Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2020

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020

A This return/report is for:
- [ ] a multiemployer plan
- [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- [X] a single-employer plan
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report
- [ ] the final return/report
- [ ] an amended return/report
- [ ] a short plan year return/report (less than 12 months)

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558
- [ ] automatic extension
- [ ] the DFVC program
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
RAYTHEON NONBARGAINING RETIREMENT PLAN

1b Three-digit plan number (PN) ▶ 021

1c Effective date of plan 12/18/1997

2a Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)
RAYTHEON COMPANY

870 WINTER STREET
WALTHAM, MA 02451-1449

2b Employer Identification Number (EIN) 95-1778500

2c Plan Sponsor's telephone number 781-522-3000

2d Business code (see instructions) 335900

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2021	KELLY B. LAPPIN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address ☐ Same as Plan Sponsor

KELLY B. LAPPIN RAYTHEON TECHNOLOGIES CORPORATION

870 WINTER STREET
WALTHAM, MA 02451-1449

3b Administrator's EIN
06-0570975

3c Administrator's telephone number
781-522-5821

4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report:
a Sponsor's name
c Plan Name

4b EIN

4d PN

5 Total number of participants at the beginning of the plan year	**5**	31670
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**).		
a(1) Total number of active participants at the beginning of the plan year	**6a(1)**	4595
a(2) Total number of active participants at the end of the plan year	**6a(2)**	4197
b Retired or separated participants receiving benefits	**6b**	15511
c Other retired or separated participants entitled to future benefits	**6c**	9829
d Subtotal. Add lines **6a(2)**, **6b**, and **6c**	**6d**	29537
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	2964
f Total. Add lines **6d** and **6e**	**6f**	32501
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

1A

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)	☐	Insurance
(2)	☐	Code section 412(e)(3) insurance contracts
(3)	☒	Trust
(4)	☐	General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)	☐	Insurance
(2)	☐	Code section 412(e)(3) insurance contracts
(3)	☒	Trust
(4)	☐	General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)	☒	**R** (Retirement Plan Information)
(2)	☐	**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)	☒	**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	☒		**H** (Financial Information)
(2)	☐		**I** (Financial Information – Small Plan)
(3)	☐	0	**A** (Insurance Information)
(4)	☒		**C** (Service Provider Information)
(5)	☒		**D** (DFE/Participating Plan Information)
(6)	☐		**G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2020 Form M-1 annual report. If the plan was not required to file the 2020 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2020

This Form is Open to Public Inspection

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan
RAYTHEON NONBARGAINING RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 021

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
RAYTHEON COMPANY

D Employer Identification Number (EIN)
95-1778500

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2020

2 Assets:

a Market value	**2a**	6128223515
b Actuarial value	**2b**	5862183281

3 Funding target/participant count breakdown

	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	16977	3116495036	3116495036
b For terminated vested participants	10098	460851799	460851799
c For active participants	4595	1901727577	2042039612
d Total	31670	5479074412	5619386447

4 If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ]

a Funding target disregarding prescribed at-risk assumptions	**4a**	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	**4b**	
5 Effective interest rate	**5**	5.15 %
6 Target normal cost	**6**	119802445

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE

Signature of actuary	09/27/2021 Date
GRACE BARBIERI, F.S.A. Type or print name of actuary	20-07481 Most recent enrollment number
MERCER Firm name	617-747-9500 Telephone number (including area code)
99 HIGH STREET BOSTON, MA 02110-2320 Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of Year Carryover and Prefunding Balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	149387072
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	149387072
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of 19.46 %	0	0
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38a from prior year)		244035802
b(1)	Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of 5.27 %		4987988
b(2)	Interest on line 38b from prior year Schedule SB, using prior year's actual return		29070724
c	Total available at beginning of current plan year to add to prefunding balance		278094514
d	Portion of (c) to be added to prefunding balance		278094514
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	278094514

Part III Funding Percentages

14	Funding target attainment percentage	14	99.37 %
15	Adjusted funding target attainment percentage	15	99.74 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	97.84 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
01/15/2020	0	301718	07/15/2020	0	241799
02/15/2020	0	197688	08/15/2020	0	153326
03/15/2020	0	588451	09/15/2020	0	148174
04/15/2020	0	187093	10/15/2020	0	145063
05/15/2020	0	180775	11/15/2020	0	130366
06/15/2020	0	175843	12/15/2020	0	178806
			Totals ► 18(b)	0	18(c) 2629102

19	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a	Contributions allocated toward unpaid minimum required contributions from prior years.	19a	0
b	Contributions made to avoid restrictions adjusted to valuation date	19b	0
c	Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	0

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] Yes [ ] No

c If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
3.64 %	5.21 %	5.94 %	☐ N/A, full yield curve used

b Applicable month (enter code)	**21b**	0
22 Weighted average retirement age	**22**	62

23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment	☒ Yes	☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment	☐ Yes	☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment	☒ Yes	☐ No

27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment	**27**	

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	**28**	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	**29**	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	**30**	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6)	**31a**	119802445
b Excess assets, if applicable, but not greater than line 31a	**31b**	0

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	35297680	10536557
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	**33**	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	**34**	130339002

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	130339002	130339002

36 Additional cash requirement (line 34 minus line 35)	**36**	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	0

38 Present value of excess contributions for current year (see instructions)

a Total (excess, if any, of line 37 over line 36)	**38a**	0
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	**38b**	0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	**39**	0
40 Unpaid minimum required contributions for all years	**40**	0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:

a Schedule elected ☐ 2 plus 7 years ☐ 15 years

b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2020** **This Form is Open to Public Inspection.**

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020

A Name of plan	**B** Three-digit plan number (PN) ▶
RAYTHEON NONBARGAINING RETIREMENT PLAN	021

C Plan sponsor's name as shown on line 2a of Form 5500	**D** Employer Identification Number (EIN)
RAYTHEON COMPANY	95-1778500

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . ☐ Yes ☒ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

CONDUENT HR CONSULTING, LLC

13-3954297

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
16 50	NONE	2066207	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

THE BANK OF NEW YORK MELLON

13-5160382

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
21 50	NONE	256068	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

MERCER

13-2834414

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11 50	NONE	172871	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

DELOITTE LLP

13-6044173

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10 16 50	NONE	152581	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

PRICEWATERHOUSECOOPERS LLP

13-4008324

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10 50	NONE	128000	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2020

This Form is Open to Public Inspection.

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020

A Name of plan
RAYTHEON NONBARGAINING RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 021

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
RAYTHEON COMPANY

D Employer Identification Number (EIN)
95-1778500

Part I **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: RAYTHEON MASTER PENSION TRUST

b Name of sponsor of entity listed in (a): RAYTHEON COMPANY

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
04-3172773-001	M	0

a Name of MTIA, CCT, PSA, or 103-12 IE: RAYTHEON MASTER RETIREMENT TRUST

b Name of sponsor of entity listed in (a): RAYTHEON TECHNOLOGIES CORPORATION

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
13-3064404-001	M	6094698855

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2020

This Form is Open to Public Inspection

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020

A Name of plan
RAYTHEON NONBARGAINING RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 021

C Plan sponsor's name as shown on line 2a of Form 5500
RAYTHEON COMPANY

D Employer Identification Number (EIN)
95-1778500

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	118488481	0
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	5871327026	6094698855
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	**(b)** End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	5989815507	6094698855
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	5989815507	6094698855

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

	Income		**(a)** Amount	**(b)** Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	150000000	
	(B) Participants	2a(1)(B)	2629102	
	(C) Others (including rollovers)	2a(1)(C)		
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		152629102
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)		
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		0
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		0
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)		
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		759746800
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		912375902
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	798865183	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		798865183
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: **(1)** Professional fees	2i(1)	2775726	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	5851645	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		8627371
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		807492554
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		104883348
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [X] Unmodified **(2)** [ ] Qualified **(3)** [ ] Disclaimer **(4)** [ ] Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) [ ] DOL Regulation 2520.103-8 **(2)** [ ] DOL Regulation 2520.103-12(d) **(3)** [X] neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: PRICEWATERHOUSECOOPERS LLP **(2)** EIN: 13-4008324

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	

			Yes	No	Amount
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	**4b**		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	**4c**		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	**4d**		X	
e	Was this plan covered by a fidelity bond?	**4e**	X		20000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	**4f**		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	**4g**		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	**4h**		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	**4i**		X	
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)	**4j**		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	**4k**		X	
l	Has the plan failed to provide any benefit when due under the plan?	**4l**		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	**4m**			
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	**4n**			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No

If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☒ Yes ☐ No ☐ Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 4344229.

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2020

This Form is Open to Public Inspection.

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020

A Name of plan
RAYTHEON NONBARGAINING RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 021

C Plan sponsor's name as shown on line 2a of Form 5500
RAYTHEON COMPANY

D Employer Identification Number (EIN)
95-1778500

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 13-5160382

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year **3** 140

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☒ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☒ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☒ **No**

Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 a Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment)	**14a**	
b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	**14b**	
c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

19 If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
Stock: 16.0 % Investment-Grade Debt: 28.0 % High-Yield Debt: 1.0 % Real Estate: 7.0 % Other: 48.0 %

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☒ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☒ Macaulay duration ☐ Modified duration ☐ Other (specify):

20 **PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation _____

Raytheon Non-Bargaining Retirement Plan

Financial Statements
To Accompany 2020 Form 5500
Annual Report of Employee Benefit Plan
Under ERISA of 1974
December 31, 2020 and 2019

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The supplemental schedules to the Plan's Form 5500 are not required since the Plan's assets are held in a Master Trust. Accordingly, the Plan Administrator must file detailed financial information for the Master Trust, including the supplemental schedules, separately with the Department of Labor.

Report of Independent Auditors

To the Administrator of Raytheon Non-Bargaining Retirement Plan

We have audited the accompanying financial statements of Raytheon Non-Bargaining Retirement Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2020 and 2019, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, information regarding the Plan's net assets available for benefits as of December 31, 2020 and changes therein for the year then ended and its financial status as of December 31, 2019, and changes therein for the year then ended in accordance with accounting principles generally accepted in the United States of America.

PricewaterhouseCoopers LLP

October 15, 2021

Raytheon Non-Bargaining Retirement Plan
Statements of Net Assets Available for Benefits
As of December 31, 2020 and 2019

	2020	2019
Assets		
Investments at fair value (Notes 2 and 5) in Master Trust	$ 6,094,698,855	$ 5,871,327,026
Employer contribution receivables	-	118,488,481
Total assets	6,094,698,855	5,989,815,507
Net assets available for benefits	$ 6,094,698,855	$ 5,989,815,507

The accompanying notes are an integral part of these financial statements.

Raytheon Non-Bargaining Retirement Plan
Statements of Changes in Net Assets Available for Benefits
For the Years Ended December 31, 2020 and 2019

	2020	2019
Additions		
Master Trust investment income (Notes 2 and 5)	$ 759,746,800	$ 1,012,780,290
Employer contributions	150,000,000	118,488,481
Employee contributions	2,629,102	2,989,609
Total additions	912,375,902	1,134,258,380
Deductions		
Benefit payments	798,865,183	819,886,335
Administrative expenses	8,627,371	23,350,939
Total deductions	807,492,554	843,237,274
Net increase (decrease) in net assets available for benefits	104,883,348	291,021,106
Net assets available for benefits, beginning of year	5,989,815,507	5,698,794,401
Net assets available for benefits, end of year	$ 6,094,698,855	$ 5,989,815,507

The accompanying notes are an integral part of these financial statements.

1. Plan Description

The following description of the Raytheon Non-Bargaining Retirement Plan (the "Plan") is for general information purposes only. Participants should refer to the Summary Plan Description or the Plan Document for a complete description of the Plan's provisions.

General

The Plan was established on December 18, 1997, to provide retirement benefits to eligible non-collectively bargained employees as part of the Raytheon Company's (the "Company") merger with the defense business of Hughes Electronics ("Hughes") on December 17, 1997. A proportionate allocation of the liabilities and assets of the preexisting Hughes Non-Bargaining Retirement Plan (the "Hughes Plan") was transferred to the Plan. Effective October 1, 2011, the Raytheon Subsidiary Retirement Plan was merged into and became a part of the Plan. Effective July 1, 2014, the Raytheon Marine Systems Retirement Plan was merged into and became a part of the Plan. On April 3, 2020 ("Company Merger Date"), the Company became a wholly-owned subsidiary of Raytheon Technologies Corporation ("RTC").

Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"). During the period covered by the annual report that these financial statements accompany, and until the Company Merger Date, the Plan was administered by the Plan Administrator (for purposes of Section 3(16) of ERISA) who was appointed by the Company's Vice President of Human Resources. From and after the Company Merger Date, the Plan Administrator of the Plan (for purposes of Section 3(16) of ERISA) is RTC and the Plan is administered by the Raytheon Technologies Corporation Plan Administration and Investment Committee ("PAIC"), which operates pursuant to a vote of the RTC Board of Directors.

Investments are held in a Master Trust. During the period covered by these financial statements, and until December 1, 2020 ("Master Trust Merger Date"), the Plan's assets were held in the Raytheon Company Master Pension Trust ("RTN Master Trust"). On the Master Trust Merger Date, the RTN Master Trust merged into the United Technologies Master Trust ("UTC Master Trust") to create the Raytheon Technologies Master Trust ("RTC Master Trust"). Throughout this document, all uses of "Master Trust" refer to the applicable Master Trust at that time, as defined above.

Benefits, Eligibility and Vesting

The Plan is a defined benefit plan covering certain employees of the Company. The Plan provides specified benefits to be paid from the net assets available for benefits. Each employee who was a participant in the Hughes Plan on December 17, 1997, continued as a participant in the Plan with all prior service recognized. Other salaried employees working in a non-collectively bargained unit in the defense business formerly operated by Hughes generally became eligible under this Plan following completion of a year of service. The level of benefits depends upon the status of each participant as a member of a specified legacy benefit structure.

Benefits are based principally upon years of service and compensation. Annual earnings in excess of the limit provided for that year by Section 401(a)(17) of the Internal Revenue Code ("Code") are not used in determining benefits under the Plan.

Effective January 1, 2007, employees who are either hired or rehired (after the expiration of any salary continuation payments) are not eligible to participate in the Plan. In addition, former employees who are rehired on or after March 1, 2007, and have received or are receiving payment from a Company-sponsored pension plan are not eligible to participate in the Plan.

Effective November 30, 2019, the Plan was amended to include lump sums paid under the severance plan covering terminations resulting from the Company Merger as pensionable earnings.

Non-Contributory Benefit Structure
Most salaried employees of the defense businesses formerly operated by Hughes, who were hired between August 1, 1990 and September 1, 1999, participate in the non-contributory benefit structure of the Plan.

After completing five years of service under the Plan, participants are entitled to monthly pension benefits, beginning at their Social Security retirement date, defined as a percentage of their final average monthly compensation multiplied by their years of service. The non-contributory portion of the Plan provides for normal retirement, early retirement, deferred vested, and death benefits. The standard form of retirement benefit to unmarried participants is a monthly payment beginning the month following retirement and continuing until death. The standard form of benefit to married participants is a reduced monthly payment for the participant's life and one-half of that payment for the life of the participant's surviving spouse. Other optional forms of benefits are also available including a 10-year certain and continuous benefit, a 10- or 15-year period certain benefit, and 50%, 75%, and 100% contingent annuity.

Contributory Benefit Structure
Employees hired or rehired by Hughes on or before August 1, 1990, are eligible to participate in the contributory benefit structure of the Plan. Employees who, in 1990, chose to continue participation in the contributory benefit structure, may elect to contribute 3% of their pay to the Plan. Participants are always vested in their contributions and interest earned on the contributions.

After completing five years of service as an employee of Hughes or Raytheon Company, a participant is entitled to monthly pension benefits beginning at their normal retirement date based upon the greatest of three formulas (a career average formula, a minimum benefit formula, and a final average compensation formula). The pension under the contributory benefit may be adjusted annually to reflect changes in the cost of living (maximum annual increase or decrease of 4%). The contributory portion of the Plan provides for normal retirement, early retirement, deferred vested, and death benefits. The early retirement pension is the same as the age 65 pension for a retiree who is at least 55 at termination of employment and whose age plus continuous service (both at termination) total at least 75. The standard form of retirement benefit to unmarried participants is a monthly payment beginning the month following retirement and continuing until death. The standard form of benefit to married participants is a reduced monthly payment for the participant's life and one-half of that payment for the life of the participant's surviving spouse. Other optional forms of benefits are also available including a 5-, 10-, or 15-year certain and continuous benefit, a 5-, 10-, or 15-year period certain benefit, 5-, 10-, or 15-year temporary modified cash refund annuity, and 50%, 66 2/3%, 75%, and 100% contingent annuity, and Social Security level income options.

Benefit Structure for Former Salaried Employees of General Dynamics
Employees who are former salaried employees of General Dynamics whose employment was transferred to Hughes on August 22, 1992, are eligible to participate in the General Dynamics benefit structure of the Plan.

After completing five years of service under the General Dynamics benefit structure, participants are entitled to monthly pension benefits beginning at their normal retirement date based upon the greatest of three formulas (a career average formula, a minimum benefit formula, and a final average compensation formula). The General Dynamics portion of the Plan provides for normal retirement, early retirement, deferred vested, and death benefits. The standard form of retirement benefit to unmarried participants is a monthly payment beginning the month following retirement

and continuing until death. The standard form of benefit to married participants is a reduced monthly payment for the participant's life and one-half of that payment for the life of the participant's surviving spouse. Other optional forms of benefits are also available.

Benefit Structure for Participants in the Former Raytheon Subsidiary Retirement Plan
This portion of the Plan provides for normal retirement, early retirement, deferred vested, and death benefits. Vesting occurs after a period of five years of service. The standard form of retirement benefit to unmarried participants is a monthly payment based upon 1% of compensation for each year of benefit accrual service beginning the month following retirement and continuing until death. The standard form of benefit to married participants is a reduced monthly payment for the participant's life and one-half of that payment for the life of the participant's surviving spouse. Other optional forms are also available.

Benefit Structure for Participants in the Former Raytheon Marine Systems Retirement Plan
This portion of the Plan provides for normal retirement, early retirement, deferred vested, disability, and pre-retirement death benefits. All participants with accrued benefits under this benefit structure are currently fully vested. Participants are entitled to monthly pension benefits beginning at age 65 equal to the greatest of (a) the accrued benefit available from the participant's account balance in the cash balance portion of the Plan, (b) $39 times the years of credited service, or (c) for members of other legacy plans, the benefit under the legacy plan as of that date. In the cash balance portion of the Plan, participants earn pay credits which are determined as a percentage of eligible compensation as defined by the Plan plus a supplemental percentage for such eligible compensation exceeding the Social Security wage base. Both percentages increase with the participant's years of service. An interest credit is applied to the cash balance account based on an interest rate benchmark described in the Plan Document. Participants may elect various optional forms of benefit payment.

Contributions
The Company makes contributions to the Plan to ensure assets are sufficient to pay the benefits of the Plan. Participants in the contributory portion of the Plan, except those on inactive status, are required to contribute to the Plan.

2. Summary of Significant Accounting Policies

Basis of Presentation
The accompanying financial statements are prepared on the accrual basis of accounting.

Investment Valuation and Income Recognition
The Plan's interest in the Master Trust is stated at fair value. Net investment income (loss) from the Master Trust is allocated proportionately on a monthly basis based on the Plan's interest in the Master Trust. See Note 5 for additional information.

Contributions
Employer contributions are funded and recorded as determined by actuarial computation. See Note 4 for additional information. Participants in the contributory portion of the Plan contribute 3% of eligible compensation as defined under the Plan Document.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security (CARES) Act was passed by Congress. The CARES Act contained a provision that extends the deadline for minimum required contributions for single-employer defined pension plans in respect of the 2019 plan year to January 1, 2021. The plan contributed $150,000,000 on December 15, 2020, which was applied to the 2019 plan year on a tax basis, but is reported in the 2020 plan year for financial statement purposes given its timing.

Benefit Payments
Benefit payments to participants are recorded when paid.

Administrative Expenses
All expenses of the Plan, which primarily consist of professional and administrative fees, are paid by the Plan. Expenses specifically related to the Plan are included in the Statements of Changes in Net Assets Available for Benefits under "Administrative expenses." Additionally, expenses paid directly by the Master Trust, which primarily consist of investment management and performance fees, are allocated proportionally on a monthly basis based on the Plan's interest in the Master Trust and are included in the Statements of Changes in Net Assets Available for Benefits under "Master Trust investment income."

Use of Estimates
The Plan's financial statements have been prepared in conformity with U.S. Generally Accepted Accounting Principles ("GAAP"). This requires the Plan Administrator to make significant estimates and assumptions that affect the reported amounts of net assets available for benefits at the date of the financial statements, the actuarial present value of accumulated plan benefits as of the benefit information date, the changes in net assets available for benefits during the reporting period, and, when applicable, the disclosures of contingent assets and liabilities at the date of the financial statements. Actual results could differ from the estimates included in the financial statements.

New Accounting Pronouncements
In August 2018, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2018-13, *Fair Value Measurement: Disclosure Framework-Changes to the Disclosure Requirements for Fair Value Measurement ("Topic 820")*, which eliminates the disclosure requirement of the amount of and reasons for transfers between Level 1 and Level 2 of the fair value hierarchy and modifies certain disclosure requirements related to Level 3 recurring and nonrecurring fair value measurements. The new standard was effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. The Plan adopted the standard on the effective date of January 1, 2020, and it did not have a material impact on its financial statements or disclosures.

Other new pronouncements issued but not effective until after December 31, 2020 are not expected to have a material impact on the Plan's financial statements or disclosures.

3. Actuarial Present Value of Accumulated Pension Plan Benefits

Accumulated plan benefits are those future periodic payments, including lump-sum distributions that are attributable, under the Plan's provisions, to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of deceased employees, and (c) active employees or their beneficiaries. The level of benefits depends upon the status of each participant as either in the contributory portion or the non-contributory portion or the benefit structure applicable to former salaried employees of General Dynamics of the Plan. Benefits are based principally upon years of service and compensation. Benefits payable under all circumstances (such as retirement, death, disability, and termination of employment) are included to the extent that they are deemed attributable to employee service rendered to the valuation date.

The actuarial present value of accumulated plan benefits is determined by the Company's consulting actuary and is the amount which results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for retirement, death, disability, or withdrawal) between the valuation date and the expected date of payment.

The significant actuarial assumptions used in the valuation as of December 31, 2019 and 2018, are as follows:

Assumed rate of return on investments for accumulated benefits (discount rate)	As of December 31, 2019: 7.0% As of December 31, 2018: 7.5%
Mortality basis	As of December 31, 2019: Pri-2012 sex-distinct, separate employee and retiree table(s) with contingent survivor adjustments for existing survivors with no collar adjustments applied, adjusted by a factor of 80% and projected generationally using the MP-2020 mortality improvement scale. As of December 31, 2018: Modified version of the RP-2014 employee/retiree no collar tables, which has the projection scale backed off to 2006 and projected future generational mortality improvement based on a modified version of the MP-2014 scale, which reflects a 10-year downgrade period for given ages, but a 15-year downgrade for birth cohorts, and an ultimate improvement rate of 1.20% at age 64 to 0% at age 115.
Retirement	Several rates, varying by age from 55 to 70
Post-retirement cost-of-living adjustment	2.25% for contributory participants

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. If the Plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

Assumption Changes
The changes in actuarial assumptions since the prior valuation of the Plan are as follows:

- The discount rate was changed from 7.5% to 7.0% to reflect current capital market assumptions.
- The segmented interest rate basis for conversion to a certain only form of payment was changed to reflect the current interest rate environment.
- The PBGC interest rate basis for conversion to a certain only form of payment was changed to reflect the current interest rate environment.
- For conversion to certain only and lump sum forms of payment (as applicable), the mortality basis was changed to the 2020 static 417(e) mortality tables for 2020, the 2021 static 417(e) mortality tables for 2021, and the 417(e) mortality table with improvements projected generationally based on MP-2019 for 2022 and beyond.
- The withdrawal rates, retirement rates and salary scale were updated based on a 2019 study.
- The form of payment assumptions were updated based on a 2019 study.
- The mortality table and improvement scale assumptions were updated as described above.

As of December 31, 2019, the most recent valuation date, the actuarial present value of accumulated plan benefits is as follows:

Vested Benefits	
Participants receiving benefits	$ 2,915,102,592
Participants with deferred benefits	402,445,738
Active participants	1,658,497,721
Total vested benefits	4,976,046,051
Nonvested benefits	122,720,196
Total actuarial present value of accumulated plan benefits	$ 5,098,766,247
Employee contributions with interest as of December 31, 2019 (3.47% interest rate)	$ 210,703,990

The following is an analysis of changes in the present value of accumulated benefits:

Actuarial present value of accumulated plan benefits as of December 31, 2018	$ 5,132,226,614
Benefits accumulated and non-investment (gains) losses	38,683,085
Increase for interest due to decrease in discount period	351,609,114
Benefits paid	(819,886,335)
Change in actuarial assumptions	396,133,769
Actuarial present value of accumulated plan benefits as of December 31, 2019	$ 5,098,766,247

4. Funding Policy

The employer's contributions are actuarially determined to fund the Plan's current normal costs on a current basis and to generally fund the existing unfunded liability related to qualified service prior to the valuation date in accordance with the amortization schedules prescribed by ERISA minimum funding requirements (as amended by the Pension Protection Act of 2006). At the Company's discretion, and to the extent allowable under maximum tax deductibility regulations, contributions above the ERISA minimum funding requirements may be made to the Plan. Contributions for the years ended December 31, 2020 and 2019, met the minimum funding requirements of ERISA.

Participants who choose the option to participate in the contributory portion of the Plan contribute 3% of their eligible compensation as defined under the Plan. Employee contributions are placed into a trust fund. If a participant does not earn a benefit under the Plan, any contributions made to the Plan plus interest, will be returned to the participant or designated beneficiary.

5. Master Trust

Summary Financial Information

The Plan's assets are held in a Master Trust, which was established for the investment of assets of the Plan and several other Company sponsored retirement plans. The assets of the Master Trust are held by the Bank of New York Mellon ("BNY Mellon", the "Trustee").

During the period covered by these financial statements, and until the Company Merger Date, the Plan's assets were held in the RTN Master Trust. The Raytheon Company Investment Committee, which was appointed by the CEO of Raytheon Company, regularly reviewed the asset allocation and performance of the investments held in the RTN Master Trust.

From the Company Merger Date until the Master Trust Merger Date, the Plan's assets continued to be held in the RTN Master Trust. The PAIC operated pursuant a resolution of the RTC Board of Directors and reviewed the asset allocation and performance of the investments held in the RTN Master Trust.

On the Master Trust Merger Date, the RTN Master Trust merged into the UTC Master Trust to create the RTC Master Trust. The PAIC continues to review the asset allocation and performance of the investments held in the RTC Master Trust. The assets of the RTC Master Trust are held by BNY Mellon.

The investment policy, as approved by the PAIC (and formerly the Raytheon Company Investment Committee), permits asset diversification to include a combination of cash and cash equivalents, fixed-income securities, publicly traded U.S. and international equity securities, private equity and private real estate funds, and other investments such as commingled funds, real estate, insurance contracts and derivatives. Participating plans receive units of participation in the applicable Master Trust based on their contributions to that Master Trust.

Investment securities are exposed to various risks, such as interest rate, market, currency, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur and such changes could materially affect the amounts reported in the Plan's Statements of Net Assets Available for Benefits.

Certain prior year disclosures related to the RTN Master Trust have changed from prior filings for purposes of comparability with current year presentations.

The following table includes the Statements of Net Assets for the RTC Master Trust, along with the Plan's interest in the RTC Master Trust, as of December 31, 2020.

	RTC Master Trust Balances	Plan's Interest in RTC Master Trust Balances
Assets		
Investments:		
Cash and cash equivalents	$ 4,399,992,026	$ 577,974,644
Corporate debt securities	17,986,899,071	1,564,787,770
U.S. government and related agency obligations	2,207,917,636	225,595,496
Corporate stock	8,301,159,407	1,093,809,602
Registered investment companies	246,930,634	30,161,525
Commingled funds	14,991,290,600	1,641,163,106
Private equity and private real estate funds	4,964,300,837	649,394,180
Real estate	1,642,133,661	211,571,342
Other derivatives	4,746,362	520,123
Unallocated insurance contracts	21,133,399	5,807,393
Total Investments	54,766,503,633	6,000,785,181
Cash	105,268,122	12,226,475
Cash held at broker for derivative contracts	378,183,506	43,924,515
Interest and dividends receivable	184,988,444	21,485,675
Receivable for securities sold	242,370,617	28,150,386
Unrealized appreciation on futures contracts	119,454,685	13,874,188
Other assets and receivables	216,754	25,175
Total Assets	55,796,985,761	6,120,471,595
Liabilities		
Payable for securities purchased	161,397,721	18,745,706
Unrealized depreciation on futures contracts	18,051,379	2,096,596
Other payables	42,450,333	4,930,438
Total Liabilities	221,899,433	25,772,740
Total Net Assets	$ 55,575,086,328	$ 6,094,698,855
Percentage of Plan's interest in the RTC Master Trust		11%

The following table includes the Statements of Net Assets for the RTN Master Trust, along with the Plan's interest in the RTN Master Trust, as of December 31, 2019.

	RTN Master Trust Balances	Plan's Interest in RTN Master Trust Balances
Assets		
Investments:		
Cash and cash equivalents	$ -	$ -
Corporate debt securities	2,323,674,851	666,609,769
U.S. government and related agency obligations	2,054,074,410	589,267,499
Corporate stock	3,217,081,147	922,907,833
Registered investment companies	1,054,549,341	302,526,359
Commingled funds	9,064,067,078	2,600,275,881
Private equity and private real estate funds	2,575,171,563	738,758,489
Real estate	-	-
Unallocated insurance contracts	20,843,141	5,979,426
Total Investments	20,309,461,531	5,826,325,256
Cash	16,484,726	4,729,095
Cash held at broker for derivative contracts	27,116,980	7,779,248
Interest and dividends receivable	49,497,549	14,199,728
Receivable for securities sold	12,783,967	3,667,431
Unrealized appreciation on futures contracts	8,273,832	2,373,575
Other assets and receivables	129,381,422	37,116,604
Total Assets	20,553,000,007	5,896,190,937
Liabilities		
Payable for securities purchased	61,211,669	17,560,244
Unrealized depreciation on futures contracts	15,778,395	4,526,465
Other derivatives	119,442	34,265
Other payables	9,561,356	2,742,937
Total Liabilities	86,670,862	24,863,911
Total Net Assets	20,466,329,145	5,871,327,026
Percentage of Plan's interest in the RTN Master Trust		29%

The following table is a summary of the investment earnings and the net appreciation (depreciation) in the fair market value of the Master Trusts for which the Plan was invested for the year ended December 31, 2020 ("Summary of Investment Earnings"):

	January 1, 2020 to Master Trust Merger Date	Master Trust Merger Date to December 31, 2020	Full year ended December 31, 2020
Net appreciation (depreciation) in investments at fair market value	$ 2,082,960,858	$ 1,413,700,673	$ 3,496,661,531
Interest	127,941,592	47,446,966	175,388,558
Dividends	75,055,117	10,655,152	85,710,269
Other income	87,166,958	3,532,684	90,699,642
Total investment income	$ 2,373,124,525	$ 1,475,335,475	$ 3,848,460,000
Total expenses	165,799,479	38,463,416	204,262,895
Net investment income	$ 2,207,325,046	$ 1,436,872,059	$ 3,644,197,105
Portion of Net Investment Income Allocated to the Plan			759,746,800
Transfer to (from) the Master Trust for the Master Trust Merger	(21,205,044,002)	21,205,044,002	-
Other transfers into (out of) the Master Trust, net	(1,468,610,189)	458,751,179	(1,009,859,010)
Beginning of period Master Trust net assets	$ 20,466,329,145	$ -	$ 20,466,329,145
UTC Master Trust assets on Master Trust Merger Date	N/A	32,474,419,088	32,474,419,088
Net change in Master Trust assets	(20,466,329,145)	23,100,667,240	2,634,338,095
End of period Master Trust net assets	-	$ 55,575,086,328	$ 55,575,086,328

The following table is a summary of the investment earnings and the net appreciation (depreciation) in the fair market value of the RTN Master Trust for the year ended December 31, 2019 ("Summary of Investment Earnings"):

	RTN Master Trust 2019
Net appreciation (depreciation) in investments at fair market value	$ 3,284,807,879
Interest	145,598,122
Dividends	141,189,439
Other income	75,349,710
Total investment income	$ 3,646,945,150
Total expenses	183,968,890
Net investment income	$ 3,462,976,260
Portion of net investment income allocated to the Plan	$ 1,012,780,290
Transfers into (out of) the RTN Master Trust, net	$ (1,636,542,195)
Beginning of year RTN Master Trust net assets	$ 18,639,895,080
Net change in RTN Master Trust assets	1,826,434,065
End of year RTN Master Trust net assets	$ 20,466,329,145

Fair Value Measurements
The accounting standard for fair value measurements provides a framework for measuring fair value and requires expanded disclosures regarding fair value measurements. Fair value is defined as the price that would be received for an asset or the exit price that would be paid to transfer a liability in the principal or most advantageous market in an orderly transaction between market participants on the measurement date. The accounting standard established a fair value hierarchy which requires an entity to maximize the use of observable inputs, where available. The following summarizes the three levels of inputs required:

Level 1:	Unadjusted quoted prices in active markets for identical assets or liabilities.
Level 2:	Observable inputs, other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs which are observable or have been corroborated by observable market data for substantially the full term of the related assets or liabilities.
Level 3:	Unobservable inputs supported by little or no market activity that are significant to the fair value of the assets or liabilities.

A financial instrument's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. Certain investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. See valuation policy section for further information.

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another.

The following tables summarize the fair value of investment assets and liabilities in the RTC Master Trust as of December 31, 2020:

	Fair Value of Investment Assets as of December 31, 2020				
	Level 1	Level 2	Level 3	Not Subject to Leveling [1]	Total
Cash and cash equivalents	$ -	$ 4,399,992,026	$ -	$ -	$ 4,399,992,026
Corporate debt securities	-	17,986,899,071	-	-	17,986,899,071
U.S. government and related agency obligations	1,686,535,804	521,381,832	-	-	2,207,917,636
Corporate stock	8,271,933,779	29,225,628	-	-	8,301,159,407
Registered investment companies	246,930,634	-	-	-	246,930,634
Commingled funds [2]	-	-	-	14,991,290,600	14,991,290,600
Private equity and private real estate funds [3]	-	-	-	4,964,300,837	4,964,300,837
Real estate [4]	-	-	1,642,133,661	-	1,642,133,661
Other derivatives	-	4,746,362	-	-	4,746,362
Unallocated insurance contracts	-	21,133,399	-	-	21,133,399
Unrealized appreciation on futures contracts	119,454,685	-	-	-	119,454,685
Total assets in fair value hierarchy	$ 10,324,854,902	$ 22,963,378,318	$ 1,642,133,661	$ 19,955,591,437	$ 54,885,958,318

	Fair Value of Investment Liabilities as of December 31, 2020				
	Level 1	Level 2	Level 3	Not Subject to Leveling [1]	Total
Unrealized depreciation on futures contracts	18,051,379	-	-	-	18,051,379
Total liabilities in fair value hierarchy	$ 18,051,379	$ -	$ -	$ -	$ 18,051,379

(1) In accordance with Accounting Standards Codification ("ASC") Subtopic 820-10, certain investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Statement of Net Assets for the RTC Master Trust.

(2) Commingled funds include investments in funds, of which 9% have daily redemption terms, 89% have monthly to bi-annual redemption terms, and 2% have redemption terms only on specified dates. Approximately 3% of Commingled funds have a lockup period greater than 1 year and up to 4 years, and approximately 49% of Commingled funds could be subject to gating provisions as of December 31, 2020. There were no unfunded commitments to Commingled funds as of December 31, 2020.

(3) Private equity and private real estate funds include investments in funds which can never be redeemed during the life of the funds. The remaining life of private equity and private real estate funds range from 0 to 13 years. There were $2,796 million unfunded commitments to Private equity and private real estate funds as of December 31, 2020.

The following tables summarize the fair value of investment assets and liabilities in the RTN Master Trust as of December 31, 2019:

	Fair Value of Investment Assets as of December 31, 2019				
	Level 1	Level 2	Level 3	Not Subject to Leveling [1]	Total
Cash and cash equivalents	$ -	$ -	$ -	$ -	$ -
Corporate debt securities	-	2,323,674,851	-	-	2,323,674,851
U.S. government and related agency obligations	1,863,363,534	190,710,876	-	-	2,054,074,410
Corporate stock	3,203,792,000	13,289,147	-	-	3,217,081,147
Registered investment companies	1,054,549,341	-	-	-	1,054,549,341
Commingled funds [2]	-	-	-	9,064,067,078	9,064,067,078
Private equity and private real estate funds [3]	-	-	-	2,575,171,563	2,575,171,563
Real estate	-	-	-	-	-
Unallocated insurance contracts	-	-	20,843,141	-	20,843,141
Unrealized appreciation on futures contracts	8,273,832	-	-	-	8,273,832
Total assets in fair value hierarchy	$ 6,129,978,707	$ 2,527,674,874	$ 20,843,141	$ 11,639,238,641	$ 20,317,735,363

	Fair Value of Investment Liabilities as of December 31, 2019				
	Level 1	Level 2	Level 3	Not Subject to Leveling [1]	Total
Unrealized depreciation on futures contracts	$ 15,778,395	$ -	$ -	$ -	$ 15,778,395
Other derivatives	-	119,442	-	-	119,442
Total liabilities in fair value hierarchy	$ 15,778,395	$ 119,442	$ -	$ -	$ 15,897,837

(1) In accordance with Accounting Standards Codification ("ASC") Subtopic 820-10, certain investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Statement of Net Assets for the RTN Master Trust.

(2) Commingled funds include investments in funds, of which 57% have daily redemption terms, 42% have monthly to bi-annual redemption terms, and 1% have redemption terms only on specified dates. Approximately 2% of Commingled funds have a lockup period greater than 1 year and up to 10 years, and approximately 14% of Commingled funds were under gating provisions as of December 31, 2019. There were $52 million unfunded commitments to Commingled funds as of December 31, 2019.

(3) Private equity and private real estate funds include investments in funds which can never be redeemed during the life of the funds. The remaining life of Private equity and private real estate funds ranged from 0-13 years. There were $1,886 million unfunded commitments to Private equity and private real estate funds as of December 31, 2019.

Level 3 Investments
For the years ended December 31, 2020 and December 31, 2019, there were no material transfers in or out of Level 3 in the applicable Master Trusts.

For the year ended December 31, 2019, Level 3 investments consist mainly of unallocated insurance contracts. Unallocated insurance contracts represent less than 1% of the Master Trust assets and are valued at their contract price, which approximates fair value.

The following table represents the Master Trust's Level 3 financial instruments as of December 31, 2020, the valuation techniques used to measure the fair value of those financial instruments, and the significant unobservable inputs and the ranges of the values for those inputs:

Level 3 Investment	Fair Value	Principal Valuation Technique	Significant Unobservable Inputs	Range of Significant Input Values
Real Estate	$ 1,642,133,661	Discounted Cash Flow Analysis	Revenue Growth Rate	0%-11%
			Discount Rate	6.5%-9.5%
			Exit Cap Rate	5.75%-9%

In estimating fair value of the investments in Level 3, the Plan Administrator may use third-party pricing sources. In substantiating the reasonableness of the pricing data provided by third-parties, the Plan Administrator evaluates a variety of factors including review of methods and assumptions used by external sources, recently executed transactions, existing contracts, economic conditions, industry and market developments, and overall credit ratings.

Valuation Policy
The Plan's interest in the Master Trust is stated at fair value. The Trustee values the Master Trust investments as follows:

Cash and cash equivalents, which includes a short-term investment fund, are valued at amortized cost, which approximates fair value. The short-term investment fund is not valued using on a quoted price in an active market and is therefore classified as a Level 2 investment in the fair value hierarchy.

Investments in fixed income securities (U.S. Government, domestic and foreign bonds, asset backed securities, and term loans) are valued by a pricing service which determines valuations for normal institutional-size trading units of such securities using methods based upon market transactions for comparable securities and various relationships between securities which are generally recognized by institutional traders, or at fair value as determined in good faith by the Trustee of the Master Trust and management.

Investments in equity securities (common and preferred) and equity securities sold short, if any, are valued at the exchange traded closing price if available.

Investments in registered investment companies are valued at their last reported net asset value.

Investments in commingled funds, private equity funds, and private real estate funds are stated at fair market value, which primarily utilizes net asset values reported by the investment manager

or fund administrator. Management reviews additional valuation and pricing information from fund managers, including audited financial statements, to evaluate the net asset values.

Real estate assets are valued quarterly and consistently with the Real Estate Information Standards. The income approach (discounted cash flow models), sales comparison approach, or cost approach are utilized depending on the approach that most accurately portrays the anticipated behavior of the property and buyers in the market.

Unallocated insurance contracts are valued at their contract price which approximates fair value.

Valuation policies for derivative investments are disclosed in the Derivatives Policy section.

Investments denominated in foreign currencies are translated into U.S. Dollars using the last reported exchange rate.

Securities and other assets for which market quotations are not readily available or for which the above valuation procedures are deemed not to reflect fair value are valued in a manner that is intended to reflect their fair value.

Investment Income (Loss)
The Trustee maintains separate records of each plan's proportionate share in the Master Trust's investment accounts. The Plan's share of investment income (loss) and net appreciation (depreciation) in the fair value of investments of the Master Trust is included in the Statements of Changes in Net Assets Available for Benefits as Master Trust investment income (loss). The net appreciation (depreciation) in the fair value of investments consists of the realized gains (losses) and the change in unrealized appreciation (depreciation) on those investments.

Under the Master Trust Agreement, each plan's assets are jointly invested. The Plan uses the unit participation method to calculate the Plan's interest in the Master Trust. Under this method, contributions made to and benefits paid from the Master Trust result in increases or decreases in units of participation. All Master Trust income or loss results in a change in unit value.

Dividends are recorded on the ex-dividend date and interest income is accrued as earned. All security transactions are recorded on the trade date. Premiums and discounts on debt securities are amortized to maturity. Gains or losses on sales of securities are based on average cost.

Derivatives Policy
The Master Trust enters into contractual arrangements classified as derivatives in carrying out its investment strategy, principally to: (1) manage a portion of the Master Trust's portfolio against exposure to certain risks, (2) gain exposure to a market more rapidly or less expensively than could be accomplished through the use of the cash markets, and (3) increase investment returns by reducing the cost of structuring the portfolio or capturing value disparities between financial instruments. The Master Trust may utilize both exchange traded derivatives such as equity and fixed income futures and option contracts and over-the-counter (“OTC”) derivatives such as forward contracts and swaps. Select major financial institutions are used in derivatives transactions. When engaging in OTC derivatives and forward foreign currency exchange contracts (“forward currency contracts”), there is exposure to credit loss in the event of nonperformance by the counterparties to these transactions. As needed for material exposures, the Master Trust manages these exposures through credit approvals, limits, monitoring procedures, and, to the extent possible, by restricting the period over which unpaid balances are allowed to accumulate. The Master Trust does not anticipate nonperformance by counterparties to these contracts.

The following is a summary of the significant accounting policies associated with the Master Trust's use of derivatives:

Futures Contracts
The Master Trust may invest in futures contracts. A futures contract is a contractual agreement to make or take delivery of a standardized quantity of a specified grade or type of commodity or financial instrument at a specified future date in accordance with terms specified by a regulated futures exchange.

The Master Trust may use equity index, fixed income, interest rate, and commodities futures contracts to manage exposure to the market. Buying futures contracts increases the Master Trust's exposure to the underlying instrument. Selling futures contracts decreases the Master Trust's exposure to the underlying instrument held or mitigates the risk of changes in fair value of other investments held in the Master Trust.

Futures contracts are valued at the last settlement price at the end of each day on the exchange upon which they are traded. Upon entering into a futures contract, the Master Trust is required to deposit either in cash or securities an amount equal to a certain percentage of the nominal value of the contract ("initial margin"). Pursuant to the futures contract, the Master Trust agrees to receive from, or pay to, the broker an amount of cash equal to the daily fluctuation in the value of the futures contract. The accumulated balance of such receipts or payments is recorded within “Cash held at broker for derivative contracts” on the Statement of Net Assets for the Master Trust. The Master Trust will also record an unrealized gain or loss on futures contracts, which is calculated as the difference between the notional cost and the notional market value of open futures contracts. The unrealized gains or losses on are recorded within “Unrealized appreciation (depreciation) on futures contracts” on the Statement of Net Assets for the Master Trust.

Futures contracts involve, to varying degrees, credit and market risks. The Master Trust enters into futures contracts on exchanges where the exchange acts as the counterparty to the transaction. Thus, credit risk on such transactions is limited to the failure of the exchange. The daily settlement on the futures contracts serves to greatly reduce credit risk. Losses in value may arise from changes in the value of the underlying instrument or if there is an illiquid secondary market for the contracts. In addition, there is the risk that the change in the value of the futures contract may not correlate exactly with the change in value of the corresponding investments held in the Master Trust.

At December 31, 2020, there were no U.S. Government Bonds pledged by the RTC Master Trust as collateral for open futures contracts. At December 31, 2020, a cash balance of $340,319,507 was pledged by the RTC Master Trust to cover margin requirements for open futures contracts.

At December 31, 2019, U.S. Government Bonds with a par value of $19,447,000 (fair value of $19,979,822) were pledged by the RTN Master Trust as collateral for open futures contracts. These bonds are restricted from trading until the futures contracts for which they are pledged as collateral are settled. A cash balance of $27,116,980 was pledged by the RTN Master Trust to cover margin requirements for open futures contracts.

The effect of futures contracts on the Statement of Net Assets for the Master Trust as of December 31, 2020 and December 31, 2019 are as follows:

	RTC Master Trust December 31, 2020	RTN Master Trust December 31, 2019
Assets		
Credit	$ 4,434,474	$ 2,517,312
Equity	110,200,429	5,756,520
Foreign Exchange	4,819,781	-
	$ 119,454,684	$ 8,273,832
Liabilities		
Credit	$ 17,090,630	$ 15,778,395
Equity	960,749	-
Foreign Exchange	-	-
	$ 18,051,379	$ 15,778,395

The net appreciation/(depreciation) of futures contracts during the years ended December 31, 2020 and December 31, 2019 is presented below:

	2020	2019
RTN Master Trust	$ 243,890,819	$ 114,578,706
RTC Master Trust	196,072,338	-
Total net appreciation (depreciation) on futures contracts	$ 439,963,157	$ 114,578,706

A summary of the open futures contracts in the RTC Master Trust as of December 31, 2020 are presented below:

	Long Contracts		Short Contracts	
	Number of Contracts	Aggregate Face Value	Number of Contracts	Aggregate Face Value
Fixed Income	16,560	$ 2,959,060,657	4,619	$ 838,661,977
Equity Index	39,249	5,158,323,001	-	-
Interest Rate	-	-	-	-
Foreign Exchange	9,382	525,499,659	-	-
	65,191	$ 8,642,883,317	4,619	$ 838,661,977

A summary of the open futures contracts in the RTN Master Trust as of December 31, 2019 are presented below:

	Long Contracts		Short Contracts	
	Number of Contracts	Aggregate Face Value	Number of Contracts	Aggregate Face Value
Fixed Income	4,072	$ 683,628,734	1,825	$ 254,420,391
Equity Index	1,760	284,336,800	-	-
Interest Rate	38	9,344,675	-	-
Foreign Exchange	-	-	-	-
	5,870	$ 977,310,209	1,825	$ 254,420,391

Forward Currency Contracts
The Master Trust invested in forward currency contracts during the years ended December 31, 2020 and December 31, 2019. A forward currency contract is a commitment to purchase or sell a foreign currency at a future settlement date and at a negotiated rate.

Forward currency contracts are utilized to manage a portion of the currency exposure that results from the Master Trust's holdings of equity and fixed income securities denominated in foreign currencies.

Forward currency contracts are marked-to-market at the prevailing forward exchange rate of the underlying currencies, and the difference between contract value and market value is recorded within “Other derivatives” on the Statement of Net Assets for the Master Trust. When the forward exchange contract is settled, the Master Trust transfers the unrealized appreciation (depreciation) to a realized gain (loss) equal to the change in the value of the forward exchange contract when it was entered into and the value at the time it was settled or offset. Sales and purchases of forward currency contracts having the same settlement date and broker are offset, and any gain (loss) is realized on the date of offset.

Certain risks may arise upon entering into a forward currency contract from the potential inability of counterparties to meet the terms of their contracts. Additionally, when utilizing forward currency contracts to manage currency exposure, the Master Trust gives up the opportunity to profit from favorable exchange rate movements during the term of the contract.

Option Contracts
The Master Trust was invested in option contracts during the year ended December 31, 2020. The market value of option contracts held in the Master Trust is recorded within “Other derivatives” on the Statement of Net Assets of the Master Trust. An option contract is a contract in which the writer of the option contract grants the buyer of the option contract the right to purchase from ("call option"), or sell to ("put option"), the writer a designated instrument at a specified price within a specified period of time. Certain option contracts, including option contracts on indices, will require cash settlement by the Master Trust if the option contract is exercised. The Master Trust may enter into put or call option contracts in order to manage potential adverse price movements in the value of the portfolio assets, as a temporary substitute for selling selected investments, to lock in the purchase price of a security or currency that it expects to purchase in the near future, as a temporary substitute for the purchase of selected investments, and/or to enhance potential gain.

When the Master Trust purchases or writes an option contract, an amount equal to the premium paid or received by the Master Trust is recorded as an asset or liability and is subsequently adjusted to the current market value of the option contract purchased or written. Option contracts purchased or written are valued at the last sale price or, in the absence of a sale, the mean between the closing bid and ask

prices or at the most recent ask price (bid for purchased option contracts) if no bid and ask price are available. OTC purchased or written option contracts are valued using dealer supplied quotations. Gain and loss is recognized when the option contract expires or is settled.

If the Master Trust writes a covered call option contract, the Master Trust foregoes, in exchange for the premium, the opportunity to profit during the option contract period from an increase in the value of the underlying security above the exercise price. If the Master Trust writes a put option contract, it accepts the risk of a decline in the value of the underlying security below the exercise price. OTC option contracts have a risk of the potential inability of counterparties to meet the terms of their contracts. The Master Trust's maximum exposure to purchased option contracts is limited to the premium initially paid. In addition, certain risks may arise upon entering into option contracts and a change in value of the option contract may not correlate exactly with changes in the value of the underlying security.

Swaps
The Master Trust was invested in swap contracts during the years ended December 31, 2020 and December 31, 2019. The Master Trust may invest in interest rate swap contracts, credit default swap contracts, and currency swap contracts. The market value of swap contracts held in the Master Trust is recorded within "Other derivatives" on the Statement of Net Assets of the Master Trust.

The Master Trust uses interest rate swap contracts to manage its exposure to interest rates. Interest rate swap contracts entered into by the Master Trust typically represent the exchange by the Master Trust with a counterparty of a commitment to make variable rate and fixed rate payments with respect to a notional amount of principal. Such contracts may have a term of one to ten years, but typically require periodic interim settlement in cash, at which time both the value of the index or security and the specified variable interest rate are reset for the next settlement period. During the period that the swap contract is open, the contract is marked-to-market as the net amount due to or from the Master Trust in accordance with the terms of the contract based on the closing level of the relevant index or security and interest accrual through the valuation date. Changes in the value of the swap contract are recorded as unrealized gains or losses, while periodic cash settlements are recorded as realized gains or losses.

The Master Trust may invest in credit default swap contracts. Credit default swap contracts entered into by the Master Trust typically represent the exchange by the Master Trust with a counterparty of a commitment to provide a level of credit protection for a commitment to receive interest at a fixed rate based on the potential risk of default of the relevant underlying issuer. Providing credit protection to a counterparty tends to increase a Master Trust's exposure to the underlying instrument. Receiving credit protection from a counterparty tends to decrease a Master Trust's exposure to the underlying instrument held by the Master Trust or hedge the fair value of other Master Trust investments. Credit default swap contracts may have a term of one to ten years, but typically require periodic interim settlement in cash. During the period that the credit default swap contract is open, the contract is marked-to-market in accordance with the terms of the contract based on the current interest rate spreads and credit risk of the referenced obligation of the underlying issuer and interest accrual through valuation date. Changes in the value of the credit default swap contract are recorded as unrealized gains or losses, while periodic cash settlements are recorded as realized gains or losses.

Entering into a swap contract involves, to varying degrees, elements of credit, market and interest rate risk in excess of the amounts reported in the statement of net assets available for benefits. Notional principal amounts are used to express the extent of involvement in the transactions, but are not delivered under the contract. Accordingly, credit risk is limited to any amounts receivable from the counterparty. To reduce credit risk from potential counterparty default, the Master Trust enters into swap contracts with counterparties whose creditworthiness has been approved by the Trustee of the Trust. The Master Trust bears the market risk arising from any change in index or security values or interest rates.

6. Termination Policies

The Company has not expressed any intent to terminate the Plan or discontinue its contributions. However, in the event the Plan is discontinued:

(a) The assets comprising the Plan, including the net income (loss) of the Plan, shall be revalued at market by the Trustee.

(b) The Plan provides that the net assets of the Plan shall be allocated among the participants and beneficiaries of the Plan in the order provided by ERISA.

(c) To the extent unfunded vested benefits exist, ERISA provides that such benefits are payable by the PBGC to participants, up to specified limitations, as described in ERISA.

Whether all participants receive their full or partial benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated plan benefit obligations, and may also depend on the financial condition of the plan sponsor and the level of benefits guaranteed by the PBGC.

The Company may terminate the Plan in whole or in part at any time. This summary of termination priorities is provided for general information purposes only. Participants should refer to the Plan Document for more information.

7. Certain Transactions Involving Related Parties and Parties-in-Interest

BNY Mellon, as the Trustee and Custodian of the Plan, incurs expenses in connection with these services to the Plan and Master Trust, and is therefore a party-in-interest with respect to the Plan. Certain investments within the Master Trust were advised by or affiliated with BNY Mellon. The Plan Sponsor, Raytheon Company, is a party-in-interest with respect to the Plan and incurs expenses in connection with the administration of the Plan and the Master Trust.

The following table is a summary of expenses paid to BNY Mellon and Raytheon Company for the years ended December 31, 2020 and 2019:

	Year Ended 2020	Year Ended 2019
Expenses specifically related to the Plan	$ 256,068	$ 444,791
Plan's allocation of expenses paid directly by the Master Trust	1,480,484	2,060,961

The Plan also incurs certain administrative expenses paid to parties-in-interest.

All of these transactions either fall outside the scope of or are exempt from ERISA’s prohibited transaction rules.

8. Tax Status

The Internal Revenue Service (the “IRS”) has determined and informed the Company by letter dated May 1, 2012, that the design of the Plan meets the requirements for qualification under Code section 401(a), on which the tax exemption of the Trust under Code section 501(a) is based. The Plan has been amended since receiving the determination letter. The Plan Administrator and the Company’s benefits counsel believe that the current design and operation of the Plan are consistent with continued qualification of the Plan and exemption of the Trust in the context of

applicable IRS procedures. The Company, on behalf of the Plan, applied for a new determination letter on January 29, 2016.

The Plan adopted the provisions of uncertain tax positions that provide criteria for the recognition, measurement, presentation and disclosure of uncertain tax positions. The Plan may from time to time hold investments that give rise to certain tax liabilities. Based upon management's assessment, the Plan has not recognized any tax liabilities at December 31, 2020 and 2019. The Plan is subject to examinations by taxing jurisdictions; however there are currently no audits for any tax period in progress. The Plan Administrator believes the Plan is no longer subject to federal tax examinations for years prior to 2017.

9. Risks and Uncertainties

The Plan financial statements are based on the application of GAAP, which require the Plan to make estimates and assumptions about future events that affect the amounts reported in financial statements and the accompanying notes.

Contributions to the Plan are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, employee compensation, and demographics. Due to the changing nature of these assumptions, it is at least reasonably possible that changes in these assumptions will occur in the near term and, due to the uncertainties inherent in setting assumptions, that the effect of such changes could be material to the financial statements. The investments of the Plan, which are held in the Master Trust, are exposed to various risks, such as interest rate, market, and credit risks. See Note 5 for additional information with respect to investment risk.

10. Subsequent Events

The Plan has evaluated subsequent events and transactions subsequent to December 31, 2020 through the date the Plan's financial statements were available to be issued, October 15, 2021.

On March 11, 2021, the American Rescue Plan Act (ARPA) was signed into law. ARPA contains provisions that are expected to reduce minimum contribution requirements for pension plans as early as 2020 depending on when the sponsoring employer chooses to apply them. RTC has not yet adopted these provisions.

On September 13, 2021, the Raytheon Technologies Corporation Benefit Design and Administration Committee adopted an amendment to the Plan in accordance with the settlement agreement and court approval order related to Cruz v. Raytheon Company, et al., Civ. Action No. 1:19-cv-11425 (U.S.D.C. Mass.). This amendment increased certain monthly benefits payable by the Plan effective January 1, 2021 and is not expected to have a material impact to the actuarial present value of accumulated plan benefits.

Schedule SB, line 26 — Schedule of Active Participant Data

Attained age	Years of credited service										
	Under 1	1–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40 & up	Total
Under 25											
25–29											
30–34											
35–39					1						1
40–44	1	1	1	6	205	62	2				278
					148,828	174,084					
45–49		3	2	8	190	316	18				537
					151,933	176,461					
50–54	3	3	6	21	177	314	179	35	2		740
				129,874	155,165	163,897	186,526	140,047			
55–59	13	9	15	41	202	563	404	173	40	2	1,462
				138,882	152,049	159,805	188,993	176,167	200,643		
60–64	7	24	12	41	153	421	275	105	111	5	1,154
		98,713		140,344	146,328	149,897	163,971	160,850	168,024		
65–69	5	11	6	15	39	99	65	32	28	15	315
					154,035	145,743	135,608	165,914	141,214		
70 & up	2	7	1	5	12	31	22	6	12	10	108
						161,262	132,659				
Total	31	58	43	137	979	1,806	965	351	193	32	4,595

In each cell, the top number is the count of active and transferred participants for each age/service combination and the bottom number is average pay for 2019 limited to $280,000. Average pay is not shown for cells with fewer than 20 participants.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Actuarial Assumptions for January 1, 2020 Funding Valuation

Discount rate sponsor elections			
• Segment rates or full yield curve	Segment		
• Look-back months	0		
	Stabilized	**Nonstabilized**	
• First 5 years	3.64%	2.77%	
• Next 15 years	5.21%	3.83%	
• Over 20 years	5.94%	4.28%	
Mortality sponsor elections			
• Healthy participants	Section 430(h)(3) prescribed separate static annuitant and nonannuitant mortality tables. These tables are based on the IRS-defined 2006 Base Tables with mortality improvement based on the IRS methodology and projection scale MP-2018.		
• Disabled participants	Same as healthy.		
Cash balance plans			
• Interest accumulation rate	2.00% per year for PRA participants only Rationale: Based on the assumed long-term one-year treasury rates periodically published by Mercer Investment Consulting's *Capital Market Outlook*.		
• Annuity conversion			
– Nonbargaining/PRA			
– Mortality table	1983 Group Annuity Mortality Table		
– Interest rate basis	5.00%		
– Marine			
– Mortality table	Mortality is based on the 2020 static 417(e) mortality tables for 2020, the 2021 static 417(e) mortality tables for 2021, and the 417(e) mortality table with improvements projected generationally based on MP-2019 for 2022 and beyond		
– Interest rate basis	Segmented interest rates of 2.09% for 5 years, 3.00% for the next 15 years and 3.61% thereafter for 2020; 2.50% for 5 years, 3.25% for the next 15 years and 3.75% thereafter for 2021; 3.00% for 5 years, 3.50% for the next 15 years, 3.75% thereafter for 2022; 3.50% for 5 years, 3.75% for the next 15 years, 4.00% thereafter for 2023; 4.00% thereafter for 2024 and beyond.		

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

<table>
<tr><th colspan="2">Other economic assumptions</th></tr>
<tr><td>• Pensionable Earnings</td><td>Base Pay

The Base Pay portion of total pensionable earnings is assumed to increase at the following rates:

<table><tr><th>Attained Age</th><th>Salary Increases</th></tr><tr><td>20</td><td>8.00%</td></tr><tr><td>25</td><td>8.00</td></tr><tr><td>30</td><td>8.00</td></tr><tr><td>35</td><td>6.35</td></tr><tr><td>40</td><td>5.11</td></tr><tr><td>45</td><td>4.21</td></tr><tr><td>50</td><td>3.62</td></tr><tr><td>55</td><td>3.34</td></tr><tr><td>60</td><td>3.10</td></tr><tr><td>65</td><td>3.10</td></tr><tr><td>70</td><td>3.10</td></tr></table>
Incentive Pay

The Incentive Pay portion of total pensionable earnings is assumed to increase at the same rates as shown above. Bonuses paid in 2020 are expected to be 127.8% of the target bonus. Based on the bonuses paid in 2019 being 140.7% of target, in addition to the rates shown above, the 2020 projected bonus in this valuation is adjusted to be 9.2% lower.

Rationale: Based on past experience and current plan membership, and adjusted to reflect management’s expectation of future wage increases.</td></tr>
<tr><td>• Social Security wage base</td><td>3.50% per year for Raytheon Nonbargaining Retirement Plan and PRA participants only.
Rationale: Reflects long-term view of inflation and the average real wage increases for the U.S. economy as a whole.</td></tr>
<tr><td>• Inflation</td><td>2.50% per year for Raytheon Nonbargaining Retirement Plan and PRA participants only.
Rationale: Based on the inflation assumption periodically published by Mercer Investment Consulting in their Capital Markets Outlook.</td></tr>
<tr><td>• Cost-of-living adjustment (post-retirement)</td><td>2.25% per year for Raytheon Nonbargaining Retirement Plan
Rationale: The retiree cost-of-living adjustment is assumed to average 2.25% due to the fact that there is a 4% cap that is applied annually to the cost-of-living adjustment. The 25bp spread represents the expected impact of the 4% annual cap in the context of the 2.5% long-term inflation assumption.</td></tr>
</table>

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

• Expected investment return	The expected investment return is 7.00% per year but not greater than the third segment rate in effect for each year Rationale: The expected long-term return on assets assumption was developed based on the plan's current target investment allocation and a building block approach, which looked at the weighted average expected return for each asset class based on long-term capital market assumptions. The expected return for each asset class in composed of inflation plus a risk free rate of return, plus an expected risk premium for each asset class. The resulting return was then adjusted for administrative, investment management and trading expenses as well as recognition of alpha for active management.
• Expenses	$13,300,000 (added to current year target normal cost) Rationale: Based on actual administrative expenses incurred in the prior plan year increased with inflation, excluding the prior year PBGC expenses plus the estimated current year PBGC expenses.
• Actuarial equivalence for conversion to certain only forms of payment	The basis for valuation is based on whichever of the following bases that yields a greater lump sum value: • PBGC interest rates of 0.00% for 2020, 0.75% for 2021, 1.25% for 2022, 1.75% for 2023, and 2.00% thereafter and 1971 GAM Table (blended 80% males, 20% females) or • Segmented interest rates of 2.09% for 5 years, 3.00% for the next 15 years and 3.61% thereafter for 2020; 2.50% for 5 years, 3.25% for the next 15 years and 3.75% thereafter for 2021; 3.00% for 5 years, 3.50% for the next 15 years, 3.75% thereafter for 2022; 3.50% for 5 years, 3.75% for the next 15 years, 4.00% thereafter for 2023; 4.00% for 5 years, 4.00% for the next 15 years, and 4.00% thereafter for 2024 and beyond. Mortality is based on the 2020 static 417(e) mortality tables for 2020, the 2021 static 417(e) mortality tables for 2021, and the 417(e) mortality table with improvements projected generationally based on MP-2019 for 2022 and beyond. Rationale (PBGC interest rates): Based on long-term historical trends in the PBGC rate which suggests a range of 100 to 230 basis points below the long government bond. The assumption for long government bonds is periodically published by Mercer Investment Consulting's Capital Markets Outlook. Rationale (Segmented interest rates): Based on a long-term view of the three segment rates extrapolated by bootstrapping the forward rates from the current year's PPA full yield curve. Rationale (mortality): Based on the current year table prescribed by the IRS.
• Interest accumulation on employee contributions	5.00% per year for Raytheon Nonbargaining Retirement Plan participants only.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Demographic assumptions

- Withdrawal

See tables of sample rates for 3 distinct groups of employees.

Rationale: Based on review of experience undertaken during 2019 using data from 2014 – 2018 and the expectation that future withdrawal patterns and circumstances of the employer will not differ significantly from the period studied.

- Disability incidence

See table of sample rates: 1985 Pension Disability Mortality tables for Class 1 Occupations for males and females (PRA participants only)

Rationale: These assumptions are based on the benefit structure under the plan and the actuary's experience with similar plans. Annual review of the experience has shown that these assumptions provide similar results to the actual experience under the plan.

- Retirement age

	Percentage	
Attained age	**Nonbargaining – Rule of 75 or Rule of 85**	**All other***
55	45.00%	5.00%
56	25.00	5.00
57	25.00	5.00
58	25.00	5.00
59	20.00	5.00
60	20.00	5.00
61	20.00	5.00
62	25.00	10.00
63	20.00	15.00
64	20.00	15.00
65	35.00	25.00
66	30.00	25.00
67	30.00	25.00
68	30.00	25.00
69	30.00	25.00
70 and above	100.00	100.00

* Retirement rates for Raytheon Nonbargaining Retirement Plan "Basic," Former Hughes Personal Retirement Account Plan, Raytheon Subsidiary Retirement Plan, and Marine Systems Retirement Plan

Rationale: Based on review of experience undertaken during 2019 using data from 2014 – 2018 and the expectation that future withdrawal patterns and circumstances of the employer will not differ significantly from the period studied.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

• Benefit commencement age for Former Hughes Personal Retirement Account, Subsidiary and Marine	
– Future vested deferred	65
– Current vested deferred	65
• Benefit commencement age for Nonbargaining	
– Future vested deferred	64
– Current Rule of 75 eligible contributory vested deferred	59
– Current contributory vested deferred	64
– Current vested deferred retirement eligible at termination	62
– Current non-contributory vested deferred	64

	Male participants	Female participants
• Spouse assumptions		
– Percentage married	85%	75%
– Spouse age difference	3 years younger	3 years older

Form of payment — Nonbargaining participants	Single life	5-year Certain only	10-year Certain only	50% J&S	100% J&S
• Active retirements (contributory for 2020-2023 plan year)	10%	90%	N/A	N/A	N/A
• Active retirements (contributory thereafter)	20%	80%	N/A	N/A	N/A
• Active retirements (noncontributory)	50%	N/A	50%	N/A	N/A
• Future vested deferred	100%	N/A	N/A	N/A	N/A
• Future deaths pre-retirement eligibility	N/A	N/A	N/A	100%	N/A
• Future deaths post-retirement eligibility	N/A	N/A	N/A	N/A	100%
• Current Noncontributing vested deferred	50%	N/A	50%	N/A	N/A
• Current Contributing vested deferred	50%	50%	N/A	N/A	N/A

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

PRA participants	100%	N/A	N/A	N/A	N/A
Subsidiary participants	100%	N/A	N/A	N/A	N/A
Marine participants					
• Active retirements	Assumed to elect payment in the form of a single life temporary annuity with lump sum at age 62				
• Future deaths	100% Lump sum				
	Rationale: Based on review of experience undertaken during 2019 using data from 2014 – 2018. Separate assumption applies during select period to correspond to lower interest rates assumed during those years.				
Terminated vested participants over age 65	It is assumed that 65% of participants with deferred benefits over age 65 will be located and will commence benefits.				
Unpredictable contingent event assumptions	Not applicable.				

Table of Sample Rates

Attained age	Withdrawal	
	Nonbargaining–contributory	All Other[1]
20	11.90%	22.10%
25	9.50%	17.20%
30	7.10%	2.50%
35	5.40%	2.50%
40	3.70%	2.50%
45	2.30%	2.50%
50	1.50%	2.50%
55	0.90%	2.50%
60+	0.00%	0.00%

[1] Withdrawal rates for Raytheon Nonbargaining Retirement Plan Non-contributory, Former Hughes Personal Retirement Account Plan, Raytheon Subsidiary Retirement Plan, and Marine System Retirement Plan

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

	Former Hughes personal retirement account plan	
	Disability incidence	
Attained age	Male	Female
20	0.03%	0.03%
25	0.04%	0.05%
30	0.05%	0.08%
35	0.07%	0.14%
40	0.12%	0.21%
45	0.20%	0.32%
50	0.36%	0.53%
55	0.72%	0.95%
60	1.26%	1.16%
65	1.75%	1.36%
70	0.00%	0.00%

Actuarial Methods for Funding

Asset Methods

The asset valuation method is an average of the adjusted market value for each year during the last 24 months preceding the valuation date. The adjusted market value is the market value at each determination date adjusted to the valuation date based on actual cash flows and expected interest at the lesser of the expected rate of return and the third segment rate. This amount is adjusted to be no greater than 110% and no less than 90% of the fair market value, as defined in IRC Section 430.

A characteristic of this asset method is that, over time, it is slightly more likely to produce an actuarial value of assets that is less than the market value of assets than an actuarial value that is greater than the market value.

Participant Methods

Participants or former participants are included or excluded from the valuation as described below:

- **Participants included:** Conduent, Inc. provides us with data on all employees as of the valuation date, but only those employees who have completed the plan's eligibility requirements are included in the valuation of liabilities.
- **Participants excluded:** No actuarial liability is included for nonvested participants who terminated prior to the valuation date. In addition, for retirees who have elected a contingent annuitant form of payment and for whom no beneficiary data was provided, one-third of future beneficiaries are assumed to die prior to receiving benefits.
- **Insurance contracts**: The plan does not have any insurance contracts.

Minimum Funding Methods

The funding target for minimum funding calculations is computed using the traditional unit credit method of funding. The objective under this method is to fund each participant's benefits under the plan as they

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

accrue. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

- The plan's valuation date is the beginning of the plan year.
- An individual's **funding target** is the present value of future benefits based on credited service and average pay as of the beginning of the plan year, and an individual's **target normal cost** is the present value of the benefit expected to accrue in the plan year. If multiple decrements are used, the funding target and the target normal cost for an individual are the sum of the component funding targets and target normal costs associated with the various anticipated separation dates.
- The plan's **target normal cost** is the sum of the individual target normal costs, and the plan's **funding target** is the sum of the individual funding targets for all participants under the plan.

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2020

This Form is Open to Public Inspection

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan
RAYTHEON NONBARGAINING RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 021

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
RAYTHEON COMPANY

D Employer Identification Number (EIN)
95-1778500

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2020

2 Assets:

a Market value	2a	6,128,223,515
b Actuarial value	2b	5,862,183,281

3 Funding target/participant count breakdown

	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	16,977	3,116,495,036	3,116,495,036
b For terminated vested participants	10,098	460,851,799	460,851,799
c For active participants	4,595	1,901,727,577	2,042,039,612
d Total	31,670	5,479,074,412	5,619,386,447

4 If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ]

a Funding target disregarding prescribed at-risk assumptions	4a	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b	
5 Effective interest rate	5	5.15%
6 Target normal cost	6	119,802,445

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE GRACE BARBIERI GB

Signature of actuary

9/27/21
Date

GRACE BARBIERI, F.S.A.
Type or print name of actuary

2007481
Most recent enrollment number

MERCER
Firm name

617-747-9500
Telephone number (including area code)

99 HIGH STREET

BOSTON MA 02110-2320
Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of Year Carryover and PrefundingBalances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	149,387,072
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	149,387,072
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of 19.46%	0	0
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38a from prior year)		244,035,802
b(1)	Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of 5.27%		4,987,988
b(2)	Interest on line 38b from prior year Schedule SB, using prior year's actual return		29,070,724
c	Total available at beginning of current plan year to add to prefunding balance		278,094,514
d	Portion of (c) to be added to prefunding balance		278,094,514
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	278,094,514

Part III Fundin gPercenta ges

14	Funding target attainment percentage	14	99.37%
15	Adjusted funding target attainment percentage	15	99.74%
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	97.84%
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and LiquidityShortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a)Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a)Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
			01/15/2020	0	301,718
			02/15/2020	0	197,688
			03/15/2020	0	588,451
			04/15/2020	0	187,093
			05/15/2020	0	180,775
			06/15/2020	0	175,843
			07/15/2020	0	241,799
			08/15/2020	0	153,326
			09/15/2020	0	148,174
			10/15/2020	0	145,063
			11/15/2020	0	130,366
			12/15/2020	0	178,806
			Totals ► 18(b)	0	18(c) 2,629,102

19	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a	Contributions allocated toward unpaid minimum required contributions from prior years	19a	0
b	Contributions made to avoid restrictions adjusted to valuationdate	19b	0
c	Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	0

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] Yes [ ] No

c If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions Used to Determine FundingTar get and Target Normal Cost

21 Discount rate:

	1st segment:	2nd segment:	3rd segment:	
a Segment rates:	3.64 %	5.21 %	5.94%	☐ N/A, full yield curve used

b Applicable month (enter code)	**21b**	0
22 Weighted average retirement age	**22**	62

23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No

27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment	**27**	

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	**28**	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	**29**	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	**30**	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6)	**31a**	119,802,445
b Excess assets, if applicable, but not greater than line 31a	**31b**	0

32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	35,297,680	10,536,557
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	**33**	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	**34**	130,339,002

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	130,339,002	130,339,002

36 Additional cash requirement (line 34 minus line 35)	**36**	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	0

38 Present value of excess contributions for current year (see instructions)

a Total (excess, if any, of line 37 over line 36)	**38a**	0
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	**38b**	0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	**39**	0
40 Unpaid minimum required contributions for all years	**40**	0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for thisplan:

a Schedule elected ☐ 2 plus 7 years ☐ 15 years

b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

Schedule SB, line 15 — Reconciliation of Differences Between Valuation Results and Amounts Used to Calculate AFTAP

The following schedule shows each AFTAP that was certified or recertified for the 2020 plan year, the date made, and a description of the AFTAP change:

Certification date	AFTAP	Update description
9/30/2020	99.74%	Final certified AFTAP

The following chart shows a comparison of the final certified 2020 AFTAP, and the AFTAP based on 2020 valuation results.

	Final certified AFTAP	AFTAP based on valuation results	Difference (explained below)
1. Adjusted plan assets			
a. Actuarial value of plan assets	$ 5,605,286,792	$ 5,862,183,281	$ 256,896,489
b. Credit balances subtracted	0	278,094,514	278,094,514
c. Annuity purchases for non-HCEs in prior two plan years	0	0	0
d. Earmarked contributions during plan year	0	0	0
e. Adjusted plan assets: *(a.) – (b.) + (c.) + (d.)*	$ 5,605,286,792	$ 5,584,088,767	$ (21,198,025)
2. Adjusted funding target			
a. Funding target	$ 5,619,386,447	$ 5,619,386,447	$ 0
b. Funding target increases not already reflected in (a.) due to amendments, UCEBs, etc.	0	0	0
c. Annuity purchases for non-HCEs in prior two plan years	0	0	0
d. Adjusted funding target: (a.) + (b.) + (c.)	$ 5,619,386,447	$ 5,619,386,447	$ 0
3. 2020 AFTAP/FTAP: (1.e.) ÷ (2.d.)	99.74%	99.37%	

The discounted value of the contributions made on October 1, 2020 and December 15, 2020, were not included in the actuarial value of assets used in the final certified AFTAP because the contributions had not been made by September 30, 2020, the AFTAP certification date. These contributions were added to the credit balance, although the amount of credit balance created did not match the change in assets, since the credit balance includes interest at the actual investment return rate.

Schedule SB, line 22 — Description of Weighted Average Retirement Age

Each employee is assumed to retire in accordance with the table of retirement rates. The percentage of employees expected to retire at each potential age is shown below. 79% of Raytheon actives are assumed to be subject to the Basic Rates and 21% are assumed to be subject to the Rule of 75 rates, resulting in an average retirement age for Raytheon actives of 62.09 (79% * 63.39 + 21% * 57.28).

Basic Rates

(A) Retirement age	(B) Retirement Percent	(C) Lx	(D) Number of employees expected to retire (B) x (C)	(E) (A) x (D)
55	5.00%	10,000	500	27,500
56	5.00%	9,500	475	26,600
57	5.00%	9,025	451	25,721
58	5.00%	8,574	429	24,864
59	5.00%	8,145	407	24,028
60	5.00%	7,738	387	23,213
61	5.00%	7,351	368	22,420
62	10.00%	6,983	698	43,297
63	15.00%	6,285	943	59,394
64	15.00%	5,342	801	51,286
65	25.00%	4,541	1,135	73,790
66	25.00%	3,406	851	56,194
67	25.00%	2,554	639	42,784
68	25.00%	1,916	479	32,567
69	25.00%	1,437	359	24,784
70	100.00%	1,078	1,078	75,431
Total			10,000	633,874
Average				63.39

Schedule SB, line 22 — Description of Weighted Average Retirement Age

Rule of 75

(A) Retirement age	(B) Retirement Percent	(C) Lx	(D) Number of employees expected to retire (B) x (C)	(E) (A) x (D)
55	45.00%	10,000	4,500	247,500
56	25.00%	5,500	1,375	77,000
57	25.00%	4,125	1,031	58,781
58	25.00%	3,094	773	44,859
59	20.00%	2,320	464	27,380
60	20.00%	1,856	371	22,275
61	20.00%	1,485	297	18,117
62	25.00%	1,188	297	18,414
63	20.00%	891	178	11,227
64	20.00%	713	143	9,124
65	35.00%	570	200	12,973
66	30.00%	371	111	7,339
67	30.00%	259	78	5,215
68	30.00%	182	54	3,705
69	30.00%	127	38	2,632
70	100.00%	89	89	6,230
Total			10,000	572,770
Average				57.28

Schedule SB, Part V — Summary of Plan Provisions

Summary of major plan provisions – Nonbargaining Retirement Plan

Effective date and plan year	Original plan: December 17, 1997 when Raytheon Company acquired the Defense Business of Hughes Electronics Corporation. Effective December 1, 2000, the Hughes Personal Retirement Account Plan merged into the Raytheon Nonbargaining Retirement Plan. Restated plan: January 16, 2015 Plan year: January 1
Status of the plan	The plan has ongoing benefit accruals but is closed to new entrants.
Significant events that occurred during the year	None
Definitions	
• Covered employees	Employees hired before the date on which payroll processing functions are transferred to Raytheon's payroll center.
• Participation	Completion of 12 months of Vesting Service.
• Employee contributions	3.0% of pay if covered under the formula for contributing participants.
• Vesting service	Continuous service from the employee's date of hire.
• Credited service	Total service accrued monthly from first of the month eligibility commenced.
• Pensionable earnings	Basic compensation subsequent to the effective date of the plan and prior to retirement date, including regular pay, bonuses, results-sharing, overtime pay, shift differential, sick leave pay, workers' compensation, vacation and holiday pay, and bereavement or leave pay, but excluding any other extraordinary compensation.
• Final average earnings	The aggregate Compensation prior to separation from service attributed to the five highest twelve month periods in the last ten years, or all twelve-month periods if less than five, in which a Participant had at least one hour of Benefit Accrual Service each month, divided by the applicable number of twelve-month periods. For General Dynamics salaried employees, the highest twelve month periods must be consecutive.
• Primary Social Security benefit	Estimated social security benefit, calculated using actual earnings when available, and estimating prior historical earnings using a 6% salary scale.
• Social Security normal retirement age	(i) For a participant born prior to 1938, the first day of the calendar month coincident with or next following his/her sixty-fifth (65th) birthday, (ii) For a participant born after 1937 and before 1955, the first day of the calendar month coincident with or next following his/her sixty-sixth (66th) birthday, and (iii) For a participant born after 1954, the first day of the calendar month coincident with or next following his/her sixty-seventh (67th) birthday.

Schedule SB, Part V — Summary of Plan Provisions

• Actuarial equivalence	**Contributing and noncontributing participants**: Interest rate used by the PBGC for valuing immediate annuities on the October 1 (or December 1, if less) preceding the plan year including the annuity start date and the 1971 Group Annuity Mortality Table 80% males, 20% females. **General Dynamics salaried employees**: • For nondecreasing annuities – 7% and the 1984 Uninsured Pension Mortality Table (including specified setbacks) • Other forms of payment – Interest rate used by the PBGC for valuing immediate annuities on the January 1 of the calendar year in which distributions commence and the 1984 Uninsured Pension Mortality Table (including specified setbacks) Actuarial equivalence is also subject to the "applicable interest rate" and "applicable mortality table" pursuant to 417(e)(3)(A)(ii) of the Internal Revenue Code for benefits that are not payable in the form of a nondecreasing annuity.
Normal retirement	
• Eligibility	First of the month coinciding with or next following the attainment of age 65.
• Benefit	**Contributing participants**: The benefit is the greatest of (i), (ii), or (iii) below: (i) Accrued benefit through December 31, 1975 plus 1% of the first $3,600 of compensation and 2% of compensation in excess of $3,600, for all compensation received after December 31, 1975. (ii) The product of (1) and (2): (1) Benefit Accrual Service (2) $156 plus 0.5% of Final Average Compensation (iii) The result of (1) minus (2): (1) The product of Benefit Accrual Service and 1.75% of Final Average Compensation (2) The product of Benefit Accrual Service projected to age 65 (maximum 33-1/3 years) and 1.5% of the reduced Primary Insurance Amount, multiplied by the ratio of Benefit Accrual Service to Benefit Accrual Service projected to age 65.

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	Noncontributing participants: Benefit A offset by Benefit B, where: (i) Benefit A equals the sum of: (1) 1.5% of Final Average Compensation multiplied by years of Benefit Accrual Service (not in excess of 35 years) (2) 0.5% of Final Average Compensation multiplied by years of Benefit Accrual Service in excess of 35 years (ii) Benefit B equals 0.6% of Final Average Compensation (not in excess of Covered Compensation) multiplied by years of Benefit Accrual Service (not in excess of 35 years). **General Dynamics salaried employees**: The monthly benefit is the greatest of (i), (ii), or (iii) below: (i) Accrued benefit through December 31, 1998, plus 1.75% (2.00% for Benefit Accrual Service in excess of 35 years) of the first $23,400 in base pay plus 2.00% of base pay in excess of $23,400 for all compensation received after December 31, 1998 (ii) The product of Benefit Accrual Service and 1.3333% of Final Average Compensation (iii) The product of Benefit Accrual Service and $312. **General Dynamics Hourly employees**: The monthly benefit is equal to the product of Benefit Accrual Service and: (i) $120 for NAPI and Fort Defiance participants (ii) $216 for Camden participants.
Early retirement	
• Eligibility	Age 55 and 5 years of vesting service.
• Benefit	**Contributing participants**: Actuarial equivalent of Normal Retirement benefit unless eligible for unreduced benefit under Rule of 75 (sum of attained age and continuous service is at least 75). **Noncontributing participants**: Accrued benefit reduced based on Actuarial Equivalence or 6% per year prior to Social Security Normal Retirement Age, whichever produces a greater amount. Unreduced early retirement available three years prior to Social Security Normal Retirement Age with ten years of continuous service.
	General Dynamics salaried employees: If eligible for unreduced final average pay benefit (10 years of continuous service), accrued benefit reduced 2.5% per year prior to age 62. If eligible for unreduced career average pay benefit (satisfaction of required points based on sum of attained age and continuous service), accrued benefit reduced by the lesser of 2.5% per year prior to Normal Retirement and 2.5% times excess of required over actual points. Otherwise, Actuarial Equivalent of Normal Retirement benefit.
Late retirement	
• Benefit	Normal Retirement Benefit determined as of actual retirement date.

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Deferred vested	
• Eligibility	Termination for reasons other than death or retirement after completing five years of vesting service.
• Benefit	Benefit accrued to date of termination payable at age 65 or the Actuarial Equivalent, as described in the "Early Retirement" section above, payable for commencement after age 55 and prior to age 65 (prior to SSNRA for Noncontributing participants).
Pre-retirement death	
• Eligibility	5 years of vesting service.
• Benefit	Benefit accrued to date of death, calculated as if the participant had retired at the earliest retirement age and elected the 50% contingent annuitant option or, if already eligible for early retirement, elected to retire and had elected the 100% contingent annuitant option on the day before death. The benefit is actuarially reduced with benefit payments to the spouse commencing on the date when the participant would have become eligible for retirement benefits.
Unpredictable contingent event benefits	Not applicable.
Form of benefits	
• Automatic form for unmarried participants	Single life annuity
• Automatic form for married participants	Actuarially equivalent 50% Joint & Survivor Annuity
• Optional forms	50% Joint & Survivor Annuity 66-2/3% Joint & Survivor Annuity 75% Joint & Survivor Annuity 100% Joint & Survivor Annuity 5,10 or 15 year Certain Only 5,10 or 15 year Certain & Life Single life annuity Temporary modified cash refund Social Security leveling options
• Optional form conversion factors	See Actuarial Equivalence section above
Miscellaneous	
• Cost of Living	Automatic cost-of-living adjustments of up to 4.0% are payable on retirement benefits after age 55 for contributing participants.
• Maximum compensation	Compensation for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins. This limit is indexed annually. For 2020, the limit is $285,000.
• Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2020, the limit is $230,000.

Schedule SB, Part V — Summary of Plan Provisions

Summary of major plan provisions – Former Hughes Personal Retirement Account

Definitions	
• Former Singer Employee	An employee with the Singer Company on August 22, 1988 and subsequently hired by Hughes on or before July 1, 1990.
• Participation	Age 21 after completing 1 year of service. Former Singer Employees are eligible on the later of March 31, 1989 or the date of employment with Hughes. As of December 1, 1995, no new employees will be eligible to participate in the Plan.
• Vesting service	Service measured on an elapsed time basis from date of hire with Hughes. For Former Singer employees, all periods of service with the Singer Company, including periods during which required contributions were not made to the Singer Plan and including the period prior to the May 1, 1986 Allen acquisition date.
• Credited service	100% of the service with the Singer Company credited to the employee through August 31, 1988 during the time the employee made required contributions to the Singer Plan. Service measured on an elapsed time basis from the later of September 1, 1988 or date of hire with Hughes
• Pensionable earnings	Regular or base salary or wages (excluding overtime or bonus), including 401(k) salary deferrals. There is a $200,000 limit, indexed each year beginning in 2002 ($275,000 for 2018), on compensation used for benefit accrual purposes.
Estimated Singer Accrued Benefit	The estimated accrued benefit, whether or not fully vested, determined as of August 22, 1988 using the provisions of the Singer Plan payable at age 65 under the normal form of payment.
Account Balance	The notional value assigned to a participant's account based on the participant's initial account balance, pay-based credits (3% of Compensation before age 40 and 4% of Compensation after age 40) and increases based upon the Periodic Adjustment Percentage or Minimum Adjustment Percentage (a factor equal to 1/12th of the applicable annual rate of interest set forth in the plan document). As of November 30, 1995 (Training Systems employees) or June 30, 1996 (other employees), no additional pay credits will be made to a participant’s account, and interest adjustments will be based solely on the Minimum Adjustment Percentage.
Periodic Adjustment Percentage	The three-year average of the yield on one-year treasury constant maturities for October through December, as published in the Wall Street Journal, subject to plan maximums.

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Accrued Benefit	A monthly amount of benefit, payable in the form of a straight life annuity commencing at the participant's Normal Retirement Date (NRD) equal to one-twelfth of the amount determined in accordance with the formula [$(A/F)*(1+M)^n$] where: • A equals the participant's Account Balance; • F equals the Actuarial Factor (GAM-83 mortality and the plan's annuity purchase rate) at the later of the determination date and the participant's NRD; • M equals the Minimum Adjustment Percentage as of the determination date; • N equals the number of months, if any, from the determination date until the participant's NRD. The plan's annuity purchase rate is set each year and equals the yield on 10-year Treasury notes plus 100 basis points.
Normal retirement	
• Eligibility	First of the month coincident with or next following attainment of age 65 with 5 years of vesting service.
• Benefit	The Accrued Benefit payable at Normal Retirement.
Early retirement	
• Eligibility	Age 55 and 5 years of vesting service.
• Benefit	Actuarial equivalent based on the 10-year Treasury rate + 1% and the 1983 Group Annuity Mortality Table.
Late retirement	
• Eligibility	Retirement after Normal Retirement eligibility.
• Benefit	The Accrued Benefit calculated as of late retirement.
Deferred vested	
• Eligibility	5 years of vesting service.
• Benefit	Accrued Benefit payable at age 65 or the actuarial equivalent, as described in the “Early Retirement” section above, of the participant's Account Balance as of the determination date.
Disability	
• Eligibility	First of the month coincident with or next following Total and Permanent Disability provided the employee has at least 15 years of Vesting Service. Total and Permanent Disability means disability as determined by the Social Security Administration.
• Benefit	Accrued Benefit payable at Normal Retirement. Interest and pay-based credits continue to accrue during a participant's Disability Retirement until Normal Retirement, or, if earlier until recovery from disability. Accruals for all employees ceased as of the applicable freeze date, as described under Account Balance.
Pre-retirement death	
• Eligibility	If a vested married participant dies prior to Normal Retirement eligibility, the surviving spouse is entitled to a lifetime benefit as described below.

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• Benefit	The actuarial equivalent of the participant's Account Balance, or if greater, 50% of the amount which would have been payable to the spouse had the participant terminated or retired on the first day of the month in which death occurred, having elected a 50% joint and survivor annuity. Benefits begin immediately if the participant was at least age 55. Otherwise, benefits begin on the first of the month when the participant would have attained the age of 55.
Unpredictable contingent event benefits	Not applicable.
Form of benefits	
• Automatic form for unmarried participants	Single life annuity
• Automatic form for married participants	Actuarially equivalent 50% Joint & Survivor Annuity
• Optional forms	50% Joint & Survivor Annuity 75% Joint & Survivor Annuity 100% Joint & Survivor Annuity Lump Sum Single life annuity
• Optional form conversion factors	See Actuarial Equivalence section above.
Miscellaneous	
• Maximum compensation	Compensation for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins. This limit is indexed annually. For 2020, the limit is $285,000.
• Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2020, the limit is $230,000.

Summary of major plan provisions – Raytheon Subsidiary Retirement Plan

Effective date and plan year	Original plan: December 17, 1997 Restated plan: January 31, 2011 Plan year: January 1
Status of the plan	The plan has ongoing benefit accruals but is closed to new entrants.
Significant events that occurred during the year	None
Normal retirement	
• Eligibility	First of the month coinciding with or next following the attainment of age 65.
• Benefit	1.0% of Compensation during each period of Benefit Accrual Service.
Early retirement	
• Eligibility	Age 55 and 5 years of Vesting Service.

Schedule SB, Part V — Summary of Plan Provisions

• Benefit	Actuarial equivalent of the Normal Retirement Benefit. Actuarial equivalence for this purpose is based on the interest rate used by the PBGC for valuing immediate annuities for the October 1st preceding the plan year including the annuity start date and the 1971 Group Annuity Mortality Table blended 80% males, 20% females.
Late retirement	
• Benefit	Normal Retirement Benefit determined as of actual retirement date.
Deferred vested	
• Eligibility	Termination for reasons other than death or retirement after completing 5 years of Vesting Service
• Benefit	Benefit accrued to date of termination payable at age 65 or the actuarial equivalent, as described in the “Early Retirement” section above, payable for commencement after age 55 and prior to age 65.
Pre-retirement death	
• Eligibility	5 years of Vesting Service.
• Benefit	Benefit accrued to date of death, calculated as if the Participant had retired at the earliest retirement age and elected the 50% contingent annuitant option or, if already eligible for early retirement, elected to retire and had elected the 100% contingent annuitant option on the day before death. The benefit is actuarially reduced with benefit payments to the spouse commencing on the date when the Participant would have become eligible for retirement benefits.
Unpredictable contingent event benefits	Not applicable.
Form of benefits	
• Automatic form for unmarried participants	Single life annuity
• Automatic form for married participants	Actuarially equivalent 50% Joint & Survivor Annuity
• Optional forms	75% Joint & Survivor Annuity 100% Joint & Survivor Annuity 10 or 15 year Certain Only
• Optional form conversion factors	Optional forms are based on actuarial equivalence, i.e., the interest rate used by the PBGC for valuing immediate annuities for the October 1 preceding the plan year including the annuity start date and the 1971 Group Annuity Mortality Table blended 80% males, 20% females.
Miscellaneous	
• Maximum compensation	Compensation for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins. This limit is indexed annually. For 2020, the limit is $285,000.
• Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2020, the limit is $230,000.

Schedule SB, Part V — Summary of Plan Provisions

Summary of major plan provisions – Marine Systems Retirement Plan

Effective date and plan year	February 28, 1997. Amended and restated as of April 30, 2007. Plan year: January 1
Status of the plan	The plan has ongoing benefit accruals but it is closed to new entrants
Significant events that occurred during the year	None
Definitions	
• Account balance	The actuarial equivalent of the participant's accrued benefit on April 1, 1992, plus pay and interest credits. Pay, credits are made monthly based on the following table: **Credited Service** / **Percent of compensation** / **Percent of compensation in Excess of the Social Security Wage Base** 0-4 / 3.5% / 3.5% 5-9 / 4.5% / 4.5% 10-14 / 5.5% / 5.5% 15-19 / 6.5% / 5.5% 20-24 / 7.5% / 5.5% 25+ / 8.5% / 5.5% Interest is credited monthly on the account balance based on the average rate for one year Treasury Bills constant maturities for the 12 months ending September 30.
• Accrued Benefit	Account balance divided by an appropriate factor as described in plan document: 225.0 for increasing life annuity, or an age 65 immediate annuity factor determined using applicable mortality and interest under Code section 417(e) for fixed life annuity.
• Actuarial equivalent	Based on 417(e) applicable interest and mortality. For purposes of determining the actuarial equivalent of the minimum or grandfathered benefits, the actuarial equivalent is determined using the grandfathered early retirement factor (see below) multiplied by an immediate annuity factor. For the minimum benefit, this cannot be less than the deferred annuity factor.

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• Grandfathered early retirement factor	**Rule of 85**: For Participants at least age 55 at termination and the sum of age plus credited service is at least 85, an amount computed as for normal retirement, reduced by the factor derived from the following for the straight life annuity for commencement before age 60: 1- .036 * (60 – Participant's Age) **Age 55 with 10 years of credited service**: For Participants at least age 55 at termination with 10 years of credited service, an amount computed as for normal retirement, reduced by the factor derived from the following for the straight life annuity: 1-.036 * (65 – Participant's Age) **Other early commencement**: An amount computed as of normal retirement, multiplied by the factor derived from the following table for the straight life annuity:

Age at Benefit Commencement	Factor
55	36.53%
56	40.05%
57	43.98%
58	48.38%
59	53.31%
60	58.86%
61	65.13%
62	72.22%
63	80.28%
64	89.48%
65	100%

• Compensation	Total wages for federal income tax reporting, excluding expense reimbursement and fringe benefits.
• Credited service	The elapsed time of employment with the Company.
Normal retirement	
• Eligibility	Age 65 with one year of credited service.
• Benefit	The greater of (1) or (2) below. (1) The accrued benefit available from the participant's account balance (2) Actuarial equivalent of minimum monthly benefit equal to $39 times years of service of credited service. Participants whose age plus service totaled 50 or more on April 1, 1992 are guaranteed to receive at least the actuarial equivalent of their prior plan benefit.

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Early retirement	
• Eligibility	Age 55 with 5 years of credited service.
• Benefit	An amount computed as for normal retirement, reduced by the factor derived from the following for the straight life annuity: 1- .009 * (65 – Participant's Age)
Deferred vested	
• Eligibility	5 years of vesting service.
• Benefit	An amount computed as for normal retirement, reduced by factors described in the plan document.
Pre-retirement death	
• Eligibility	Completion of 5 years of service but not yet receiving retirement benefits.
• Benefit	100% of the value of the participant's account balance.
Unpredictable contingent event benefits	Not applicable.
Form of benefits	
• Automatic form for unmarried participants	The equivalent increasing life annuity
• Automatic form for married participants	The equivalent increasing 50% Joint & Survivor Annuity
• Optional forms	Benefits are optionally available in the following forms: • Life annuity • Increasing life annuity • Social Security level income option • 50% or 100% joint and survivor • Increasing 50% or 100% • Lump sum at 65 • Lump sum at 62 (retirees only) • Annuity with lump sum at 62 (retirees only)
Miscellaneous	
• Maximum compensation	Compensation for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins. This limit is indexed annually. For 2020, the limit is $285,000.
• Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2020, the limit is $230,000.

Benefits Included or Excluded

Unless noted below, all benefits provided by the plan, as restated effective January 16, 2015, are included in this valuation.

- **Most recent plan amendments included:** Not applicable.

Schedule SB, Part V — Summary of Plan Provisions

- **Plan amendments excluded:** None.
- **Late retirement increases:**
  - *Active participants:* Current active participants are assumed to receive a suspension of benefits notice at their normal retirement date. After age 71, they are valued with both continuing accruals and the late retirement actuarial increase.
  - *Deferred vested participants:* Current deferred vested participants over normal retirement age are valued with retroactive payments from age 65.
- **Internal Revenue Code limitations:** The limitations of Internal Revenue Code Section 415(b) and 401(a)(17) have been incorporated into our calculations.
- **IRC Section 416 rules for top-heavy plans:** We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60% of the present value for all participants). However, we expect that the plan is not top-heavy due to the large number of rank-and-file participants; therefore, the funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.

Plan Provisions Specific to Funding

Additional Benefits Included or Excluded

- **IRC Section 436 benefit restrictions:**
  - *Unpredictable contingent event benefits:* N/A
  - *Plan amendments:* See above.
  - *Prohibited payments:* Limitations on prohibited benefits (if any) are reflected for annuity starting dates before the valuation date but are ignored for annuity starting dates on or after the valuation date.
  - *Benefit accruals:* The plan's funding target does not reflect any limitation on benefit accruals. The target normal cost does not reflect any limitation on benefit accruals.
- **Unpredictable contingent event benefits:** The plan does not have any unpredictable contingent event benefits.

Plan Provision Changes Since Prior Valuation

Maximum compensation amounts and maximum benefit amounts under IRS rules were updated from 2019 to 2020.

Schedule SB, line 32 — Schedule of Amortization Bases

The total shortfall amortization charge is the sum of the individual shortfall amortization installment for each plan year covered under PPA. Although an individual shortfall amortization installment can be negative, the combined shortfall amortization charge cannot be less than $0.

Shortfall bases			
Year established	**Outstanding balance**	**Years remaining**	**2020 installment**
2018	78,345,502	5	16,809,093
2019	31,864,152	6	5,861,001
2020	(74,911,974)	7	(12,133,537)
Total	$ 35,297,680		$ 10,536,557

Schedule SB, line 24 — Change in Actuarial Assumptions

Actuarial assumption changes since prior valuation

Funding

- Expense load on the normal cost changed from $22,900,000 to $13,300,000 to reflect expectations of current year administrative expenses.

- The segmented interest rate basis was changed from 3.10% for 5 years, 4.15% for the next 15 years and 4.46% thereafter for 2019; 3.75% for 5 years, 4.25% for the next 15 years and 4.50% thereafter for 2020; 4.25% for 5 years, 4.50% for the next 15 years, 4.75% thereafter for 2021; 4.75% thereafter for 2022 and beyond to 2.09% for 5 years, 3.00% for the next 15 years and 3.61% thereafter for 2020; 2.50% for 5 years, 3.25% for the next 15 years and 3.75% thereafter for 2021; 3.00% for 5 years, 3.50% for the next 15 years, 3.75% thereafter for 2022; 3.50% for 5 years, 3.75% for the next 15 years, 4.00% thereafter for 2023; 4.00% thereafter for 2024 and beyond in order to reflect current and future interest rates.

- The PBGC interest rate basis was changed from 1.25% for plan year 2019, 1.75% for 2020, 2.25% for 2021, and 2.75% thereafter to 0.00% for plan year 2020, 0.75% for 2021, 1.25% for 2022, 1.75% for 2023, and 2.00% thereafter in order to reflect current and future interest rates.

- For conversion to certain only forms of payment, the lump sum mortality was changed from the 2019 static 417(e) mortality table prescribed by the IRS to the 2020 static 417(e) mortality tables for 2020, the 2021 static 417(e) mortality tables for 2021, and the 417(e) mortality table with improvements projected generationally based on MP-2019 for 2022 and beyond.

- The bonus smoothing percentage changed from a 14.3% increase to a 9.2% decrease in order to reflect management’s expectations of future bonus payments.

- The expected return on assets was changed from 7.5% to 7.0% to reflect current capital market assumptions.

- Withdrawal rates, retirement rates, and salary scale were updated based on a 2019 study. See sample rates above.

- The form of payment for current noncontributing vested deferred participants was updated from 100% Single Life to 50% Single Life and 50% 10-year Certain only. The form of payment for current contributing vested deferred participants was updated from 100% 5-year Certain Only to 50% Single Life and 50% 5-year Certain Only. The form of payment assumptions were updated based on a 2019 study.