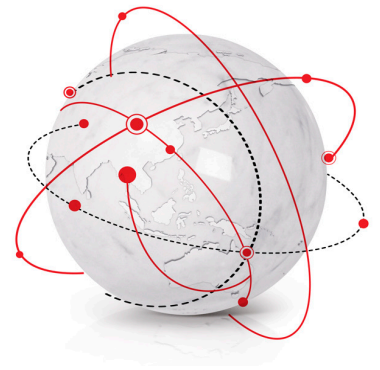


20 | Raytheon Technologies 20 | Global Supplier Conference



November 2020

Thank you to all who attended the Raytheon Technologies virtual supplier conference, the first Supply Chain event of this size since the merger of Raytheon Company and United Technologies in April. The conference — hosted by Sarfraz Nawaz — featured presentations by four of our leaders and a panel Q&A discussion with our business supply chain leaders. The conference provided an opportunity to introduce our suppliers to Raytheon Technologies and our Supply Chain leadership team.

Conference presenters

- Paolo Dal Cin, senior vice president, Operations & Supply Chain, Raytheon Technologies
- Stephen Timm, president, Collins Aerospace
- Wes Kremer, president, Raytheon Missiles & Defense
- Sarfraz Nawaz, vice president, Supply Chain, Raytheon Technologies

The following captures key messages from the event.

Introduction to Raytheon Technologies

Paolo Dal Cin, senior vice president, Operations & Supply Chain, Raytheon Technologies

Our vision is a safer, more connected world. We are pursuing our vision through our four businesses: Collins Aerospace, Pratt & Whitney, Raytheon Missiles & Defense and Raytheon Intelligence & Space. The four businesses combine to have \$74 billion in 2019 annual revenue, supported by 195,000 employees (as of April 3, 2020 merger).

Current industry landscape

Each presenter addressed the impact of the COVID-19 pandemic on their business, employees, customers and suppliers. The impacts we are seeing in both the commercial and defense markets illustrate the value of our merger and the reason we are better together. Our diversified and balanced customer base, broadened technology portfolio and expanded global presence make us a stronger company. Because of this, now is a tremendous time for suppliers to grow with Raytheon Technologies.

Collins Aerospace overview and industry landscape

Stephen Timm, president, Collins

Collins Aerospace is composed of six strategic business units that are organized by product and capability.

Business unit	Products	Headquarters
Aerostructures	Nacelles, pylons, doors, composite flight surfaces	Chula Vista, CA
Avionics	Avionic systems, cabin management systems, information management systems and services	Cedar Rapids, IA
Interiors	Aircraft seating, interior systems, evacuation systems, life rafts, lighting, and de-icing	Winston-Salem, NC
Mechanical Systems	Landing gears, wheels and brakes, propellers, hoists and winch systems, cargo systems, and actuation and pilot controls	Charlotte, NC
Mission Systems	Communication, navigation and guidance, simulation and training, ejection seats, intelligence, surveillance and reconnaissance, and space solutions	Cedar Rapids, IA
Power and Controls	Electric systems, engine controls, air management, and airframe controls	Windsor Locks, CT



Conference presenters

(Continued from page 1)

Collins business is roughly 75-percent commercial and 25-percent Military/Defense. Collins has more than 100 major product lines and 1500 customers. Collins has 70,000 employees located in roughly 300 sites around the world.

The aerospace industry has experienced impacts due to the pandemic, but we are cautiously optimistic in regard to recovery. The work accomplished at Collins is essential to the airline industry and presents growth opportunities. Collins is focused on these opportunities, as well as finding revenue synergies both within the business and as a part of Raytheon Technologies, as we work to redefine air travel and restore confidence in flying again. We are focused on our collective competitiveness. We are taking actions to improve our cost profile and we need our suppliers to do the same because this is key to our customers.

Raytheon Missiles & Defense overview and industry landscape

Wes Kremer, president, RMD

On the defense side of Raytheon Technologies, our merger and integration efforts created Raytheon Missiles & Defense (RMD) and Raytheon Intelligence & Space (RIS). These two unique businesses can more quickly meet the mission needs of our customers and uncover emerging needs and innovative next generation technologies creating an advantage over an increasingly competitive landscape.

Our defense business is strong and has backstopped us through this period. RMD continues to meet record production demands and customer commitments. Financial performance is above plan for RMD and we continue to hire. Despite the pandemic and the economic turmoil it has caused in the global markets, our adversaries are not letting up: they continue to invest in modernization and advancement. To counter these new and persisting threats across all domains, our customers are transforming themselves and their capabilities. For this reason, domestically and internationally, defense spending is expected to remain consistent, despite COVID-19 realities and the impact of the 2020 election.

[Read additional information on our Raytheon Technology businesses.](#)

Raytheon Technologies Supply Chain **Sarfraz Nawaz, vice president, Supply Chain,** **Raytheon Technologies**

How Raytheon Technologies grows and performs depends on our suppliers. Our Supply Chain organization manages a significant spend value through our product and non product teams: \$1 billion of opportunities are currently being benchmarked. As we proceed, we will rationalize and consolidate our supply base, which will create opportunities for our best-performing suppliers. We are harmonizing our supplier performance program — to be introduced in the first quarter of 2021 — which will present opportunities to collaborate with our strategic suppliers to improve performance, efficiencies and recognition opportunities. We will need to work together to address risks confronting our collective supply chain.

Supporting supplier success

Each presenter discussed guidelines and requirements for our suppliers to succeed and grow with us. We are looking to grow with suppliers who can help us maximize value to our customers:

- **Competitiveness in price, quality, and performance:** We need to work together to continuously drive cost and quality improvements.
- **Quality focus:** This focus will lead to predictable and reliable performance and includes insight into business practices to ensure performance.
- **Compliance with cybersecurity and regulatory guidelines:** All suppliers must be compliant — there is no room for error that could lead to loss of sensitive information or compromised security.
- **Inventory visibility:** Suppliers must ensure a level of visibility, including for raw material, work in progress and finished goods.
- **Long-term agreements:** Longer agreements help solidify our relationship and create efficiencies.