

Statutory report on Corporate Governance
According to section 107b of The Danish Financial Statements Act

Corporate Governance

Financial Year: 1 October 2023 - 30 September 2024

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This annual corporate governance report for RTX A/S forms part of the Management Review set out in the Annual Report for 2023/24 and covers the financial period 1 October 2023 to 30 September 2024. The report includes:

- A description of the company's governance structure;
- An introduction to the main elements of the internal control and risk management systems of RTX relating to financial reporting; and
- The statutory review, cf. section 107b of the Danish Financial Statements Act, of the company's approach to the 'Recommendations on corporate governance from the Committee on Corporate Governance in Denmark' from December 2020, implemented by Nasdaq Copenhagen A/S in its "Nordic Main Market Rulebook for Issuers of Shares".

The 2023/24 RTX reporting suite

Sustainability Report



Annual Report



Remuneration Report



Introduction to Corporate Governance at RTX

Through its governance model, RTX aims to ensure an active, transparent and accountable management of the Group. This statutory report is made cf. section 107b of the Danish Financial Statements Act and covers the financial year 2023/24 (1 October 2023 to 30 September 2024).

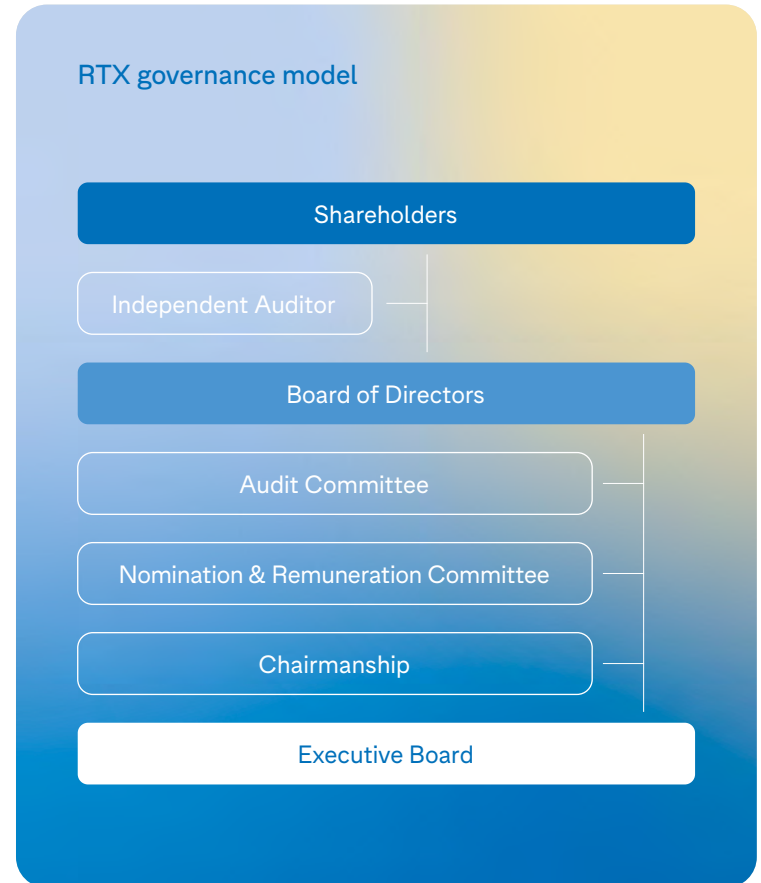
RTX governance model

RTX's corporate governance framework is based on a two-tier system in which the Board of Directors and Group Executive Management together form the governing body of RTX but have two distinct roles.

The Board of Directors appoints and controls the Executive Board and Group Executive Management and defines the overall strategy and objectives in close collaboration with Group Executive Management. The Executive Board and Group Executive Management are responsible for the operational and tactical management of the company, for ensuring progress on the outlined strategic direction, for daily risk management and for ensuring compliance with relevant legislation and procedures as well as for submitting reports on performance, strategy and budget suggestions etc. to the Board of Directors. At present, the Executive

Board consists of two members and Group Executive Management consists of six members (including the Executive Board).

The ultimate authority over the Company rests with the Shareholders at the annual general meeting. Rules and deadlines applying to annual general meetings are stipulated in the Articles of Association of RTX, which are available at www.rtx.dk. As mandatory items at the annual general meetings, shareholders review and approve the financial report for the year, from time to time approve the remuneration policy, elect the board members as well as the independent auditors, based on recommendations from the Board of Directors. Further, in case of any potential changes to the Articles of Association, the annual general meeting will act as the supreme body of authority.



Board of Directors

The Board of Directors consists of four to six shareholder-elected members, selected annually at the general meeting, and two to three employee representatives, elected every four years as per the Danish Companies Act. Shareholder-elected members serve one-year terms and may be re-elected. The Chair, Deputy Chair, and the Board regularly review the board's size and composition to ensure a diverse range of skills in management, sales, technology, R&D, and finance, suited to RTX's industries.

At the annual general meeting on 25 January 2024, Katja Millard and Mogens Vedel Hestbæk joined the Board, while Ellen Andersen stepped down on 13 January 2024. Pursuant to the Danish Companies Act, three additional board members are elected by the employees for a term of four years with the latest election held in January 2023. The employee representatives serving on the Board hold the same rights and obligations as the shareholder-elected members.

The Board's composition was confirmed appropriate through an externally-assisted self-evaluation in autumn 2024, followed by internal assessments, yielding no significant issues.

The Board convenes at least four times annually, and extraordinary board meetings are held according to need. In 2023/24, six ordinary board meetings and six extraordinary meetings were held. The attendance on the meeting was 98%. One of the board meetings is the annual strategy seminar where the Board of

Directors in-depth discusses and approves strategic direction and actions both for RTX's target market segments and for the enabling of functional areas within RTX based on presentations by Group Executive Management.

Board committees

The Audit Committee of RTX operates according to its terms of reference approved by the Board of Directors and refers to the Board of Directors. Four Audit Committee meetings are held per year and the committee consists of three members. The main tasks of the Audit Committee are to supervise financial reporting, accounting policies and estimates, internal controls, risk management, overseeing any whistleblower reports, external audit and to recommend to the Board of Directors the approval of financial statements and the appointment of external auditors. During the year, the Audit Committee additionally focused specifically on Sustainability reporting, IT and cyber security and risks, updated policies, election and establishing of a good cooperation with the new auditors KMPG, who were elected at the Annual General Meeting on 25 January 2024. Prior to the Annual General Meeting on 25 January 2024, the Audit Committee was composed by Peter Thostrup, Jesper Mailind, Henrik Schimmell (Chair). At the Annual General Meeting on 25 January 2024, the Audit Committee consists of Mogens Vedel Hestbæk (Chair), Peter Thostrup and Henrik Schimmell.

The Nomination & Remuneration Committee refers to the Board of Directors. Until the Annual General

Board of Directors 2023/24 focus areas

Business and Strategy

- Review, discuss and approve the Company's strategy plans
- Monitor and discuss market developments
- Supplier footprint and optimization
- Monitor macroeconomic impact (e.g. inflation)
- Financial performance, reporting and budgets
- Capital structure and distributions to shareholders

Governance

- Risk management and internal controls
- Selection of and dialogue with external auditor
- Evaluating work in the Executive Board and in the Group Executive Management
- Onboarding new board members
- Executive remuneration and incentive programs
- Review, discuss and approve governance policies

Meeting on 25 January 2024, the Nomination and Remuneration Committee consisted of two members. Peter Thostrup and Jesper Mailind, and after 25 January 2024 of three members, Peter Thostrup, Jesper Mailind and Henrik Schimmell. The main tasks of the committee include succession planning at the Board of Directors and Group Executive Management levels, suggesting appropriate management remuneration and incentive programs and planning the evaluation process of the Board of Directors.

Executive Management

The Executive Board and Group Executive Management are responsible for the operational and tactical management of the company, for ensuring progress on the outlined strategic direction, for daily risk management and for ensuring compliance with relevant legislation and procedures as well as for submitting reports on performance, strategy and budget suggestions etc. to the Board of Directors.

At present, the Executive Board consists of two members (CEO and CFO) and Group Executive Management consists of six members. During 2023/24, CEO Peter Røpke informed that he will leave his position as CEO after 8 years, but will continue to work as CEO until 30 November 2024. During 2023/24, the Group Executive Management saw a replacement in the COO position. The Group Executive Management team is comprised of the CEO, CFO, CCO, CTO, COO, and VP of R&D.

Internal controls

RTX has established internal control and risk management systems to eliminate, mitigate or substantially reduce the risk of significant errors or omissions in the presentation of the financial accounts and to ensure that the internal and external financial reporting gives a true and fair view without significant misinformation. On an ongoing basis, the Audit Committee and Group Executive Management consider major risks and internal controls in connection with the Group's activities and their impact on the accounting and financial reporting processes.

On behalf of the Board of Directors, the Audit Committee monitors the presentation of accounts and annual financial statements as well as the sufficiency and efficiency of the internal controls including financial reporting standards, accounting principles and significant accounting estimates on an ongoing basis.

The internal controls at RTX primarily consist of an organization with clearly defined roles supporting an efficient and relevant allocation of responsibilities, from an internal control perspective, and secondly of specific control activities intended to identify and reduce the risk for errors in the accounting. The control activities are based on an estimation of risk and significance. Control activities include, for example, manual and physical checks and reconciliation, automated checks and reconciliation and general IT checks. Further, monthly business reviews and controlling meetings are held.

At least once a year, the Board of Directors considers whether the internal control systems are adequate. The internal control systems are discussed with the independent external auditors at an audit committee meeting prior to the preparation of the annual report. Based on the external auditors' audit report, the Board of Directors and the auditors discuss the outcome of the audit, material accounting policies used, material accounting estimates and the appropriateness internal controls.

The Audit Committee has, on behalf of the Board of Directors, assessed the need for a dedicated internal audit function and has concluded that this is not required considering the scope, complexity and resources of the Company in combination with the existing control processes and activities of the Company.

As part of the control and risk management systems, RTX has established a whistleblower reporting function for confidential notification of possible suspected wrongdoing. During 2023/24, there have been no incidents reported to RTX's whistleblower system.



"The Board of Directors remains dedicated to ensuring the compliant, responsible, and transparent management of RTX. In 2023/24, we took important steps to strengthen our governance by electing new auditors, appointing a new chair of the audit committee, and welcoming two new board members."

Peter Thostrup,
Chair of the Board

Recommendations on Corporate Governance

As a listed company, RTX A/S reports on its corporate governance pursuant to section 107b of the Danish Financial Statements Act and the “Nordic Main Market Rulebook for Issuers of Shares” of Nasdaq Copenhagen, Nasdaq Helsinki, Nasdaq Iceland, Nasdaq Stockholm (1 October 2021). Listed companies must, based on the “comply or explain” principle, state their position to the Danish Recommendations on Corporate Governance issued by the Danish Committee on Corporate Governance.



The recommendations applicable for the reporting period (financial year 2023/24) for RTX were issued on 2 December 2020 by the Danish Committee on Corporate Governance. The recommendations are available on the website of the committee at corporategovernance.dk.

RTX is compliant with all of the 40 recommendations in 2023/24 as further described in the following.

Statutory report on Corporate Governance 2023/24

RTX complies with the recommendations	40
RTX does not comply with the recommendations	0

Compliance explanations

-  RTX complies with the recommendations
-  RTX does not comply with the recommendations

1. Interaction with the Company's Shareholders, Investors and other Stakeholders

Recommendation

Compliance The company complies

The company explains

1.1. Communication with the company's shareholders, investors and other stakeholders

1.1.1. The Committee **recommends** that the management through ongoing dialogue and interaction ensures that shareholders, investors and other stakeholders gain the relevant insight into the company's affairs, and that the board of directors obtains the possibility of hearing and including their views in its work.



RTX continuously conducts an open and active dialogue with current and potential shareholders, analysts as well as other interested parties about the Company's business development and financial position.

n/a

Annual general meeting:

RTX invites investors to express their opinions at the annual general meeting either by addressing questions beforehand or by asking questions at the assembly as well as by voting.

Financial reporting:

Upon announcement of the quarterly and annual financial results, RTX's Executive Board presents the results and main events from the previous quarter. At these presentations it is possible for investors and analysts to ask questions directly to the Executive Board.

Investor presentations:





RTX also participates in periodic investor presentations where RTX and the RTX share is introduced and detailed to existing and prospective investors. At such presentations it is also possible for investors and analysts to ask questions directly to the Executive Board. Further the Chair and Deputy Chair of the Board of Directors also hold annual meetings with large shareholders to hear directly from shareholders.

Company announcements:

All company announcements are in English and Danish and are reported to Nasdaq Copenhagen and made available on www.rtx.dk.

RTX website:



At RTX's website, interested analysts and investors can access financial reports, company announcements, investor presentations, various governance and CSR/ESG information and documentation, as well as contact details for investor relations contacts.

Recommendation	Compliance	The company complies	The company explains
1.1.2. The Committee recommends that the company adopts policies on the company's relationships with its shareholders, investors and if relevant other stakeholders in order to ensure that the various interests are included in the company's considerations and that such policies are made available on the company's website.		RTX strives to maintain good relations to the Company's key stakeholders, as this is considered very important to the Company. The Company's IR policy is published on www.rtx.dk	n/a
1.1.3. The Committee recommends that the company publishes quarterly reports.		RTX publishes quarterly financial results at www.rtx.dk and reports these to Nasdaq Copenhagen.	n/a
1.2. The general meeting			
1.2.1. The Committee recommends that the board of directors organizes the company's general meeting in a manner that allows shareholders, who are unable to attend the meeting in person or are represented by proxy at the general meeting, to vote and raise questions to the management prior to or at the general meeting. The Committee recommends that the board of directors ensures that shareholders can observe the general meeting via webcast or other digital transmission.		The date of the annual general meeting is announced with the financial calendar for the financial year. The date of the next annual general meeting is published on www.rtx.dk prior to the start of the financial year. The notice to convene the annual general meeting explains how shareholders can ask questions prior to or at the general meeting. If unable to attend, shareholders can vote in advance by mail or via proxies as per 1.2.2 below. The general meeting has for the last two years been live streamed as a webcast.	n/a
1.2.2. The Committee recommends that proxies or postal votes to be used at the general meeting enable the shareholders to consider each individual item on the agenda.		It is possible for shareholders to vote by proxy or by mail at general meetings of RTX. Proxies to the Board of Directors are given for one general meeting at a time. The shareholder will have the possibility to take a position on each item on the agenda on the proxies and the postal voting employed by RTX.	n/a

Recommendation	Compliance	The company complies	The company explains
1.3. Takeover bids			
1.3.1. The Committee recommends that the company has a procedure in place in the event of takeover bids, containing a “road map” covering matters for the board of directors to consider in the event of a takeover bid, or if the board of directors obtains reasonable grounds to suspect that a takeover bid may be submitted. In addition, it is recommended that it appears from the procedure that the board of directors abstains from countering any takeover bids by taking actions that seek to prevent the shareholders from deciding on the takeover bid, without the approval of the general meeting.	+	The Board of Directors and management concur with the recommendation and the steps included in the recommendation are part of the handling of any takeover bids.	n/a
1.4. Corporate social responsibility			
1.4.1. The Committee recommends that the board of directors adopts a policy for the company’s corporate social responsibility, including social responsibility and sustainability, and that the policy is available in the management commentary and/or on the company’s website. The Committee recommends that the board of directors ensures compliance with the policy.	+	<p>For many years, the Board of Directors and Group Executive Management have been aware of the importance of the Company’s relations to its stakeholders and of managing these. In the sustainability report the CSR priorities, focus areas and initiatives are described.</p> <p>In 2024, RTX has established a Double Materiality Assessment with assistance from an external company, in order to ensure a sustainability focus, which covers all the main aspects of future sustainability reporting requirements for RTX (CSRD reporting requirement for the financial year 2025/26).</p> <p>The company has defined policies for its staff including social responsibility issues within human rights, labor policies and diversity.</p> <p>In 2013/14, RTX adopted the UN’s Global Compact and thus publishes a Sustainability Report which describes the “Communication of Progress” (CoP). The Sustainability report is published annually and is available at www.rtx.dk.</p> <p>CSR and ESG compliance is ultimately monitored by Group Executive Management and the Board of Directors and the Board of Directors has ensured that CSR and ESG considerations are a part of executive remuneration by being part of the performance evaluation behind the Group’s share-based remuneration programs.</p>	n/a
1.4.2. The Committee recommends that the board of directors adopts a tax policy to be made available on the company’s website.	+	<p>The Board of Directors has approved and adopted a tax policy which is available at www.rtx.dk.</p> <p>The tax policy was adopted in 2021/22, and has been reviewed and re-approved during 2023/24 with no changes.</p>	n/a

2. The Duties and Responsibilities of the Board of Directors

Recommendation	Compliance	The company explains	
2.1. Overall tasks and responsibilities			
2.1.1. The Committee recommends that the board of directors in support of the company's statutory objects according to its articles of association and the long-term value creation considers the company's purpose and ensures and promotes a good culture and sound values in the company. The company should provide an account thereof in the management commentary and/or on the company's website.	+	RTX has defined our purpose as: "Helping people perform at their best". This is supported by a mission and values. The purpose was defined in 2020/21 and continues to be at the core of RTX, guiding both strategic and operational decisions as an integrated part of RTX.	n/a
2.1.2. The Committee recommends that the board of directors at least once a year discusses and on a regular basis follows up on the company's overall strategic targets in order to ensure the value creation in the company.	+	An annual strategy seminar is held with the Board of Directors and Group Executive Management to discuss and adjust the overall strategic direction in relation to market developments in order to secure the continued basis for long-term value creation. At all regular Board Meetings, the progress on the strategic direction and initiatives are discussed.	n/a
2.1.3. The Committee recommends that the board of directors on a continuously basis takes steps to examine whether the company's share and capital structure supports the strategy and the long-term value creation in the interest of the company as well as the shareholders. The Committee recommends that the company gives an account thereof in the management commentary.	+	On an ongoing basis, the Board of Directors considers if the capital and share structure supports the Company's strategic direction and long-term value creation. Such considerations are reflected and presented in the "Capital Structure and Allocation" section in the annual report. In this section RTX's "Policy on Capital Structure and Distributions to Shareholders" approved by the Board of Directors is also communicated.	n/a
2.1.4. The Committee recommends that the board of directors prepares and on an annual basis reviews guidelines for the executive management, including requirements in respect of the reporting to the board of directors.	+	At least once a year the Chairmanship evaluates the Instructions for the Executive Board. These Instructions include among other issues the requirements to reporting and communication by the Executive Board to the Board of Directors.	n/a
2.2. Members of the board of directors			
2.2.1. The Committee recommends that the board of directors, in addition to a chairperson, appoints a vice chairperson, who can step in if the chairperson is absent and who can generally act as the chairperson's close sparring partner.	+	The Board of Directors has elected a Deputy Chair (Vice Chair). The rules of procedure include an overall description of the tasks, duties and responsibilities of the Chair and Deputy Chair. Together the Chair and the Deputy Chair form a Chairpersonship which interacts regularly with the Executive Board.	n/a

Recommendation	Compliance	The company complies	The company explains
2.2.2. The Committee recommends recommends that the chairperson in cooperation with the individual members of the board of directors ensures that the members up-date and supplement their knowledge of relevant matters, and that the members' special knowledge and qualifications are applied in the best possible manner.		The Chair has an ongoing dialogue with Board Members regarding their know-how and how their specific knowledge and experience is best applied in the context of RTX. Board Members with specific knowledge in e.g. market segments or functional areas apply this by acting as a sparing partner for Executive Board on select topics within such areas.	n/a
2.2.3. The Committee recommends that if the board of directors, in exceptional cases, requests a member of the board of directors to take on special duties for the company, for instance, for a short period to take part in the daily management of the company, the board of directors should approve this in order to ensure that the board of directors maintains its independent overall management and control function. It is recommended that the company publishes any decision on allowing a member of the board of directors to take part in the daily management, including the expected duration thereof.		The Board of Directors' opinion is in accordance with the recommendation. The issue has not been relevant during 2023/24.	n/a

3. The Composition, Organization and Evaluation of the Board of Directors

Recommendation	Compliance	The company explains
3.1. Composition		
<p>3.1.1. The Committee recommends that the board of directors on an annual basis reviews and in the management commentary and/or on the company's website states</p> <ul style="list-style-type: none"> • which qualifications the board of directors should possess, collectively and individually, in order to perform its duties in the best possible manner, and • the composition of and diversity on the board of directors. 	+	<p>In the annual report RTX has listed the composition of the Board of Directors and the Executive Board including the directorships and competencies of each member of the Board of Directors as well as age and gender. In the Sustainability Report, published on our website and linked to in the annual report, the diversity of the Board of Directors is further described.</p> <p>n/a</p>
<p>3.1.2. The Committee recommends that the board of directors on an annual basis discusses the company's activities in order to ensure relevant diversity at the different management levels of the company and adopts a diversity policy, which is included in the management commentary and/or available on the company's website.</p>	+	<p>RTX's staff policy includes a purpose to attract and retain highly qualified and motivated employees. In relation to employment and recruitment, RTX strives to have a reasonable split between male and female candidates, even though the Company operates in an industry with primarily male candidates. The proportion of female managers at RTX reflects the overall female representation among employees. However, RTX recognizes that the current percentage of women in our engineering workforce may be insufficient to support a strong pipeline of future female candidates for leadership roles in this area. Therefore, RTX actively encourages qualified women to apply for open positions as they become available. Additionally, the company strives to promote diversity in terms of both nationality and age, as we believe that a diverse workforce leads to the best organizational outcomes.</p> <p>RTX's policy and objectives for diversity is further explained in its annual Sustainability Report.</p> <p>n/a</p>
<p>3.1.3. The Committee recommends that candidates for the board of directors are recruited based on a thorough process approved by the board of directors. The Committee recommends that in assessing candidates for the board of directors – in addition to individual competencies and qualifications – the need for continuity, renewal and diversity is also considered.</p>	+	<p>On an ongoing basis, and advised by the Nomination and Remuneration Committee, the Board of Directors discusses required competencies and acts upon the assessment. Jointly, the Board of Directors must have competencies within the main areas of international management including knowledge of managing technological companies with R&D activities, business-to-business sales, management of listed companies as well as accounting and finance.</p> <p>In relation to the election of board members at the annual general meeting each candidate's competence profile is presented including international experience, age and gender.</p> <p>n/a</p>

Recommendation	Compliance	The company complies	The company explains
<p>3.1.4. The Committee recommends that the notice convening general meetings, where election of members to the board of directors is on the agenda - in addition to the statutory items - also includes a description of the proposed candidates':</p> <ul style="list-style-type: none"> • qualifications, • other managerial duties in commercial undertakings, including board committees, • demanding organisational assignments and • independence. 	+	<p>The Board of Directors describes the candidates' qualifications, other executive functions and independence in the notice to the annual general meeting.</p>	n/a
<p>3.1.5. The Committee recommends that members to the board of directors elected by the general meeting stand for election every year at the annual general meeting, and that the members are nominated and elected individually.</p>	+	<p>In accordance with the Articles of Association (item 11.3) of RTX, members of the Board of Directors are nominated and elected individually at the annual general meeting for one year at a time. According to the Danish Companies Act, employee representatives are elected for a 4 year period.</p>	n/a

Recommendation

Compliance The company complies

The company explains

3.2. The board of directors' independence

3.2.1. The Committee **recommends** that at least half of the members of the board of directors elected in general meeting are independent in order for the board of directors to be able to act independently avoiding conflicts of interests.



At present, all members, but one, of the Board of Directors elected by the annual general meeting are considered independent. Peter Thostrup is not considered independent having been a member of the board of directors for 15 years.

n/a

In order to be independent, the member in question may not:

- be or within the past five years have been a member of the executive management or an executive employee in the company, a subsidiary or a group company,
- within the past five years have received large emoluments from the company/ group, a subsidiary or a group company in another capacity than as member of the board of directors,
- represent or be associated with a controlling shareholder,
- within the past year have had a business relationship (e.g. personally or indirectly as a partner or an employee, shareholder, customer, supplier or member of a governing body in companies with similar relations) with the company, a subsidiary or a group company, which is significant for the company and/or the business relationship,
- be or within the past three years have been employed with or a partner in the same company as the company's auditor elected in general meeting,
- be a CEO in a company with cross-memberships in the company's management,
- have been a member of the board of directors for more than twelve years, or
- be closely related to persons, who are not independent, cf. the above-stated criteria.



Even if a member of the board of directors is not covered by the above criteria, certain conditions may exist that will lead the board of directors to decide that one or more members cannot be regarded as independent.

3.2.2. The Committee **recommends** that members of the executive management are not members of the board of directors and that members retiring from the executive management do not join the board of directors immediately thereafter.



The Board of Directors' opinion is in accordance with the recommendation should the situation occur. The issue has not been relevant in the financial year.

n/a

Recommendation	Compliance	The company complies	The company explains
3.3. Members of the board of directors and the number of other managerial duties			
3.3.1. The Committee recommends that the board of directors and each of the members on the board of directors, in connection with the annual evaluation, cf. recommendation 3.5.1., assesses how much time is required to perform the board duties. The aim is for the individual member of the board of directors not to take on more managerial duties than the board member in question is able to perform in a satisfactory manner.		The Board of Directors is of the belief that each RTX board member is able to estimate his/her own time, so the necessary time for work of high quality in the board is allocated to RTX. This is also assessed in the evaluation procedure of the Board of Directors (cf. section 3.5). RTX also believes that this assessment is evident from the list of other directorships of each of the board members as presented in the annual report.	n/a
3.3.2. The Committee recommends that the management commentary, in addition to the statutory requirements, contains the following information on the individual members of the board of directors: <ul style="list-style-type: none"> • position, age and gender, • competencies and qualifications relevant to the company, • independence, • year of joining the board of directors, • year of expiry of the current election period, • participation in meetings of the board of directors and committee meetings, • managerial duties in other commercial undertakings, including board committees, and demanding organisational assignments, and • the number of shares, options, warrants, etc. that the member holds in the company and its group companies and any changes in such holdings during the financial year. 		The information is contained across the annual report and the remuneration report for all members of the Board of Directors.	n/a

Recommendation

Compliance The company complies

The company explains

3.4. Board committees

3.4.1. The Committee **recommends** that the management describes in the management commentary:

- the board committees' most significant activities and number of meetings in the past year, and
- the members on the individual board committees, including the chairperson and the independence of the members of the committee in question.

In addition, it is recommended that the board committees' terms of reference are published on the company's website.



Terms of reference for the Audit Committee as well as the Remuneration Policy are published on the Company's website. The Description of the activities and members of the committees are published in the annual report in the section on "Governance".

n/a

3.4.2. The Committee **recommends** that board committees solely consist of members of the board of directors and that the majority of the members of the board committees are independent.



Solely board members make up all board committees. The majority of members in the Audit Committee as well as in the Nomination & Remuneration Committee are considered independent.

n/a

Recommendation

3.4.3. The Committee **recommends** that the board of directors establishes an audit committee and appoints a chairperson of the audit committee, who is not the chairperson of the board of directors. The Committee recommends that the audit committee, in addition to its statutory duties, assists the board of directors in:

- supervising the correctness of the published financial information, including accounting practices in significant areas, significant accounting estimates and related party transactions,
- reviewing internal control and risk areas in order to ensure management of significant risks, including in relation to the announced financial outlook,
- assessing the need for internal audit,
- performing the evaluation of the auditor elected by the general meeting,
- reviewing the auditor fee for the auditor elected by the general meeting,
- supervising the scope of the non-audit services performed by the auditor elected by the general meeting, and
- ensuring regular interaction between the auditor elected by the general meeting and the board of directors, for instance, that the board of directors and the audit committee at least once a year meet with the auditor without the executive management being present.

If the board of directors, based on a recommendation from the audit committee, decides to set up an internal audit function, the audit committee must:

- prepare terms of reference and recommendations on the nomination, employment and dismissal of the head of the internal audit function and on the budget for the department,
- ensure that the internal audit function has sufficient resources and competencies to perform its role, and
- supervise the executive management's follow-up on the conclusions and recommendations of the internal audit function.

Compliance The company complies



An Audit Committee is established with a clear meeting structure and governance model. The Chair of the Board of Directors is not the Chair of the Audit Committee.

The Terms of Reference for the Audit Committee ensures that the committee assists the Board of Directors regarding published financial information, accounting practices and estimates, related parties transactions, internal controls and risk management as well as auditor performance, scope and fee.

The Audit Committee annually evaluates the need for an internal audit function that is considering the scope, complexity and resources of the Company.

The auditors elected by the general meeting participate in selected meeting with the Audit Committee. Furthermore, the auditors participate in the Board Meeting, where the annual report is approved.

The company explains

n/a

Recommendation

Compliance The company complies

The company explains

3.4.4. The Committee **recommends** that the board of directors establishes a nomination committee to perform at least the following preparatory tasks:

- describing the required qualifications for a given member of the board of directors and the executive management, the estimated time required for performing the duties of this member of the board of directors and the competencies, knowledge and experience that is or should be represented in the two management bodies,
- on an annual basis evaluating the board of directors and the executive management's structure, size, composition and results and preparing recommendations for the board of directors for any changes,
- in cooperation with the chairperson handling the annual evaluation of the board of directors and assessing the individual management members' competencies, knowledge, experience and succession as well as reporting on it to the board of directors,
- handling the recruitment of new members to the board of directors and the executive management and nominating candidates for the board of directors' approval,
- ensuring that a succession plan for the executive management is in place,
- supervising executive managements' policy for the engagement of executive employees, and
- supervising the preparation of a diversity policy for the board of directors' approval.



RTX has established a Nomination & Remuneration Committee responsible for preparatory tasks on behalf of the Board of Directors.

n/a

Recommendation

Compliance The company complies

The company explains

3.4.5. The Committee **recommends** that the board of directors establishes a remuneration committee to perform at least the following preparatory tasks:



RTX has established a Nomination & Remuneration Committee responsible for preparatory tasks on behalf of the Board of Directors.

n/a

- preparing a draft remuneration policy for the board of directors' approval prior to the presentation at the general meeting,
- providing a proposal to the board of directors on the remuneration of the members of the executive management,
- providing a proposal to the board of directors on the remuneration of the board of directors prior to the presentation at the general meeting,
- ensuring that the management's actual remuneration complies with the company's remuneration policy and the evaluation of the individual member's performance, and
- assisting in the preparation of the annual remuneration report for the board of directors' approval prior to the presentation for the general meeting's advisory vote.

3.5. Evaluation of the board of directors and the executive management

3.5.1. The Committee **recommends** that the board of directors once a year evaluates the board of directors and at least every three years engages external assistance in the evaluation. The Committee recommends that the evaluation focuses on the recommendations on the board of directors' work, efficiency, composition and organisation, cf. recommendations 3.1.-3.4. above, and that the evaluation as a minimum always includes the following topics:



The Board of directors annually evaluates their performance, composition and structure according to the recommendations listed in the Corporate Governance Recommendation section 3.5.1. During the fall of 2024, the Board of Directors and the Executive Management Team conducted an on-line follow up questionnaire to complement last year's more extensive board evaluation. The on-line questionnaire was provided by an external firm. The evaluation showed that the board members are considered professional, committed, and eager to offer their knowledge and experiences. The board has taken steps to add even more value, in the future, by focus on leveraging board seats better by distributing the committee work to more members, revisiting the board composition, and continue securing that the board has the right balance between time spent on strategic issues and operational matters.

n/a

- the composition of the board of directors with focus on competencies and diversity
- the board of directors and the individual member's contribution and results,
- the cooperation on the board of directors and between the board of directors and the executive management,
- the chairperson's leadership of the board of directors,
- the committee structure and the work in the committees,
- the organisation of the work of the board of directors and the quality of the material provided to the board of directors, and
- the board members' preparation for and active participation in the meetings of the board of directors.

Recommendation	Compliance	The company complies	The company explains
<p>3.5.2. The Committee recommends that the entire board of directors discusses the result of the evaluation of the board of directors and that the procedure for the evaluation and the general conclusions of the evaluation are described in the management commentary, on the company's website and at the company's general meeting.</p>	+	<p>Findings from the evaluation of the Board of Directors are described in the Governance section of the annual report. The entire Board of Directors discusses the result of the evaluation, and the key conclusions are presented at the annual general meeting and as a part of the Corporate Governance report, which is available at the Company's website.</p>	n/a
<p>3.5.3. The Committee recommends that the board of directors at least once a year evaluates the work and results of the executive management according to pre-established criteria, and that the chairperson reviews the evaluation together with the executive management. In addition, the board of directors should on a continuous basis assess the need for changes in the structure and composition of the executive management, including in respect of diversity, succession planning and risks, in light of the company's strategy.</p>	+	<p>The cooperation between Group Executive Management and the Board of Directors is evaluated at the chairpersonship meetings each quarter. In addition, the Chair and the CEO of the Company has a formal dialogue and evaluation after the end of the financial year, with input from the entire Board. The chairpersonship thus annually gives feedback on the work of Group Executive Management, including to which extent the Group's objectives have been met, financially, strategically as well as regarding the sustainability and the reputation of the Group.</p> <p>On a continuous basis the Board of Directors will assess the need for changes in the structure and composition of the Executive Management, including in respect of diversity, succession planning and risks, in light of the Company's strategy.</p>	n/a





4. Remuneration of Management

Recommendation

Compliance The company complies

The company explains

4.1. Remuneration of the board of directors and the executive management

4.1.1. The Committee recommends that the remuneration for the board of directors and the executive management and the other terms of employment/service is considered competitive and consistent with the company's long-term shareholder interests.		The remuneration policy of RTX states that the objectives of the executive remuneration at RTX are to (a) attract, motivate and retain qualified members of management, (b) to ensure alignment of interests between management, company and shareholders and (c) to promote long-term value creation in RTX and support RTX's business strategy. Objective (a) aims at ensuring competitive executive remuneration while objectives (b) and (c) aim at aligning remuneration with long-term shareholder interests. Annually, a Remuneration Policy is published describing the compliance with the policy.	n/a
4.1.2. The Committee recommends that share-based incentive schemes are revolving, i.e. that they are periodically granted, and that they primarily consist of long-term schemes with a vesting or maturity period of at least three years.		The recommendation is followed in the Company's remuneration policy and compliance is assured in the Company's remuneration report for all long-term incentive programs . All current RSU programs have a vesting period of three years.	n/a
4.1.3. The Committee recommends that the variable part of the remuneration has a cap at the time of grant, and that there is transparency in respect of the potential value at the time of exercise under pessimistic, expected and optimistic scenarios.		All variable compensation in RTX has a cap at the time of grant and the potential value at the time of exercise is transparent.	n/a
4.1.4. The Committee recommends that the overall value of the remuneration for the notice period, including severance payment, in connection with a member of the executive management's departure, does not exceed two years' remuneration including all remuneration elements.		In accordance with the remuneration policy, the total value of severance payment and notice period remuneration is between 6 months and 12 months' remuneration for members of the Executive Board.	n/a

5. Risk Management

Recommendation	Compliance	The company complies	The company explains
4.1.5. The Committee recommends that members of the board of directors are not remunerated with share options and warrants.	+	Remuneration for members of the Board of Directors does not include variable elements such as bonus, share options, warrants or similar. The employee representatives in the Board are not remunerated with variable elements such as bonus, share options, warrants or similar, in their role as board member. Employee representatives may be included in a share-based remuneration program as a result of their regular job function in RTX.	n/a
4.1.6. The Committee recommends that the company has the option to reclaim, in whole or in part, variable remuneration from the board of directors and the executive management if the remuneration granted, earned or paid was based on information, which subsequently proves to be incorrect, or if the recipient acted in bad faith in respect of other matters, which implied payment of a too large variable remuneration.	+	The company has the option – under usual clawback mechanisms, described in the Remuneration Report – to reclaim variable remuneration, in part or full, from the Executive Board if this has been awarded based on information which the company is subsequently able to document as materially incorrect or if awarded as a result of fraud, manipulation of underlying data or material non-compliance with the accounting principles to which RTX is subject.	n/a
5.1. Identification of risks and openness in respect of additional information			
5.1.1. The Committee recommends that the board of directors based on the company's strategy and business model considers, for instance, the most significant strategic, business, accounting and liquidity risks. The company should in the management commentary give an account of these risks and the company's risk management.	+	The Board of Directors considers and follows up on the most significant strategy, business accounting and liquidity risks. Please refer to the annual report in the section on Risk Management which highlights the key strategic and business risks along with mitigations. Furthermore, see note 1.2 (Uncertainties, estimates and judgements) and note 5.6 (Financial Risks and Financial Instruments) to the financial statements in the annual report.	n/a
5.1.2. The Committee recommends that the board of directors establishes a whistleblower scheme, giving the employees and other stakeholders the opportunity to report serious violations or suspicion thereof in an expedient and confidential manner, and that a procedure is in place for handling such whistleblower cases.	+	Whistleblower reporting is available via the website of RTX. The whistleblower reporting goes directly to the Board of Directors (delegated to the Audit Committee) who ensures confidential handling of any such whistleblower reporting.	n/a



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