I. Purpose

The purposes of the Compensation Committee (the "Committee") are to discharge the responsibilities of the Board of Directors ("Board") of Raytheon Technologies Corporation ("Company") related to the compensation and benefits of the Company’s executives and other employees, to prepare an annual report on executive officer compensation for inclusion in the Company's annual proxy statement, and to consider other matters related to the Company's compensation and benefits practices.

II. Composition

The Committee’s composition is determined by the Board, based upon the recommendations of the Committee on Governance and Public Policy, and consists of at least three directors. Each Committee member shall satisfy the director independence requirements of the New York Stock Exchange and qualify as a “Non-Employee Director” for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended. Committee members should have a general understanding of executive compensation practices for the purpose of furthering the recruitment and retention of executives and key employees and aligning executive compensation with shareowner interests.

III. Meetings

The Committee shall meet as often as it determines, but not less than four times per year. The Company’s Bylaws provide that a majority of the members of a Board committee shall constitute a quorum and that the act of a majority of the Committee members present shall be the act of the Committee.

IV. Responsibilities

The responsibilities of the Committee include:

A. Compensation Practices and Policies

1. Review executive compensation practices and policies of the Company to ensure that they adequately and appropriately align executive and shareowner interests.

2. Make recommendations to the Board regarding the adoption, amendment or termination of equity compensation programs that require Board or shareowner approval.

3. Approve the adoption, amendment and termination of incentive compensation and deferred compensation programs for executives of the Company that require Board approval, subject to shareowner approval to the extent required under the Company’s Bylaws.
4. Oversee the administration of the Company’s equity and deferred compensation plans and programs for its executives and non-employee directors, and either approve, or recommend for Board approval, adoption or amendments to such plans and programs.

5. Review the design of pension and other post-retirement benefit plans that have a material impact on the Company’s executive compensation program.

6. Annually review a risk assessment of the Company’s compensation policies and practices.

B. CEO Compensation

1. Review and approve annual corporate goals and objectives relevant to CEO compensation and lead a discussion of the CEO’s performance against such goals and objectives as a Committee or together with the other independent directors (as directed 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.

2. Annually review and approve, subject to review by the other independent directors: (i) the CEO’s annual base salary; (ii) the CEO’s annual incentive compensation; and (iii) awards to the CEO under the Company’s long-term incentive compensation plans.

C. Executive Compensation

1. Review and approve a group of peer companies for the purpose of benchmarking executive compensation plans and practices. Peer companies, as approved by the Committee, shall have characteristics that make such companies relevant competitors for executive talent and compensation benchmarking purposes.

2. Review and approve participants in the Company’s Executive Leadership Group (“ELG”).

3. Review and approve any changes to the roles or responsibilities of ELG members or executive officers subject to Section 16 of the Securities Exchange Act of 1934, as amended (“Section 16 Officers”).

4. Review and approve, for ELG members and Section 16 Officers, changes to: (i) annual base salary; (ii) annual incentive compensation; and (iii) awards under the Company’s long-term incentive compensation plans.

5. Approve any severance or change-in-control arrangements, special or supplemental benefit arrangements and amendments to the foregoing for ELG members or Section 16 Officers.

6. Establish and determine the satisfaction of performance goals for the Company’s executive incentive compensation plans.

7. Annually review and approve the Company’s practices for annual and long-term incentive awards for other executives and employees.


9. Annually review compliance with Company stock ownership guidelines applicable to
ELG members.

D. **Authority, Delegation, Performance Evaluation and Other**

1. The Committee shall have the sole authority to retain and terminate such compensation consultants, outside counsel and other advisors as the Committee may deem appropriate to assist it in the performance of its duties, but only after taking into consideration all factors relevant to the advisor’s independence from management, including those specified in Section 303A.05(c) of the NYSE Listed Company Manual. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of its advisors and shall have sole authority to approve the advisor’s fees and other terms and conditions of the advisor’s retention. The Company must provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to any advisor retained by the Committee.

2. Delegate, as appropriate, to the CEO, Executive Vice President & Chief Human Resources Officer, any other executive officer or the Corporate Vice President, Total Rewards, the authority to grant and administer equity awards to employees of the Company who are not directors, ELG members or Section 16 Officers subject to such limitations as the Committee may determine.

3. Report annually to the Board on its assessment of the Committee’s performance as a group.

4. Review and approve the Compensation Discussion and Analysis on executive compensation for inclusion in the Company’s annual proxy statement, in accordance with Securities and Exchange Commission rules.

5. Review and approve Company statements regarding shareowner advisory votes on executive compensation and the frequency of such votes for inclusion in the Company’s annual proxy statement.

6. Annually review the adequacy of this Charter and recommend any changes to the Board for approval.

7. Undertake such other matters as may be referred to the Committee from time-to-time.