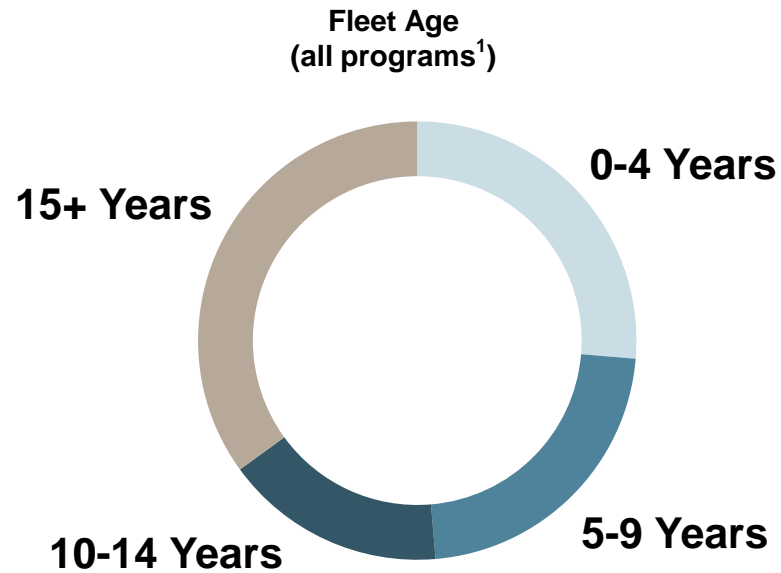
Embraer E195-E2



Airbus A320ceo



Demographics



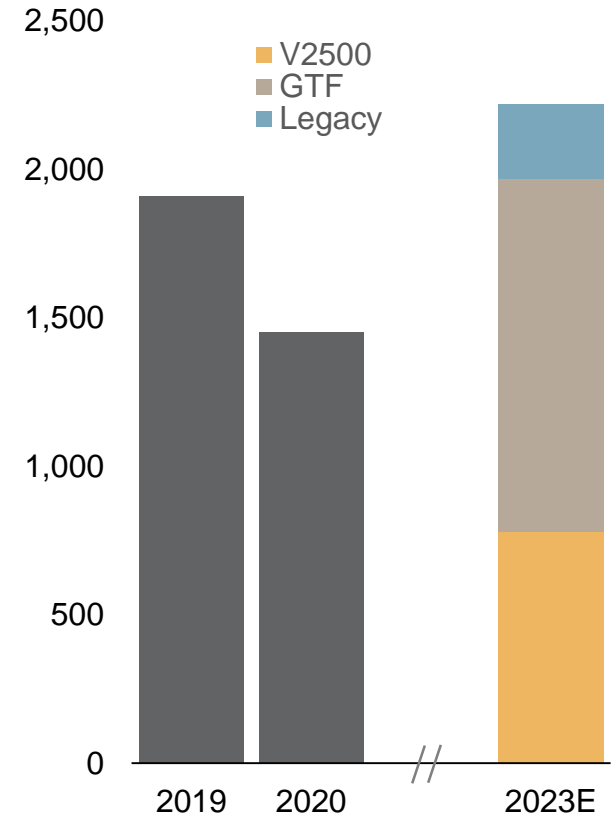
GTF Backlog

~9,500
GTF engines in
orderbook**

64%
A320neo order share
last 18 months

**includes firm/option orders

Shop visits



Disciplined investment in advanced technologies

Efficiency



GTF Investments



Ceramic Matrix Composites

Sustainability



Hybrid-Electric Propulsion

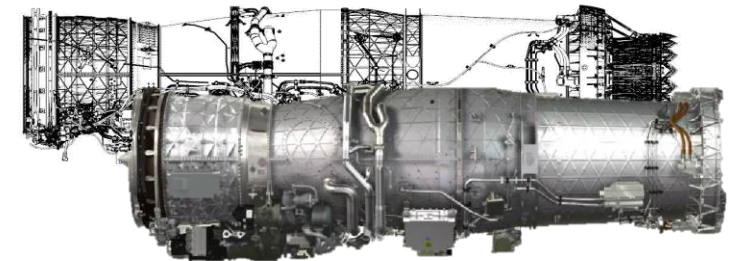


100% Sustainable Aviation Fuels

Digital



Model Based Definition
Manufacturing & Inspection



Digital Twin

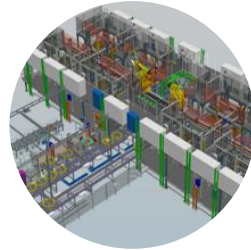
Driving significant structural cost reduction

Cost Structure



- Headcount
- Footprint
- Investment realignment

Automation



Automated Disk Inspection (Columbus, GA)



Robotic Laser Cladding Repair (Singapore)



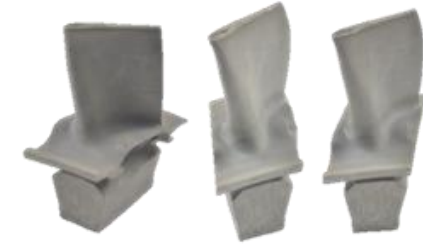
Compressor Blades Transformation (Columbus, GA)



Automated Bearing Housings (Poland)

Transformation

Asheville Turbine Airfoil Center



Vertically integrated 1M sq. ft facility

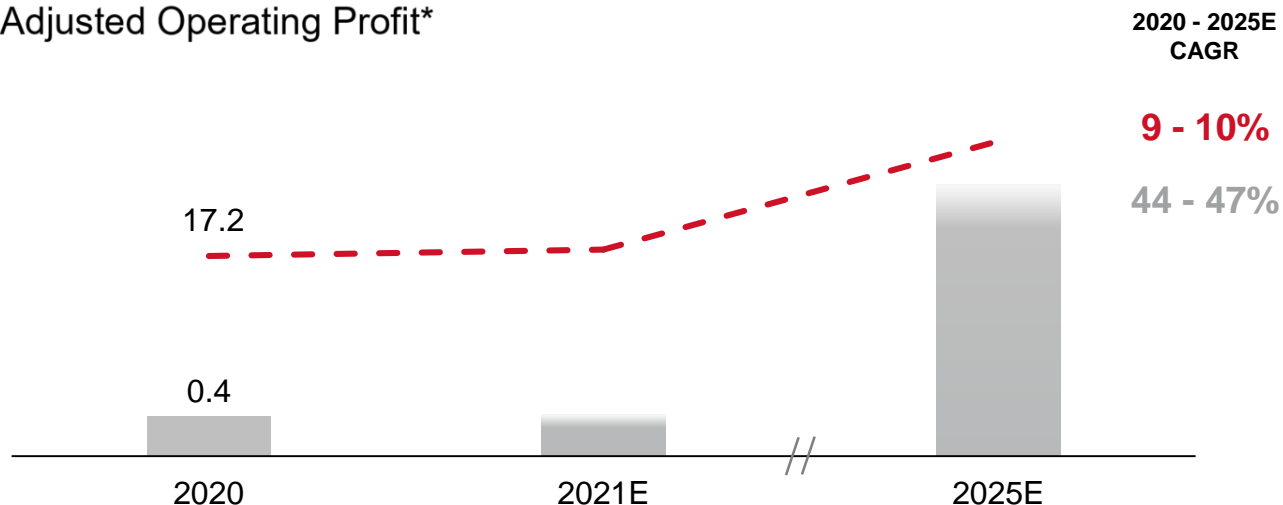
Advanced castings foundry, machining, coating, finishing

Financial summary – Pratt & Whitney

2025 roadmap

(\$ billions)

— Adjusted Sales*
 █ Adjusted Operating Profit*



2021 Outlook

	April 27 th	Today
Adjusted Sales VPY* %	up low to mid single digit	✓
Adjusted Operating Profit* VPY	(\$75M) to \$25M	✓

Margin expansion drivers

Narrowbody aftermarket recovery

GTF margin expansion

Disciplined investment

Cost reduction & synergies

Positioned for growth

- ▶ Balanced portfolio
- ▶ Investments in advanced technology and cost reduction
- ▶ Strong sales, margin expansion & cash generation

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Neil Mitchell
CFO, Raytheon Technologies

Post merger achievements

Cost and Cash Savings

Executed over \$2.0B of cost and \$4.7B of cash actions

Cost Synergies

Increased gross merger synergy target to \$1.3B
On track to achieve \$0.6B of Rockwell Collins synergies

Portfolio Actions

Completed Forcepoint and merger-related divestitures
Acquired Blue Canyon Technologies

Capital Return

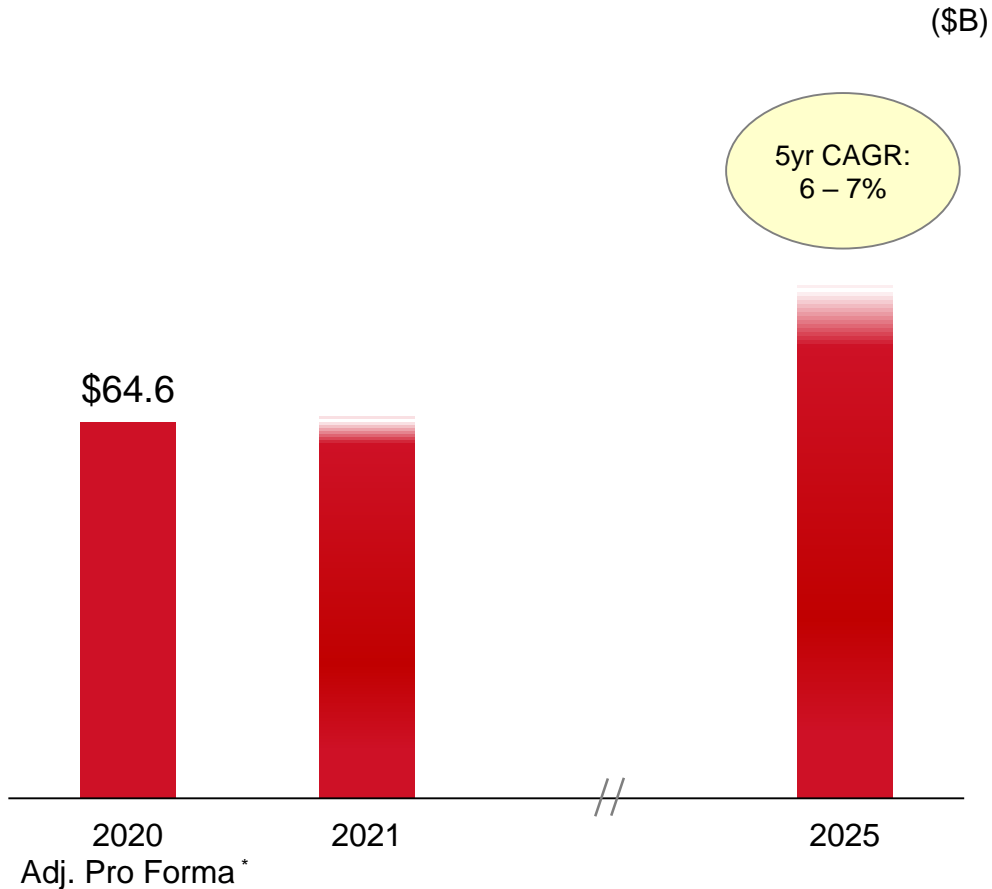
Increased dividend by over 7% in Q2
Returned \$3.2B to shareowners through 1st anniversary of merger

Capital Structure

Maintained financial flexibility in dynamic markets

Top line growth

Sales



Drivers

Near
Term

- Commercial aero recovery and share gains
- Commercial aerospace installed base
- Defense backlog execution

Medium
Term

- Commercial aerospace aftermarket growth
- Investments in next-gen technologies
- Additional upside from revenue synergies

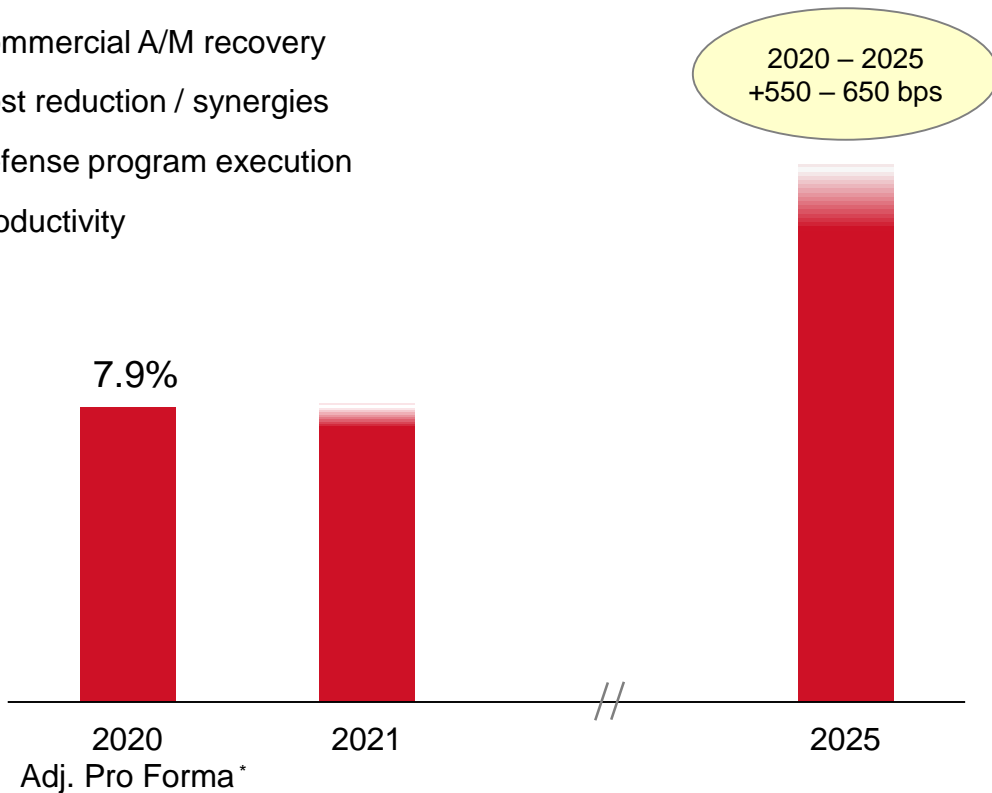
Continue to make investments to drive sustainable long-term growth

Margin expansion

Adjusted segment margin* expansion

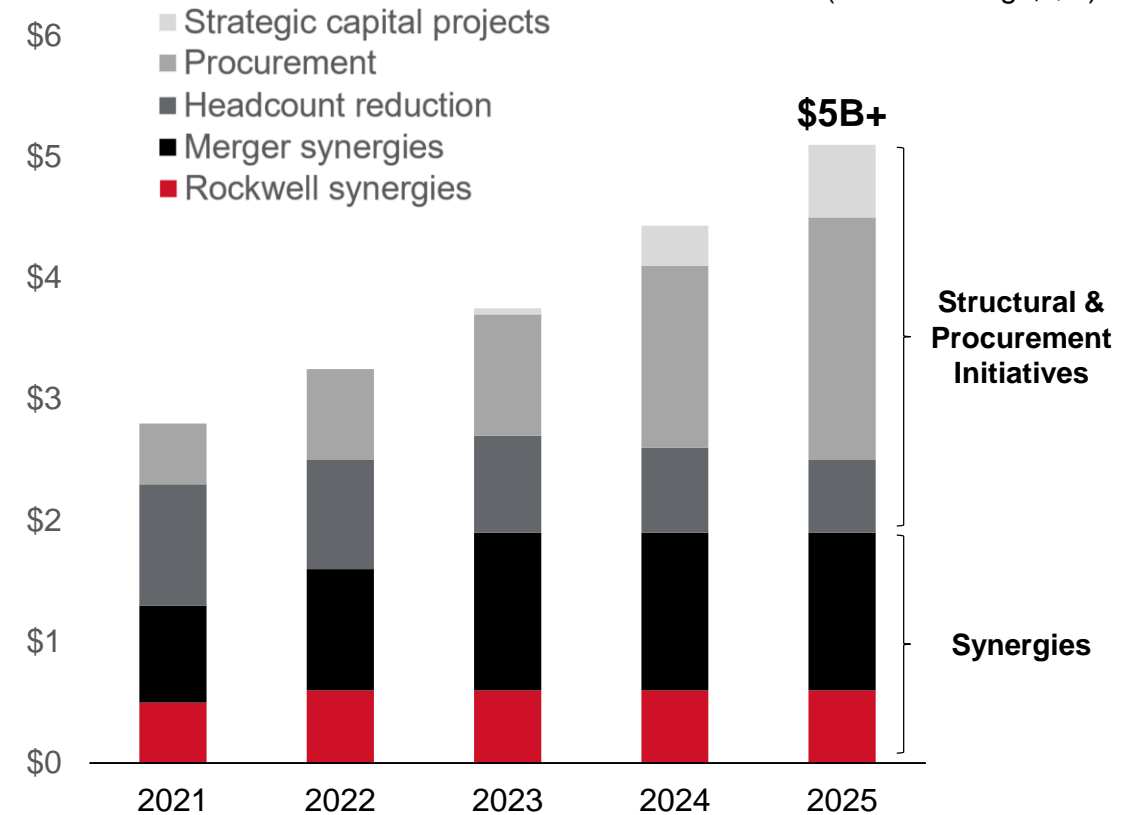
Growth Drivers

- Commercial A/M recovery
- Cost reduction / synergies
- Defense program execution
- Productivity



Savings from cost reduction

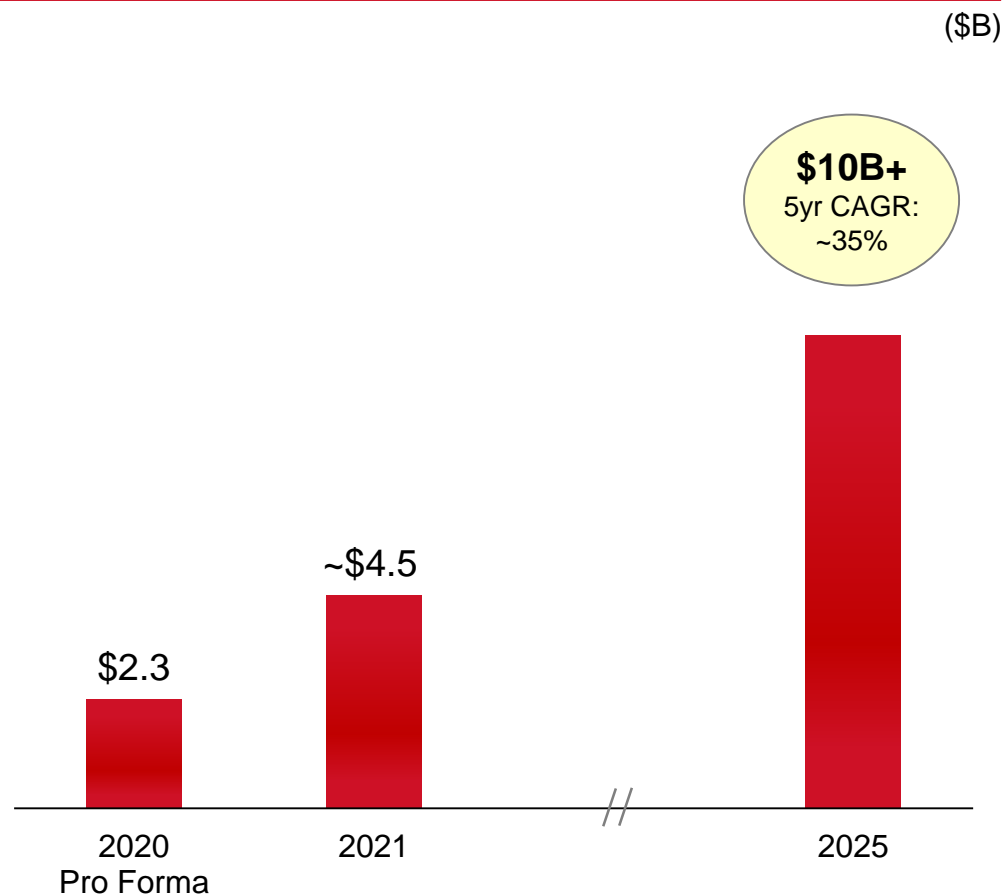
(Gross savings, \$B)



Structural cost reduction drives margin expansion

Accelerating free cash flow generation

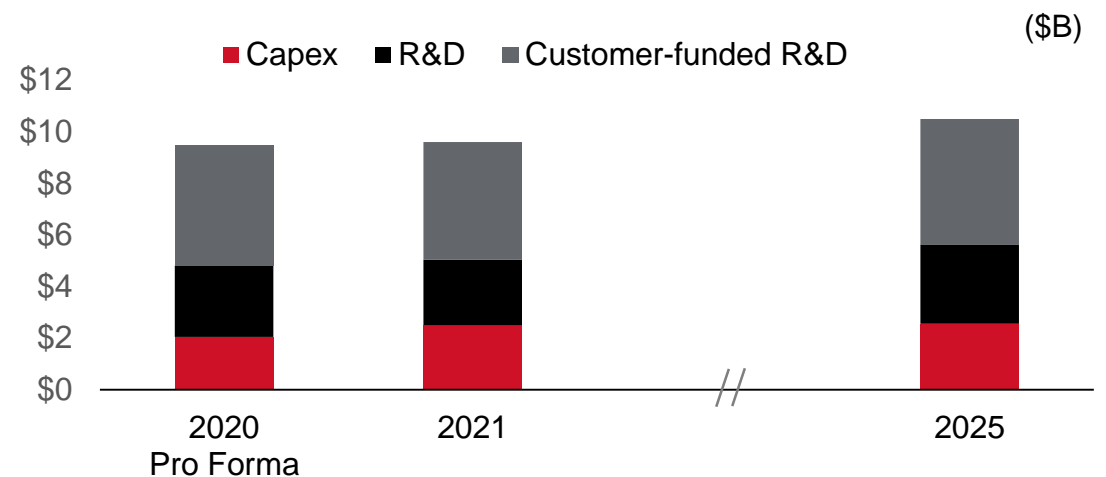
Free Cash Flow ^{*,1}



Drivers

- Leveraging commercial recovery
- Grow defense backlog
- Working capital/inventory management
- Cost reduction and efficiency
- Offsetting pension headwind

R&D/Capital Expenditures



Strong free cash flow growth supports investment in next-gen technologies and shareowner return commitments

Disciplined capital allocation

1

Invest in growth and innovation

- R&D + CapEx of ~\$6B annually
- Focused on investing in key technology areas

2

Return cash to shareowners

- Sustain and grow the dividend with earnings
- Return \$20B+ to shareowners in the four years post merger

3

Maintain strong balance sheet

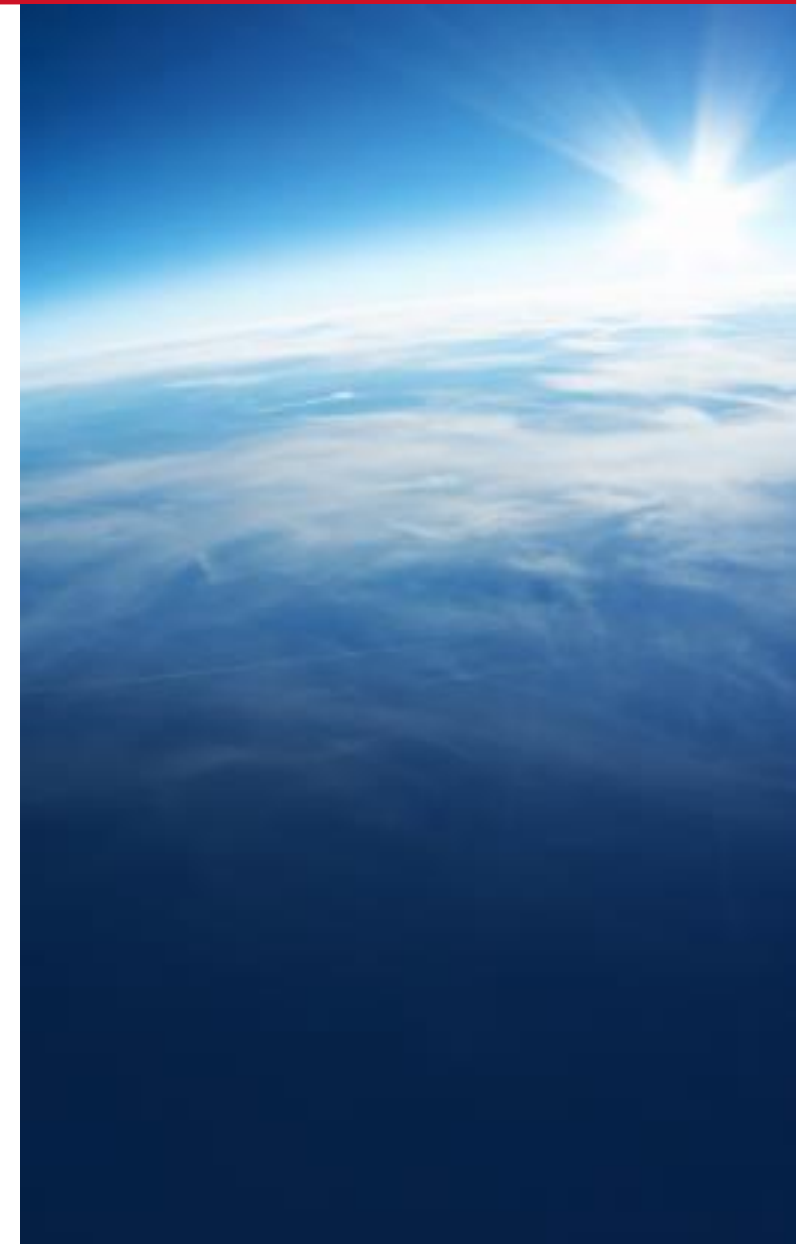
- Preserve balance sheet flexibility
- Maintain investment grade credit rating

Excess cash used for debt repayment, strategic bolt-on M&A and additional share buyback

2021 outlook

Sales	\$63.9B – \$65.4B
Organic Sales %^{*,1}	1% – 3%
Adjusted EPS*	\$3.50 – \$3.70
Free cash flow*	~\$4.5B
Share buyback	at least \$2B

- 1) Organic sales growth on an adjusted pro forma basis is a non-GAAP measure, and is calculated as the change in sales when comparing 2021 reported sales to 2020 adjusted pro forma sales as presented on slide 74 (which includes the Raytheon Company results for the first quarter 2020 and the pre-merger Q2 2020 stub period), adjusted for the impact of foreign currency translation and the impact of acquisitions and divestitures, including acquisitions and divestitures that have occurred within the legacy Raytheon Company business.



Summary

▶ Strong franchises

▶ Resilient markets

▶ Differentiating technology

▶ Operational excellence

▶ Experienced leadership team

Capital return to shareowners¹
\$20+ billion

2025 goals

**Sales
growth**

+6 – 7% CAGR
(2020 – 2025)

**Adjusted margin
expansion***

+550 – 650bps
(2020 – 2025)

**Free
cash flow^{*,2}**

\$10B+
(2025)

Appendix

Use and definitions of non-GAAP financial measures

Raytheon Technologies Corporation (“RTC”) reports its financial results in accordance with accounting principles generally accepted in the United States (“GAAP”).

We supplement the reporting of our financial information determined under GAAP with certain non-GAAP financial information. The non-GAAP information presented provides investors with additional useful information, but should not be considered in isolation or as substitutes for the related GAAP measures. Moreover, other companies may define non-GAAP measures differently, which limits the usefulness of these measures for comparisons with such other companies. We encourage investors to review our financial statements and publicly-filed reports in their entirety and not to rely on any single financial measure.

Adjusted net sales, organic sales, adjusted operating profit, adjusted margin and adjusted earnings per share (“EPS”) are non-GAAP financial measures. Adjusted net sales represents consolidated net sales (a GAAP measure), excluding significant items of a non-recurring and/or nonoperational nature (hereinafter referred to as “other significant items”). Organic sales represents consolidated net sales (a GAAP measure), excluding the impact of foreign currency translation, acquisitions and divestitures completed in the preceding twelve months and other significant items. Adjusted operating profit represents operating profit (loss) (a GAAP measure), excluding restructuring costs, acquisition accounting adjustments and other significant items. Adjusted margin represents adjusted operating profit divided by adjusted net sales. Adjusted EPS represents diluted earnings per share from continuing operations (a GAAP measure), excluding restructuring costs, acquisition accounting adjustments and other significant items. For the Business segments, when applicable, adjustments of net sales similarly reflect continuing operations excluding other significant items, and adjustments of operating profit (loss) and margins similarly reflect continuing operations, excluding restructuring, acquisition accounting adjustments and other significant items.

Free cash flow is a non-GAAP financial measure that represents cash flow from operations (a GAAP measure) less capital expenditures. Management believes free cash flow is a useful measure of liquidity and an additional basis for assessing RTC’s ability to fund its activities, including the financing of acquisitions, debt service, repurchases of RTC’s common stock and distribution of earnings to shareowners.

A reconciliation of the non-GAAP measures to the corresponding amounts prepared in accordance with GAAP appears in the tables in this Appendix. The tables provide additional information as to the items and amounts that have been excluded from the adjusted measures.

When we provide our expectations for adjusted sales, organic sales growth, adjusted operating profit, adjusted EPS, adjusted segment margin, and free cash flow on a forward-looking basis, a reconciliation of the differences between the non-GAAP expectations and the corresponding GAAP measures (expected net sales, expected sales growth, expected operating profit (loss), expected EPS from continuing operations, expected segment margin, and expected cash flow from operations, respectively) generally is not available without unreasonable effort due to potentially high variability, complexity and low visibility as to the items that would be excluded from the GAAP measure in the relevant future period, such as unusual gains and losses, the ultimate outcome of pending litigation, fluctuations in foreign currency exchange rates, the impact and timing of potential acquisitions and divestitures, and other structural changes or their probable significance. The variability of the excluded items may have a significant, and potentially unpredictable, impact on our future GAAP results.

Raytheon Technologies

Reconciliation of Segment Results (GAAP) to Adjusted Segment Results (Non-GAAP)

(\$ millions)

	FY 2020						
	Collins Aerospace Systems	Pratt & Whitney	Raytheon Intelligence & Space	Raytheon Missiles & Defense	Total Segment	Eliminations & Other	Consolidated RTX
Net Sales	\$ 19,288	\$ 16,799	\$ 10,841	\$ 11,660	\$ 58,588	\$ (2,001)	\$ 56,587
Adjustments to net sales:							
Favorable impact of a contract termination	-	22	-	-	22	-	22
Significant unfavorable contract adjustments	(136)	(447)	-	-	(583)	-	(583)
Adjusted Net Sales	19,424	17,224	10,841	11,660	59,149	(2,001)	57,148
Pro Forma Adjustments ¹	-	-	4,118	3,635	7,753	(301)	7,452
Adjusted Pro Forma Net Sales	\$ 19,424	\$ 17,224	\$ 14,959	\$ 15,295	\$ 66,902	\$ (2,302)	\$ 64,600
Operating Profit (Loss)	\$ 1,466	\$ (564)	\$ 1,014	\$ 890	\$ 2,806		
Adjustments to segment operating profit:							
Restructuring costs	(360)	(180)	-	-	(540)		
Significant unfavorable contract adjustments	(183)	(680)	-	-	(863)		
Charges related to customer bankruptcies and collectability risk	(125)	(262)	-	-	(387)		
Foreign government wage subsidies	72	153	-	-	225		
Fixed asset impairment	(3)	-	-	-	(3)		
Gain on sale of business	595	-	-	-	595		
Charges related to a commercial financing arrangement	-	(43)	-	-	(43)		
Favorable impact of a contract termination	-	22	-	-	22		
Middle East contract adjustment	-	-	-	(516)	(516)		
Adjusted Operating Profit	1,470	426	1,014	1,406	4,316		
Pro Forma Adjustments ¹	-	-	425	554	979		
Adjusted Pro Forma Operating Profit	\$ 1,470	\$ 426	\$ 1,439	\$ 1,960	\$ 5,295		
<i>Adjusted Pro Forma Segment Margin</i>					7.9%		

1: Pro Forma Adjustments:

- Pro Forma adjustments reflect the addition of the legacy RTN businesses as of 1/1/20 prepared in a manner consistent with Article 11 of Regulation S-X.
- Pro Forma adjustments reflect the reorganization of our Reconnaissance & Targeting Systems, Electro-Optical Innovations and Improved Target Acquisition Systems businesses from RMD to RIS as if this reorganization occurred as of 1/1/20.

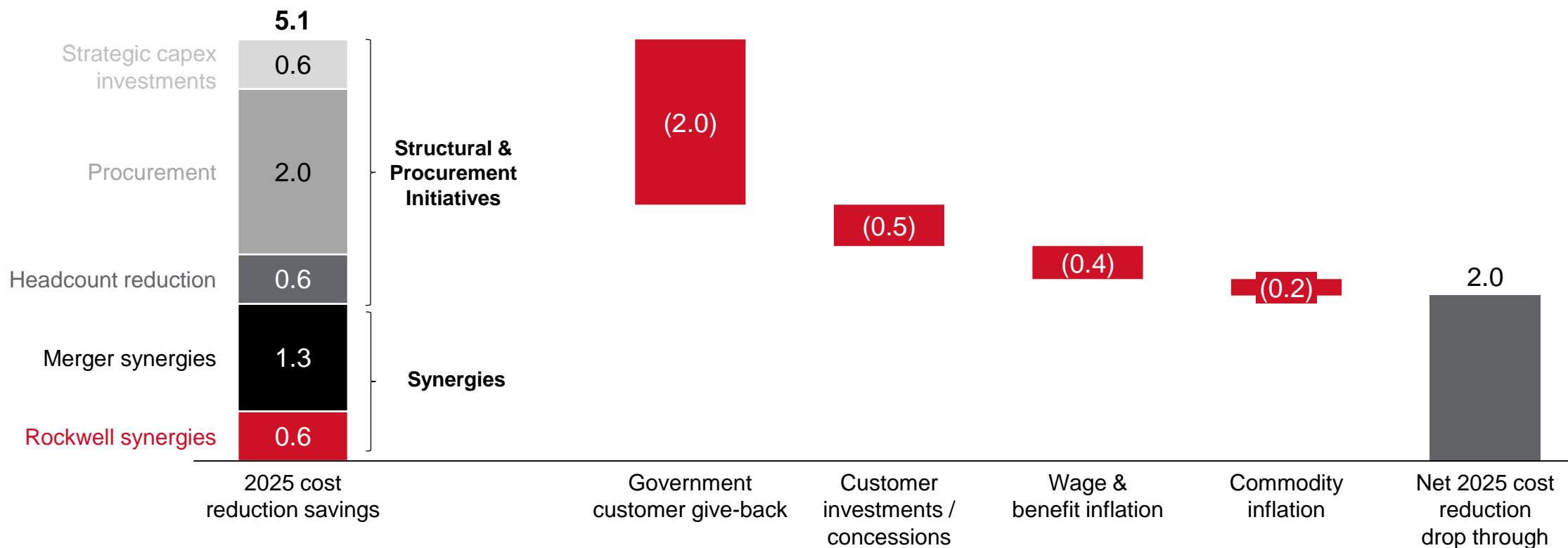
Raytheon Technologies: Free Cash Flow Reconciliation

(\$ millions)

	RTX 2020 As Reported	RTN 1Q 2020 As Reported	RTN (3/30/20 – 4/2/20) (Estimated Stub Period)	RTX 2020 Full Year Pro Forma
Cash flow provided by operating activities from continuing operations	4,334	(98)	129	4,365
Capital expenditures	(1,795)	(255)	(14)	(2,064)
Free cash flow	<u>2,539</u>	<u>(353)</u>	<u>115</u>	<u>2,301</u>

Cost reduction plan and impact

(\$ billions)



Pension Impact

(\$ millions)

	Current projections*						
	2020 Actual	2020 Adjusted pro forma	2021	2022	2023	2024	2025
<u>P&L impact</u>							
RMD/RIS Service cost	(\$354)	(\$477)	(\$405)	(\$375)	(\$200)	(\$175)	(\$175)
RMD/RIS CAS recovery	<u>\$1,460</u>	<u>\$1,987</u>	<u>\$2,080</u>	<u>\$1,750</u>	<u>\$1,300</u>	<u>\$800</u>	<u>\$525</u>
FAS/CAS operating adjustment	\$1,106	\$1,510	\$1,675	\$1,375	\$1,100	\$625	\$350
Non-service pension income	\$902	\$1,044	\$1,925	\$2,000	\$2,200	\$2,500	\$2,700
<u>Net cash</u>							
Gross funding	(\$1,303)	(\$1,357)	(\$370)	(\$425)	(\$375)	(\$350)	(\$325)
RMD/RIS CAS recovery	<u>\$1,460</u>	<u>\$1,987</u>	<u>\$2,080</u>	<u>\$1,750</u>	<u>\$1,300</u>	<u>\$800</u>	<u>\$525</u>
Net cash	\$157	\$630	\$1,710	\$1,325	\$925	\$450	\$200

* Current projections include pension and PRB for 2021 – 2025 and are strictly based on a weighted-average FAS discount rate of 2.5% for all years, a weighted-average assumed return on assets of 6.5% for all years and no changes to any other actuarial assumptions or regulatory requirements. CAS recovery and funding requirements are based on the discount rates under the Bipartisan Budget Act of 2015 and expanded interest rate stabilization included in the American Rescue Plan Act of 2021, which are approximately 4.9% for 2021, 5.4% for 2022, 5.2% for 2023, 5.1% for 2024 and 5.0% for 2025.

Actual results will vary for 2021 – 2025 based upon discount rate, asset returns, long-term return on asset (ROA) assumption, changes in actuarial assumptions, demographic and regulatory requirements applicable for each year.