

2023

Eligibility Summary

Retiree Health Benefits Plan

For participants in the heritage Raytheon Company Pension Plan for Salaried Employees, Exhibit B: E-Systems, Inc. Salaried Employees Retirement Plan



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About this Summary

This document describes eligibility requirements for your Company-sponsored pension plan (if applicable) and other retiree benefits (as applicable). It provides details about Company contributions toward the cost of retiree medical coverage, if any, as well as any rules regarding the timeframe to enroll and/or re-enroll in your retiree benefits.

For details on the benefits available to you, see your 2023 Retiree Benefits Summary Plan Description (SPD) available on **Your Gateway**.

Are You At Least Age 65 And on Severance?

If you are at least age 65 and participate in a Company-sponsored severance plan that maintains your eligibility to participate in a Company-sponsored medical plan that is available to active employees, **you may postpone enrolling in Medicare Part A, B or D until you retire, without penalties, as long as you enroll within eight months of your last day worked (not the last day of your severance coverage) or the date you lose coverage under the active employee medical plan, whichever occurs first.** This eight-month rule also applies if you are covered by your spouse's employer's plan as well as to your spouse when he or she turns 65 if you cover your spouse under a Company-sponsored medical plan.

Raytheon Technologies Retirement Benefits Support Contact Information

Retirement Hub on **Your Gateway**: www.yourtotalrewards.com/rtx

Benefits Center (via Access Direct): **1-800-243-8135** (Representatives are available 8:00 a.m. to 8:00 p.m. ET, Monday through Friday, excluding holidays.)

Note

This document describes benefits eligibility and other information that applies specifically to participants in the heritage Raytheon Company Pension Plan for Salaried Employees, Exhibit B: E-Systems, Inc. Salaried Employees Retirement Plan. For a description of how retiree benefits work, see the applicable Summary Plan Description (SPD).

If there are any discrepancies between the information in this document, the SPD and/or the official Plan documents, the official Plan documents govern.

General Pension Eligibility

Generally, eligible employees who are vested (meaning they have five years of Company service) in the heritage Raytheon Company Pension Plan for Salaried Employees, Exhibit B: E-Systems, Inc. Salaried Employees Retirement Plan are eligible for Company-provided retirement benefits as soon as age 55 on a reduced basis or at 65 on an unreduced basis.

For detailed information about pension eligibility and the available forms of pension benefits, see the SPD that describes your pension plan.

Eligibility for Retiree Medical Coverage, Dental Coverage And the Defined Dollar Benefit (DDB) Plan

You are generally eligible for retiree medical coverage, dental coverage and the Defined Dollar Benefit (DDB) plan as long as you:

- Retired on or after January 1, 1991, *and*
- Are employed in a pension-eligible position on your last day paid, *and*
- Are at least age 55 with 10 years of service at the time of termination, *or*
- Are at least age 65 with five years of service at the time of termination, *and*
- Commence your retiree medical and/or dental coverage at the same time as you commence your pension.

Note

If you are eligible for retiree benefits, coverage is available only to those dependents who are eligible for coverage when you retire. You cannot add dependents to your medical or dental coverage after your retirement date.

Also, if you participate only in Raytheon Technologies-sponsored retiree dental coverage, please disregard any information in this document that does not apply to you.

Note that if you terminate employment with a deferred vested pension without having satisfied the eligibility requirements for retiree medical coverage, dental coverage or the DDB plan, and you do not subsequently satisfy these requirements in accordance with applicable layoff provisions, you will not be eligible for such coverage when your pension commences.

If you delay the start of your pension, you may enroll for COBRA coverage for the time between when your employment ends and when you commence your pension. **Regardless of when you begin your pension, if you do not elect for your retiree medical and/or dental coverage to start when your pension begins, you will not be eligible for retiree medical and/or dental coverage.**

Note that the cost of retiree medical and dental coverage and the level of benefits are subject to change at any time.

Important Notes

- If you and/or your dependents opt out of retiree medical and/or dental coverage entirely, the person(s) opting out may not rejoin either plan at a later date. If you drop coverage for yourself, coverage will be dropped for all dependents and may not be reinstated at a later date. If you drop coverage for a dependent, you may not reinstate coverage for that dependent later.
- If you retire and return to active employment, or if your spouse or an eligible dependent is an active Raytheon Technologies employee, be sure to review your SPD for important information.

About the Defined Dollar Benefit (DDB) Plan

The Defined Dollar Benefit (DDB) Plan is for eligible employees who terminate employment and retire on or after January 1, 1991, under the Normal, Optional Early, Early, Late or Disability provisions of the heritage Raytheon Company Pension Plan for Salaried Employees, Exhibit B: E-Systems, Inc. Salaried Employees Retirement Plan.

If eligible, at retirement, you receive a one-time DDB credit that can be used for medical and/or dental premiums or certain other eligible medical and/or dental expenses. The amount of the credit is based on your:

- Length of benefit service in the heritage Raytheon Company Pension Plan for Salaried Employees, Exhibit B: E-Systems, Inc. Salaried Employees Retirement Plan, and
- Marital status at the time of retirement. If, at the time of retirement, you are:
 - Single, the credit formula is: **\$1,145 x your years of benefit service**,
 - Married, the credit formula is: **\$2,290 x your years of benefit service**.

For example, if you retire at age 62 after 12 years of benefit service, and you are married when you retire, your DDB credit would be calculated as follows: **\$2,290 x 12 = \$27,480**.

Once your total DDB credit is determined, it is converted to the annuity option you elect (single, single level, joint and survivor, or joint and survivor level) based on your and, if applicable, your spouse's current age using the 1971 Group Annuity Table projected by Scale D to 1975 and an interest rate of 7%. The annuity is then converted to a monthly amount, which is credited to your account. Note that if you elect the single or joint and survivor annuity option (not one of the "level" options), you will receive a higher monthly credit in the months prior to you and/or your spouse becoming Medicare-eligible, a beneficial feature since the medical plans available to retirees who are not yet Medicare eligible are more expensive than those available to retirees who are Medicare eligible.

Note

If you are rehired prior to commencing your pension and simultaneously your retiree medical and/or dental coverage, you lose your eligibility for heritage Raytheon Company retiree medical and dental coverage, including the DDB. If you are considering a return to Raytheon Technologies employment, call the Raytheon Technologies Benefits Center at **1-800-243-8135** to learn more about the effects of Raytheon Technologies re-employment on your eligibility for retiree medical and/or dental benefits, including the DDB.

Again, the DDB credit is used to pay for Raytheon Technologies retiree medical and/or dental premiums if you elect coverage. Under certain circumstances, if you do not elect Raytheon Technologies retiree medical and/or dental coverage when your pension commences, or if there is money remaining in your account after paying for Raytheon Technologies retiree medical and/or dental coverage, you may be able to use the DDB credit to pay for qualified health care expenses that are not reimbursable by any other plan, including Medicare, for you and your eligible dependents, whether or not they are covered by your retiree medical and/or dental plan. See below for exceptions and call the Raytheon Technologies Benefits Center at **1-800-243-8135** for guidance regarding your situation.

Important Note

If you are married and elect either the single or the single level annuity option, your DDB credit may only be used for your qualified health care expenses, not those of your spouse or eligible dependent child(ren). (In the event of your death, your spouse (but not any remaining child(ren)) may use any remaining DDB credit for his/her qualified health care expenses.)

In addition, because the DDB credit is calculated on the basis of your marital status, if you are married and elect either the joint and survivor or the joint and survivor level annuity option and later divorce, your monthly DDB credit will be reduced to reflect the corresponding single annuity option, effective on the first of the month following the divorce. If applicable, any remaining DDB credit may only be used for qualified health care expenses for yourself and any eligible dependent child(ren), not for those of your former spouse.

Making Changes to Your Retiree Medical and Dental Coverage

Your ability to make changes to your retiree medical coverage depends on your Medicare status. **In terms of retiree medical and/or dental coverage, in all cases, if at any time you drop coverage for yourself, it will be dropped for you and all dependents and it may not be reinstated at a later date. If you drop coverage for a dependent, you may not reinstate coverage for that dependent at a later date.**

In addition, note that if you die, your eligible dependents can continue coverage as long as they were enrolled in Raytheon Technologies-sponsored coverage at the time of your death and they continue to meet the definition of an eligible dependent but for your death.

If you are not enrolled in Medicare

You may change your medical plan election and that of your eligible dependents only during the retiree open enrollment period, held each fall. Any changes you make during open enrollment go into effect on the following January 1.

The only exception is if there is a change in your primary residence. Should you, either at the time of retirement or later, change your primary residence to a ZIP code where your retiree plan is not available, you become eligible for a plan that is available in your new ZIP code, effective when you move to your new residence. To make this change, you must log on to **Your Gateway** (www.yourtotalrewards.com/rtx) or call the Raytheon Technologies Benefits Center at **1-800-243-8135**.

If you are enrolled in Medicare

You may change your medical plan election (such as from a Raytheon Technologies-sponsored Medicare Advantage plan (available only in California) to the Raytheon Technologies Medicare Plus Plan) at any

time. Any changes you make go into effect on the first of the month following the date you make the change. Any changes you make during open enrollment go into effect on the following January 1.

Note

If you change your primary residence, you'll need to update your address on file with the Raytheon Technologies Benefits Center at www.yourtotalrewards.com/rtx or call **1-800-243-8135**.

Eligibility for a Lump-Sum Death Benefit

If you die after retiring under the Normal, Optional Early, Early, Late or Disability provisions of the pension plan on or after January 1, 1995, a \$10,000 lump-sum death benefit is payable. The death benefit is not paid from pension plan assets.

For more information, refer to the *Retiree Life Insurance* section of the 2023 Retiree Benefits SPD.

Converting Or Porting Your Active Employee Life Insurance

While your participation in the life insurance plan for active employees ends when you retire, you are eligible for the active plan's conversion and portability features. These features allow you to purchase life insurance coverage for yourself and eligible dependents, if applicable, in any amount up to the total amount you carried prior to retirement.

Information on how to convert or port your active employee life insurance will be mailed to you after you retire.

A Note About Forcepoint

Because Forcepoint does not offer retiree health and welfare benefits, if you transfer to a position at Forcepoint, you lose your eligibility for the Raytheon Technologies-sponsored retiree health and welfare benefits described in this summary, as well as any applicable Company contribution(s) toward their cost.

The only way to resume eligibility is to transfer back to Raytheon Technologies and subsequently retire from a pension-eligible position at Raytheon Technologies. In this case, the plan's eligibility requirements continue to apply.

Questions? Call the Raytheon Technologies Benefits Center **1-800-243-8135**.

A Note About COBRA

At the time of retirement, you have the option of continuing your active employee medical, vision and/or dental coverage under the terms of the *Consolidated Omnibus Budget Reconciliation Act of 1985* (COBRA) for up to 18 months by paying the current COBRA rates (the full active employee group cost plus a 2% administrative fee). In some cases, the COBRA rate may be lower than the rate you pay for retiree coverage. For current rates, call the Raytheon Technologies Benefits Center **1-800-243-8135**.

You have 60 days from your last day worked to elect COBRA coverage. Your spouse and any other dependents that were covered under your active employee plan on your last day paid are also eligible for this continued coverage.

Please note that Raytheon Technologies' COBRA plans pay benefits secondary to Medicare. For more information about COBRA, including important considerations as you evaluate your medical coverage options, see the applicable *Your Retirement Guide*.

Note

While Raytheon Technologies is required to offer COBRA coverage, remember that if you do not elect for Raytheon Technologies retiree medical and/or dental coverage to commence at the same time as your pension, you lose eligibility for retiree medical and/or dental coverage; coverage cannot be reinstated.

Retirement While on Severance

If you are receiving severance benefits, you may elect to retire at any time during your severance period. While on severance, you continue to be eligible to participate in the benefit plans available to active employees as described in the *2023 Health & Insurance SPD* for active employees. At the end of the severance period, you may enroll in retiree benefits, COBRA (see *A Note About COBRA* above) or defer the start of your retiree coverage (as long as you also defer the start of your pension) to a later date.

Note: If your retirement commencement date is prior to the end of the severance period, retiree benefits begin the day after severance benefits end. If the end of the severance period is anything other than the last day of a given month, you may need to elect COBRA coverage to fill the gap through the end of that month.

A Note About Social Security Disability Insurance (SSDI) Benefits

If you are under age 65 and are enrolled in Medicare or are considering enrolling in Medicare for yourself or your spouse because of eligibility for SSDI benefits, Raytheon Technologies plan rules require that you enroll in the Raytheon Technologies Medicare Plus Plan or a Raytheon Technologies-sponsored Medicare Advantage plan, if applicable.

Benefits for employees represented by a bargaining unit will be in accordance with their collective bargaining agreement.