

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-K

(Mark One)

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 29, 2023

☐ OR
TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number 1-3863



L3HARRIS TECHNOLOGIES, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

34-0276860
(I.R.S. Employer Identification No.)

1025 West NASA Boulevard
Melbourne, Florida
(Address of principal executive offices)

32919
(Zip Code)

Registrant’s telephone number, including area code: (321) 727-9100
Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$1.00 per share	LHX	New York Stock Exchange

Securities Registered Pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant’s executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The aggregate market value of the voting common equity held by non-affiliates of the registrant at June 30, 2023 was \$37,362,290,944 (based on the quoted closing sale price per share of the stock on the New York Stock Exchange). For purposes of this calculation, the registrant has assumed that its directors and executive officers as of June 30, 2023 are affiliates.

The number of shares outstanding of the registrant’s common stock as of February 9, 2024 was 190,107,856.

Documents Incorporated by Reference:

Portions of the registrant’s definitive Proxy Statement for the 2024 Annual Meeting of Shareholders scheduled to be held on April 19, 2024, which will be filed with the Securities and Exchange Commission within 120 days after the end of the registrant’s fiscal year ended December 29, 2023, are incorporated by reference into Part III of this Annual Report on Form 10-K to the extent described therein.

L3HARRIS TECHNOLOGIES, INC.
ANNUAL REPORT ON FORM 10-K FOR THE FISCAL YEAR ENDED DECEMBER 29, 2023
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Exhibits

This Annual Report on Form 10-K contains trademarks, service marks and registered marks of L3Harris Technologies, Inc. and its subsidiaries. All other trademarks are the property of their respective owners.

Cautionary Statement Regarding Forward-Looking Statements

This Annual Report on Form 10-K (this "Report"), including "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations," contains forward-looking statements that involve risks and uncertainties, as well as assumptions that may not materialize or prove correct, which could cause our results to differ materially from those expressed in or implied by such forward-looking statements. All statements other than statements of historical fact are statements that could be deemed forward-looking statements, including, but not limited to, statements concerning: our plans, strategies and objectives for future operations; new products, systems, technologies, services or developments; future economic conditions, performance or outlook; future political conditions; the outcome of contingencies or litigation; environmental remediation cost estimates; the potential level of share repurchases, dividends or pension contributions; potential acquisitions or divestitures; the integration of our acquisitions; the value of contract awards and programs; expected revenue; expected cash flows or capital expenditures; our beliefs or expectations; activities, events or developments that we intend, expect, project, believe or anticipate will or may occur in the future; and assumptions underlying any of the foregoing. Forward-looking statements may be identified by their use of forward-looking terminology, such as "believes," "expects," "may," "could," "should," "would," "will," "intends," "plans," "estimates," "anticipates," "projects" and similar words or expressions. You should not place undue reliance on these forward-looking statements, which reflect our management's opinions only as of the date of filing of this Report and are not guarantees of future performance or actual results. Factors that might cause our results to differ materially from those expressed in or implied by these forward-looking statements, from our current expectations or projections or from our historical results include, but are not limited to, those discussed in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Item 1A. Risk Factors" of this Report. All forward-looking statements are qualified by, and should be read in conjunction with, those risk factors. Forward-looking statements are made in reliance on the safe harbor provisions of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and are made as of the date of filing of this Report, and we disclaim any intention or obligation, other than imposed by law, to update or revise any forward-looking statements, whether as a result of new information, future events or developments or otherwise, after the date of filing of this Report or, in the case of any document incorporated by reference, the date of that document.

Amounts contained in this Report may not always add to totals due to rounding.

PART I

ITEM 1. BUSINESS.

General

L3Harris Technologies, Inc. is the Trusted Disruptor for the defense industry. With customers' mission-critical needs in mind, we deliver end-to-end technology solutions connecting the space, air, land, sea and cyber domains. We support government customers in more than 100 countries, with our largest customers being various departments and agencies of the U.S. Government and their prime contractors. Our products and services have defense and civil government applications, as well as commercial applications.

Our fiscal year ends on the Friday nearest December 31. Each of our fiscal years ended December 29, 2023 ("fiscal 2023"), December 30, 2022 ("fiscal 2022") and December 31, 2021 ("fiscal 2021") included 52 weeks. Unless the context otherwise requires, the terms "we," "our," "us," "Company" and "L3Harris" as used in this Report mean L3Harris Technologies, Inc. and its subsidiaries.

We structure our operations primarily around the products, systems and services we sell and the markets we serve, and we report the financial results of our continuing operations in four operating segments, which are also our reportable segments: Space & Airborne Systems ("SAS"); Integrated Mission Systems ("IMS"); Communication Systems ("CS"); and Aerojet Rocketdyne ("AR"), established in connection with the fiscal 2023 acquisition of Aerojet Rocketdyne Holdings, Inc. ("AJRD"), discussed further below. Throughout this form 10-K, we also refer to our operating segments as our business segments. See *Note 14: Business Segments* in the Notes to Consolidated Financial Statements in this Report (the "Notes") for further information regarding our business segments, including how we define segment operating income or loss.

Business Realignment. Effective for fiscal 2023, we adjusted our reporting to better align our businesses and transferred our Agile Development Group ("ADG") business from our IMS segment to our SAS segment. On October 1, 2023, we combined our Electronic Warfare sector and the majority of the ADG sector within our SAS segment to

create a new sector, Advanced Combat Systems (“ACS”). The remaining portion of the ADG sector was combined with our Space Systems sector within our SAS segment.

The historical results, discussion and presentation of our business segments as set forth in the accompanying Consolidated Financial Statements and the Notes reflect the impact of these changes for all periods presented in order to present segment information on a comparable basis. There is no impact on our previously reported consolidated statements of operations, balance sheets, statements of cash flows or statements of equity resulting from these changes. See *Note 6: Goodwill and Intangible Assets* and *Note 14: Business Segments* in the Notes for further information.

Description of Business Segments

Our business segments provide a wide-range of products, systems and services to various customers and are described below. For financial information with respect to our business segments, including revenue, operating income and total assets, and with respect to our operations outside the United States, see *Note 14: Business Segments* in the Notes, and for additional information with respect to our business segments, see “Discussion of Business Segment Results of Operations” in “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” of this Report. For a discussion of certain risks affecting our business segments, including risks relating to our U.S. Government contracts and subcontracts, see “Item 1. Business - Government Contracts,” “Item 1A. Risk Factors” and “Item 3. Legal Proceedings” of this Report.

SAS

SAS is a leading provider of full mission solutions as a prime and subsystem integrator in the space, airborne and cyber domains. We provide top-tier capabilities in the design, development, integration, production and sustainment of major weapons systems for defense primes and national security, civil government, and international customers in the following business sectors:

Space Systems: End-to-end mission solutions in support of intelligence, surveillance and reconnaissance (“ISR”); position, navigation and timing; weather and climate monitoring; missile defense and ground-based space surveillance networks.

Intel & Cyber: Situational awareness, intelligence systems and advanced wireless solutions for classified intelligence and defense customers.

Mission Avionics: Sensors, processors, hardened electronics, release systems and antennas for aircraft platforms.

Mission Networks: Communications and networking solutions for air traffic management.

ACS: Threat warning and countermeasures for airborne, ground and maritime platforms. Also includes ADG, an innovation accelerator and collaboration initiative established to rapidly address near-peer, national security threats.

IMS

IMS is a leading provider of differentiated mission capabilities and prime systems integration for the air, land and sea domains. We deliver top-tier capabilities in the design, development, integration, production, modernization and sustainment of ISR, passive sensing and targeting, electronic attack, autonomy, power and communications, networks and sensors for national security and international customers in the following business sectors:

ISR: Airborne passive sensing and targeting, mission systems development, integration and life-cycle management for strategic reconnaissance, national command and control, tactical surveillance, electronic attack, agile strike, mobility, and classified platforms.

Maritime: Passive sensing and targeting, autonomy and manned and unmanned teaming, power and communications, undersea sensors and networks and classified capabilities for manned platforms and unmanned surface and undersea vessels.

Electro Optical: Passive sensing and targeting; laser imaging and sensor systems; space communications and avionics; and fuzing, navigation and range-testing solutions on platforms spanning all domains.

Commercial Aviation Solutions: Integrated aircraft avionics, pilot training and data analytics services for the commercial aviation industry. On November 27, 2023, we announced that we entered into a definitive agreement to sell Commercial Aviation Solutions (“CAS disposal group”). See *Note 13: Acquisitions, Divestitures and Asset Sales* in the Notes for further information.

CS

CS enables warfighters across all domains with solutions critical to mission success even in the most contested environments. We are a leading provider of resilient communication solutions for the U.S. Department of Defense ("DoD"), international, federal and state agency customers in the following business sectors:

Tactical Communications: Design, manufacture and sustainment of resilient and secure communication solutions that include tactical radios, software, satellite terminals and end-to-end battlefield systems.

Broadband Communications: Design, manufacture and sustainment of resilient and secure communication solutions that include ISR and tactical data links, software and integrated broadband networks. Includes the operations of Tactical Data Links product line ("TDL"), acquired from Viasat, Inc. ("Viasat") on January 3, 2023. See *Note 13: Acquisitions, Divestitures and Asset Sales* in the Notes for further information.

Integrated Vision Solutions ("IVS"): Design, manufacture and sustainment of a full suite of helmet-mounted integrated night vision goggles with leading-edge image intensifier tubes and weapon-mounted sights, aiming lasers, and range finders.

Public Safety: State-of-art communication equipment, systems and applications for federal agencies, state and local government first responders, utilities and transit agencies.

AR

On July 28, 2023, we acquired AJRD, a technology-based engineering and manufacturing company. AR is a leading provider of propulsion, power and armament products and systems to U.S. government, including the DoD, National Aeronautics and Space Administration ("NASA") and major aerospace and defense prime contractors in the following business sectors:

Missile Solutions: Propulsion technologies and armament systems for strategic defense, missile defense, hypersonic and tactical systems.

Space Propulsion and Power Systems: Premier propulsion and power systems for national security, space and exploration missions.

International Business

In fiscal 2023, revenue from products and services where the end consumer is located outside the U.S., including foreign military sales funded through the U.S. Government, whether directly or through prime contractors, was \$4.2 billion (21% of our revenue) and came from a large number of countries with no single foreign country accounting for more than 5% of our total revenue. For financial information regarding our domestic and international operations, including long-lived assets, see *Note 14: Business Segments* in the Notes.

The majority of our international marketing activities are conducted through subsidiaries that operate in the Europe, Middle East and Africa ("EMEA") and Asia-Pacific ("APAC") regions and Canada. We also have established international marketing organizations and several regional sales offices. For further information regarding our international subsidiaries, see Exhibit 21 of this Report.

Competitive Conditions and Trends in Market Demand

We operate in highly-competitive markets that are sensitive to technological advances. Some of our competitors in each of our markets are larger than we are and can maintain higher levels of expenditures for research and development ("R&D"). We concentrate on the opportunities that we believe are compatible with our resources, overall technological capabilities and objectives. Principal competitive factors are product and system quality and reliability; technological capabilities; service; past performance; ability to develop and implement complex, integrated solutions; ability to meet delivery schedules; and cost-effectiveness. We frequently "partner" or are involved in subcontracting and teaming relationships with companies that are, from time to time, competitors on other programs. We compete domestically and internationally against large defense companies; principally BAE Systems, Boeing, General Dynamics, Lockheed Martin, Northrop Grumman, RTX; Thales; and non-traditional defense contractors.

For further discussion of trends in market demand, see "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" of this Report.

Backlog

Company-wide total backlog was \$32.7 billion at December 29, 2023, inclusive of backlog from the acquisitions of TDL and AJRD, compared with \$22.3 billion at December 30, 2022. We expect to recognize approximately 40% of the revenue associated with Company-wide total backlog by the end of 2024 and approximately 65% of the

revenue associated with Company-wide total backlog by the end of 2025, with the remainder to be recognized thereafter.

See *Note 1: Significant Accounting Policies* in the Notes for additional information regarding Company-wide total backlog.

Research and Development

We conduct R&D activities using our own funds (company-funded R&D) and under contractual arrangements (customer-funded R&D), such as designs. See *Note 1: Significant Accounting Policies* in the Notes for further information on company-funded R&D.

Intellectual Property

We own a large portfolio of patents, trade secrets, know-how, confidential information, trademarks, copyrights and other intellectual property and we routinely apply for new patents, trademarks and copyrights. We also license intellectual property to and from third parties. For discussion of risks relating to intellectual property, see "Item 1A. Risk Factors" of this Report. With regard to certain patents, the U.S. Government has an irrevocable, non-exclusive, royalty-free license, pursuant to which the U.S. Government may use or authorize others to use the inventions covered by such patents. Pursuant to similar arrangements, the U.S. Government may consent to our use of inventions covered by patents owned by other persons. Numerous trademarks used on or in connection with our products are also considered to be valuable assets.

Government Regulations

Our company is subject to various federal, state, local and international laws and regulations relating to the development, manufacture, sale and distribution of our products and services, and it is our policy to comply with the applicable laws in each jurisdiction in which we conduct business. Regulations include, but are not limited to, those related to import and export controls, corruption, bribery, the protection of the environment, government procurement, wireless communications, competition, product safety, workplace health and safety, employment, labor and data privacy. The following describes significant regulations that may impact our businesses. For further discussion of risks relating to government regulations, see "Item 1A. Risk Factors" of this Report.

Government Contracts. In fiscal 2023, the percentage of our revenue that was derived from sales to U.S. Government customers, including foreign military sales funded through the U.S. Government, whether directly or through prime contractors, was 76% and no other customer accounted for more than 5% of our revenue. Additional information regarding customers for each of our segments is provided under "Item 1. Business — Description of Business Segments" of this Report.

Cost-type contracts: Our U.S. Government cost-reimbursable contracts provide for the reimbursement of allowable costs plus payment of a fee and fall into three basic types: (i) cost-plus fixed-fee contracts, which provide for payment of a fixed fee irrespective of the final cost of performance; (ii) cost-plus incentive-fee contracts, which provide for payment of a fee that may increase or decrease, within specified limits, based on actual results compared with contractual targets relating to factors such as cost, performance and delivery schedule; and (iii) cost-plus award-fee contracts, which provide for payment of an award fee determined at the customer's discretion based on our performance against pre-established performance criteria. Under our U.S. Government cost-reimbursable contracts, we are reimbursed periodically for allowable costs and are paid a portion of the fee based on contract progress. Some costs have been made partially or wholly unallowable for reimbursement by statute or regulation. Examples include certain merger and acquisition costs, lobbying costs, charitable contributions, interest expense and certain litigation defense costs.

Fixed-price contracts: Our U.S. Government fixed-price contracts are either firm fixed-price contracts or fixed-price incentive contracts. Under our U.S. Government firm fixed-price contracts, we agree to perform a specific scope of work or sell a specific product for a fixed price and, as a result, benefit from cost savings or carry the burden of cost overruns. Under our U.S. Government fixed-price incentive contracts, we share with the U.S. Government both savings accrued for performance at less than target cost as well as costs incurred in excess of target cost up to a negotiated ceiling price, which is higher than the target cost, but carry the entire burden of costs exceeding the negotiated ceiling price. Under such incentive contracts, profit may also be adjusted up or down depending on whether specified performance objectives are met. Under our U.S. Government firm fixed-price and fixed-price incentive contracts, we generally receive either milestone payments totaling 100% of the contract price or monthly progress payments in amounts equaling 80% of costs incurred under the contract. The remaining amounts, including profits or incentive fees, are billed upon delivery and final acceptance of end items and deliverables under the contract.

Our production contracts are mainly fixed-price contracts and development contracts are generally cost-reimbursable contracts, although we have some fixed-price development contracts. Time-and-material contracts are considered fixed-price contracts as they specify a fixed hourly rate for each labor hour charged.

For further discussion of risks relating to U.S. Government contracts, see “Item 1A. Risk Factors,” “Item 3. Legal Proceedings” and “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” of this Report.

Environmental. Our operations are subject to and affected by U.S. federal, state, local and foreign laws and regulations regarding discharge of materials into the environment or otherwise relating to the protection of the environment. We have previously announced our environmental sustainability goals: to reduce greenhouse gas (“GHG”) emissions by 30% and water usage by 20% from 2019 levels and achieve a 75% solid waste diversion rate (away from landfills) by 2026. We invested in renewable energy and other solutions to achieve our GHG emission reduction target and our other environmental sustainability goals. We took a step towards our goal by entering into a virtual power purchase agreement, which has been operational since 2021. In 2023, we measured our performance against these goals and exceeded our GHG emissions and water use reduction targets and are progressing towards our solid waste diversion rate from landfill goal. Additional information is provided in our Sustainability Report, which can be found on our Company website, and is not incorporated by reference into this Report.

We have incurred, and based on currently available information, we expect to continue to incur capital and operating costs to comply with existing and pending environmental laws and regulations. See “Item 1A. Risk Factors” and “Item 3. Legal Proceedings” of this Report and *Note 1: Significant Accounting Policies* and *Note 15: Legal Proceedings, Commitments and Contingencies* in the Notes.

Materials, Suppliers and Seasonality

Because of the diversity of our products and services, as well as the wide geographic dispersion of our facilities, we use numerous sources for the wide array of materials, such as electronic components, printed circuit boards, metals and plastics needed for our operations and products. We depend on suppliers and subcontractors for a large number of components and subsystems. For example, in our AR segment we are reliant on a limited number of certified suppliers of cases and igniters, in part because of the extensive qualification and safety requirements on explosive and missile-related components. We also rely on a limited number of certified microelectronics component suppliers for our products. We have experienced component shortages from vendors as a result of pandemics, natural disasters, or the shifting regulatory landscape. These events or regulations may cause a spike in demand for certain electronic components, such as lead-free components, resulting in industry-wide supply chain disruptions. For further discussion of risks relating to subcontractors and suppliers, see “Item 1A. Risk Factors” of this Report.

We do not consider any material portion of our business to be seasonal. Various factors can affect the distribution of our revenue between accounting periods, including the timing of contract awards and the timing and availability of U.S. Government funding, as well as the timing of product deliveries and customer acceptance.

Human Capital

Our success depends on our highly-educated and skilled workforce. Attracting, developing, motivating and retaining highly-skilled people, particularly those with technical, engineering and science backgrounds, is critical to our ability to execute our strategic priorities. We use human capital measures to set goals and monitor performance in several areas, including employee health and safety; talent acquisition, development and retention; and diversity, equity and inclusion (“DE&I”).

Workforce Demographics. We had approximately 50,000 employees at December 29, 2023, including approximately 20,000 engineers and scientists. Of our total employees, 89% are located in the U.S. and a significant number of our employees possess a U.S. Government security clearance. As of December 29, 2023, approximately 2,800, or 6%, of our U.S. employees were covered by various collective bargaining agreements, which we expect will be renegotiated as they expire, as we historically have done without significant disruption to operating activities.

Health and Safety. We prioritize the safety of our employees through maintaining a proactive safety culture and implementing programs designed to eliminate workplace incidents, risks and hazards. Throughout the year, we review and monitor our performance closely to reduce Occupational Safety and Health Administration reportable incidents. With these efforts, in the last 3 years, we have reduced our total recordable injury rate (“TRIR”) and lost day injury rate (“LDIR”) by 37% and 41%, respectively. For fiscal 2023, our TRIR declined by 24% and LDIR declined by 29%, compared with the previous year, while numerous of our locations reached one year or more without a recordable injury.

Talent Acquisition, Development and Retention. Our talent strategy focuses on attracting new perspectives, ideas and capabilities, recognizing and rewarding performance, and developing, engaging and retaining high-performing employees. We strive to attract employees in all stages of their careers. In addition to hiring approximately 6,400 new employees (excluding acquisition in fiscal 2023), we were recognized with more than 15 employer awards or recognitions from external organizations in fiscal 2023. Our development philosophy centers around creating broad experiences, setting “SMART” (specific, measurable, achievable, realistic, and timely) performance goals and offering continuous feedback and learning opportunities. We provide formal and informal development aligned with individual learning styles including self-directed personal and professional development through e-learning, books and videos; professional certification support; leadership development programs developed in partnership with leading universities; rotational programs; and on-the-job learning. Annually and quarterly, we assign learning content that supports our “e3” (excellence, everywhere, everyday) operating system, Code of Conduct, ethical standards, compliance with laws applicable to our business and responsibility for safety and environmental goals. We maintain a robust succession planning process whereby we regularly review our internal talent pipeline and adjust individual development plans accordingly. We offer competitive salaries and comprehensive benefit packages, including health care, retirement planning and employer retirement contributions, educational assistance, child and elder back-up care, paid parental leave and a discretionary paid time off program. In addition, we offer caregiver time-off and pre-retirement programs. Also, we have a robust and comprehensive listening strategy centered around multiple employee surveys, enabling us to gain real-time insights into the employee experience. By prioritizing engagement and utilizing the power of feedback, we continuously evolve our workplace culture to ensure that individuals feel engaged, valued and inspired to perform at their best.

DE&I. Our success as the industry’s Trusted Disruptor depends on our ability to continue to innovate and develop new solutions to solve our customers’ most critical challenges. We believe that having a strong, talented workforce and culture with a diverse array of experiences, perspectives and backgrounds is essential to driving innovation. We have established two clear long-term goals: half of our workforce will be female and at least one third will be people of color. We progress toward these goals through growing diverse talent, enabling a culture of inclusivity and equity, and ensuring we clearly communicate our DE&I efforts internally and externally. We support a variety of science, technology, engineering and mathematics (“STEM”) initiatives to further develop our employees and build talent pipelines within our communities. We also have an established diversity council, co-chaired by our Chief Executive Officer (“CEO”) and comprised of employee resource group (“ERG”) leadership and executives from across the Company, to evaluate and influence the strategies, policies and steps we take to advance DE&I. We now offer eleven ERGs - adding two new groups this year - that bring together employees from all backgrounds to foster professional development, community outreach and employee engagement opportunities. We also further develop inclusive behaviors and culture through ongoing learning throughout the year, encouraging conversation and action through initiatives like our annual “Day of Understanding” event, our “Six Signature Traits for Inclusive Leadership” training and the launch of our new “DE&I Champions” program. Finally, we celebrate the unique voices of our employees through our “I am L3Harris” and “Inclusive Leadership” internal communication series. We continue to improve the diversity of our workforce and work toward our long-term goals.

The table below provides the makeup of our workforce at December 29, 2023:

	Overall	Executive
Persons of color ⁽¹⁾	29%	18%
Female population ⁽¹⁾	25%	36%
Veterans ⁽¹⁾	16%	15%
Persons with disabilities ⁽¹⁾	10%	9%
Generational breakout⁽²⁾:		
Boomers (1945-1964)	21%	20%
Generation X (1965-1980)	34%	59%
Millennials (1981-1996)	36%	21%
Generation Z (after 1996)	9%	—%

(1) Based on employee self-identification
(2) Age ranges align with Pew Research Center definitions.

Additional information regarding our human capital strategy is available in our DE&I Annual Report that can be found on our company website. Information on our website, including our DE&I Annual Report, is not incorporated by reference into this Report.

Available Information

Our principal executive offices are located at 1025 West NASA Boulevard, Melbourne, Florida 32919. Our website address is <https://www.l3harris.com>.

Our annual reports on Form 10-K, quarterly reports on Form 10-Q, proxy statements, current reports on Form 8-K and amendments to such reports are available free of charge on our website <https://www.l3harris.com/investors>, as soon as reasonably practicable after these reports are electronically filed with or furnished to the U.S. Securities and Exchange Commission ("SEC"). We also will provide the reports in electronic or paper form, free of charge, upon written request. Our website and the information posted thereon are not incorporated into this Report or any current or other periodic report that we file with or furnish to the SEC.

ITEM 1A. RISK FACTORS.

We have described many of the trends and other factors that we believe could impact our business and future results in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" of this Report. In addition, our business, financial condition, results of operations, cash flows and equity are subject to, and could be materially adversely affected by, various risks and uncertainties, including, without limitation, those set forth below, any one of which could cause our actual results to vary materially from recent results or our anticipated future results.

Macroeconomic, Industry and Governmental Risks

We depend on winning business in competitive markets from U.S. Government customers for a significant portion of our revenue. We are highly dependent on revenue from U.S. Government customers, primarily defense-related programs with the DoD and a broad range of programs with the U.S. Intelligence Community and other U.S. Government departments and agencies. The percentage of our revenue derived from sales to U.S. Government customers, including foreign military sales funded through the U.S. Government, both directly and through prime contractors, was 76% in fiscal 2023.

The market for sales to U.S. Government customers is highly competitive, and the U.S. Government often chooses to use contractors other than us, for example, as part of competitive bidding processes (through which we expect that a majority of the business we seek will be awarded), or otherwise due to our competitors' ongoing efforts to expand their business relationships with the U.S. Government. The U.S. Government has increasingly relied on certain types of contracts that are subject to multiple competitive bidding processes, including multi-vendor indefinite delivery, indefinite quantity ("IDIQ"), government-wide acquisition contracts ("GWACs"), General Services Administration Schedules and other multi-award contracts, which has resulted in greater competition and increased pricing pressure. Some of our competitors have greater financial resources than we do and may have more extensive or more specialized engineering, manufacturing and marketing capabilities than we do in some areas. We may not be able to continue to win competitively awarded contracts or to obtain task orders under multi-award contracts. Further, competitive bidding processes involve significant cost and managerial time to prepare bids and proposals for contracts that may not be awarded to us or may be split with competitors, and the risk that we may fail to accurately estimate the resources and costs required to fulfill any contract awarded to us. For these reasons and others, we may choose not to bid in certain competitive bidding processes, which would result in the potential loss of opportunities. Additionally, bid protests from unsuccessful bidders can extend the time until work on a contract can begin and may result in significant expense or delay, contract modification or contract rescission as a result of our competitors protesting or challenging contracts awarded to us.

A reduction in U.S. Government funding or a change in U.S. Government spending priorities could have an adverse impact on our business, financial condition, results of operations, cash flows and equity. Our U.S. Government programs must compete with programs managed by other government contractors and with other policy imperatives for consideration for limited resources and for uncertain levels of funding during the budget and appropriations process. Although multi-year contracts may be authorized and appropriated in connection with major procurements, Congress generally appropriates funds on a U.S. Government fiscal year ("GFY") basis. Procurement funds are typically made available for obligation over the course of one to three years. Consequently, programs often initially receive only partial funding, and additional funds are obligated only as Congress authorizes further appropriations.

We cannot predict the extent to which total funding and/or funding for individual programs will be included, increased, or reduced as part of the annual appropriations process ultimately approved by Congress and the President or in separate supplemental appropriations or continuing resolutions, as applicable. Budget and appropriations decisions made by the U.S. Government are outside of our control and have long-term consequences for our business. U.S. Government spending priorities and levels remain uncertain and difficult to predict and are

affected by numerous factors, including the U.S. Government’s budget deficit and the national debt. A change in U.S. Government spending priorities or an increase in non-procurement spending at the expense of our programs, or a reduction in total U.S. Government spending on an absolute or inflation-adjusted basis, could have material adverse consequences on our current or future business.

For GFY 2024, the federal government is currently being funded under a Continuing Resolution (“CR”). The CR funds Agriculture, Energy-Water, Military-Construction-VA and Transportation-HUD through March 1, 2024 and the other portions of the federal government, including the DoD, through March 8, 2024. This is the third CR in GFY2024. Pursuant to the Fiscal Responsibility Act (P.L., 118-5), if a final GFY2024 appropriations bill is not enacted by April 30, 2024, then spending cuts would go into effect and discretionary spending limits would be revised to reflect GFY 2023 enacted levels for defense and nondefense categories and decrease by 1%. In addition, if Congress does not enact a full-year GFY2024 appropriations bill, the U.S. Government may not be able to fulfill its funding obligations, and there could be significant disruption to all discretionary programs and corresponding impacts on the entire defense industry, which could adversely affect our business, results of operations, financial condition and cash flow. Any inability of the U.S. Government to complete its budget process for any GFY and resulting operation on funding levels equivalent to its prior fiscal year pursuant to a CR or shut down, also could have material adverse consequences on our current or future business. For more information see “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations - U.S. and International Budget Environment” of this Report.

Our results of operations and cash flows are substantially affected by our mix of fixed-price, cost-plus and time-and-material type contracts. Our fixed-price contracts, particularly those for development programs, could subject us to losses in the event of cost overruns or a significant increase in or sustained period of increased inflation. We generate revenue through various fixed-price, cost-plus and time-and-material contracts. For a general description of our U.S. Government contracts and subcontracts, including a discussion of revenue generated thereunder and of cost-reimbursable versus fixed-price contracts, see “Item 1. Business - Government Contracts” of this Report. For a description of our revenue recognition policies, see “Item 7. Management’s Discussion and Analysis of Financial Conditions and Results of Operations - Critical Accounting Estimates - Revenue Recognition” of this Report.

In fiscal 2023, 73% of our revenue was derived from fixed-price contracts that allow us to benefit from cost savings, but subject us to the risk of potential cost overruns, including due to greater than anticipated or a sustained period of increased inflation or unexpected delays because we assume all of the cost burden. If our initial estimates are incorrect, we can lose money (or make more or less money than estimated) on these contracts. Fixed-price U.S. Government contracts can expose us to potentially large losses because the U.S. Government can hold us responsible for completing a project or, in certain circumstances, paying the entire cost of its replacement by another provider regardless of the size or foreseeability of any cost overruns that occur over the life of the contract.

In fiscal 2023, approximately 27% of our revenue was derived from cost-type contracts. Under cost-type contracts, we agree to be reimbursed for allowable costs and paid a fee. When our costs are in excess of the final target cost, fees and our margin may be adversely affected. If our costs exceed authorized contract funding or do not qualify as allowable costs under applicable regulations, we will not be reimbursed for those costs. Cost overruns may adversely affect our financial performance and our ability to win new contracts.

Contracts for development programs include complex design and technical requirements and are generally contracted on a cost-reimbursable basis, however, some of our existing development programs are contracted on a fixed-price basis or include cost-type contracting for the development phase with fixed-price production options. Because many of these contracts involve new technologies and applications and can last for years, unforeseen events, such as technological difficulties, fluctuations in the price of materials, a significant increase in or a sustained period of increased inflation, problems with our suppliers, labor market conditions and cost overruns, can result in the contractual price becoming less favorable or even unprofitable to us over-time (which, especially in the case of sharp and significant sustained inflation, could happen quickly and have long lasting impacts), and increased interest rates resulting from inflationary pressures can also impact the fair value of these contracts. Furthermore, if we do not meet contract deadlines or specifications, we may need to renegotiate contracts on less favorable terms, be forced to pay penalties or liquidated damages or suffer major losses if the customer exercises its right to terminate. In addition, some of our contracts have provisions relating to cost controls and audit rights, and if we fail to meet the terms specified in those contracts, we may not realize their full benefits. Cost overruns would adversely impact our results of operations, which are dependent on our ability to maximize our earnings from our contracts, and the potential risk would be greater if our contracts shifted toward a greater percentage of fixed-price contracts, particularly firm fixed-price contracts, as opposed to cost-plus and time-and-material contracts.

To the extent feasible, we have consistently followed the practice of contractually adjusting our prices to reflect the impact of inflation on salaries and fringe benefits for employees and the cost of purchased materials and services and in some cases seeking the inclusion of adjustment clauses to incorporate certain cost adjustments in fixed-price contracts for unexpected inflation. However, our fixed-price contracts could subject us to losses in the event of cost overruns or a significant increase in or a sustained period of increased inflation if these measures are not effective.

Any or all of the foregoing could have a negative impact on our business, financial condition, results of operations, cash flows and equity.

We depend significantly on U.S. Government contracts, which generally are subject to immediate termination and heavily regulated and audited. The application or impact of regulations, unilateral government action, termination or negative audit findings for one or more of these contracts could have an adverse impact on our business, financial condition, results of operations, cash flows and equity. U.S. Government contracts also generally are subject to U.S. Government oversight audits, which could result in adjustments to our contract costs. Any costs found to be improperly allocated to a specific contract will not be reimbursed, and such costs already reimbursed must be refunded. We have recorded contract revenue based on costs we expect to realize upon final audit. However, we do not know the outcome of any future audits and adjustments, and we may be required to materially reduce our revenue or profits upon completion and final negotiation of audits. Negative audit findings could also result in termination of a contract, forfeiture of profits, suspension of payments, fines or suspension or debarment from U.S. Government contracting or subcontracting for a period of time.

In addition, U.S. Government contracts generally contain provisions permitting termination, in whole or in part, without prior notice at the U.S. Government's convenience upon payment only for work done and commitments made at the time of termination. For some contracts, we are a subcontractor and not the prime contractor, and in those arrangements, the U.S. Government could terminate the prime contractor for convenience without regard for our performance as a subcontractor. We may be unable to procure new contracts to offset revenue or backlog lost as a result of any termination of our U.S. Government contracts. Because a significant portion of our revenue is dependent on our performance and payment under our U.S. Government contracts, the loss of one or more large contracts could have an adverse impact on our business, financial condition, results of operations, cash flows and equity.

From time to time, we may begin performance of a U.S. Government contract under an undefinitized contract action with a not-to-exceed price before the terms, specifications or price are finally agreed to between the parties. In these arrangements, the U.S. Government has the ability to unilaterally definitize the contract if a mutual agreement regarding terms, specifications and price cannot be reached. These uncertainties or loss of negotiating leverage associated with long delays could have a material adverse impact on our business, financial condition, results of operations, cash flows and equity.

Our U.S. Government business also is subject to specific procurement regulations and a variety of socioeconomic and other requirements that, although customary in U.S. Government contracts, increase our performance and compliance costs. These costs might increase in the future, thereby reducing our margins, which could have an adverse effect on our business, financial condition, results of operations, cash flows and equity. In addition, the U.S. Government has and may continue to implement initiatives focused on efficiencies, affordability and cost growth and other changes to its procurement practices. These initiatives and changes to procurement practices may change the way U.S. Government contracts are solicited, negotiated and managed, which may affect whether and how we pursue opportunities to provide our products and services to the U.S. Government, including the terms and conditions under which we do so, which may have an adverse impact on our business, financial condition, results of operations, cash flows and equity. For example, contracts awarded under the DoD's Other Transaction Authority for research and prototypes generally require cost-sharing and may not follow, or may follow only in part, standard U.S. Government contracting practices and terms, such as the Federal Acquisition Regulation ("FAR") and U.S. Government Cost Accounting Standards ("CAS").

Failure to comply with applicable regulations and requirements could lead to fines, penalties, repayments or compensatory or treble damages, or suspension or debarment from U.S. Government contracting or subcontracting for a period of time. Among the causes for debarment are violations of various laws and regulations, including those related to procurement integrity, export control (including International Traffic in Arms Regulations ("ITAR")), U.S. Government security, employment practices, protection of the environment, accuracy of records, proper recording of costs and foreign corruption. The termination of a U.S. Government contract or relationship as a result of any of these acts would have an adverse impact on our operations and could have an adverse effect on our standing and eligibility for future U.S. Government contracts.

We participate in markets that are often subject to uncertain economic conditions, which makes it difficult to estimate growth in our markets and, as a result, future income and expenditures. We participate in U.S. and international markets that are subject to uncertain economic conditions. In particular, U.S. federal, state and local government spending priorities and levels remain uncertain and difficult to predict and are affected by numerous factors. In addition, certain of our non-U.S. customers, including in the Middle East and other oil or natural gas-producing countries, could be adversely affected by weakness or volatility in oil or natural gas prices, or negative expectations about future prices or volatility or impacts of the war between Israel and Hamas, which could adversely affect demand for our products, systems, services or technologies. As a result of that uncertainty, it is difficult to develop accurate estimates of the level of growth in the markets we serve. Because those estimates underpin all components of our budgeting and forecasting, our estimates or guidance for future revenue, income and expenditures may be inaccurate, and we may make significant investments and expenditures but never realize the anticipated benefits.

We cannot predict the consequences of future geo-political events, but they may adversely affect the markets in which we operate, our ability to insure against risks, our operations or our profitability. Ongoing instability and current conflicts in global markets, including in the Ukraine and Eastern Europe, Israel, the Gaza Strip and the Middle East and Asia, and the potential for other conflicts and future terrorist activities and other recent geo-political events throughout the world, including new or increased economic and trade sanctions, have created and may continue to create economic and political uncertainties and impacts that could have a material adverse effect on our business, operations and profitability. These types of matters cause uncertainty in financial and insurance markets and may significantly increase the political, economic and social instability in the geographic areas in which we operate.

Unfavorable credit conditions in financial markets outside of the U.S. could adversely affect the ability of our international customers and suppliers to obtain financing and could result in a decrease in or cancellation of orders for our products and services or impact the ability of our customers to make payments. These matters also may cause us to experience increased costs, such as for insurance coverage and performance bonds (or for them to be unavailable altogether), as well as difficulty with financing our operating, investing or financing (or refinancing) activities.

We are subject to government investigations, which could have a material adverse effect on our business, financial condition, results of operations, cash flows and equity. U.S. Government contractors are subject to extensive legal and regulatory requirements, including ITAR and U.S. Foreign Corrupt Practices Act ("FCPA"), and from time to time agencies of the U.S. Government investigate whether we have been and are operating in accordance with these requirements. We may cooperate with the U.S. Government in those investigations. Under U.S. Government regulations, an indictment of L3Harris by a federal grand jury, or an administrative finding against us as to our present responsibility to be a U.S. Government contractor or subcontractor, could result in us being suspended for a period of time from eligibility for awards of new government contracts or task orders or in a loss of export privileges, which could have a material adverse effect on our business, financial condition, results of operations, cash flows and equity. A conviction, or an administrative finding against us that satisfies the requisite level of seriousness, could result in debarment from contracting with the U.S. Government for a specific term, which could have a material adverse effect on our business, financial condition, results of operations, cash flows and equity.

We derive a significant portion of our revenue from international operations and are subject to the risks of doing business internationally. We are dependent on sales to customers outside the U.S. The percentage of our total revenue represented by revenue from products and services where the end consumer is located outside the U.S., including foreign military sales funded through the U.S. Government, whether directly or through prime contractors, was 21%, 23% and 22% in fiscal 2023, 2022 and 2021, respectively. In fiscal 2023, 45% of our international business was transacted in local currency. We expect that international revenue will continue to account for a significant portion of our total revenue. Also, a significant portion of our international revenue is from, and a significant portion of our business activity is being conducted with or in, less-developed countries and sometimes countries with unstable governments, or in areas of military conflict or at military installations. Other risks of doing business internationally include:

- Laws, regulations and policies of foreign governments relating to investments and operations;
- Unforeseen changes in export controls and other trade regulations;
- Changes in regulatory requirements, including business or operating license requirements, currency exchange controls or embargoes;
- Uncertainties and restrictions concerning the availability of funding, credit or guarantees;
- Risk of non-payment or delayed payment by non-U.S. customers;

- Contractual obligations to non-U.S. customers that may include specific in-country purchases, investments, manufacturing agreements or financial or other support obligations, known as offset obligations, that may extend for years, require teaming with local companies and result in significant penalties if not satisfied;
- Issues related to involving international dealers, distributors, sales representatives and consultants;
- Difficulties of managing a geographically dispersed organization and culturally diverse workforces, including compliance with local laws and practices;
- Fluctuations of currency, currency revaluations, difficulties with repatriating cash generated or held abroad in a tax-efficient manner and changes in tax laws;
- Uncertainties as to local laws and enforcement of contract and intellectual property rights and occasional requirements for onerous contract terms;
- Changes in government, economic and political policies, political or civil unrest, acts of terrorism, threats of international boycotts, U.S. anti-boycott legislation or sanctions against U.S. defense companies; and
- Increased risk of an incident resulting in damage or destruction to our facilities or products or resulting in injury or loss of life to our employees, subcontractors or other third parties.

Business and Operational Risks

We depend on our subcontractors and suppliers to provide materials, components, subsystems and services for many of our products and services, and failures in or disruptions to our supply chain could cause our products and/or services to be produced or delivered in an untimely or unsatisfactory manner. Our ability to manufacture and deliver products and services to our customers requires our U.S. and non-U.S. subcontractors and suppliers to provide a variety of materials, components, subsystems and services. Some of our programs are very long duration with complex re-qualification and we must ensure long term supply capacity of subcontractors and suppliers. In some instances, we depend upon a single supplier for components, which adds risk because that supplier may at times be unable to meet our needs and because we may have little negotiating leverage with sole-source suppliers. Identifying and qualifying dual and second-source suppliers can be difficult, time consuming and may result in increased costs. Any inability to timely develop cost-effective alternative sources of supply could materially impact our ability to manufacture and deliver products and services to our customers.

In addition, we are required to procure certain materials and components, including certain microelectronic components, from U.S. Government-approved supply sources. Certain heightened regulatory requirements that may apply to these sources can further limit the subcontractors and suppliers we may utilize. Legislation, regulatory changes or other governmental actions, including product certification or stewardship requirements, sourcing restrictions, tariffs, embargos, product authenticity, cybersecurity regulation, and environmental standards (e.g., greenhouse gas emission limitations) may all impact our subcontractors and suppliers.

From time to time, as with any industry, our subcontractors and suppliers experience financial and operational difficulties outside of our direct control, which may impact their ability to deliver the materials, components, subsystems and services we need. The number of contracts where we act as a prime contractor (62% in 2023) further increases our exposure to subcontractor and supplier failures and disruptions.

In recent years, global supply chains, including ours, have experienced significant disruption from material availability and supplier performance, as well as extended lead times, pricing volatility, inflationary pressures and labor issues. We and our subcontractors and suppliers have also experienced difficulties in the timely procurement of necessary materials and components, including microelectronics. Current geopolitical conditions, including sanctions and other trade restrictive activities and strained inter-country relations, have contributed to issues procuring necessary materials and components. For example, some materials and components in our supply chain have previously been sourced from areas now under sanctions or other trade restrictions, such as specialty metals from Russia and certain equipment from China, or are currently sourced from areas which are at risk of sanctions or other trade restrictive actions, not just by the United States but by other nations or groups, such as the European Union.

All of these issues have led to significant supplier and subcontractor performance failures and delays, which have negatively impacted our production flow, results of operations, financial condition and cash flows. For example, in fiscal 2022 and to a lesser extent in fiscal 2023, revenue, operating income and orders in our CS segment were adversely impacted by supply chain disruptions, although we implemented supply chain resiliency initiatives that mitigated these disruptions during 2023. These efforts included leveraging our scale to better negotiate with our suppliers, investing in tools and analytics to assess supplier risk, strengthening relationships with key suppliers and entering into long-term strategic partnerships, seeking alternate supply sources and pursuing various cost reductions. However, while we continuously work to implement supply chain resiliency initiatives such as these, we cannot guarantee the success of any of these efforts. Material supply disruptions may still occur in the future,

leading to untimely delivery or unsatisfactory quality of products and services, and potentially adversely affecting our business, operational results, financial condition and cash flow.

We must attract and retain key employees, and any failure to do so could seriously harm us. Our future success depends to a significant degree upon the continued contributions of our management and our ability to attract and retain highly-qualified management and technical personnel, including engineers and employees who have U.S. Government security clearances, particularly clearances of top secret and above. While we have robust processes in place to ensure we have the right talent in place to meet our commitments, to the extent that the demand for qualified personnel exceeds supply in certain areas, we could also experience higher labor, recruiting or training costs in order to attract and retain such employees. Failure to attract and retain such personnel would damage our future prospects and could adversely affect our ability to succeed in our human capital goals and priorities, as well as negatively impact our business and operating results.

We could be negatively impacted by a security breach, through cyber-attack, cyber intrusion, insider threats or otherwise, or other significant disruption of our Information Technology ("IT") networks and related systems or of those we operate for certain of our customers. We face the risk of a security breach, whether through cyber-attack, cyber intrusion or insider threat via the Internet, malware, computer viruses, attachments to e-mails, persons inside our organization or with access to systems inside our organization, subcontractors or suppliers, threats to the physical security of our facilities and employees or other significant disruption of our IT networks and related systems or those of our suppliers or subcontractors. We face an added risk of a security breach or other significant disruption of the IT networks and related systems that we develop, install, operate and maintain on behalf of certain customers, which may involve managing and protecting information relating to national security and other sensitive government functions. The risk of a security breach or disruption, particularly through cyber-attack or cyber intrusion, including by computer hackers, foreign governments and cyber terrorists, is persistent and substantial as the volume, intensity and sophistication of attempted attacks, intrusions and threats from around the world remain elevated and unlikely to diminish.

As an advanced technology-based solutions provider, and particularly as a government contractor with access to national security or other sensitive government information, we face a heightened risk of a security breach or disruption from threats to gain unauthorized access to our and our customers' proprietary information on our IT networks and related systems, our classified networks, and to the IT networks and related systems that we operate and maintain for certain of our customers. These types of information and IT networks and related systems are critical to the operation of our business and essential to our ability to perform day-to-day operations, and, in some cases, are critical to the operations of certain of our customers. We make efforts to maintain the security and integrity of these types of information and IT networks and related systems and have implemented various measures to manage the risk of a security breach or disruption. See "Item 1C -Cybersecurity" in this Report for further discussion of our risk management and strategy related to cybersecurity threats. Our efforts and measures have not been entirely effective in the case of every cyber security incident, but no incident has had a material negative impact on us to date. Even the most well-protected information, networks, systems and facilities remain potentially vulnerable because attempted security breaches, particularly cyber-attacks and cyber intrusions, or disruptions will occur in the future, and because the techniques used in such attempts are constantly evolving and generally are not recognized until launched against a target, and in some cases are designed not to be detected and, in fact, may not be detected. In some cases, the resources of foreign governments may be behind such attacks due to the nature of our business and the industries in which we operate. Accordingly, we may be unable to anticipate these techniques or to implement adequate security barriers or other preventative measures. Thus, it is impossible for us to entirely mitigate this risk, and future cyber security incidents could have a material negative impact on us. A security breach or other significant disruption involving these types of information and IT networks and related systems could:

- Disrupt proper functioning of these networks and systems and, therefore, our operations and/or those of certain of our customers;
- Result in unauthorized access to, and destruction, loss, theft, misappropriation or release of, proprietary, confidential, sensitive or otherwise valuable information of ours, our customers or our employees, including trade secrets, which could be used to compete against us or for disruptive, destructive or otherwise harmful purposes and outcomes;
- Compromise national security and other sensitive government functions;
- Require significant management attention and resources to remedy damages that result;
- Result in costs which exceed our insurance coverage and/or indemnification arrangements;
- Subject us to claims for contract breach, damages, credits, penalties or termination; and
- Damage our reputation with our customers and the general public.

We must also rely on the safeguards put in place by customers, suppliers, vendors, subcontractors or other third parties to minimize the impact of cyber threats, other security threats or business disruptions. These third parties may have varying levels of cybersecurity expertise and safeguards, and their relationships with government contractors, such as us, may increase their likelihood of being targeted by the same cyber threats we face. Our commercial arrangements with these third parties include processes designed to require that the third parties and their employees and agents agree to maintain certain standards for the storage, protection and transfer of confidential, personal and proprietary information. However, we remain at risk of a data breach due to the intentional or unintentional non-compliance by a third party's employee or agent, the breakdown of a third party's data protection processes, which may not be as sophisticated as ours, or a cyber-attack on a third party's information network and systems.

Any or all of the foregoing could have a negative impact on our business, financial condition, results of operations, cash flows and equity, reputation, ability to protect data, assets, and intellectual property, maintenance of customer and vendor relationships, competitive posture, and could lead to litigation or regulatory investigations or actions.

Our future success will depend on our ability to develop new products and services and technologies that achieve market acceptance in our current and future markets. Our businesses are characterized by rapidly changing technologies and evolving industry standards. To remain competitive, we need to continue to design, develop, manufacture, assemble, test, market and support new products and services and technologies, which will require the investment of significant financial resources. We have allocated substantial funds for such investments through customer-funded and internal R&D, acquisitions or other teaming arrangements. This practice will continue to be required, but we may not be able to successfully identify new opportunities and may not have the necessary financial resources to develop new products and services and technologies in a timely or cost-effective manner. Furthermore, the need to make these expenditures could divert our attention and resources from other projects, and we cannot be sure that these expenditures ultimately will lead to the timely development of new products and services or technologies. Due to the design complexity of some of our products and services and technologies, we may experience delays in completing development and introducing new products and services or technologies in the future. Any delays could result in increased costs of development or divert resources from other projects.

In addition, the markets for our products and services or technologies may not develop as we currently anticipate, we may not be as successful in newly identified markets as we currently anticipate, and acquisitions, joint ventures or other teaming arrangements we may enter into to pursue developing new products and services or technologies may not be successful. Failure of our products and services or technologies to gain market acceptance could significantly reduce our revenue and harm our business. Furthermore, competitors may develop competing products and services or technologies that gain market acceptance in advance of our products and services or technologies, or competitors may develop new products and services or technologies that cause our existing products and services or technologies to become non-competitive or obsolete, which could adversely affect our results of operations. The future direction of the domestic and global economies, including its impact on customer demand, also will have a significant impact on our overall performance.

We have significant operations in locations that could be materially and adversely impacted in the event of a natural disaster or other significant disruption. Our corporate headquarters and significant business operations are located in Florida, which is subject to the risk of major hurricanes. Our worldwide operations and operations of our suppliers and customers could be subject to natural disasters (including those as a result of climate change) or other significant disruptions, including hurricanes, typhoons, tsunamis, floods, earthquakes, fires, water shortages, other extreme weather conditions, epidemics, pandemics, acts of terrorism, power shortages and blackouts, telecommunications failures and other natural and man-made disasters or disruptions. In the event of such a natural disaster or other disruption, we could experience disruptions or interruptions to our operations or the operations of our suppliers, subcontractors, distributors, resellers or customers, including inability of employees to work; destruction of facilities; and/or loss of life, all of which could materially increase our costs and expenses, delay or decrease orders and revenue from our customers and have a material adverse effect on the continuity of our business and our business, financial condition, results of operations, cash flows and equity. Additionally, we could incur significant costs to improve the climate-related resiliency of our infrastructure and supply chain and otherwise prepare for, respond to and mitigate the effects of climate change.

With our acquisition of AJRD, there is risk of the release, unplanned ignition, explosion, or improper handling of dangerous materials used in our business, which could disrupt our operations and adversely affect our financial results. With our acquisition of AJRD, our business operations are subject to risk in connection with the handling, production, and disposition of potentially explosive and ignitable energetic materials and other dangerous chemicals, including motors and other materials used in rocket propulsion. The handling, production, transport, and

disposition of hazardous materials could result in incidents that temporarily shut down or otherwise disrupt our manufacturing operations and could cause production delays. A release of these chemicals or an unplanned ignition or explosion could result in death or significant injuries to employees and others. Material property damage to us or third parties could also occur.

The use of these products in applications by our customers could also result in liability if an explosion, unplanned ignition or fire were to occur. Extensive regulations apply to the handling of explosive and energetic materials, including but not limited to, regulations governing hazardous substances and hazardous waste. We regularly review safety related to these products with our Board of Directors ("Board"). The failure to properly store and ultimately dispose of such materials could create significant liability and/or result in regulatory sanctions. Any release, unplanned ignition or explosion could expose us to adverse publicity or liability for damages or cause production delays, any of which could have a material adverse effect on our business, financial condition, results of operations, cash flows and equity.

Failure to achieve the expected results of LHX NeXt could adversely affect our future financial condition and results of operations. In Fiscal 2023, we announced LHX NeXt, a targeted three-year program designed to enhance organizational agility and performance by leveraging our scale and relationships across segments to drive operational efficiency and competitiveness for the enterprise. There can be no assurances that the initiatives that are part of LHX NeXt will achieve their desired results.

Financial Risks

Changes in estimates we use in accounting for many of our programs could adversely affect our future financial condition and results of operations. Accounting for our contracts requires judgment relative to assessing risks, including estimating contract revenue and costs and assumptions for schedule and technical issues. Due to the size and nature of many of our contracts, the estimation of total revenue and cost at completion is complicated and subject to many variables. For example, we must make assumptions regarding: (i) the nature and complexity of the work to be performed; (ii) subcontractors' and suppliers' expected performance; (iii) availability and costs of labor, materials, components subsystems and services (including expected increases in wages and prices); (iv) the length of time to complete the contract; (v) the allocation of transaction price to one or more performance obligations based on the products and services promised to the customer; (vi) incentives or penalties related to performance on contracts in estimating revenue and profit rates, and recording them when there is sufficient information for us to assess anticipated performance; and (vii) estimates of award fees in estimating revenue and profit rates based on actual and anticipated awards.

Our gross margins and operating income can be adversely affected when estimated contract costs increase, from our initial estimates (resulting in an Estimate At Completion ("EAC") adjustment) especially without comparable increases in revenue. There are many reasons estimated contract costs can increase, including: (i) supply chain disruptions, inflation and labor issues; (ii) design or other development challenges; and (iii) program execution challenges (including from technical or quality issues and other performance concerns). However, because of the significance of the judgments and the difficulties inherent in estimating future costs, we cannot guarantee that estimated revenues and contract costs will not change in the future. Any cost growth or changes in estimated contract revenues and costs may adversely affect results of operations and financial condition. For additional information regarding our critical accounting estimates applicable to our accounting for our contracts, see "Item 7. Management's Discussion and Analysis of Financial Conditions and Results of Operations - Critical Accounting Estimates" of this Report.

Our level of indebtedness and our ability to make payments on or service our indebtedness and our unfunded defined benefit plans liability may materially adversely affect our financial and operating activities or our ability to incur additional debt. At December 29, 2023, we had \$11.5 billion in aggregate principal amount of outstanding debt and \$227 million of unfunded defined benefit plan liabilities. Our ability to make payments on and to refinance our current or future indebtedness, and our ability to make contributions to our unfunded defined benefit plans liability, will depend on our ability to generate cash from operations, financings and investments, which may be subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control.

If we are not able to repay or refinance our debt as it becomes due or make contributions to our unfunded defined benefit plans liability, we may be forced to divest businesses, sell assets or take other disadvantageous actions, including reducing financing for working capital, capital expenditures and general corporate purposes; reducing our cash dividend rate and/or share repurchases; or dedicating an unsustainable level of our cash flow from operations to the payment of principal and interest on our indebtedness. In addition, our ability to withstand competitive pressures and to react to changes in the defense technology industry could be impaired. The lenders

who hold such debt could also accelerate amounts due, which could potentially trigger a default or acceleration of any of our other debt.

The level of returns on defined benefit plan assets, changes in interest rates and other factors could materially adversely affect our financial condition, results of operations, cash flows and equity. A substantial portion of our retired employee population and a portion of our current employee population are covered by defined benefit pension and other postretirement defined benefit plans (collectively, "defined benefit plans"). We may experience significant fluctuations in costs related to defined benefit plans as a result of macro-economic factors, such as interest rates, that are beyond our control. The cost of our defined benefit plans is incurred over long periods of time and involves various factors and uncertainties during those periods that can be volatile and unpredictable, including the rates of return on defined benefit plan assets, discount rates used to calculate liabilities and expenses, mortality of plan participants and trends for future medical costs. We develop our assumptions using relevant plan experience and expectations in conjunction with market-related data. These assumptions and other actuarial assumptions may change significantly due to changes in economic, legislative and/or demographic experience or circumstances. Significant changes in key economic indicators, financial market volatility, future legislation and other governmental regulatory actions could materially affect our financial condition, results of operations, cash flows and equity.

We will make contributions to fund our defined benefit plans when considered necessary or advantageous to do so. The macro-economic factors discussed above, including the rates of return on defined benefit plan assets and the minimum funding requirements established by government funding or taxing authorities, or established by other agreement, may influence future funding requirements. A significant decline in the fair value of our plan assets, or other adverse changes to our overall defined benefit plans, could require us to make significant funding contributions and affect cash flows in future periods.

CAS governs the extent to which postretirement costs and plan contributions are allocable to and recoverable under contracts with the U.S. Government. We expect to continue to seek reimbursement from the U.S. Government for a portion of our postretirement costs and plan contributions; however, pension plan cost recoveries under our U.S. Government contracts may occur in different periods from when those pension costs are recognized for financial statement purposes or when pension funding is made. CAS rules have been revised to partially harmonize the measurement and period of assignment of pension plan costs allocable to U.S. Government contracts and minimum required contributions under the Employee Retirement Income Security Act of 1974, as amended, ("ERISA"). However, there is still a lag between the time when we contribute cash to our plans under pension funding rules and when we recover pension costs under CAS rules. These timing differences could have a material adverse effect on our cash flows.

Legal, Tax and Regulatory Risks

Changes in our effective tax rate or additional tax exposures may have an adverse effect on our results of operations and cash flows. We are subject to income taxes in the U.S. and numerous international jurisdictions. There are transactions and calculations in the ordinary course of business where the application of tax law may be uncertain, require significant judgment or be subject to differing interpretations.

Our worldwide income tax provision may be adversely affected by a number of factors, which include:

- Changes in domestic or international tax laws or the interpretation of such tax laws;
- The jurisdictions in which profits are determined to be earned and taxed;
- Adjustments to estimated taxes upon finalization of various tax returns;
- Increases in expenses not fully deductible for tax purposes, including impairment of goodwill or other long-term assets in connection with mergers or acquisitions;
- Changes in available tax credits;
- Changes in share-based compensation expense;
- Changes in the valuation of our deferred tax assets and liabilities; and
- The resolution of issues arising from tax audits with various tax authorities.

Any significant increase in our future effective tax rates could adversely impact our results of operations for future periods.

We may not be successful in obtaining the necessary export licenses to conduct certain operations abroad, and Congress may prevent proposed sales to certain foreign governments. We must first obtain export and other licenses and authorizations from various U.S. Government agencies before we are permitted to sell certain products and technologies outside of the U.S. For example, the U.S. Department of State must notify Congress at least 15 to 60 days, depending on the size and location of the proposed sale, prior to authorizing certain sales of defense equipment and services to foreign governments. During that time, Congress may take action to block the proposed

sale. We may be unsuccessful in obtaining necessary licenses or authorizations or Congress may prevent or delay certain sales.

Our ability to obtain necessary licenses and authorizations timely or at all is subject to risks and uncertainties, including changing U.S. Government policies or laws or delays in Congressional action due to geopolitical and other factors. If we are not successful in obtaining or maintaining the necessary licenses or authorizations in a timely manner, our sales relating to those approvals may be reversed, prevented or delayed, and any significant impairment of our ability to sell products or technologies outside of the U.S. could negatively impact our business, financial condition, results of operations, cash flows and equity.

Unforeseen environmental issues, including regulations related to GHG emissions or change in customer sentiment related to environmental sustainability, could have a material adverse effect on our business, financial condition, results of operations, cash flows and equity. Our operations are subject to various U.S. federal, state and local, as well as certain foreign, environmental laws and regulations within the countries in which we operate relating to the discharge, storage, treatment, handling, disposal and remediation of certain materials, substances and wastes used in our operations. The real estate assets acquired as part of our acquisition of AJRD in particular are subject to various risks, including that our reserves for estimated future environmental obligations may prove to be insufficient, we may be unable to complete environmental remediation or, we may be unable to have state and federal environmental restrictions on lifted. In addition, we could be affected by future environmental laws or regulations, including, for example, new restrictions on materials used in our operations or claims asserted in response to concerns over climate change, such as regulations related to GHG emissions, other aspects of the environment or natural resources. Changes in government procurement laws that mandate or include climate change considerations, such as the contractor's GHG emissions, lower emission products or other climate risks, in evaluating bids could result in costly changes to our operations or affect our competitiveness on future bids. Compliance with current and future environmental laws and regulations may require significant operating and capital costs. Environmental laws and regulations may institute substantial fines and criminal sanctions as well as facility shutdowns to address violations and may require the installation of costly pollution control equipment or operational changes to limit emissions or discharges. Our suppliers may face similar business interruptions and incur additional costs that may increase the price of materials needed for manufacturing. We also incur, and expect to continue to incur, costs to comply with current environmental laws and regulations related to remediation of conditions in the environment. In addition, if violations of environmental laws result in us, or in one or more of our operations, being identified as an excluded party in the U.S. Government's System for Award Management, then we or one or more of our operations would become ineligible to receive certain contracts, subcontracts and other benefits from the federal government or to perform work under a government contract or subcontract. Generally, such ineligibility would continue until the basis for the listing has been appropriately addressed. If our responses to new or evolving legal and regulatory requirements or other sustainability concerns are unsuccessful or perceived as inadequate for the U.S. or our international markets, we also may suffer damage to our reputation, which could adversely affect our business. Developments such as the adoption of new environmental laws and regulations, stricter enforcement of existing laws and regulations, violations by us of such laws and regulations, discovery of previously unknown or more extensive contamination, litigation involving environmental impacts, our inability to recover costs associated with any such developments under previously priced contracts or financial insolvency of other responsible parties could have a material adverse effect on our business, financial condition, results of operations, cash flows and equity.

Our reputation and ability to do business may be impacted by the improper conduct of our employees, agents or business partners. We have implemented compliance controls, training, policies and procedures designed to prevent and detect reckless or criminal acts from being committed by our employees, agents or business partners that would violate the laws of the jurisdictions in which we operate, including laws governing payments to government officials, such as the FCPA, the protection of export-controlled or classified information, such as ITAR, false claims, procurement integrity, cost accounting and billing, competition, information security and data privacy and the terms of our contracts.

We cannot ensure, however, that our controls, training, policies and procedures will prevent or detect all such reckless or criminal acts, and we have been adversely impacted by such acts in the past. If not prevented, such acts could subject us to civil or criminal investigations, monetary and non-monetary penalties and suspension and debarment by the U.S. Government and could have a material adverse effect on our business, results of operations and reputation. In addition, misconduct involving data security lapses resulting in the compromise of personal information or the improper use of our customers' sensitive or classified information could result in remediation costs, regulatory sanctions against us and serious harm to our reputation and could adversely impact our ability to continue to contract with the U.S. Government.

The outcome of litigation or arbitration in which we are involved from time to time is unpredictable, and an adverse decision in any such matter could have a material adverse effect on our financial condition, results of operations, cash flows and equity. The size, nature and complexity of our business make us susceptible to investigations, claims, disputes, enforcement actions, litigation and other legal proceedings, particularly those involving governments. From time to time, we are defendants in a number of litigation matters and are involved in a number of arbitration matters. These actions may divert financial and management resources that would otherwise be used to benefit our operations. The results of these or new matters may be unfavorable to us. Although we maintain insurance policies, they may not be adequate to protect us from all material judgments and expenses related to current or future claims and may not cover the conduct that is the subject of the litigation or arbitration. Desired levels of insurance may not be available in the future at economical prices or at all. In addition, the results of litigation or arbitration can be difficult to predict, including litigation involving jury trials. Accordingly, our current judgment as to the likelihood of our loss (or our current estimate as to the potential range of loss, if applicable) with respect to any particular litigation or arbitration matter may be wrong. A significant judgment or arbitration award against us arising out of any of our current or future litigation or arbitration matters could have a material adverse effect on our business, financial condition, results of operations, cash flows and equity.

Third parties have claimed in the past, and may claim in the future, that we are infringing directly or indirectly upon their intellectual property rights, and third parties may infringe upon our intellectual property rights. Many of the markets we serve are characterized by vigorous protection and pursuit of intellectual property rights, which often has resulted in protracted and expensive litigation. Our efforts to gain awards of contracts and ensure a competitive position in the market depends in part on our ability to ensure that our intellectual property is protected, that our intellectual property rights are not diluted or subject to misuse, and that we are able to license certain third-party intellectual property on reasonable terms. Third parties have claimed in the past, and may claim in the future, that we are infringing directly or indirectly upon their intellectual property rights, and we may be found to be infringing or to have infringed directly or indirectly upon those intellectual property rights. Claims of infringement might also require us to enter into costly royalty or license agreements. Our patents and other intellectual property may be challenged, invalidated, misappropriated or circumvented by third parties. Moreover, we may not be able to obtain royalty or license agreements on terms acceptable to us, or at all.

We also may be subject to significant damages or injunctions against development and sale of certain of our products, services and solutions. Our success depends in large part on our proprietary technology. We rely on a combination of patents, copyrights, trademarks, trade secrets, know-how, confidentiality provisions and licensing arrangements to establish and protect our intellectual property rights. In addition, the laws concerning intellectual property vary among nations and the protection provided to our intellectual property by the laws and courts of foreign nations may differ from those of the U.S. If we fail to successfully protect and enforce these rights, our competitive position could suffer. Our pending patent and trademark registration applications may not be allowed, or competitors may challenge the validity or scope of our patents or trademark registrations. In addition, our patents may not provide us a significant competitive advantage. We may be required to spend significant resources to monitor and enforce our intellectual property rights. Litigation to determine the scope of intellectual property rights, even if ultimately successful, could be costly and could divert management's attention away from other aspects of our business. We may not be able to detect infringement, and our competitive position may be harmed before we do so. In addition, competitors may design around our technology or develop competing technologies.

We face certain significant risk exposures and potential liabilities that may not be covered adequately by insurance or indemnity. We are exposed to liabilities that are unique to the products and services we provide. A significant portion of our business relates to designing, developing and manufacturing advanced defense, technology and communications systems and products. New technologies associated with these systems and products may be untested or unproven. Components of certain defense systems and products we develop are inherently dangerous. Failures of satellites, missile systems, air traffic control systems, electronic warfare systems, space superiority systems, command, control, computers, communications, cyber, ISR, homeland security applications and aircraft have the potential to cause loss of life and extensive property damage. Other examples of unforeseen problems that could result, either directly or indirectly, in the loss of life or property or otherwise negatively affect revenue and profitability include loss on launch of spacecraft, premature failure of products that cannot be accessed for repair or replacement, problems with quality and workmanship, country of origin, delivery of subcontractor components or services and unplanned degradation of product performance. In addition, problems and delays in development or delivery as a result of issues with respect to design, technology, licensing and patent rights, labor, learning curve assumptions or materials and components could prevent us from achieving contractual requirements. In many circumstances, we may receive indemnification from the U.S. Government. We generally do not receive indemnification from foreign governments. Although we maintain insurance for certain risks, including certain cybersecurity exposures, the amount of our insurance coverage may not be adequate to cover all claims or liabilities, and we may be forced to bear substantial costs from an accident or incident. It also is not possible for us to obtain

insurance to protect against all operational risks and liabilities. Substantial claims resulting from an incident in excess of U.S. Government indemnity and our insurance coverage would harm our financial condition, results of operations, cash flows and equity. Other factors that may affect revenue and profits include loss of follow-on work, and, in the case of certain contracts, liquidated damages, penalties and repayment to the customer of contract cost and fee payments we previously received. Moreover, any accident or incident for which we are liable, even if fully insured, could negatively affect our standing with our customers and the public, thereby making it more difficult for us to compete effectively, and could significantly impact the cost and availability of adequate insurance in the future.

Strategic Transactions and Investments Risks

Challenges arising from the expanded operations related to the acquisition of AJRD may affect our future results. Our recent acquisitions have expanded the size and complexity of our business. Our future success depends, in part, on the ability to integrate AJRD, and to anticipate and overcome challenges arising from the expansion of our operations, including challenges related to expanded operations and new manufacturing processes and products or services, and the associated costs and complexity. There can be no assurance that we will be able to anticipate or overcome all of the challenges resulting from our expanding operations or that we will realize the expected benefits of the acquisitions in the intended timeframe or at all, which may cause our future results to be adversely affected.

Strategic transactions, including mergers, acquisitions and divestitures, involve significant risks and uncertainties that could adversely affect our business, financial condition, results of operations, cash flows and equity. Strategic mergers, acquisitions and divestitures we have made in the past and may make in the future present significant risks and uncertainties that could adversely affect our business, financial condition, results of operations, cash flows and equity, which include:

- Difficulty in identifying and evaluating potential mergers and acquisitions, including the risk that our due diligence does not identify or fully assess valuation issues, potential liabilities or other merger or acquisition risks;
- Difficulty, delays and expense in integrating newly merged or acquired businesses and operations, including combining product and service offerings, and in entering into new markets in which we are not experienced, in an efficient and cost-effective manner while maintaining adequate standards, controls and procedures, and the risk that we encounter significant unanticipated costs or other problems associated with integration;
- Differences in business backgrounds, corporate cultures and management philosophies that may delay successful integration;
- Difficulty, delays and expense in consolidating and rationalizing IT infrastructure, which may include multiple legacy systems from various mergers and acquisitions and integrating software code;
- Challenges in achieving strategic objectives, cost savings and other expected benefits;
- Risk that our markets do not evolve as anticipated and that the strategic mergers, acquisitions and divestitures do not prove to be those needed to be successful in those markets;
- Risk that we assume or retain, or that companies we have merged with or acquired have assumed or retained or otherwise become subject to, significant liabilities that exceed the limitations of any applicable indemnification provisions or the financial resources of any indemnifying parties;
- Risk that indemnification related to businesses divested or spun off that we may be required to provide or otherwise bear may be significant and could negatively impact our business;
- Risk that mergers, acquisitions, divestitures, spin offs and other strategic transactions fail to qualify for the intended tax treatment for U.S. federal income tax purposes and the possibility that the full tax benefits anticipated to result from such transactions may not be realized;
- Risk that we are not able to complete strategic divestitures on satisfactory terms and conditions, including non-competition arrangements applicable to certain of our business lines, or within expected timeframes;
- Potential loss of key employees or customers of the businesses acquired or to be divested;
- Risk of diverting the attention of senior management from our existing operations; and
- Risk that we have a future impairment charge related to the acquired goodwill or other long-term assets.

Changes in future business or other market conditions could cause business investments and/or recorded goodwill or other intangible assets to become impaired, resulting in substantial losses and write-downs that would materially adversely affect our results of operations and financial condition. A significant portion of our assets consist of goodwill and other intangible assets, primarily recorded as the result of acquisitions. Assumptions and judgments in determining initial acquisition price may subsequently prove to have been inaccurate and unforeseen issues could arise, which could adversely affect the anticipated returns or which are otherwise not recoverable as an adjustment to the purchase price. We evaluate the recoverability of recorded goodwill annually, as well as when we change reporting units (either as a result of a reorganization or as the result of divestiture activity) and when events

or circumstances indicate there may be an impairment. If an impairment exists, we record the charge in the period of determination. Because of the significance of our goodwill and other intangible assets, any future impairment of these assets could have a material adverse effect on our results of operations and financial condition. For additional information on our accounting policies related to impairment of goodwill, see our discussion under "Critical Accounting Estimates" in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" of this Report and *Note 1: Significant Accounting Policies* and *Note 6: Goodwill and Intangible Assets* in the Notes.

ITEM 1B. UNRESOLVED STAFF COMMENTS.

Not applicable.

ITEM 1C. CYBERSECURITY.

Risk Management and Strategy

We assess and identify material risks from cybersecurity threats primarily through the work of our Information Security organization as part of our enterprise risk management ("ERM") process. The ERM process, administered by management with input from each business segment and function, continually monitors material risks facing L3Harris, including cybersecurity threats. Our Chief Information Officer ("CIO"), has extensive experience leading information technology for global organizations across aerospace, defense and industrials, works directly with our CEO and other members of senior management to assess cybersecurity threats as part of the ERM process. The CIO also oversees the internal cybersecurity organization of more than 100 full-time employees headed by our Chief Information Security Officer (our "Cybersecurity Team").

Risks related to cybersecurity threats are reflected in an enterprise risk "heat map," along with other material risks identified through the ERM process, and any mitigation plans developed to manage such risks are reported to our Board. The "heat map" includes risks related to cybersecurity threats to L3Harris and our customers, suppliers, vendors, subcontractors or other third parties, and the possibility of a data breach of our confidential, personal and proprietary information through a cybersecurity incident impacting L3Harris or any third party. We could be negatively impacted by a security breach, through cyber-attack, cyber intrusion, insider threats, supply chain incidents, or otherwise, or other significant disruption of our IT networks and related systems or of those we operate for certain of our customers. See "Item 1A - Risk Factors" in this Report for further discussion of specific risks related to cybersecurity threats.

To actively manage cybersecurity risks identified as part of the ERM process or otherwise and to manage emerging cybersecurity threats in real time, management has implemented an ISO 27001 certified Information Security Management System. Our Cybersecurity Team operates a Security Operations Center that continuously monitors activity, frequently scans applications and systems for vulnerabilities to risk from cybersecurity threats and creates action plans to address and track identified cybersecurity threats until they have been remediated. Activities and cybersecurity incidents are reported to our CIO, who briefs senior management, including our CEO, as well the Innovation and Cyber Committee of our Board (the "Innovation and Cyber Committee") and the Audit Committee of our Board (the "Audit Committee"), as appropriate. Our Cybersecurity Team also routinely engages with third parties, including government agencies focused on cyber resiliency, to manage risks from cybersecurity threats. For example, we are members of the DoD Defense Industrial Base Collaborative Information Sharing Environment, the National Defense Information Sharing and Analysis Center, and the National Security Agency Enduring Security Framework. These organizations share real-time cybersecurity threat information and best practices in protecting, detecting and recovering from cybersecurity threats.

We also have a counterintelligence and insider threat program to detect potential external and internal threats, conducted by purposeful or unwitting actors. As a government contractor, we must comply with extensive cybersecurity regulations, including the Defense Federal Acquisition Regulation Supplement ("DFARS") related to adequately safeguarding controlled unclassified information ("CUI") and reporting cybersecurity incidents to the DoD. The policies and implemented controls reflect our adherence to these requirements and have been assessed by external organizations, including industry partners and the federal government.

To mitigate cybersecurity risk introduced from our supply chain, we have a dedicated Cybersecurity - Supply Chain Risk Management team. This team assesses new suppliers against best cybersecurity practices, ensures cybersecurity regulations are contractually obligated and coordinates mitigation actions across the company if a supplier is impacted by a cybersecurity incident. They utilize industry monitoring services to identify potential supply chain incidents and work closely with our Cybersecurity team to understand the latest threats affecting our industry.

Additionally, as part of our processes to manage risks related to a breach in our information systems, management requires employees to take annual cybersecurity training and shares regular awareness updates regarding cybersecurity threats. Our Cybersecurity Team regularly tests employees throughout the year to assess the effectiveness of the cybersecurity training. We also periodically conduct penetration testing of our network, hold tabletop exercises of cyber incidents, and undertake cybersecurity assessments led by Internal Audit to improve our risk mitigation and assist in the determination of a potential material impact caused by a cybersecurity incident.

Governance

The Audit Committee provides regular oversight and review of our ERM process and other guidelines and policies governing the processes by which our CEO and senior management assess our exposure to risk, including risk from cybersecurity threats. The Innovation and Cyber Committee receives regular briefings from our CIO, Chief Information Security Officer and other members of senior management on cybersecurity threats and related matters and assists the Audit Committee in its oversight and review of our ERM process.

The Innovation and Cyber Committee reviews our cybersecurity risk across the enterprise at least annually, including IT, supply chain and products and our cybersecurity strategy framework and operational posture. The Innovation and Cyber Committee also reviews our IT, data security and other systems, processes, policies, procedures and controls at least annually to (a) identify, assess, monitor and mitigate cybersecurity risks; (b) identify measures to protect and safeguard against cybersecurity threats and breaches of confidential information and data and IT infrastructure and our other assets or assets of our customers or other third parties in our possession or custody; (c) support the response and management of cybersecurity threats and data breach incidents; and (d) aid in compliance with legal and regulatory requirements governing cybersecurity or data security reporting requirements. The Innovation and Cyber Committee reports its activities to the full Board on a regular basis and makes such recommendations to the Board and management with respect to risks from cybersecurity threats and other matters as it deems necessary or appropriate.

ITEM 2. PROPERTIES.

As of December 29, 2023, we operated approximately 300 locations in the U.S., Canada, EMEA, APAC and South America, consisting of approximately 27 million square feet of manufacturing, administrative, R&D, warehousing, engineering and office space, of which we owned approximately 12 million square feet and leased approximately 15 million square feet. As of December 29, 2023, we had major operations at the following locations:

SAS — Palm Bay, Melbourne and Malabar, Florida; Rochester and Amityville, New York; Clifton, New Jersey; Van Nuys, San Diego, San Leandro and Menlo Park, California; Colorado Springs, Colorado; Herndon, Virginia; Fort Wayne, Indiana; Wilmington, Massachusetts; and Alpharetta, Georgia.

IMS — Greenville, Waco, Rockwall and Plano, Texas; Mirabel and Waterdown, Canada; Camden, New Jersey; Anaheim, California; Mason and Cincinnati, Ohio; Tulsa, Oklahoma; Salt Lake City, Utah; Philadelphia, Pennsylvania; Crawley, United Kingdom; and Grand Rapids, Michigan.

CS — Salt Lake City, Utah; Rochester, New York; Londonderry, New Hampshire; Lynchburg, Virginia; Tempe, Arizona; Carlsbad, California; Farnborough, United Kingdom; Brisbane, Australia; Sunrise, Florida; and Abu Dhabi, United Arab Emirates.

AR — Camden, Arkansas; Chatsworth, California; Huntsville, Alabama; West Palm Beach, Florida; Orange, Virginia; Redmond, Washington; Orlando, Florida; Hancock County, Mississippi; and Jonesborough, Tennessee.

Corporate — Melbourne, Florida; and Washington, D.C.

Our facilities are suitable and adequate for their intended purposes, are well-maintained, are generally in regular use and have capacities adequate for current and projected needs. We will, from time to time, acquire additional facilities, expand existing facilities and dispose of existing facilities or parts thereof, as management deems necessary. See *Note 5: Property, Plant and Equipment, Net* and *Note 11: Leases* in the Notes for more information on our owned properties and our lease obligations, respectively.

ITEM 3. LEGAL PROCEEDINGS.

See *Note 15: Legal Proceedings, Commitments and Contingencies* included in our Notes for information relating to our legal proceedings.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

INFORMATION ABOUT OUR EXECUTIVE OFFICERS.

The name, age, position held with us and principal occupation and employment during at least the past five years for each of our executive officers as of February 16, 2024 were as follows:

Name and Age	Position Currently Held and Past Business Experience
Kenneth L. Bedingfield, 51	Chief Financial Officer ("CFO") since December 11, 2023. Before joining L3Harris, Mr. Bedingfield worked at Epirus, Inc. ("Epirus") as CEO from December 2022 to December 2023, President and Chief Operating Officer from August 2022 to December 2022, and as CFO from June 2020 to December 2022. Prior to Epirus, Mr. Bedingfield worked at Northrop Grumman Corporation ("Northrop Grumman") most recently as CFO from 2015 to 2020, Aerospace Sector CFO from 2013 to 2015, and Corporate Controller and Chief Accounting Officer from 2011 to 2013. Prior to Northrop Grumman, Mr. Bedingfield spent 17 years at KPMG, serving as the Partner of the Aerospace & Defense Audit Practice.
Christopher E. Kubasik, 62	Chair and CEO since June 29, 2022. Vice Chair and CEO from June 29, 2021. Vice Chair, President and Chief Operating Officer from June 29, 2019 to June 29, 2021. Served with L3 Technologies, Inc. ("L3"), as Chairman, CEO and President from May 2018 to June 2019; as CEO and President from January 2018 to May 2018.
Samir B. Mehta, 51	President, CS since January 2023. Before joining L3Harris, Mr. Mehta worked at Collins Aerospace, a subsidiary of RTX, as President of Advanced Structures from 2018 to 2022 and President, Aftermarket from 2017 to 2018. Prior to RTX, Mr. Mehta spent over 17 years with Sikorsky Aircraft, notably serving as President, Defense Systems and Services.
Scott T. Mikuen, 62	Senior Vice President, General Counsel and Secretary since February 2013. General Counsel since 2010 and Secretary since 2004. Mr. Mikuen joined L3Harris as finance counsel in 1996.
Corliss J. Montesi, 59	Vice President and Principal Accounting Officer since August 2021. Vice President, Internal Audit from June 2020 to August 2021. Before joining L3Harris, Ms. Montesi worked at Stanley Black and Decker as Vice President, Functional Transformation – Shared Services from 2018 to 2019; and as Vice President, Corporate Controller from 2014 to 2018.
Ross S. Niebergall, 60	President, AR since July 2023. Vice President, AR Integration from March 2023 to July 2023. Vice President and Chief Technology Officer from July 2017 to March 2023. Before joining L3Harris, Mr. Niebergall worked at RTX, for over 10 years, notably serving as the Vice President and Deputy for Development Programs, Engineering and Technology from 2016 to 2017 and CEO of Thales Raytheon Systems from 2014 to 2016.
Melanie Rakita, 46	Vice President and Chief Human Resources Officer since April 2023. Vice President, Human Resources for IMS from February 2023 to March 2023, for SAS from July 2019 to February 2023, and for Electronic Systems from February 2018 to June 2019. Vice President of Talent and Inclusion from February 2017 to February 2018. Vice President, Critical Networks from November 2015 to February 2017. Before joining L3Harris, Ms. Rakita worked for United Technologies Corporation from 2008 to 2015.
Jonathan P. Rambeau, 51	President, IMS since October 2022. Before joining L3Harris, Mr. Rambeau worked at Lockheed Martin for 26 years, notably serving as Vice President and General Manager, Integrated Warfare Systems and Sensors of the Rotary and Mission Systems business from 2020 to 2022 and Vice President and General Manager, C6ISR, Rotary and Mission Systems from 2016 to 2020.
Sean J. Stackley, 66	Senior Vice President, Strategy & Growth since October 2022. President, IMS from June 2019 to October 2022. Served with L3 as Senior Vice President and President of Communications & Networked Systems Segment from September 2018 to June 2019; and as Corporate Vice President, Strategic Advance Programs and Technologies from January 2018 to September 2018. Before joining L3 in January 2018, (Hon.) Mr. Stackley spent four decades in public service, including a 27-year career with the U.S. Navy, where he most recently was Acting Secretary of the Navy from January 2017 to July 2017 and Secretary of the Navy for Research, Development and Acquisition from 2008 to 2017.
Edward J. Zoiss, 59	President, SAS since June 2019. President, Electronic Systems from July 2015 to June 2019. Vice President and General Manager, Defense Programs, Government Communications Systems from June 2013 to July 2015.

There is no family relationship between any of our executive officers or directors. All of our executive officers are elected annually and serve at the pleasure of our Board.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES.

Market Information

Our common stock, par value \$1.00 per share, is listed and traded on the New York Stock Exchange ("NYSE"), under the ticker symbol "LHX." According to the records of our transfer agent, as of February 9, 2024, there were 9,667 holders of record of our common stock.

Dividends

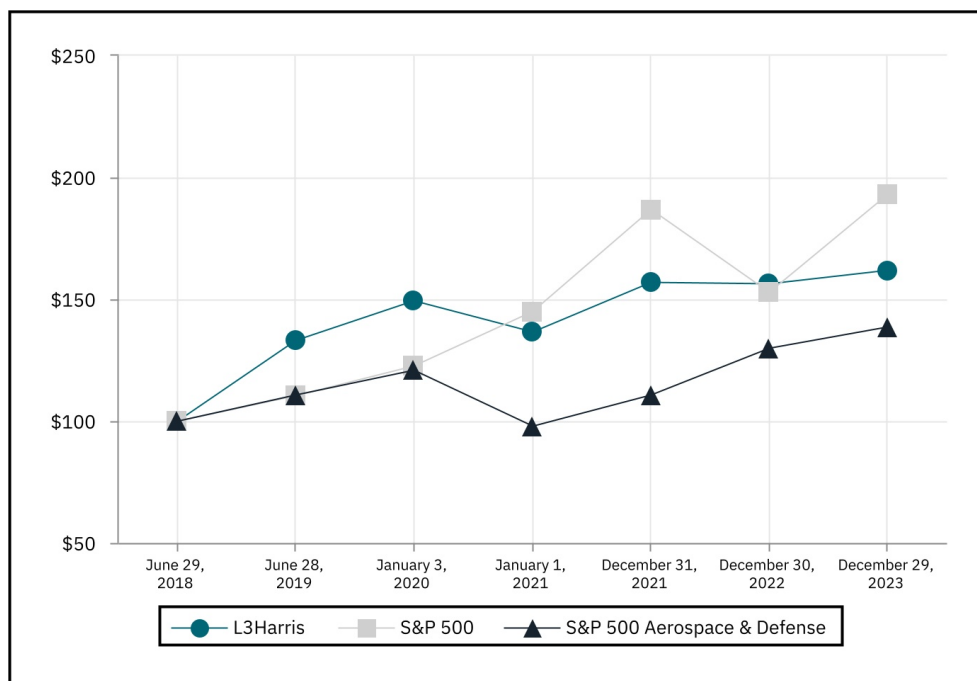
We paid per share cash dividends on our common stock of \$1.14 each quarterly period of fiscal 2023, \$1.12 each quarterly period of fiscal 2022 and \$1.02 each quarterly period of fiscal 2021. Our annualized per share cash dividend rate was \$4.56 in fiscal 2023, \$4.48 in fiscal 2022 and \$4.08 in fiscal 2021. Quarterly cash dividends are typically paid in March, June, September and December. We currently expect to continue paying cash dividends in the near future, but we can give no assurances concerning payment of future dividends or future dividend increases. The declaration of dividends by our Board and the amount thereof will depend on a number of factors, including our financial condition, capital requirements, cash flows, results of operations, future business prospects and other factors our Board may deem relevant.

L3Harris Stock Performance Graph

The following performance graph is not deemed to be filed with the SEC or subject to the liabilities of Section 18 of the Exchange Act, and should not be deemed to be incorporated by reference into any other previous or future filings by us under the Securities Act or the Exchange Act.

The performance graph and table below compare the fiscal year in the period ended June 28, 2019, the fiscal transition period for the two quarters ended January 3, 2020, fiscal 2020, fiscal 2021, fiscal 2022 and fiscal 2023 cumulative total shareholder return ("TSR") of our common stock (the common stock of Harris Corporation prior to the L3Harris Merger on June 29, 2019, and the common stock of L3Harris Technologies, Inc. after the L3Harris Merger) with the comparable cumulative total returns of the Standard & Poor's 500 Composite Stock Index ("S&P 500") and the Standard & Poor's 500 Aerospace & Defense Index ("S&P 500 Aerospace & Defense"). The figures in the performance graph below assume an initial investment of \$100 at the close of business on June 29, 2018 in L3Harris common stock, the S&P 500 and the S&P 500 Aerospace & Defense and the reinvestment of all dividends.

COMPARISON OF THE FISCAL YEAR ENDED JUNE 28, 2019 (PRIOR TO THE L3HARRIS MERGER), THE FISCAL TRANSITION PERIOD FOR THE TWO QUARTERS ENDED JANUARY 3, 2020, FISCAL 2020, FISCAL 2021, FISCAL 2022 AND FISCAL 2023 CUMULATIVE TOTAL RETURN AMONG L3HARRIS, S&P 500 AND S&P 500 AEROSPACE & DEFENSE



Recent Sales of Unregistered Securities

During fiscal 2023, we did not issue or sell any unregistered securities.

Issuer Purchases of Equity Securities

On January 28, 2021, we announced that our Board approved a \$6.0 billion share repurchase authorization under our repurchase program. On October 21, 2022, we announced that our Board approved an additional \$3.0 billion share repurchase authorization that was in addition to the remaining unused authorization of 1.5 billion at that time. Our repurchase program does not have an expiration date and authorizes us to repurchase shares of our common stock through open market purchases, private transactions, transactions structured through investment banking institutions or any combination thereof.

During fiscal 2023, we repurchased 2.5 million shares of our common stock under our share repurchase program for \$0.5 billion at an average share price of \$204.38, excluding commissions of \$0.02 per share. During fiscal 2022, we repurchased 4.7 million shares of our common stock under our share repurchase program for \$1.1 billion at an average share price of \$231.44, excluding commissions of \$0.02 per share. As of December 29, 2023, the remaining unused authorization under our repurchase programs was \$3.9 billion.

Employee transactions are represented by a combination of (a) shares of our common stock delivered to us in satisfaction of the tax withholding obligation of holders of performance units, restricted units or restricted shares that vested during the quarter and (b) performance units, restricted units or restricted shares returned to us upon retirement or employment termination of employees. Our equity incentive plans provide that the value of shares delivered to us to pay the exercise price of options or to cover tax withholding obligations shall be the closing price of our common stock on the date the relevant transaction occurs.

The following table sets forth information with respect to repurchases by us of our common stock during the fiscal quarter ended December 29, 2023.

Period*	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs ⁽¹⁾	Maximum approximate dollar value of shares that may yet be purchased under the plans or programs ⁽¹⁾ (\$ in millions)
Month No. 1 (September 30, 2023 - October 27, 2023)				
Repurchase program ⁽¹⁾	—	\$ —	—	\$3,935
Employee transactions ⁽²⁾	20,761	\$ 171.09	—	—
Month No. 2 (October 28, 2023 - November 24, 2023)				
Repurchase program ⁽¹⁾	—	\$ —	—	\$3,935
Employee transactions ⁽²⁾	26,591	\$ 185.30	—	—
Month No. 3 (November 25, 2023 - December 29, 2023)				
Repurchase program ⁽¹⁾	—	\$ —	—	\$3,935
Employee transactions ⁽²⁾	9,314	\$ 200.54	—	—
Total	56,666		—	\$3,935

* Periods represent our fiscal months.

(1) On October 21, 2022, we announced that our Board approved a \$3 billion share repurchase authorization under our share repurchase program that was in addition to the remaining unused authorization of 1.5 billion at that time. Our repurchase program does not have an expiration date and authorizes us to repurchase shares of our common stock through open market purchases, private transactions, transactions structured through investment banking institutions or any combination thereof. As of December 29, 2023, the remaining unused authorization under our repurchase programs was \$3.9 billion (as reflected in the table above).

(2) Represents a combination of (a) shares of our common stock delivered to us in satisfaction of the tax withholding obligation of holders of performance units or restricted units that vested during the quarter and (b) performance units or restricted units returned to us upon retirement or employment termination of employees. Our equity incentive plans provide that the value of shares delivered to us to pay the exercise price of options or to cover tax withholding obligations shall be the closing price of our common stock on the date the relevant transaction occurs.

ITEM 6. [RESERVED.]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The following Management's Discussion and Analysis ("MD&A") is intended to assist in an understanding of our financial condition and results of operations for fiscal 2023 compared with fiscal 2022. A discussion of fiscal 2022 compared to fiscal 2021 can be found in *Part II: Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations* included in our Annual Report on Form 10-K for the fiscal year ended December 30, 2022 (our "Fiscal 2022 Form 10-K"). This MD&A is provided as a supplement to, should be read in conjunction with and is qualified in its entirety by reference to, our Consolidated Financial Statements and accompanying Notes appearing elsewhere in this Report. Except for the historical information contained herein, the discussions in this MD&A contain forward-looking statements that involve risks and uncertainties. Our future results could differ materially from those discussed herein. Factors that could cause or contribute to such differences include, but are not limited to, those discussed below in this MD&A under "Forward-Looking Statements and Factors that May Affect Future Results."

OVERVIEW

We are the Trusted Disruptor in the defense industry. With customers' mission-critical needs in mind, we deliver end-to-end technology solutions connecting the space, air, land, sea and cyber domains. We support government customers in more than 100 countries, with our largest customers being various departments and agencies of the U.S. Government and their prime contractors. Our products and services have defense and civil government

applications, as well as commercial applications. As of December 29, 2023, we had approximately 50,000 employees, including approximately 20,000 engineers and scientists. We generally sell directly to our customers, and we utilize agents and intermediaries to sell and market some products and services, especially in international markets.

We structure our operations primarily around the products, systems and services we sell and the markets we serve, and we report the financial results of our continuing operations in the four segments: SAS, IMS, CS and AR. See *Note 14: Business Segments* in the Notes for further information regarding our business segments, including how we define segment operating income or loss.

U.S. and International Budget Environment

Our largest customers are various departments and agencies of the U.S. Government — the percentage of our revenue that was derived from sales to U.S. Government customers, including foreign military sales funded through the U.S. Government, whether directly or through prime contractors, was 76%, 74% and 75%, in fiscal 2023, 2022 and 2021, respectively.

On December 29, 2022, the President signed the Consolidated Appropriations Act, 2023 (H.R. 2617) into law, which provided \$858 billion of national defense funding for the 2023 GFY, of which \$816 billion was allotted to the DoD. On March 13, 2023, the President's Budget Request for GFY 2024 ("2024 PBR") was released. The 2024 PBR includes \$842 billion for the DoD, a proposed increase of approximately 3% over the enacted GFY 2023 DoD budget. Many of our offerings funded in the enacted GFY 2023 DoD budget are also supported by the 2024 PBR, including responsive satellites, ISR aircraft, tactical communications and maritime solutions.

On June 3, 2023, the President signed into law the Fiscal Responsibility Act of 2023 ("FRA"), (P.L., 118-5) which suspended the federal debt limit through January 1, 2025 and established new discretionary funding limits for defense and non-defense accounts. The deal capped GFY 2024 national defense funding at \$886 billion, including \$842 billion for the DoD specifically, and non-defense funding at \$704 billion. The FRA includes a provision that requires if a CR is in effect on January 1, 2024, for any discretionary account, the discretionary spending limits would be revised to reflect GFY23 enacted levels for defense and nondefense, decreased by 1%. If a final GFY2024 appropriations bill is not enacted by April 30, the 1% spending cuts would go into effect.

On September 30, 2023, the President signed a short-term CR, funding the government for 48 days through November 17, 2023. On November 17, 2023, the President signed a second CR into law. The second CR funded some government agencies through January 19, 2024, and other agencies, including the DoD, through February 2, 2024. On January 19, 2024, the President signed a third CR into law extending government funding through March 1 and March 8, respectively. Congress must enact full-year GFY appropriations bills or another CR to fund the government by those respective deadlines. While operating under a CR, government agencies are allocated a portion of GFY 2023 enacted funds, and DoD is prohibited from starting new programs.

The overall defense spending environment, both in the U.S. and internationally, reflects the continued impacts of the conflicts in Ukraine and geopolitical tensions across Asia and the Middle East, and changes to U.S. Government or international spending priorities have and could in the future impact our business.

For a discussion of U.S. Government funding risks and international business risks see "Item 1. Business -Government Contracts," "Item 1. Business - International Business," "Item 1A. Risk Factors" and "Item 3. Legal Proceedings" of this Report.

Economic Environment

The macroeconomic environment continues to present challenges, which have impacted and may continue to impact our future results. The ongoing uncertainty related to the impacts of inflation, as well as increased interest rates, which raises the cost of borrowing for the federal government, could in the future impact U.S. Government spending priorities and the demand for our products.

For a discussion of inflation-related risks, see "Item 1A. Risk Factors" of this Report.

Acquisitions and Pending Divestitures

TDL Product Line. On January 3, 2023, we completed the acquisition of TDL for a purchase price of \$1,958 million. TDL is reported within our CS segment.

AJRD. On July 28, 2023, we completed the acquisition of AJRD for a total net purchase price of \$4,715 million. The operations of AJRD are reported in the newly established AR segment and in our corporate headquarters.

Pending Divestiture of CAS Disposal Group. On November 27, 2023, we announced that we entered into a definitive agreement to sell our CAS disposal group, which is included in our IMS segment.

See Note 13: *Acquisitions, Divestitures and Asset Sales* in the Notes for further information.

Operating Environment, Strategic Priorities and Key Performance Measures

The heightened geopolitical tensions worldwide emphasize the need for strengthened deterrence to support the U.S. and its allies. With a national security, technology-focused portfolio, we are uniquely positioned to meet our customers' evolving needs across all domains and deliver advanced capabilities to support the U.S. and its allies. Many of our offerings are supported in the 2024 GFY DoD budget, including responsive satellites, ISR aircraft, tactical communications, networked maritime systems and classified cyber solutions. In fiscal 2023, we received several key strategic contract awards across each of our domains, and we ended the year with backlog of \$32.7 billion, a 47% increase over the prior year. Also in fiscal 2023, we invested \$480 million (2% of total revenue) in company-funded R&D focused on technologies that expand our capabilities across our domains.

As noted in the "Acquisitions and Pending Divestitures" section above, during fiscal 2023, we closed on two acquisitions. The TDL acquisition provides us access to the Link 16 network and positions us to make the installed base of terminals more resilient and relevant, consistent with joint all-domain command and control ("JADC2") modernization efforts. The AJRD acquisition provides access to new markets in missiles and missile defense as well as space exploration.

This year, we embarked on the next phase of the L3Harris evolution, known as LHX NeXt, a targeted three-year program designed to enhance organizational agility and performance by leveraging our scale and relationships across segments, driving operational efficiency and competitiveness for the enterprise. With this program we are investing in enterprise tools and optimized, revamped processes to unlock further opportunities for margin expansion and create additional value for our shareholders.

Our strategic priorities continue to be performance, growth and innovation, with "Performance First" continuing to be our primary focus. We plan to continue to invest, consistent with growth opportunities, and sustain our culture of innovation, while delivering on our commitments to investors, our customers and on every contract we are awarded. We intend to accomplish this by:

- Relentlessly focusing on program execution and continuous improvement;
- Strengthening the risk management culture that has developed over the highly volatile past three years;
- Seamlessly integrating TDL and AJRD; and
- Attracting, developing and retaining the skilled workforce key to our role as a Trusted Disruptor.

We use the following key financial performance measures to manage our business, which are discussed in detail below in the "Operations Review" and "Liquidity and Capital Resources" sections of this MD&A:

- Revenue;
- Operating income and margin; and
- Net cash provided by operating activities.

We also measure the success of our business using certain measures that are not defined by U.S. Generally Accepted Accounting Principles ("GAAP"), such as adjusted segment operating income (defined as operating income excluding certain corporate items and certain significant and/or nonrecurring items), earnings before interest and taxes, non-GAAP earnings per share, free cash flow (defined as net cash provided by operating activities less additions of property, plant and equipment net of proceeds from the sale of property, plant and equipment) and return on invested capital (defined as after-tax operating income from continuing operations divided by the five-point average of invested capital at the beginning and end of the period, where invested capital equals equity plus debt, less cash and cash equivalents), which may be calculated differently by other companies. We use these measures, along with our key financial performance measures above, to assess the success of our business and our ability to create shareholder value. We believe these measures are balanced among long-term and short-term performance, growth and innovation. We also use some of these and other performance metrics for executive compensation purposes.

OPERATIONS REVIEW

Consolidated Results of Operations

(Dollars in millions, except per share amounts)	Fiscal Year Ended	
	December 29, 2023	December 30, 2022
Revenue	\$ 19,419	\$ 17,062
Cost of revenue	(14,306)	(12,135)
% of total revenue	74 %	71 %
Gross margin	5,113	4,927
% of total revenue	26 %	29 %
General and administrative expenses	(3,262)	(3,006)
% of total revenue	17 %	18 %
Asset group and business divestiture-related (losses) gains, net	(51)	8
Impairment of goodwill and other assets	(374)	(802)
Operating income	1,426	1,127
Non-service FAS pension income and other, net ¹	338	425
Interest expense, net	(543)	(279)
Income from continuing operations before income taxes	1,221	1,273
Income taxes	(23)	(212)
Effective tax rate	1.9 %	16.7 %
Net income	1,198	1,061
Noncontrolling interests, net of income taxes	29	1
Net income attributable to L3Harris Technologies, Inc.	\$ 1,227	\$ 1,062
% of total revenue	6 %	6 %
Net income from continuing operations per diluted common share attributable to L3Harris Technologies, Inc common shareholders	\$ 6.44	\$ 5.49

¹"FAS" is defined as Financial Accounting Standards.

Revenue

As described in more detail in *Note 13: Acquisitions, Divestitures and Asset Sales* and elsewhere in the Notes, during fiscal 2023 and 2022, we completed certain asset group sales and business divestitures. There was no significant revenue attributable to divested businesses.

Revenue for fiscal 2023 increased 14% compared with fiscal 2022 from the inclusion of \$1,052 million of revenue from the July 28, 2023 acquisition of AJRD, which is reported in our AR segment, and higher revenue in CS of \$853 million (including \$365 million of revenue from the acquisition of TDL) and SAS of \$472 million. See the "Discussion of Business Segment Results of Operations" discussion below in this MD&A for further information.

Gross margin

Gross margin for fiscal 2023 increased compared to fiscal 2022, largely due to the increases in revenue noted above, partially offset by an unfavorable net change in EAC adjustments which decreased gross margin by \$121 million and a higher mix of lower margin revenue, primarily in our CS segment. Gross margin as a percentage of revenue decreased compared to fiscal 2022 from EAC adjustments and a higher mix of lower margin revenue, primarily in our CS segment. For discussion of operating income by segment see the "Discussion of Business Segment Results of Operations" below in this MD&A for further information.

Segment Product and Service Analysis

The following tables present revenue and cost of revenue from products and services by segment.

(In millions)	Fiscal Year Ended					
	December 29, 2023					
	SAS	IMS	CS	AR	Eliminations	Total
Revenue						
Products	\$ 4,879	\$ 4,006	\$ 4,057	\$ 752	\$ —	\$ 13,694
Services	1,928	2,537	960	300	—	5,725
Intersegment	49	87	53	—	(189)	—
Total	\$ 6,856	\$ 6,630	\$ 5,070	\$ 1,052	\$ (189)	\$ 19,419
Cost of revenue						
Products	\$ 3,777	\$ 3,055	\$ 2,319	\$ 558	\$ 2	9,711
Services	1,554	1,944	845	259	(7)	4,595
Intersegment	49	87	53	—	(189)	—
Total	\$ 5,380	\$ 5,086	\$ 3,217	\$ 817	\$ (194)	\$ 14,306

(In millions)	Fiscal Year Ended					
	December 30, 2022					
	SAS	IMS	CS	AR	Eliminations	Total
Revenue						
Products	\$ 4,574	\$ 4,152	\$ 3,370	**	\$ —	\$ 12,097
Services	1,761	2,403	802	**	—	4,965
Intersegment	49	71	45	**	(165)	—
Total	\$ 6,384	\$ 6,626	\$ 4,217	\$ —	\$ (165)	\$ 17,062
Cost of revenue						
Products	\$ 3,397	\$ 3,008	\$ 1,953	**	\$ (3)	\$ 8,355
Services	1,364	1,814	600	**	2	3,780
Intersegment	49	71	45	**	(165)	—
Total	\$ 4,810	\$ 4,893	\$ 2,598	\$ —	\$ (166)	\$ 12,135

** AR is a new reportable segment established in the quarter ended September 29, 2023 which consists of the operations assumed in the AJRD acquisition. As such, there is no comparable prior year information.

Products revenue. Products revenue increased \$1,598 million, from the inclusion of \$752 million of products revenue from AR, as well as increases of \$687 million at CS, primarily from the inclusion of TDL, and of \$305 million at SAS, respectively. Such increases were partially offset by a decrease of \$146 million at IMS.

Cost of product revenue. Cost of product revenue increased \$1,356 million, primarily from the inclusion of \$558 million of cost of product revenue from AR and an increase of \$366 million at CS, in line with the increase in product revenue and primarily from the inclusion of TDL. The increase was also attributable to an increase in cost of product revenue of \$380 million at SAS, primarily from an increase in products revenue in Space Systems and \$47 million at IMS.

Services revenue. Services revenue increased \$759 million, from the inclusion of \$300 million of services revenue from AR, as well as increases of \$167 million at SAS, \$158 million at CS, primarily from the inclusion of TDL, and \$134 million at IMS.

Cost of services revenue. Cost of services revenue increased \$815 million, primarily from the inclusion of \$259 million of cost of services revenue from AR and an increase of \$245 million, higher costs of services revenue at CS primarily from the inclusion of TDL, and \$190 million and \$130 million higher costs of services revenue at SAS and IMS respectively, primarily due to a larger volume of lower margin service sales.

General and administrative expenses

Major components of General and administrative expenses ("G&A") were as follows:

(In millions)	Fiscal Year Ended	
	December 29, 2023	December 30, 2022
Amortization of acquisition-related intangibles	\$ (687)	\$ (532)
Company-funded R&D costs	(480)	(603)
Merger, acquisition, and divestiture related expenses	(174)	(162)
LHX NeXt ⁽¹⁾	(115)	—
Selling and marketing	(450)	(483)
Other G&A expenses ⁽²⁾	(1,356)	(1,226)
Total G&A expenses	<u>\$ (3,262)</u>	<u>\$ (3,006)</u>

(1) Costs associated with transforming multiple functions, systems and processes to increase agility and competitiveness, including third-party consulting, workforce optimization and incremental IT expenses for implementation of new systems.

(2) Other G&A expenses primarily includes unallocated corporate expenses and segment G&A expense.

In fiscal 2023, G&A expenses increased due to the inclusion of costs from our LHX NeXt initiative, as discussed in more detail under the "Operating Environment, Strategic Priorities and Key Performance Measures" section above in this MD&A, as well as increases in amortization of acquisition-related intangibles and an increase in Other G&A expenses as described below. Such increases were partially offset by a decrease in R&D costs and decreases from charges for severance and other termination costs and charges related to an additional pre-merger legal contingency that occurred in fiscal 2022.

For fiscal 2023, the increase in other G&A expenses of \$190 million is attributable to increases of \$39 million at our CS segment, partially from the inclusion of TDL and \$16 million at our IMS segment, as well as the inclusion of approximately \$75 million of other G&A expenses in our new AR segment, partially offset by a decrease in other G&A expenses in our SAS segment of \$8 million. The remaining amount is attributable to an increase in corporate other G&A expenses and eliminations.

Asset group and business divestiture-related (losses) gains, net

During fiscal 2023, pre-tax losses, net, consist of a \$77 million loss associated with the pending divestiture of the CAS disposal group within the IMS segment, partially offset by a \$26 million pre-tax gain recognized on divestiture of our Visual Information Solutions ("VIS") business from our SAS segment.

During fiscal 2022, we completed one business divestiture and one asset sale from our IMS segment and recognized a pre-tax gain of \$8 million associated with the asset sale. See Note 13: *Acquisitions, Divestitures and Asset Sales* in the Notes for further information.

Impairment of goodwill and other assets

Impairment of goodwill and other assets consisted of the following non-cash charges:

(In millions)	Fiscal Year Ended	
	December 29, 2023	December 30, 2022
Goodwill: ⁽¹⁾		
IMS	\$ 296	\$ 367
CS	—	355
SAS	—	80
Total impairment of goodwill	<u>\$ 296</u>	<u>\$ 802</u>
Other assets:		
Impairment of customer contracts	48	—
Facility closure	9	—
In-process R&D impairment ⁽¹⁾	21	—
Total impairment of other assets	<u>\$ 78</u>	<u>\$ —</u>
Total impairment of goodwill and other assets	<u>\$ 374</u>	<u>\$ 802</u>

(1) See Note 6: Goodwill and Intangible Assets in the Notes for further information.

Non-service FAS pension income and other, net

Included in this caption is non-service FAS pension income and other non-operating income and expenses. Non-service FAS pension income of \$310 million in fiscal 2023 decreased \$131 million compared with fiscal 2022 primarily due to the \$170 million increase in interest cost due to a higher discount rate in fiscal 2023, partially offset by a \$31 million increase in amortization of net actuarial gains. Other non-operating income, net of \$28 million in fiscal 2023 increased \$44 million from non-operating expense, net of \$16 million in fiscal 2022 primarily from changes in the market value of our rabbi trust assets, gains and losses on our equity investments in nonconsolidated affiliates and royalty income.

See Note 9: Retirement Benefits in the Notes for more information on the composition of non-service cost components of FAS pension and other postretirement benefits ("OPEB") income and expense.

Interest expense, net

Our net interest expense increased in fiscal 2023 compared with fiscal 2022 primarily due to interest expense of \$207 million on the \$5.5 billion of long-term debt issued in fiscal 2023 and \$69 million increase in interest expense on outstanding notes under our commercial paper program ("CP Program") during fiscal 2023, both of which were primarily due to the acquisitions of TDL and AJRD. See Note 8: Debt and Credit Arrangements in the Notes for further information.

Income taxes

Our effective tax rate (income taxes as a percentage of income from continuing operations before income taxes) was 1.9% in fiscal 2023 compared with 16.7% in fiscal 2022. The decrease was primarily attributable to favorable impacts of divestitures and internal restructuring and the reduction of unfavorable non-deductible goodwill impairments experienced in fiscal 2022. See Note 7: Income Taxes in the Notes for further information.

Net income per common share attributable to L3Harris Technologies, Inc. common shareholders

The increase in income from continuing operations per diluted common share attributable to L3Harris common shareholders in fiscal 2023 compared with fiscal 2022 was primarily due to higher net income and fewer diluted weighted average common shares outstanding, primarily reflecting the repurchases of our common stock under our share repurchase program during fiscal 2023. See the "Common Stock Repurchases" discussion below in this MD&A for further information.

Discussion of Business Segment Results of Operations

Effective for fiscal 2023, we adjusted our reporting to better align our businesses and transferred our ADG business from our IMS segment to our SAS segment. Additionally, upon completion of the AJRD acquisition on July 28, 2023, we established a new reportable segment, AR.

The historical results, discussion and presentation of our business segments as set forth in this MD&A reflect the impact of these changes for all periods presented in order to present segment information on a comparable basis. There is no impact on our previously reported consolidated statements of operations, balance sheets, statements of cash flows or statements of equity resulting from these changes.

SAS Segment

Our SAS segment includes space payloads, sensors and full-mission solutions; classified intelligence and cyber; avionics; electronic warfare; and mission networks for air traffic management operations. See "Item 1: Business" of this Report for a description of the sectors in SAS.

(Dollars in millions)	Fiscal Year Ended		
	December 29, 2023	December 30, 2022	% Inc/(Dec)
Revenue	\$ 6,856	\$ 6,384	7 %
Operating income	756	665	14 %
Operating margin	11.0 %	10.4 %	

The increase in SAS revenue in fiscal 2023 compared with fiscal 2022 was primarily due to higher revenue of \$445 million from program growth in Space Systems, Mission Networks and Intel and Cyber.

The increases in SAS operating income and operating margin in fiscal 2023 compared with fiscal 2022 were primarily due to higher volume, \$66 million of lower R&D expenses, \$53 million of lower non-cash charges for impairment of goodwill and other assets, lower overhead costs and favorable mix in Space Systems due to a non-recurring license sale during fiscal 2023. Such increases were partially offset by \$40 million change in EAC adjustments from program execution during fiscal 2023.

IMS Segment

Our IMS segment includes ISR; passive sensing and targeting; electronic attack; autonomy; power and communications; networks; sensors; aviation products; and pilot training operations. See "Item 1: Business" of this Report for a description of the sectors in IMS.

(Dollars in millions)	Fiscal Year Ended		
	December 29, 2023	December 30, 2022	% Inc/(Dec)
Revenue	\$ 6,630	\$ 6,626	— %
Operating income	459	494	(7 %)
Operating margin	6.9 %	7.5 %	

The flat IMS revenue in fiscal 2023 compared with fiscal 2022 was primarily due to lower revenue of \$179 million in ISR largely from lower aircraft missionization volume, offset by higher revenues of \$69 million in Electro Optical from higher volume in space and sensors, \$63 million in Maritime largely from volume in classified programs, power and energy solutions and international and \$61 million in Commercial Aviation Solutions from volume.

The decrease in IMS operating income and operating margin in fiscal 2023 compared with fiscal 2022 were primarily due to a net change in EAC adjustments of \$103 million, principally in ISR and in Maritime from net unfavorable EAC adjustments in fiscal 2023 due to program execution, and the sale of \$33 million of end-of-life inventory in Commercial Aviation Systems during fiscal 2022. Such decreases were partially offset by \$64 million of lower R&D expenses and \$59 million of lower non-cash charges for impairment of goodwill and other assets in fiscal 2023.

CS Segment

Our CS segment includes tactical communications with global communications solutions; broadband communications; integrated vision solutions; and public safety radios, system applications and equipment. See "Item 1: Business" of this Report for a description of the sectors in CS.

(Dollars in millions)	Fiscal Year Ended		
	December 29, 2023	December 30, 2022	% Inc/(Dec)
Revenue	\$ 5,070	\$ 4,217	20 %
Operating income	1,229	667	84 %
Operating margin	24.2 %	15.8 %	

The increase in CS revenue in fiscal 2023 compared with fiscal 2022 was primarily due to higher revenue of \$464 million in Broadband Communications, from the inclusion of \$365 million of revenue from the acquisition of TDL and higher volume on legacy Broadband Communications platforms and \$318 million in Tactical Communications and \$83 million in Public Safety, both from increased demand and improved electronic component availability.

The increases in CS operating income and operating margin in fiscal 2023 compared with fiscal 2022 were primarily due to higher volume during fiscal 2023, including operating income of \$131 million from the TDL acquisition and absence of a \$355 million non-cash charge for impairment of goodwill recorded in our Broadband reporting unit in fiscal 2022. The increase in CS operating margin was partially offset by a higher mix of lower margin revenue, principally in Public Safety and IVS.

AR Segment

Our AR segment includes missile solutions with propulsion technologies for strategic defense, missile defense, and hypersonic and tactical systems; and space propulsion and power systems for national security space and exploration missions. See "Item 1: Business" of this Report for a description of the sectors in AR. AR is a new reportable segment established in the quarter ended September 29, 2023 and as such, there is no comparable prior

year information.

(Dollars in millions)	Fiscal Year Ended	
	December 29, 2023	
Revenue	\$	1,052
Operating income		122
Operating margin		11.6 %

Fiscal 2023 results were driven by program performance across Missile Solutions and Space Propulsion and Power Systems portfolios from the July 28, 2023 acquisition date through December 29, 2023. Operating income was impacted by operational inefficiencies, partially offset by integration benefits recognized in fiscal 2023.

Unallocated Corporate Expenses

(Dollars in millions)	Fiscal Year Ended	
	December 29, 2023	December 30, 2022
Total unallocated corporate expense	\$ (1,140)	\$ (699)

Total unallocated corporate expense includes the portion of corporate costs not included in management's evaluation of segment operating performance. Unallocated corporate expenses increased \$441 million in fiscal 2023 compared with fiscal 2022, primarily from an increase of \$174 million of amortization of acquisition-related intangibles related to the inclusion of TDL and AJRD, the inclusion of \$115 million of LHX NeXt related implementation costs (see discussion under "LHX NeXt implementation costs" below), higher asset group and business divestiture-related losses of \$59 million and a \$42 million expense during fiscal 2023 compared with \$29 million of income during fiscal 2022 related to our deferred compensation plans.

LHX NeXt implementation costs. LHX NeXt is our initiative to transform multiple functions, systems and processes to increase agility and competitiveness. Costs related to the LHX NeXt effort are expected to continue through 2025, and are expected to include workforce optimization costs, incremental IT expenses for implementation of new systems, third-party consulting expenses and other related costs.

LIQUIDITY, CAPITAL RESOURCES AND FINANCIAL STRATEGIES

We prioritize cash flow generation through our commitment to operational excellence, efficient balance sheet management and continuous cost reduction efforts. We consistently assess various capital deployment options, considering both our long-term outlook and the evolving market conditions, recognizing the importance of adaptability as market dynamics change over time.

Our primary capital deployment priorities involve a focus on funding the business, debt repayment to be achieved through the prioritization of capital allocation, potentially accelerated with proceeds from non-core asset divestitures, and returning cash to our shareholders through dividends and share repurchases.

As of December 29, 2023, we had cash and cash equivalents of \$560 million, of which \$343 million was held by our foreign subsidiaries, a significant portion of which we believe can be repatriated to the U.S. with minimal tax cost. Additionally, we have two credit facilities and a commercial paper program. See the "Capital Structure and Resources" discussion below in this MD&A for further information about our credit facilities and CP Program.

Cash Flows

(In millions)	Fiscal Year Ended	
	December 29, 2023	December 30, 2022
Cash and cash equivalents, beginning of period	\$ 880	\$ 941
Operating Activities:		
Net income	1,198	1,061
Non-cash adjustments	1,213	1,066
Changes in working capital	286	(196)
Other, net	(601)	227
Net cash provided by operating activities	\$ 2,096	\$ 2,158
Net cash used in investing activities	(7,021)	(250)
Net cash provided by (used in) financing activities	4,594	(1,951)
Effect of exchange rate changes on cash and cash equivalents	11	(18)
Net decrease in cash and cash equivalents	\$ (320)	\$ (61)
Cash and cash equivalents, end of period	\$ 560	\$ 880

Net cash provided by operating activities: The \$62 million decrease in net cash provided by operating activities in fiscal 2023 compared with fiscal 2022 was primarily due to increases in payments of income taxes of \$406 million and interest of \$193 million on the \$2.25 billion, three-year senior unsecured term loan facility ("Term Loan 2025"), the \$3.25 billion aggregate principal amount of new long-term fixed-rate debt consisting of the 5.4% 2027 Notes, the 5.4% 2033 Notes and the 5.6% 2053 Notes (collectively, the "AJRD Notes") and our CP Program, partially offset by less cash used to fund net working capital (i.e., receivables, contract assets, inventories, accounts payable and contract liabilities).

Cash flow from operations was positive in all of our business segments in fiscal 2023.

Net cash used in investing activities: The \$6.8 billion increase in net cash used in investing activities in fiscal 2023 compared with fiscal 2022 was primarily due to the \$6.7 billion cash used for the acquisitions of TDL and AJRD during the first quarter and third quarter of fiscal 2023, respectively.

Net cash provided by (used in) financing activities: The \$6.5 billion increase in net cash provided by financing activities in fiscal 2023 compared with fiscal 2022 was primarily due to the issuance and sale of \$3.25 billion aggregate principal amount of new AJRD Notes, \$2.25 billion in proceeds from borrowings on Term Loan 2025, of which \$2.0 billion was utilized for the TDL acquisition, \$1.6 billion in net proceeds from issuances of commercial paper and the \$565 million decrease in cash used to repurchase our common stock under our share repurchase program. Such amounts were partially offset by an increase in repayments of borrowings, including the \$800 million aggregate principal amount of our 3.85% 2023 Notes and the \$250 million aggregate principal amount of our Floating Rate Notes due March 2023 ("Floating 2023 Notes").

Capital Structure and Resources

Long-Term Debt, Net

We had \$11.5 billion of long-term debt, net, including the current portion of long-term debt, net and financing lease obligations, outstanding at December 29, 2023, the majority of which we incurred in connection with merger and acquisition activity.

Long-Term Variable-Rate Debt. During fiscal 2023, we drew \$2.25 billion in long-term debt on Term Loan 2025. The proceeds were utilized to fund the cash consideration paid and a portion of the associated transaction and integration costs related to the TDL acquisition and repay the entire outstanding \$250 million aggregate principal amount of our Floating 2023 Notes. See *Note 8: Debt and Credit Arrangements* in the Notes for further information on our long-term fixed-rate debt.

Long-Term Fixed-Rate Debt. On June 15, 2023, we repaid the entire outstanding \$800 million aggregate principal amount of our 3.85% 2023 Notes through cash on hand and the issuance of commercial paper. The commercial paper issued to fund repayment of the 3.85% 2023 Notes was repaid during fiscal 2023.

On July 31, 2023, we closed the issuance and sale of \$3.25 billion aggregate principal amount of the AJRD Notes. The AJRD Notes were used to fund a portion of the purchase price for the AJRD acquisition, which closed on

July 28, 2023, and to pay related fees and expenses. See *Note 8: Debt and Credit Arrangements* in the Notes for further information on our long-term variable-rate debt.

Short-Term Debt, Credit Arrangements and CP Program

We had \$1.6 billion of short-term debt at December 29, 2023, consisting of outstanding notes under the CP Program and local borrowing by international subsidiaries for working capital needs. See *Note 8: Debt and Credit Arrangements* in the Notes for further information on Credit Arrangements and CP Program.

2023 Credit Agreement. On March 10, 2023, we established a \$2.4 billion, 364-day senior unsecured revolving credit facility (“2023 Credit Facility”) by entering into a 364-Day Credit Agreement (“2023 Credit Agreement”) with a syndicate of lenders. Proceeds of the initial funding of loans under the 2023 Credit Agreement were required to be used to finance a portion of the purchase price for the acquisition of AJRD and for the fees, taxes, costs and related expenses related to it, and thereafter may be used for working capital purposes.

On July 28, 2023, we borrowed \$2.1 billion under the 2023 Credit Agreement and used the proceeds together with proceeds from the AJRD Notes to fund the acquisition of AJRD and to pay related fees and expenses. All borrowings under the 2023 Credit Agreement were repaid with proceeds of commercial paper issued during fiscal 2023. At December 29, 2023, we had no outstanding borrowings under the 2023 Credit Agreement, had available borrowing capacity of \$800 million, net of outstanding CP Program borrowings, and were in compliance with all covenants under the 2023 Credit Agreement.

On January 26, 2024, we replaced the 2023 Credit Agreement with a new \$1.5 billion, 364-day senior unsecured revolving credit facility maturing no later than January 24, 2025.

2022 Credit Agreement. We have a \$2.0 billion, 5-year senior unsecured revolving credit facility (the “2022 Credit Facility”) under a Revolving Credit Agreement (the “2022 Credit Agreement”) entered into on July 29, 2022 with a syndicate of lenders, which the lenders may agree to increase by up to \$1.0 billion upon our request.

At December 29, 2023, we had no outstanding borrowings and were in compliance with all covenants under the 2022 Credit Agreement.

Commercial Paper Programs. On March 14, 2023, we established the CP Program, which is supported by amounts unused and available under the 2022 Credit Agreement and the 2023 Credit Agreement. From time to time, we use borrowings under the CP Program for general corporate purposes, including the funding of acquisitions, debt refinancing, dividend payments and repurchases of our common stock. We terminated our prior existing \$1.0 billion commercial paper program during fiscal 2023.

During fiscal 2023, we had a maximum outstanding balance of \$3.0 billion under our CP Program, which we primarily used to repay \$2.1 billion outstanding under the 2023 Credit Agreement, a portion of which was repaid with cash on hand during the second half of fiscal 2023.

Amounts outstanding under the CP Program at December 29, 2023 and the daily average balance and weighted average yield during fiscal 2023 were as follows:

(In millions, except weighted-average interest rate)	December 29, 2023			
	Outstanding		Daily Average	
CP Program	\$	1,599	\$	1,300
Weighted-average interest rate		5.95 %		5.45 %

We expect balances under the CP Program to remain elevated as compared to historical norms through fiscal 2025.

Liquidity Assessment

Given our current cash position, outlook for funds generated from operations, credit ratings, available credit facilities, cash needs and debt structure, we have not experienced to date, and do not expect to experience, any material issues with liquidity for the next 12 months and in the longer term, although we can give no assurances concerning our future liquidity, particularly in light of our overall level of debt, U.S. Government budget uncertainties and the state of global commerce and general political and global financial uncertainty.

Based on our current business plan and revenue prospects, we believe that our existing cash, funds generated from operations, availability under our senior unsecured credit facilities and our CP Program and access to the public and private debt and equity markets will be sufficient to provide for our anticipated working capital requirements, capital expenditures, dividend payments, repurchases under our share repurchase program and repayments of our debt securities at maturity for the next twelve months and the reasonably foreseeable future thereafter. Our total

additions of property, plant and equipment net of proceeds from the sale of property, plant and equipment for fiscal 2024 are expected to be approximately 2% of revenue. Other than operating expenses, cash uses for fiscal 2024 are expected to consist primarily of additions of property, plant and equipment, dividend payments, debt repayments, costs associated with our LHX NeXt program and repurchases under our share repurchase program.

Purchase of Tax Credits under Inflation Reduction Act of 2022 ("IRA")

The IRA includes a new transferability provision under Section 6418 of the Internal Revenue Code which permits, in certain circumstances, the sale of federal income tax credits generated from renewable and alternative energy sources. During the year ended December 29, 2023, we entered into a binding agreement to purchase tax credits totaling \$51 million for the 2023 tax year for a net purchase price of \$0.95 per \$1.00 of tax credits, allowing us to reduce our 2023 federal income taxes payable by the amount of credits we expect to claim on our tax returns as a result of our binding agreement. We have recorded a liability to the transferor for the amount owed in the "Other accrued items" line of the Consolidated Balance Sheet. We have recorded an income tax benefit of \$2 million for the difference between the amount paid or to be paid to the transferor and the reduction to our taxes payable in the "Income taxes" line of the Consolidated Statement of Operations.

Funding of Pension Plans

With respect to our U.S. qualified defined benefit pension plans, we intend to contribute annually no less than the required minimum funding thresholds. As a result of prior voluntary contributions and plan performance, we made no material contributions to our U.S. qualified defined benefit pension plans in fiscal 2023. We expect to make approximately \$35 million of contributions to these plans in fiscal 2024, and may consider voluntary contributions thereafter.

Future required contributions primarily will depend on the actual annual return on assets and the discount rate used to measure the benefit obligation at the end of each year. Depending on these factors, and the resulting funded status of our pension plans, the level of future statutory required minimum contributions could be material. We had net defined benefit plan assets of \$66 million as of December 29, 2023 compared with net unfunded defined benefit plan obligations of \$69 million as of December 30, 2022. The improvement in the funded status as of December 29, 2023 is primarily due to more favorable than expected return on plan assets, partially offset by increased pension obligations resulting from lower discount rates. See *Note 9: Retirement Benefits* in the Notes for further information regarding our pension plans.

Common Stock Repurchases

During fiscal 2023 and 2022, \$30 million and \$45 million, respectively, in shares of our common stock were delivered to us or withheld by us to satisfy withholding taxes on employee share-based awards. Shares repurchased by us are cancelled and retired.

At December 29, 2023, we had a remaining unused authorization under our repurchase program of \$3.9 billion.

Our repurchase program does not have a stated expiration date and authorizes us to repurchase shares of our common stock through open market purchases, private transactions, transactions structured through investment banking institutions or any combination thereof. We have announced that share repurchases will be moderated in the near-term, but the level and timing of our repurchases depends on a number of factors, including our financial condition, capital requirements, cash flows, results of operations, future business prospects and other factors our Board and management may deem relevant. The timing, volume and nature of repurchases are also subject to market conditions, applicable securities laws and other factors and are at our discretion and may be suspended or discontinued at any time. Additional information regarding our repurchase program is set forth above under "Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities" of this Report.

Dividends

Information concerning our dividends is set forth above under "Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities" of this Report.

Material Cash Requirements and Commercial Commitments

Current and long-term material cash requirements at December 29, 2023 are as follows:

(In millions)	Total	Payment Due Within 1 Year
Long-term debt ⁽¹⁾	\$ 11,275	\$ 355
Interest on long-term debt	3,800	547
Purchase obligations	5,975	4,444
Operating and finance lease commitments	1,306	182
Minimum pension contributions ⁽²⁾	35	35
Total ⁽³⁾	\$ 22,391	\$ 5,563

(1) Does not include amounts for finance lease commitments.

(2) As a result of prior voluntary contributions and plan performance, we made no material contributions to our U.S. qualified defined benefit pension plans in fiscal 2023. We expect to make approximately \$35 million in contributions to these plans in fiscal 2024, and may consider voluntary contributions thereafter. In addition, we made no material contributions to our non-U.S. pension plans in fiscal 2023 and do not expect to make any material contributions to these plans in fiscal 2024.

(3) The above table does not include unrecognized tax benefits of \$652 million.

Purchase obligations mainly consist of outstanding commitments on open purchase orders made to suppliers, subcontractors and other outsourcing partners under U.S. government contracts. Our risk associated with these purchase obligations is generally limited to the termination liability provisions within such contracts. As such, we do not believe there to be a material liquidity risk associated with outstanding purchase obligations.

There can be no assurance that our business will continue to generate cash flows at current levels or that the cost or availability of future borrowings, if any, under our CP Program, credit facilities, term loan or in the debt markets will not be impacted by any potential future credit or capital markets disruptions. If we are unable to maintain cash balances, generate cash flow from operations or borrow under our CP Program, our credit facility or term loan sufficient to service our obligations, we may be required to reduce capital expenditures, reduce or terminate our share repurchases, obtain additional financing or sell assets. Our ability to make principal payments or pay interest on or refinance our indebtedness depends on our future performance and financial results, which, to a certain extent, are subject to general conditions affecting the defense, government and other markets we serve and to general economic, political, financial, competitive, legislative and regulatory factors beyond our control.

Commercial Commitments

We have entered into commercial commitments in the normal course of business including surety bonds, standby letter of credit agreements and other arrangements with financial institutions and customers primarily relating to the guarantee of future performance on certain contracts to provide products and services to customers or to obtain insurance policies with our insurance carriers. See *Note 15: Legal Proceedings, Commitments and Contingencies* in the Notes for additional information.

Impact of Foreign Exchange

Our international business transacted in local currency environments was 45%, 43% and 40% in fiscal 2023, fiscal 2022 and fiscal 2021, respectively. The impact of translating the assets and liabilities of these operations to U.S. Dollars is included as a component of shareholders' equity. The cumulative foreign currency translation adjustment included in shareholders' equity was a \$201 million loss and a \$237 million loss at December 29, 2023 and December 30, 2022, respectively. We utilize foreign currency hedging instruments to minimize the currency risk of international transactions. Gains and losses resulting from currency rate fluctuations did not have a material effect on our results in fiscal 2023, 2022 or 2021.

Financial Risk Management

In the normal course of business, we are exposed to risks associated with foreign currency exchange rates and changes in interest rates. We employ established policies and procedures governing the use of financial instruments to manage our exposure to such risks.

Foreign Exchange and Currency. Our U.S. and foreign businesses enter into contracts with customers, subcontractors or vendors that are denominated in currencies other than the functional currencies of such businesses. We use foreign currency forward contracts and options to hedge both balance sheet and off-balance sheet future foreign currency commitments. Factors that could impact the effectiveness of our hedging programs for foreign currency include accuracy of sales estimates, volatility of currency markets and the cost and availability of

hedging instruments. A 10% change in currency exchange rates for our foreign currency derivatives held at December 29, 2023 would not have had a material impact on the fair value of such instruments or our results of operations or cash flows. This quantification of exposure to the market risk associated with foreign currency financial instruments does not take into account the offsetting impact of changes in the fair value of our foreign denominated assets, liabilities and firm commitments.

Interest Rates. As of December 29, 2023, we had long-term variable-rate and fixed-rate debt obligations. The fair value of these obligations is impacted by changes in interest rates; however, a 10% change in interest rates for our long-term variable-rate and fixed-rate debt obligations at December 29, 2023 would not have had a material impact on the fair value of these obligations. There is no interest-rate risk associated with long-term fixed-rate debt obligations on our results of operations and cash flows unless existing obligations are refinanced upon maturity at then-current interest rates, because the interest rates are fixed until maturity, and because our long-term fixed-rate debt is not puttable to us (i.e., not required to be redeemed by us prior to maturity). We can give no assurances, however, that interest rates will not change significantly or have a material effect on the fair value of our long-term variable-rate and fixed-rate debt obligations over the next twelve months. See *Note 8: Debt and Credit Arrangements* in the Notes for information regarding the maturities of our long-term variable-rate and fixed-rate debt obligations.

At December 29, 2023, we had long-term variable-rate debt obligations of \$2.25 billion under Term Loan 2025. These debt obligations bear interest that is variable based on certain short-term indices, thus exposing us to interest-rate risk; however, a 10% change in interest rates for these debt obligations at December 29, 2023 would not have had a material impact on our results of operations or cash flows. See *Note 8: Debt and Credit Arrangements* in the Notes for further information.

We have also used short-term variable-rate debt borrowings, primarily under our commercial paper program, which are subject to interest rate risk. We utilize our commercial paper program to satisfy short-term cash requirements, temporarily funding repurchases under our share repurchase programs and funding redemption of long-term debt and acquisitions. These debt obligations bear interest that is variable based on certain short-term indices, thus exposing us to interest-rate risk; however, a 10% change in interest rates for these debt obligations at December 29, 2023 would not have had a material impact on our results of operations or cash flows.

CRITICAL ACCOUNTING ESTIMATES

Preparation of this Report in accordance with GAAP requires us to make estimates and assumptions that affect the reported amount of assets, liabilities, revenue, expenses and backlog as well as disclosure of contingent assets and liabilities. While the following is not intended to be a comprehensive list of our accounting estimates, we consider the estimates discussed below as critical to an understanding of our financial statements because their application places the most significant demands on our judgment, with financial reporting results dependent on estimates about the effect of matters that are inherently uncertain and may change in subsequent periods. Specific risks for these critical accounting estimates are described in the following paragraphs. The impact and any associated risks described in the following paragraphs related to these estimates on our business operations are discussed throughout this MD&A where such estimates affect our reported and expected financial results. Senior management has discussed the development and selection of the critical accounting estimates and the related disclosure included herein with the Audit Committee of our Board. Actual results may differ from those estimates.

Revenue Recognition

A significant portion of our business is derived from development and production contracts. Revenue and profit related to development and production contracts are generally recognized over-time, typically using the percentage of completion ("POC") cost-to-cost method of revenue recognition, whereby we measure our progress towards completion of the performance obligation based on the ratio of costs incurred to date to estimated costs at completion under the contract. Because costs incurred represent work performed, we believe this method best depicts the transfer of control of the asset to the customer. Under the POC cost-to-cost method of revenue recognition, a single estimated profit margin is used to recognize profit for each performance obligation over its period of performance.

Recognition of profit on a contract requires estimates of the total cost at completion and transaction price and the measurement of progress towards completion. Due to the long-term nature of many of our contracts, developing the estimated total cost at completion and total transaction price often requires judgment. Factors that must be considered in estimating the cost of the work to be completed include: the nature and complexity of the work to be performed, subcontractor performance, the cost and availability of purchased materials and services, labor cost and availability and the risk and impact of delayed performance. Factors that must be considered in estimating the total transaction price include contractual cost or performance incentives (such as incentive fees, award fees and penalties) and other forms of variable consideration as well as our historical experience and our expectation for

performance on the contract. These variable amounts generally are awarded upon achievement of certain negotiated performance metrics, program milestones or cost targets and can be based upon customer discretion. We include such estimated amounts in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved.

At the outset of each contract, we gauge its complexity and perceived risks and establish an estimated total cost at completion in line with these expectations. We follow a standard EAC process in which we review the progress and performance on our ongoing contracts at least quarterly and, in many cases, more frequently. If we successfully retire risks associated with the technical, schedule and cost aspects of a contract, we may lower our estimated total cost at completion commensurate with the retirement of these risks. Conversely, if we are not successful in retiring these risks, we may increase our estimated total cost at completion. Additionally, as the contract progresses, our estimates of total transaction price may increase or decrease if, for example, we receive incentive or award fees that are higher or lower than expected.

When changes in estimated total costs at completion or in estimated total transaction price are determined, the related impact on operating income is recognized on a cumulative basis. Cumulative EAC adjustments represent the cumulative effect of the changes on current and prior periods; revenue and operating margins in future periods are recognized as if the revised estimates had been used since contract inception. Any anticipated losses on these contracts are fully recognized in the period in which the losses become evident.

EAC adjustments had the following impacts to operating income for the periods presented:

(In millions)	Fiscal Year Ended	
	December 29, 2023	December 30, 2022
Favorable adjustments	\$ 593	\$ 454
Unfavorable adjustments	(678)	(418)
Net operating income adjustments	<u>\$ (85)</u>	<u>\$ 36</u>

There were no individual EAC adjustments that were material to our results of operations on a consolidated or segment basis in fiscal 2023 or 2022.

We recognize revenue from numerous contracts with multiple performance obligations. For these contracts, we allocate the transaction price to each performance obligation based on the relative standalone selling price of the product or service underlying each performance obligation. The standalone selling price represents the amount for which we would sell the product or service to a customer on a standalone basis (i.e., not sold as a bundled sale with any other products or services). The allocation of transaction price among separate performance obligations may impact the timing of revenue recognition but will not change the total revenue recognized on the contract.

A substantial majority of our revenue is derived from contracts with the U.S. Government, including foreign military sales contracts. These contracts are subject to the FAR and the prices of our contract deliverables are typically based on our estimated or actual costs plus a reasonable profit margin. As a result, the standalone selling prices of the products and services in these contracts are typically equal to the selling prices stated in the contract, thereby eliminating the need to allocate (or reallocate) the transaction price to the multiple performance obligations. In our non-U.S. Government contracts, when standalone selling prices are not directly observable, we also generally use the expected cost plus margin approach to determine standalone selling price. In determining the appropriate margin under the cost plus margin approach, we consider historical margins on similar products sold to similar customers or within similar geographies where objective evidence is available. We may also consider our cost structure and profit objectives, the nature of the proposal, the effects of customization of pricing, our practices used to establish pricing of bundled products, the expected technological life of the product, margins earned on similar contracts with different customers and other factors to determine the appropriate margin.

Pension and Other Postretirement Benefit Plans

Certain of our current and former employees participate in defined benefit plans in the United States, Canada, United Kingdom and Germany, which are sponsored by L3Harris. The determination of projected benefit obligations ("PBO") and the recognition of expenses related to defined benefit plans are dependent on various assumptions. These major assumptions primarily relate to discount rates, long-term expected rates of return on plan assets, rate of future compensation increases, mortality, termination and other factors (some of which are disclosed in *Note 9: Retirement Benefits* in the Notes). Actual results that differ from our assumptions are accumulated and generally amortized for each plan to the extent required over the estimated future life expectancy or, if applicable, the future working lifetime of the plan's active participants.

Significant Assumptions. We develop assumptions using relevant experience, in conjunction with market-related data for each plan. Assumptions are reviewed annually with third-party experts and adjusted as appropriate. The table included below provides the weighted average assumptions used to estimate the PBOs and net periodic benefit cost as they pertain to our defined benefit pension plans.

Obligation assumptions as of:	December 29, 2023	December 30, 2022
Discount rate	4.91%	5.18%
Rate of future compensation increase	3.01%	3.01%
Cash balance interest crediting rate	4.50%	4.00%

Cost assumptions for fiscal periods ended:	December 29, 2023	December 30, 2022
Discount rate to determine service cost	5.18%	2.69%
Discount rate to determine interest cost	5.08%	2.27%
Expected return on plan assets	7.46%	7.44%
Rate of future compensation increase	3.01%	3.01%
Cash balance interest crediting rate	4.00%	3.50%

Key assumptions for the Consolidated Pension Plan (our largest defined benefit plan), with 88% of the total PBO as of December 29, 2023 included a discount rate for obligation assumptions of 4.92%, a cash balance interest crediting rate of 4.50% and expected return on plan assets of 7.50% for fiscal 2023, which is being maintained at 7.50% for fiscal 2024. There is also a frozen pension equity benefit that assumes a 4.25% interest crediting rate.

Expected Return on Plan Assets. Substantially all of our plan assets are managed on a commingled basis in a master investment trust. We determine our expected return on plan assets by evaluating both historical returns and estimates of future returns. Specifically, we consider the plan's actual historical annual return on assets over the past 15, 20 and 25 years and historical broad market returns over long-term time frames based on our strategic allocation, which is detailed in *Note 9: Retirement Benefits* in the Notes. Future returns are based on independent estimates of long-term asset class returns. Based on this approach, the weighted average long-term annual rate of return on assets was estimated to be 7.46% for both fiscal 2023 and 2024.

Discount Rate. The discount rate is used to calculate the present value of expected future benefit payments at the measurement date. An increase in the discount rate decreases the present value of PBO and generally increases pension expense. A decrease in the discount rate increases the present value of the PBO and generally decreases pension expense. The discount rate assumption is based on current investment yields of high-quality fixed income investments during the retirement benefits maturity period. The pension discount rate is determined by considering an interest rate yield curve comprising AAA/AA bonds, with maturities between zero and thirty years, developed by the plan's actuaries. Annual benefit payments are then discounted to present value using this yield curve to develop a single discount rate matching the plan's characteristics.

Sensitivity Analysis

Pension Expense. A 25 basis point change in the long-term expected rate of return on plan assets and discount rate would have the following effect on the combined U.S. defined benefit pension plans' pension expense for the next twelve months:

(In millions)	Increase/(Decrease) in Pension Expense			
	25 Basis Point Increase		25 Basis Point Decrease	
Long-term rate of return on assets used to determine net periodic benefit cost	\$	(21)	\$	21
Discount rate used to determine net periodic benefit cost	\$	9	\$	(9)

PBO. Funded status is derived by subtracting the respective year-end values of the PBO from the fair value of plan assets. The sensitivity of the PBO to changes in the discount rate varies depending on the magnitude and direction of the change in the discount rate. We estimate that a decrease of 25 basis points in the discount rate of the combined U.S. defined benefit pension plans would increase the PBO by approximately \$190 million and an increase of 25 basis points would decrease the PBO by approximately \$182 million.

Fair Value of Plan Assets. The plan assets of our defined benefit plans comprise a broad range of investments, including domestic and international equity securities, fixed income investments, interests in private equity and hedge funds and cash and cash equivalents.

A portion of our defined benefit plans' asset portfolio is comprised of investments in private equity and hedge funds. The private equity and hedge fund investments are generally measured using the valuation of the underlying investments or at net asset value ("NAV"). However, in certain instances, the values reported by the asset managers were not current at the measurement date. Consequently, we have estimated adjustments to the last reported value where necessary to measure the assets at fair value at the measurement date. These adjustments consider information received from the asset managers, as well as general market information. Asset values for other positions were generally measured using market observable prices. See *Note 9: Retirement Benefits* in the Notes for further information.

Goodwill

We test our goodwill for impairment annually as of the first business day of our fourth fiscal quarter, which was October 2, 2023 for fiscal 2023, or under certain circumstances more frequently, such as when events or circumstances indicate there may be impairment or when we reorganize our reporting structure such that the composition of one or more of our reporting units is affected. We test goodwill for impairment at a level within the Company referred to as the reporting unit, which is our business segment level or one level below the business segment. Some of our segments are comprised of several reporting units. Allocation of goodwill to several reporting units could make it more likely that we will have an impairment charge in the future. An impairment charge to any one of our reporting units could have a material impact on our financial condition and results of operations.

The process of evaluating the potential impairment of goodwill is highly subjective and requires significant judgment. To test goodwill for impairment, we may perform both qualitative and quantitative assessments. If we elect to perform a qualitative assessment for a certain reporting unit, we evaluate events and circumstances impacting the reporting unit to determine the probability that goodwill is impaired. If we determine it is more-likely-than-not that the fair value of the reporting unit is less than its carrying amount, we perform a quantitative assessment.

Our qualitative assessment of the recoverability of goodwill, whether performed annually or based on specific events or circumstances, considers various macroeconomic, industry-specific and company-specific factors. These factors include: (i) deterioration in the general economy; (ii) deterioration in the environment in which the Company operates; (iii) increase in materials, labor or other costs; (iv) negative or declining cash flows; (v) changes in management, changes in strategy or significant litigation; (vi) changes in the composition or carrying amount of net assets or an expectation of disposing all or a portion of the reporting unit; or (vii) a sustained decrease in share price.

If we perform a quantitative assessment for a certain reporting unit, we calculate the fair value of that reporting unit and compare the fair value to the reporting unit's net book value. We estimate fair values of our reporting units based on projected cash flows. Values derived from projected cash flows are corroborated through review of revenue and/or earnings multiples applied to the latest twelve months' revenue and earnings of our reporting units. Projected cash flows are based on our best estimate of future revenues, operating costs and balance sheet metrics reflecting our view of the financial and market conditions of the underlying business; and the resulting cash flows are discounted using an appropriate discount rate that reflects the risk in the forecasted cash flows. The revenues and earnings multiples applied to the revenues and earnings of our reporting units are based on current multiples of revenues and earnings for similar businesses, and based on revenues and earnings multiples paid for recent acquisitions of similar businesses made in the marketplace. We then assess whether any implied control premium, based on a comparison of fair value based purely on our stock price and outstanding shares with fair value determined by using all of the above-described models, is reasonable. If the fair value of a reporting unit exceeds its carrying amount, goodwill of the reporting unit is considered not impaired. If the carrying amount of a reporting unit exceeds its fair value, an impairment loss is recognized in an amount equal to that excess.

Fiscal 2023 Impairment Tests. We performed our annual impairment test of all of our reporting units' goodwill as of September 30, 2023 and concluded that for each of our reporting units no impairment existed.

Segment reorganization. Effective in fiscal 2023, we adjusted our reporting to better align our businesses and transferred our ADG business (a reporting unit) from our IMS segment to our SAS segment (also a reporting unit). In connection with the realignment, we reduced our reporting units from nine to eight as the ADG reporting unit and all \$327 million of associated goodwill was absorbed by our existing SAS reporting unit given the economic similarities of the two reporting units. Immediately before the realignment, we performed a qualitative impairment assessment over our SAS reporting unit and a quantitative impairment assessment over our ADG reporting unit. Immediately after the realignment, we performed a quantitative impairment assessment over the SAS reporting unit. We

prepared estimates of the fair value of our pre-realignment ADG reporting unit and post-realignment SAS reporting unit based on a combination of market-based valuation techniques, utilizing quoted market prices, comparable publicly reported transactions and an income-based valuation technique using projected discounted cash flows. These assessments indicated no impairment existed either before or after the realignment.

CAS Disposal Group Pending Divestiture. As described in more detail in *Note 13: Acquisitions, Divestitures and Asset Sales*, on November 27, 2023, we announced that we entered into a definitive agreement to sell our CAS disposal group, which includes both the CTS and Commercial Aviation reporting units. As of November 27, 2023, the fair value less costs to sell the CAS disposal group is \$834 million, inclusive of considerations related to noncontrolling interest and accumulated other comprehensive income.

The CAS disposal group includes both the Commercial Training Solutions ("CTS") and Commercial Aviation reporting units. In connection with the preparation of our financial statements for the fiscal year ended December 29, 2023, we evaluated the facts and circumstances which impacted the agreed upon selling price of the CAS disposal group and identified interim indicators of impairment within both reporting units subsequent to our annual impairment testing date of October 2, 2023. Specifically, supply chain-related operational challenges which negatively impact cash flows over the short-term forecast period were assessed in combination with our long-term portfolio shaping strategy to dispose of non-core businesses. As a result, we performed quantitative impairment tests for both reporting units as of November 27, 2023, utilizing an income approach aligned to market prices for the two reporting units, as specified in the definitive agreement. As a result of these tests, we determined that the fair value of the CTS reporting unit was above carrying value, while the fair value of the Commercial Avionics reporting unit was below its carrying value, and concluded goodwill related to the Commercial Aviation reporting unit was impaired. Therefore we recorded a non-cash charge for impairment of \$296 million associated with the Commercial Aviation reporting unit in the "Impairment of goodwill and other assets" line item in our Consolidated Statement of Operations.

At-risk goodwill. Based on the annual impairment testing, our Broadband reporting unit had clearance of approximately 20% and goodwill of \$2,656 million and our ISR and Electro Optical reporting units had clearances of approximately 6% and goodwill of \$3,186 million and \$2,193 million, respectively. An impairment of goodwill could result from a number of circumstances, including different assumptions used in determining the fair value of the reporting units; changes to U.S. Government spending priorities or ability to win competitively awarded contracts; an inability to meet our forecast; the rescission of significant contract awards as a result of competitors protesting or challenging contracts awarded to us; or an increase in interest rates without a corresponding increase in future revenue.

Fiscal 2022 Impairment Tests. For information related to fiscal 2022 impairment tests and resulting impairments see *Note 6: Goodwill and Intangible Assets* in the Notes.

Goodwill-Related Fair Value Estimates. Fair value determinations described above under the heading "Goodwill" in this Critical Accounting Estimates section of this MD&A were determined based on a combination of market-based valuation techniques, utilizing quoted market prices, comparable publicly reported transactions, and projected discounted cash flows. The process of evaluating the potential impairment of goodwill is highly subjective and requires significant judgment. Material changes in these estimates could occur and result in additional impairments in future periods.

Business Combinations

We follow the acquisition method of accounting to record identifiable assets acquired and liabilities assumed recognized in connection with acquired businesses at their estimated fair value as of the date of acquisition.

Identifiable intangible assets from business combinations are recognized at their estimated fair values as of the date of acquisition and consist of customer relationships, developed technology and trade names. Determination of the estimated fair value of identifiable intangible assets requires judgment. The fair value of intangible assets is estimated using the relief from royalty method for the acquired developed technology and trade names and the multi-period excess earnings method for the acquired customer relationships. Both of these fair value methods are income-based valuation approaches, which require judgment to estimate appropriate discount rates, royalty rates related to the developed technology and trade name intangible assets, revenue growth attributable to the intangible assets and remaining useful lives. Finite-lived identifiable intangible assets are amortized to expense over their useful lives, generally ranging from two to twenty seven years. The fair value of identifiable intangible assets acquired in connection with the TDL and AJRD acquisitions was \$755 million and \$2,840 million, respectively. See *Note 13: Acquisitions, Divestitures and Asset Sales* and *Note 6: Goodwill and Intangible Assets* in the Notes for additional information.

Income Taxes

We record deferred tax assets and liabilities for differences between the tax basis of assets and liabilities and amounts reported in our Consolidated Balance Sheet, as well as operating loss and tax credit carryforwards. We follow very specific and detailed guidelines in each tax jurisdiction regarding the recoverability of any tax assets recorded on the balance sheet and provide necessary valuation allowances as required. Future realization of deferred tax assets ultimately depends on the existence of sufficient taxable income of the appropriate character (for example, ordinary income or capital gain) within the carryback or carryforward periods available under the tax law. We regularly review our deferred tax assets for recoverability based on historical taxable income, projected future taxable income, the expected timing of the reversals of existing temporary differences and tax planning strategies. We have not made any material changes in the methodologies used to determine our tax valuation allowances during fiscal 2023.

Our Consolidated Balance Sheet as of December 29, 2023 included deferred tax assets of \$91 million and deferred tax liabilities of \$815 million. For all jurisdictions in which we have net deferred tax assets, we expect that our existing levels of pre-tax earnings are sufficient to generate the amount of future taxable income needed to realize these tax assets. Our valuation allowance related to deferred income taxes, which is reflected in our Consolidated Balance Sheet, was \$240 million as of December 29, 2023. Although we make reasonable efforts to ensure the accuracy of our deferred tax assets, if we continue to operate at a loss in certain jurisdictions, or are unable to generate sufficient future taxable income, or if there is a material change in the actual effective tax rates or time period within which the underlying temporary differences become taxable or deductible, or if the potential impact of tax planning strategies changes, we could be required to increase the valuation allowance against all or a significant portion of our deferred tax assets resulting in a substantial increase in our effective tax rate and a material adverse impact on our operating results.

The evaluation of tax positions taken in a filed tax return, or planned to be taken in a future tax return or claim, involves inherent uncertainty and requires the use of judgment. We evaluate our income tax positions and record tax benefits for all years subject to examination based on our assessment of the facts and circumstances as of the reporting date. For tax positions where it is more likely than not that a tax benefit will be realized, we record the largest amount of tax benefit with a greater than 50% probability of being realized upon ultimate settlement with the applicable taxing authority, assuming the taxing authority has full knowledge of all relevant information. For income tax positions where it is not more likely than not that a tax benefit will be realized, we do not recognize a tax benefit in our Consolidated Financial Statements.

As of December 29, 2023, we had \$652 million of unrecognized tax benefits, of which \$509 million would favorably impact our future tax rates in the event that the tax benefits are eventually recognized.

It is reasonably possible that there could be a significant change to our unrecognized tax benefits during the course of the next twelve months as ongoing tax examinations continue, other tax examinations commence or various statutes of limitations expire. However, an estimate of the range of possible changes is not practicable for the remaining unrecognized tax benefits because of the significant number of jurisdictions in which we do business and the number of open tax periods under various states of examination. See *Note 7: Income Taxes* in the Notes for additional information.

Impact of Recently Issued Accounting Pronouncements

There have been no new accounting pronouncements which became effective during fiscal 2023 that have had a material impact on our Consolidated Financial Statements.

FORWARD-LOOKING STATEMENTS AND FACTORS THAT MAY AFFECT FUTURE RESULTS

The following are some of the factors we believe could cause our actual results to differ materially from our historical results or our current expectations or projections. Other factors besides those listed here also could adversely affect us. See "Item 1A. Risk Factors" of this Report for more information regarding factors that might cause our results to differ materially from those expressed in or implied by the forward-looking statements contained in this Report.

- We depend on winning business in competitive markets from U.S. Government customers for a significant portion of our revenue.
- A reduction in U.S. Government funding or a change in U.S. Government spending priorities could have an adverse impact on our business, financial condition, results of operations, cash flows and equity.
- Our results of operations and cash flows are substantially affected by our mix of fixed-price, cost-plus and time-and-material type contracts. Our fixed-price contracts, particularly those for development programs,

could subject us to losses in the event of cost overruns or a significant increase in or sustained period of increased inflation.

- We depend significantly on U.S. Government contracts, which generally are subject to immediate termination and heavily regulated and audited. The application or impact of regulations, unilateral government action, termination or negative audit findings for one or more of these contracts could have an adverse impact on our business, financial condition, results of operations, cash flows and equity.
- We participate in markets that are often subject to uncertain economic conditions, which makes it difficult to estimate growth in our markets and, as a result, future income and expenditures.
- We cannot predict the consequences of future geo-political events, but they may adversely affect the markets in which we operate, our ability to insure against risks, our operations or our profitability.
- We are subject to government investigations, which could have a material adverse effect on our business, financial condition, results of operations, cash flows and equity.
- We derive a significant portion of our revenue from international operations and are subject to the risks of doing business internationally.
- We depend on our subcontractors and suppliers to provide materials, components, subsystems and services for many of our products and services, and failures in or disruptions to our supply chain could cause our products and or services to be produced or delivered in an untimely or unsatisfactory manner.
- We must attract and retain key employees, and any failure to do so could seriously harm us.
- We could be negatively impacted by a security breach, through cyber-attack, cyber intrusion, insider threats or otherwise, or other significant disruption of our IT networks and related systems or of those we operate for certain of our customers.
- Our future success will depend on our ability to develop new products and services and technologies that achieve market acceptance in our current and future markets.
- We have significant operations in locations that could be materially and adversely impacted in the event of a natural disaster or other significant disruption.
- With our acquisition of AJRD, there is increased risk of the release, unplanned ignition, explosion, or improper handling of dangerous materials used in our business, which could disrupt our operations and adversely affect our financial results.
- Failure to achieve the expected results of LHX NeXt could adversely affect our future financial condition and results of operations.
- Our level of indebtedness and our ability to make payments on or service our indebtedness and our unfunded defined benefit plans liability may materially adversely affect our financial and operating activities or our ability to incur additional debt.
- The level of returns on defined benefit plan assets, changes in interest rates and other factors could materially adversely affect our financial condition, results of operations, cash flows and equity.
- Changes in our effective tax rate or additional tax exposures may have an adverse effect on our results of operations and cash flows.
- We may not be successful in obtaining the necessary export licenses to conduct certain operations abroad, and Congress may prevent proposed sales to certain foreign governments.
- Unforeseen environmental issues, including regulations related to GHG emissions or change in customer sentiment related to environmental sustainability, could have a material adverse effect on our business, financial condition, results of operations, cash flows and equity.
- Our reputation and ability to do business may be impacted by the improper conduct of our employees, agents or business partners.
- The outcome of litigation or arbitration in which we are involved from time to time is unpredictable, and an adverse decision in any such matter could have a material adverse effect on our financial condition, results of operations, cash flows and equity.
- Third parties have claimed in the past, and may claim in the future, that we are infringing directly or indirectly upon their intellectual property rights, and third parties may infringe upon our intellectual property rights.
- We face certain significant risk exposures and potential liabilities that may not be covered adequately by insurance or indemnity.
- Challenges arising from the expanded operations related to the acquisition of AJRD may affect our future results.
- Strategic transactions, including mergers, acquisitions and divestitures, involve significant risks and uncertainties that could adversely affect our business, financial condition, results of operations, cash flows and equity.

- Changes in future business or other market conditions could cause business investments and/or recorded goodwill or other intangible assets to become impaired, resulting in substantial losses and write-downs that would materially adversely affect our results of operations and financial condition.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

In the normal course of business, we are exposed to the risks associated with foreign currency exchange rates and changes in interest rates. We employ established policies and procedures governing the use of financial instruments to manage our exposure to such risks. For a discussion of such policies and procedures and the related risks, see “Financial Risk Management” in “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” of this Report, which is incorporated by reference into this Item 7A.

In addition, we are exposed to market return fluctuations on our defined benefit plans. A material adverse decline in the value of these assets and/or the discount rate for PBOs would result in a decrease in the funded status of the defined benefit plans, an increase in net periodic benefit cost and an increase in required funding. To protect against declines in the discount rate (i.e., interest rates), we will continue to monitor the performance of these assets and market conditions as we evaluate the amount of future contributions. For further information, see *Note 9: Retirement Benefits* in the Notes, which information is incorporated by reference into this Item 7A.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

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MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The management of L3Harris Technologies, Inc. (the "Company") is responsible for establishing and maintaining adequate internal control over financial reporting as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended. The Company's internal control over financial reporting is designed to provide reasonable assurance, based on an appropriate cost-benefit analysis, regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. generally accepted accounting principles. The Company's internal control over financial reporting includes those policies and procedures that: (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with U.S. generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management, with the participation of our Chief Executive Officer and Chief Financial Officer, assessed the effectiveness of the Company's internal control over financial reporting as of December 29, 2023. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control-Integrated Framework* (2013 framework). Based on management's assessment and those criteria, management concluded that the Company maintained effective internal control over financial reporting as of December 29, 2023.

Management excluded from its assessment of effectiveness of the Company's internal control over financial reporting the internal controls of Tactical Data Links product line ("TDL") and Aerojet Rocketdyne Holdings, Inc. ("AJRD"), which the Company acquired on January 3, 2023 and July 28, 2023, respectively. The financial statements of TDL and AJRD represent 1% and 5%, respectively, of the Company's total assets, excluding the preliminary value of goodwill and other intangible assets, as of December 29, 2023, and 2% and 5%, respectively, of the Company's total revenue for the fiscal year then ended. Management will include the internal controls of TDL and AJRD in its assessment of the effectiveness of the Company's internal control over financial reporting as of the end of fiscal 2024.

The Company's independent registered public accounting firm, Ernst & Young LLP, has issued a report on the effectiveness of the Company's internal control over financial reporting. This report appears on page [50](#) of this Annual Report on Form 10-K.

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of L3Harris Technologies, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of L3Harris Technologies, Inc. (the Company) as of December 29, 2023 and December 30, 2022, the related consolidated statements of operations, comprehensive income, cash flows and equity for each of the three years in the period ended December 29, 2023, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 29, 2023 and December 30, 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 29, 2023, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 29, 2023, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated February 16, 2024 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Description of the Matter

Cost estimation for revenue recognition on development and production contracts

As described in the consolidated financial statements, the Company recognized revenue for certain of its development and production contracts over time, typically using a percentage of completion cost-to-cost method, which required estimates of costs at completion for each contract. At the outset of each contract, the Company gauges its complexity and perceived risks and establishes an estimated total cost at completion with these expectations. After establishing the estimated total cost at completion, the Company reviews the progress and performance on its ongoing contracts at least quarterly and updates the estimated total cost at completion. Such estimates are subject to change during the performance of the contract and significant changes in estimates could have a material effect on the Company's results of operations.

Auditing the cost estimation for revenue recognition on development and production contracts where revenue is recognized over time using the POC cost-to-cost method involved subjective auditor judgment because the Company's development of the estimated total cost at completion requires estimates of the cost of the work to be completed based on the Company's underlying assumptions around achieving the technical, schedule and cost aspects of its contracts. In determining the estimates of the cost of the work to be completed, the Company considered the nature and complexity of the work to be performed, subcontractor performance and the risk and impact of delayed performance. Estimates of total cost at completion are also affected by management's assessment of the current status of the contract and expectation for performance on the contract, as well as historical experience.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design and tested the operating effectiveness of certain internal controls over the Company accounting for cost estimation for development and production contracts. For example, we tested certain controls over management's review of the estimate at completion analyses and the significant assumptions underlying the estimated total costs at completion. We also tested certain of management's controls to validate that the data used in the estimate at completion analyses was complete and accurate.

To test the cost estimation for development and production contracts, our audit procedures included, among others, obtaining an understanding of the contract, meeting with program management to confirm our understanding of the risks associated with the arrangement and the current contract performance, review of customer correspondence and contractual milestones and comparing cost estimates to historical cost experience with similar contracts, when applicable. Additionally, we obtained an understanding of the Company's past performance of estimating total costs at completion by reviewing changes in the cost estimates from previous periods and reviewing the overall accuracy of management's cost to completion estimations through lookback analyses.

Description of the Matter

Valuation of Goodwill

At December 29, 2023, the Company's goodwill was \$20.0 billion. As more fully described in the consolidated financial statements, the Company tests goodwill for impairment annually (or under certain circumstances, more frequently) at the reporting unit level using either a qualitative or quantitative assessment. Under the quantitative assessment to test for goodwill impairment, the Company compares the fair value of a reporting unit to its carrying amount, including goodwill. The Company estimates the fair value of its reporting units using a combination of a discounted cash flows analysis and market-based valuation methodologies.

Auditing the Company's quantitative goodwill impairment tests involved subjective auditor judgment due to the significant estimation required in management's determination of the fair value of the reporting units. The significant estimation is primarily due to the sensitivity of the respective fair values to underlying assumptions, particularly at the Electro Optical and Intelligence, Surveillance, and Reconnaissance reporting units, including changes in the weighted average cost of capital, projected revenue growth rates and projected EBITDA margins. These assumptions relate to the expected future operating performance of the Company's reporting units, are forward-looking, and are sensitive to and affected by economic, industry and company-specific qualitative factors.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design and tested the operating effectiveness of relevant internal controls over the Company's goodwill impairment review process, including controls over management's review of the significant assumptions used in the valuation models. We also tested management's controls to validate that the data used in the valuation models was complete and accurate.

To test the estimated fair value of the Company's reporting units, we performed audit procedures that included, among others, assessing the valuation methodologies used by the Company, involving our valuation specialists to assist in testing the significant assumptions discussed above, and testing the completeness and accuracy of the underlying data the Company used in its valuation analyses. For example, we compared the significant assumptions used by management to current industry, market and economic trends, the historical results of the reporting units and other relevant factors. We also assessed the historical accuracy of management's valuation estimates and performed sensitivity analyses of significant assumptions used in the impairment tests to evaluate the change in the fair value of the reporting unit resulting from changes in the significant assumptions.

In addition, we reviewed the reconciliation of the fair value of the reporting units based on the annual impairment test to the market capitalization of the Company.

Description of the Matter

Valuation of customer relationship intangible assets in the acquisition of Aerojet Rocketdyne

As described in the consolidated financial statements, the Company completed its acquisition of Aerojet Rocketdyne Holdings, Inc. on Jul 28, 2023. The acquisition was accounted for using the acquisition method of accounting. The Company's preliminary accounting for the acquisition included determining the fair value of the customer relationship intangible assets acquired of \$2.8 billion. The acquired customer relationship intangible asset is significant, and the valuation is sensitive based on current and projected operating results.

Auditing the Company's accounting for the acquired customer relationship intangible assets involved subjective auditor judgment due to the significant assumptions required in management's analysis. The significant estimations are primarily due to the sensitivity of the respective fair values to underlying assumptions including changes in the weighted average cost of capital and the projected revenue and EBITDA margins. These assumptions relate to the expected future operating performance of the Company's reporting unit, are forward-looking, and are sensitive to and affected by economic, industry and company-specific qualitative factors.

How We Addressed the Matter in Our Audit

We obtained an understanding of the process for evaluating the valuation of acquired customer relationship intangible assets by performing a walkthrough of the fair value analysis process, focusing on key controls identified by the company. This included management's review of the reasonableness of the assumptions used in the analysis.

We also tested management's controls to validate that the data used in the valuation models was complete and accurate.

We used an EY valuation specialist to assist with our auditing of the Company's analysis. In addition, we leveraged our audit team members with experience in complex areas to assist in performing the work, which included engagement executives.

Our focus included evaluating the work of the management specialists used for the valuation, reviewing key assumptions included in the valuation with a focus on comparing these assumptions to current industry and economic trends, changes to the Company's business model, customer base or product mix and other relevant factors. We also performed a sensitivity analysis of significant assumptions to evaluate the changes in the fair value of the acquired intangible assets that would result from changes in the assumptions.

We have served as the Company's auditor since at least 1932, but we are unable to determine the specific year.

/s/ Ernst & Young LLP
Orlando, Florida
February 16, 2024

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of L3Harris Technologies, Inc.

Opinion on Internal Control Over Financial Reporting

We have audited L3Harris Technologies, Inc.'s internal control over financial reporting as of December 29, 2023, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, L3Harris Technologies, Inc. (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 29, 2023, based on the COSO criteria.

As indicated in the accompanying Management's Report on Internal Control Over Financial Reporting, management's assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of Tactical Data Links product line ("TDL") and Aerojet Rocketdyne Holdings, Inc. ("AJRD"), which are included in the 2023 consolidated financial statements of the Company as of December 29, 2023 and constituted 1% and 5%, respectively, of total assets, excluding the preliminary value of goodwill and other intangible assets, as of December 29, 2023 and 2% and 5%, respectively, of total revenue for the year then ended. Our audit of internal control over financial reporting of the Company also did not include an evaluation of the internal control over financial reporting of TDL and AJRD.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 29, 2023 and December 30, 2022, the related consolidated statements of operations, comprehensive income, cash flows and equity for each of the three years in the period ended December 29, 2023, and the related notes and our report dated February 16, 2024 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Orlando, Florida
February 16, 2024

CONSOLIDATED STATEMENT OF OPERATIONS

(In millions, except per share amounts)	Fiscal Year Ended		
	December 29, 2023	December 30, 2022	December 31, 2021
Revenue			
Products	\$ 13,694	\$ 12,097	\$ 13,156
Services	5,725	4,965	4,658
Total revenue	19,419	17,062	17,814
Cost of revenue			
Products	(9,711)	(8,355)	(9,007)
Services	(4,595)	(3,780)	(3,431)
Total cost of revenue	(14,306)	(12,135)	(12,438)
General and administrative expenses	(3,262)	(3,006)	(3,280)
Asset group and business divestiture-related (losses) gains, net	(51)	8	220
Impairment of goodwill and other assets	(374)	(802)	(207)
Operating income	1,426	1,127	2,109
Non-service FAS pension income and other, net	338	425	439
Interest expense, net	(543)	(279)	(265)
Income from continuing operations before income taxes	1,221	1,273	2,283
Income taxes	(23)	(212)	(440)
Income from continuing operations	1,198	1,061	1,843
Discontinued operations, net of income taxes	—	—	(1)
Net income	1,198	1,061	1,842
Noncontrolling interests, net of income taxes	29	1	4
Net income attributable to L3Harris Technologies, Inc.	\$ 1,227	\$ 1,062	\$ 1,846
Amount attributable to L3Harris Technologies, Inc. common shareholders			
Income from continuing operations	\$ 1,227	\$ 1,062	\$ 1,847
Discontinued operations, net of income taxes	—	—	(1)
Net income	\$ 1,227	\$ 1,062	\$ 1,846
Net income per common share attributable to L3Harris Technologies, Inc. common shareholders			
Basic	\$ 6.47	\$ 5.54	\$ 9.17
Diluted	\$ 6.44	\$ 5.49	\$ 9.09

See accompanying Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(In millions)	Fiscal Year Ended		
	December 29, 2023	December 30, 2022	December 31, 2021
Net income	\$ 1,198	\$ 1,061	\$ 1,842
Other comprehensive income (loss):			
Foreign currency translation income (loss), net of income taxes	36	(119)	(63)
Net unrealized income (loss) on hedging derivatives, net of income taxes	10	(8)	(3)
Net unrecognized gains (losses) on postretirement obligations, net of income taxes	71	(26)	758
Other comprehensive income (loss), recognized during the period	117	(153)	692
Reclassification adjustments for (gains) losses included in net income	(27)	11	1
Other comprehensive income (loss), net of income taxes	90	(142)	693
Total comprehensive income	1,288	919	2,535
Comprehensive loss attributable to noncontrolling interest	29	1	4
Total comprehensive income attributable to L3Harris Technologies, Inc.	\$ 1,317	\$ 920	\$ 2,539

See accompanying Notes to Consolidated Financial Statements.

CONSOLIDATED BALANCE SHEET

(In millions, except shares)

	December 29, 2023	December 30, 2022
Assets		
<i>Current assets</i>		
Cash and cash equivalents	\$ 560	\$ 880
Receivables, net of allowances for collection losses of \$15 and \$40, respectively	1,230	1,251
Contract assets	3,196	2,987
Inventories	1,472	1,291
Other current assets	491	298
Assets of business held for sale	1,106	47
Total current assets	8,055	6,754
<i>Non-current assets</i>		
Property, plant and equipment, net	2,862	2,104
Goodwill	19,979	17,283
Other intangible assets, net	8,540	6,001
Deferred income taxes	91	73
Other non-current assets	2,160	1,309
Total assets	\$ 41,687	\$ 33,524
Liabilities and equity		
<i>Current liabilities</i>		
Short-term debt	\$ 1,602	\$ 2
Current portion of long-term debt, net	363	818
Accounts payable	2,106	1,945
Contract liabilities	1,900	1,400
Compensation and benefits	544	398
Other accrued items	1,129	818
Income taxes payable	88	376
Liabilities of business held for sale	272	19
Total current liabilities	8,004	5,776
<i>Non-current liabilities</i>		
Long-term debt, net	11,160	6,225
Deferred income taxes	815	719
Other long-term liabilities	2,879	2,180
Total liabilities	22,858	14,900
<i>Equity</i>		
Shareholders' Equity:		
Preferred stock, without par value; 1,000,000 shares authorized; none issued	—	—
Common stock, \$1.00 par value; 500,000,000 shares authorized; issued and outstanding 189,808,581 and 190,611,458 shares at December 29, 2023 and December 30, 2022, respectively	190	191
Paid-in capital	15,553	15,677
Retained earnings	3,220	2,943
Accumulated other comprehensive loss	(198)	(288)
Total shareholders' equity	18,765	18,523
Noncontrolling interests	64	101
Total equity	18,829	18,624
Total liabilities and equity	\$ 41,687	\$ 33,524

See accompanying Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

(In millions)	Fiscal Year Ended		
	December 29, 2023	December 30, 2022	December 31, 2021
Operating Activities			
Net income	\$ 1,198	\$ 1,061	\$ 1,842
Adjustments to reconcile net income to net cash provided by operating activities:			
Amortization of acquisition-related intangibles	779	605	627
Depreciation and other amortization	387	333	340
Share-based compensation	89	109	129
Share-based matching contributions under defined contribution plans	231	216	219
Pension and other postretirement benefit plan income	(275)	(395)	(375)
Impairment of goodwill and other assets	374	802	244
Asset group and business divestiture-related losses (gains), net	51	(8)	(220)
Deferred income taxes	(423)	(596)	(114)
(Increase) decrease in:			
Receivables, net	124	(210)	217
Contract assets	62	23	(820)
Inventories	(182)	(310)	(68)
Other current assets	(55)	13	23
Increase (decrease) in:			
Accounts payable	87	180	430
Contract liabilities	195	121	178
Compensation and benefits	38	(45)	(44)
Other accrued items	(88)	(181)	20
Income taxes	(333)	499	190
Other operating activities	(163)	(59)	(131)
Net cash provided by operating activities	2,096	2,158	2,687
Investing Activities			
Net cash paid for acquired businesses	(6,688)	—	—
Additions to property, plant and equipment	(449)	(252)	(342)
Proceeds from sale of property, plant and equipment, net	56	14	7
Proceeds from sales of asset groups and businesses, net	71	23	1,729
Other investing activities	(11)	(35)	—
Net cash (used in) provided by investing activities	(7,021)	(250)	1,394
Financing Activities			
Proceeds from borrowings, net of issuance cost	7,568	4	6
Repayments of borrowings	(3,170)	(14)	(13)
Change in commercial paper, net ⁽¹⁾	1,599	—	—
Proceeds from exercises of employee stock options	24	57	97
Repurchases of common stock	(518)	(1,083)	(3,675)
Cash dividends	(868)	(864)	(817)
Other financing activities	(41)	(51)	(11)
Net cash provided by (used in) financing activities	4,594	(1,951)	(4,413)
Effect of exchange rate changes on cash and cash equivalents	11	(18)	(3)
Net decrease in cash and cash equivalents	(320)	(61)	(335)
Cash and cash equivalents, beginning of period	880	941	1,276
Cash and cash equivalents, end of period	\$ 560	\$ 880	\$ 941

(1) See Note 8: Debt and Credit Arrangements in the Notes to the Consolidated Financial Statements.

See accompanying Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF EQUITY

(In millions, except per share amounts)	Common Stock	Paid-in capital	Retained Earnings	Accumulated Other Comprehensive Loss	Non-controlling Interests	Total Equity
Balance at January 1, 2021	\$ 208	\$ 19,008	\$ 2,347	\$ (839)	\$ 117	\$ 20,841
Net income (loss)	—	—	1,846	—	(4)	1,842
Other comprehensive income, net of income taxes	—	—	—	693	—	693
Shares issued under stock incentive plans	1	96	—	—	—	97
Shares issued under defined contribution plans	1	218	—	—	—	219
Share-based compensation expense	—	129	—	—	—	129
Tax withholding payments on share-based awards	—	(5)	—	—	—	(5)
Repurchases and retirement of common stock	(17)	(3,199)	(459)	—	—	(3,675)
Cash dividends (\$4.08 per share)	—	—	(817)	—	—	(817)
Other	1	1	—	—	(7)	(5)
Balance at December 31, 2021	194	16,248	2,917	(146)	106	19,319
Net income (loss)	—	—	1,062	—	(1)	1,061
Other comprehensive loss, net of income taxes	—	—	—	(142)	—	(142)
Shares issued under stock incentive plans	1	56	—	—	—	57
Shares issued under defined contribution plans	1	215	—	—	—	216
Share-based compensation expense	—	109	—	—	—	109
Tax withholding payments on share-based awards	—	(45)	—	—	—	(45)
Repurchases and retirement of common stock	(5)	(907)	(171)	—	—	(1,083)
Cash dividends (\$4.48 per share)	—	—	(864)	—	—	(864)
Other	—	1	(1)	—	(4)	(4)
Balance at December 30, 2022	191	15,677	2,943	(288)	101	18,624
Net income (loss)	—	—	1,227	—	(29)	1,198
Other comprehensive income, net of income taxes	—	—	—	90	—	90
Shares issued under stock incentive plans	1	23	—	—	—	24
Shares issued under defined contribution plans	1	230	—	—	—	231
Share-based compensation expense	—	89	—	—	—	89
Tax withholding payments on share-based awards	—	(30)	—	—	—	(30)
Repurchases and retirement of common stock	(3)	(433)	(82)	—	—	(518)
Cash dividends (\$4.56 per share)	—	—	(868)	—	—	(868)
Other	—	(3)	—	—	(8)	(11)
Balance at December 29, 2023	\$ 190	\$ 15,553	\$ 3,220	\$ (198)	\$ 64	\$ 18,829

See accompanying Notes to Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Organization — L3Harris Technologies, Inc., together with its subsidiaries, is the Trusted Disruptor in the defense industry. With customers' mission-critical needs in mind, we deliver end-to-end technology solutions connecting the space, air, land, sea and cyber domains. We support government customers in more than 100 countries, with our largest customers being various departments and agencies of the U.S. Government and their prime contractors. Our products, systems and services have defense and civil government applications, as well as commercial applications. As of December 29, 2023 we had approximately 50,000 employees.

Principles of Consolidation — Our Consolidated Financial Statements include the accounts of L3Harris Technologies, Inc. and its consolidated subsidiaries. As used in these Notes to the Consolidated Financial Statements, the terms "L3Harris," "Company," "we," "our" and "us" refer to L3Harris Technologies, Inc. and its consolidated subsidiaries. Intracompany transactions and accounts have been eliminated. Amounts contained in this Report may not always add to totals due to rounding.

Fiscal Year — Our fiscal year ends on the Friday nearest December 31. Fiscal 2023, fiscal 2022 and fiscal 2021 each included 52 weeks.

Organizational Structure and Change in Accounting Policy — Effective for fiscal 2023, we adjusted our reporting to better align our businesses and transferred our ADG business from our IMS segment to our SAS segment. On October 1, 2023, we combined our Electronic Warfare sector and the majority of the ADG sector within our SAS segment to create a new sector, Advanced Combat Systems ("ACS"). The remaining portion of the ADG sector was combined with our Space Systems sector within our SAS segment.

The historical results, discussion and presentation of our business segments as set forth in the accompanying Consolidated Financial Statements and these Notes reflect the impact of these changes for all periods presented in order to present segment information on a comparable basis. There is no impact on our previously reported consolidated statements of operations, balance sheets, statements of cash flows or statements of equity resulting from these changes. See "Business Segments" section below in this Note and *Note 14: Business Segments* in these Notes for information regarding our pension presentation and segment structure.

Divestitures — See *Note 13: Acquisitions, Divestitures and Asset Sales* in these Notes for information regarding our business divestitures and asset sales in fiscal 2023, 2022 and 2021.

Use of Estimates — The preparation of financial statements in accordance with GAAP requires us to make estimates and assumptions that affect the amounts reported in the accompanying Consolidated Financial Statements and these Notes and related disclosures. These estimates and assumptions are based on experience and other information available prior to issuance of the accompanying Consolidated Financial Statements and these Notes. Materially different results can occur as circumstances change and additional information becomes known.

Reclassifications — The classification of certain prior year amounts have been adjusted in our Consolidated Financial Statements and these Notes to conform to current year classifications.

Supplemental Cash Flow Information — Non-cash investing and financing activities during fiscal 2023, fiscal 2022 and fiscal 2021 included a \$26 million, \$20 million and \$120 million, respectively, right-of-use ("ROU") asset we obtained in exchange for a corresponding finance lease liability. These non-cash investing and financing activities are excluded from the "Additions to property, plant and equipment" and "Proceeds from borrowings, net of issuance cost" line items in our Consolidated Statement of Cash Flows. Right-of-use assets for finance leases are included in the "Property, plant and equipment, net" line item and the corresponding finance lease liabilities are included in the "Current portion of long-term debt, net" and "Long-term debt, net" line items in our Consolidated Balance Sheet.

Cash and Cash Equivalents — Cash and cash equivalents include cash at banks and temporary cash investments with a maturity of three or fewer months when purchased. These investments include accrued interest and are carried at the lower of cost or market.

Fair Value of Financial Instruments — The carrying amounts reflected in our Consolidated Balance Sheet for cash and cash equivalents, accounts receivable, non-current receivables, notes receivable, accounts payable, short-term debt and long-term variable-rate debt approximate their fair values. Fair values for long-term fixed-rate debt are primarily based on quoted market prices for those or similar instruments. See *Note 8: Debt and Credit Arrangements* in these Notes for additional information regarding fair values for our long-term fixed-rate debt. A discussion of fair values for our derivative financial instruments is included under the caption "Financial Instruments and Risk Management" in this Note.

Fair Value Measurements — Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in the principal market (or most advantageous market, in the absence of a principal market) for the asset or liability in an orderly transaction between market participants at the measurement date. Entities are required to maximize the use of observable inputs and minimize the use of unobservable inputs in measuring fair value, and to utilize a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. The three levels of inputs used to measure fair value are as follows:

- Level 1 — Quoted prices in active markets for identical assets or liabilities.
- Level 2 — Observable inputs other than quoted prices included within Level 1, including quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; and inputs other than quoted prices that are observable or are derived principally from, or corroborated by, observable market data by correlation or other means.
- Level 3 — Unobservable inputs that are supported by little or no market activity, are significant to the fair value of the assets or liabilities and reflect our own assumptions about the assumptions market participants would use in pricing the asset or liability developed using the best information available in the circumstances.

In certain instances, fair value is estimated using quoted market prices obtained from external pricing services. In obtaining such data from the pricing service, we have evaluated the methodologies used to develop the estimate of fair value in order to assess whether such valuations are representative of fair value, including NAV. Additionally, in certain circumstances, the NAV reported by an asset manager may be adjusted when sufficient evidence indicates NAV is not representative of fair value.

Accounts Receivable — We record receivables derived from contracts with customers at net realizable value and they generally do not bear interest. This value includes an allowance for estimated uncollectible accounts to reflect any losses anticipated on the accounts receivable balances which is charged to the provision for doubtful accounts. We calculate this allowance at inception based on expected loss over the life of the receivable. We consider historical write-offs by customer, level of past due accounts and economic status of the customers. A receivable is considered delinquent if it is unpaid after the term of the related invoice has expired. Write-offs are recorded at the time a customer receivable is deemed uncollectible.

Contract Assets and Liabilities — The timing of revenue recognition, customer billings and cash collections results in accounts receivable, contract assets and contract liabilities at the end of each reporting period. Contract assets include unbilled amounts typically resulting from revenue recognized exceeding amounts billed to customers for contracts utilizing the POC cost-to-cost revenue recognition method. We bill customers as work progresses in accordance with agreed-upon contractual terms, either at periodic intervals, upon achievement of contractual milestones or upon deliveries and, in certain arrangements, the customer may withhold payment of a portion of the contract price until contract completion. Contract liabilities include advance payments and billings in excess of revenue recognized, including deferred revenue. Contract assets and liabilities are reported on a contract-by-contract basis at the end of each reporting period. The non-current portion of contract liabilities is included within the “Other long-term liabilities” line item in our Consolidated Balance Sheet.

Contract assets related to amounts withheld by customers until contract completion are not considered a significant financing component of our contracts because the intent is to protect the customers from our failure to satisfactorily complete our performance obligations. Payments received from customers in advance of revenue recognition are not considered a significant financing component of our contracts because they are utilized to pay for contract costs within a one-year period or are requested by us to ensure the customers meet their payment obligations. See *Note 3: Contract Assets and Contract Liabilities* in these Notes for additional information.

Inventories — Inventories are valued at the lower of cost (determined by average and first-in, first-out methods) or net realizable value. We regularly review inventory quantities on hand and record a provision for excess and obsolete inventory primarily based on our estimated forecast of product demand, anticipated end of product life and production requirements. See *Note 4: Inventories* in these Notes for additional information regarding inventories.

Property, Plant and Equipment — Property, plant and equipment are carried on the basis of cost and include software capitalized for internal use. Depreciation of buildings, machinery and equipment is computed by the straight-line and accelerated methods. The estimated useful lives of buildings, including leasehold improvements, generally range between 2 and 45 years. The estimated useful lives of machinery and equipment generally range between 2 and 10 years. Amortization of internal-use software begins when the software is put into service and is based on the expected useful life of the software. The useful lives over which we amortize internal-use software generally range between 2 and 10 years. See *Note 5: Property, Plant and Equipment, Net* in these Notes for additional information regarding property, plant and equipment.

Goodwill — We follow the acquisition method of accounting to record the assets and liabilities of acquired businesses at their estimated fair value at the date of acquisition. We initially record goodwill for the amount the consideration transferred exceeds the acquisition-date fair value of net identifiable assets acquired.

We test goodwill for impairment at a level within the Company referred to as the reporting unit, which is our business segment level or one level below the business segment. Goodwill is tested for impairment annually as of the first business day of our fourth fiscal quarter, or under certain circumstances more frequently, such as when events or circumstances indicate there may be impairment. Such events or circumstances may include a significant deterioration in overall economic conditions, changes in the business climate of our industry, a decline in our market capitalization, operating performance indicators, competition, reorganizations of our business or the disposal of all or a portion of a reporting unit.

To test goodwill for impairment, we may perform both qualitative and quantitative assessments. If we elect to perform a qualitative assessment for a certain reporting unit, we evaluate events and circumstances impacting the reporting unit to determine the probability that goodwill is impaired. If we perform a quantitative assessment for a certain reporting unit, we calculate the fair value of that reporting unit and compare the fair value to the reporting unit's net book value. We estimate fair values of our reporting units based on projected cash flows. Values derived from projected cash flows are corroborated through review of revenue and/or earnings multiples applied to the latest twelve months' revenue and earnings of our reporting units. Projected cash flows are based on our best estimate of future revenues, operating costs and balance sheet metrics reflecting our view of the financial and market conditions of the underlying business; and the resulting cash flows are discounted using an appropriate discount rate that reflects the risk in the forecasted cash flows. Revenue and earnings multiples are based on current multiples of revenues and earnings for similar businesses, and based on revenue and earnings multiples paid for recent acquisitions of similar businesses made in the marketplace. We then assess whether any implied control premium, based on a comparison of fair value based purely on our stock price and outstanding shares with fair value determined by using all of the above-described models, is reasonable.

If we determine it is more-likely-than-not that the fair value of the reporting unit is less than its carrying amount, we measure any impairment loss by comparing the fair value of each reporting unit to its carrying amount, including goodwill. If the carrying amount of a reporting unit exceeds its fair value, goodwill is considered impaired, and an impairment loss is recognized in an amount equal to that excess. See *Note 13: Acquisitions, Divestitures and Asset Sales* and *Note 6: Goodwill and Intangible Assets* in these Notes for additional information regarding goodwill.

Long-Lived Assets, Including Intangible Assets — Long-lived assets, including finite-lived intangible assets, are amortized to expense over their useful lives either according to the underlying economic benefit as reflected by future net cash inflows or on a straight-line basis depending on the nature of the asset.

We assess the recoverability of the carrying value of our long-lived assets, including finite-lived intangible assets, whenever events or changes in circumstances indicate the carrying amount of the assets may not be recoverable. We evaluate the recoverability of such assets based on the expectations of undiscounted cash flows from such assets. If the sum of the expected future undiscounted cash flows are less than the carrying amount of the asset, a loss is recognized for the difference between the fair value and the carrying amount. Indefinite-lived intangible assets are not amortized, but are tested annually for impairment, or under certain circumstances more frequently, such as when events and circumstances indicate there may be an impairment. This testing compares the fair value of the asset to its carrying amount, and, when appropriate, the carrying amount of these assets is reduced to its fair value. See *Note 5: Property, Plant and Equipment, Net* and *Note 6: Goodwill and Intangible Assets* in these Notes for additional information regarding long-lived assets and intangible assets.

Leases — We recognize ROU assets and lease liabilities in our Consolidated Balance Sheet for operating and finance leases under which we are the lessee. As a practical expedient, leases with a term of twelve months or less (including reasonably certain extension periods) and leases with expected lease payments of less than \$250 thousand are expensed as incurred.

Operating lease assets and finance lease assets are included in the "Other non-current assets" and "Property, plant and equipment, net" line items, respectively, in our Consolidated Balance Sheet. Operating lease liabilities and finance lease liabilities for obligations due within twelve months are included in the "Other accrued items" line item in our Consolidated Balance Sheet. Operating lease liabilities and finance lease liabilities for obligations due longer than twelve months are included in the "Other long-term liabilities" line item in our Consolidated Balance Sheet.

ROU assets and lease liabilities are recognized based on the present value of future lease payments, which are primarily base rent. We have some lease payments that are based on an index and changes to the index are treated as variable lease payments and recognized in the period in which the obligation for those payments is incurred. Our

lease payments also include non-lease components such as real estate taxes and common-area maintenance costs. As a practical expedient, we account for lease and non-lease components as a single component. For certain leases, the non-lease components are variable and are therefore excluded from lease payments to determine the ROU asset. The present value of future lease payments is determined using our incremental borrowing rate at lease commencement over the expected lease term. We use our incremental borrowing rate because our leases do not provide an implicit lease rate. The expected lease term represents the number of years we expect to lease the property, including options to extend or terminate the lease when it is reasonably certain that we will exercise the option.

Operating lease expense is recognized as an operating cost on a straight-line basis over the expected lease term in the "Cost of revenue" and "General and administrative expenses" line items in our Consolidated Statement of Operations. For finance leases, the asset is amortized on a straight-line basis over the lease term, and interest on the lease liability is recognized in interest expense.

We are a lessor for certain flight simulators and aircraft which meet the criteria for operating lease classification. Lease income associated with these leases was not material in fiscal 2023, 2022 or 2021.

See *Note 11: Leases* in these Notes for additional information regarding leases

Income Taxes — We follow the asset and liability method of accounting for income taxes. We record deferred tax assets and liabilities for differences between the tax basis of assets and liabilities and amounts reported in our Consolidated Balance Sheet, as well as operating loss and tax credit carryforwards. We follow very specific and detailed guidelines in each tax jurisdiction regarding the recoverability of any tax assets recorded on the balance sheet and provide necessary valuation allowances as required. We regularly review our deferred tax assets for recoverability based on historical taxable income, projected future taxable income, the expected timing of the reversals of existing temporary differences and tax planning strategies.

The implementation of a modified territorial tax system by the Tax Cuts and Jobs Act of 2017 ("TCJA") subjects us to tax on our Global Intangible Low-Taxed Income ("GILTI") starting with fiscal 2019. The Financial Accounting Standards Board has permitted companies to make an accounting policy decision to either (1) treat taxes due on future GILTI inclusions in U.S. taxable income as a current-period expense when incurred ("period cost method") or (2) factor such amounts into the measurement of its deferred taxes ("deferred method"). We have elected to use the period cost method.

See *Note 7: Income Taxes* in these Notes for additional information regarding income taxes.

Standard Warranties — We record estimated standard warranty costs in the period that control of the related products transfers to the customer. Factors that affect the estimated cost for warranties include the terms of the contract, the type and complexity of the delivered product, the number of installed units, historical experience and management's assumptions regarding anticipated rates of warranty claims and cost per claim. Our standard warranties start from the shipment, delivery or customer acceptance date and continue as follows:

Segment	Average Warranty Period
SAS	One to three years
IMS	One to three years
CS	One to five years
AR	One year

Because our products are manufactured, in many cases, to customer specifications and their acceptance is based on meeting those specifications, we historically have experienced minimal warranty costs. Factors that affect our warranty liability include the number of installed units, historical experience, anticipated delays in delivery of products to end customers, in-country support for international revenues and our assumptions regarding anticipated rates of warranty claims and cost per claim. We assess the adequacy of our recorded warranty liabilities every quarter and make adjustments to the liability as necessary.

Restructuring and Other Exit Costs — We record charges for restructuring and other exit activities related to sales or terminations of product lines, closures or relocations of business activities, changes in management structure, and fundamental reorganizations that affect the nature and focus of operations. Such charges include termination benefits, contract termination costs and costs to close or consolidate facilities or relocate employees. We record these charges at their fair value when incurred. In cases where employees are required to render service until they are terminated in order to receive the termination benefits and will be retained beyond the minimum retention period, we record the expense ratably over the future service period.

Foreign Currency Translation — The functional currency for most international subsidiaries is the local currency. Assets and liabilities are translated at current rates of exchange and income and expense items are translated at the weighted average exchange rate for the year. The resulting translation adjustments are recorded as a separate component of shareholders' equity.

Stock Options and Other Share-Based Compensation — We measure compensation cost for all share-based payments (including employee stock options) at fair value and recognize cost over the vesting period, with forfeitures recognized as they occur. It is our practice to issue shares when options are exercised. See *Note 10: Stock Options and Other Share-Based Compensation* in these Notes for additional information regarding share-based compensation.

Revenue Recognition — We account for a contract when it has approval and commitment from all parties, the rights and payment terms of the parties can be identified, the contract has commercial substance and the collectability of the consideration, or transaction price, is probable. Our contracts are often subsequently modified to include changes in specifications, requirements or price that may create new or change existing enforceable rights and obligations. We do not account for contract modifications (including unexercised options) or follow-on contracts until they meet the requirements noted above to account for a contract.

We categorize revenue and costs for performance obligations to provide tangible goods as “product” and revenue and costs for performance obligations to provide services for which the principal result is not to produce anything tangible as “service.” In instances where a single performance obligation requires us to deliver products and perform services, we derive the product and service categories presented in our financial statements based upon the predominant nature of each performance. In these cases, we classify the revenue and costs from the entire performance obligation based on the nature of the overall promise made to the customer.

At the inception of each contract, we evaluate the promised products and services to determine whether the contract should be accounted for as having one or more performance obligations. A performance obligation is a promise to transfer a distinct product or service to a customer and represents the unit of accounting for revenue recognition. A substantial majority of our revenue is derived from long-term development and production contracts involving the design, development, manufacture or modification of defense products and related services according to the customers' specifications. Due to the highly interdependent and interrelated nature of the underlying products and services and the significant service of integration that we provide, which often result in the delivery of multiple units, we account for these contracts as one performance obligation. For contracts that include both development/production and follow-on support services (for example, operations and maintenance), we generally consider the follow-on services distinct in the context of the contract and account for them as separate performance obligations. Additionally, we also recognize revenue from contracts to provide multiple distinct products to a customer where the products can readily be sold to other customers based on their commercial nature and, accordingly, these products are accounted for as separate performance obligations.

Shipping and handling costs incurred after control of a product has transferred to the customer (for example, in free on board shipping arrangements) are treated as fulfillment costs and, therefore, are not accounted for as separate performance obligations. Also, we record taxes collected from customers and remitted to governmental authorities on a net basis in that they are excluded from revenue.

As noted above, our contracts are often subsequently modified to include changes in specifications, requirements or price. Depending on the nature of the modification, we consider whether to account for the modification as an adjustment to the existing contract or as a separate contract. Often, the deliverables in our contract modifications are not distinct from the existing contract due to the significant integration and interrelated tasks provided in the context of the contract. Therefore, such modifications are accounted for as if they are part of the existing contract, and we may be required to recognize a cumulative catch-up adjustment to revenue at the date of the contract modification.

We determine the transaction price for each contract based on our best estimate of the consideration we expect to receive, which includes assumptions regarding variable consideration, such as award and incentive fees. These variable amounts are generally awarded upon achievement of certain negotiated performance metrics, program milestones or cost targets and can be based upon customer discretion. We include such estimated amounts in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved. We estimate variable consideration primarily using the most likely amount method.

For contracts with multiple performance obligations, we allocate the transaction price to each performance obligation based on the relative standalone selling price of the product or service underlying each performance

obligation. The standalone selling price represents the amount for which we would sell the product or service to a customer on a standalone basis (i.e., not sold as a bundle with any other products or services). Our contracts with the U.S. Government, including foreign military sales contracts, are subject to the FAR and the prices of our contract deliverables are typically based on our estimated or actual costs plus a reasonable profit margin. As a result, the standalone selling prices of the products and services in these contracts are typically equal to the selling prices stated in the contract, thereby eliminating the need to allocate (or reallocate) the transaction price to the multiple performance obligations. In our non-U.S. Government contracts, we also generally use the expected cost plus a reasonable profit margin approach to determine standalone selling price. In addition, we determine standalone selling price for certain contracts that are commercial in nature based on observable selling prices.

We recognize revenue for each performance obligation when (or as) the performance obligation is satisfied by transferring control of the promised products or services underlying the performance obligation to the customer. The transfer of control can occur over-time or at a point in time. A significant portion of our business is derived from development and production contracts. Revenue and profit related to development and production contracts are generally recognized over-time, typically using the POC cost-to-cost method of revenue recognition, whereby we measure our progress towards completion of the performance obligation based on the ratio of costs incurred to date to estimated costs at completion under the contract. Because costs incurred represent work performed, we believe this method best depicts the transfer of control of the asset to the customer. Under the POC cost-to-cost method of revenue recognition, a single estimated profit margin is used to recognize profit for each performance obligation over its period of performance. To a lesser extent, we also recognize revenue from contracts to provide multiple distinct products to a customer that are commercial in nature and can readily be sold to other customers. These performance obligations do not meet any of the three criteria listed below to recognize revenue over-time; therefore, we recognize revenue at a point in time, generally when the products are received and accepted by the customer.

Point-in-Time Revenue Recognition. Our performance obligations are satisfied at a point in time unless they meet at least one of the following criteria, in which case they are satisfied over-time:

- The customer simultaneously receives and consumes the benefits provided by our performance as we perform;
- Our performance creates or enhances an asset (for example, work in process) that the customer controls as the asset is created or enhanced; or
- Our performance does not create an asset with an alternative use to us and we have an enforceable right to payment for performance completed to date.

Over-Time Revenue Recognition. For U.S. Government development and production contracts, there is generally a continuous transfer of control of the asset to the customer as it is being produced based on FAR clauses in the contract that provide the customer with lien rights to work in process and allow the customer to unilaterally terminate the contract for convenience, pay us for costs incurred plus a reasonable profit and take control of any work in process. This also typically applies to our contracts with prime contractors for U.S. Government development and production contracts, when the above-described FAR clauses are flowed down to us by the prime contractors.

Our non-U.S. Government development and production contracts, including international direct commercial contracts and U.S. contracts with state and local agencies, utilities, commercial and transportation organizations, often do not include the FAR clauses described above. However, over-time revenue recognition is typically supported either through our performance creating or enhancing an asset that the customer controls as it is created or enhanced or based on other contractual provisions or relevant laws that provide us with an enforceable right to payment for our work performed to date plus a reasonable profit if our customer were permitted to and did terminate the contract for reasons other than our failure to perform as promised.

For performance obligations to provide services that are satisfied over-time, we recognize revenue either on a straight-line basis, the POC cost-to-cost method or based on the right-to-invoice method (i.e., based on our right to bill the customer), depending on which method best depicts transfer of control to the customer.

Contract Estimates. Under the POC cost-to-cost method of revenue recognition, a single estimated profit margin is used to recognize profit for each performance obligation over its period of performance. Recognition of profit on a contract requires estimates of the total cost at completion and transaction price and the measurement of progress towards completion. Due to the long-term nature of many of our contracts, developing the estimated total cost at completion and total transaction price often requires judgment. Factors that must be considered in estimating the cost of the work to be completed include the nature and complexity of the work to be performed, subcontractor performance and the risk and impact of delayed performance. Factors that must be considered in estimating the total transaction price include contractual cost or performance incentives (such as incentive fees, award fees and

penalties) and other forms of variable consideration, as well as our historical experience and our expectation for performance on the contract.

At the outset of each contract, we gauge its complexity and perceived risks and establish an estimated total cost at completion in line with these expectations. We follow a standard EAC process in which we review the progress and performance on our ongoing contracts at least quarterly and, in many cases, more frequently. If we successfully retire risks associated with the technical, schedule and cost aspects of a contract, we may lower our estimated total cost at completion commensurate with the retirement of these risks. Conversely, if we are not successful in retiring these risks, we may increase our estimated total cost at completion. Additionally, as the contract progresses, our estimates of total transaction price may increase or decrease if, for example, we receive award fees that are higher or lower than expected.

When changes in estimated total costs at completion or in estimated total transaction price are determined, the related impact on operating income is recognized on a cumulative basis. Cumulative EAC adjustments represent the cumulative effect of the changes on current and periods; revenue and operating margins in future periods are recognized as if the revised estimates had been used since contract inception. Any anticipated losses on these contracts are fully recognized in the period in which the losses become evident.

Net EAC adjustments had the following impact to earnings for the periods presented:

(In millions, except per share amounts)	Fiscal Year Ended		
	December 29, 2023	December 30, 2022	December 31, 2021
Net EAC adjustments, before income taxes	\$ (85)	\$ 36	\$ 304
Net EAC adjustments, net of income taxes	(63)	27	228
Net EAC adjustments, net of income taxes, per diluted share	(0.33)	0.14	1.12

Revenue recognized from performance obligations satisfied in prior periods was \$118 million, \$110 million and \$402 million in fiscal 2023, 2022 and 2021, respectively.

Bill-and-Hold Arrangements. For certain contracts, the finished product may temporarily be stored at our location under a bill-and-hold arrangement. Revenue is recognized on bill-and-hold arrangements at the point in time when the customer obtains control of the product and all of the following criteria have been met: the arrangement is substantive (for example, the customer has requested the arrangement); the product is identified separately as belonging to the customer; the product is ready for physical transfer to the customer; and we do not have the ability to use the product or direct it to another customer. In determining when the customer obtains control of the product, we consider certain indicators, including whether we have a present right to payment from the customer, whether title and/or significant risks and rewards of ownership have transferred to the customer and whether customer acceptance has been received (in the case of arrangements with customer acceptance provisions).

Backlog. Backlog, which is the equivalent of our remaining performance obligations, represents the future revenue we expect to recognize as we perform on our current contracts. Backlog comprises both funded backlog (i.e., firm orders for which funding is authorized and appropriated) and unfunded backlog. Backlog excludes unexercised contract options and potential orders under ordering-type contracts, such as IDIQ contracts.

At December 29, 2023, our ending backlog was \$32.7 billion, of which \$22.0 billion was funded backlog. We expect to recognize approximately 40% of the revenue associated with this backlog by the end of 2024 and approximately 65% by the end of 2025, with the remainder to be recognized thereafter. At December 30, 2022, our ending backlog was \$22.3 billion, of which \$16.2 billion was funded backlog.

Retirement Benefits — We sponsor various pension and other postretirement defined benefit plans. Accordingly, the funded or unfunded position of each defined benefit plan is recorded in our Consolidated Balance Sheet. Actuarial gains and losses and prior service costs or credits that have not yet been recognized through income are recorded in the “Accumulated other comprehensive loss” line item within equity in our Consolidated Balance Sheet, net of taxes, until they are amortized as a component of net periodic benefit income. The determination of benefit obligations and the recognition of expenses related to defined benefit plans are dependent on various assumptions. The major assumptions primarily relate to discount rates, long-term expected rates of return on plan assets, the rate of future compensation increases, mortality, termination and health care cost trend rates.

We develop each assumption using relevant Company experience in conjunction with market-related data. Actuarial assumptions are reviewed annually with third-party consultants and adjusted as appropriate. For the recognition of net periodic benefit income, the calculation of the long-term expected return on plan assets is

generally derived using a market-related value of plan assets based on yearly average asset values at the measurement date over the last five years, to be phased in over five years. Actual results that differ from our assumptions are accumulated and generally amortized for each plan to the extent required over the estimated future life expectancy or, if applicable, the future working lifetime of the plan's active participants. The fair value of plan assets is determined based on market prices or estimated fair value at the measurement date. The measurement date for valuing defined benefit plan assets and obligations is the end of the month closest to our fiscal year end.

We record the service cost component of net periodic benefit income in the "Cost of revenue" and "General and administrative expenses" line items in our Consolidated Statement of Operations. The non-service cost components of net periodic benefit income are included in the "Non-service FAS pension income and other, net" line item in our Consolidated Statement of Operations.

We also provide retirement benefits to many of our U.S.-based employees through defined contribution retirement plans, including 401(k) plans and certain non-qualified deferred compensation plans. The defined contribution retirement plans have matching and savings elements. Company contributions to the retirement plans are based on employees' savings with no other funding requirements. We may make additional contributions to the retirement plans at our discretion. Retirement and postretirement benefits also include unfunded limited healthcare plans for some U.S.-based retirees and employees on long-term disability. We estimate benefits for these plans using actuarial valuations that are based, in part, on certain key assumptions we make, including the discount rate, the expected long-term rate of return on plan assets, the rate of future compensation increases, healthcare cost trend rates and employee turnover and mortality, each appropriately based on the nature of the plans. We accrue the cost of these benefits during an employee's active service life, except in the case of our healthcare plans for disabled employees, the costs of which we accrue when the disabling event occurs.

See *Note 9: Retirement Benefits* in these Notes for additional information regarding our defined benefit plans.

Environmental Expenditures — We generally capitalize environmental expenditures that increase the life or efficiency of property or that reduce or prevent environmental contamination. We accrue environmental expenses resulting from existing conditions that relate to past or current operations. Our accruals for environmental expenses are recorded on a site-by-site basis when it is probable a liability has been incurred and the amount of the liability can be reasonably estimated, based on current law and existing technologies available to us. Our accruals for environmental expenses represent the best estimates related to the investigation and remediation of environmental media such as water, soil, soil vapor, air and structures, as well as related legal fees, and are reviewed periodically, at least annually at the year-end balance sheet date, and updated for progress of investigation and remediation efforts and changes in facts and legal circumstances. If the timing and amount of future cash payments for environmental liabilities are fixed or reliably determinable, we generally discount such cash flows in estimating our accrual.

The relevant factors we considered in estimating our potential liabilities under applicable environmental statutes and regulations included some or all of the following as to each site: incomplete information regarding particular sites and other potentially responsible parties; uncertainty regarding the extent of investigation or remediation; our share, if any, of liability for such conditions; the selection of alternative remedial approaches; changes in environmental standards and regulatory requirements; probable insurance proceeds; cost-sharing agreements with other parties; and potential indemnification from successor and predecessor owners of these sites. We do not believe that any uncertainties regarding these relevant factors will materially affect our potential liability under applicable environmental statutes and regulations. We believe the total amount accrued is appropriate based on existing facts and circumstances, although we note the total amount accrued may increase or decrease in future years.

See *Note 15: Legal Proceedings, Commitments and Contingencies* in these Notes for additional information regarding our environmental expenditures.

Financial Guarantees and Commercial Commitments — Financial guarantees are contingent commitments issued to guarantee the performance of a customer to a third party in borrowing arrangements, such as commercial paper issuances, bond financings and similar transactions.

We have entered into commercial commitments in the normal course of business including surety bonds, standby letter of credit agreements and other arrangements with financial institutions and customers primarily related to the guarantee of future performance on certain contracts to provide products and services to customers and to obtain insurance policies with our insurance carriers.

As of December 29, 2023, we had commercial commitments on outstanding surety bonds of \$536 million and standby letters of credit of \$723 million. There were no other such financial guarantees and commercial commitments accrued for in our Consolidated Balance Sheet.

Financial Instruments and Risk Management — In the normal course of business, we are exposed to global market risks, including the effect of changes in foreign currency exchange rates and changes in interest rates. We use derivative instruments to manage our exposure to such risks and formally document all relationships between hedging instruments and hedged items, as well as the risk-management objective and strategy for undertaking hedge transactions. To manage our exposure to currency risk and market fluctuation risk associated with anticipated cash flows that are probable of occurring in the future, we implement cash flow hedges across our business segments. More specifically, we use foreign currency forward contracts and options to hedge off-balance sheet future foreign currency commitments, including purchase commitments to suppliers, future committed sales to customers and intersegment transactions. Notional amounts are used to measure the volume of foreign currency forward contracts and do not represent exposure to foreign currency losses. At December 29, 2023, we had open foreign currency forward contracts with an aggregate notional amount of \$223 million, hedging certain forecasted transactions denominated in U.S. Dollars, Canadian Dollars and Australian Dollars. At December 30, 2022, we had open foreign currency forward contracts with an aggregate notional amount of \$275 million, hedging certain forecasted transactions denominated in Canadian Dollars, U.S. Dollars, British Pounds and Euros.

We may also enter into derivative instruments that are not designated as hedges and do not qualify for hedge accounting. We recognize all derivatives in our Consolidated Balance Sheet at fair value. These financial instruments are marked-to-market using forward prices and fair value quotes with the offset to other comprehensive income (loss) and are categorized in Level 2 of the fair value hierarchy. The cash flow impact of our derivatives is included in the same category in our Consolidated Statement of Cash Flows as the cash flows of the related hedged items. We do not hold or issue derivatives for speculative trading purposes.

Derivatives that are not hedges are adjusted to fair value through income. If the derivative is a hedge, depending on the nature of the hedge, changes in the fair value of the derivative are either offset against the change in fair value of assets, liabilities or firm commitments through earnings or recognized in other comprehensive income until the hedged item is recognized in earnings. Gains and losses in accumulated other comprehensive loss are reclassified to earnings when the related hedged item is recognized in earnings.

Income From Continuing Operations Per Common Share — For all periods presented in our Consolidated Financial Statements and these Notes, income from continuing operations per share ("EPS") is computed using the two-class method. The two-class method of computing EPS is an earnings allocation formula that determines EPS for common stock and any participating securities according to dividends paid and participation rights in undistributed earnings. Under the two-class method, income from continuing operations per common share is computed by dividing the sum of earnings distributed to common shareholders and undistributed earnings allocated to common shareholders by the weighted-average number of common shares outstanding for the period. Income from continuing operations per diluted common share ("diluted EPS") is computed using the more dilutive of the two-class method or the treasury stock method. In applying the two-class method, undistributed earnings are allocated to both common shares and participating securities based on the weighted-average shares outstanding during the period.—See *Note 2: Earnings Per Share* in these Notes for additional information regarding weighted-average shares outstanding.

Business Segments — We evaluate our business segment's based on its operating income or loss. Intersegment revenues are generally transferred at cost to the buying segment, and the sourcing segment recognizes a profit that is eliminated. The "Corporate eliminations" line item in *Note 14: Business Segments* in these Notes represents the elimination of intersegment revenues. Corporate expenses are primarily allocated to our business segments using an allocation methodology prescribed by U.S. Government regulations for government contractors. The "Unallocated corporate department (expense) income, net" line item in *Note 14: Business Segments* in these Notes represents the portion of corporate expenses that are not included in management's evaluation of segment operating performance or elimination of intersegment profits.

In accordance with CAS, we allocate a portion of pension and OPEB plan costs to our U.S. Government contracts. However, our Consolidated Financial Statements require pension and OPEB plan income or expense to be calculated in accordance with FAS requirements under GAAP. The "FAS/CAS operating adjustment" line item in *Note 14: Business Segments* in these Notes represents the difference between the service cost component of FAS pension and OPEB cost and total CAS pension and OPEB cost. The non-service cost components of FAS pension and OPEB income or expense are included as component of the "Non-service FAS pension income and other, net" line item in our Consolidated Statement of Operations. The non-service cost components of net periodic pension and

postretirement benefit income includes interest cost, expected return on plan assets, amortization of net actuarial gain or loss and effect of curtailments or settlements under our pension and postretirement benefit plans. See *Note 9: Retirement Benefits* in these Notes for more information on the composition of non-service cost components of FAS pension and OPEB income and expense.

Research and Development — Company-funded R&D costs are expensed as incurred and are included in the “General and administrative expenses” line item in our Consolidated Statement of Operations. These costs were \$480 million, \$603 million and \$692 million in fiscal 2023, 2022, and 2021, respectively. Customer-funded R&D costs are incurred pursuant to contractual arrangements, principally U.S. Government-sponsored contracts requiring us to provide a product or service meeting certain defined performance or other specifications (such as designs), and such contractual arrangements are accounted for principally by the POC cost-to-cost revenue recognition method. Customer-funded R&D is included in the “Revenue” and “Cost of revenue” line items in our Consolidated Statement of Operations.

Accounting Changes or Recent Accounting Pronouncements — Accounting standards updates adopted and/or issued, but not effective until after December 29, 2023, are not expected to have a material effect on our Consolidated Financial Statements, and there have been no new accounting changes or recent accounting pronouncements which became effective during fiscal 2023 that materially impacted our Consolidated Financial Statements.

NOTE 2: EARNINGS PER SHARE

We define EPS as income from continuing operations per common share attributable to L3Harris common shareholders divided by either our weighted average number of basic or diluted shares outstanding. Potential dilutive common shares primarily consist of employee stock options and restricted and performance unit awards. The weighted average number of shares outstanding used to compute basic and diluted EPS are as follows:

(In millions, except per share amounts)	Fiscal Year Ended		
	December 29, 2023	December 30, 2022	December 31, 2021
Basic weighted-average common shares outstanding	189.6	191.8	201.3
Impact of dilutive share-based awards	1.0	1.7	1.9
Diluted weighted-average common shares outstanding	190.6	193.5	203.2

Income from continuing operations per diluted common share excludes the antidilutive impact of 3.7 million, 0.3 million and 0.8 million weighted average share-based awards outstanding in fiscal 2023, 2022 and 2021, respectively.

NOTE 3: CONTRACT ASSETS AND CONTRACT LIABILITIES

Contract assets and contract liabilities are summarized below:

(In millions)	December 29, 2023	December 30, 2022
Contract assets ⁽¹⁾	\$ 3,196	\$ 2,987
Contract liabilities, current ⁽²⁾	(1,900)	(1,400)
Contract liabilities, non-current ⁽³⁾	(94)	(117)
Net contract assets	\$ 1,202	\$ 1,470

(1) Includes approximately \$385 million of AR contract assets at December 29, 2023.

(2) Includes approximately \$319 million of AR contract liabilities at December 29, 2023.

(3) The non-current portion of contract liabilities is included as a component of the “Other long-term liabilities” line item in our Consolidated Balance Sheet.

The components of contract assets are summarized below:

(In millions)	December 29, 2023	December 30, 2022
Unbilled contract receivables, gross	\$ 6,649	\$ 4,629
Unliquidated progress payments and advances	(3,453)	(1,642)
Contract assets	\$ 3,196	\$ 2,987

Contract assets and liabilities as of December 29, 2023 and December 30, 2022 were impacted primarily by the timing of contractual billing milestones. In fiscal 2023, 2022 and 2021, we recognized \$1.25 billion, \$1.06 billion and \$930 million, respectively, of revenue related to contract liabilities that were outstanding at the end of the respective prior fiscal year.

NOTE 4: INVENTORIES

Inventories are summarized below:

(In millions)	December 29, 2023	December 30, 2022
Finished products	\$ 217	\$ 181
Work in process	427	396
Materials and supplies	828	714
Inventories	\$ 1,472	\$ 1,291

NOTE 5: PROPERTY, PLANT AND EQUIPMENT, NET

Property, plant and equipment, net, are summarized below:

(In millions)	December 29, 2023	December 30, 2022
Land	\$ 184	\$ 78
Software capitalized for internal use	716	686
Buildings	1,605	1,251
Machinery and equipment	2,816	2,322
	5,321	4,337
Less: accumulated depreciation and amortization	(2,459)	(2,233)
Property, plant and equipment, net ⁽¹⁾	\$ 2,862	\$ 2,104

(1) Includes approximately \$95 million, \$275 million and \$251 million of AR land, buildings and machinery and equipment, respectively, at December 29, 2023.

Depreciation and amortization expense related to property, plant and equipment was \$389 million, \$342 million and \$343 million in fiscal 2023, 2022 and 2021, respectively.

There were no impairments of property, plant and equipment in fiscal 2023 or 2022.

NOTE 6: GOODWILL AND INTANGIBLE ASSETS

The assignment of goodwill and changes in the carrying amount of goodwill, by business segment, for fiscal 2023 and 2022 were as follows:

(In millions)	SAS	IMS	CS	AR	Total
Balance at December 31, 2021	\$ 5,849	\$ 8,187	\$ 4,153	**	\$ 18,189
Assets of business held for sale ⁽¹⁾	(30)	—	—	**	(30)
Impairment of goodwill	—	(447)	(355)	**	(802)
Currency translation adjustments	(41)	(31)	(2)	**	(74)
Balance at December 30, 2022	5,778	7,709	3,796	**	17,283
Reallocation of goodwill in business realignment ⁽²⁾	327	(327)	—	—	—
Goodwill from TDL acquisition	—	—	1,143	—	1,143
Goodwill from AJRD acquisition	—	—	—	2,365	2,365
Goodwill decrease from divestitures ⁽¹⁾	(9)	—	—	—	(9)
Assets of business held for sale ⁽³⁾	—	(534)	—	—	(534)
Impairment of goodwill	—	(296)	—	—	(296)
Currency translation adjustments	14	12	1	—	27
Balance at December 29, 2023	\$ 6,110	\$ 6,564	\$ 4,940	\$ 2,365	\$ 19,979

** AR is a new reportable segment established in the quarter ended September 29, 2023 which consists of the assets, liabilities and operations assumed in the AJRD acquisition. As such, there is no comparable prior year information.

- (1) During fiscal 2022, we assigned \$30 million of goodwill associated with the then pending VIS business divestiture to "Assets of business held for sale" in our Consolidated Balance Sheet. During fiscal 2023, we assigned an additional \$9 million of goodwill to our VIS business and completed the divestiture. We derecognized \$39 million of goodwill as part of determining the gain on sale. See *Note 13: Acquisitions, Divestitures and Asset Sales* in these Notes for further information.
- (2) In conjunction with our 2023 business realignment discussed below, we reallocated \$327 million of goodwill related to the legacy ADG reporting unit, which is net of fiscal 2022 impairment charges of \$80 million, to our SAS segment from our IMS segment.
- (3) During fiscal 2023, we assigned \$534 million of goodwill associated with the pending divestiture of the CAS disposal group to "Assets of business held for sale" in our Consolidated Balance Sheet. See *Note 13: Acquisitions, Divestitures and Asset Sales* in these Notes for further information.

At December 29, 2023 accumulated goodwill impairment losses totaled \$80 million, \$1,126 million and \$355 million at our SAS, IMS, and CS segments, respectively. At December 30, 2022 accumulated goodwill impairment losses totaled \$80 million, \$830 million and \$355 million at our SAS, IMS, and CS segments, respectively.

Reallocation of Goodwill in Business Realignment — Fiscal 2023

Effective in fiscal 2023, we adjusted our reporting to better align our businesses and transferred our ADG business (a reporting unit) from our IMS segment to our SAS segment (also a reporting unit). In connection with the realignment, we reduced our reporting units from nine to eight as the ADG reporting unit and all \$327 million of associated goodwill was absorbed by our existing SAS reporting unit given the economic similarities of the two reporting units. Immediately before the realignment, we performed a qualitative impairment assessment over our SAS reporting unit and a quantitative impairment assessment over our ADG reporting unit. Immediately after the realignment, we performed a quantitative impairment assessment over the SAS reporting unit. We prepared estimates of the fair value of our pre-realignment ADG reporting unit and post-realignment SAS reporting unit based on a combination of market-based valuation techniques, utilizing quoted market prices, comparable publicly reported transactions and an income-based valuation technique using projected discounted cash flows. These assessments indicated no impairment existed either before or after the realignment.

Goodwill from TDL Acquisition — Fiscal 2023

We recorded \$1,143 million of goodwill in our Broadband reporting unit within our CS segment in connection with the acquisition of TDL. See *Note 13: Acquisitions, Divestitures and Asset Sales* in these Notes for further information.

Goodwill from AJRD Acquisition — Fiscal 2023

We recorded \$2,365 million of goodwill in our AR segment, which is also the AR reporting unit in connection with the acquisition of AJRD. See *Note 13: Acquisitions, Divestitures and Asset Sales* in these Notes for further information.

CAS Disposal Group Pending Divestiture and Impairment — Fiscal 2023

As described in more detail in *Note 13: Acquisitions, Divestitures and Asset Sales*, on November 27, 2023, we announced that we entered into a definitive agreement to sell our CAS disposal group, which includes both the CTS and Commercial Aviation reporting units. As of November 27, 2023, the fair value less costs to sell the CAS disposal group was \$834 million, inclusive of considerations related to noncontrolling interest and accumulated other comprehensive income.

In connection with the preparation of our financial statements for the fiscal year ended December 29, 2023, we evaluated the facts and circumstances which impacted the agreed upon selling price of the CAS disposal group and identified interim indicators of impairment within both reporting units subsequent to our annual impairment testing date of October 2, 2023. Specifically, supply chain-related operational challenges which negatively impact cash flows over the short-term forecast period were assessed in combination with our long-term portfolio shaping strategy to dispose of non-core businesses. As a result, we performed quantitative impairment tests for both reporting units as of November 27, 2023, utilizing an income approach aligned to market prices for the two reporting units, as specified in the definitive agreement. As a result of these tests, we determined that the fair value of the CTS reporting unit was above carrying value, while the fair value of the Commercial Avionics reporting unit was below its carrying value, and concluded goodwill related to the Commercial Aviation reporting unit was impaired. Therefore we recorded a non-cash charge for impairment of \$296 million associated with the Commercial Aviation reporting unit in the "Impairment of goodwill and other assets" line item in our Consolidated Statement of Operations.

Goodwill Impairments — Fiscal 2022

During fiscal 2022, we determined that goodwill related to our Broadband, ADG and Electro Optical reporting units was impaired and we recorded non-cash impairment charges of \$355 million, \$313 million and \$134 million, respectively, in the "Impairment of goodwill and other assets" line item in our Condensed Consolidated Statement of Operations. See Note 9: Goodwill in our Fiscal 2022 Form 10-K for further information on our fiscal 2022 goodwill impairments.

In conjunction with our 2023 business realignment, certain businesses within our ADG reporting unit were aligned with our Electro Optical and SAS reporting units. As such, fiscal 2022 impairment charges related to Electro Optical and ADG of \$367 million and \$80 million, are included in our Electro Optical and SAS reporting units, respectively, in our comparative financial results for fiscal 2022.

Fiscal 2021 Impairment

During fiscal 2021, we determined the criteria to be classified as held for sale were met with respect to the CPS business within our Aviation Systems segment and assigned \$174 million of goodwill to the disposal group on a relative fair value basis. In connection with the preparation of our financial statements for fiscal 2021, we concluded that goodwill related to the CPS business was impaired and we recorded a non-cash impairment charge of \$62 million, which is included in the "Impairment of goodwill and other assets" line item in our Consolidated Statement of Operations for fiscal 2021. See *Note 13: Acquisitions, Divestitures and Asset Sales* in these Notes for additional information.

Intangible Assets

The most significant identifiable intangible asset that is separately recognized for our business combinations is customer relationships. Our customer relationships are established through written customer contracts (i.e., revenue arrangements). The fair value for customer relationships is determined, as of the date of acquisition, based on estimates and judgments regarding expectations for the estimated future after-tax earnings and cash flows arising from the follow-on revenues expected from the customer relationships over the estimated lives, including the probability of expected future contract renewals and revenues, less a contributory assets charge, all of which is discounted to present value.

Identifiable intangible assets, net, are summarized below:

(In millions)	December 29, 2023			December 30, 2022		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount ⁽¹⁾	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount ⁽²⁾
Customer relationships	\$ 8,892	\$ 2,733	\$ 6,159	\$ 6,124	\$ 2,189	\$ 3,935
Developed technologies	856	413	443	566	366	200
Trade names — divisions	185	50	135	95	53	42
Other, including contract backlog	4	4	—	3	3	—
Total finite-lived identifiable intangible assets	9,937	3,200	6,737	6,788	2,611	4,177
In-process research and development	—	—	—	21	—	21
Trade names — corporate	1,803	—	1,803	1,803	—	1,803
Total identifiable intangible assets, net	\$ 11,740	\$ 3,200	\$ 8,540	\$ 8,612	\$ 2,611	\$ 6,001

(1) During fiscal 2023, we assigned \$263 million of intangible assets associated with the pending divestiture of the CAS disposal group to "Assets of business held for sale" in our Consolidated Balance Sheet. See *Note 13: Acquisitions, Divestitures and Asset Sales* in these Notes for additional information regarding divestitures and businesses held for sale.

(2) During fiscal 2022, we assigned \$10 million of intangible assets associated with the then pending VIS business divestiture to "Assets of business held for sale" in our Consolidated Balance Sheet. During fiscal 2023, we completed the divestiture of our VIS business. See *Note 13: Acquisitions, Divestitures and Asset Sales* in these Notes for additional information regarding divestitures and businesses held for sale.

Intangible assets acquired in fiscal 2023 are as follows:

(In millions)	TDL Acquisition			AJRD Acquisition		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Customer relationships	\$ 406	\$ 62	\$ 344	\$ 2,720	\$ 102	\$ 2,618
Developed technologies	349	21	328	—	—	—
Trade names — divisions	—	—	—	120	3	117

The most significant identifiable intangible asset that is separately recognized for our business combinations is customer relationships. For further description of our accounting policies related to intangible assets acquired in the TDL and AJRD acquisitions, see *Note 13: Acquisitions, Divestitures and Asset Sales*.

Amortization expense for identifiable finite-lived intangible assets was \$779 million, \$605 million and \$627 million in fiscal 2023, 2022 and 2021, respectively, and primarily related to assets acquired in connection with business combinations.

Future estimated amortization expense for identifiable intangible assets is as follows:

	(In millions)
2024	\$ 914
2025	791
2026	694
2027	585
2028	513
Thereafter	3,240
Total	\$ 6,737

In-process R&D Impairment - Fiscal 2023

During fiscal 2023, we closed a facility, which triggered an evaluation of the in-process R&D related to the operations of the closed facility for impairment. As a result we recorded a \$21 million non-cash charge for the impairment of in-process R&D intangible assets which is included in the "Impairment of goodwill and other assets" line item in our Consolidated Statement of Operations.

Fiscal 2021 Impairment

During the quarter ended July 2, 2021, we adjusted our Aviation Systems segment reporting to better align our businesses and separated the CTS business from our CAS reporting unit, creating a new reporting unit within the CAS sector of our Aviation Systems segment. Immediately before and after our goodwill assignments, we completed an assessment of any potential goodwill impairment under our former and new reporting unit structure and determined that no impairment existed.

To test for potential impairment of the long-lived assets, including identifiable intangible assets and property, plant and equipment, related to CTS, we compared the estimated future cash flows (on an undiscounted basis) to be generated from the use and hypothetical eventual disposition of the asset group to its carrying value and, as a result, we determined the carrying value of the CTS asset group was not recoverable. Next, we prepared an estimate of the fair value of CTS based on a combination of market-based valuation techniques, utilizing quoted market prices, comparable publicly reported transactions and projected discounted cash flows. We compared the fair value of CTS to our carrying value and recorded a \$145 million non-cash charge for the impairment of CTS long-lived assets, including \$63 million for impairment of identifiable intangible assets, which is included in the "Impairment of goodwill and other assets" line item in our Consolidated Statement of Operations for fiscal 2021.

NOTE 7: INCOME TAXES

Income Tax Provision

The provisions for current and deferred income taxes attributable to continuing operations are as follows:

(In millions)	Fiscal Year Ended		
	December 29, 2023	December 30, 2022	December 31, 2021
Current:			
United States	\$ 328	\$ 633	\$ 415
International	50	82	70
State and local	66	98	65
Total current income taxes	444	813	550
Deferred:			
United States	(380)	(523)	(55)
International	10	(61)	(34)
State and local	(51)	(17)	(21)
Total deferred income taxes	(421)	(601)	(110)
Total income taxes	\$ 23	\$ 212	\$ 440

A reconciliation of the U.S. statutory income tax rate to our effective income tax rate is as follows:

	Fiscal Year Ended		
	December 29, 2023	December 30, 2022	December 31, 2021
U.S. statutory income tax rate	21.0 %	21.0 %	21.0 %
State taxes	1.1	2.2	1.8
International income	—	—	0.4
Non-deductible goodwill impairment	3.6	14.2	0.6
Research and development tax credit	(12.5)	(13.0)	(5.9)
FDII deduction	(4.4)	(5.1)	(1.4)
Changes in valuation allowance	0.5	0.1	0.9
Impact of divestitures and reorganizations	(8.5)	(1.3)	4.1
Equity-based compensation ⁽¹⁾	0.2	(0.2)	(1.1)
Settlement of tax audits	(1.1)	(0.7)	(1.1)
Other items	2.0	(0.5)	—
Effective income tax rate	1.9 %	16.7 %	19.3 %

(1) Includes non-deductible equity-based compensation and excess tax benefits from equity-based compensation.

As of December 29, 2023, we estimate our outside basis difference in foreign subsidiaries that are considered indefinitely reinvested to be approximately \$1.5 billion. The outside basis difference is comprised predominantly of purchase accounting adjustments and to a lesser extent, undistributed earnings and other equity adjustments. In the event of a disposition of the foreign subsidiaries or a distribution, we may be subject to incremental U.S. income taxes, subject to an adjustment for foreign tax credits, and withholding taxes or income taxes payable to the foreign jurisdictions. As of December 29, 2023, the determination of the amount of unrecognized deferred tax liability related to the outside basis difference is not practicable.

Purchase of Tax Credits under IRA

The IRA includes a new transferability provision under Section 6418 of the Internal Revenue Code which permits, in certain circumstances, the sale of federal income tax credits generated from renewable and alternative energy sources. During the year ended December 29, 2023, we entered into a binding agreement to purchase tax credits totaling \$51 million for the 2023 tax year for a net purchase price of \$0.95 per \$1.00 of tax credits, allowing us to reduce our 2023 federal income taxes payable by the amount of credits we expect to claim on our tax returns as a result of our binding agreement. We have recorded a liability to the transferor for the amount owed in the "Other accrued items" line of the Consolidated Balance Sheet. We have recorded an income tax benefit of \$2 million for the difference between the amount paid or to be paid to the transferor and the reduction to our taxes payable in the "Income taxes" line of the Consolidated Statement of Operations.

Deferred Income Tax Assets (Liabilities)

The components of deferred income tax assets (liabilities) were as follows:

(In millions)	December 29, 2023	December 30, 2022
Deferred tax assets, net:		
Accruals	\$ 334	\$ 227
Tax loss and credit carryforwards	217	194
Operating lease obligation	243	239
Capitalized research and experimental expenditures	1,125	646
Other	272	372
Valuation allowance ⁽¹⁾	(240)	(243)
Deferred tax assets, net	1,951	1,435
Deferred tax liabilities:		
Property, plant and equipment	(252)	(167)
Acquired intangibles	(2,143)	(1,566)
Operating lease right-of-use asset	(219)	(210)
Other	(61)	(138)
Deferred tax liabilities	(2,675)	(2,081)
Net deferred tax liabilities	\$ (724)	\$ (646)

(1) The valuation allowance has been established to offset certain domestic and foreign deferred tax assets due to uncertainty regarding our ability to realize them in the future. The net change in our valuation allowance in fiscal 2023 and 2022 was a decrease of \$3 million and \$14 million, respectively.

Net deferred tax assets (liabilities) were classified as follows in our Consolidated Balance Sheet:

(In millions)	December 29, 2023	December 30, 2022
Deferred income tax assets	\$ 91	\$ 73
Deferred income tax liabilities	(815)	(719)
Net deferred tax liabilities	\$ (724)	\$ (646)

Tax loss and credit carryforwards at December 29, 2023 have expiration dates ranging from less than one year to no expiration date. A significant portion of the carryforwards are either indefinite or begin expiring in 2035. The tax-effected amounts of federal, international and state and local operating loss carryforwards at December 29, 2023 were \$5 million, \$83 million and \$4 million, respectively. The tax-effected amounts of federal, international and state and local capital loss carryforwards were not material at December 29, 2023. There were no international

credit carryforwards, and \$7 million and \$110 million of federal and state and local credit carryforwards, respectively, at December 29, 2023.

Income from continuing operations before income taxes of international subsidiaries was \$205 million, \$95 million and \$29 million in fiscal 2023, 2022 and 2021, respectively. We paid \$715 million, \$309 million and \$358 million in income taxes, net of refunds received, in fiscal 2023, 2022 and 2021, respectively.

Tax Uncertainties

A reconciliation of the beginning and ending amounts of unrecognized tax benefits is as follows:

(In millions)	Fiscal Year Ended		
	December 29, 2023	December 30, 2022	December 31, 2021
Balance at beginning of period	\$ 613	\$ 587	\$ 542
Additions based on tax positions taken during current period	99	124	115
Additions based on tax positions taken during prior period	8	4	11
Additions from tax positions related to acquired entities	86	—	—
Decreases based on tax positions taken during prior period	(133)	(76)	(64)
Decreases from lapse in statutes of limitations	(11)	(6)	(15)
Decreases from settlements	(10)	(20)	(2)
Balance at end of fiscal year	\$ 652	\$ 613	\$ 587

As of December 29, 2023, we had \$652 million of unrecognized tax benefits, of which \$509 million would favorably impact our future tax rates in the event that the tax benefits are eventually recognized. As of December 30, 2022, we had \$613 million of unrecognized tax benefits, of which \$486 million would favorably impact our future tax rates in the event that the tax benefits are eventually recognized.

We recognize accrued interest and penalties related to unrecognized tax benefits as part of our income tax expense. We recognized interest and penalties of \$20 million, \$12 million and \$3 million in fiscal 2023, 2022 and 2021, respectively. We had accrued \$80 million for the potential payment of interest and penalties as of December 29, 2023 (and this amount was not included in the \$652 million of unrecognized tax benefits balance at December 29, 2023 shown above). We had accrued \$59 million for the potential payment of interest and penalties as of December 30, 2022 (and this amount was not included in the \$613 million of unrecognized tax benefits balance at December 30, 2022 shown above).

We file numerous separate and consolidated income tax returns reporting our financial results and, where appropriate, those of our subsidiaries and affiliates, in the U.S. federal jurisdiction and various state, local and foreign jurisdictions. Pursuant to the Compliance Assurance Process, the Internal Revenue Service ("IRS") is examining our federal tax returns for fiscal 2017, 2018, 2019, 2020 and 2021 and refund claims related to fiscal 2010 through 2016. Legacy L3's federal tax returns for calendar years 2017 and 2018 are currently under IRS examination and refund claims related to calendar years 2012, 2013, 2015 and 2016 have been filed with the IRS. In addition, legacy AJRD refund claims related to calendar year 2019 have been filed with the IRS.

We are currently under examination or contesting proposed adjustments by various state and international tax authorities for fiscal years ranging from 2013 through 2021. It is reasonably possible that there could be a significant change to our unrecognized tax benefit balance during the course of the next twelve months as these examinations continue, other tax examinations commence or various statutes of limitations expire. An estimate of the range of possible changes is not practicable for the remaining unrecognized tax benefits because of the significant number of jurisdictions in which we do business and the number of open tax periods under various stages of examination.

NOTE 8: DEBT AND CREDIT ARRANGEMENTS

Long-Term Debt

Long-term debt, net, is summarized below:

(In millions)	December 29, 2023	December 30, 2022
Variable-rate debt:		
Floating rate notes, due March 10, 2023	\$ —	\$ 250
Term loan, due November 21, 2025	2,250	—
Fixed-rate debt:		
3.85% notes, due June 15, 2023 ("3.85% 2023 Notes")	—	800
3.95% notes, due May 28, 2024 ⁽¹⁾	350	350
3.832% notes, due April 27, 2025 ⁽¹⁾⁽²⁾	600	600
7.00% debentures, due January 15, 2026 ⁽³⁾	100	100
3.85% notes, due December 15, 2026 ⁽¹⁾	550	550
5.40% notes, due January 15, 2027 ("5.4% 2027 Notes") ⁽¹⁾⁽²⁾	1,250	—
6.35% debentures, due February 1, 2028 ⁽¹⁾	26	26
4.40% notes, due June 15, 2028 ⁽¹⁾⁽²⁾	1,850	1,850
2.90% notes, due December 15, 2029 ⁽¹⁾	400	400
1.80% notes, due January 15, 2031 ⁽¹⁾⁽²⁾	650	650
5.40% notes, due July 31, 2033 ("5.4% 2033 Notes") ⁽¹⁾⁽²⁾	1,500	—
4.854% notes, due April 27, 2035 ⁽¹⁾⁽²⁾	400	400
6.15% notes, due December 15, 2040 ⁽¹⁾⁽²⁾	300	300
5.054% notes, due April 27, 2045 ⁽¹⁾⁽²⁾	500	500
5.60% notes, due July 31, 2053 ("5.6% 2053 Notes") ⁽¹⁾⁽²⁾	500	—
Total variable and fixed-rate debt	11,226	6,776
Financing lease obligations and other debt	300	222
Long-term debt, including the current portion of long-term debt	11,526	6,998
Plus: unamortized bond premium	51	70
Less: unamortized discounts and issuance costs	(54)	(25)
Long-term debt, including the current portion of long-term debt, net	11,523	7,043
Less: current portion of long-term debt, net	(363)	(818)
Total long-term debt, net	\$ 11,160	\$ 6,225

(1) We may redeem these notes, in whole or in part, at our option, at a pre-determined redemption price pursuant to their terms prior to the applicable maturity date.

(2) Upon change of control combined with a below-investment-grade rating event, we may be required to make an offer to repurchase these notes at a pre-determined price pursuant to their terms.

(3) The debentures are not redeemable prior to maturity.

The maturities of long-term debt, including the current portion of long-term debt and excluding financing lease obligations, for the five years following the end of fiscal 2023 and, in total thereafter, are: \$355 million in fiscal 2024; \$2,855 million in fiscal 2025; \$654 million in fiscal 2026; \$1,254 million in fiscal 2027; \$1,880 million in fiscal 2028; and \$4,277 million thereafter.

Long-Term Debt Issued

Variable-Rate Debt. On November 22, 2022, we established a \$2.25 billion, three-year senior unsecured term loan facility by entering into Term Loan 2025 with a syndicate of lenders that matures on November 21, 2025. The Term Loan 2025 provides for term loans in up to two separate draws no later than June 30, 2023, with the proceeds to be used: (i) to finance the acquisition of the TDL product line; (ii) to repay all amounts under the Floating 2023 Notes; (iii) to pay the fees, costs and expenses incurred in connection with the foregoing; and (iv) for general corporate purposes in an amount up to \$40 million.

At L3Harris' election, borrowings under Term Loan 2025 will bear interest at: (i) the sum of the term Secured Overnight Financing Rate ("SOFR") rate for any tenor comparable to the applicable interest period, plus 0.10%, plus an applicable margin between 1.125% and 1.875% (initially 1.250%) that varies based on the ratings of our senior unsecured long-term debt securities ("Senior Debt Ratings"); or (ii) the base rate (as described in L3Harris' Current Report on Form 8-K filed with the SEC on August 4, 2022), plus an applicable margin between 0.125% and 0.875% (initially 0.250%) that varies based on the Senior Debt Ratings. The Term Loan 2025 requires L3Harris to pay a quarterly unused commitment fee commencing on January 17, 2023 at an applicable rate per annum between 0.090% and 0.250% (initially 0.110%) that varies based on the Senior Debt Ratings. We incurred \$2 million of debt issuance costs related to the issuance of the Term Loan 2025, which will be amortized over the life of the Term Loan 2025 and will be included as a component of the "Interest expense, net" line item in our Consolidated Statement of Operations. The Term Loan 2025 also contains representations, warranties, covenants and events of default that are substantially similar to those in the 2022 Credit Agreement, as described above in these Notes.

L3Harris may prepay amounts borrowed under the Term Loan 2025 at any time, and L3Harris is required to prepay all outstanding term loans ratably from the proceeds of any new indebtedness, subject to certain exceptions set forth in the Term Loan 2025, including with respect to any proceeds received from: (i) the 2022 Credit Agreement, as described above in these Notes; (ii) indebtedness incurred in the ordinary course of business; (iii) indebtedness used to fund any acquisition; (iv) refinancing; (v) commercial paper issuances; (vi) letters of credit; (vii) working capital facilities of foreign subsidiaries; and (viii) other indebtedness in an aggregate principal amount not greater than \$500 million.

On January 3, 2023, we drew \$2 billion on Term Loan 2025 and utilized the proceeds to fund the cash consideration paid and a portion of the associated transaction and integration costs related to the TDL acquisition. See *Note 13: Acquisitions, Divestitures and Asset Sales* in these Notes for further information on the TDL acquisition.

On March 14, 2023, we drew an additional \$250 million on Term Loan 2025 and utilized the proceeds to repay our Floating 2023 Notes.

At December 29, 2023, we had \$2.25 billion outstanding under Term Loan 2025. There were no borrowings outstanding under Term Loan 2025 at December 30, 2022.

Borrowings under Term Loan 2025 bear interest at the sum of the term SOFR for any tenor comparable to the applicable interest period, plus 0.10%, plus an applicable margin between 1.125% and 1.875% that varies based on our Senior Debt Ratings. At December 29, 2023, the interest rate on Term Loan 2025 was 6.7%.

Fixed-Rate Debt. On July 31, 2023, we closed the issuance and sale of the AJRD Notes. The AJRD Notes were used to fund a portion of the purchase price for the AJRD acquisition, which closed on July 28, 2023, and to pay related fees and expenses.

Interest on the 5.4% 2027 Notes is payable semi-annually in arrears on January 15 and July 15 of each year, commencing on January 15, 2024. Interest on the 5.4% 2033 Notes and 5.6% 2053 Notes is payable semi-annually in arrears on January 31 and July 31 of each year, commencing on January 31, 2024.

We may redeem the 5.4% 2027 Notes, 5.4% 2033 Notes and 5.6% 2053 Notes prior to January 15, 2027, April 30, 2033 and January 31, 2053, respectively, in whole or in part, at our option, at a redemption price equal to the greater of: (i) the sum of the present values of the remaining scheduled payments of the principal and interest thereon discounted to the redemption date on a semi-annual basis at the "Treasury Rate," as defined in the AJRD Notes, plus 15 basis points for the 5.4% 2027 Notes and 25 basis points for the 5.4% 2033 Notes and 5.6% 2053 Notes, less interest accrued to the date of redemption; (ii) or 100% of the principal amount of the respective notes plus, in either case, accrued interest and unpaid interest thereon to the redemption date. After April 30, 2033 and January 31, 2053, we may redeem the 5.4% 2033 Notes and the 5.6% 2053 Notes, respectively, at a redemption price equal to 100% of the principal amount being redeemed plus accrued and unpaid interest thereon to the redemption date.

Upon a "Change of Control Repurchase Event," as defined in the AJRD Notes, we may be required to make an offer to repurchase the AJRD Notes at a price equal to 101% of the aggregate principal amount of the notes being repurchased, plus accrued interest on the notes being repurchased to, but not including, the date of repurchase.

We incurred \$9 million, \$13 million, and \$6 million of debt issuance costs for the 5.4% 2027 Notes, 5.4% 2033 Notes and 5.6% 2053 Notes, respectively, which are being amortized using the straight line method over the life of each respective note. Such amortization is included as a component of the "Interest expense, net" line item in our Consolidated Statement of Operations.

There were no issuances of fixed-rate long-term debt during fiscal 2022.

Long-Term Debt Repayments

On March 14, 2023, we repaid the entire outstanding \$250 million aggregate principal amount of our Floating 2023 Notes through a \$250 million draw on Term Loan 2025 as described above under "Long-Term Debt Issued." As we intended to issue long term debt to repay the Floating 2023 Notes, these notes were classified as "Long-term debt, net" in our Consolidated Balance Sheet at December 30, 2022.

On June 15, 2023, we repaid the entire outstanding \$800 million aggregate principal amount of our 3.85% 2023 Notes through cash on hand and the issuance of commercial paper during fiscal 2023.

There were no repayments of variable and fixed-rate long-term debt during fiscal 2022.

Fair Value of Debt

The following table presents the carrying amounts and estimated fair values of our long-term debt:

(In millions)	December 29, 2023		December 30, 2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Term Loan 2025 ⁽¹⁾	\$ 2,250	\$ 2,250	\$ —	\$ —
All other long-term debt, net (including current portion) ⁽²⁾	9,273	9,199	7,043	6,569
Long-term debt, including the current portion of long-term debt, net	<u>\$ 11,523</u>	<u>\$ 11,449</u>	<u>\$ 7,043</u>	<u>\$ 6,569</u>

(1) The carrying value of Term Loan 2025 approximates fair value due to its variable interest rate.

(2) The fair value was estimated using a market approach based on quoted market prices for our debt traded in the secondary market. If our long-term debt in our balance sheet were measured at fair value, it would be categorized in Level 2 of the fair value hierarchy.

The fair value of our short-term debt approximates the carrying value due to its short-term nature, with commercial paper classified as level 2 and other short-term debt classified as level 3 within the fair value hierarchy.

Interest Paid

Total interest paid was \$489 million, \$296 million and \$284 million in fiscal 2023, 2022 and 2021, respectively.

2023 Credit Agreement

On March 10, 2023, we established a \$2.40 billion, 364-day senior unsecured revolving credit facility by entering into a 364-Day Credit Agreement with a syndicate of lenders.

Proceeds of the initial funding of loans under the 2023 Credit Agreement were required to be used to finance a portion of the purchase price for the acquisition of AJRD and for the related fees, taxes, costs and expenses, and subsequent borrowings may be used for working capital purposes.

At our election, borrowings under the 2023 Credit Agreement, which are designated in U.S. Dollars, bear interest at the sum of the term SOFR rate or the Base Rate (as defined in the 2023 Credit Agreement), plus an applicable margin. In addition to interest payable on the principal amount of indebtedness outstanding, beginning June 6, 2023, we are required to pay a quarterly unused commitment fee that varies based on our Senior Debt Ratings.

The 2023 Credit Agreement also contains representations, warranties, covenants and events of default that are substantially similar to the existing 2022 Credit Agreement. The 2023 Credit Agreement matures in March 2024, provided that we may extend the maturity of any loans outstanding under the 2023 Credit Agreement by one year, subject to the satisfaction of certain conditions.

On July 28, 2023, we borrowed \$2.1 billion under the 2023 Credit Agreement and used the proceeds together with proceeds from the AJRD Notes to fund the AJRD acquisition and to pay related fees and expenses. All borrowings under the 2023 Credit Agreement were repaid using proceeds from commercial paper during fiscal 2023.

At December 29, 2023 we had no outstanding borrowings and were in compliance with all covenants under the 2023 Credit Agreement. For additional information regarding the 2023 Credit Agreement, see our Current Report on Form 8-K filed on March 16, 2023.

On January 26, 2024, we replaced the 2023 Credit Agreement with a new \$1.5 billion, 364-day senior unsecured revolving credit facility maturing no later than January 24, 2025.

2022 Credit Agreement

On July 29, 2022, we established a \$2.0 billion, five-year senior unsecured revolving credit facility under the 2022 Credit Agreement, with a syndicate of lenders. The 2022 Credit Facility replaced the 2019 Credit Facility and provides for revolving loans, swingline loans and letters of credit, with a sub-limit of \$200 million for swingline loans and a sub-limit of \$350 million for letters of credit, with the option to request an increase of the maximum amount of commitments up to \$3.0 billion.

At our election, borrowings in U.S. Dollars under the 2022 Credit Agreement will bear interest either based on the SOFR rate or the Base Rate (each, as defined in the 2022 Credit Agreement), plus an applicable margin. We are also required to pay a quarterly unused commitment fee and letter of credit fees based on our Senior Debt Ratings.

The 2022 Credit Facility contains certain affirmative covenants, including, but not limited to: reporting obligations; maintenance of corporate existence and good standing; compliance with laws; maintenance of properties and insurance; payment of taxes; compliance with ERISA and environmental, anti-money laundering, sanctions, export controls, anti-corruption and certain other laws; and visitation and inspection by the administrative agent and the lenders. The 2022 Credit Facility also contains certain negative covenants, including, but not limited to: limiting certain liens on assets; limiting certain mergers, consolidations or sales of assets; and limiting certain investments in unrestricted subsidiaries. The 2022 Credit Facility also requires that L3Harris not permit its ratio of Consolidated Total Indebtedness to Total Capital, each as defined in the 2022 Credit Facility, to be greater than 0.65:1.00.

At December 29, 2023, we had no outstanding borrowings and were in compliance with all covenants under the 2022 Credit Facility.

Commercial Paper Program

On March 14, 2023, we established a new CP Program, which replaced our prior \$1.0 billion commercial paper program. Under the CP Program, we may issue unsecured commercial paper notes up to a maximum aggregate amount of \$3.9 billion, supported by amounts available under the 2022 Credit Agreement and the 2023 Credit Agreement.

The commercial paper notes are sold at par less a discount representing an interest factor or, if interest bearing, at par, and the maturities vary but may not exceed 397 days from the date of issue. The commercial paper notes will rank at least pari passu with all other unsecured and unsubordinated indebtedness.

At December 29, 2023, we had \$1.6 billion in outstanding notes under our CP Program, primarily consisting of amounts used to repay \$2.1 billion outstanding under the 2023 Credit Agreement and is included as a component of the "Short-term debt" line item in our Consolidated Balance Sheet. The outstanding notes have a weighted-average interest rate of 5.95% and mature at various dates.

Proceeds from issuance of commercial paper with maturities greater than 90 days were \$701 million during fiscal 2023. Repayments of commercial paper with maturities greater than 90 days were \$184 million during fiscal 2023. During fiscal 2022, we had no commercial paper borrowings with original maturities more than 90 days from the date of issuance.

NOTE 9: RETIREMENT BENEFITS

Defined Contribution Plans

As of December 29, 2023, we sponsor numerous defined contribution savings plans, which allow our eligible employees to contribute a portion of their pre-tax and/or after-tax income in accordance with specified guidelines. The plans include several match contribution formulas which require us to match a percentage of the employee contributions up to certain limits, generally totaling 6.0% of employee eligible pay. Matching contributions, net of forfeitures, charged to expense were \$267 million, \$226 million and \$230 million in fiscal 2023, 2022 and 2021, respectively.

Deferred Compensation Plans

We also sponsor certain non-qualified deferred compensation plans. The following table provides the fair value of our deferred compensation plan investments and liabilities by category and by fair value hierarchy level:

(In millions)	December 29, 2023		December 30, 2022	
	Total	Level 1	Total	Level 1
Assets				
Deferred compensation plan assets: ⁽¹⁾				
Equity and fixed income securities	\$ 106	\$ 106	\$ 64	\$ 64
Investments measured at NAV:				
Corporate-owned life insurance	37		33	
Total fair value of deferred compensation plan assets	<u>\$ 143</u>		<u>\$ 97</u>	
Liabilities				
Deferred compensation plan liabilities: ⁽²⁾				
Equity securities and mutual funds	\$ 18	\$ 18	\$ 8	\$ 8
Investments measured at NAV:				
Common/collective trusts and guaranteed investment contracts	274		192	
Total fair value of deferred compensation plan liabilities	<u>\$ 292</u>		<u>\$ 200</u>	

(1) Represents diversified assets held in "rabbi trusts" primarily associated with our non-qualified deferred compensation plans, which we include in the "Other current assets" and "Other non-current assets" line items in our Consolidated Balance Sheet, and which are measured at fair value.

(2) Primarily represents obligations to pay benefits under certain non-qualified deferred compensation plans, which we include in the "Compensation and benefits" and "Other long-term liabilities" line items in our Consolidated Balance Sheet. Under these plans, participants designate investment options (including stock and fixed-income funds), which serve as the basis for measurement of the notional value of their accounts.

Defined Benefit Plans

We sponsor numerous defined benefit pension plans for eligible employees. Benefits for most participants under the terms of these plans are based on the employee's years of service and compensation. We fund these plans as required by statutory regulations and through voluntary contributions. Some of our employees also participate in other postretirement defined benefit plans such as health care and life insurance plans.

During fiscal 2023, in connection with the July 28, 2023 acquisition of AJRD, we acquired defined benefit plans with assets valued at \$749 million and a PBO of \$974 million. See *Note 13: Acquisitions, Divestitures and Asset Sales* in these Notes for further information. Additionally, the Aviation Products Pension Plan name was changed to the Consolidated Pension Plan ("CPP"). The CPP is our largest defined benefit pension plan, with assets valued at \$7.5 billion and a PBO of \$7.5 billion as of December 29, 2023. On December 31, 2023, the qualified pension plans acquired with AJRD were merged into the CPP.

During fiscal 2022, we reduced our pension benefit obligations by approximately \$64 million by purchasing group annuity policies and transferring approximately \$64 million of pension plan assets to an insurance company. There was no gain or loss as a result of this transaction.

During fiscal 2021, we reduced our pension benefit obligations by approximately \$250 million by purchasing group annuity policies and transferring approximately \$250 million of pension plan assets to an insurance company. As a result of the annuity purchases, we recognized a pre-tax loss of \$4 million in fiscal 2021, which is included as a component of the "Non-service FAS pension income and other, net" line item in our Consolidated Statement of Operations. We also recognized a pre-tax curtailment gain of \$3 million in fiscal 2021 as a result of employee terminations, which is included as a component of the "Non-service FAS pension income and other, net" line item in our Consolidated Statement of Operations.

Balance Sheet Information

Amounts recognized in our Consolidated Balance Sheet for defined benefit plans reflect the funded status of our plans. The following table provides a summary of the funded status of our defined benefit plans and the presentation of such balances within our Consolidated Balance Sheet:

(In millions)	December 29, 2023			December 30, 2022		
	Pension	Other Benefits	Total	Pension	Other Benefits	Total
Fair value of plan assets	\$ 8,595	\$ 265	\$ 8,860	\$ 7,411	\$ 242	\$ 7,653
PBO	(8,563)	(231)	(8,794)	(7,494)	(228)	(7,722)
Funded status	\$ 32	\$ 34	\$ 66	\$ (83)	\$ 14	\$ (69)
Consolidated Balance Sheet line item amounts:						
Assets of business held for sale	\$ 4	\$ —	\$ 4	\$ —	\$ —	\$ —
Other non-current assets	\$ 193	\$ 96	\$ 289	\$ 144	\$ 66	\$ 210
Compensation and benefits	(12)	(7)	(19)	(11)	(6)	(17)
Other long-term liabilities	(153)	(55)	(208)	(216)	(46)	(262)

A portion of our PBO includes amounts that have not yet been recognized as expense (or reductions of expense) in our results of operations. Such amounts are recorded in the "Accumulated other comprehensive loss" line item in our Consolidated Balance Sheet until they are amortized as a component of net periodic benefit income. The following table provides a summary of pre-tax amounts recorded within Accumulated other comprehensive loss:

(In millions)	December 29, 2023			December 30, 2022		
	Pension	Other Benefits	Total	Pension	Other Benefits	Total
Actuarial loss (gain)	\$ 162	\$ (98)	\$ 64	\$ 243	\$ (100)	\$ 143
Net prior service (credit) cost	(157)	4	(153)	(183)	5	(178)
Total PBO not yet recognized as expense	\$ 5	\$ (94)	\$ (89)	\$ 60	\$ (95)	\$ (35)

The following table provides a roll-forward of the PBO for our defined benefit plans:

(In millions)	December 29, 2023			December 30, 2022		
	Pension	Other Benefits	Total	Pension	Other Benefits	Total
Change in benefit obligation						
Benefit obligation at beginning of fiscal year	\$ 7,494	\$ 228	\$ 7,722	\$ 10,007	\$ 348	\$ 10,355
Service cost	33	2	35	44	2	46
Interest cost	386	11	397	220	7	227
Actuarial loss (gain)	280	(1)	279	(2,097)	(107)	(2,204)
Benefits paid ⁽¹⁾	(568)	(23)	(591)	(626)	(22)	(648)
Expenses paid	(34)	—	(34)	(26)	—	(26)
Currency translation adjustment	10	—	10	(28)	—	(28)
Acquisitions ⁽²⁾	960	14	974	—	—	—
Divestiture	—	—	—	(8)	—	(8)
Other	2	—	2	8	—	8
Benefit obligation at end of fiscal year	\$ 8,563	\$ 231	\$ 8,794	\$ 7,494	\$ 228	\$ 7,722

(1) Fiscal 2022 includes approximately \$64 million associated with the purchase of group annuity policies. The transaction is reflected in Benefits paid as settlement accounting had not been met.

(2) Benefit obligation assumed in the AJRD acquisition. Net defined benefit plan liability is included in our "Other long-term liabilities" and "Compensation and benefits" line items in "Acquisition of AJRD" section of Note 13: *Acquisitions, Divestitures and Asset Sales*.

Actuarial losses in the PBO as of December 29, 2023 were primarily the result of lower discount rates.

The following table provides a roll-forward of the assets and the ending funded status of our defined benefit plans:

(In millions)	December 29, 2023			December 30, 2022		
	Pension	Other Benefits	Total	Pension	Other Benefits	Total
Change in plan assets						
Plan assets at beginning of fiscal year	\$ 7,411	\$ 242	\$ 7,653	\$ 9,604	\$ 320	\$ 9,924
Actual return on plan assets	1,004	37	1,041	(1,516)	(51)	(1,567)
Acquisitions ⁽¹⁾	749	—	749	—	—	—
Employer contributions	20	9	29	16	(5)	11
Benefits paid ⁽²⁾	(568)	(23)	(591)	(626)	(22)	(648)
Expenses paid	(34)	—	(34)	(26)	—	(26)
Currency translation adjustment	12	—	12	(32)	—	(32)
Divestiture	—	—	—	(10)	—	(10)
Other	1	—	1	1	—	1
Plan assets at end of fiscal year	\$ 8,595	\$ 265	\$ 8,860	\$ 7,411	\$ 242	\$ 7,653
Funded status at end of fiscal year	\$ 32	\$ 34	\$ 66	\$ (83)	\$ 14	\$ (69)

(1) Plan assets acquired in the AJRD acquisition. Net defined benefit plan liability is included in "Other long-term liabilities" and "Compensation and benefits" line items in "Acquisition of AJRD" section of *Note 13: Acquisitions, Divestitures and Asset Sales*.

(2) Fiscal 2022 includes approximately \$64 million associated with the transfer of plan assets to an insurance company. The transaction is reflected in Benefits paid as settlement accounting had not been met.

The accumulated benefit obligation for all defined benefit pension plans was \$8.6 billion at December 29, 2023. The following tables provide information for benefit plans with accumulated benefit obligations in excess of plan assets and benefit plans with PBO in excess of plan assets:

(In millions)	December 29, 2023		December 30, 2022	
	Pension	Other Benefits	Pension	Other Benefits
Accumulated benefit obligation	\$ 225	N/A	\$ 6,698	N/A
Fair value of plan assets	60	N/A	6,472	N/A

(In millions)	December 29, 2023		December 30, 2022	
	Pension	Other Benefits	Pension	Other Benefits
PBO	\$ 226	\$ 62	\$ 6,699	\$ 52
Fair value of plan assets	60	—	6,472	—

Statement of Operations Information

The following table provides the components of net periodic benefit income and other amounts recognized in other comprehensive income in fiscal 2023, 2022 and 2021 as they pertain to our defined benefit plans:

(In millions)	Pension		
	Fiscal Year Ended		
	December 29, 2023	December 30, 2022	December 31, 2021
Net periodic benefit income			
<i>Operating</i>			
Service cost	\$ 33	\$ 44	\$ 66
<i>Non-operating</i>			
Interest cost	386	220	188
Expected return on plan assets	(633)	(624)	(621)
Amortization of net actuarial (gain) loss	(9)	9	30
Amortization of prior service credit	(26)	(27)	(28)
Effect of curtailments or settlements	—	—	1
Non-service cost periodic benefit income	(282)	(422)	(430)
Net periodic benefit income	<u>\$ (249)</u>	<u>\$ (378)</u>	<u>\$ (364)</u>
Other changes in plan assets and benefit obligations recognized in other comprehensive income			
Net actuarial (gain) loss	\$ (90)	\$ 42	\$ (972)
Prior service cost	—	8	2
Amortization of net actuarial gain (loss)	9	(9)	(30)
Amortization of prior service credit	26	27	28
Currency translation adjustment	—	1	1
Recognized prior service credit	—	—	4
Recognized net actuarial loss	—	—	(4)
Total change recognized in other comprehensive income	(55)	69	(971)
Total impact from net periodic benefit income and changes in other comprehensive income	<u>\$ (304)</u>	<u>\$ (309)</u>	<u>\$ (1,335)</u>

(In millions)	Other Benefits		
	Fiscal Year Ended		
	December 29, 2023	December 30, 2022	December 31, 2021
Net periodic benefit income			
<i>Operating</i>			
Service cost	\$ 2	\$ 2	\$ 2
<i>Non-operating</i>			
Interest cost	11	7	5
Expected return on plan assets	(20)	(20)	(20)
Amortization of net actuarial gain	(20)	(7)	—
Amortization of prior service cost	1	1	1
Non-service cost periodic benefit income	(28)	(19)	(14)
Net periodic benefit income	<u>\$ (26)</u>	<u>\$ (17)</u>	<u>\$ (12)</u>
Other changes in plan assets and benefit obligations recognized in other comprehensive income			
Net actuarial gain	\$ (18)	\$ (34)	\$ (46)
Amortization of net actuarial gain	20	7	—
Amortization of prior service cost	(1)	(1)	(1)
Total change recognized in other comprehensive income	1	(28)	(47)
Total impact from net periodic benefit income and changes in other comprehensive income	<u>\$ (25)</u>	<u>\$ (45)</u>	<u>\$ (59)</u>

Defined Benefit Plan Assumptions

The determination of the assumptions related to defined benefit plans are based on the provisions of the applicable accounting pronouncements, review of various market data and discussions with our actuaries. We develop each assumption using relevant Company experience in conjunction with market-related data. Assumptions are reviewed annually and adjusted as appropriate.

The following tables provide the weighted-average assumptions used to determine PBO and net periodic benefit income, as they pertain to our defined benefit pension plans:

Obligation assumptions as of:	December 29, 2023	December 30, 2022
Discount rate	4.91 %	5.18 %
Rate of future compensation increase	3.01 %	3.01 %
Cash balance interest crediting rate	4.50 %	4.00 %

Cost assumptions for fiscal periods ended:	December 29, 2023	December 30, 2022	December 31, 2021
Discount rate to determine service cost	5.18 %	2.69 %	2.26 %
Discount rate to determine interest cost	5.08 %	2.27 %	1.80 %
Expected return on plan assets	7.46 %	7.44 %	7.43 %
Rate of future compensation increase	3.01 %	3.01 %	3.01 %
Cash balance interest crediting rate	4.00 %	3.50 %	3.50 %

Key assumptions for our CPP (our largest defined benefit pension plan with 88% of the total PBO) included a discount rate for obligation assumptions of 4.92%, a cash balance interest crediting rate of 4.50% and expected return on plan assets of 7.50% for fiscal 2023, which is being maintained at 7.50% for fiscal 2024. There is also a frozen pension equity benefit that assumes a 4.25% interest crediting rate.

The following table provides the weighted-average assumptions used to determine projected benefit obligations and net periodic benefit income, as they pertain to our other postretirement defined benefit plans:

Obligation assumptions as of:	December 29, 2023	December 30, 2022	
Discount rate	4.87 %	5.16 %	
Rate of future compensation increase	N/A	N/A	
Cost assumptions for fiscal periods ended:	December 29, 2023	December 30, 2022	December 31, 2021
Discount rate to determine service cost	5.26 %	2.91 %	2.49 %
Discount rate to determine interest cost	5.06 %	2.06 %	1.42 %
Rate of future compensation increase	N/A	N/A	N/A

The expected long-term rate of return on plan assets reflects the expected returns for each major asset class in which the plans invest, the weight of each asset class in the strategic allocation, the correlations among asset classes and their expected volatilities. Our expected rate of return on plan assets is estimated by evaluating both historical returns and estimates of future returns. Specifically, the determination of the expected long-term rate of return takes into consideration: (1) the plan's actual historical annual return on assets over the past 15-, 20- and 25-year time periods, (2) historical broad market returns over long-term timeframes weighted by the plan's strategic allocation and (3) independent estimates of future long-term asset class returns, weighted by the plan's strategic allocation. Based on this approach, the long-term expected annual rate of return on assets is estimated at 7.50% for fiscal 2024 for the U.S. defined benefit pension plans. The weighted average long-term expected annual rate of return on assets for all defined benefit pension plans is estimated to be 7.46% for fiscal 2024.

In fiscal 2021, we adopted updated mortality tables, which resulted in an increase in the defined benefit plans' PBO as of December 31, 2021 and a decrease in the estimated net periodic benefit income beginning with fiscal 2022.

The assumed composite rate of future increases in the per capita healthcare costs (the healthcare trend rate) is 7.05% for fiscal 2024, decreasing ratably to 4.53% by fiscal 2035. To the extent that actual experience differs from these assumptions, the effect will be accumulated and generally amortized for each plan to the extent required over the estimated future life expectancy or, if applicable, the future working lifetime of the plan's active participants.

Investment Policy

The investment strategy for managing defined benefit plan assets is to seek an optimal rate of return relative to an appropriate level of risk. We manage substantially all defined benefit plan assets on a commingled basis in a master investment trust. In making these asset allocation decisions, we take into account recent and expected returns and volatility of returns for each asset class, the expected correlation of returns among the different investments, as well as anticipated funding and cash flows. To enhance returns and mitigate risk, we diversify our investments by strategy, asset class, geography and sector and engage a large number of managers to gain broad exposure to the markets.

The following table provides the current strategic target asset allocation ranges by asset category:

	Target Asset Allocation		
Equity investments	35 %	—	55%
Fixed income investments	25 %	—	35%
Alternative investments	12 %	—	30%
Cash and cash equivalents	0 %	—	10%

Fair Value of Plan Assets

The following is a description of the valuation techniques and inputs used to measure fair value for major categories of investments as reflected in the table that follows such description:

- Domestic and international equities, which include common and preferred shares, domestic listed and foreign listed equity securities, open-ended and closed-ended mutual funds, real estate investment trusts and exchange traded funds, are generally valued at the closing price reported on the major market exchanges on which the individual securities are traded at the measurement date. Because these assets are traded predominantly on liquid, widely traded public exchanges, equity securities are categorized as Level 1 assets.

- Private equity funds, which include buy-out, mezzanine, venture capital, distressed asset and secondary funds, are typically limited partnership investment structures. Private equity funds are valued using a market approach based on NAV calculated by the funds and are not publicly available. Private equity funds generally have liquidity restrictions that extend for ten or more years. At December 29, 2023 and December 30, 2022, our defined benefit plans had future unfunded commitments totaling \$550 million and \$568 million, respectively, related to private equity fund investments.
- Real estate funds, which include core, core plus, value-add and opportunistic funds, are typically limited partnership investment structures. Real estate funds are valued using a market approach based on NAV calculated by the funds and are not publicly available. Real estate funds generally permit redemption on a quarterly basis with 90 or fewer days-notice. At December 29, 2023, real estate fund investments had no future unfunded commitments related to our defined benefit plans. At December 30, 2022, our defined benefit plans had future unfunded commitments totaling \$33 million related to real estate fund investments.
- Hedge funds, which include equity long/short, event-driven, fixed-income arbitrage and global macro strategies, are typically limited partnership investment structures. Limited partnership interests in hedge funds are valued using a market approach based on NAV calculated by the funds and are not publicly available. Hedge funds generally permit redemption on a quarterly or more frequent basis with 90 or fewer days notice. At each of December 29, 2023 and December 30, 2022, our defined benefit plans had no future unfunded commitments related to hedge fund investments.
- Fixed income investments, which include U.S. Government securities, investment and non-investment-grade corporate bonds and securitized bonds, are generally valued using pricing models that use verifiable, observable market data such as interest rates, benchmark yield curves and credit spreads, bids provided by brokers or dealers or quoted prices of securities with similar characteristics. Fixed income investments are generally categorized as Level 2 assets. Fixed income funds valued at the closing price reported on the major market exchanges on which the individual fund is traded are categorized as Level 1 assets.
- Other is comprised of guaranteed insurance contracts valued at book value, which approximates fair value, calculated using the prior-year balance adjusted for investment returns, changes in cash flows, changes in interest rates and corporate owned life insurance policies valued at the accumulated benefit.
- Cash and cash equivalents are primarily comprised of short-term money market funds valued at cost, which approximates fair value, or valued at quoted market prices of identical instruments. Cash and currency are categorized as Level 1 assets; cash equivalents, such as money market funds or short-term commingled funds, are categorized as Level 2 assets.
- Certain investments that are valued using the NAV per share (or its equivalent) as a practical expedient are not categorized in the fair value hierarchy and are included in the table to permit reconciliation of the fair value hierarchy to the aggregate defined benefit plan assets.

The following tables provide the fair value of plan assets held by our defined benefit plans by asset category and by fair value hierarchy level:

(In millions)	December 29, 2023			
	Total	Level 1	Level 2	Level 3
Asset category				
Equities:				
Domestic equities	\$ 1,294	\$ 1,294	\$ —	\$ —
International equities	1,138	1,138	—	—
Real estate investment trusts	214	214	—	—
Fixed income:				
Corporate bonds	1,457	—	1,331	126
Government securities	485	—	485	—
Securitized assets	164	—	164	—
Fixed income funds	137	4	133	—
Cash and cash equivalents	545	18	527	—
Other	61	—	—	61
Total	5,495	\$ 2,668	\$ 2,640	\$ 187
Investments measured at NAV:				
Equity funds	1,529			
Fixed income funds	3			
Hedge funds	396			
Private equity funds	1,019			
Real estate funds	379			
Other	2			
Total investments measured at NAV	3,328			
Receivables, net	37			
Total fair value of plan assets	\$ 8,860			

(In millions)	December 30, 2022			
	Total	Level 1	Level 2	Level 3
Asset category				
Equities:				
Domestic equities	\$ 1,275	\$ 1,275	\$ —	\$ —
International equities	1,044	1,002	42	—
Real estate investment trusts	192	192	—	—
Fixed income:				
Corporate bonds	1,118	—	995	123
Government securities	320	—	320	—
Securitized assets	166	—	166	—
Fixed income funds	92	4	88	—
Cash and cash equivalents	148	22	126	—
Total	4,355	\$ 2,495	\$ 1,737	\$ 123
Investments measured at NAV:				
Equity funds	1,661			
Fixed income funds	299			
Hedge funds	294			
Private equity funds	696			
Real estate funds	372			
Other	2			
Total investments measured at NAV	3,324			
Payables, net	(26)			
Total fair value of plan assets	\$ 7,653			

Contributions

Funding requirements under IRS rules are a major consideration in making contributions to our postretirement benefit plans. With respect to U.S. qualified pension plans, we intend to contribute annually not less than the required minimum funding thresholds.

The Employee Retirement Income Security Act of 1974, as amended by the Pension Protection Act of 2006 and further amended by the Worker, Retiree, and Employer Recovery Act of 2008, the Moving Ahead for Progress in the 21st Century Act ("MAP-21") and applicable Internal Revenue Code regulations mandate minimum funding thresholds. The Highway and Transportation Funding Act of 2014, the Bipartisan Budget Act of 2015, the American Rescue Plan Act of 2021 and the Infrastructure Investment and Jobs Act further extended the interest rate stabilization provision of MAP-21. As a result of prior voluntary contributions, we made no material contributions to our U.S. qualified defined benefit pension plans in fiscal 2023, 2022, or 2021. We expect to make contributions of approximately \$35 million to these plans during fiscal 2024, and may consider voluntary contributions thereafter.

Estimated Future Benefit Payments

The following table provides the projected timing of payments for benefits earned to date and benefits expected to be earned for future service by current active employees under our defined benefit plans:

(In millions)	Pension		Other Benefits ⁽¹⁾		Total
Fiscal Years:					
2024	\$	672	\$	22	\$ 694
2025		670		22	692
2026		665		21	686
2027		660		20	680
2028		649		19	668
2029 — 2033		3,072		84	3,156

(1) Projected payments for Other Benefits reflect net payments from the Company, which include subsidies that reduce the gross payments by less than 1%.

Multi-employer Benefit Plans

Certain of our businesses participate in multi-employer defined benefit pension plans. We make cash contributions to these plans under the terms of collective-bargaining agreements that cover union employees based on a fixed rate per hour of service worked by the covered employees. The risks of participating in these multi-employer plans are different from single-employer plans in the following aspects: (1) assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of other participating employers, (2) if a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers and (3) if we choose to stop participating in some of our multi-employer plans, we may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability. Cash contributed and expenses recorded for our multi-employer plans were not material in fiscal 2023, 2022 or 2021.

NOTE 10: STOCK OPTIONS AND OTHER SHARE-BASED COMPENSATION

At December 29, 2023, we had options or other share-based compensation outstanding under two Harris shareholder-approved employee stock incentive plans ("SIPs"), the Harris Corporation 2005 Equity Incentive Plan (As Amended and Restated Effective August 27, 2010) and the L3Harris Technologies, Inc. 2015 Equity Incentive Plan (As Amended and Restated Effective August 28, 2020) (the "2015 EIP"), as well as under employee stock incentive plans of L3 assumed by L3Harris (collectively, "L3Harris SIPs"). As part of our long-term incentive compensation program, we have made awards to employees in the form of performance share units, restricted stock units, nonqualified options under the L3Harris SIPs. We have also awarded restricted stock units in the form of deferred units to our non-employee directors. We believe that share-based awards more closely align the interests of participants with those of shareholders.

Summary of Share-Based Compensation Expense

The following table summarizes the amounts and classification of share-based compensation expense:

(In millions)	Fiscal Year Ended		
	December 29, 2023	December 30, 2022	December 31, 2021
Total expense	\$ 89	\$ 109	\$ 129
Included in:			
Cost of product sales and services	\$ 16	\$ 19	\$ 14
General and administrative expenses	73	90	115
Income from continuing operations	89	109	129
Tax effect on share-based compensation expense	(19)	(27)	(33)
Total share-based compensation expense after-tax	\$ 70	\$ 82	\$ 96

As of December 29, 2023, a total of 12.2 million shares of common stock remained available under our 2015 EIP for future issuance (excluding shares to be issued in respect of outstanding options and other share-based awards, and with each full-value award (e.g., restricted stock unit awards and performance share unit awards) counting as 4.6 shares against the total remaining for future issuance). During fiscal 2023, we issued an aggregate of 0.5 million shares of common stock under the terms of our L3Harris SIPs, which is net of shares withheld for tax purposes.

Stock Options

The following information relates to stock options, including performance stock options, that have been granted under shareholder-approved L3Harris SIPs. Option exercise prices are equal to or greater than the fair market value of our common stock on the date the options are granted, using the closing stock price of our common stock. Options may be exercised for a period of ten years after the date of grant, and options, other than performance stock options, generally become exercisable in installments, which are typically 33.3% one year from the grant date, 33.3% two years from the grant date and 33.3% three years from the grant date. In certain instances, vesting and exercisability are also subject to performance criteria.

The fair value as of the grant date of each option award was determined using the Black-Scholes-Merton option-pricing model which uses assumptions noted in the following table. Expected volatility over the expected term of the options is based on implied volatility from traded options on our common stock and the historical volatility of our stock price. The expected term of the options is based on historical observations of our common stock, considering average years to exercise for all options exercised and average years to cancellation for all options canceled, as well as average years remaining for vested outstanding options, which is calculated based on the weighted-average of these three inputs. The risk-free interest rate for periods within the contractual life of the option is based on the U.S. Treasury yield curve in effect at the time of grant.

A summary of the assumptions used in determining the fair value of the stock option grants under our L3Harris SIPs is as follows:

	Fiscal Year Ended		
	December 29, 2023	December 30, 2022	December 31, 2021
Expected dividends	2.17%	2.00%	1.99%
Expected volatility	28.60%	29.09%	31.71%
Risk-free interest rates	3.48% - 4.27%	1.63% - 4.27%	0.75%
Expected term (years)	5.04	5.02	5.05

A summary of stock option activity under our L3Harris SIPs as of December 29, 2023 and changes during fiscal 2023 is as follows:

	Shares	Weighted Average Exercise Price Per Share	Weighted Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value (in millions)
Stock options outstanding at December 30, 2022	3,306,129	\$ 162.56		
Granted	366,670	\$ 209.88		
Exercised	(230,702)	\$ 100.03		
Forfeited or expired	(191,387)	\$ 210.31		
Stock options outstanding at December 29, 2023	3,250,710	\$ 169.53	5.42	\$ 140
Stock options exercisable at December 29, 2023	2,669,082	\$ 160.11	4.74	\$ 138

The weighted-average grant-date fair value per share was \$54.63, \$53.66 and \$42.16 for options granted in fiscal 2023, 2022 and 2021, respectively. The total intrinsic value of options at the time of exercise was \$23 million, \$56 million and \$173 million for options exercised in fiscal 2023, 2022 and 2021, respectively.

A summary of the status of our nonvested stock options at December 29, 2023 and changes during fiscal 2023 is as follows:

	Shares	Weighted-Average Grant-Date Fair Value Per Share
Nonvested stock options at December 30, 2022	685,718	\$ 46.76
Granted	366,670	\$ 54.63
Vested/forfeited, net	(470,760)	\$ 43.21
Nonvested stock options at December 29, 2023	581,628	\$ 52.72

As of December 29, 2023, there was \$19 million of total unrecognized compensation expense related to nonvested stock options granted under our L3Harris SIPs. This expense is expected to be recognized over a weighted-average period of 1.90 years. The total fair value of stock options that vested in fiscal 2023, 2022 and 2021 was \$14 million, \$42 million and \$6 million, respectively.

Restricted Stock Unit Awards

The following information relates to awards of restricted stock units that have been granted to employees and non-employee directors under our L3Harris SIPs. These awards are not transferable until vested and the restrictions generally lapse upon the achievement of continued employment (or board membership) over a specified time period.

The fair value as of the grant date of these awards was based on the closing price of our common stock on the grant date and is amortized to compensation expense over the vesting period. At December 29, 2023, there were 728,052 restricted stock units outstanding which were payable in shares.

A summary of the status of these awards at December 29, 2023 and changes during fiscal 2023 is as follows:

	Units	Weighted-Average Grant Price Per Unit
Restricted stock units outstanding at December 30, 2022	673,495	\$ 211.16
Granted	354,657	\$ 199.33
Vested	(223,855)	\$ 198.24
Forfeited	(76,245)	\$ 205.77
Restricted stock units outstanding at December 29, 2023	728,052	\$ 208.78

As of December 29, 2023, there was \$86 million of total unrecognized compensation expense related to these awards under our L3Harris SIPs. This expense is expected to be recognized over a weighted-average period of 1.75 years. The weighted-average grant date price per share or per unit was \$199.33, \$225.58 and \$202.10 for awards

granted in fiscal 2023, 2022 and 2021, respectively. The total fair value of these awards was \$44 million, \$69 million and \$19 million for awards that vested in fiscal 2023, 2022 and 2021, respectively.

Performance Share Unit Awards

The following information relates to awards of performance share units that have been granted to employees under our L3Harris SIPs. At December 29, 2023, all of these awards are subject to performance criteria, such as meeting predetermined operating income or earnings per share, return on invested capital targets and market conditions, such as total shareholder return, for a 3-year performance period. These awards also generally vest after a 3-year performance period. The final determination of the number of shares to be issued in respect of an award is made by our Board or a committee thereof.

The fair value as of the grant date of awards with market conditions was determined based on a multifactor Monte Carlo valuation model that simulates our stock price and TSR relative to other companies in the S&P 500, less a discount to reflect the delay in payments of cash dividend-equivalents that are made only upon vesting. The fair value of these awards is amortized to compensation expense over the performance period if achievement of the performance measures is considered probable.

A summary of the status of these awards at December 29, 2023 and changes during fiscal 2023 is as follows:

	Units	Weighted-Average Grant Price Per Unit ⁽¹⁾
Performance share units outstanding at December 30, 2022	524,343	\$ 224.94
Granted	180,118	\$ 223.09
Adjustment ⁽¹⁾	14,771	\$ 228.29
Vested	(182,808)	\$ 228.29
Forfeited	(56,083)	\$ 236.80
Performance share units outstanding at December 29, 2023	480,341	\$ 222.73

(1) Adjustment for achievement of performance measures.

As of December 29, 2023, there was \$35 million of total unrecognized compensation expense related to these awards under our L3Harris SIPs. This expense is expected to be recognized over a weighted-average period of 1.56 years. The weighted-average grant date price per unit was \$223.09, \$258.83 and \$201.32 for awards granted in fiscal 2023, 2022 and 2021, respectively. The total fair value of the awards that vested in fiscal 2023 and 2022 was \$42 million and \$41 million, respectively. There were no awards that vested in fiscal 2021.

NOTE 11: LEASES

Our operating and finance leases at December 29, 2023 and December 30, 2022 primarily consisted of real estate leases for office space, warehouses, manufacturing, research and development facilities, telecommunication tower space and land and equipment leases.

The components of lease costs are as follows:

(In millions)	Fiscal Year Ended		
	December 29, 2023	December 30, 2022	December 31, 2021
Operating lease cost	\$ 163	\$ 151	\$ 172
Short-term and equipment lease cost	23	21	20
Variable lease cost	26	25	20
Other, net ⁽¹⁾	11	6	3
Total lease cost	<u>\$ 223</u>	<u>\$ 203</u>	<u>\$ 215</u>

(1) Consists of finance lease amortization and interest costs as well as sublease income.

See "Leases" section in *Note 1: Significant Accounting Policies* in these Notes for the line items in our Consolidated Statement of Operations where our lease costs are presented.

Lease Impairment — Fiscal 2021

As discussed in more detail in *Note 6: Goodwill and Intangible Assets* in these Notes, during the quarter ended July 2, 2021, we tested the CTS reporting unit for potential impairment of the long-lived assets, including identifiable assets and property, plant and equipment, and recorded a \$145 million non-cash charge for the impairment of CTS long-lived assets, including \$19 million for impairment of ROU assets, which is included in the "Impairment of goodwill and other assets" line item in our Consolidated Statement of Operations for fiscal 2022.

Balance Sheet Information

Supplemental operating and finance lease balance sheet information at December 29, 2023 and December 30, 2022 is as follows:

(In millions)	December 29, 2023	December 30, 2022
Operating Leases		
Other non-current assets	\$ 743	\$ 756
Other accrued items	120	121
Other long-term liabilities	705	741
Total operating lease liabilities	<u>\$ 825</u>	<u>\$ 862</u>
Finance Leases		
Property, plant and equipment	\$ 243	\$ 170
Accumulated amortization	(25)	(15)
Property, plant and equipment, net	<u>\$ 218</u>	<u>\$ 155</u>
Current portion of long-term debt, net	\$ 8	\$ 5
Long-term debt, net	243	165
Total finance lease liabilities	<u>\$ 251</u>	<u>\$ 170</u>

Supplemental Lease Information

Other supplemental lease information for fiscal 2023 and 2022 is as follows:

(In millions, except lease term and discount rate)	Fiscal Year Ended	
	December 29, 2023	December 30, 2022
Cash paid for amounts included in the measurement of lease liabilities		
Net cash provided by operating activities - operating lease payments	\$ 159	\$ 148
Net cash provided by operating activities - finance lease interest payments	7	5
Net cash provided by financing activities - finance lease obligation payments	6	4
Assets obtained in exchange for new lease obligations		
ROU assets obtained with operating leases	\$ 144	\$ 123
Property, plant and equipment obtained with finance leases	68	20
Weighted average remaining lease term (in years)		
Operating leases	8.3	9.3
Finance leases	17.7	21.3
Weighted average discount rate		
Operating leases	3.9 %	3.5 %
Finance leases	4.3 %	3.4 %

Payments under non-cancelable operating and finance leases at December 29, 2023 were as follows:

(In millions)	Operating Leases	Finance Leases
2024	\$ 163	\$ 19
2025	142	41
2026	110	18
2027	103	17
2028	97	18
Thereafter	345	233
Total future lease payments required ⁽¹⁾	960	346
Less: imputed interest	135	95
Total	\$ 825	\$ 251

(1) On December 29, 2023, we had additional future payments on leases of \$307 million that had not yet commenced. These leases will commence between 2024 and 2025, and have lease terms of 4 years to 15 years.

These commitments do not contain any material rent escalations, rent holidays, contingent rent, rent concessions, leasehold improvement incentives or unusual provisions or conditions. We do not consider any individual lease material to our operations.

NOTE 12: ACCUMULATED OTHER COMPREHENSIVE LOSS ("AOCL")

The components of AOCL are summarized below:

(In millions)	Foreign currency translation	Net unrealized losses on hedging derivatives	Unrecognized postretirement obligations	Total AOCL
Balance at December 30, 2022	\$ (237)	\$ (79)	\$ 28	\$ (288)
Other comprehensive income, before reclassifications to earnings and income taxes	36	14	95	145
Income taxes	—	(4)	(24)	(28)
Other comprehensive income before reclassifications to earnings, net of income taxes	36	10	71	117
Losses (gains) reclassified to earnings, before income taxes ⁽¹⁾	—	5	(41)	(36)
Income taxes	—	(1)	10	9
Losses (gains) reclassified to earnings, net of income taxes	—	4	(31)	(27)
Other comprehensive income, net of income taxes	36	14	40	90
Balance at December 29, 2023	\$ (201)	\$ (65)	\$ 68	\$ (198)
Balance at December 31, 2021	\$ (118)	\$ (89)	\$ 61	\$ (146)
Other comprehensive loss, before reclassifications to earnings and income taxes	(124)	(10)	(33)	(167)
Income taxes	5	2	7	14
Other comprehensive loss before reclassifications to earnings, net of income taxes	(119)	(8)	(26)	(153)
Losses (gains) reclassified to earnings, before income taxes ⁽¹⁾	—	22	(9)	13
Income taxes	—	(4)	2	(2)
Losses (gains) reclassified to earnings, net of income taxes	—	18	(7)	11
Other comprehensive (loss) income, net of income taxes	(119)	10	(33)	(142)
Balance at December 30, 2022	\$ (237)	\$ (79)	\$ 28	\$ (288)
Balance at January 1, 2021	\$ (58)	\$ (80)	\$ (701)	\$ (839)
Other comprehensive (loss) income, before reclassifications to earnings and income taxes	(63)	(4)	1,013	946
Income taxes	—	1	(255)	(254)
Other comprehensive (loss) income before reclassifications to earnings, net of income taxes	(63)	(3)	758	692
Losses (gains) reclassified to earnings, before income taxes ⁽¹⁾	3	(8)	6	1
Income taxes	—	2	(2)	—
Losses (gains) reclassified to earnings, net of income taxes	3	(6)	4	1
Other comprehensive (loss) income, net of income taxes	(60)	(9)	762	693
Balance at December 31, 2021	\$ (118)	\$ (89)	\$ 61	\$ (146)

(1) Losses (gains) reclassified to earnings are included in the "Revenue", "Asset group and business divestiture-related (losses) gains, net," "Interest expense, net" and "Non-service FAS pension income and other, net" line items in our Consolidated Statement of Operations.

NOTE 13: ACQUISITIONS, DIVESTITURES AND ASSET SALES

Acquisition of Viasat's TDL

On January 3, 2023, we completed the acquisition of TDL for a purchase price of \$1,958 million. The acquisition enhances our networking capability and provides access to the ubiquitous Link 16 waveform, better positioning us to enable the DoD integrated architecture goal in JADC2.

On November 22, 2022, we established Term Loan 2025 with a syndicate of lenders, in part, to finance the acquisition. See *Note 8: Debt and Credit Arrangements* in these Notes for further information regarding Term Loan 2025.

Net assets and results of operations of TDL are reflected in our financial results commencing on January 3, 2023, the acquisition date, and are reported within our CS segment, with the exception of acquired intangible assets, which are recorded in our corporate headquarters.

We accounted for the acquisition of TDL using the acquisition method of accounting, which required us to measure identifiable assets acquired and liabilities assumed in the acquiree at their fair values as of the acquisition date, with the excess of the consideration transferred over those fair values recorded as goodwill.

As of the acquisition date, the fair value of consideration transferred consisted of the following:

(In millions)	January 3, 2023
Purchase price	\$ 1,958
Estimated net working capital and other adjustments	15
Cash consideration paid	1,973
Settlement of preexisting relationship ⁽¹⁾	1
Fair value of consideration transferred	\$ 1,974

(1) Prior to the acquisition, we had a preexisting relationship with Viasat's TDL business in the normal course of business. As of the acquisition date, our CS segment had a receivable from Viasat's TDL business with a fair value of \$1 million that was settled in connection with the acquisition.

Our preliminary fair value estimates and assumptions to measure the assets acquired and liabilities assumed were subject to change as we obtained additional information during the measurement period. We completed our accounting for the acquisition during the fiscal year ended December 29, 2023. The following table summarizes the preliminary allocation of the fair value of consideration transferred to assets acquired and liabilities assumed as of the acquisition date and the adjustments recognized during the measurement period:

(In millions)	Preliminary as of January 3, 2023	Measurement Period Adjustments, Net ^{(1),(2)}	Adjusted as of December 29, 2023
Receivables	\$ 28	\$ —	\$ 28
Contract assets	18	11	29
Inventories	164	(18)	146
Other current assets	9	—	9
Property, plant and equipment	50	(1)	49
Goodwill	1,014	129	1,143
Other intangible assets	850	(95)	755
Deferred income taxes	33	2	35
Other non-current assets	18	(1)	17
Total assets acquired	<u>\$ 2,184</u>	<u>\$ 27</u>	<u>\$ 2,211</u>
Accounts payable	\$ 20	\$ —	\$ 20
Contract liabilities	28	—	28
Compensation and benefits	2	—	2
Other accrued items	119	17	136
Other long-term liabilities	41	10	51
Total liabilities assumed	<u>\$ 210</u>	<u>\$ 27</u>	<u>\$ 237</u>
Net assets acquired	<u>\$ 1,974</u>	<u>\$ —</u>	<u>\$ 1,974</u>

(1) Fair value adjustments during the fiscal year ended December 29, 2023 primarily related to refined assumptions in the valuation of customer relationship intangible assets.

(2) Assets acquired include \$11 million of Contract assets that were reclassified from Inventories to Contract assets to conform TDL's accounting policies with those of L3Harris, as required under ASC 805. As such, reclassified amounts will not be recognized as revenue in future periods.

Intangible Assets. All intangible assets acquired in the TDL acquisition are subject to amortization. The fair value and weighted-average amortization period of identifiable intangible assets acquired as of the acquisition date is as follows:

	Total (In millions)	Useful Lives (In Years)
Customer relationships: ⁽¹⁾		
Backlog	\$ 83	2
Government programs	323	16
Total customer relationships	406	
Developed technology	349	17
Total identifiable intangible assets acquired	<u>\$ 755</u>	

(1) TDL had backlog and government programs intangible assets that we classified as customer relationships.

We determined the fair value of assets acquired and liabilities assumed by using available market information and various valuation methods that require judgment related to estimations. The use of different estimates could produce different results. The fair value of intangible assets is estimated using the relief from royalty method for the acquired developed technology and the multi-period excess earnings method for the acquired customer relationships. Both of these level 3 fair value methods are income-based valuation approaches, which require judgment to estimate appropriate discount rates, royalty rates related to the developed technology intangible assets, revenue growth attributable to the intangible assets and remaining useful lives. The fair value of inventory was estimated using the replacement cost approach and comparative sales method, which require estimates of replacement cost for raw materials and estimates of expected sales price less costs to complete and dispose of the inventory, plus a profit margin for efforts incurred for the work in progress and finished goods.

Forward Loss Provision. We have recorded a forward loss provision of \$86 million in connection with certain acquired contracts which was included in the “Other accrued items” line item in our Condensed Consolidated Balance Sheet. The forward loss provisions will be recognized as a reduction to cost of revenue as we incur costs to satisfy the associated performance obligations. There will be no net impact on our Condensed Consolidated Statement of Operations. We recognized \$36 million for amortization of the forward loss provision during the fiscal year ended December 29, 2023.

Off-market Customer Contracts. We have identified certain contractual obligations with customers with economic returns that are higher or lower than could be realized in market transactions as of the acquisition date and have recorded liabilities for the acquisition date fair value of the off-market components. The acquisition date fair value of the off-market components is a net liability of \$64 million, consisting of \$28 million and \$36 million included in the “Other accrued items” and “Other long-term liabilities” line items in our Condensed Consolidated Balance Sheet, respectively, and excludes any amounts already recognized in forward loss provisions (see discussion in the preceding paragraph). We measured the fair value of these components as the amount by which the terms of the contract with the customer deviates from the terms that a market participant could have achieved at the acquisition date. The off-market components of these contracts will be recognized as an increase to revenue as we incur costs to satisfy the associated performance obligations. We recognized \$28 million for amortization of off-market contract liabilities during the fiscal year ended December 29, 2023. Future estimated revenue from the amortization of off-market contract liabilities (based on the estimated pattern of cash flows to be incurred to satisfy associated performance obligations) is \$21 million in 2024 and immaterial amounts thereafter.

Goodwill. The \$1,143 million of goodwill recognized is attributable to the assembled workforce, in addition to synergies expected to be realized through integration with existing CS segment businesses and growth opportunities in the space domain. The acquired goodwill is tax deductible. See *Note 6: Goodwill and Intangible Assets* in these Notes for further information.

Financial Results. The following table includes revenue and income before income taxes of TDL included in our Consolidated Statement of Operations for the acquisition date through December 29, 2023 and the comparable periods of calendar year 2022. The comparable period results do not include any integration synergies or accounting conformity adjustments and are not necessarily indicative of our results of operations that actually would have been obtained had the acquisition of TDL been completed for the period presented, or which may be realized in the future.

(In millions)	Fiscal Year Ended	
	December 29, 2023	December 30, 2022
Revenue	\$ 365	\$ 358
Income before income taxes	131	68

Acquisition-Related Costs. Acquisition-related costs have been expensed as incurred. In connection with the TDL acquisition, we recorded transaction and integration costs of \$78 million for the fiscal year ended December 29, 2023, which were included in the General and administrative expenses line item in our Consolidated Statement of Operations.

Acquisition of AJRD

On July 28, 2023 we acquired AJRD, a technology-based engineering and manufacturing company that develops and produces missile solutions with technologies for strategic defense, missile defense, and hypersonic and tactical systems, as well as space propulsion and power systems for national security space and exploration missions. The acquisition provides us access to a new market. We acquired 100 percent of AJRD for a total net purchase price of \$4,715 million. The acquisition was financed through the issuance and sale of the AJRD Notes and draw down under

the 2023 Credit Agreement. See *Note 8: Debt and Credit Arrangements* in these Notes for further information regarding the financing of the AJRD acquisition.

Net assets and results of operations of AJRD are reflected in our financial results commencing on July 28, 2023 and are reported in our newly created AR segment and corporate headquarters. Corporate headquarters include net assets and results of operations associated with AJRD's real estate operations and acquired intangible assets.

We accounted for the acquisition of AJRD using the acquisition method of accounting, which required us to measure identifiable assets acquired and liabilities assumed in the acquiree at their fair values as of the acquisition date, with the excess of the consideration transferred over those fair values recorded as goodwill. Our preliminary fair value estimates and assumptions are subject to change as we obtain additional information over the measurement period and our measurement of certain assets and contingencies, such as intangible assets, property, plant and equipment, real estate held for development and leasing, loss contracts, environmental matters and related deferred tax impacts remain preliminary for completion of the related valuations.

As of the acquisition date, the fair value of consideration transferred consisted of the following:

(In millions)	July 28, 2023	
Cash consideration paid for AJRD outstanding common stock & equity awards	\$	4,748
AJRD debt settled by L3Harris		257
Cash consideration paid		5,005
Less cash acquired		(290)
Fair value of consideration transferred	\$	4,715

The following table summarizes the preliminary allocation of the fair value of consideration transferred to assets acquired and liabilities assumed as of the acquisition date and the measurement period adjustments recorded since the acquisition date through December 29, 2023:

(In millions)	Preliminary as of July 28, 2023	Measurement Period Adjustments, Net ⁽¹⁾	Preliminary Adjusted as of December 29, 2023
Receivables	\$ 156	\$ —	\$ 156
Contract assets	338	(40)	298
Inventories	14	—	14
Other current assets	117	29	146
Property, plant and equipment	574	28	602
Goodwill	2,348	17	2,365
Other intangible assets	2,860	(20)	2,840
Other non-current assets	609	89	698
Total assets acquired	\$ 7,016	\$ 103	\$ 7,119
Current portion of long-term debt, net	1	—	1
Accounts payable	\$ 145	\$ —	\$ 145
Contract liabilities	310	15	325
Compensation and benefits	116	1	117
Income taxes payable	6	(1)	5
Other accrued items	278	22	300
Long-term debt, net	41	—	41
Deferred income taxes	398	120	518
Other long-term liabilities	1,006	(54)	952
Total liabilities assumed	\$ 2,301	\$ 103	\$ 2,404
Fair value of consideration transferred	\$ 4,715	\$ —	\$ 4,715

(1) Fair value adjustments during the fiscal year ended December 29, 2023 primarily related to EAC updates, refinements to the environmental liability and associated recoverable, as well as an update to the deferred tax liability which was offset by the release of a portion of the uncertain tax position previously booked by AJRD.

We determined the fair value of assets acquired and liabilities assumed by using available market information and various valuation methods that require judgment related to estimates. Our accounting for the acquisition remains preliminary. Amounts recorded associated with these assets and liabilities are based on preliminary calculations and estimates. Our preliminary estimates and assumptions are subject to change as we obtain additional information during the measurement period (up to one year from the acquisition date). Any potential adjustments made could be material in relation to the preliminary values presented above.

Intangible Assets. All intangible assets acquired in the AJRD acquisition are subject to amortization. The preliminary fair value and weighted-average amortization period of identifiable intangible assets acquired as of the acquisition date is as follows:

	Total (In millions)	Useful Lives (In Years)
Customer relationships: ⁽¹⁾		
Backlog	\$ 350	3
Government programs	2,370	15 - 20
Total customer relationships	2,720	
Trade names	120	15
Total identifiable intangible assets acquired	\$ 2,840	

(1) AJRD had backlog and government programs intangible assets that we classified as customer relationships.

The fair value of intangible assets is estimated using the relief from royalty method for the acquired trade names and the multi-period excess earnings method for the acquired customer relationships. Both of these level 3 fair value methods are income-based valuation approaches, which require judgment to estimate appropriate discount rates, royalty rates related to the trade names intangible assets, revenue growth attributable to the intangible assets and remaining useful lives.

Forward Loss Provision. We have recorded a preliminary forward loss provision of \$62 million which was included in "Other accrued items" line item in our Consolidated Balance Sheet. The forward loss provisions will be recognized as a reduction to cost of revenue as we incur costs to satisfy the associated performance obligations. There will be no net impact on our Consolidated Statement of Operations. We recognized \$8 million from amortization of the forward loss provision for the acquisition date through December 29, 2023.

Off-market Customer Contracts. We have identified certain contractual obligations with customers with economic returns that are higher or lower than could be realized in market transactions as of the acquisition date and have recorded liabilities for the preliminary acquisition date fair value of the off-market components. The preliminary acquisition date fair value of the off-market components is a net liability of \$95 million, consisting of \$37 million and \$58 million included in the "Other accrued items" and "Other long-term liabilities" line items in our Consolidated Balance Sheet, respectively, and excludes any amounts already recognized in forward loss provisions (see discussion in the preceding paragraph). We measured the fair value of these components as the amount by which the terms of the contract with the customer deviates from the terms that a market participant could have achieved at the acquisition date. The off-market components of these contracts will be recognized as an increase to revenue as we incur costs to satisfy the associated performance obligations. We recognized \$14 million from amortization of off-market contract liabilities during the period from the acquisition date through December 29, 2023.

Goodwill. The \$2,365 million of goodwill recognized is attributable to AJRD's market presence as the provider of advanced propulsion and power systems for nearly every major U.S. space and missile program, the assembled workforce and established operating infrastructure. The acquired goodwill is not tax deductible. See *Note 6: Goodwill and Intangible Assets* in these Notes for further information.

Financial Results. Revenue and income before income taxes of AJRD included in our Consolidated Statement of Operations for the acquisition date through December 29, 2023 was \$1,052 million and \$122 million, respectively. The following table presents unaudited pro forma financial results of the operations acquired with AJRD. The pro forma results for fiscal year ended December 29, 2023 were prepared as if the acquisition was completed on the first day of our fiscal 2023, December 31, 2022, and include adjustments to remove costs directly attributable to the acquisition, such as transaction-related costs and the impact of purchase price adjustments, and corporate expenses such as pension, interest, and amortization. The pro forma results for fiscal year ended December 30, 2022 were prepared as if the acquisition was completed on the first day of our fiscal 2022, January 1, 2022, and include adjustments to remove corporate expenses such as pension, interest, and amortization. The pro forma results do not include any integration synergies and are not necessarily indicative of our results of operations that actually would have been obtained had the acquisition of AJRD been completed for the period presented, or which may be realized in the future.

(In millions)	Fiscal Year Ended	
	December 29, 2023	December 30, 2022
Revenue	\$ 2,337	\$ 2,238
Income before income taxes	266	234

Acquisition-Related Costs. Acquisition-related costs have been expensed as incurred. In connection with the AJRD acquisition, we recorded transaction and integration costs of \$83 million for the fiscal year ended December 29, 2023, which were included in the "General and administrative expenses" line item in our Consolidated Statement of Operations.

Completed Divestiture of VIS — Fiscal 2023

On April 6, 2023, we completed the sale of VIS for a sale price of \$70 million and recognized a pre-tax gain of \$26 million included in the "Asset group and business divestiture-related (losses) gains, net" line item in our Consolidated Statement of Operations for the fiscal year ended December 29, 2023. After selling costs and purchase price adjustments, the net cash proceeds for the sale of VIS were \$71 million. The operating results of VIS were reported in the SAS segment through the date of divestiture.

The carrying amounts of the assets and liabilities of VIS were classified as held for sale in our Consolidated Balance Sheet as of December 30, 2022.

Pending Divestiture of CAS Disposal Group — Fiscal 2023

On November 27, 2023, we announced that we entered into a definitive agreement to sell our CAS disposal group for a cash purchase price of \$700 million, with additional contingent consideration of up to \$100 million, subject to customary purchase price adjustments and closing conditions as set forth in the agreement. As of November 27, 2023, the fair value less costs to sell of the CAS disposal group is \$834 million, inclusive of consideration related to noncontrolling interest and accumulated other comprehensive income. We recognized a pre-tax loss of \$77 million included in the “Asset group and business divestiture-related (losses) gains, net” line item in our Consolidated Statement of Operations for the fiscal year ended December 29, 2023. CAS, which is part of our IMS segment, provides integrated aircraft avionics, pilot training and data analytics services for the commercial aviation industry. The transaction is expected to close in 2024.

In connection with the preparation of our financial statements for the fiscal year ended December 29, 2023, we concluded that goodwill related to the CAS disposal group was impaired and we recorded a non-cash impairment charge of \$296 million, which is included in the Impairment of goodwill and other assets. See *Note 6: Goodwill and Intangible Assets* in these Notes for additional information.

The carrying amounts of the assets and liabilities of the CAS business classified as held for sale in our Consolidated Balance Sheet as of December 29, 2023 were as follows:

(In millions)	December 29, 2023
Receivables, net	\$ 80
Contract assets	43
Inventories	145
Other current assets	33
Property, plant and equipment, net	41
Goodwill	534
Other intangible assets, net	263
Other non-current assets	44
Valuation allowance	(77)
Total assets held for sale	<u>\$ 1,106</u>
Accounts payable	\$ 111
Contract liabilities	48
Compensation and benefits	11
Other accrued items	38
Other long-term liabilities	64
Total liabilities held for sale	<u>\$ 272</u>

Completed Divestitures and Asset Sales — Fiscal 2022

During the fiscal 2022, we completed one business divestiture and one asset sale from our IMS segment for combined net cash proceeds of \$23 million and recognized a pre-tax gain of \$8 million associated with the asset sale included in the “Asset group and business divestiture-related (losses) gains, net” line item in our Consolidated Statement of Operations for fiscal 2022.

Completed Divestitures and Asset Sales — Fiscal 2021

The following table presents information regarding business divestitures completed during fiscal 2021, all of which were reported under our “Other non-reportable businesses” segment through the date of divestiture, which was formerly our Aviation Systems segment:

(In millions)	Date of Divestiture	Sale Price	Net Cash Proceeds ⁽¹⁾
Narda-MITEQ business ⁽²⁾	December 6, 2021	\$ 75	\$ 76
ESSCO business ⁽³⁾	November 26, 2021	55	53
Electron Devices business ⁽⁴⁾	October 1, 2021	185	173
Voice Switch Enterprise disposal group (“VSE disposal group”) ⁽⁵⁾	July 30, 2021	20	19
Combat Propulsion Systems and related businesses (“CPS business”) ⁽⁶⁾	July 2, 2021	398	347
Military training business ⁽⁷⁾	July 2, 2021	1,050	1,059
		<u>\$ 1,783</u>	<u>\$ 1,727</u>

(1) Net cash proceeds after selling costs and purchase price adjustments.

(2) The Narda-MITEQ business manufactured component, Satellite Communication (“SATCOM”) and radio frequency safety products for both military and commercial markets.

(3) The ESSCO business manufactured metal space frame ground radomes and composite structures.

(4) The Electron Devices and Narda Microwave-West divisions (“Electron Devices business”) manufactured microwave devices for ground-based, airborne and SATCOM and radar.

(5) The VSE disposal group provided voice over internet protocol systems for air traffic management communications.

(6) The CPS business engineered, designed and manufactured engines, transmissions, suspensions and turret drive systems for tracked and wheeled combat vehicle systems.

(7) The military training business provided flight simulation solutions and training services to the DoD and foreign military agencies.

Income Before Income Taxes Attributable to Businesses Divested

Income before income taxes attributable to the CAS disposal group was \$53 million, \$63 million and \$18 million in fiscal 2023, 2022 and 2021, respectively. There was no significant income before income taxes attributable to businesses divested or held for sale during fiscal 2022.

In fiscal 2021, we had the following significant income before income taxes attributable to businesses divested in our Consolidated Statement of Operations:

(In millions)	Fiscal Year Ended December 31, 2021
Electron Devices business	\$ 44
CPS business	53
Military training business	35

Asset Sales and Business Divestiture-Related Gains (Losses), net

In fiscal 2023 we recognized a pre-tax loss of \$77 million in connection with the pending sale of our CAS disposal group and a pre-tax gain of \$26 million in connection with the sale of VIS. In fiscal 2022, there were no significant asset group sales or business divestiture-related gains or losses. In fiscal 2021, we had the following pre-tax gains (losses) associated with businesses divested, which are included in the "Asset group and business divestiture-related (losses) gains, net" line item in our Consolidated Statement of Operations:

(In millions)	Fiscal Year Ended	
	December 31, 2021	
Narda-MITEQ business	\$	(9)
ESSCO business		31
Electron Devices business		31
VSE disposal group		(29)
CPS business ⁽¹⁾		(19)
Military training business		217
Other ⁽²⁾		(2)
Total Business divestiture-related gains (losses), net	\$	220

(1) During the quarter ended April 2, 2021, upon classifying the CPS business as held for sale, we recorded a non-cash impairment charge of \$62 million, which is included in the "Impairment of goodwill and other assets" line item in our Consolidated Statement of Operations for fiscal 2021. See *Note 6: Goodwill and Intangible Assets* in these Notes for additional information.
 (2) Reflects adjustments to the gains and losses on completed divestitures not shown within the table.

Fair Value of Businesses and Goodwill Allocation

For purposes of allocating goodwill to the disposal groups that represent a portion of a reporting unit, we determine the fair value of each disposal group based on the respective negotiated selling price, and the fair value of the retained businesses of the respective reporting unit based on a combination of market-based and income based valuation techniques, utilizing quoted market prices, comparable publicly reported transactions and projected discounted cash flows. These fair value determinations are categorized as Level 3 in the fair value hierarchy due to their use of internal projections and unobservable measurement inputs. See *Note 1: Significant Accounting Policies* in these Notes for additional information regarding the fair value hierarchy and see *Note 6: Goodwill and Intangible Assets* in these Notes for additional information regarding the impairment of goodwill related to our business divestitures.

NOTE 14: BUSINESS SEGMENTS

Business Segment Financial Information

The following table presents revenue and operating income by segment:

(In millions)	Fiscal Year Ended		
	December 29, 2023	December 30, 2022	December 31, 2021
Revenue			
SAS	\$ 6,856	\$ 6,384	\$ 6,315
IMS	6,630	6,626	6,733
CS	5,070	4,217	4,287
AR	1,052	**	**
Other non-reportable businesses	—	—	683
Corporate eliminations	(189)	(165)	(204)
Total revenue	\$ 19,419	\$ 17,062	\$ 17,814
Operating Income			
SAS	\$ 756	\$ 665	\$ 782
IMS	459	494	845
CS	1,229	667	1,043
AR	122	**	**
Other non-reportable businesses	—	—	104
Total segment	2,566	1,826	2,774
Total unallocated corporate expense	(1,140)	(699)	(665)
Total operating income	\$ 1,426	\$ 1,127	\$ 2,109

** AR is a new reportable segment established in the quarter ended September 29, 2023 which consists of the operations assumed in the AJRD acquisition. As such, there is no comparable prior year information.

Unallocated Corporate Expense

Total unallocated corporate expense includes corporate items such as a portion of management and administration, legal, environmental, compensation, retiree benefits, other corporate expenses and eliminations and the FAS/CAS operating adjustment. Total unallocated corporate expense also includes the portion of corporate costs not included in management's evaluation of segment operating performance, such as amortization of acquisition-related intangibles; additional cost of revenue related to the fair value step-up in inventory sold; merger, acquisition, and divestiture-related expenses; asset group and business divestiture-related (losses) gains, net; impairment of goodwill and other assets; gain on sale of property, plant and equipment; LHX NeXt implementation costs; and other items.

LHX NeXt implementation costs. LHX NeXt is our initiative to transform multiple functions, systems and processes to increase agility and competitiveness. The LHX NeXt effort is expected to continue for the next three years with one-time costs for workforce optimization, incremental IT expenses for implementation of new systems, third party consulting and other costs.

In connection with our LHX NeXt program restructuring activities, we recorded charges of \$25 million during fiscal 2023, included as a component of the "General and administrative expenses" line item in our Consolidated Statement of Operations. At December 29, 2023 we had remaining liabilities of \$4 million which we expect will be paid in the next twelve months. Our liabilities for restructuring are included in the "Compensation and benefits" line item in our Consolidated Balance Sheet.

FAS/CAS Pension Operating Adjustment

The table below is a reconciliation of the FAS/CAS operating adjustment:

(In millions)	Fiscal Year Ended		
	December 29, 2023	December 30, 2022	December 31, 2021
FAS pension service cost	\$ (35)	\$ (46)	\$ (68)
Less: CAS pension cost	(145)	(141)	(191)
FAS/CAS operating adjustment	110	95	123
Non-service FAS pension income ⁽¹⁾	310	441	445
FAS/CAS pension adjustment, net ⁽²⁾	<u>\$ 420</u>	<u>\$ 536</u>	<u>\$ 568</u>

(1) Non-service FAS pension income is included as component of the "Non-service FAS pension income and other, net" line item in our Consolidated Statement of Operations.

(2) FAS/CAS pension adjustment, net excludes net settlement and curtailment losses recognized in fiscal 2021. See *Note 9: Retirement Benefits* in these Notes for additional information on net settlements and curtailments.

See "Business Segments" in *Note 1: Significant Accounting Policies* in these Notes for additional information regarding our FAS/CAS operating adjustment accounting policy.

Disaggregation of Revenue

We disaggregate revenue for all four business segments by customer relationship, contract type and geographical region. We believe these categories best depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

(In millions)	Fiscal Year Ended			
	December 29, 2023			
	SAS	IMS	CS	AR
Revenue By Customer Relationship				
Prime contractor	\$ 4,252	\$ 4,196	\$ 3,420	\$ 250
Subcontractor	2,555	2,347	1,597	802
Intersegment	49	87	53	—
Total segment	<u>\$ 6,856</u>	<u>\$ 6,630</u>	<u>\$ 5,070</u>	<u>\$ 1,052</u>
Revenue By Contract Type				
Fixed-price ⁽¹⁾	\$ 4,257	\$ 5,020	\$ 4,289	\$ 632
Cost-reimbursable	2,550	1,523	728	420
Intersegment	49	87	53	—
Total segment	<u>\$ 6,856</u>	<u>\$ 6,630</u>	<u>\$ 5,070</u>	<u>\$ 1,052</u>
Revenue By Geographical Region				
United States	\$ 5,933	\$ 4,816	\$ 3,482	\$ 1,015
International	874	1,727	1,535	37
Intersegment	49	87	53	—
Total segment	<u>\$ 6,856</u>	<u>\$ 6,630</u>	<u>\$ 5,070</u>	<u>\$ 1,052</u>

(1) Includes revenue derived from time-and-materials contracts.

(In millions)	Fiscal Year Ended			
	December 30, 2022			
	SAS	IMS	CS	AR
Revenue By Customer Relationship				
Prime contractor	\$ 4,005	\$ 4,301	\$ 2,829	**
Subcontractor	2,330	2,254	1,343	**
Intersegment	49	71	45	**
Total segment	<u>\$ 6,384</u>	<u>\$ 6,626</u>	<u>\$ 4,217</u>	<u>\$ —</u>
Revenue By Contract Type				
Fixed-price ⁽¹⁾	\$ 3,811	\$ 5,060	\$ 3,552	**
Cost-reimbursable	2,524	1,495	620	**
Intersegment	49	71	45	**
Total segment	<u>\$ 6,384</u>	<u>\$ 6,626</u>	<u>\$ 4,217</u>	<u>\$ —</u>
Revenue By Geographical Region				
United States	\$ 5,623	\$ 4,796	\$ 2,735	**
International	712	1,759	1,437	**
Intersegment	49	71	45	**
Total segment	<u>\$ 6,384</u>	<u>\$ 6,626</u>	<u>\$ 4,217</u>	<u>\$ —</u>

** AR is a new reportable segment established in the quarter ended September 29, 2023 which consists of the operations assumed in the AJRD acquisition. As such, there is no comparable prior year information.

(1) Includes revenue derived from time-and-materials contracts.

(In millions)	Fiscal Year Ended			
	December 31, 2021			
	SAS	IMS	CS	AR
Revenue By Customer Relationship				
Prime contractor	\$ 3,942	\$ 4,474	\$ 2,886	**
Subcontractor	2,331	2,187	1,347	**
Intersegment	42	72	54	**
Total segment	<u>\$ 6,315</u>	<u>\$ 6,733</u>	<u>\$ 4,287</u>	<u>\$ —</u>
Revenue By Contract Type				
Fixed-price ⁽¹⁾	\$ 3,781	\$ 5,231	\$ 3,631	**
Cost-reimbursable	2,492	1,430	602	**
Intersegment	42	72	54	**
Total segment	<u>\$ 6,315</u>	<u>\$ 6,733</u>	<u>\$ 4,287</u>	<u>\$ —</u>
Revenue By Geographical Region				
United States	\$ 5,569	\$ 4,782	\$ 3,001	**
International	704	1,879	1,232	**
Intersegment	42	72	54	**
Total segment	<u>\$ 6,315</u>	<u>\$ 6,733</u>	<u>\$ 4,287</u>	<u>\$ —</u>

** AR is a new reportable segment established in the quarter ended September 29, 2023 which consists of the operations assumed in the AJRD acquisition. As such, there is no comparable prior year information.

(1) Includes revenue derived from time-and-materials contracts.

(In millions)	Fiscal Year Ended		
	December 29, 2023	December 30, 2022	December 31, 2021
Geographical Information for Operations			
Revenue from U.S. operations	\$ 17,537	\$ 15,373	\$ 16,234
Revenue from international operations	1,882	1,689	1,580

Our products are produced principally in the U.S. with international revenue derived primarily from exports. No revenue earned from any individual foreign country exceeded 5% of our total revenue in fiscal 2023, 2022 and 2021.

Revenue from U.S. Government customers, including foreign military sales funded through the U.S. Government, whether directly or through prime contractors, by all segments as a percentage of total revenue were 76%, 74% and 75% in fiscal 2023, 2022 and 2021, respectively. Revenue from services in fiscal 2023 was 28%, 38%, 19% and 29% of total revenue in our SAS, IMS, CS and AR segments, respectively.

Revenue from products and services where the end consumer is located outside the U.S., including foreign military sales funded through the U.S. Government, whether directly or through prime contractors, was \$4.2 billion (21% of our revenue), \$3.9 billion (23% of our revenue) and \$3.9 billion (22% of our revenue) in fiscal 2023, 2022 and 2021, respectively. Export revenue and revenue from international operations in fiscal 2023 was principally from the EMEA and APAC regions and Canada.

Assets by Business Segment

Total assets by business segment are as follows:

(In millions)	December 29, 2023	December 30, 2022
Total Assets		
SAS	\$ 9,085	\$ 8,838
IMS	10,631	10,925
CS	7,084	5,800
AR	4,208	**
Corporate ⁽¹⁾	10,679	7,961
Total Assets	\$ 41,687	\$ 33,524

** AR is a new reportable segment established in the quarter ended September 29, 2023 which consists of assets, liabilities and operations assumed in the AJRD acquisition. As such, there is no comparable prior year information.

(1) Identifiable intangible assets acquired in connection with business combinations were recorded as corporate assets because they benefited the entire Company. Identifiable intangible asset balances recorded as corporate assets were \$8.5 billion and \$6.0 billion at December 29, 2023 and December 30, 2022, respectively. Corporate assets also consisted of cash, income taxes receivable, deferred income taxes, deferred compensation plan investments, buildings and equipment, real estate held for development and leasing that we acquired with AJRD, as well as any assets of businesses held for sale.

Other selected financial information by business segment and geographical area is summarized below:

(In millions)	Fiscal Year Ended		
	December 29, 2023	December 30, 2022	December 31, 2021
Capital Expenditures			
SAS	\$ 151	\$ 133	\$ 155
IMS	149	45	69
CS	39	36	56
AR	31	**	**
Other non-reportable businesses	—	—	4
Corporate	79	38	58
Total Capital Expenditures	\$ 449	\$ 252	\$ 342
Depreciation and Amortization			
SAS	\$ 115	\$ 112	\$ 109
IMS	73	76	92
CS	54	47	49
AR	29	**	**
Other non-reportable businesses	—	—	8
Corporate	895	703	709
Total Depreciation and Amortization	\$ 1,166	\$ 938	\$ 967
Geographical Information for Operations			
Long-lived assets of U.S. operations	\$ 2,678	\$ 1,896	\$ 1,870
Long-lived assets of international operations	184	208	231

** AR is a new reportable segment established in the quarter ended September 29, 2023 which consists of the operations assumed in the AJRD acquisition. As such, there is no comparable prior year information.

In addition to depreciation and amortization expense related to property, plant and equipment, "Depreciation and Amortization" in the table above also includes \$777 million, \$596 million and \$624 million of amortization related to identifiable intangible assets, debt premium, debt discount, debt issuance costs and other items in fiscal 2023, 2022 and 2021, respectively.

NOTE 15: LEGAL PROCEEDINGS, COMMITMENTS AND CONTINGENCIES

From time to time, as a normal incident of the nature and kind of businesses in which we are or were engaged, various claims or charges are asserted and litigation or arbitration is commenced by or against us arising from or related to matters, including but not limited to: product liability; personal injury; patents, trademarks, trade secrets or other intellectual property; labor and employee disputes; commercial or contractual disputes; strategic acquisitions or divestitures; the prior sale or use of former products allegedly containing asbestos or other restricted materials; breach of warranty; or environmental matters. Claimed amounts against us may be substantial, but may not bear any reasonable relationship to the merits of the claim or the extent of any real risk of court or arbitral awards. We record accruals for losses related to those matters against us that we consider to be probable and that can be reasonably estimated (for example, we recorded an additional \$31 million charge related to a pre-merger legal contingency during the quarter ended September 30, 2022). Gain contingencies, if any, are recognized when they are realized and legal costs generally are expensed when incurred. At December 29, 2023, our accrual for the potential resolution of lawsuits, claims or proceedings that we consider probable of being decided unfavorably to us was not material. We cannot at this time estimate the reasonably possible loss or range of loss in excess of our accrual due to the inherent uncertainties and speculative nature of contested proceedings. Although it is not feasible to predict the outcome of these matters with certainty, based on available information, in the opinion of management, settlements, arbitration awards and final judgments, if any, that are considered probable of being rendered against us in litigation or arbitration in existence at December 29, 2023 are reserved against or would not have a material adverse effect on our financial condition, results of operations, cash flows or equity.

Tax Audits

Our tax filings are subject to audit by taxing authorities in jurisdictions where we conduct or conducted business. These audits may result in assessments of additional taxes that are subsequently resolved with the authorities or ultimately through legal proceedings. We believe we have adequately accrued for any ultimate amounts that are likely to result from these audits; however, final assessments, if any, could be different from the amounts recorded in our Consolidated Financial Statements. Additional information regarding audits and examinations by taxing authorities of our tax filings is set forth in *Note 7: Income Taxes* in these Notes.

U.S. Government Business

We are engaged in supplying products and services to various departments and agencies of the U.S. Government. We are therefore dependent on Congressional appropriations and administrative allotment of funds and may be affected by changes in U.S. Government policies. U.S. Government development and production contracts typically involve long lead times for design and development, are subject to significant changes in contract scheduling and may be unilaterally modified or canceled by the U.S. Government. Often these contracts call for successful design and production of complex and technologically advanced products or systems. We may participate in supplying products and services to the U.S. Government as either a prime contractor or as a subcontractor to a prime contractor. Disputes may arise between the prime contractor and the U.S. Government or between the prime contractor and its subcontractors and may result in litigation or arbitration between the contracting parties.

Generally, U.S. Government contracts are subject to procurement laws and regulations, including the FAR, which outline uniform policies and procedures for acquiring products and services by the U.S. Government, and specific agency acquisition regulations that implement or supplement the FAR, such as the Defense Federal Acquisition Regulation Supplement. As a U.S. Government contractor, our contract costs are audited and reviewed on a continuing basis by the Defense Contract Audit Agency ("DCAA"). The DCAA also reviews the adequacy of, and a U.S. Government contractor's compliance with, the contractor's business systems and policies, including the contractor's property, estimating, compensation and management information systems. In addition to these routine audits, from time to time, we may, either individually or in conjunction with other U.S. Government contractors, be the subject of audits and investigations by other agencies of the U.S. Government. These audits and investigations are conducted to determine if our performance and administration of our U.S. Government contracts are compliant with applicable contractual requirements and procurement and other applicable federal laws and regulations, including ITAR and FCPA. These investigations may be conducted with or without our knowledge or cooperation. We are unable to predict the outcome of such investigations or to estimate the amounts of resulting claims or other actions that could be instituted against us or our officers or employees. Under present U.S. Government procurement laws and regulations, if indicted or adjudged in violation of procurement or other federal laws, a contractor, such as us, or one or more of our operating divisions or subdivisions, could be subject to fines, penalties, repayments, or compensatory or treble damages. U.S. Government regulations also provide that certain findings against a contractor may lead to suspension or debarment from eligibility for awards of new U.S. Government contracts for a period of time to be determined by the U.S. Government. Suspension or debarment would have a material adverse effect on us because of our reliance on U.S. Government contracts. In addition, our export privileges could be suspended or revoked, which also would have a material adverse effect on us. For further discussion of risks relating to U.S. Government contracts, see "Item 1A. Risk Factors" of this Report.

International

As an international company, we are, from time to time, the subject of investigations relating to our international operations, including under U.S. export control laws (such as ITAR), the FCPA and other similar U.S. and international laws.

Commercial Commitments

We have entered into commercial commitments in the normal course of business including surety bonds, standby letter of credit agreements and other arrangements with financial institutions and customers primarily relating to the guarantee of future performance on certain contracts to provide products and services to customers or to obtain insurance policies with our insurance carriers. At December 29, 2023, we had commercial commitments on outstanding surety bonds, standby letters of credit and other arrangements, as follows:

(In millions)	Commercial Commitment Total	Commitments expiring within 1 Year
Surety bonds used for:		
Performance	\$ 536	\$ 396
Total surety bonds	536	396
Standby letters of credit used for:		
Advance payments	304	120
Performance	347	137
Financial	72	68
Total standby letters of credit	723	325
Total commitments	\$ 1,259	\$ 721

The surety bonds and standby letters of credit used for performance are primarily related to our Public Safety business sector. As is customary in bidding for and completing network infrastructure projects for public safety systems, contractors are required to procure surety bonds and/or standby letters of credit for bids, performance, warranty and other purposes (collectively, "Performance Bonds"). Such Performance Bonds normally have maturities of up to three years and are standard in the industry as a way to provide customers a mechanism to seek redress if a contractor does not satisfy performance requirements under a contract.

Typically, a customer is permitted to draw on a Performance Bond if we do not fulfill all terms of a project contract. In such an event, we would be obligated to reimburse the financial institution that issued the Performance Bond for the amounts paid. It has been rare for our Public Safety business sector to have a Performance Bond drawn upon. In addition, pursuant to the terms under which we procure Performance Bonds, if our credit ratings are lowered to below "investment grade," we may be required to provide collateral to support a portion of the outstanding amount of Performance Bonds. Such a downgrade could increase the cost of the issuance of Performance Bonds and could make it more difficult to procure Performance Bonds, which would adversely impact our ability to compete for contract awards. Such collateral requirements could also result in less liquidity for other operational needs or corporate purposes. In addition, any future disruptions, uncertainty or volatility in financial and insurance markets could also adversely affect our ability to obtain Performance Bonds and may result in higher funding costs.

Environmental Matters

We are subject to numerous U.S. federal, state, local and international environmental laws and regulatory requirements and are involved from time to time in investigations or litigation of various potential environmental issues. We or companies we have acquired, including AJRD, are responsible, or alleged to be responsible, for environmental investigation and/or remediation of multiple sites, including sites owned by us and third party sites. These sites are in various stages of investigation and/or remediation, and in some cases our liability is considered de minimis. Notices from the U.S. Environmental Protection Agency or equivalent state or international environmental agencies allege that several sites formerly or currently owned and/or operated by us or companies we have acquired, and other properties or water supplies that may be or have been impacted from those operations, contain disposed or recycled materials or wastes and require environmental investigation and/or remediation. These sites include instances of being identified as a potentially responsible party ("PRP") under the Comprehensive Environmental Response, Compensation and Liability Act (commonly known as the "Superfund Act"), the Resource Conservation Recovery Act and/or equivalent state and international laws, and in some instances, our liability and proportionate share of costs that may be shared among other PRPs have not been determined largely due to uncertainties as to the nature and extent of site conditions and our involvement.

As of December 29, 2023, we were named, and continue to be named, as a potentially responsible party at 113 sites where future liabilities could exist. These sites included 14 sites owned by us, 72 sites associated with our former and current locations or operations and 27 hazardous waste treatment, storage or disposal facility sites not owned by us that contain hazardous substances allegedly attributable to us from past operations.

Based on an assessment of relevant factors, we estimated that our liability under applicable environmental statutes and regulations for identified sites was \$613 million. The current portion of our estimated environmental liability is included in the "Other accrued items" line item and the non-current portion is included in the "Other long-term liabilities" line item in our Consolidated Balance Sheet. Some of these environmental costs are eligible for future recovery in the pricing of our products and services to the U.S. government and under existing third party agreements. We consider the recovery probable based on U.S. government contracting regulations and existing third party agreements. As of December 29, 2023 we had an asset for the recoverable portion of these reserves of \$432 million. The current and non-current portion of the recoverable costs are included as a component of the "Other current assets" and "Other non-current assets" line items, respectively, in our Consolidated Balance Sheet.

The largest environmental matter is the Sacramento, California site. In addition to issued federal and state orders to clean up groundwater, soil and soil vapor, we are subject to a Partial Consent Decree ("PCD") related to this site which requires us, among other things, to conduct a Remedial Investigation and Feasibility Studies to determine the nature and extent of impacts due to the release of chemicals from the Sacramento, California site, monitor the American River and offsite public water supply wells, operate groundwater extraction and treatment facilities that collect groundwater at the site perimeter, and pay certain government oversight costs. The PCD required a guarantee up to \$75 million (in addition to a prior \$20 million guarantee) to assure that the Sacramento remediation activities are fully funded. Obligations under the \$75 million aggregate guarantee are limited to \$10 million in any year. Both the \$75 million aggregate guarantee and the \$10 million annual limitation are subject to adjustment annually for inflation. As of December 29, 2023, the estimated range of anticipated costs for the Sacramento, California site related to the PCD and other federal and state orders was \$266 million to \$399 million and the accrued amount was \$266 million included as a component of the "Other accrued items" and "Other long-term liabilities" line item in our Consolidated Balance Sheet.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

Not applicable.

ITEM 9A. CONTROLS AND PROCEDURES.

(a) *Evaluation of Disclosure Controls and Procedures:* We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms. Our disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is accumulated and communicated to management, including our CEO and CFO as appropriate to allow timely decisions regarding required disclosures. There are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures. Accordingly, even effective disclosure controls and procedures can provide only reasonable assurance of achieving their control objectives, and management necessarily is required to use its judgment in evaluating the cost-benefit relationship of possible controls and procedures. As required by Rule 13a-15 under the Exchange Act, as of December 29, 2023, we carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures. This evaluation was carried out under the supervision and with the participation of our management, including our CEO and our CFO. Based on this work and other evaluation procedures, our management, including our CEO and our CFO, has concluded that as of December 29, 2023, our disclosure controls and procedures were effective.

(b) *Changes in Internal Control:* We periodically review our internal control over financial reporting ("ICFR") as part of our efforts to ensure compliance with the requirements of Section 404 of the Sarbanes-Oxley Act of 2002. In addition, we routinely review our system of ICFR to identify potential changes to our processes and systems that may improve controls and increase efficiency, while ensuring that we maintain an effective internal control environment. Changes may include such activities as implementing new, more efficient systems, consolidating the activities of business units, migrating certain processes to our shared services organizations, formalizing policies and procedures, improving segregation of duties and increasing monitoring controls. In addition, when we acquire new businesses, we incorporate our controls and procedures into the acquired business as part of our integration

activities. As part of our acquisition of AJRD, we are in the process of incorporating our controls and procedures with respect to AJRD’s operations, and we will include internal controls with respect to AJRD’s operations in our assessment of the effectiveness of our ICFR as of the end of fiscal 2024. Other than changes related to incorporating our controls and procedures with respect to AJRD operations, there have been no changes in our ICFR that occurred during the quarter ended December 29, 2023 that have materially affected, or are reasonably likely to materially affect, our ICFR.

(c) *Evaluation of ICFR:* Our management is responsible for establishing and maintaining adequate ICFR. Our management, with the participation of our CEO and our CFO, assessed the effectiveness of our ICFR as of December 29, 2023. In making this assessment, our management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control-Integrated Framework* (2013 framework). Our management excluded from its assessment of effectiveness of ICFR the internal controls of AJRD, which we acquired on July 28, 2023, and whose financial statements represent 5% of our total assets, excluding the preliminary value of goodwill and other intangible assets, as of December 29, 2023, and 5% of our total revenue for our fiscal year then ended. Our management will include the internal controls of AJRD in its assessment of the effectiveness of our ICFR as of the end of fiscal 2024. Based on our management’s assessment and those criteria, our management concluded that our ICFR was effective as of December 29, 2023. “Management’s Report on Internal Control Over Financial Reporting” is included within “Item 8. Financial Statements and Supplementary Data” of this Report. The effectiveness of our ICFR was audited by Ernst & Young LLP, our independent registered public accounting firm, whose unqualified report is included within “Item 8. Financial Statements and Supplementary Data” of this Report.

ITEM 9B. OTHER INFORMATION.

Securities Trading Plans of Directors and Executive Officers

We require all executive officers and directors to effect purchase and sale transactions in L3Harris securities pursuant to a trading plan (each, a “10b5-1 Plan”) intended to satisfy the requirements of Rule 10b5-1 under the Exchange Act (“Rule 10b5-1”). We limit executive officers to a single 10b5-1 Plan in effect at any time, subject to limited exceptions in accordance with Rule 10b5-1. In addition, our stock ownership guidelines require executive officers to maintain ownership of L3Harris securities (excluding stock options and unearned performance share units) with a value equal to a multiple of their annual salary. Each executive officer identified in the table below is expected to hold securities considerably in excess of L3Harris’ stock ownership guidelines following the sale of the maximum number of shares contemplated.

The following table includes the material terms (other than with respect to the price) of each 10b5-1 Plan adopted or terminated by our executive officers and directors during the quarter ended December 29, 2023:

Name and title	Date of adoption of 10b5-1 Plan ⁽¹⁾	Scheduled expiration date of 10b5-1 Plan ⁽²⁾	Aggregate number of shares of common stock to be purchased or sold ⁽³⁾
Christopher E. Kubasik Chair and CEO	December 14, 2023	April 8, 2024	Up to 46,528 shares underlying options expiring in 2025
Scott T. Mikuen Senior Vice President, General Counsel and Secretary	December 14, 2023	March 18, 2024	Up to 6,392 shares
William H. Swanson Director	December 13, 2023	May 1, 2024	2,500 shares
Edward J. Zoiss President, SAS	November 8, 2023	July 26, 2024	Up to 7,217 shares

(1) Transactions under each Rule 10b5-1 Plan commence no earlier than 90 days after adoption, or such later date as required by Rule 10b5-1.
(2) Each Rule 10b5-1 Plan may expire on such earlier date as all transactions are completed.
(3) Each Rule 10b5-1 Plan provides for shares to be sold on multiple predetermined dates.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS.

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE.

Information regarding our directors, executive officers and corporate governance is included in our Proxy Statement for our 2024 Annual Meeting of Shareholders scheduled to be held on April 19, 2024 (our "2024 Proxy Statement"), which is expected to be filed within 120 days after the end of our fiscal 2023.

(a) *Identification of Directors:* The information required by this Item with respect to our directors is incorporated herein by reference to the discussion under the headings *Proposal 1: Election of Directors and Nominee Biographies* in our 2024 Proxy Statement.

(b) *Identification of Executive Officers:* Certain information regarding our executive officers is included in Part I of this Report under the heading "Information about our Executive Officers" in accordance with General Instruction G(3) of Form 10-K.

(c) *Audit Committee Information; Financial Expert:* The information required by this Item with respect to the Audit Committee of our Board and "audit committee financial experts" is incorporated herein by reference to the discussions under the headings *Corporate Governance* and *Board Committees— Audit Committee* in our 2024 Proxy Statement.

(d) *Delinquent Section 16(a) Reports:* Information related to compliance with Section 16(a) of the Exchange Act is incorporated herein by reference to the discussion under the heading *Delinquent Section 16(a) Reports* in our 2024 Proxy Statement.

(e) *Code of Ethics:* All of our directors and employees, including our Chief Executive Officer, Chief Financial Officer, Principal Accounting Officer and other senior accounting and financial officers, are required to abide by our Code of Conduct. Our Code of Conduct is posted on our website at <https://www.l3harris.com/resources/other/l3harris-code-conduct> and is also available free of charge by written request to our Director of Ethics and Compliance, L3Harris Technologies, Inc., 1025 West NASA Boulevard, Melbourne, Florida 32919. We intend to disclose on the Code of Conduct section of our website at <https://www.l3harris.com/resources/other/l3harris-code-conduct> any amendment to, or waiver from, our Code of Conduct that is required to be disclosed to shareholders, within four business days following such amendment or waiver. The information required by this Item with respect to codes of ethics is incorporated herein by reference to the discussion under the heading *Code of Conduct* in our 2024 Proxy Statement.

(f) *Policy for Nominees:* The information required under Item 407(c)(3) of Regulation S-K is incorporated herein by reference to the discussion under the headings *Director Nomination Process* and *Shareholder Nominations and Proposals* in our 2024 Proxy Statement concerning procedures by which shareholders may recommend nominees to our Board, submit nominees for inclusion in our proxy materials pursuant to our "proxy access" provision of our By-Laws or directly propose nominees for consideration pursuant to our By-Laws but not pursuant to the proxy access provision. No material changes to those procedures have occurred since the disclosure regarding those procedures in our Proxy Statement for our 2023 Annual Meeting of Shareholders.

(g) *Insider Trading Policies:* We have adopted an Insider Trading Policy, which governs the purchase, sale, and/or other dispositions of our securities by directors, officers and employees and other covered persons and is designed to promote compliance with insider trading laws, rules and regulations, and listing standards applicable to us. A copy of our Insider Trading Policy is filed as Exhibit 19 to this Report.

Additional information concerning requirements and procedures for shareholders directly nominating directors is contained under the heading *Shareholder Nominations and Proposals* in our 2024 Proxy Statement.

ITEM 11. EXECUTIVE COMPENSATION.

The information required by this Item with respect to compensation of our directors and executive officers is incorporated herein by reference to the discussions under the headings *Director Compensation and Benefits*, *Compensation Discussion and Analysis*, *Compensation Committee Report*, *Compensation Tables*, *CEO Pay Ratio* and *Pay Versus Performance* in our 2024 Proxy Statement.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.

The following table provides information as of December 29, 2023 about our common stock that may be issued, whether upon the exercise of options, warrants and rights or otherwise, under our existing equity compensation plans.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a) ⁽²⁾	Weighted-average exercise price of outstanding options, warrants and rights (b) ⁽²⁾	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by shareholders ⁽¹⁾	4,459,103	\$169.53	12,244,466
Equity compensation plans not approved by shareholders	—	—	—
Total	4,459,103	169.53	12,244,466

(1) Consists of awards under the L3Harris SIPs.

(2) Under the L3Harris SIPs, in addition to options, we have granted share-based compensation awards in the form of performance share units, restricted stock units and other similar types of share-based awards. As of December 29, 2023, there were awards outstanding under those plans with respect to 1,208,393 shares, consisting of awards of (i) 728,052 restricted stock units and (ii) 480,341 performance share units, for which all 1,208,393 were payable in shares but for which no shares were yet issued and outstanding. The 4,459,103 shares to be issued upon exercise of outstanding options, warrants and rights as listed in column (a) consisted of shares to be issued in respect of the exercise of 3,250,710 outstanding options and in respect of awards of 1,208,393 performance share units and restricted stock units payable in shares. Because there is no exercise price associated with awards of performance share units or restricted stock units, all of which are granted to employees at no cost, such awards are not included in the weighted-average exercise price calculation in column (b).

See *Note 10: Stock Options and Other Share-Based Compensation* in the Notes for a general description of our share-based incentive plans.

The other information required by this Item with respect to security ownership of certain of our beneficial owners and management is incorporated herein by reference to the discussions under the headings *Principal Shareholders* and *Shares Owned By Directors, Nominees and Executive Officers* in our 2024 Proxy Statement.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE.

The information required by this Item is incorporated herein by reference to the discussions under the headings *Director Independence Standards and Related Person Transactions* in our 2024 Proxy Statement.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES.

The information required by this Item is incorporated herein by reference to the discussion under the heading *Proposal 4: Ratification of Appointment of Independent Registered Public Accounting Firm* in our 2024 Proxy Statement.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES.

The following documents are filed as a part of this Report:

	Page
(1) List of Financial Statements Filed as Part of this Report:	
The following financial statements and reports of L3Harris Technologies, Inc. and its consolidated subsidiaries are included in Item 8 of this Report at the page numbers referenced below:	
Management's Report on Internal Control Over Financial Reporting	45
Report of Independent Registered Public Accounting Firm (PCAOB ID: 42) on the Consolidated Financial Statements	46
Report of Independent Registered Public Accounting Firm on the Effectiveness of Internal Control Over Financial Reporting	50
Consolidated Statement of Operations — Fiscal Years Ended December 29, 2023, December 30, 2022 and December 31, 2021	52
Consolidated Statement of Comprehensive Income — Fiscal Years Ended December 29, 2023, December 30, 2022 and December 31, 2021	53
Consolidated Balance Sheet — December 29, 2023 and December 30, 2022	54
Consolidated Statement of Cash Flows — Fiscal Years Ended December 29, 2023, December 30, 2022 and December 31, 2021	55
Consolidated Statement of Equity — Fiscal Years Ended December 29, 2023, December 30, 2022 and December 31, 2021	56
Notes to Consolidated Financial Statements	57
(2) Financial Statement Schedules:	
All schedules are omitted because they are not applicable, the amounts are not significant or the required information is shown in the Consolidated Financial Statements or the Notes thereto.	
(3) Exhibits:	
The following exhibits are filed herewith or are incorporated herein by reference to exhibits previously filed with the SEC:	
<u>***</u> (2) <u>Agreement and Plan of Merger, dated as of December 17, 2022, by and among L3Harris Technologies, Inc., Aquila Merger Sub Inc. and Aerojet Rocketdyne Holdings, Inc., incorporated herein by reference to exhibit 2.1 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on December 19, 2022 (Commission File Number 1-3863)</u>	
<u>(3)(a) Restated Certificate of Incorporation of L3Harris Technologies, Inc. (1995), as amended, incorporated herein by reference to Exhibit 3(a) to the L3Harris Technologies, Inc.'s Quarterly Report on Form 10-Q filed with the SEC on July 29, 2022. (Commission File Number 1-3863)</u>	
<u>(3)(b) By-Laws of L3Harris Technologies, Inc., as amended and restated effective December 8, 2022, incorporated herein by reference to Exhibit 3(b) to the L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on December 13, 2022. (Commission File Number 1-3863)</u>	
<u>(4)(a) Specimen Stock Certificate for L3Harris Technologies, Inc.'s common stock, incorporated herein by reference to Exhibit 4 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on July 1, 2019. (Commission File Number 1-3863)</u>	
<u>(4)(b)(i) Indenture, dated as of May 1, 1996, between L3Harris Technologies, Inc. (formerly known as Harris Corporation) and The Bank of New York, as Trustee, relating to unlimited amounts of debt securities which may be issued from time to time by L3Harris Technologies, Inc. (formerly known as Harris Corporation) when and as authorized by L3Harris Technologies, Inc.'s (formerly known as Harris Corporation) Board of Directors or a Committee of the Board, incorporated herein by reference to Exhibit 4 to L3Harris Technologies, Inc.'s (formerly known as Harris Corporation) Registration Statement on Form S-3, Registration Statement No. 333-03111, filed with the SEC on May 3, 1996.</u>	
<u>(ii) Instrument of Resignation from Trustee and Appointment and Acceptance of Successor Trustee, dated as of November 1, 2002 (effective November 15, 2002), among L3Harris Technologies, Inc.</u>	

(formerly known as Harris Corporation), JP Morgan Chase Bank, as Resigning Trustee, and The Bank of New York, as Successor Trustee, incorporated herein by reference to Exhibit 99.4 to L3Harris Technologies, Inc.'s (formerly known as Harris Corporation) Quarterly Report on Form 10-Q for the fiscal quarter ended September 27, 2002. (Commission File Number 1-3863)

(iii) Supplemental Indenture, dated June 2, 2015, among L3Harris Technologies, Inc. (formerly known as Harris Corporation), Exelis Inc. and The Bank of New York Mellon (as successor to Chemical Bank), to the Indenture dated as of May 1, 1996 between L3Harris Technologies, Inc. (formerly known as Harris Corporation) and The Bank of New York (as successor to Chemical Bank), incorporated herein by reference to Exhibit 4.2 to L3Harris Technologies, Inc.'s (formerly known as Harris Corporation) Current Report on Form 8-K filed with the SEC on June 2, 2015. (Commission File Number 1-3863)

******(4)(c) (i) Indenture, dated as of October 1, 1990, between L3Harris Technologies, Inc. (formerly known as Harris Corporation) and U.S. Bank National Association (as successor to National City Bank), as Trustee, relating to unlimited amounts of debt securities which may be issued from time to time by L3Harris Technologies, Inc. (formerly known as Harris Corporation) when and as authorized by L3Harris Technologies, Inc.'s (formerly known as Harris Corporation) Board of Directors or a Committee of the Board, incorporated herein by reference to Exhibit 4 to L3Harris Technologies, Inc. (formerly known as Harris Corporation) Registration Statement on Form S-3, Registration Statement No. 33-35315, filed with the SEC on June 8, 1990.

(ii) Supplemental Indenture, dated June 2, 2015, among L3Harris Technologies, Inc. (formerly known as Harris Corporation), Exelis Inc. and U.S. Bank National Association (as successor to National City Bank), to the Indenture dated as of October 1, 1990 between L3Harris Technologies, Inc. (formerly known as Harris Corporation) and U.S. National Association (as successor to National City Bank), incorporated herein by reference to Exhibit 4.1 to L3Harris Technologies, Inc.'s (formerly known as Harris Corporation) Current Report on Form 8-K filed with the SEC on June 2, 2015. (Commission File Number 1-3863)

(4)(d)(i) Indenture, dated as of September 3, 2003, between L3Harris Technologies, Inc. (formerly known as Harris Corporation) and The Bank of New York Mellon Trust Company, N.A., as successor to The Bank of New York, as Trustee, relating to unlimited amounts of debt securities which may be issued from time to time by L3Harris Technologies, Inc. (formerly known as Harris Corporation) when and as authorized by L3Harris Technologies, Inc.'s (formerly known as Harris Corporation) Board of Directors or a Committee of the Board, incorporated herein by reference to Exhibit 4(b) to L3Harris Technologies, Inc.'s (formerly known as Harris Corporation) Registration Statement on Form S-3, Registration Statement No. 333-108486, filed with the SEC on September 3, 2003

(ii) Instrument of Resignation of Trustee, Appointment and Acceptance of Successor Trustee, dated as of June 2, 2009, among L3Harris Technologies, Inc. (formerly known as Harris Corporation), The Bank of New York Mellon (formerly known as The Bank of New York) and The Bank of New York Mellon Trust Company, N.A., as to Indenture dated as of September 3, 2003, incorporated herein by reference to Exhibit 4(m) to L3Harris Technologies, Inc.'s (formerly known as Harris Corporation) Registration Statement on Form S-3, Registration Statement No. 333-159688, filed with the SEC on June 3, 2009

(iii) Supplemental Indenture, dated June 2, 2015, among L3Harris Technologies, Inc. (formerly known as Harris Corporation), Exelis Inc. and The Bank of New York Mellon Trust Company, N.A. (as successor to The Bank of New York), to the Indenture dated as of September 3, 2003 between L3Harris Technologies, Inc. (formerly known as Harris Corporation) and The Bank of New York Mellon Trust Company, N.A. (as successor to The Bank of New York), incorporated herein by reference to Exhibit 4.3 to L3Harris Technologies, Inc.'s (formerly known as Harris Corporation) Current Report on Form 8-K filed with the SEC on June 2, 2015. (Commission File Number 1-3863)

(4)(e)(i) Subordinated Indenture, dated as of September 3, 2003, between L3Harris Technologies, Inc. (formerly known as Harris Corporation) and The Bank of New York Mellon Trust Company, N.A., as successor to The Bank of New York, as Trustee, relating to unlimited amounts of debt securities which may be issued from time to time by L3Harris Technologies, Inc. (formerly known as Harris Corporation) when and as authorized by the L3Harris Technologies, Inc.'s (formerly known as Harris Corporation) Board of Directors or a Committee of the Board, incorporated herein by reference to Exhibit 4(c) to the L3Harris Technologies, Inc.'s (formerly known as Harris Corporation) Registration Statement on Form S-3, Registration Statement No. 333-108486, filed with the SEC on September 3, 2003

- (ii) Instrument of Resignation of Trustee, Appointment and Acceptance of Successor Trustee, dated as of June 2, 2009, among L3Harris Technologies, Inc. (formerly known as Harris Corporation), The Bank of New York Mellon (formerly known as The Bank of New York) and The Bank of New York Mellon Trust Company, N.A., as to Subordinated Indenture dated as of September 3, 2003, incorporated herein by reference to Exhibit 4(n) to L3Harris Technologies, Inc.'s (formerly known as Harris Corporation) Registration Statement on Form S-3, Registration Statement No. 333-159688, filed with the SEC on June 3, 2009
- (4)(f) Form of Floating Rate Global Note due March 2023, incorporated herein by reference to Exhibit 4.1 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on March 13, 2020. (Commission File Number 1-3863)
- (4)(g) Form of 3.832% Global Note due 2025, incorporated herein by reference to Exhibit 4.3 to L3Harris Technologies, Inc.'s (formerly known as Harris Corporation) Current Report on Form 8-K filed with the SEC on April 27, 2015. (Commission File Number 1-3863)
- (4)(h) Form of 4.400% Global Note due 2028, incorporated herein by reference to Exhibit 4.1 to L3Harris Technologies, Inc.'s (formerly known as Harris Corporation) Current Report on Form 8-K filed with the SEC on June 4, 2018. (Commission File Number 1-3863)
- (4)(i) Form of 2.90% Global Note due 2029, incorporated herein by reference to Exhibit 1.1 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on November 27, 2019. (Commission File Number 1-3863)
- (4)(j) Form of 1.80% Global Note due 2031, incorporated herein by reference to Exhibit 4.1 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on November 25, 2020. (Commission File Number 1-3863)
- (4)(k) Form of 4.854% Global Note due 2035, incorporated herein by reference to Exhibit 4.4 to L3Harris Technologies, Inc.'s (formerly known as Harris Corporation) Current Report on Form 8-K filed with the SEC on April 27, 2015. (Commission File Number 1-3863)
- (4)(l) Form of 6.15% Global Note due 2040, incorporated herein by reference to Exhibit 4.2 to L3Harris Technologies, Inc.'s (formerly known as Harris Corporation) Current Report on Form 8-K filed with the SEC on December 3, 2010. (Commission File Number 1-3863)
- (4)(m) Form of 5.054% Global Note due 2045, incorporated herein by reference to Exhibit 4.5 to L3Harris Technologies, Inc.'s (formerly known as Harris Corporation) Current Report on Form 8-K filed with the SEC on April 27, 2015. (Commission File Number 1-3863)
- (4)(n) Registration Rights Agreement, dated as of July 2, 2019, by and among L3Harris Technologies, Inc. (f/k/a L3Harris Technologies, Inc. (formerly known as Harris Corporation)), BofA Securities, Inc. and Morgan Stanley & Co. LLC, incorporated herein by reference to Exhibit 4.1 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on July 3, 2019. (Commission File Number 1-3863)
- (4)(o) Form of New L3Harris 3.850% 2023 Rule 144A Note, incorporated herein by reference to Exhibit 4.4 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on July 3, 2019. (Commission File Number 1-3863)
- (4)(p) Form of New L3Harris 3.850% 2023 Regulation S Note, incorporated herein by reference to Exhibit 4.5 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on July 3, 2019. (Commission File Number 1-3863)
- (4)(q) Form of New L3Harris 3.950% 2024 Rule 144A Note, incorporated herein by reference to Exhibit 4.6 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on July 3, 2019. (Commission File Number 1-3863)
- (4)(r) Form of New L3Harris 3.950% 2024 Regulation S Note, incorporated herein by reference to Exhibit 4.7 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on July 3, 2019. (Commission File Number 1-3863)
- (4)(s) Form of New L3Harris 3.850% 2026 Rule 144A Note, incorporated herein by reference to Exhibit 4.8 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on July 3, 2019. (Commission File Number 1-3863)

- (4)(t) Form of New L3Harris 3.850% 2026 Regulation S Note, incorporated herein by reference to Exhibit 4.9 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on July 3, 2019. (Commission File Number 1-3863)
- (4)(u) Form of New L3Harris 4.400% 2028 Rule 144A Note, incorporated herein by reference to Exhibit 4.10 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on July 3, 2019. (Commission File Number 1-3863)
- (4)(v) Form of New L3Harris 4.400% 2028 Regulation S Note, incorporated herein by reference to Exhibit 4.11 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on July 3, 2019. (Commission File Number 1-3863)
- (4)(w) Form of 5.400% Global Note due 2027, incorporated herein by reference to Exhibit 4.1 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on July 31, 2023. (Commission File Number 1-3863)
- (4)(x) Form of 5.400% Global Note due 2033, incorporated herein by reference to Exhibit 4.2 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on July 31, 2023. (Commission File Number 1-3863)
- (4)(y) Form of 5.600% Global Note due 2053, incorporated herein by reference to Exhibit 4.3 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on July 31, 2023. (Commission File Number 1-3863)
- (4)(z) Pursuant to Regulation S-K, Item 601(b)(4)(iii)(A), L3Harris Technologies, Inc. by this filing agrees, upon request, to furnish to the SEC a copy of other instruments defining the rights of holders of long-term debt of L3Harris Technologies, Inc. or L3 Technologies, Inc.
- (4)(aa) Description of L3Harris Technologies, Inc.'s Securities, incorporated herein by reference to Exhibit 4(x) to the L3Harris Technologies, Inc.'s Annual Report on Form 10-K filed for the fiscal year ended December 30, 2022. (Commission File Number 1-3863)
- *(10)(a) Form of Director and Officer Indemnification Agreement, for use on or after June 29, 2019, incorporated herein by reference to Exhibit 10.5 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on July 1, 2019. (Commission File Number 1-3863)
- *(10)(b) (i) L3Harris Technologies, Inc. Executive Change in Control Severance Plan, effective as of March 1, 2020, incorporated herein by reference to Exhibit 10.1 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on March 4, 2020. (Commission File Number 1-3863)
(ii) L3Harris Technologies, Inc. Executive Change in Control Severance Plan, effective as of July 21, 2023, incorporated herein by reference to Exhibit 10.1 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on July 24, 2023. (Commission File Number 1-3863)
- *(10)(c) L3Harris Technologies, Inc. Severance Pay Plan, effective as of March 1, 2020, incorporated herein by reference to Exhibit 10.2 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on March 4, 2020. (Commission File Number 1-3863)
- *(10)(d) L3Harris Technologies, Inc. Annual Incentive Plan (Amended and Restated Effective as of August 28, 2020), incorporated herein by reference to Exhibit 10.1 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on September 1, 2020. (Commission File Number 1-3863)
- *(10)(e) (i) 2005 Equity Incentive Plan (As Amended and Restated Effective August 27, 2010), incorporated herein by reference to Exhibit 10.4 to L3Harris Technologies, Inc.'s (formerly known as Harris Corporation) Current Report on Form 8-K filed with the SEC on September 2, 2010. (Commission File Number 1-3863)
(ii) Form of Stock Option Award Agreement Terms and Conditions (as of June 29, 2013) for grants under the 2005 Equity Incentive Plan (As Amended and Restated Effective August 27, 2010), incorporated herein by reference to Exhibit 10.1 to L3Harris Technologies, Inc.'s (formerly known as Harris Corporation) Current Report on Form 8-K filed with the SEC on August 31, 2011. (Commission File Number 1-3863)
- *(10)(f) (i) 2015 Equity Incentive Plan, incorporated herein by reference to Exhibit 10.1 to L3Harris Technologies, Inc.'s (formerly known as Harris Corporation) Current Report on Form 8-K filed with the SEC on October 28, 2015. (Commission File Number 1-3863)

- (ii) [2015 Equity Incentive Plan Stock Option Award Agreement Terms and Conditions \(as of October 23, 2015\), incorporated herein by reference to Exhibit 10\(f\) to L3Harris Technologies, Inc.'s \(formerly known as Harris Corporation\) Quarterly Report on Form 10-Q for the fiscal quarter ended January 1, 2016. \(Commission File Number 1-3863\)](#)
- (iii) [Non-Employee Director Share Unit Agreement Terms and Conditions \(as of June 29, 2019\), incorporated herein by reference to Exhibit 10\(f\)\(x\) to L3Harris Technologies, Inc.'s Transition Report on Form 10-KT for the fiscal year ended January 3, 2020. \(Commission File Number 1-3863\)](#)
- (iv) [L3Harris Technologies, Inc. Restricted Unit Award Agreement Terms and Conditions \(as of February 5, 2020\), incorporated herein by reference to Exhibit 10.3 to L3Harris Technologies, Inc.'s Quarterly Report on Form 10-Q for the fiscal quarter ended April 3, 2020. \(Commission File Number 1-3863\)](#)
- (v) [L3Harris Technologies, Inc. Performance Unit Award Agreement Terms and Conditions \(as of February 28, 2020\), incorporated herein by reference to Exhibit 10.4 to L3Harris Technologies, Inc.'s Quarterly Report on Form 10-Q for the fiscal quarter ended April 3, 2020. \(Commission File Number 1-3863\)](#)
- (vi) [L3Harris Technologies, Inc. Stock Option Award Agreement Terms and Conditions \(as of February 28, 2020\), incorporated herein by reference to Exhibit 10.5 to L3Harris Technologies, Inc.'s Quarterly Report on Form 10-Q for the fiscal quarter ended April 3, 2020. \(Commission File Number 1-3863\)](#)
- (vii) [L3Harris Technologies, Inc. Restricted Unit Award Agreement Terms and Conditions \(as of February 23, 2023\), incorporated herein by reference to Exhibit 10.1 to L3Harris Technologies, Inc.'s Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2023. \(Commission File Number 1-3863\)](#)
- (viii) [L3Harris Technologies, Inc. Performance Unit Award Agreement Terms and Conditions \(as of February 23, 2023\), incorporated herein by reference to Exhibit 10.2 to L3Harris Technologies, Inc.'s Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2023. \(Commission File Number 1-3863\)](#)
- (ix) [L3Harris Technologies, Inc. Stock Option Award Agreement Terms and Conditions \(as of February 23, 2023\), incorporated herein by reference to Exhibit 10.3 to L3Harris Technologies, Inc.'s Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2023. \(Commission File Number 1-3863\)](#)
- *(10)(g) [L3Harris Technologies, Inc. 2015 Equity Incentive Plan \(Amended and Restated Effective as of August 28, 2020\), incorporated herein by reference to Exhibit 10.2 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on September 1, 2020. \(Commission File Number 1-3863\)](#)
- *10(h) [L3Harris Retirement Savings Plan \(Amended and Restated Effective January 1, 2024\)](#)
- *(10)(i) (i) [L3Harris Excess Retirement Savings Plan, as amended and restated effective January 1, 2020, incorporated herein by reference to Exhibit 10\(h\) to L3Harris Technologies, Inc.'s Transition Report on Form 10-KT for the fiscal year ended January 3, 2020. \(Commission File Number 1-3863\)](#)
- (ii) [Amendment Number One to the L3Harris Excess Retirement Savings Plan \(Amended and Restated Effective January 1, 2020\), dated December 14, 2020, incorporated herein by reference to Exhibit 10.4 to L3Harris Technologies, Inc.'s Quarterly Report on Form 10-Q for the fiscal quarter ended April 2, 2021. \(Commission File Number 1-3863\)](#)
- (iii) [Amendment Number Two to the L3Harris Excess Retirement Savings Plan \(Amended and Restated Effective January 1, 2020\), dated December 31, 2022](#)
- (iv) [Amendment Number Three to the L3Harris Excess Retirement Savings Plan \(Amended and Restated Effective January 1, 2020\), dated December 8, 2023](#)
- *(10)(j) [L3Harris Technologies, Inc. 2019 Non-Employee Director Deferred Compensation Plan, incorporated herein by reference to Exhibit 10\(j\) to L3Harris Technologies, Inc.'s Transition Report on Form 10-KT for the fiscal year ended January 3, 2020. \(Commission File Number 1-3863\)](#)
- *(10)(k) (i) [Amended and Restated Master Trust Agreement and Declaration of Trust, made as of December 2, 2003, by and between L3Harris Technologies, Inc. \(formerly known as Harris Corporation\) and The Northern Trust Company, incorporated herein by reference to Exhibit 10\(c\) to L3Harris Technologies, Inc.'s \(formerly known as Harris Corporation\) Quarterly Report on Form 10-Q for the fiscal quarter ended January 2, 2004. \(Commission File Number 1-3863\)](#)

- (ii) Amendment to the L3Harris Technologies, Inc. (formerly known as Harris Corporation) Master Trust, dated May 21, 2009, incorporated herein by reference to Exhibit 10(m)(ii) to L3Harris Technologies, Inc.'s (formerly known as Harris Corporation) Annual Report on Form 10-K for the fiscal year ended July 3, 2009. (Commission File Number 1-3863)
- (iii) Amendment to the L3Harris Technologies, Inc. (formerly known as Harris Corporation) Master Trust, dated December 8, 2009 and effective December 31, 2009, incorporated herein by reference to Exhibit 4(e)(iii) to L3Harris Technologies, Inc.'s (formerly known as Harris Corporation) Registration Statement on Form S-8, Registration Statement No. 333-163647, filed with the SEC on December 10, 2009
- (iv) Amendment to the L3Harris Technologies, Inc. (formerly known as Harris Corporation) Master Trust, dated and effective May 3, 2010, incorporated herein by reference to Exhibit 4(e)(iv) to L3Harris Technologies, Inc.'s (formerly known as Harris Corporation) Registration Statement on Form S-8, Registration Statement No. 333-222821, filed with the SEC on February 1, 2018
- *(10)(l)(i) Master Rabbi Trust Agreement, amended and restated as of December 2, 2003, by and between L3Harris Technologies, Inc. (formerly known as Harris Corporation) and The Northern Trust Company, incorporated herein by reference to Exhibit 10(d) to L3Harris Technologies, Inc.'s (formerly known as Harris Corporation) Quarterly Report on Form 10-Q for the fiscal quarter ended January 2, 2004. (Commission File Number 1-3863)
- (ii) First Amendment to the L3Harris Technologies, Inc. (formerly known as Harris Corporation) Master Rabbi Trust Agreement, dated September 24, 2004, incorporated herein by reference to Exhibit 10(b) to L3Harris Technologies, Inc.'s (formerly known as Harris Corporation) Quarterly Report on Form 10-Q for the fiscal quarter ended October 1, 2004. (Commission File Number 1-3863)
- (iii) Second Amendment to the L3Harris Technologies, Inc. (formerly known as Harris Corporation) Master Rabbi Trust Agreement, dated as of December 8, 2004, incorporated herein by reference to Exhibit 10.5 to L3Harris Technologies, Inc.'s (formerly known as Harris Corporation) Current Report on Form 8-K filed with the SEC on December 8, 2004. (Commission File Number 1-3863)
- (iv) Third Amendment to the L3Harris Technologies, Inc. (formerly known as Harris Corporation) Master Rabbi Trust Agreement, dated January 15, 2009 and effective January 1, 2009, incorporated herein by reference to Exhibit 10(i) to L3Harris Technologies, Inc.'s (formerly known as Harris Corporation) Quarterly Report on Form 10-Q for the fiscal quarter ended January 2, 2009. (Commission File Number 1-3863)
- (v) Fourth Amendment to the L3Harris Technologies, Inc. (formerly known as Harris Corporation) Master Rabbi Trust Agreement, dated October 27, 2010 and effective as of August 28, 2010, incorporated herein by reference to Exhibit 10(n) to L3Harris Technologies, Inc.'s (formerly known as Harris Corporation) Quarterly Report on Form 10-Q for the fiscal quarter ended October 1, 2010. (Commission File Number 1-3863)
- (vi) Fifth Amendment to the L3Harris Technologies, Inc. (formerly known as Harris Corporation) Master Rabbi Trust Agreement, dated and effective as of February 28, 2019, incorporated herein by reference to Exhibit 10 to L3Harris Technologies, Inc.'s (formerly known as Harris Corporation) Quarterly Report on Form 10-Q for the fiscal quarter ended March 29, 2019. (Commission File Number 1-3863)
- *(10)(m) Letter Agreement with Christopher E. Kubasik, dated as of November 5, 2018, incorporated herein by reference to Exhibit 10.4 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on July 1, 2019. (Commission File Number 1-3863)
- *(10)(n) Summary of Annual Compensation of L3Harris Technologies, Inc., Non-Employee Directors effective as of January 1, 2022, incorporated herein by reference to Exhibit 10.1 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on August 4, 2021. (Commission File Number 1-3863)
- *10(o) Summary of Annual Compensation of L3Harris Technologies, Inc., Non-Employee Directors effective as of January 1, 2024, incorporated herein by reference to Exhibit 10.2 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on July 24, 2023. (Commission File Number 1-3863)
- *(10)(p) L3Harris Supplemental Executive Retirement Plan (restated January 1, 2020), incorporated herein by reference to Exhibit 10(z) to L3Harris Technologies, Inc.'s Annual Report on Form 10-K for fiscal year-ended January 1, 2021. (Commission File Number 1-3863)

- *(10)(g) L3Harris Salaried Pension Plan (as amended and restated as of December 31, 2021), incorporated herein by reference to Exhibit 10(x)(ii) to L3Harris Technologies, Inc.'s Annual Report on Form 10-K filed for the fiscal year ended December 31, 2021. (Commission File Number 1-3863)
- *10(r) Link Supplement Nine Component of L3Harris Salaried Pension Plan (as amended and restated effective December 31, 2021), incorporated herein by reference to Exhibit 10(y)(ii) to L3Harris Technologies, Inc.'s Annual Report on Form 10-K filed for the fiscal year ended December 31, 2021. (Commission File Number 1-3863)
- *10(s) Conditional Waiver, Separation Agreement and Release of All Claims, dated December 22, 2023, between L3Harris Technologies, Inc. and Michelle L. Turner
- *10(t) Offer Letter Agreement dated January 24, 2022, between L3Harris Technologies, Inc. and Michelle L. Turner, incorporated herein by reference to Exhibit 10.2 to L3Harris Technologies, Inc.'s Quarterly Report on Form 10-Q for the fiscal quarter ended April 1, 2022. (Commission File Number 1-3863)
- ***10(u) Revolving Credit Agreement, dated as of July 29, 2022, by and among L3Harris Technologies, Inc. and the other parties thereto, incorporated herein by reference to Exhibit 10.1 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on August 4, 2022. (Commission File Number 1-3863)
- ***10(v) Loan Agreement, dated as of November 22, 2022, by and among L3Harris Technologies, Inc. and the other parties thereto, incorporated herein by reference to Exhibit 10.1 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on November 28, 2022. (Commission File Number 1-3863)
- *10(w) Offer Letter, dated August 12, 2022, between L3Harris Technologies, Inc. and Jon Rambeau incorporated herein by reference to Exhibit 10(b)(b) to L3Harris Technologies, Inc.'s Annual Report on Form 10-K for fiscal year-ended December 30, 2022. (Commission File Number 1-3863)
- ***10(x) 364-Day Credit Agreement, dated March 10, 2023, by and among L3Harris Technologies, Inc. and the other parties thereto, incorporated herein by reference to Exhibit 10.1 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on March 16, 2023 (Commission File Number 1-3863)
- ***10(y) Form of Commercial Paper Dealer Agreement, dated March 14, 2023, between L3Harris Technologies, Inc. and the Dealer party thereto, incorporated herein by reference to Exhibit 10.2 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on March 16, 2023 (Commission File Number 1-3863)
- *10(z) Offer Letter, dated November 30, 2023, between L3Harris Technologies, Inc. and Kenneth L. Bedingfield
- *10(a)(a)(i) Offer Letter, dated November 4, 2022, between L3Harris Technologies, Inc. and Samir B. Mehta
(ii) Amendment to Offer Letter, dated December 22, 2022, between L3Harris Technologies, Inc. and Samir B. Mehta
- *10(b)(b) Cooperation Agreement, dated December 10, 2023, by and among L3Harris Technologies, Inc., D. E. Shaw Oculus Portfolios, L.L.C and D. E. Shaw Valence Portfolios, L.L.C., incorporated herein by reference to Exhibit 10.1 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on December 11, 2023 (Commission File Number 1-3863)
- (21) Subsidiaries of the Registrant
- (23) Consent of Ernst & Young LLP, Independent Registered Public Accounting Firm
- (24) Power of Attorney
- (31.1) Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer
- (31.2) Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer
- (32.1) Section 1350 Certification of Chief Executive Officer
- (32.2) Section 1350 Certification of Chief Financial Officer
- *** (97) Incentive-Based Compensation Recovery Policy
- (101) The financial information from L3Harris Technologies, Inc.'s Annual Report on Form 10-K for the period from December 31, 2022 to December 29, 2023 formatted in Inline XBRL (Extensible Business Reporting Language) includes: (i) the Consolidated Balance Sheet, (ii) the Consolidated Statement of

Operations, (iii) the Consolidated Statement of Comprehensive Income, (iv) the Consolidated Statement of Changes in Stockholders Equity, (v) the Consolidated Statement of Cash Flows and (vi) the Notes to the Consolidated Financial Statements.

(104) Cover Page Interactive Data File formatted in Inline XBRL and contained in Exhibit 101.

* Management contract or compensatory plan or arrangement.

** Paper filing.

*** Schedules and appendices have been omitted pursuant to Item 601(a)(5) of Regulation S-K. L3Harris Technologies, Inc. hereby undertakes to furnish supplementally copies of any of the omitted schedules and appendices upon request by the SEC.

ITEM 16.

FORM 10-K SUMMARY.

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

L3HARRIS TECHNOLOGIES, INC.

(Registrant)

By:

/s/ Christopher E. Kubasik

Christopher E. Kubasik

Chair and Chief Executive Officer

Date: February 16, 2024

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
/s/ CHRISTOPHER E. KUBASIK Christopher E. Kubasik	Chair and Chief Executive Officer (Principal Executive Officer)	February 16, 2024
/s/ KENNETH L. BEDINGFIELD Kenneth L. Bedingfield	Senior Vice President and Chief Financial Officer (Principal Financial Officer)	February 16, 2024
/s/ CORLISS J. MONTESI Corliss J. Montesi	Vice President, Principal Accounting Officer (Principal Accounting Officer)	February 16, 2024
/s/ SALLIE B. BAILEY Sallie B. Bailey	Director	February 16, 2024
/s/ PETER W. CHIARELLI Peter W. Chiarelli	Director	February 16, 2024
/s/ THOMAS A. DATTILO Thomas A. Dattilo	Director	February 16, 2024
/s/ ROGER B. FRADIN Roger B. Fradin	Director	February 16, 2024
/s/ JOANNA L. GERAGHTY Joanna L. Geraghty	Director	February 16, 2024
/s/ KIRK S. HACHIGIAN Kirk S. Hachigian	Director	February 16, 2024
/s/ HARRY B. HARRIS, JR. Harry B. Harris, Jr.	Director	February 16, 2024
/s/ LEWIS HAY III Lewis Hay III	Director	February 16, 2024
/s/ RITA S. LANE Rita S. Lane	Director	February 16, 2024
/s/ ROBERT B. MILLARD Robert B. Millard	Director	February 16, 2024
/s/ EDWARD A. RICE, JR. Edward A. Rice, Jr.	Director	February 16, 2024
/s/ WILLIAM H. SWANSON William H. Swanson	Director	February 16, 2024
/s/ CHRISTINA L. ZAMARRO Christina L. Zamarro	Director	February 16, 2024

L3HARRIS RETIREMENT SAVINGS PLAN
(AMENDED AND RESTATED EFFECTIVE JANUARY 1, 2024)

L3Harris Retirement Savings Plan
(Amended and Restated Effective January 1, 2024)

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ARTICLE 1

TITLE

The title of this Plan shall be the “L3Harris Retirement Savings Plan.” This Plan is an amendment and restatement of the L3Harris Retirement Savings Plan in effect as of December 31, 2023. This amendment and restatement shall be effective as of January 1, 2024.

The rights and benefits of any Participant whose employment with all Employers and Affiliates terminates on or after January 1, 2024, and the rights and benefits of any Beneficiary of any such Participant, shall be determined solely by reference to the terms of the Plan as amended and restated herein, as such plan may be amended from time to time.

The Plan is designated as a “profit sharing plan” within the meaning of U.S. Treasury Regulation section 1.401-1(a)(2)(ii). In addition, the portion of the Plan invested in the L3Harris Stock Fund is designated as an “employee stock ownership plan” within the meaning of section 4975(e)(7) of the Code and, as such, is designed to invest primarily in “qualifying employer securities” within the meaning of section 4975(e)(8) of the Code.

Certain provisions of the Plan applicable solely to a specified group of Employees are set forth in an Appendix hereto, all of which Appendices are incorporated herein and considered to be part of this Plan. The provisions of an Appendix which modify the Plan’s terms with respect to the Employees covered thereby shall be construed in a manner that harmonizes the Appendix with the other provisions of the Plan to the maximum extent possible, and to the extent that the Plan’s other terms are not expressly inconsistent with the terms of an Appendix, the Employees who participate in the Plan pursuant to such Appendix shall be governed by the Plan’s other terms.

ARTICLE 2
DEFINITIONS

As used herein, the following words and phrases shall have the following respective meanings when capitalized:

Account. The aggregate of a Participant's subaccounts described in Section 8.1 and such other subaccounts that may be established from time to time on behalf of a Participant, to be credited with contributions made by or on behalf of the Participant, adjusted for earnings and losses, and debited by distributions to and withdrawals of the Participant and expenses.

Administrative Committee. The Employee Benefits Committee of the Company or any successor thereto that is appointed pursuant to Section 13.1 to administer the Plan. Reference herein to the Administrative Committee also shall include any person or entity to whom the Administrative Committee has delegated any of its authority pursuant to Section 13.3 to the extent of the delegation.

Affiliate. (a) A corporation that is a member of the same controlled group of corporations (within the meaning of section 414(b) of the Code) as an Employer, (b) a trade or business (whether or not incorporated) under common control (within the meaning of section 414(c) of the Code) with an Employer, (c) any organization (whether or not incorporated) that is a member of an affiliated service group (within the meaning of section 414(m) of the Code) that includes an Employer, a corporation described in clause (a) of this definition or a trade or business described in clause (b) of this definition, or (d) any other entity that is required to be aggregated with an Employer pursuant to Regulations promulgated under section 414(o) of the Code.

After-Tax Account. The subaccount established pursuant to Section 8.1 to which (i) any after-tax contributions made for the benefit of a Participant pursuant to Section 5.1 and

(ii) any amounts that are attributable to after-tax contributions made to a qualified defined contribution plan with respect to a Participant that are transferred or merged into this Plan, are credited, in each case as adjusted for earnings and losses thereon. Notwithstanding the foregoing, a Participant's After-Tax Account shall exclude any after-tax contributions within the Plan attributable to participation in a money purchase pension plan, which after-tax contributions shall be part of the Participant's Money Purchase Pension Account.

Beneficiary. A person entitled under Section 9.7 to receive benefits in the event of the death of a Participant. For the avoidance of doubt, any designation of a beneficiary under the Exelis Retirement Savings Plan in effect at the time of the merger of that plan into this Plan shall be void and of no effect.

Board. The Board of Directors of the Company.

Break in Service. A period other than a period included in an Employee's Service; provided, however, that a Break in Service shall not include a period of absence from employment not in excess of 24 consecutive months because of (a) the Employee's pregnancy, (b) the birth of the Employee's child, (c) the placement of a child with the Employee in connection with the Employee's adoption of such child or (d) the need of the Employee to care for any such child for a period beginning immediately following such birth or placement. The immediately preceding sentence shall not apply unless the Employee timely furnishes to the Administrative Committee or its delegate such information as it may reasonably require to establish the reason for such absence and its duration.

Change in Control. For the purposes hereof, a "Change in Control" shall be deemed to have occurred if:

(i) any “person” (as such term is defined in Section 3(a)(9) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and as used in Sections 13(d)(3) and 14(d)(2) of the Exchange Act) is or becomes a “beneficial owner” (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 20% or more of the combined voting power of the Company’s then outstanding securities eligible to vote for the election of the Board (the “Company Voting Securities”); *provided, however*, that the event described in this paragraph (i) shall not be deemed to be a Change in Control by virtue of any of the following acquisitions: (a) by the Company or any Subsidiary, (b) by any employee benefit plan sponsored or maintained by the Company or any Subsidiary, (c) by any underwriter temporarily holding securities pursuant to an offering of such securities, or (d) pursuant to a Non-Control Transaction (as defined in paragraph (iii));

(ii) individuals who, on January 1, 2024, constitute the Board (the “Incumbent Directors”) cease for any reason to constitute at least a majority of the Board, *provided* that any person becoming a director subsequent to January 1, 2024, whose appointment, election or nomination for election was approved by a vote of at least two-thirds of the Incumbent Directors who remain on the Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director, without objection to such nomination) shall also be deemed to be an Incumbent Director; *provided, however*, that no individual initially elected or nominated as a director of the Company as a result of an actual or threatened election contest with respect to directors or any other actual or threatened solicitation of proxies or consents by or on behalf of any person other than the Board shall be deemed to be an Incumbent Director;

(iii) there is consummated a merger, consolidation, share exchange or similar form of corporate reorganization of the Company or any such type of transaction involving the Company or any of its Subsidiaries that requires the approval of the Company's shareholders (whether for such transaction or the issuance of securities in the transaction or otherwise) (a "Business Combination"), unless immediately following such Business Combination: (a) more than 60% of the total voting power of the company resulting from such Business Combination (including, without limitation, any company which directly or indirectly has beneficial ownership of 100% of the Company Voting Securities) eligible to elect directors of such company is represented by shares that were Company Voting Securities immediately prior to such Business Combination (either by remaining outstanding or being converted), and such voting power is in substantially the same proportion as the voting power of such Company Voting Securities immediately prior to the Business Combination, (b) no person (other than any publicly traded holding company resulting from such Business Combination, or any employee benefit plan sponsored or maintained by the Company (or the company resulting from such Business Combination)) becomes the beneficial owner, directly or indirectly, of 20% or more of the total voting power of the outstanding voting securities eligible to elect directors of the company resulting from such Business Combination, and (c) at least a majority of the members of the board of directors of the company resulting from such Business Combination were Incumbent Directors at the time of the Board's approval of the execution of the initial agreement providing for such Business Combination (any Business Combination which satisfies the conditions specified in (a), (b) and (c) shall be deemed to be a "Non-Control Transaction");

(iv) the shareholders of the Company approve a plan of complete liquidation or dissolution of the Company; or

(v) the Company consummates a direct or indirect sale or other disposition of all or substantially all of the assets of the Company and its Subsidiaries.

Notwithstanding the foregoing, a Change in Control of the Company shall not be deemed to occur solely because any person acquires beneficial ownership of more than 20% of the Company Voting Securities as a result of the acquisition of Company Voting Securities by the Company which reduces the number of Company Voting Securities outstanding; *provided*, that if after such acquisition by the Company such person becomes the beneficial owner of additional Company Voting Securities that increases the percentage of outstanding Company Voting Securities beneficially owned by such person, a Change in Control of the Company shall then occur.

For the purposes of this definition of “Change in Control” the term “Subsidiary” shall mean any entity of which the Company owns or controls, either directly or indirectly, 50% or more of the outstanding shares of stock normally entitled to vote for the election of directors or of comparable equity participation and voting power.

Code. The Internal Revenue Code of 1986, as amended, and the rules and Regulations promulgated thereunder. References to any section of the Code shall include any successor provision thereto.

Company. L3Harris Technologies, Inc., a Delaware corporation, and any successor thereto.

Compensation. Except as otherwise provided in an Appendix for a specified group of Participants, the following items of remuneration which a Participant is paid for work or personal services performed for an Employer: (a) salary or wages, including lump sum merit increases; (b) commission paid pursuant to a sales incentive plan; (c) hazard or hardship pay,

overtime premium, additional compensation in lieu of overtime premium, shift differential, or any half, double, or triple time or other contractual adders; (d) cost-of-living adjustments; (e) except as provided in the immediately following paragraph, compensation in lieu of vacation or paid time off; (f) any bonus or incentive compensation payable in the form of cash pursuant to an Employer's Annual Incentive Plan or other similar plan or award program adopted from time to time by an Employer; and (g) any differential wage payment (within the meaning of Section 3401(h)(2) of the Code) paid with respect to a period during which the Participant is performing service in the uniformed services while on active duty for more than 30 days; provided, however, that Compensation also shall include any remuneration which would have been paid to the Participant for work or personal services performed for an Employer but for the Participant's election to have his or her compensation reduced pursuant to a qualified cash or deferred arrangement described in section 401(k) of the Code, a cafeteria plan described in section 125 of the Code or an arrangement providing qualified transportation fringes described in section 132(f) of the Code; provided further that the remuneration described in this paragraph shall be Compensation for purposes of the Plan only if it is paid on or before the later of (i) 2 ½ months after the Participant's severance from employment and (ii) the last day of the Plan Year during which the Participant's severance from employment occurs (the "Timing Limitation"), except that the Timing Limitation shall not apply to payments to a Participant who does not perform services for an Employer at the time of payment by reason of Qualified Military Service to the extent that such payments do not exceed the amounts such Participant would have received if the Participant had continued to perform services for the Employer rather than entering Qualified Military Service.

Notwithstanding the foregoing, and except as otherwise provided in an Appendix for a specified group of Participants, the following items also shall be excluded from “Compensation”: (1) any extraordinary compensation of a recurring or non-recurring nature, including one-time recognition awards and rewards under a referral program of an Employer; (2) any award made or amount paid pursuant to the Company’s Equity Incentive Plan or any predecessor or successor thereto, including, but not limited to, performance shares, stock options, restricted stock, stock appreciation rights or other stock-based awards or dividend equivalents; (3) severance pay, separation pay, special retirement pay or parachute payments; (4) retention bonuses or completion bonuses, unless authorized by the Administrative Committee in a uniform and nondiscriminatory manner to be included in Compensation; (5) reimbursement or allowances with respect to expenses incurred in connection with employment, such as tax equalization, reimbursement for moving expenses, mileage or expense allowance or education expenses; (6) indirect compensation such as employer-paid group insurance premiums or contributions under this Plan or any other qualified employee benefit plan, other than contributions described in the immediately preceding paragraph; (7) compensation in lieu of vacation or paid time off that is paid in a lump sum at or following termination of employment, or that is accrued but unused vacation or paid time off paid in a lump sum during employment due to Company restrictions on carryover of vacation or paid time off; or (8) nonqualified deferred compensation. For the avoidance of doubt, compensation which is attributable to the conversion of certain accrued vacation and paid time off to a deferred lump-sum amount, shall be considered nonqualified deferred compensation for purposes of the Plan and shall be excluded from “Compensation”.

Notwithstanding any provision herein to the contrary, the Compensation of a Participant taken into account for any purpose under the Plan shall not exceed \$345,000 (as

adjusted pursuant to section 401(a)(17)(B) of the Code). In addition, in the Plan Year in which an Eligible Employee becomes a Participant, only Compensation received on or after the date he or she becomes a Participant shall be taken into account under the Plan. Finally, in no event shall Compensation for purposes of this Plan include any amount that is not “compensation” within the meaning of section 415(c)(3) of the Code and Treasury Regulation section 1.415(c)-2.

Designated Roth Account. The subaccount established pursuant to Section 8.1 to which (i) any designated Roth contributions made for the benefit of a Participant pursuant to Section 4.1 and (ii) any amounts that are attributable to designated Roth contributions made to a qualified defined contribution plan with respect to a Participant that are transferred or merged into this Plan, are credited, in each case as adjusted for earnings and losses thereon. For the avoidance of doubt, the Designated Roth Account shall not include In-Plan Roth Conversions (as defined in Section 4.8).

Designated Roth Conversion Account. The subaccount established pursuant to Section 8.1 to which (i) In-Plan Roth Conversions (as defined in Section 4.8) and (ii) any amounts that are attributable to in-plan Roth conversions pursuant to section 402A(c)(4) under a qualified defined contribution plan that are transferred or merged into this Plan, are credited, in each case as adjusted for earnings and losses thereon.

Disability. A Participant’s total and permanent physical or mental disability, as evidenced by the Participant’s eligibility for disability benefits under Title II or Title XVI of the Federal Social Security Act. A Participant’s Disability shall be deemed to occur as of the effective date determined by the Social Security Administration.

Effective Date. The effective date of this amendment and restatement of the Plan, which, with respect to the Company and any other Employer as of December 31, 2023, shall,

except as otherwise provided herein, be January 1, 2024 and, with respect to an entity that becomes an Employer on or after January 1, 2024, shall be the effective date as of which the Plan is adopted by such entity.

Eligible Cash Balance Pension Participant. A Participant who is an Eligible Employee; who began accruing a cash balance benefit under the Harris Corporation Salaried Retirement Plan effective January 1, 2017 or under a defined benefit pension plan maintained by L3 Technologies, Inc. or a subsidiary thereof effective January 1, 2020; and who continues to be eligible to accrue such cash balance benefit under such plan.

Eligible Employee. An Employee other than an Employee (a) the terms of whose employment are subject to a collective bargaining agreement which does not provide for the participation of such Employee in the Plan; (b) who does not receive any Compensation payable in United States dollars; (c) who is not treated as an Employee of an Employer on such Employer's payroll records (notwithstanding any determination by a court or administrative agency that such individual is an Employee); (d) who is not a United States citizen or a resident alien and who provides services in a location other than the United States; (e) who is eligible to participate in, or will be eligible to participate in after satisfaction of applicable age, service or entry date requirements, any other United States tax-qualified defined contribution plan sponsored or maintained by the Company or any of its subsidiaries or (f) who renders services primarily in Puerto Rico, or whose primary mailing address recorded in the Employer's payroll records is in Puerto Rico. No individual who renders services for an Employer shall be an Eligible Employee if such individual renders services pursuant to an agreement or arrangement (written or oral) (1) that such services are to be rendered by the individual as an independent contractor; (2) with an entity, including a leasing organization, that is not an Employer or

Affiliate or (3) that contains a waiver of participation in the Plan. No reclassification of an individual's status with an Employer, for any reason, without regard to whether initiated by a court, governmental agency or otherwise and without regard to whether the Employer agrees with such reclassification, shall result in the person being regarded as an Eligible Employee during any retroactive period.

Eligible Profit Sharing Participant. For any Plan Year, a Participant who has completed a Year of Service on or prior to the last day of the applicable Plan Year and (a) who is actively employed as an Eligible Employee on the last day of such Plan Year; (b) was actively employed as an Eligible Employee during such Plan Year but is not actively employed on the last day of such Plan Year due to Leave of Absence or a period of Qualified Military Service; or (c) was actively employed as an Eligible Employee during such Plan Year but terminated employment during such Plan Year (1) on or after the attainment of age 55, (2) due to death or Disability, (3) as a result of a Reduction in Force or (4) as a result of a transfer from employment with an Employer to employment with an Affiliate that is not an Employer.

Eligible Retirement Plan. Any of (i) an individual retirement account described in section 408(a) of the Code (including a Roth IRA described in section 408A of the Code), (ii) an individual retirement annuity described in section 408(b) of the Code (including a Roth IRA described in section 408A of the Code, and excluding any endowment contract), (iii) an employees' trust described in section 401(a) of the Code which is exempt from tax under section 501(a) of the Code, (iv) an annuity plan described in section 403(a) of the Code, (v) an eligible deferred compensation plan described in section 457(b) of the Code which is maintained by a state, political subdivision of a state or any agency or instrumentality of a state or political

subdivision of a state which agrees to account separately for amounts transferred into such plan and (vi) an annuity contract described in section 403(b) of the Code.

Eligible Rollover Recipient. Either (i) an Employee, other than an Eligible Employee, with an Account balance in the Plan or (ii) an Eligible Employee.

Employee. An individual whose relationship with an Employer is, under common law, that of an employee.

Employer. The Company or any other entity that, with the consent of the Administrative Committee, elects to participate in the Plan in the manner described in Section 14.1, including any successor entity that is substituted for an Employer pursuant to Section 14.4. If an Employer withdraws from participation in the Plan pursuant to Section 14.2, or terminates its participation in the Plan pursuant to Section 17.3, it shall thereupon cease to be an Employer. An entity automatically shall cease being an Employer as of the date it ceases to be an Affiliate, unless the Administrative Committee consents to such entity's continued participation in the Plan.

ERISA. The Employee Retirement Income Security Act of 1974, as amended, and the rules and Regulations promulgated thereunder. References to any section of ERISA shall include any successor provision thereto.

Fringe Account. The subaccount established pursuant to Section 8.1 to which (i) any fringe contributions made for the benefit of a Participant pursuant to Section 4.4 and (ii) any amounts that are attributable to fringe contributions made to a qualified defined contribution plan with respect to a Participant that are transferred or merged into this Plan, are credited, in each case as adjusted for earnings and losses thereon.

Full-Time Employee. An Employee who regularly is scheduled by an Employer to work 30 or more hours per week and who is not designated on the payroll records of an Employer as a temporary employee, intern, or co-op employee.

Highly Compensated Employee. For a Plan Year, any Employee who (a) is a 5%-owner (as determined under section 416(i)(1) of the Code) at any time during the current Plan Year or the preceding Plan Year or (b) for the preceding Plan Year, was paid compensation in excess of \$155,000 (as adjusted in accordance with section 414(q)(1)(B) of the Code) from an Employer or Affiliate and was a member of the “top-paid group” (as defined in section 414(q)(3) of the Code).

Hour of Service. Each hour for which an Employee is paid or entitled to payment for the performance of duties for an Employer.

Investment Committee. The Investment Committee of the Company. Reference herein to the Investment Committee also shall include any person or entity to whom the Investment Committee has delegated any of its authority pursuant to Section 13.3 to the extent of the delegation.

L3Harris Stock. Common stock of the Company.

L3Harris Stock Fund. An investment option, the assets of which consist primarily of shares of L3Harris Stock.

Leave of Absence. A period of interruption of the active employment of an Employee granted by an Employer or Predecessor Company with the understanding that the Employee will return to active employment at the expiration of such period (or such extension thereof granted by the Employer or Predecessor Company).

Matching Account. The subaccount established pursuant to Section 8.1 to which (i) any matching contributions made for the benefit of a Participant pursuant to Section 4.2 and (ii) any amounts that are attributable to matching contributions made to a qualified defined contribution plan with respect to a Participant that are transferred or merged into this Plan, are credited, in each case as adjusted for earnings and losses thereon.

Maximum Contribution Percentage. The maximum percentage of a Participant's Compensation for a payroll period that may be contributed to the Plan pursuant to Section 5.1(a), as determined from time to time by the Administrative Committee. The Administrative Committee in its sole discretion may establish different Maximum Contribution Percentages with respect to Participants who are not Highly Compensated Employees for a given Plan Year and Participants who are Highly Compensated Employees for such Plan Year, and with respect to classes of Highly Compensated Employees for a given Plan Year.

Maximum Deferral Percentage. The maximum percentage of a Participant's Compensation for a payroll period that may be contributed to the Plan pursuant to Section 4.1(a), as determined from time to time by the Administrative Committee. The Administrative Committee in its sole discretion may establish different Maximum Deferral Percentages with respect to Participants who are not Highly Compensated Employees for a given Plan Year and Participants who are Highly Compensated Employees for such Plan Year, and with respect to classes of Highly Compensated Employees for a given Plan Year.

Money Purchase Pension Account. The subaccount established pursuant to Section 8.1 attributable to contributions to a money purchase pension plan and earnings thereon that were transferred to the Plan in connection with the merger of a qualified defined contribution plan into the Plan, as adjusted for earnings and losses thereon.

Other Employer Contribution Account. The subaccount established pursuant to Section 8.1 to which any employer contributions (other than matching contributions) made for the benefit of a Participant pursuant to Appendix 8 are credited, as adjusted for earnings and losses thereon.

Participant. An Eligible Employee who has satisfied the requirements set forth in Section 3.1 or an applicable Appendix. An individual shall cease to be a Participant upon the complete distribution of his or her vested Account.

Plan. The plan herein set forth (including any schedules or appendices), as from time to time amended.

Plan Year. The calendar year.

Predecessor Company. Any entity (a) of which an Affiliate is a successor by reason of having acquired all or substantially all of its business and assets or (b) from which an Affiliate acquired a business formerly conducted by such entity; provided, however, that in the case of any such entity that continues to conduct a trade or business subsequent to the acquisition by an Affiliate referred in (a) or (b) above, the status of such entity as a Predecessor Company relates only to the period of time prior to the date of such acquisition.

Pre-Tax Account. The subaccount established pursuant to Section 8.1 to which (i) any pre-tax contributions made for the benefit of a Participant pursuant to Section 4.1 and (ii) any amounts that are attributable to pre-tax contributions made to a qualified defined contribution plan with respect to a Participant that are transferred or merged into this Plan, are credited, in each case as adjusted for earnings and losses thereon.

Prior Company Contribution Account. The subaccount established pursuant to Section 8.1 attributable to (i) Company Matching Contributions that were made under the Exelis

Retirement Savings Plan prior to January 1, 2012; (ii) Company “Floor Contributions” that were made under the Exelis Retirement Savings Plan prior to January 1, 2012; (iii) any other company or employer contributions that were made to the Exelis Retirement Savings Plan or any predecessor plan thereto prior to October 31, 2011, or any other amounts attributable to company or employer contributions transferred or merged into the Exelis Retirement Savings Plan or any predecessor plan thereto; (iv) any amounts attributable to company or employer contributions, other than safe harbor matching contributions, merged into this Plan from the Aerojet Rocketdyne Retirement Savings Plan; or (v) Company “Base Contributions” that were made for the benefit of a Participant pursuant to Appendix 7 of this Plan (or a predecessor thereto) with respect to service prior to April 28, 2017, in the case of each of (i) through (v), as adjusted for earnings and losses thereon.

Profit Sharing Account. The subaccount established pursuant to Section 8.1 to which (i) any profit sharing contributions made for the benefit of a Participant pursuant to Section 4.3 and (ii) any amounts that are attributable to profit sharing contributions made to a qualified defined contribution plan with respect to a Participant that are transferred or merged into this Plan, are credited, in each case as adjusted for earnings and losses thereon.

QNEC Account. The subaccount established pursuant to Section 8.1 to which (i) any “qualified nonelective contributions” within the meaning of section 401(m)(4)(C) of the Code made for the benefit of a Participant under the Plan and (ii) any amounts that are attributable to qualified nonelective contributions made to a qualified defined contribution plan with respect to a Participant that are transferred or merged into this Plan, are credited, in each case as adjusted for earnings and losses thereon.

Qualified Military Service. An individual's service in the uniformed services (as defined in 38 U.S.C. § 4303) if such individual is entitled to reemployment rights under USERRA with respect to such service.

Reduction in Force. An involuntary reduction in force, as defined in the Company's Severance Pay Plan.

Regulations. Written regulations promulgated by the Department of Labor construing Title I of ERISA or by the Internal Revenue Service construing the Code.

Rollover Account. The subaccount established pursuant to Section 8.1 to which (i) any rollover contributions made by or for the benefit of an Eligible Rollover Recipient pursuant to Section 5.2 and (ii) any amounts that are attributable to rollover contributions made to a qualified defined contribution plan with respect to a Participant that are transferred or merged into this Plan, are credited, in each case as adjusted for earnings and losses thereon. Rollovers attributable to after-tax contributions and rollovers attributable to designated Roth contributions shall be accounted for separately from other amounts in the Rollover Account.

Safe Harbor Matching Contributions Account. The subaccount established pursuant to Section 8.1 to which (i) any safe harbor matching contributions made for the benefit of a Participant under the Plan and (ii) any amounts that are attributable to safe harbor matching contributions made to a qualified defined contribution plan with respect to a Participant that are transferred or merged into this Plan, are credited, in each case as adjusted for earnings and losses thereon.

Savings Account. The subaccount established pursuant to Section 8.1 to which any savings contributions under the Plan as in effect prior to July 1, 1983 are credited, as adjusted for earnings and losses thereon.

Service. The aggregate of the periods during which an Employee is employed by an Employer and any periods of employment or service taken into account pursuant to Sections 11.3 and 11.4, subject to the following:

(a) An Employee shall be deemed to be employed by an Employer during (1) any period of absence from employment by an Employer that is of less than twelve months' duration, (2) the first twelve months of any period of absence from employment by an Employer for any reason other than the Employee's quitting, retiring, being discharged or death, and (3) any period of absence from employment by an Employer due to or necessitated by the Employee's Qualified Military Service, provided that the Employee returns to the employ of an Employer within the period prescribed by USERRA.

(b) An Employee's period of employment by an entity other than an Affiliate that becomes a Predecessor Company shall be included as Service only to the extent expressly provided in the documents effecting the acquisition or otherwise required by law.

(c) Effective January 1, 2020, an individual's period of employment by Aviation Communication & Surveillance Systems, LLC ("ACSS") shall be included as Service to the same extent it would have been had such period of service been as an Employee.

(d) An Employee's period of employment by an entity in which the Company owns less than 80% but more than 1% of the outstanding equity interest (a "joint venture") shall be included as Service if (1) the Company or its delegate designates employment with the joint venture as eligible for service credit under the Plan; (2) such

Employee was employed by an Affiliate prior to such Employee's employment by the joint venture and was not employed by any person or entity other than an Affiliate (an "unrelated employer") between such Employee's employment by an Affiliate and the joint venture; and (3) such Employee returns to employment with an Affiliate following the Employee's termination of employment with the joint venture without having been employed by an unrelated employer between such Employee's employment by the joint venture and an Affiliate.

Service shall be computed in terms of completed years, completed months and completed days.

Spouse. A person who is legally married to a Participant under the laws of any domestic or foreign jurisdiction that has the legal authority to sanction marriages. For the avoidance of doubt, the term "Spouse" shall not include a person who, with a Participant, is in a domestic partnership, civil union or other similar formal relationship recognized by applicable law.

Trust. The trust described in Section 7.1 and created by agreement between the Company and the Trustee.

Trust Fund. All money and property of every kind with respect to the Plan held by the Trustee pursuant to the terms of the agreement governing the Trust.

Trustee. The person or entity appointed by the Investment Committee and serving as trustee of the Trust or, if there is more than one such trustee acting at a particular time, all of such trustees collectively.

USERRA. The Uniformed Services Employment and Reemployment Rights Act of 1994, as amended.

Valuation Date. Each day on which the New York Stock Exchange is open for trading and any other day determined by the Administrative Committee.

Year of Service. A period of Service of 365 days.

ARTICLE 3 PARTICIPATION

Section 1.1. Eligibility for Participation. Each Eligible Employee who was a Participant immediately before the Effective Date shall continue to be a Participant as of the Effective Date. Except as otherwise provided in an Appendix for a specified group of Employees, each other Eligible Employee shall become a Participant on the day he or she first performs an Hour of Service.

Section 1.2. Election of Pre-Tax Contributions, Designated Roth Contributions and After-Tax Contributions. (a) Participant Election. A Participant who desires to make pre-tax contributions, designated Roth contributions or after-tax contributions to the Plan shall make an election, in accordance with procedures prescribed by the Administrative Committee, specifying the Participant's chosen rate of such contributions. Such election shall authorize the Participant's Employer to reduce the Participant's Compensation by the amount of any such pre-tax contributions, shall authorize the Participant's Employer to make regular payroll deductions of any such designated Roth contributions or after-tax contributions, and shall evidence the Participant's acceptance and agreement to all provisions of the Plan. The Administrative Committee in its discretion may permit Participants (or a subset of Participants) to make separate deferral or contribution elections with respect to (i) their Compensation that is bonus or incentive compensation (in its entirety or a particular category thereof, as determined by the Administrative Committee) and (ii) their Compensation that is not such bonus or incentive compensation. Any election made pursuant to this Section 3.2(a) shall be effective only with

respect to Compensation not currently available to the Participant as of the effective date of such election and shall be effective as soon as administratively practical after the date on which the election is received.

(a) Deemed Election for Full-Time Employees. Except as otherwise provided in a Schedule or an Appendix for a specified group of Employees, a Participant who is a Full-Time Employee and who does not at the time and in the manner prescribed by the Administrative Committee elect otherwise (including for this purpose a reemployed Eligible Employee who is a Full-Time Employee and who does not elect otherwise following the Eligible Employee's reemployment date) shall be deemed to have elected to make pre-tax contributions to the Plan each payroll period at the rate of 6% of the Participant's Compensation for such payroll period and to have authorized the Participant's Employer to reduce his or her Compensation by the amount thereof. Any deemed election described in this Section 3.2(b) shall be effective only with respect to Compensation not currently available to the Participant as of the effective date of the deemed election and shall be effective thirty-five (35) days following the date that the Participant first performs an Hour of Service, or as soon as administratively practicable thereafter.

Section 1.3. Transfers to Affiliates. If a Participant is transferred from one Employer to another Employer or from an Employer to an Affiliate that is not an Employer, such transfer shall not terminate the Participant's participation in the Plan, and such Participant shall continue to participate in the Plan until an event occurs which would have entitled the Participant to a complete distribution of the Participant's vested interest in his or her Account had the Participant continued to be employed by an Employer until the occurrence of such event. Notwithstanding the foregoing, a Participant shall not be entitled to make pre-tax contributions,

designated Roth contributions or after-tax contributions, or to receive under the Plan allocations of matching contributions, profit sharing contributions, fringe contributions or other employer contributions during any period of employment by an Affiliate that is not an Employer, and periods of employment by an Affiliate that is not an Employer shall be taken into account only to the extent set forth in Section 11.3. Payments that are received by a Participant from an Affiliate that is not an Employer shall not be treated as Compensation for any purpose under the Plan.

ARTICLE 4

PRE-TAX, DESIGNATED ROTH, MATCHING, PROFIT SHARING, FRINGE AND OTHER EMPLOYER CONTRIBUTIONS

Section 1.1. Pre-Tax Contributions and Designated Roth Contributions. (a) Initial Election. Subject to the limitations set forth in Article 6, each Employer shall make a pre-tax contribution and/or a designated Roth contribution for each payroll period on behalf of each Participant who is an Eligible Employee of such Employer in an amount equal to a whole percentage of such Participant's Compensation for such payroll period as elected by the Participant pursuant to Section 3.2. The percentage of Compensation so designated by a Participant for a payroll period may not be less than 1% and may not be more than the Maximum Deferral Percentage with respect to such Participant. Notwithstanding the foregoing, the aggregate of a Participant's pre-tax contributions and designated Roth contributions for a payroll period pursuant to this Section 4.1(a) and a Participant's after-tax contributions for a payroll period pursuant to Section 5.1(a) may not exceed an amount equal to the Maximum Deferral Percentage with respect to such Participant.

(a) Changes in the Rate or Suspension of Pre-Tax Contributions and Designated Roth Contributions. A Participant's pre-tax contributions and designated Roth contributions pursuant to Section 4.1(a) shall continue in effect at the rate elected by the

Participant pursuant to Section 3.2 until the Participant changes or suspends such election. A Participant may change or suspend such election at such time and in such manner as may be prescribed by the Administrative Committee, provided that only the last change made by a Participant during a payroll period shall be effectuated. Such change or suspension shall be effective as soon as administratively practicable after the date on which the change or suspension is received. A Participant who has suspended pre-tax contributions or designated Roth contributions pursuant to this subsection may resume pre-tax contributions or designated Roth contributions by making an election at such time and in such manner as may be prescribed by the Administrative Committee.

(b) Catch-Up Contributions. Each Participant who (i) is eligible to make pre-tax contributions or designated Roth contributions under the Plan and (ii) will attain age 50 before the end of the Plan Year shall be eligible to have pre-tax contributions and/or designated Roth contributions made on his or her behalf in addition to those described in Sections 4.1(a) and (b) (“catch-up contributions”). Catch-up contributions shall be elected, made, suspended, resumed and credited in accordance with and subject to the rules and limitations of section 414(v) of the Code and such other rules and limitations prescribed by the Administrative Committee from time to time; provided, however, that (i) the amount of catch-up contributions made on behalf of a Participant during a Plan Year shall not exceed the maximum amount permitted under section 414(v)(2) of the Code for the calendar year (\$7,500 for 2024) and (ii) the amount of catch-up contributions made on behalf of a Participant for a payroll period shall not exceed the percentage of the Participant’s Compensation that is established from time to time by the Administrative Committee. Catch-up contributions shall not be taken into account for purposes of Sections 6.1 and 6.3, and the Plan shall not be treated as failing to satisfy its

provisions implementing the requirements of section 401(k)(3), 401(k)(11), 401(k)(12), 410(b) or 416 of the Code, as applicable, by reason of the making of catch-up contributions.

(c) Designation of Contributions as Pre-Tax Contributions or Designated Roth Contributions. Elections by Participants to commence, change, suspend or resume contributions under this Section 4.1 shall designate (i) the portion of such contributions that are to be pre-tax contributions excludable from the Participant's gross income pursuant to section 402(g) of the Code and (ii) the portion of such contributions that are to be designated Roth contributions includable in the Participant's gross income pursuant to section 402A of the Code. Subject to Section 4.8, such designations shall be irrevocable with respect to contributions made pursuant to such elections.

Section 1.2. Matching Contributions. (a) In General. Subject to the limitations set forth in Article 6, and except as otherwise provided in an Appendix for a specified group of Employees, each Employer shall make a matching contribution for each payroll period on behalf of each of its Eligible Employees who has been credited with one Year of Service. Except as otherwise provided in an Appendix for a specified group of Employees, the rate of such matching contribution shall equal 100% of the aggregate of (i) the pre-tax contribution and/or designated Roth contribution made on behalf of such Participant pursuant to Section 4.1(a) and (ii) the after-tax contribution made on behalf of such Participant pursuant to Section 5.1(a); provided, however, that pre-tax, designated Roth and after-tax contributions in excess of 6% of a Participant's Compensation for a payroll period shall not be considered for purposes of matching contributions. Notwithstanding the foregoing, in the case of an Eligible Cash Balance Pension Participant, pre-tax, designated Roth and after-tax contributions in excess of 5% of his or her

Compensation for a payroll period shall not be considered for purposes of matching contributions under this Section 4.2(a).

(a) Contributions Not Eligible for Match. Notwithstanding the foregoing, and except as otherwise provided in Appendix 8, an Employer shall not make a matching contribution with respect to any catch-up contribution made pursuant to Section 4.1(c).

Section 1.3. Profit Sharing Contributions. Subject to the limitations set forth in Article 6, each Plan Year the Employers in their discretion may make a profit sharing contribution to the Trust in such amount as the Employers in their discretion may determine. Such discretionary profit sharing contribution shall be allocated pursuant to Section 8.6 among Eligible Profit Sharing Participants for the Plan Year.

Section 1.4. Fringe Contributions. Subject to the limitations set forth in Article 6, each Plan Year the Employers in their discretion may make, (i) on behalf of a Participant who is covered by the Davis-Bacon Act (40 U.S.C. Section 276(a) et seq., as amended) or the McNamara-O'Hara Service Contract Act (41 U.S.C. Section 351 et seq., as amended), a fringe contribution that shall be an amount equal to the fringe rate determined under the prevailing wage determination for services performed under the aforesaid acts, less any fringe benefit provided outside of the Plan or (ii) on behalf of a Participant who is subject to a collective bargaining agreement or similar contract, a fringe contribution in the amount determined by the Employer which shall be in lieu of certain fringe benefits.

Section 1.5. Other Employer Contributions. The Employers shall make such other employer contributions as set forth in an Appendix hereto.

Section 1.6. Deposit of Contributions. An Employer shall deliver to the Trustee any pre-tax contributions and designated Roth contributions as soon as administratively

practicable after the date such contributions otherwise would have been paid to the Participants as cash compensation, but in no event later than the 15th business day of the month following the month during which such contributions otherwise would have been paid to the Participants. Except with respect to true-up or catch-up matching contributions made pursuant to an Appendix hereto, an Employer shall deliver to the Trustee any matching contributions concurrently with the delivery of the pre-tax contributions, designated Roth contributions or after-tax contributions to which such matching contributions relate. An Employer shall deliver to the Trustee any profit sharing contribution, fringe contributions, true-up or catch-up matching contributions or other employer contributions for a Plan Year no later than the date prescribed by the Code, including any authorized extensions thereof, for filing such Employer's federal income tax return for the tax year that coincides with the Plan Year.

Section 1.7. Form of Contributions. Except as provided in Section 5.2(a) with respect to rollover contributions, contributions to the Plan (pursuant to this Article 4 or otherwise) shall be made in cash, shares of L3Harris Stock or a combination thereof at the discretion of the Company.

Section 1.8. In-Plan Roth Conversions An "Eligible Converttee," as defined in this Section, may, at any time, elect to transfer all or any portion of his or her vested Account, other than his or her Roth In-Plan Conversion Excluded Account, from its existing subaccount to such Eligible Converttee's Designated Roth Conversion Account, to the extent permitted by section 402A(c)(4) of the Code (including section 402A(c)(4)(E) of the Code), and with the tax consequences set forth in section 402A(c)(4) of the Code (an "In-Plan Roth Conversion"). For this purpose the Participant's "Roth In-Plan Conversion Excluded Account" means (i) the Participant's Account attributable to his or her Designated Roth Account, (ii) the Participant's

Account attributable to his or her Money Purchase Pension Account and (iii) prior to the date that such amounts are distributable under the Plan, the Participant's Account attributable to his or her Fringe Account, Ocean Systems Hourly Account, Profit Sharing Account, QNEC Account, and Safe Harbor Matching Contributions Account. Notwithstanding any provision of the Plan to the contrary, the Eligible Converttee shall continue to have the same withdrawal, distribution and loan options with respect to amounts attributable to such In-Plan Roth Conversion as he or she had prior to having converted such amounts, subject to any restrictions on rollover described in Section 9.6. For purposes of this Section, an "Eligible Converttee" is a Participant, a Beneficiary who is the surviving Spouse of such Participant or an alternate payee (within the meaning of section 414(p) of the Code) who is a Spouse or former Spouse of such Participant.

ARTICLE 5

AFTER-TAX AND ROLLOVER CONTRIBUTIONS

Section 1.1. After-Tax Contributions. (a) Initial Election. Subject to the limitations set forth in Article 6, each Participant may elect in accordance with Section 3.2 to make an after-tax contribution of Compensation for each payroll period by payroll deduction. The percentage of Compensation so designated for a payroll period shall be a whole percentage not less than 1% and not more than the Maximum Contribution Percentage with respect to such Participant. Notwithstanding the foregoing, the aggregate of a Participant's pre-tax contributions and designated Roth contributions for a payroll period pursuant to Section 4.1(a) and a Participant's after-tax contributions for a payroll period pursuant to this Section 5.1(a) may not exceed an amount equal to the Maximum Contribution Percentage with respect to such Participant. An Employer shall deliver to the Trustee any after-tax contributions as soon as administratively practicable after the date such contributions otherwise would have been paid to the Participants as cash compensation, but in no event later than the 15th business day of the

month following the month during which such contributions otherwise would have been paid to the Participants.

(a) Changes in the Rate or Suspension of After-Tax Contributions. A Participant's after-tax contributions pursuant to Section 5.1(a) shall continue in effect at the rate elected by the Participant pursuant to Section 3.2 until the Participant changes or suspends such election. A Participant may change or suspend such election at such time and in such manner as may be prescribed by the Administrative Committee, provided that only the last change made by a Participant during a payroll period shall be effectuated. Such change or suspension shall be effective as soon as administratively practicable after the date on which the change or suspension is received. A Participant who has suspended after-tax contributions pursuant to this subsection may resume after-tax contributions by making an election at such time and in such manner as may be prescribed by the Administrative Committee.

Section 1.2. Rollover Contributions. (a) Requirements for Rollover Contributions. If an Eligible Rollover Recipient receives an "eligible rollover distribution" (within the meaning of section 402(c)(4) of the Code) from an Eligible Retirement Plan, then the Eligible Rollover Recipient may contribute to the Plan an amount that does not exceed the amount of such eligible rollover distribution (including the proceeds from the sale of any property received as part of such eligible rollover distribution). A rollover contribution may be in the form of cash or, with the consent of the Administrative Committee or its delegate, a promissory note evidencing an outstanding loan balance.

(a) Delivery of Rollover Contributions. Any rollover contribution made pursuant to this Section shall be delivered by the Eligible Rollover Recipient to the Trustee on or before the 60th day after the day on which the Eligible Rollover Recipient receives the

distribution (or on or before such later date as may be prescribed by law) or shall be transferred to the Trustee on behalf of the Eligible Rollover Recipient directly from the trust from which the eligible rollover distribution is made. Any such contribution must be accompanied by any information or documentation in connection therewith requested by the Administrative Committee or the Trustee. Notwithstanding the foregoing, the Administrative Committee shall not permit a rollover contribution if in its judgment accepting such contribution would cause the Plan to violate any provision of the Code or Regulations.

ARTICLE 6

LIMITATIONS ON CONTRIBUTIONS

Section 1.1. Annual Limit on Pre-Tax Contributions and Designated Roth Contributions. (a) General Rule. Notwithstanding the provisions of Section 4.1, the aggregate of pre-tax contributions and designated Roth contributions made on behalf of a Participant for any calendar year pursuant to such Section and pursuant to any other plan or arrangement described in section 401(k) of the Code which is maintained by an Employer or Affiliate shall not exceed the dollar limitation in effect for such calendar year under section 402(g) of the Code, except to the extent permitted under Section 4.1(c) of the Plan and section 414(v) of the Code with respect to “catch-up contributions.”

(a) Excess Pre-Tax Contributions and Designated Roth Contributions.

(1) Characterization as After-Tax Contributions. Except to the extent set forth in Section 4.1(c) of the Plan and section 414(v) of the Code with respect to “catch-up contributions,” if for any calendar year the pre-tax contributions and designated Roth contributions to the Plan reach the limit imposed by subsection (a) of this Section for such calendar year, any contributions under the Plan during the calendar year that exceed such limit shall be characterized as after-tax

contributions. The Participant's pre-tax contributions shall be recharacterized up to the extent pre-tax contributions were made to the Plan for the Plan Year and, to the extent that the Participant's contributions to be recharacterized exceed such pre-tax contributions, the Participant's designated Roth contributions made to the Plan for the Plan Year shall be recharacterized.

(2) Distribution. Notwithstanding the foregoing, and except to the extent set forth in Section 4.1(c) of the Plan and section 414(v) of the Code with respect to "catch-up contributions," if for any calendar year the aggregate of the pre-tax contributions and the designated Roth contributions to the Plan plus elective deferrals contributed under other plans or arrangements described in section 401(k), 403(b), 408(k) or 408(p) of the Code for the Participant exceed the section 402(g) limit for such calendar year and are not characterized as after-tax contributions, because of the limitation set forth in Section 5.1 on the amount of after-tax contributions that may be made to the Plan or otherwise, such Participant shall, pursuant to such rules and at such time following such calendar year as determined by the Administrative Committee, be allowed to submit a written request that the excess deferrals, plus any income and minus any loss allocable thereto, be distributed to the Participant. The amount of any income or loss allocable to such excess deferrals shall be determined pursuant to Regulations. Such amount of excess deferrals, as adjusted for income or loss, shall be distributed to the Participant no later than April 15 following the calendar year for which such contributions were made. Any excess deferrals that are distributed in accordance with this subsection (b)(2) shall not be treated as "annual additions"

for purposes of Section 6.3. The amount of excess deferrals that may be distributed under this subsection (b)(2) with respect to a Participant for a calendar year shall be reduced by any amounts previously distributed pursuant to Section 6.2(d)(1) with respect to such Participant for such year. Such distributed excess deferrals shall be treated as pre-tax contributions up to the extent pre-tax contributions were made to the Plan for the Plan Year and, to the extent that such distributed excess deferrals exceed such pre-tax contributions, such excess deferrals shall be treated as distributions of designated Roth contributions made to the Plan for the Plan Year. Pre-tax contributions or designated Roth contributions with respect to which a matching contribution was not made shall be distributed before pre-tax contributions or designated Roth contributions with respect to which a matching contribution was made. Any matching contributions attributable to excess deferrals that are distributed pursuant to this Section 6.1(b), as adjusted for income or loss, shall be forfeited.

Section 1.2. Limits on Contributions for Highly Compensated Employees.

(a) Actual Deferral Percentage Test Imposed by Section 401(k)(3) of the Code. Notwithstanding the provisions of Section 4.1, if the pre-tax contributions and designated Roth contributions made pursuant to Section 4.1 for a Plan Year fail, or in the judgment of the Administrative Committee are likely to fail, to satisfy both of the tests set forth in paragraphs (1) and (2) of this subsection, the adjustments prescribed in Section 6.2(d)(1) shall be made. Any pre-tax contributions or designated Roth contributions which are “catch-up contributions” described in Section 4.1(c) shall not be considered to be pre-tax contributions or designated Roth contributions for purposes of determining whether the tests set forth in paragraphs (1) and (2) of

this subsection are satisfied or for purposes of making any adjustments prescribed by Section 6.2(d)(1).

(1) The HCE average deferral percentage for such year does not exceed the product of the NHCE average deferral percentage for such year and 1.25.

(2) The HCE average deferral percentage for such year (i) does not exceed the NHCE average deferral percentage for such year by more than two percentage points and (ii) does not exceed the product of the NHCE average deferral percentage for such year and 2.0.

(b) Actual Contribution Percentage Test Imposed by Section 401(m) of the Code. Notwithstanding the provisions of Sections 4.2 and 5.1, if the aggregate of the matching contributions made pursuant to Section 4.2 and the after-tax contributions made pursuant to Section 5.1 for a Plan Year fail, or in the judgment of the Administrative Committee are likely to fail, to satisfy both of the tests set forth in paragraphs (1) and (2) of this subsection, the adjustments prescribed in Section 6.2(d)(2) shall be made.

(1) The HCE average contribution percentage for such year does not exceed the product of the NHCE average contribution percentage for such year and 1.25.

(2) The HCE average contribution percentage for such year (i) does not exceed the NHCE average contribution percentage for such year by more than two percentage points and (ii) does not exceed the product of the NHCE average contribution percentage for such year and 2.0.

(c) Definitions and Special Rules. For purposes of this Section, the following definitions and special rules shall apply:

(1) The “actual deferral percentage test” refers collectively to the tests set forth in paragraphs (1) and (2) of subsection (a) of this Section relating to pre-tax contributions and designated Roth contributions. The actual deferral percentage test shall be satisfied if either of such tests are satisfied.

(2) The “HCE average deferral percentage” for a Plan Year is a percentage determined for the group of Eligible Employees who are eligible to make pre-tax contributions or designated Roth contributions for the current Plan Year and who are Highly Compensated Employees for the current Plan Year. Such percentage shall be equal to the average of the ratios, calculated separately for each such Eligible Employee to the nearest one-hundredth of one percent, of the employer contributions for the benefit of such Eligible Employee for the current Plan Year (if any) to the total compensation for the current Plan Year paid to such Eligible Employee. For this purpose, “employer contributions” shall mean pre-tax contributions and designated Roth contributions (including excess deferrals), but excluding any pre-tax contributions and designated Roth contributions that are taken into account under the actual contribution percentage test (provided that the actual deferral percentage test is satisfied both with and without exclusion of such contributions).

(3) The “NHCE average deferral percentage” for a Plan Year is a percentage determined for the group of Eligible Employees who were eligible to make pre-tax contributions or designated Roth contributions for the immediately

preceding Plan Year and who were not Highly Compensated Employees for the immediately preceding Plan Year. Such percentage shall be equal to the average of the ratios, calculated separately for each such Eligible Employee to the nearest one-hundredth of one percent, of the employer contributions for the benefit of such Eligible Employee for the immediately preceding Plan Year (if any) to the total compensation for the immediately preceding Plan Year paid to such Eligible Employee. For this purpose, “employer contributions” shall mean pre-tax contributions and designated Roth contributions (including excess deferrals), but excluding (i) excess deferrals that arise solely from pre-tax contributions and designated Roth contributions made under this Plan or other plans maintained by the Employers and Affiliates and (ii) any pre-tax contributions and designated Roth contributions that are taken into account under the actual contribution percentage test (provided that the actual deferral percentage test is satisfied both with and without exclusion of such pre-tax contributions and designated Roth contributions). Notwithstanding the foregoing, in the event of a “plan coverage change” during a Plan Year (as such term is defined in Treasury Regulation §1.401(k)-2(c)(4)(iii)(A)), the “NHCE average deferral percentage” for such Plan Year shall be determined in accordance with Treasury Regulation §1.401(k)-2(c)(4).

(4) The “actual contribution percentage test” refers collectively to the tests set forth in paragraphs (1) and (2) of subsection (b) of this Section relating to matching contributions and after-tax contributions. The actual contribution percentage test shall be satisfied if either of such tests are satisfied.

(5) The “HCE average contribution percentage” for a Plan Year is a percentage determined for the group of Eligible Employees who are eligible to have matching contributions, after-tax contributions, or in the discretion of the Administrative Committee and to the extent permitted under rules prescribed by the Secretary of the Treasury or otherwise under the law, pre-tax contributions and designated Roth contributions, made for their benefit for the current Plan Year and who are Highly Compensated Employees for the current Plan Year. Such percentage shall be equal to the average of the ratios, calculated separately for each such Eligible Employee to the nearest one-hundredth of one percent, of the matching contributions, after-tax contributions and, in the discretion of the Administrative Committee and to the extent permitted under rules prescribed by the Secretary of the Treasury or otherwise under the law, pre-tax contributions and designated Roth contributions, made for the benefit of such Eligible Employee for the current Plan Year (if any) to the total compensation for the current Plan Year paid to such Eligible Employee.

(6) The “NHCE average contribution percentage” for a Plan Year is a percentage determined for the group of Eligible Employees who were eligible to have matching contributions, after-tax contributions, or in the discretion of the Administrative Committee and to the extent permitted under rules prescribed by the Secretary of the Treasury or otherwise under the law, pre-tax contributions and designated Roth contributions, made for their benefit for the immediately preceding Plan Year and who were not Highly Compensated Employees for the immediately preceding Plan Year. Such percentage shall be equal to the average

of the ratios, calculated separately for each such Eligible Employee to the nearest one-hundredth of one percent, of the matching contributions, after-tax contributions and, in the discretion of the Administrative Committee and to the extent permitted under rules prescribed by the Secretary of the Treasury or otherwise under the law, pre-tax contributions and designated Roth contributions, made for the benefit of such Eligible Employee for the immediately preceding Plan Year (if any) to the total compensation for the immediately preceding Plan Year paid to such Eligible Employee. Notwithstanding the foregoing, in the event of a “plan coverage change” during a Plan Year (as such term is defined in Treasury Regulation §1.401(m)-2(c)(4)(iii)(A)), the “NHCE average contribution percentage” for such Plan Year shall be determined in accordance with Treasury Regulation §1.401(m)-2(c)(4).

(7) The term “compensation” shall have the meaning set forth in section 414(s) of the Code or, in the discretion of the Administrative Committee, any other meaning in accordance with the Code for these purposes. In any event, the term “compensation” shall not include any amount excludable under Treasury Regulation section 1.415(c)-2(g)(5)(ii).

(8) If the Plan and one or more other plans of an Employer to which pre-tax contributions, designated Roth contributions, matching contributions or employee contributions (as such terms are defined for purposes of section 401(m) of the Code), or qualified nonelective contributions (as such term is defined in section 401(m)(4)(C) of the Code), are made are treated as one plan for purposes of section 410(b) of the Code, such plans shall be treated as one plan for purposes

of this Section. If a Highly Compensated Employee participates in the Plan and one or more other plans of an Employer to which any such contributions are made, all such contributions shall be aggregated for purposes of this Section.

(d) Adjustments to Comply with Limits.

(1) Adjustments to Comply with Actual Deferral Percentage Test. The Administrative Committee shall cause to be made such periodic computations as it shall deem necessary or appropriate to determine whether the actual deferral percentage test will be satisfied during a Plan Year, and, if it appears to the Administrative Committee that such test will not be satisfied, the Administrative Committee shall take such steps as it deems necessary or appropriate to adjust the pre-tax contributions and designated Roth contributions made pursuant to Section 4.1 for all or a portion of the remainder of such Plan Year for the benefit of some or all of the Highly Compensated Employees to the extent necessary in order for the actual deferral percentage test to be satisfied. If, after the end of the Plan Year, the Administrative Committee determines that, notwithstanding any adjustments made pursuant to the preceding sentence, the actual deferral percentage test was not satisfied, the Administrative Committee shall calculate a total amount by which pre-tax contributions and designated Roth contributions must be reduced in order to satisfy such test in the manner prescribed by section 401(k)(8)(B) of the Code (the “excess contributions amount”). The amount of pre-tax contributions and designated Roth contributions to be reduced for each Participant who is a Highly Compensated Employee shall be determined by first reducing the pre-tax contributions and designated Roth contributions of each

Participant whose actual dollar amount of pre-tax contributions and designated Roth contributions for such Plan Year is highest until such reduced dollar amount equals the next highest actual dollar amount of pre-tax contributions and designated Roth contributions made for such Plan Year on behalf of any Highly Compensated Employee or until the total reduction equals the excess contributions amount. If further reductions are necessary, then the pre-tax contributions and designated Roth contributions on behalf of each Participant who is a Highly Compensated Employee and whose actual dollar amount of pre-tax contributions and designated Roth contributions for such Plan Year is the highest (determined after the reduction described in the preceding sentence) shall be reduced in accordance with the preceding sentence. Such reductions shall continue to be made to the extent necessary so that the total reduction equals the excess contributions amount. The portion of a Participant's pre-tax contributions and designated Roth contributions to be reduced in accordance with this Section 6.2(d)(1) shall be recharacterized as an after-tax contribution, and the Participant shall be notified of such recharacterization and the tax consequences thereof no later than 2½ months after the end of the Plan Year. The amount of a Participant's pre-tax contributions and designated Roth contributions to be reduced in accordance with this Section shall be reduced by any excess deferrals previously distributed to such Participant pursuant to Section 6.1 in order to comply with the limitations of section 402(g) of the Code. The amount of any income or loss allocable to any such reductions shall be determined pursuant to the applicable Regulations promulgated by the U.S. Treasury Department. The

Participant's pre-tax contributions shall be recharacterized up to the extent pre-tax contributions were made to the Plan for the Plan Year and, to the extent that the Participant's excess contributions exceed such pre-tax contributions, the Participant's designated Roth contributions made to the Plan for the Plan Year shall be recharacterized.

(2) Adjustments to Comply with Actual Contribution Percentage Test. The Administrative Committee shall cause to be made such periodic computations as it shall deem necessary or appropriate to determine whether the average contribution percentage test will be satisfied during a Plan Year, and, if it appears to the Administrative Committee that such test will not be satisfied, the Administrative Committee shall take such steps as it deems necessary or appropriate to adjust the matching contributions and the after-tax contributions made pursuant to Section 4.2 and 5.1, respectively, for all or a portion of the remainder of such Plan Year on behalf of some or all of the Highly Compensated Employees to the extent necessary in order for the average contribution percentage test to be satisfied. If the Administrative Committee determines that, notwithstanding any adjustments made pursuant to the preceding sentence, the average contribution percentage test was or will not be satisfied, the Administrative Committee shall, in its discretion, (1) allocate a qualified nonelective contribution pursuant to Section 6.2(e) or (2) reduce the matching contributions and after-tax contributions made on behalf of each Participant who is a Highly Compensated Employee and whose actual dollar amount of matching contributions and after-tax contributions for such Plan Year is the highest in the same manner described in

subparagraph (1) of this paragraph to the extent necessary to comply with the average contribution percentage test. The reduction described in the preceding sentence shall be made first with respect to a Participant's after-tax contributions in excess of six percent of Compensation, second with respect to any remaining after-tax contributions and any matching contributions attributable thereto, and third with respect to any other matching contributions. With respect to contributions to be so reduced, no later than 2½ months after the end of the Plan Year (or if correction by such date is administratively impracticable, no later than the last day of the subsequent Plan Year), the Administrative Committee shall cause to be distributed to each such Participant the amount of such reductions made with respect to vested matching contributions to which such Participant would be entitled under the Plan if such Participant had terminated service on the last day of the Plan Year for which such contributions are made (or on the date of the Participant's actual termination of employment, if earlier) and with respect to after-tax contributions (plus any income and minus any loss allocable thereto), and any remaining amount of such reductions (plus any income and minus any loss allocable thereto) shall be forfeited. Any amounts forfeited pursuant to this paragraph shall be treated in the same manner as forfeitures described in Section 9.2(b). The amount of any such income or loss allocable to any such reduction to be so distributed or forfeited shall be determined pursuant to applicable Regulations promulgated by the U.S. Treasury Department.

(e) Qualified Nonelective Contributions. Subject to the limitations set forth in Sections 6.3 and 6.4, and to the extent permitted by Regulations or other pronouncements of the

Internal Revenue Service, for purposes of satisfying the actual contribution percentage test set forth in Section 6.2(b), the Employers may contribute for a Plan Year such amount, if any, as may be designated as a “qualified nonelective contribution” within the meaning of section 401(m)(4)(C) of the Code. Any such qualified nonelective contribution to the Plan must be contributed no later than the last day of the Plan Year immediately following the Plan Year to which it relates. Any such qualified nonelective contribution to the Plan shall be allocated to the Accounts of those Participants who are not Highly Compensated Employees for the Plan Year with respect to which such qualified nonelective contribution is made and who are actively employed by the contributing Employer on the last day of the Plan Year with respect to which such qualified nonelective contribution is made, beginning with the Participant with the lowest Compensation for such Plan Year and allocating the maximum amount that may be taken into account under Treasury Regulation §1.401(m)-2(a)(6)(v) (and that is permissible under Section 6.3) before allocating any portion of such qualified nonelective contribution to the Participant with the next lowest Compensation for the Plan Year.

Section 1.3. Maximum Annual Additions under Section 415 of the Code. Notwithstanding any other provision of the Plan, the amounts allocated to the Account of each Participant for any limitation year shall be limited so that the aggregate annual additions for such year to the Participant’s Account and to the Participant’s accounts in all other defined contribution plans maintained by an employer shall not exceed the lesser of:

- (i) \$69,000 (as adjusted pursuant to section 415(d) of the Code); and
- (ii) 100% of the Participant’s compensation for such limitation year (or such other percentage of compensation set forth in section 415(c) of the Code).

The “annual additions” to a Participant’s Account and to the Participant’s account in any other defined contribution plan maintained by an employer is the sum for such limitation year of:

- (a) the amount of employer contributions (including pre-tax contributions and designated Roth contributions) allocated to the Participant’s account, excluding, however, (X) pre-tax contributions and designated Roth contributions that are “catch-up contributions” made pursuant to section 414(v) of the Code, (Y) excess deferrals that are distributed in accordance with section 402(g) of the Code and (Z) restorative payments (within the meaning of Treasury Regulation section 1.415(c)-1(b)(2)(ii)(C)),
- (b) the amount of forfeitures allocated to the Participant’s account,
- (c) the amount of contributions by the Participant to any such plan, but excluding any rollover contributions or loan repayments,
- (d) the amount allocated on behalf of the Participant to any individual medical benefit account (as defined in section 415(l) of the Code) or, if the Participant is a key employee within the meaning of section 419A(d)(3) of the Code, to any post-retirement medical benefits account established pursuant to section 419A(d)(1) of the Code, and
- (e) the amount of mandatory employee contributions within the meaning of section 411(c)(2)(C) of the Code by such Participant to a defined benefit plan, regardless of whether such plan is subject to the requirements of section 411 of the Code.

For purposes of this Section, the “limitation year” shall be the Plan Year, the term “compensation” shall have the meaning set forth in Treasury Regulation section 1.415(c)-2(d)(4), the term “defined contribution plan” shall have the meaning set forth in Treasury Regulation section 1.415(c)-1(a)(2), and a Participant’s employer shall include entities that are members of

the same controlled group (within the meaning of section 414(b) of the Code as modified by section 415(h) of the Code) or affiliated service group (within the meaning of section 414(m) of the Code) as the Participant's employer or under common control (within the meaning of section 414(c) of the Code as modified by section 415(h) of the Code) with the Participant's employer or such entities.

For the purpose of determining the manner in which contributions to the Plan for a particular payroll are to be limited in order to comply with the requirements of this Section 6.3, the maximum permissible amount of pre-tax contributions, designated Roth contributions and after-tax contributions shall be credited to the Participant's Account prior to the crediting of any matching contributions attributable thereto.

Section 1.4. Other Limitations on Employer Contributions. The contributions of the Employers for a Plan Year shall not exceed the maximum amount for which a deduction is allowable to such Employers for federal income tax purposes for the tax year that coincides with the Plan Year.

Any contribution made by an Employer by reason of a good faith mistake of fact, or the portion of any contribution made by an Employer that exceeds the maximum amount for which a deduction is allowable to such Employer for federal income tax purposes by reason of a good faith mistake in determining the maximum allowable deduction, shall upon the request of such Employer be returned by the Trustee to the Employer. An Employer's request and the return of any such contribution must be made within one year after such contribution was mistakenly made or after the deduction of such excess portion of such contribution was disallowed, as the case may be. The amount to be returned to an Employer pursuant to this paragraph shall be the excess of (i) the amount contributed over (ii) the amount that would have been contributed had there not been a mistake of fact or a mistake in determining the maximum

allowable deduction. Earnings attributable to the mistaken contribution shall not be returned to the Employer, but losses attributable thereto shall reduce the amount to be so returned. If the return to the Employer of the amount attributable to the mistaken contribution would cause the balance of any Participant's Account as of the date such amount is to be returned (determined as if such date coincided with the close of a Plan Year) to be reduced to less than what would have been the balance of such Account as of such date had the mistaken amount not been contributed, the amount to be returned to the Employer shall be limited so as to avoid such reduction.

ARTICLE 7

TRUST AND INVESTMENT FUNDS

Section 1.1. Trust. A Trust shall be created by the execution of a trust agreement between the Company or its delegate (acting on behalf of the Employers) and the Trustee. All contributions under the Plan shall be paid to the Trustee. The Trustee shall hold all monies and other property received by it and invest and reinvest the same, together with the income therefrom, on behalf of the Participants collectively in accordance with the provisions of the trust agreement. The Trustee shall make distributions from the Trust Fund at such time or times to such person or persons and in such amounts as the Administrative Committee directs in accordance with the Plan. The Trust may be a master trust, provided that the portion of the Trust attributable to the Plan shall be separately accounted for and all Plan assets shall be utilized exclusively for the Plan.

Section 1.2. Investments. (a) In General. The Investment Committee shall establish an investment policy for the Plan. The Investment Committee shall cause the Trustee to establish and maintain three or more separate investment funds exclusively for the collective investment and reinvestment as directed by Participants of amounts credited to their Accounts. Additional investment funds may be established as determined by the Investment Committee

from time to time in its sole discretion. The Investment Committee, in its sole discretion, may appoint investment managers to provide services in connection with the investment funds established under the Plan.

(a) L3Harris Stock Fund. In addition to the investment funds established at the direction of the Investment Committee pursuant to Section 7.2(a), the Trustee shall establish and maintain a L3Harris Stock Fund. The assets of the L3Harris Stock Fund shall be invested primarily in shares of L3Harris Stock. The assets of the L3Harris Stock Fund also may be invested in short-term liquid investments. Each Participant's interest in the L3Harris Stock Fund shall be represented by units of participation, and each such unit shall represent a proportionate interest in all the assets of such fund. The Trustee is authorized to purchase shares of L3Harris Stock on the open market. Except as permitted by section 401(a)(35) of the Code, restrictions (either direct or indirect) or conditions will not be imposed on investment in the L3Harris Stock Fund if such restrictions or conditions are not imposed on investment in the other investment funds available under the Plan.

(b) Self-Directed Brokerage Account. In addition to the investment funds established pursuant to Sections 7.2(a) and (b), a Participant may establish a self-directed brokerage account, subject to the terms and conditions set forth in this Plan and such other terms and conditions as deemed appropriate by the Administrative Committee or Investment Committee from time to time. In no event shall L3Harris Stock be a permitted investment in the self-directed brokerage account.

ARTICLE 8

PARTICIPANT ACCOUNTS AND INVESTMENT ELECTIONS

Section 1.1. Participant Accounts. The Administrative Committee shall establish and maintain, or cause the Trustee or such other agent as the

Administrative Committee may select to establish and maintain, a separate Account for each Participant. Such Account shall be solely for accounting purposes, and no segregation of assets of the Trust Fund among the separate Accounts shall be required. Each Account shall consist of the following subaccounts (and such other subaccounts as may be established by or at the direction of the Administrative Committee from time to time):

- (a) a Pre-Tax Account;
- (b) a Designated Roth Account;
- (c) a Matching Account;
- (d) a Profit Sharing Account;
- (e) an After-Tax Account;
- (f) a Rollover Account;
- (g) a Savings Account;
- (h) a QNEC Account;
- (i) a Safe Harbor Matching Contributions Account;
- (j) a Fringe Account;
- (k) a Prior Company Contribution Account;
- (l) a Money Purchase Pension Account;
- (m) an Other Employer Contribution Account; and
- (n) a Designated Roth Conversion Account.

The Administrative Committee shall establish and maintain, or cause the Trustee or such other agent as the Administrative Committee may select to establish and maintain,

investment subaccounts with respect to each investment fund described in Section 7.2 to which amounts contributed under the Plan shall be credited according to each Participant's investment elections pursuant to Section 8.2. All such investment subaccounts shall be solely for accounting purposes, and there shall be no segregation of assets within the investment funds among the separate investment subaccounts.

Section 1.2. Investment Elections. (a) Initial Election. Each Participant shall make, in the manner prescribed by the Administrative Committee, an investment election that shall apply to the investment of contributions made for a Participant's benefit and any earnings on such contributions, subject to such limitations set forth herein or imposed by the Administrative Committee from time to time. The Administrative Committee in its discretion shall determine whether a single investment election shall apply to a Participant's entire Account or whether a Participant may make separate investment elections applicable to various sources of contributions under the Plan. A Participant's election shall specify that such contributions be invested either (i) wholly in one of the funds maintained by the Trustee pursuant to Section 7.2, or (ii) divided among two or more of such funds in increments of 1% (or such larger percentage established by the Administrative Committee from time to time). Unless otherwise determined by the Investment Committee, during any period in which no direction as to the investment of a Participant's Account is on file with the Administrative Committee (a "Default Period"), contributions made for a Participant's benefit shall be invested in an age-appropriate LifeCycle Fund (or, if the Employers have no record of the Participant's age, in the LifeCycle Retirement Fund until such Participant's age can be determined, at which time all such contributions made for such Participant's benefit during the Default Period shall be transferred to an age-appropriate LifeCycle Fund). A Participant may enroll in a managed account program under which

investment professionals will monitor the Participant's Account and manage all investment elections and transactions.

(a) Change of Election. A Participant may change his or her investment election as of any Valuation Date, subject to such limitations as the Administrative Committee from time to time may impose (including restrictions on investment election changes that apply solely to a particular investment fund or option). A Participant's investment election change shall be limited to the investment funds or options then maintained by the Trustee pursuant to Section 7.2. A change in investment election made pursuant to this Section shall apply to a Participant's existing Account or contributions made for the benefit of the Participant after such change, or both. Any such change shall specify that such Account or contributions be invested either (i) wholly in one of the funds or options maintained by the Trustee pursuant to Section 7.2 or (ii) divided among two or more of such funds or options in increments of 1% (or such larger percentage established by the Administrative Committee from time to time) or, solely with respect to a Participant's existing Account, in fixed dollar amounts. A Participant's change of investment election must be made in the manner and subject to the rules prescribed by the Administrative Committee, including rules regarding the time by which such an election must be made in order to be effective for a particular Valuation Date. In the absence of an affirmative election by a Participant to the contrary, the Administrative Committee may deem a Participant to have made an investment election change (e.g., an election to liquidate a fund investment) in accordance with procedures established by the Administrative Committee and communicated to Participants.

(b) Special Rules Concerning the L3Harris Stock Fund. A Participant may not elect to invest in the L3Harris Stock Fund more than 20% of the aggregate contributions

newly made for his or her benefit, and a Participant may not transfer any portion of the Participant's existing Account from investment in funds other than the L3Harris Stock Fund to investment in the L3Harris Stock Fund if following such transfer more than 20% of the Participant's existing Account would be invested in the L3Harris Stock Fund. Notwithstanding the foregoing, a Participant (other than a Participant who participates in the Plan pursuant to Appendix 3 hereto) may elect to invest in the L3Harris Stock Fund up to 100% of the matching contributions newly made for his or her benefit pursuant to Section 4.2.

(c) Special Rules Concerning the Self-Directed Brokerage Account. Notwithstanding any provision of the Plan to the contrary, (i) a Participant may not elect to invest in the self-directed brokerage account more than 95% of the aggregate contributions newly made for his or her benefit and (ii) a Participant may not transfer any portion of the Participant's existing Account from investment in funds other than the self-directed brokerage account to investment in the self-directed brokerage account if following such transfer more than 95% of the Participant's existing Account would be invested in the self-directed brokerage account. Any transfer to the self-directed brokerage account shall be in an amount that is no less than \$500 (for the avoidance of doubt, such \$500 minimum investment shall not apply to new contributions directly invested in the self-directed brokerage account). Notwithstanding the foregoing, new contributions may be directly invested in the self-directed brokerage account only following the Participant's establishment of the account and transfer to the account from other investment funds of an investment of no less than \$500.

(d) ERISA Section 404(c) Plan. The Plan is intended to meet the requirements of section 404(c) of ERISA and the Regulations thereunder, and the provisions of the Plan shall be construed and interpreted to meet such requirements.

Section 1.3. Valuation of Funds and Plan Accounts. The value of an investment fund as of any Valuation Date shall be the market value of all assets (including any uninvested cash) held by the fund on such Valuation Date as determined by the Trustee, reduced by the amount of any accrued liabilities of the fund on such Valuation Date. The Trustee's determination of market value shall be binding and conclusive upon all parties. The value of a Participant's Account as of any Valuation Date shall be the sum of the values of his or her investment subaccounts in each of the subaccounts described in Section 8.1.

Section 1.4. Valuation of Units within the L3Harris Stock Fund. As soon as practicable after the close of business on each Valuation Date, the Trustee shall determine the value of the L3Harris Stock Fund on such Valuation Date in the manner prescribed in Section 8.3, and the value so determined shall be divided by the total number of L3Harris Stock Fund participating units allocated to the investment subaccounts of Participants. The resulting quotient shall be the value of a participating unit in the L3Harris Stock Fund as of such Valuation Date and shall constitute the "price" of a participating unit as of such Valuation Date. Participating units shall be credited, at the price so determined, to the investment subaccounts of Participants with respect to contributions or transfers to such investment subaccounts on their behalf on such Valuation Date. The price of such participating units shall be debited to the investment subaccounts of Participants with respect to divestitures from such investment subaccounts on their behalf on such Valuation Date. The value of all participating units credited to Participants' investment subaccounts shall be redetermined in a similar manner as of each Valuation Date.

Section 1.5. Allocation of Contributions Other than Profit Sharing Contributions. Any pre-tax contribution, designated Roth contribution, matching contribution, safe harbor matching contribution, fringe contribution, other employer contribution, after-tax

contribution, rollover contribution or qualified nonelective contribution shall be allocated to the Pre-Tax Account, Designated Roth Account, Matching Account, Safe Harbor Matching Contributions Account, Fringe Account, Other Employer Contribution Account, After-Tax Account, Rollover Account or QNEC Account, as applicable, of the Participant for whom such contribution is made on or as soon as practicable after the Valuation Date coinciding with or next following the date on which such contribution is delivered to the Trustee. Notwithstanding any provision of this Article 8 to the contrary, any Designated Roth Account or Designated Roth Conversion Account shall be maintained in a manner that satisfies the separate accounting requirement, and any Regulations or other requirements promulgated, under section 402A of the Code.

Section 1.6. Allocation of Profit Sharing Contributions. Any profit sharing contribution made by the Employers pursuant to Section 4.3 for a Plan Year shall be allocated among the Eligible Profit Sharing Participants in the proportion that the Compensation of each Eligible Profit Sharing Participant for such Plan Year bears to the total Compensation of all Eligible Profit Sharing Participants for such Plan Year; provided, however, that in the Plan Year during which a Participant becomes an Eligible Profit Sharing Participant, only Compensation received on or after the date he or she becomes an Eligible Profit Sharing Participant shall be taken into account for purposes of this Section 8.6. Any such contribution shall be allocated to the Profit Sharing Accounts of Eligible Profit Sharing Participants as of the last day of the Plan Year but credited as of the Valuation Date coinciding with or next following the date on which the profit sharing contribution is delivered to the Trustee.

Section 1.7. Correction of Error. If it comes to the attention of the Administrative Committee that an error has been made in any of the allocations prescribed by

this Article 8, appropriate adjustment shall be made to the Accounts of all Participants and Beneficiaries that are affected by such error, except that, unless otherwise required by law, no adjustment need be made with respect to any Participant or Beneficiary whose Account has been distributed in full prior to the discovery of such error.

Section 1.8. Accelerated Vesting during Employment. A Participant’s entire Account shall become fully vested and nonforfeitable on the date that the Participant attains age 55 if the Participant is employed by an Employer or an Affiliate on such date. In addition, a Participant who commences employment with the Employers and Affiliates after attainment of age 55 shall be fully vested in his or her entire Account.

ARTICLE 9

WITHDRAWALS AND DISTRIBUTIONS

Section 1.1. Withdrawals Prior to Termination of Employment. (a) Withdrawals from After-Tax Account and Savings Account. As of any Valuation Date, a Participant may withdraw all or any portion of his or her After-Tax Account or Savings Account; provided, however, that (i) only one such withdrawal may be made in any three-month period; (ii) such withdrawal shall be in the form of a lump sum payment; (iii) a Participant may not withdraw any amount from his or her Savings Account until the entire balance of his or her After-Tax Account has been withdrawn; and (iv) a Participant’s election under the Plan to make after-tax contributions, if any, shall be suspended, and no after-tax contributions or matching contributions attributable to after-tax contributions shall be allocated to the Participant’s Account, for a period of three months after the date of such withdrawal from the Participant’s After-Tax Account. At the expiration of such three-month suspension period, a Participant may elect to resume after-tax contributions to the Plan at the time and in the manner prescribed by the Administrative Committee. For the avoidance of doubt, the three-month suspension of after-tax

contributions (and related matching contributions) described in this Section 9.1(a) shall apply if, during employment, a Participant withdraws, pursuant to this Section 9.1(a), all or any portion of his or her Designated Roth Conversion Account attributable to after-tax contributions or savings contributions that are not distributable except pursuant to this Section 9.1(a).

(a) Hardship Withdrawals. Subject to the provisions of this subsection, a Participant who has taken all loans currently available to the Participant under Article 10 and under all other plans of the Employers and Affiliates, has taken all withdrawals (other than hardship withdrawals) currently available to the Participant under this Section 9.1, under Section 9.11 or otherwise under this Plan and under all other plans of deferred compensation, whether qualified or nonqualified, of the Employers and Affiliates and has incurred a financial hardship may withdraw as of any Valuation Date all or any portion of the combined balance of his or her (i) Pre-Tax Account, (ii) Designated Roth Account, (iii) vested Profit Sharing Account and (iv) Fringe Account.

(1) The amount of such withdrawal shall not exceed the amount needed to satisfy the financial hardship, including amounts necessary to pay any federal, state or local income taxes or any penalties reasonably anticipated to result from the hardship withdrawal. The determination of the existence of a financial hardship and the amount required to be distributed to satisfy such hardship shall be made in a non-discriminatory and objective manner. A financial hardship shall be deemed to exist if and only if the Participant certifies (in writing or by an electronic medium, as determined by the Administrative Committee) that (A) the financial need is on account of one or more of the following and (B) the

Participant has insufficient cash or other liquid assets reasonably available to satisfy the financial need:

- (i) expenses for (or necessary to obtain) medical care that would be deductible under section 213(d) of the Code determined without regard to the limitations in section 213(a) (relating to the applicable percentage of adjusted gross income and the recipients of the medical care) provided that, if the recipient of the medical care is not listed in section 213(a), the recipient is a primary Beneficiary;
- (ii) costs directly related to the purchase of a principal residence for the Participant (excluding mortgage payments);
- (iii) payment of tuition, room and board and related educational fees for up to the next 12 months of post-secondary education for the Participant, or the Participant's Spouse, children, dependents (as defined in section 152 of the Code, and without regard to sections 152(b)(1), (b)(2) and (d)(1)(B)) or primary Beneficiary;
- (iv) payments necessary to prevent the eviction of the Participant from the Participant's principal residence or foreclosure of the mortgage on that residence;

- (v) payments for burial or funeral expenses for the Participant's deceased parent, Spouse, children, dependents (as defined in section 152 of the Code, and without regard to section 152(d)(1)(B)) or primary Beneficiary;
 - (vi) expenses for the repair of damage to the Participant's principal residence that would qualify for the casualty deduction under section 165 of the Code (determined without regard to whether the loss exceeds 10% of adjusted gross income, and effective January 1, 2019, determined without regard to section 165(h)(5)); and
 - (vii) expenses and losses (including loss of income) incurred by the Participant on account of a disaster declared by the Federal Emergency Management Agency (FEMA) under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, Public Law 100-707, provided that the Participant's principal residence or principal place of employment at the time of the disaster was located in an area designated by FEMA for individual assistance with respect to the disaster.
- (2) The Participant shall be required to submit any supporting documentation as may be requested by the Administrative Committee.
 - (3) Any hardship withdrawal pursuant to this Section 9.1(b) shall be in the form of a lump sum payment.

(4) Amounts distributed to a Participant pursuant to this Section 9.1(b) shall be withdrawn first from the Participant's Pre-Tax Account, second from the vested portion of the Participant's Profit Sharing Account, third from the Participant's Fringe Account and last from the Participant's Designated Roth Account, and shall not be taken from the next source until the previous source has been depleted.

(b) Withdrawals On or After Age 59½. As of any Valuation Date, a Participant who has attained age 59½ may withdraw all or any portion of his or her vested Account. Notwithstanding the foregoing, if the Participant is married, the Participant's Spouse must consent in writing (or by such other method permitted by the Internal Revenue Service) to the withdrawal of the Participant's Money Purchase Pension Account pursuant to this Section 9.1(c) and such consent must be witnessed by a notary public. Any withdrawal pursuant to this Section 9.1(c) shall be made at the Participant's election in any form of payment provided under Section 9.3(c).

(c) Withdrawals from Rollover Account. As of any Valuation Date, a Participant may withdraw all or any portion of his or her Rollover Account. Any withdrawal pursuant to this Section 9.1(d) shall be in the form of a lump sum payment.

(d) Military Leave Withdrawals. As of any Valuation Date, a Participant who is performing service in the uniformed services (as described in Section 3401(h)(2)(A) of the Code) while on active duty for more than 30 days may withdraw all or any portion of his or her Pre-Tax Account and Designated Roth Account. Any withdrawal pursuant to this Section 9.1(e) shall be in the form of a lump sum payment. A Participant who receives such a withdrawal shall be prohibited from making any pre-tax contributions or designated Roth contributions under

Section 4.1 or after-tax contributions under Section 5.1 until the first payroll period commencing coincident with or next following the date which is six months after the date such withdrawal was made (or such earlier date as may be permitted by applicable Regulations). At the expiration of such suspension period, a Participant may elect to resume contributions to the Plan at the time and in the manner prescribed by the Administrative Committee.

(e) Qualified Reservist Distributions. As of any Valuation Date, a Participant who was ordered or called to active duty for a period in excess of 179 days or for an indefinite period may withdraw all or any portion of his or her Pre-Tax Account and Designated Roth Account; provided that the distribution is made during the period beginning on the date of such order or call and ending at the close of the active duty period. Any withdrawal pursuant to this Section 9.1(f) shall be in the form of a lump sum payment.

(f) Withdrawals from Prior Company Contribution Account. As of any Valuation Date, a Participant may withdraw all or any portion of his or her Prior Company Contribution Account. Any withdrawal pursuant to this Section 9.1(g) shall be made in a lump sum.

(g) Conditions Applicable to All Withdrawals. A Participant's request for a withdrawal pursuant to this Section 9.1 shall be made at such time and in such manner as may be prescribed by the Administrative Committee. The amount available for withdrawal pursuant to this Section 9.1 shall be reduced by the amount of any loan made pursuant to Article 10 that is outstanding at the time of withdrawal, and no withdrawal pursuant to this Section 9.1 shall be permitted to the extent that such withdrawal would cause the aggregate amount of such outstanding loan to exceed the limits described in Section 10.1. The amount available for withdrawal under this Section 9.1 is subject to reduction in the sole discretion of the

Administrative Committee to take into account the investment experience of the Trust Fund between the date of the withdrawal election and the date of the withdrawal.

(h) Repayment of Withdrawal from Exelis Retirement Savings Plan. If a Participant made a withdrawal under the Exelis Retirement Savings Plan prior to September 30, 1996, as a result of which he or she forfeited all or a portion of the value of the Participant's "Company Contribution Account" under such plan at such time, he or she shall be permitted to repay in full the amounts previously withdrawn from the Participant's "Company Contribution Account" by providing to the Administrative Committee prior written notice on a form approved by the Administrative Committee for such purpose. Such repayment may be made at any time provided the Participant is then eligible for the Plan and further provided the Participant has not incurred a Break in Service of five consecutive years. Such repayment amounts shall be deposited into the Participant's Prior Company Contribution Account.

Section 1.2. Distribution of Account upon Termination of Employment. (a) Termination of Employment under Circumstances Entitling Participant to Full Distribution of Account. Effective with respect to terminations occurring on or after January 1, 2020, if a Participant's employment with all Employers and Affiliates terminates under any of the following circumstances, then the Participant or his or her designated Beneficiary, as the case may be, shall be entitled to receive the Participant's entire Account:

- (1) on or after the date the Participant attains age 55;
- (2) on account of the Participant's death;
- (3) on account of the Participant's Disability; or

(4) on or after the date the Participant is credited with at least three Years of Service (or such other number of Years of Service required for full vesting as set forth in an Appendix or Schedule hereto).

For purposes of this Section 9.2(a), a Participant who dies while performing Qualified Military Service with respect to an Employer shall be treated as if the Participant had resumed employment in accordance with his or her reemployment rights under chapter 43 of title 38, United States Code, on the day preceding the Participant's death and then terminated employment on account of the Participant's death.

(a) Termination of Employment under Circumstances Resulting in Partial Forfeiture of the Participant's Account. If a Participant's employment with all Employers and Affiliates terminates under circumstances other than those set forth in Section 9.2(a), then the Participant shall be entitled to receive (i) the entire balance of the Participant's Pre-Tax Account, Designated Roth Account, After-Tax Account, Rollover Account, Savings Account, QNEC Account, Safe Harbor Matching Contributions Account, Fringe Account, Prior Company Contribution Account, Designated Roth Conversion Account and Money Purchase Pension Account and (ii) a percentage of the balance of the Participant's Matching Account and Profit Sharing Account, which percentage shall be determined as follows by reference to the Participant's Years of Service as of the date of the Participant's termination of employment:

Participant with an Hour of Service on or after January 1, 2020

<u>Years of Service</u>	<u>Percentage</u>
Less than 1	0%
At least 1 but less than 2	25%
At least 2 but less than 3	50%
3 or more	100%

Participant without an Hour of Service on or after January 1, 2020

<u>Years of Service</u>	<u>Percentage</u>
Less than 1	0%
At least 1 but less than 2	25%
At least 2 but less than 3	50%
At least 3 but less than 4	75%
4 or more	100%

Notwithstanding the foregoing, (i) the portion of a Participant's Account attributable to cash dividends in respect of the L3Harris Stock Fund shall be 100% nonforfeitable; (ii) the Account of a Participant who was an employee of Exelis Inc. or a subsidiary thereof on or before December 31, 2015, who was not subject to a collective bargaining agreement and who did not participate in the Exelis Retirement Savings Plan pursuant to Appendix 6 thereto shall be 100% nonforfeitable; and (iii) if an individual participates in this Plan pursuant to an Appendix hereto, the vesting schedule applicable to such Participant shall be the schedule set forth in such Appendix, to the extent inconsistent with this Section 9.2(b).

In the event of the sale or disposition of a business or the sale of substantially all of the assets of a trade or business, the Account of a Participant affected by such sale may become 100% nonforfeitable, irrespective of the Participant's Years of Service, if expressly provided in the documents effecting the transaction or otherwise authorized by the Company or the Administrative Committee.

Any portion of a Participant's Matching Account and Profit Sharing Account which the Participant is not entitled to receive pursuant to this Section 9.2(b) shall be charged to such accounts and forfeited as of the earlier of (i) the date the Participant's vested Account is distributed and (ii) the date the Participant incurs a Break in Service of five consecutive years. If a Participant who receives a distribution of the Participant's vested Account is reemployed prior

to incurring a Break in Service of five consecutive years, then such forfeiture shall be reinstated as prescribed in Section 11.2(b). Amounts forfeited by a Participant pursuant to this Section shall be used, in the order determined by the Administrative Committee (i) to restore the Accounts of recently located Participants previously employed by such Participant's Employer (or the recently located Beneficiaries of Participants previously employed by such Participant's Employer) whose Accounts were forfeited as described in Section 9.8, (ii) to restore the Accounts of Participants who are reemployed by such Participant's Employer as described in Section 11.2(b), (iii) to fund any matching contributions, profit sharing contributions, fringe contributions or other employer contributions to be allocated to Participants who are reemployed by such Participant's Employer after a period of Qualified Military Service as described in Section 11.5, (iv) to reduce future contributions to the Plan (including qualified nonelective contributions, qualified matching contributions and other corrective contributions, and earnings thereon) by such Participant's Employer and (v) to pay administrative expenses as described in Section 15.1; provided, however, that forfeitures shall be used to pay administrative expenses as described in Section 15.1 only if forfeitures remain after their use to satisfy items (i) through (iv) hereof.

Section 1.3. Time and Form of Distribution upon Termination of Employment. (a) In General. A Participant shall be entitled to a distribution of his or her vested Account upon the Participant's termination of employment with all Employers and Affiliates.

(a) Time of Distribution. A Participant shall be entitled to a distribution of his or her vested Account as soon as administratively practicable after the date of the Participant's termination of employment, or, subject to Section 9.4, may defer distribution to a later date, in

which case distribution shall occur as soon as administratively practicable after the date of the Participant's distribution election; provided, however, that:

- (1) subject to Section 9.4, a Participant's Account shall not be distributed prior to the Participant's 65th birthday unless the Participant has consented in writing to such distribution;
- (2) if a Participant dies before the commencement of distribution of his or her Account, distributions paid or commencing after the Participant's death shall be completed no later than December 31 of the calendar year which contains the fifth anniversary of the Participant's death, except that (i) if the Participant's Beneficiary is the Participant's Spouse, distribution may be deferred until December 31 of the calendar year in which the Participant would have attained his or her minimum required distribution date and (ii) if the Participant's Beneficiary is a person other than the Participant's Spouse and distributions commence on or before December 31 of the calendar year immediately following the calendar year in which the Participant died, such distributions may be made over a period not longer than the life expectancy of such Beneficiary; provided, however, that calendar year 2009 shall be disregarded for purposes of this Section 9.3(b)(2) to the extent permitted by section 401(a)(9)(H) of the Code;
- (3) if at the time of a Participant's death, distribution of his or her Account has commenced, the remaining portion of the Participant's Account shall be paid at least as rapidly as under the method of distribution being used prior to the Participant's death, as determined pursuant to Regulation section 1.401(a)(9)-2;

(4) unless a Participant files a written election to defer distribution, distribution shall be made to a Participant by payment in a single lump sum no later than 60 days after the end of the Plan Year which contains the latest of (i) the date of the Participant's termination of employment, (ii) the tenth anniversary of the date the Participant commenced participation in the Plan and (iii) the Participant's 65th birthday; provided, however, that if the Participant does not elect a distribution prior to the latest to occur of the events listed above, the Participant shall be deemed to have elected to defer such distribution until a date no later than April 1 of the calendar year following the calendar year in which the Participant attains age 73 (or age 72 in the case of Participants who attained age 70 1/2 on or after January 1, 2020 and age 72 prior to January 1, 2023, or age 70 1/2 in the case of Participants who attained age 70 1/2 prior to January 1, 2020); and

(5) with respect to a Participant who continues in employment after attaining age 73 (or age 72 in the case of Participants who attained age 70 1/2 on or after January 1, 2020 and age 72 prior to January 1, 2023, or age 70 1/2 in the case of Participants who attained age 70 1/2 prior to January 1, 2020), distribution of the Participant's Account shall commence no later than the Participant's required beginning date. For purposes of this paragraph, the term "required beginning date" shall mean (A) with respect to a Participant who is a 5%-owner (within the meaning of section 416(i) of the Code), April 1 of the calendar year following the calendar year in which the Participant attains age 73 (or age 72 in the case of Participants who attained age 70 1/2 on or after January 1, 2020 and

age 72 prior to January 1, 2023, or age 70 1/2 in the case of Participants who attained age 70 1/2 prior to January 1, 2020) and (B) with respect to any other Participant, April 1 of the calendar year following the calendar year in which the Participant terminates employment with all Employers and Affiliates. Distributions made under this paragraph shall be made in accordance with Section 9.3(d).

(b) Form of Distribution. Except as otherwise provided in Appendix 1 hereto, any distribution to which a Participant (or in the event of the Participant's death, his or her Beneficiary) becomes entitled upon the Participant's termination of employment shall be distributed by the Trustee by whichever of the following methods the Participant (or Beneficiary) elects:

- (1) an amount not greater than the vested balance of the Participant's Account;
- (2) substantially equal periodic installment payments, payable not less frequently than annually and not more frequently than monthly, designated by a fixed dollar amount, fixed period, fixed percentage or life expectancy, as elected by the Participant (or Beneficiary); provided, however, that the installment period shall not exceed the life expectancy of the Participant or, to the extent permitted by Regulation section 1.401(a)(9)-5, the joint and last survivor expectancy of the Participant and the Participant's Beneficiary; or
- (3) a combination of (1) and (2).

In accordance with procedures established by the Administrative Committee, a Participant (or Beneficiary) may change his or her election with respect to the form of distribution, or elect to cancel installment payments, at any time before or after distribution of benefits commences.

(c) Required Minimum Distributions. Notwithstanding any provision of the Plan to the contrary, all distributions under the Plan will be made in accordance with the minimum distribution requirements of section 401(a)(9) of the Code and the final Regulations promulgated thereunder, including without limitation the incidental death benefit requirements of section 401(a)(9)(G) of the Code and the requirements of Treasury Regulation section 1.401(a)(9), to the extent applicable.

Section 1.4. Payment of Small Account Balances. Notwithstanding any provision of Section 9.3 to the contrary and subject to Section 9.6, if a Participant's vested Account does not exceed \$7,000 at the time of a Participant's termination of employment or at any time thereafter, then such Account shall be distributed as soon as practicable thereafter in the form of a lump sum payment to the Participant.

In the event that a Participant is subject to the immediately preceding paragraph, has a vested Account that exceeds \$1,000 (determined separately for the portion of the Account that is a designated Roth balance and the portion of the Account that is not a designated Roth balance) and fails to make an affirmative election to either receive the lump sum payment directly in cash or have it directly rolled over pursuant to the provisions of Section 9.6 within such election period as shall be prescribed by the Administrative Committee, the Administrative Committee shall direct the Trustee to transfer such lump sum payment in a direct rollover (separately for the portion of the Account that is a designated Roth balance and the portion of the Account that is not a designated Roth balance) to an individual retirement plan (within the

meaning of section 7701(c)(37) of the Code) selected by the Administrative Committee (an “Automatic Rollover”). The Automatic Rollover provisions of this paragraph shall not apply to a distribution to a Participant who has attained age 62. The provisions of this paragraph are intended to comply with the requirements of section 401(a)(30) of the Code and shall be interpreted consistent therewith.

For the avoidance of doubt, the provisions of this Section 9.4 shall not apply to a Beneficiary.

Section 1.5. Medium and Order of Withdrawal or Distribution. (a) Medium of Withdrawal or Distribution. All withdrawals and distributions under the Plan shall be made in cash; provided, however, that a Participant or Beneficiary may elect, in accordance with procedures established by the Administrative Committee, to receive the vested portion of his or her Account that is invested in the L3Harris Stock Fund, if any, in shares of L3Harris Stock (with fractional shares distributed in cash).

(a) Order of Withdrawal or Distribution. To the extent not otherwise set forth in Section 9.1, any withdrawal or distribution under the Plan shall be charged against a Participant’s contribution and investment subaccounts in the order determined by the Administrative Committee; provided, however, that in order to maximize the tax benefits associated with participation in the Plan, any such withdrawal or distribution first shall be charged against the Participant’s After-Tax Account. Amounts invested in a Participant’s self-directed brokerage account are not available as a source of withdrawal or distribution; provided, however, that (i) in kind rollovers to an individual retirement account shall be permitted in accordance with procedures, and subject to any restrictions, determined by the Administrative Committee and (ii) a Participant may reallocate his or her balance in the self-directed brokerage

account to the other investment options under the Plan as provided in Section 8.2 to permit such amounts to be available for withdrawal or distribution.

Section 1.6. Direct Rollover Option. In the case of a distribution that is an “eligible rollover distribution” within the meaning of section 402(c)(4) of the Code, a Participant, a Beneficiary or a Spouse or former Spouse who is an alternate payee under a qualified domestic relations order, as defined in section 414(p) of the Code, may elect that all or any portion of such distribution to which he or she is entitled shall be directly transferred from the Plan to an Eligible Retirement Plan. Notwithstanding the foregoing, (i) any portion of an eligible rollover distribution that consists of after-tax contributions may be transferred only to (X) an individual retirement account or annuity described in section 408(a) or (b) of the Code or (Y) a qualified plan described in section 401(a) or 403(a) of the Code or an annuity contract described in section 403(b) of the Code that agrees to account separately for amounts so transferred; (ii) a Participant’s Designated Roth Account or Designated Roth Conversion Account may be transferred only to another designated Roth contributions account under an applicable retirement plan described in section 402A(e)(1) of the Code or to a Roth IRA described in section 408A of the Code, and only to the extent the rollover is permitted by the rules of section 402(c)(2) of the Code; and (iii) if the distributee is a nonspouse Beneficiary, the eligible rollover distribution may be transferred only to an individual retirement account or annuity described in section 408(a) or (b) of the Code and only if such account or annuity has been established for the purpose of receiving such distribution on behalf of the nonspouse Beneficiary and will be treated as an inherited individual retirement account or annuity pursuant to the provisions of section 402(c)(11) of the Code.

Section 1.7. Designation of Beneficiary. (a) In General. Each Participant shall have the right to designate a Beneficiary or Beneficiaries (who may

be designated contingently or successively and that may be an entity other than a natural person) to receive any distribution to be made under the Plan upon the death of such Participant or, in the case of a Participant who dies after his or her termination of employment but prior to the distribution of the entire amount to which he or she is entitled under the Plan, any undistributed balance to which such Participant would have been entitled. No such designation of a Beneficiary other than a Participant's Spouse shall be effective if the Participant was married on the date of his or her death unless such designation was consented to in writing (or by such other method permitted by the Internal Revenue Service) by the Participant's Spouse, acknowledging the effect of such consent and witnessed by a notary public or, prior to October 1, 1993, a Plan representative, or it is established to the satisfaction of the Administrative Committee that such consent could not be obtained because the Participant's Spouse could not be located or because of the existence of other circumstances as the Secretary of the Treasury may prescribe as excusing the requirement of such consent. Subject to the immediately preceding sentence, a Participant may from time to time, without the consent of any Beneficiary, change or cancel any such designation. Such designation and each change thereof shall be made in the manner prescribed by the Administrative Committee and shall be filed with the Administrative Committee. If (i) no Beneficiary has been named by a deceased Participant, (ii) a Beneficiary designation is not effective pursuant to the second sentence of this section or (iii) all Beneficiaries designated by a Participant have predeceased the Participant, then any undistributed Account of the deceased Participant shall be distributed by the Trustee (a) to the surviving Spouse of such deceased Participant, if any, (b) if none, to the then living descendants, if any, of the deceased Participant,

per stirpes, (c) if none, to the deceased Participant's parents in equal shares if both are surviving, or if only one parent is surviving, to the one surviving parent, or (d) if none, to the estate of such deceased Participant. The divorce of a Participant shall be deemed to revoke any prior designation of the Participant's former Spouse as a Beneficiary if written evidence of such divorce shall be received by the Administrative Committee before distribution of the Participant's Account has been made in accordance with such designation.

(a) Successor Beneficiaries. A Beneficiary who has been designated in accordance with Section 9.7(a) may name a successor beneficiary or beneficiaries in the manner prescribed by the Administrative Committee. Unless otherwise set forth in the applicable form pursuant to which a Participant designates a Beneficiary or the instructions thereto, if such Beneficiary dies after the Participant and before distribution of the entire amount of the Participant's benefit under the Plan in which the Beneficiary has an interest, then any remaining amount shall be distributed, as soon as practicable after the death of such Beneficiary, in the form of a lump sum payment to the successor beneficiary or beneficiaries or, if there is no such successor beneficiary, to the estate of such deceased Beneficiary.

Section 1.8. Missing Persons. If following the date on which pursuant to Section 9.3(b) or 9.4 a Participant's Account may be distributed without the Participant's consent, the Administrative Committee in the exercise of reasonable diligence has been unable to locate the person or persons entitled to the Participant's Account, then the Participant's Account shall be forfeited; provided, however, that to the extent required by law the Plan shall reinstate and pay to such person or persons the amount so forfeited upon a claim for such amount made by such person or persons. The amount to be so reinstated shall be obtained from the total amount that shall have been forfeited under the Plan during the Plan Year that the claim for such

forfeited benefit is made, and shall not include any earnings or losses from the date of the forfeiture under this Section. If the amount to be reinstated exceeds the amount of such forfeitures, the Employer in respect of whose Eligible Employee the claim for forfeited benefit is made shall make a contribution in an amount equal to such excess. To the extent the forfeitures under this Section exceed any claims for forfeited benefits made pursuant to this Section, such excess shall be utilized, as determined by the Administrative Committee, in a manner set forth in Section 9.2(b).

Section 1.9. Distributions to Minor and Disabled Distributees. Any distribution that is payable to a distributee who is a minor or to a distributee who has been legally determined to be unable to manage his or her affairs by reason of illness or mental incompetency may be made to, or for the benefit of, any such distributee at such time consistent with the provisions of this Plan and in such of the following ways as the legal representative of such distributee shall direct: (a) directly to any such minor distributee if, in the opinion of such legal representative, he or she is able to manage his or her affairs, (b) to such legal representative, (c) to a custodian under a Uniform Gifts to Minors Act for any such minor distributee, or (d) as otherwise directed by such legal representative. Neither the Administrative Committee nor the Trustee shall be required to oversee the application by any third party other than the legal representative of a distributee of any distribution made to or for the benefit of such distributee pursuant to this Section, and distributions made pursuant to this Section 9.9 shall operate as a complete discharge of the Plan, Trust, Trustee, Employers, Administrative Committee and other Plan fiduciaries with respect to such amounts.

Section 1.10. Payment of Group Welfare Program Premiums. The Administrative Committee may, in its sole discretion, permit a Participant who (i) is eligible to

be included in any contributory group welfare program maintained or sponsored by an Employer, (ii) elects to be covered under such contributory group welfare program and (iii) is receiving benefits under the Plan in monthly installments to direct that a specified portion of the installment payments be withheld and paid by the Trustee on the Participant's behalf to the Employer as the Participant's contribution under such contributory group welfare program. Such direction by a Participant, if permitted by the Administrative Committee, shall be made at the time and in the manner prescribed by the Administrative Committee. Any such direction may be revoked by a Participant upon at least 15 days' prior written notice to the Administrative Committee (or such other period of prior written notice acceptable to the Administrative Committee). Any withholding and payment of welfare program costs on behalf of a Participant shall be made in accordance with Treasury Regulation section 1.401(a)-13.

Section 1.11. Dividends in Respect of the L3Harris Stock Fund. Dividends in respect of the L3Harris Stock Fund, if any, shall be allocated to the Accounts of Participants and Beneficiaries invested in the L3Harris Stock Fund, based upon their proportionate share of the L3Harris Stock Fund as of such date as may be determined by the Administrative Committee on or before each dividend record date. Cash dividends shall be reinvested in the L3Harris Stock Fund unless the Participant or Beneficiary elects, at the time and in the manner prescribed by the Administrative Committee, to receive a cash distribution in an amount equal to such dividend. Any such cash distribution shall be made at the time determined by the Administrative Committee not later than 90 days after the end of the Plan Year in which the dividend was paid. Dividends in respect of the L3Harris Stock Fund in a form other than cash shall be invested in the L3Harris Stock Fund.

ARTICLE 10

LOANS

Section 1.1. Making of Loans. Subject to the provisions of this Article 10, the Administrative Committee shall establish a loan program whereby any Participant who is an Employee may request, by such method prescribed by the Administrative Committee, to borrow funds from the Participant's Pre-Tax Account, Designated Roth Account, After-Tax Account, Savings Account, Rollover Account and QNEC Account, and which loan program hereby is incorporated into this Plan by reference. The principal balance of such loan, when aggregated with the outstanding balances of all other loans of the Participant from plans maintained by the Employers and Affiliates, shall not exceed the least of:

(a) \$50,000, reduced by the excess, if any, of (x) the highest outstanding loan balance of the Participant under all plans maintained by the Employers and Affiliates during the period beginning one year and one day prior to the date on which such loan is made and ending on the day prior to the date on which such loan is made, over (y) the outstanding loan balance from all such plans on the date on which such loan is made;

(b) fifty percent (50%) of the vested portion of the Participant's Account as of the Valuation Date coinciding with or immediately preceding the date on which the loan is made; and

(c) the aggregate value of the Participant's Pre-Tax Account, Designated Roth Account, After-Tax Account, Savings Account, Rollover Account and QNEC Account as of the Valuation Date coinciding with or immediately preceding the date on which the loan is made.

Section 1.2. Restrictions. An application for a loan shall be made at the time and in the manner prescribed by the Administrative Committee. The action of the Administrative Committee or its delegate in approving or disapproving a request for a loan shall

be final. Any loan under the Plan shall be subject to the terms, conditions and restrictions set forth in the loan program established by the Administrative Committee.

Section 1.3. Default. If any loan or portion of a loan made to a Participant under the Plan, together with the accrued interest thereon, is in default, the Trustee, upon direction from the Administrative Committee, shall take appropriate steps to collect the outstanding balance of the loan and to foreclose on the security; provided, however, that the Trustee shall not levy against any portion of the Participant's Account until such time as a distribution from such Account otherwise could be made under the Plan. Subject to any corrective action permitted by the Internal Revenue Service, default shall occur (i) if the Participant fails to make any scheduled loan payment by the last day of the calendar quarter following the calendar quarter in which such payment is due (or within such other grace period as permitted under applicable law and by the Administrative Committee) or (ii) upon the occurrence of any other event that is considered a default event under the loan program established by the Administrative Committee. On the date a Participant is entitled to receive a distribution of his or her Account pursuant to Article 9, any defaulted loan or portion thereof, together with the accrued interest thereon, shall be charged to the Participant's Account after all other adjustments required under the Plan, but before any distribution pursuant to Article 9.

Section 1.4. Applicability. Notwithstanding the foregoing, for purposes of this Article 10, any Participant or Beneficiary who is a "party in interest" as defined in section 3(14) of ERISA may apply for a loan from the Plan, regardless of such Participant's or Beneficiary's employment status. As a condition of receiving a loan from the Plan, such a Participant or Beneficiary who is not an Employee shall consent to have such loan repaid in substantially equal

installments at the times and in the manner determined by the Administrative Committee, but not less frequently than quarterly.

ARTICLE 11

SPECIAL PARTICIPATION AND DISTRIBUTION RULES

Section 1.1. Change of Employment Status. If an Employee who is not an Eligible Employee becomes an Eligible Employee, then the Employee shall become a Participant as of the date such Employee becomes an Eligible Employee, provided that the Eligible Employee has satisfied any eligibility period set forth in an Appendix applicable to such Eligible Employee, if any.

Section 1.2. Reemployment of a Terminated Participant. (a) Participation. If a terminated Participant is reemployed as an Eligible Employee, then the terminated Participant again shall become a Participant as of the date of the terminated Participant's reemployment. If a terminated Participant is receiving installment payments pursuant to Section 9.3(c), such payments shall be suspended upon such terminated Participant's reemployment unless such Participant has attained age 59½ on or before the date of such reemployment.

(a) Restoration of Forfeitures. If a terminated Participant is reemployed prior to incurring a Break in Service of five consecutive years, and, at or after the Participant's termination of employment, any portion of the Participant's Account was forfeited pursuant to Section 9.2(b), then an amount equal to the portion of the Participant's Account that was forfeited shall be credited to the Participant's Account as soon as administratively practicable after the Participant is reemployed. Any amount to be restored pursuant to this subsection shall be obtained from the total amounts that have been forfeited pursuant to Sections 9.2(b) and 9.8 during the Plan Year in which such Participant is reemployed from the Accounts of Participants employed by the same Employer as the reemployed Participant. If the aggregate amount to be so

restored to the Accounts of Participants who are Employees of a particular Employer exceeds the amount of such forfeitures, such Employer shall make a contribution in an amount equal to such excess. Any such contribution shall be made without regard to whether or not the limitations set forth in Article 6 will be exceeded by such contribution.

Section 1.3. Employment by Affiliates. If an individual is employed by an Affiliate that is not an Employer, then any period of such employment shall be taken into account under the Plan solely for the purposes of (i) measuring such individual's Service and (ii) determining when such individual has terminated his or her employment for purposes of Article 9, to the same extent it would have been had such period of employment been as an Employee.

Section 1.4. Leased Employees. If an individual who performed services as a leased employee (defined as any person (other than an Employee of an Employer) who pursuant to an agreement between an Employer and a leasing organization has performed services for the Employer (or for the Employer and related persons determined in accordance with section 414(n)(6) of the Code) on a substantially full-time basis for a period of at least one year, where such services are performed under the primary direction or control of the Employer) of an Employer or an Affiliate becomes an Employee, or if an Employee becomes such a leased employee, then any period during which such services were so performed shall be taken into account under the Plan solely for the purposes of (i) satisfying any eligibility period set forth in an Appendix applicable to such individual, if any, (ii) measuring such individual's Service and (iii) determining when such individual has terminated his or her employment for purposes of Article 9, to the same extent it would have been had such period of service been as an Employee. This Section shall not apply to any period of service during which such a leased employee was covered by a plan described in section 414(n)(5) of the Code.

Section 1.5. Reemployment of Veterans. The provisions of this Section shall apply in the case of the reemployment (or deemed reemployment) by an Employer of an Eligible Employee, within the period prescribed by USERRA, after the Eligible Employee's completion of a period of Qualified Military Service. The provisions of this Section are intended to provide such Eligible Employee with the rights required by USERRA and section 414(u) of the Code, and shall be interpreted in accordance with such intent. Notwithstanding any provisions of this Plan to the contrary, contributions, benefits and service credit with respect to Qualified Military Service will be provided in accordance with section 414(u) of the Code.

(a) Make-Up of Pre-Tax, Designated Roth and After-Tax Contributions. Such Eligible Employee shall be entitled to make contributions under the Plan ("make-up participant contributions"), in addition to any pre-tax, designated Roth and after-tax contributions which the Eligible Employee elects to have made under the Plan pursuant to Sections 4.1 and 5.1. From time to time while employed by an Employer, such Eligible Employee may elect to contribute such make-up participant contributions during the period beginning on the date of such Eligible Employee's reemployment and ending on the earlier of:

- (1) the end of the period equal to the product of three and such Eligible Employee's period of Qualified Military Service, and
- (2) the fifth anniversary of the date of such reemployment.

Such Eligible Employee shall not be permitted to contribute make-up participant contributions to the Plan in excess of the amount which the Eligible Employee could have elected to have made under the Plan in the form of pre-tax, designated Roth and after-tax contributions if the Eligible Employee had continued in active employment with his or her Employer during such period of Qualified Military Service. The manner in which an Eligible

Employee may elect to contribute make-up participant contributions pursuant to this subsection (a) shall be prescribed by the Administrative Committee.

(b) Make-Up of Matching Contributions. An Eligible Employee who contributes make-up participant contributions as described in subsection (a) of this Section shall be entitled to an allocation of matching contributions to his or her Account in an amount equal to the amount of matching contributions that would have been allocated to the Account of such Eligible Employee during the period of Qualified Military Service if such make-up participant contributions had been made in the form of pre-tax, designated Roth and after-tax contributions during such period. The amount necessary to make such allocation of matching contributions shall be derived from forfeitures during the Plan Year in which such matching contributions are made, and if such forfeitures are not sufficient for this purpose, then the Eligible Employee's Employer shall make a special contribution to the Plan which shall be utilized solely for purposes of such allocation.

(c) Make-Up of Profit Sharing Contributions, Fringe Contributions and Other Employer Contributions. Upon the timely reemployment of an Eligible Employee following the completion of a period of Qualified Military Service, such Eligible Employee shall be entitled to an allocation of profit sharing contributions, fringe contributions or other employer contributions, as applicable, to his or her Account in an amount equal to the difference between (i) the amount of profit sharing contributions, fringe contributions or other employer contributions, if any, that would have been allocated to the Account of such Eligible Employee during the period of Qualified Military Service if the Eligible Employee had continued in active employment with his or her Employer during such period and (ii) the amount of profit sharing contributions, fringe contributions or other employer contributions that was allocated to the Account of such Eligible

Employee during the period of Qualified Military Service pursuant to Section 8.5 or Section 8.6, as applicable. Such allocation shall be made by the Eligible Employee's Employer no later than the later of (i) the date that is 90 days after the date of the Eligible Employee's reemployment and (ii) the date that profit sharing contributions, fringe contributions or other employer contributions, as applicable, normally are due for the Plan Year in which the Qualified Military Service was performed (or, if allocation by such latest date is impossible or unreasonable, as soon as practicable thereafter). The amount necessary to make such allocation of profit sharing contributions, fringe contributions or other employer contributions shall be derived from forfeitures during the Plan Year in which such profit sharing contributions, fringe contributions or other employer contributions are made, and if such forfeitures are not sufficient for this purpose, then the Eligible Employee's Employer shall make a special contribution to the Plan which shall be utilized solely for purposes of such allocation.

(d) Miscellaneous Rules Regarding Make-Up Contributions. For purposes of determining the amount of contributions to be made under this Section, an Eligible Employee's "Compensation" during any period of Qualified Military Service shall be determined in accordance with section 414(u) of the Code. Any contributions made by an Eligible Employee or an Employer pursuant to this Section on account of a period of Qualified Military Service in a prior Plan Year shall not be subject to the limitations prescribed by Sections 6.1, 6.3 and 6.4 of the Plan (relating to sections 402(g), 415, and 404 of the Code) for the Plan Year in which such contributions are made. The Plan shall not be treated as failing to satisfy the nondiscrimination rules of Section 6.2 of the Plan (relating to sections 401(k) (3) and 401(m) of the Code) for any Plan Year solely on account of any make-up contributions made by an Eligible Employee or an

Employer pursuant to this Section. Earnings (or losses) on make-up contributions pursuant to this Section 11.5 shall be credited commencing with the date the contributions are made.

(e) Deemed Reemployment following Death or Disability. In accordance with section 414(u)(9) of the Code, for purposes of crediting Service under the Plan and accrual of contributions under Article 4 or an Appendix hereto, a Participant who dies or suffers a Disability while performing Qualified Military Service with respect to an Employer shall be treated as if the Participant had resumed employment in accordance with his or her reemployment rights under chapter 43 of title 38, United States Code, on the day preceding the Participant's death or Disability, as applicable, and terminated employment on the actual date of his or her death or Disability (and on account of such death or Disability).

ARTICLE 12

SHAREHOLDER RIGHTS WITH RESPECT TO L3HARRIS STOCK

Section 1.1. Voting Shares of L3Harris Stock. The Trustee, or the Company upon written notice to the Trustee, shall furnish to each Participant (and Beneficiary) whose Account is credited with participating units in the L3Harris Stock Fund the date and purpose of each meeting of the shareholders of the Company at which L3Harris Stock is entitled to be voted. The Trustee, or the Company if it has furnished such information to such Participants (and Beneficiaries) with respect to a particular shareholders' meeting, shall request from each such Participant (or Beneficiary) instructions to be furnished to the Trustee (or to a tabulating agent appointed by the Trustee, which may be the Company's transfer agent) regarding the voting at such meeting of L3Harris Stock represented by participating units credited to the Participant's (or Beneficiary's) Account. If the Participant (or Beneficiary) furnishes such instructions to the Trustee or its agent within the time specified in the notification, then the Trustee shall vote L3Harris Stock represented by such participating units in accordance with such instructions. All

L3Harris Stock represented by participating units credited to Accounts as to which the Trustee or its agent do not receive instructions as specified above and all unallocated L3Harris Stock held in the L3Harris Stock Fund shall be voted by the Trustee proportionately in the same manner as it votes L3Harris Stock as to which the Trustee or its agent has received voting instructions as specified above.

Section 1.2. Tender Offers. (a) Rights of Participants. In the event a tender offer is made generally to the shareholders of the Company to transfer all or a portion of their shares of L3Harris Stock in return for valuable consideration, including, but not limited to, offers regulated by section 14(d) of the Securities Exchange Act of 1934, as amended, the Trustee shall respond to such tender offer in respect of shares of L3Harris Stock held by the Trustee in the L3Harris Stock Fund in accordance with instructions obtained from Participants (or Beneficiaries). Each Participant (or Beneficiary) shall be entitled to instruct the Trustee regarding how to respond to any such tender offer with respect to the number of shares of L3Harris Stock represented by the participating units in the L3Harris Stock Fund then allocated to his or her Account. Each Participant (or Beneficiary) who does not provide timely instructions to the Trustee shall be presumed to have directed the Trustee not to tender shares of L3Harris Stock represented by the participating units then allocated to his or her Account. A Participant (or Beneficiary) shall not be limited in the number of instructions to tender or withdraw from tender which he or she can give, but a Participant (or Beneficiary) shall not have the right to give instructions to tender or withdraw from tender after a reasonable time established by the Trustee pursuant to subsection (c) of this Section. For purposes of this Section, the shares of L3Harris Stock held in the L3Harris Stock Fund shall be treated as allocated to the accounts of Participants in proportion to their respective participating units in the

L3Harris Stock Fund as of the immediately preceding record date for ownership of L3Harris Stock for stockholders entitled to tender. The Administrative Committee may direct the Trustee to make a special valuation of the L3Harris Stock Fund in connection with such tender offer. Any securities or other property received by the Trustee as a result of having tendered L3Harris Stock shall be held, and any cash so received shall be invested in short term investments, pending any further action which the Trustee may be required or directed to take pursuant to the Plan. Notwithstanding anything to the contrary, during the period of any public offer for L3Harris Stock, the Trustee shall refrain from making purchases of L3Harris Stock in connection with the Plan and the Trust. In addition to compensation otherwise payable, the Trustee shall be entitled to reasonable compensation and reimbursement for its reasonable out-of-pocket expenses for any services attributable to the duties and responsibilities described in this Section.

(a) Duties of the Administrative Committee. Within a reasonable time after the commencement of a tender offer, the Administrative Committee shall cause the Trustee to provide to each Participant or Beneficiary, as the case may be:

- (1) the offer to purchase as distributed by the offeror to the shareholders of the Company;
- (2) a statement of the number of shares of L3Harris Stock represented by the participating units in the L3Harris Stock Fund allocated to his or her Account; and
- (3) directions as to the means by which instructions with respect to the tender offer can be given.

The Administrative Committee shall establish, and the Company shall pay for, a means by which instructions with respect to a tender offer expeditiously can be delivered to the

Trustee. The Administrative Committee at its election may engage an agent to receive such instructions and transmit them to the Trustee. All such individual instructions shall be confidential and shall not be disclosed to any person, including any Employer.

For purposes of allocating the proceeds of any sale or exchange pursuant to a tender offer, the Trustee shall treat as having been sold or exchanged from each of the Accounts of Participants (and Beneficiaries) who provided timely directions to the Trustee under this Section to tender that number of shares of L3Harris Stock represented by participating units in the L3Harris Stock Fund subject to such directions and the proceeds of such sale or exchange shall be allocated accordingly. Any cash proceeds from the sale or exchange of shares of L3Harris Stock in the L3Harris Stock Fund shall be invested in a commingled fund maintained by the Trustee designated to hold such amounts, and any securities or other property received as a result of such a sale or exchange shall be held by the Trustee, in each case pending investment instructions from the Participants (and Beneficiaries) or the Investment Committee, as the case may be.

(b) Duties of the Trustee. The Trustee shall follow the instructions of the Participants (and Beneficiaries) with respect to the tender offer as transmitted to the Trustee. The Trustee may establish a reasonable time, taking into account the time restrictions of the tender offer, after which it shall not accept instructions of Participants (or Beneficiaries).

ARTICLE 13 ADMINISTRATION

Section 1.1. The Administrative Committee. (a) The most senior human resources officer of the Company shall appoint at least two members to the Administrative Committee. The Administrative Committee shall be the “administrator” of the Plan within the meaning of such term as used in ERISA and shall be responsible for the administration of the

Plan. The most senior human resources officer of the Company shall have the right at any time, with or without cause, to remove any member of the Administrative Committee. In addition, any member of the Administrative Committee at any time may resign by giving at least fifteen (15) days' advance written notice to the most senior human resources officer of the Company (or such shorter period of advance written notice acceptable to the most senior human resources officer of the Company). An Employee who serves on the Administrative Committee shall be deemed to have resigned from such committee upon the termination of the Employee's employment with the Company and its Affiliates, effective as of the date of the termination of employment. Upon the removal or resignation of any member of the Administrative Committee, or the failure or inability for any reason of any member of the Administrative Committee to act hereunder, the most senior human resources officer of the Company shall appoint a successor member of the Administrative Committee if such removal, resignation, failure or inability causes the Administrative Committee to have fewer than two members. Any successor member of the Administrative Committee shall have all the rights, privileges and duties of the predecessor, but shall not be held accountable for the acts of the predecessor.

(a) Any member of the Administrative Committee may, but need not, be an employee, director, officer or shareholder of an Employer and such status shall not disqualify him or her from taking any action hereunder or render him or her accountable for any distribution or other material advantage received by such member under the Plan, provided that no member of the Administrative Committee who is a Participant shall take part in any action of the Administrative Committee or any matter involving solely his or her rights under the Plan.

(b) Promptly after the appointment of the members of the Administrative Committee and promptly after the appointment of any successor member of the Administrative

Committee, the Trustee shall be notified in writing as to the names of the persons so appointed as members or successor members.

(c) The Administrative Committee shall have the duty and authority to interpret and construe, in its sole discretion, the terms of the Plan in all respects, including, but not limited to, all questions of eligibility, the status and rights of Participants, distributees and other persons under the Plan, and the manner, time and amount of payment of any distribution under the Plan. Each Employer shall, from time to time, upon request of the Administrative Committee, furnish to the Administrative Committee such data and information as the Administrative Committee shall require in the performance of its duties. All determinations and actions of the Administrative Committee shall be conclusive and binding upon all affected parties, except that the Administrative Committee may revoke or modify a determination or action that it determines to have been in error. Benefits will be paid under the Plan only if the Administrative Committee decides in its sole discretion that the applicant is entitled to the benefits.

(d) The Administrative Committee shall direct the Trustee to make payments of amounts to be distributed from the Trust under Article 9 or an Appendix hereto.

(e) The Administrative Committee may act at a meeting by the vote of a majority of a quorum of its members or without a meeting by the unanimous written consent of its members. The Administrative Committee shall keep records of all of its meetings and forward all necessary communications to the Trustee. The Administrative Committee may adopt such rules and procedures as it deems desirable for the conduct of its affairs and the administration of the Plan, provided that any such rules and procedures shall be consistent with the provisions of the Plan and ERISA.

(f) The members of the Administrative Committee shall discharge their duties with respect to the Plan (i) solely in the interest of the Participants and Beneficiaries, (ii) for the exclusive purpose of providing benefits to the Participants and Beneficiaries and of defraying reasonable expenses of administering the Plan and (iii) with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.

(g) The members of the Administrative Committee shall not receive any compensation or fee for services as members of the Administrative Committee.

Section 1.2. Named Fiduciaries. The Investment Committee shall be a “named fiduciary” of the Plan within the meaning of such term as used in ERISA solely with respect to its power to appoint certain fiduciaries under the Plan and its management of the assets of the Plan. The Administrative Committee shall be a “named fiduciary” of the Plan within the meaning of such term as used in ERISA solely with respect to its power to appoint certain fiduciaries under the Plan and the exercise of its administrative duties set forth in the Plan that are fiduciary acts. Each fiduciary has only those duties and responsibilities specifically assigned to such fiduciary under the Plan.

Section 1.3. Allocation and Delegation of Responsibilities. Each of the Administrative Committee and the Investment Committee may allocate its responsibilities among its members and may designate any person, partnership, corporation or another committee to carry out any of its responsibilities with respect to the Plan (in each case irrespective of whether such responsibilities are fiduciary or settlor in nature).

Section 1.4. Professional and Other Services. The Company may employ counsel (who may be counsel for an Employer) to advise the

Administrative Committee and the Investment Committee and their agents and may arrange for clerical and other services as the Administrative Committee and the Investment Committee and their agents may require in carrying out their duties hereunder.

Section 1.5. Indemnification and Expense Reimbursement. To the fullest extent permitted by law, the Employers hereby jointly and severally

indemnify the members of the Administrative Committee and the members of the Investment Committee from the effects and consequences of their acts, omissions and conduct in their official capacity, except to the extent that such effects and consequences result from their own willful or gross misconduct or criminal acts. The Employers shall reimburse the members of each of the Administrative Committee and Investment Committee for any necessary expenditures incurred in the discharge of their duties hereunder.

Section 1.6. Claims Procedure. If any Participant, distributee or other person believes he or she is entitled to benefits in an amount greater than those

which he or she is receiving or has received, he or she (or his or her duly authorized representative) may file a claim with the Administrative Committee. Such a claim shall be in writing and state the nature of the claim, the facts supporting the claim, the amount claimed and the address of the claimant. The Administrative Committee shall review the claim and, unless special circumstances require an extension of time, within 90 days after receipt of the claim give written or electronic notice to the claimant of its decision with respect to the claim. If special circumstances require an extension of time, the claimant shall be so advised in writing or by electronic means within the initial 90-day period and in no event shall such an extension exceed 90 days. The extension notice shall

indicate the special circumstances requiring an extension of time and the date by which the Administrative Committee expects to render a decision. The notice of the decision of the Administrative Committee with respect to the claim shall be written in a manner calculated to be understood by the claimant and, if the claim is wholly or partially denied, shall set forth the specific reasons for the denial, specific references to the pertinent Plan provisions on which the denial is based, a description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary, and an explanation of the claim review procedure under the Plan and the time limits applicable to such procedure (including a statement of the claimant's right to bring a civil action under section 502(a) of ERISA following the final denial of a claim).

The claimant (or his or her duly authorized representative) may request a review of the denial by filing with the Administrative Committee a written request for such review within 60 days after notice of the denial has been received by the claimant. Within the same 60-day period, the claimant may submit to the Administrative Committee written comments, documents, records and other information relating to the claim. Upon request and free of charge, the claimant also may have reasonable access to, and copies of, documents, records and other information relevant to the claim. If a request for review is so filed, review of the denial shall be made by the Administrative Committee and the claimant shall be given written or electronic notice of the Administrative Committee's final decision within, unless special circumstances require an extension of time, 60 days after receipt of such request. If special circumstances require an extension of time, the claimant shall be so advised in writing or by electronic means within the initial 60-day period and in no event shall such an extension exceed 60 days. The extension notice shall indicate the special circumstances requiring an extension of time and the

date by which the Administrative Committee expects to render a decision. If the appeal of the claim is wholly or partially denied, the notice of the Administrative Committee's final decision shall include specific reasons for the denial, specific references to the pertinent Plan provisions on which the denial is based and a statement that the claimant is entitled, upon request and free of charge, to reasonable access to, and copies of, all relevant documents, records and information. The notice shall be written in a manner calculated to be understood by the claimant and shall notify the claimant of (i) his or her right to bring a civil action under section 502(a) of ERISA and (ii) the limitations period for actions under the Plan as set forth in Section 15.6.

In making determinations regarding claims for benefits, the Administrative Committee shall consider all of the relevant facts and circumstances, including, without limitation, governing plan documents, consistent application of Plan provisions with respect to similarly situated claimants and any comments, documents, records and other information with respect to the claim submitted by the claimant (the "Claimant's Submissions"). The Claimant's Submissions shall be considered by the Administrative Committee without regard to whether the Claimant's Submissions were submitted or considered by the Administrative Committee in the initial benefit determination. In no event shall a Participant, distribute or other person be entitled to challenge a decision of the Administrative Committee in court or in any administrative proceeding unless and until the claims procedures set forth in this Section 13.6 have been complied with and exhausted.

Section 1.7. Notices to Participants. All notices, reports and statements given, made, delivered or transmitted to a Participant or distributee or any other person entitled to or claiming benefits under the Plan shall be deemed to have been duly given, made, delivered or transmitted when provided via such written or other means as may be permitted by applicable

Regulations. A Participant, distributee or other person entitled to or claiming benefits under the Plan is obligated to keep the Administrative Committee informed as to his or her current address at all times.

Section 1.8. Notices to Administrative Committee or Employers. Written directions and notices and other written or electronic communications from Participants, distributees or other persons entitled to or claiming benefits under the Plan to the Administrative Committee or the Employers shall be deemed to have been duly given, made, delivered or transmitted when given, made, delivered or transmitted in the manner and to the location prescribed by the Administrative Committee or the Employers for the giving of such directions, notices and other communications.

Section 1.9. Electronic Media. Notwithstanding any provision of the Plan to the contrary, the use of electronic technologies shall be deemed to satisfy any written notice, consent, delivery, signature or disclosure requirement under the Plan, the Code or ERISA to the extent permitted by the Administrative Committee and permissible under and consistent with applicable law and regulations.

Section 1.10. Records. The Administrative Committee shall keep a record of all of its proceedings with respect to the Plan and shall keep or cause to be kept all books of account, records and other data as may be necessary or advisable in its judgment for the administration of the Plan.

Section 1.11. Reports of Trustee and Accounting to Participants. The Administrative Committee shall keep on file, in such form as it shall deem convenient and proper, all reports concerning the Trust Fund received by it from the Trustee, and, at least once each calendar quarter, each Participant (or, in the event of the death of a Participant, each

Beneficiary) shall be provided or have available a written or electronic benefit statement indicating the balance credited to any Account for such individual. Any Participant or Beneficiary claiming that an error has been made with respect to such balance shall notify the Administrative Committee in writing within ninety (90) days following the delivery of such benefit statement. If no notice of error timely is provided, the benefit statement shall be presumed to be correct.

Section 1.12. Limitations on Investments and Transactions/Conversions. Notwithstanding any provision of the Plan to the contrary:

(a) The Administrative Committee, in its sole and absolute discretion, may temporarily suspend, limit or restrict, in whole or in part, certain Plan transactions, including without limitation, the right to change or suspend contributions and/or the right to receive a distribution, loan or withdrawal from an Account in the event of any conversion, change in recordkeeper, change in investment funds, Plan merger or spinoff or other appropriate event.

(b) The Administrative Committee, in its sole and absolute discretion, may temporarily suspend, limit or restrict, in whole or in part, Plan transactions dealing with investments, including without limitation, the right to change investment elections or reallocate Account balances in the event of any conversion, change in recordkeeper, change in investment funds, Plan merger or spinoff or other appropriate event.

(c) In the event of a conversion, change in recordkeeper, change in investment funds, Plan merger or spinoff or other appropriate event, the Administrative Committee, in its sole and absolute discretion, may decide to map investments from a Participant's prior investment fund elections to the then available investment funds under the Plan. In the event that investments are mapped in this manner, the Participant shall be permitted to reallocate funds

among the investment funds (in accordance with Article 8 and any relevant rules and procedures adopted for this purpose) after the suspension period (if any) is lifted.

(d) Notwithstanding any provision of the Plan to the contrary, the investment funds shall be subject to, and governed by, (1) all applicable legal rules and restrictions, (2) the rules specified by the investment fund providers in the fund prospectus(es) or other governing documents thereof and/or (3) any rules or procedures adopted by the Administrative Committee governing the transfers of assets into or out of such funds. Such rules, procedures and restrictions in certain cases may limit the ability of a Participant to make transfers into or out of a particular investment fund and/or may result in additional transaction fees or other costs relating to such transfers. In furtherance of, but without limiting the foregoing, the Plan may decline to implement any investment election or instruction where it deems appropriate.

ARTICLE 14

PARTICIPATION BY EMPLOYERS

Section 1.1. Adoption of Plan. With the consent of the Administrative Committee, any entity may become an Employer under the Plan by (a) taking such action as shall be necessary to adopt the Plan and (b) executing and delivering such instruments and taking such other action as may be necessary or desirable to put the Plan and Trust into effect with respect to such entity, as prescribed by the Administrative Committee. The powers and control of the Company, as provided in the Plan and the trust agreement, shall not be diminished by reason of participation of any such adopting entity in the Plan.

Section 1.2. Withdrawal from Participation. An Employer may withdraw from participation in the Plan at any time by filing with the Administrative Committee a duly certified copy of a written instrument duly adopted by the Employer to that effect and giving notice of its

intended withdrawal to the Administrative Committee, the Company and the Trustee prior to the effective date of withdrawal.

Section 1.3. Company, Administrative Committee and Investment Committee as Agents for Employers. Each entity which becomes an Employer pursuant to Section 14.1 or Section 14.4 by so doing shall be deemed to have appointed the Company, the Administrative Committee and the Investment Committee as its agents to exercise on its behalf all of the powers and authorities conferred upon the Company, the Administrative Committee and the Investment Committee by the terms of the Plan. The authority of the Company, the Administrative Committee or the Investment Committee to act as such agent shall continue unless and until the portion of the Trust Fund held for the benefit of Employees of the particular Employer and their Beneficiaries is set aside in a separate Trust Fund as provided in Section 17.2.

Section 1.4. Continuance by a Successor. In the event that an Employer other than the Company is reorganized by way of merger, consolidation, transfer of assets or otherwise, so that another entity other than an Employer succeeds to all or substantially all of such Employer's business, such successor entity may, with the consent of the Administrative Committee, be substituted for such Employer under the Plan by adopting the Plan. Contributions by such Employer automatically shall be suspended from the effective date of any such reorganization until the date upon which the substitution of such successor entity for the Employer under the Plan becomes effective. If, within 90 days following the effective date of any such reorganization, such successor entity shall not have elected to adopt the Plan or the Administrative Committee fails to consent to such adoption, or an Employer adopts a plan of complete liquidation other than in connection with a reorganization, such Employer's participation in the Plan automatically shall be permanently terminated as of the close of

business on the 90th day following the effective date of such reorganization or as of the close of business on the date of adoption of such plan of complete liquidation, as the case may be.

If such successor entity is substituted for an Employer as described above, then, for all purposes of the Plan, employment of each Employee with such Employer, including service with and compensation paid by such Employer, shall be considered to be employment with such successor entity.

ARTICLE 15

MISCELLANEOUS

Section 1.1. Expenses. All costs and expenses of administering the Plan and the Trust, including the expenses of the Company, the Administrative Committee and the Investment Committee, the fees of counsel and of any agents for the Company or such committees, investment advisory, recordkeeping and audit fees, the fees and expenses of the Trustee, the fees of counsel for the Trustee and other administrative expenses, shall be paid under the direction of the Administrative Committee from the Trust Fund to the extent such expenses are not paid by the Employers. The Administrative Committee, in its sole discretion, having regard to the nature of a particular expense, shall determine the portion of such expense that is to be borne by each Employer or the manner in which such expense is to be allocated among Accounts. An Employer may seek reimbursement from the Trust Fund of any expense paid by such Employer that the Administrative Committee determines is properly payable from the Trust Fund.

Section 1.2. Non-Assignability.

(a) In General. No right or interest of any Participant or Beneficiary in the Plan shall be assignable or transferable in whole or in part, either directly or by operation of law or otherwise, including, but not by way of limitation, execution, levy, garnishment, attachment,

pledge or bankruptcy, but excluding devolution by death or mental incompetency, and any attempt to do so shall be void, and no right or interest of any Participant or Beneficiary in the Plan shall be liable for, or subject to, any obligation or liability of such Participant or Beneficiary, including claims for alimony or the support of any Spouse, except as provided below.

(b) Exception for Qualified Domestic Relations Orders. Notwithstanding any provision of the Plan to the contrary, if a Participant's Account under the Plan, or any portion thereof, is the subject of one or more qualified domestic relations orders (as defined in section 414(p) of the Code), such Account or portion thereof shall be paid to the person, at the time and in the manner specified in any such order. The Administrative Committee shall adopt rules and procedures, in accordance with section 414(p) of the Code, relating to its (i) review of any domestic relations order for purposes of determining whether the order is a qualified domestic relations order and (ii) administration of a qualified domestic relations order. A domestic relations order shall not fail to constitute a qualified domestic relations order solely because such order provides for distribution to an alternate payee of the benefit assigned to the alternate payee under the Plan prior to the applicable Participant's earliest retirement age (as defined in section 414(p) of the Code) under the Plan.

(c) Other Exception. Notwithstanding any provision of the Plan to the contrary, if a Participant is ordered or required to pay an amount to the Plan pursuant to (i) a judgment in a criminal action, (ii) a civil judgment in connection with a violation (or alleged violation) of Part 4 of Subtitle B of Title I of ERISA or (iii) a settlement agreement between the Secretary of Labor and the Participant in connection with a violation (or alleged violation) of

Part 4 of Subtitle B of Title I of ERISA, the Participant's Account under the Plan may, to the extent permitted by law, be offset by such amount.

Section 1.3. Employment Non-Contractual. The Plan confers no right upon an Employee to continue in employment.

Section 1.4. Merger or Consolidation with Another Plan; Transfer Contributions; Transferred Employees; Divestitures.

(a) The Administrative Committee shall have the right to merge or consolidate all or a portion of the Plan with, or transfer all or part of the assets or liabilities of the Plan to, any other plan; provided, however, that the terms of such merger, consolidation or transfer are such that each Participant, distributee, Beneficiary or other person entitled to receive benefits from the Plan would, if the Plan were to terminate immediately after the merger, consolidation or transfer, receive a benefit equal to or greater than the benefit such person would be entitled to receive if the Plan were to terminate immediately before the merger, consolidation or transfer.

(b) Amounts transferred to the Plan pursuant to Subsection (a) above ("Transfer Contributions") and participation in the Plan by Employees who become eligible for the Plan in anticipation or at the time of a plan merger, consolidation or transfer or in connection with a business acquisition by an Employer ("Transferred Employees") shall be subject to all terms and conditions of the Plan as in effect from time to time, except to the extent provided on Schedule A or an Appendix to the Plan which may contain additional terms and conditions governing the application of the Plan to the Transfer Contributions and Transferred Employees. The terms of Schedule A and the Appendices hereby are incorporated and made part of the Plan and, in the event of any inconsistency between the terms of the Plan and the terms of Schedule A

or an Appendix, Schedule A or the Appendix, as applicable, shall control with respect to the Transfer Contributions and Transferred Employees covered by the Schedule or Appendix; provided, however, that if such inconsistency results from changes made in the provisions of the Plan to comply with applicable law, then such provisions of the Plan shall control.

(c) The Accounts of Employees who will cease to participate in the Plan as a result of a divestiture or similar corporate transaction (such Accounts, “Divestiture Accounts”, and such Employees, “Divestiture Participants”) shall be subject to all terms and conditions of the Plan as in effect from time to time, except to the extent provided on Schedule B to the Plan which may contain additional terms and conditions governing the application of the Plan to the Divestiture Accounts and Divestiture Participants. The terms of Schedule B hereby are incorporated and made part of the Plan and, in the event of any inconsistency between the terms of the Plan and the terms of Schedule B, Schedule B shall control with respect to the Divestiture Accounts and Divestiture Participants covered by the Schedule; provided, however, that if such inconsistency results from changes made in the provisions of the Plan to comply with applicable law, then such provisions of the Plan shall control.

Section 1.5. Gender and Plurals. Wherever used in the Plan, words in the masculine gender shall include the masculine or feminine gender, and, unless the context otherwise requires, words in the singular shall include the plural, and words in the plural shall include the singular.

Section 1.6. Statute of Limitations for Actions under the Plan. Except for actions to which the statute of limitations prescribed by section 413 of ERISA applies, (a) no legal or equitable action relating to a claim under section 502 of ERISA may be commenced later than one (1) year after the claimant receives a final decision from the Administrative Committee

in response to the claimant's request for review of an adverse benefit determination and (b) no other legal or equitable action involving the Plan may be commenced later than two (2) years after the date the person bringing the action knew, or had reason to know, of the circumstances giving rise to the action. This provision shall not bar the Plan or its fiduciaries from recovering overpayments of benefits or other amounts incorrectly paid to any person under the Plan at any time or bringing any legal or equitable action against any party.

Section 1.7. Applicable Law. The Plan and all rights hereunder shall be governed by and construed in accordance with the laws of the State of Florida (without regard to principles of conflicts of law) to the extent such laws have not been preempted by applicable federal law. Venue for any action arising under the Plan shall be in Brevard County, Florida.

Section 1.8. Severability. If any provision of the Plan is held illegal or invalid, the illegality or invalidity shall not affect the remaining provisions of the Plan and the Plan shall be construed and enforced as if the illegal or invalid provision had not been included in the Plan.

Section 1.9. No Guarantee. None of the Company, the Employers, the Administrative Committee, the Investment Committee or the Trustee in any way guarantees the Trust from loss or depreciation nor the payment of any benefit that may be or become due to any person from the Trust Fund. Nothing in the Plan shall be deemed to give any Participant, distributee or Beneficiary an interest in any specific part of the Trust Fund or any other interest except the right to receive benefits from the Trust Fund in accordance with the provisions of the Plan and the trust agreement.

Section 1.10. Plan Voluntary. Although it is intended that the Plan shall be continued and that contributions shall be made as herein provided, the Plan is entirely voluntary

on the part of the Employers and the continuance of the Plan and the contributions hereunder are not and shall not be regarded as contractual obligations of the Employers.

Section 1.11. Legal Fees. Any award of legal fees in connection with an action involving the Plan shall be calculated pursuant to a method that results in the lowest amount of fees being paid, which amount shall be no more than the amount that is reasonable. In no event shall legal fees be awarded for work related to: (a) administrative proceedings under the Plan; (b) unsuccessful claims brought by a Participant or any other person; or (c) actions that are not brought under ERISA. In calculating any award of legal fees, there shall be no enhancement for the risk of contingency, nonpayment or any other risk, nor shall there be applied a contingency multiplier or any other multiplier. In any action brought by a Participant or any other person against the Plan, the Administrative Committee, the Investment Committee, any Plan fiduciary, any Employer or their respective affiliates or their or their affiliates' respective officers, directors, trustees, employees, or agents (collectively, the "Plan Parties"), legal fees of the Plan Parties in connection with such action shall be paid by the Participant or other person bringing the action, unless the court specifically finds that there was a reasonable basis for the action.

ARTICLE 16

TOP-HEAVY PLAN REQUIREMENTS

Section 1.1. Top-Heavy Plan Determination. If as of the determination date (as hereinafter defined) for any Plan Year the aggregate of (a) the account balances under the Plan and all other defined contribution plans in the aggregation group (as hereinafter defined) and (b) the present value of accrued benefits under all defined benefit plans in such aggregation group of all participants in such plans who are key employees (as hereinafter defined) for such Plan Year exceeds 60% of the aggregate of the account balances and the present value of accrued benefits of all participants in such plans as of the determination date, then the Plan shall be a "top-heavy

plan” for such Plan Year, and the requirements of Section 16.3 shall be applicable for such Plan Year as of the first day thereof. If the Plan is a top-heavy plan for any Plan Year and is not a top-heavy plan for any subsequent Plan Year, the requirements of Section 16.3 shall not be applicable for such subsequent Plan Year.

Section 1.2. Definitions and Special Rules.

(a) Definitions. For purposes of this Article 16, the following definitions shall apply:

(1) Determination Date. The determination date for all plans in the aggregation group shall be the last day of the preceding Plan Year, and the valuation date applicable to a determination date shall be (i) in the case of a defined contribution plan, the date as of which account balances are determined that coincides with or immediately precedes the determination date, and (ii) in the case of a defined benefit plan, the date as of which the most recent actuarial valuation for the Plan Year that includes the determination date is prepared, except that if any such plan specifies a different determination or valuation date, such different date shall be used with respect to such plan.

(2) Aggregation Group. The aggregation group shall consist of (a) each plan of an Employer in which a key employee is a participant, (b) each other plan that enables such a plan to be qualified under section 401(a) of the Code, and (c) any other plans of an Employer that the Company designates as part of the aggregation group.

(3) Key Employee. Key employee shall have the meaning set forth in section 416(i) of the Code.

(4) Compensation. Compensation shall have the meaning set forth in Treasury Regulation section 1.415(c)-2(d)(4). Compensation for this purpose shall not include any amount excludable under Treasury Regulation section 1.415(c)-2(g)(5)(ii).

(b) Special Rules. For the purpose of determining the account balance or accrued benefit of a participant, (i) the account balance or accrued benefit of any person who has not performed services for an Employer at any time during the one-year period ending on the determination date shall not be taken into account pursuant to this Section, and (ii) any person who received a distribution from a plan (including a plan that has terminated) in the aggregation group during the one-year period ending on the determination date shall be treated as a participant in such plan, and any such distribution shall be included in such participant's account balance or accrued benefit, as the case may be; provided, however, that in the case of a distribution made for a reason other than a person's severance from employment, death or disability, clause (ii) of this Section 16.2(b) shall be applied by substituting "five-year period" for "one-year period."

Section 1.3. Minimum Contribution for Top-Heavy Years. Notwithstanding any provision of the Plan to the contrary, for any Plan Year for which the Plan is a top-heavy plan, a minimum contribution shall be made on behalf of each Participant (other than a key employee) who is an Employee on the last day of the Plan Year in an amount equal to the lesser of (i) 3% of such Participant's compensation during such Plan Year and (ii) the highest percentage at which Employer contributions (including pre-tax contributions) are made on behalf of any key employee for such Plan Year. If during any Plan Year for which this Section 16.3 is applicable a defined benefit plan is included in the aggregation group and such defined benefit

plan is a top-heavy plan for such Plan Year, the percentage set forth in clause (i) of the first sentence of this Section 16.3 shall be 5%. The percentage referred to in clause (ii) of the first sentence of this Section 16.3 shall be obtained by dividing the aggregate of Employer contributions made pursuant to Article 4 or any Appendix hereto and pursuant to any other defined contribution plan that is required to be included in the aggregation group (other than a defined contribution plan that enables a defined benefit plan that is required to be included in such group to be qualified under section 401(a) of the Code) during the Plan Year on behalf of such key employee by such key employee's compensation for the Plan Year. Notwithstanding the foregoing, the minimum contribution described in this Section 16.3 for any Plan Year for which the Plan is a top-heavy plan shall not be made under this Plan with respect to any Participant who receives a minimum contribution or minimum benefit for purposes of section 416(c) of the Code under another plan maintained by an Employer or Affiliate.

ARTICLE 17

AMENDMENT, ESTABLISHMENT OF
SEPARATE PLAN, PLAN TERMINATION AND CHANGE IN CONTROL

Section 1.1. Amendment. The Administrative Committee may, at any time and from time to time, amend or modify the Plan. Any such amendment or modification shall be in writing, shall become effective as of such date determined by the Administrative Committee, including retroactively to the extent permitted by law, and may apply to Participants in the Plan at the time thereof as well as to future Participants.

Section 1.2. Establishment of Separate Plan. If an Employer withdraws from the Plan pursuant to Section 14.2, then the Administrative Committee shall determine the portion of each of the funds of the Trust Fund that is applicable to the Participants of such Employer and their Beneficiaries and direct the Trustee to segregate such portions in a separate trust. Such

separate trust thereafter shall be held and administered as a part of the separate plan of such Employer. The portion of a fund of the Trust Fund applicable to the Participants (and Beneficiaries) of a particular Employer shall be an amount that bears the same ratio to the value of such fund as the total value of the fund accounts of Participants (and Beneficiaries) of such Employer bears to the total value of the fund accounts of all Participants (and Beneficiaries).

Section 1.3. Termination. The Company at any time may terminate the Plan by action of the chief human resources officer of the Company. An Employer at any time may terminate its participation in the Plan by resolution of its board of directors. In the event of any such termination, or in the event of the partial termination of the Plan with respect to a group of Participants, the Accounts of Participants with respect to whom the Plan is terminated shall become fully vested and thereafter shall not be subject to forfeiture. In the event that an Employer terminates its participation in the Plan, the Administrative Committee shall determine, in the manner provided in Section 17.2, the portion of each of the funds of the Trust Fund that is applicable to the Participants of such Employer and their Beneficiaries and direct the Trustee to distribute such portions to such Participants and Beneficiaries ratably in proportion to the balances of their respective Accounts.

A complete discontinuance of contributions by an Employer shall be deemed a termination of such Employer's participation in the Plan for purposes of this Section.

Section 1.4. Change in Control. (a) Effect. Notwithstanding any provision of the Plan to the contrary, during the period commencing on the date of a Change in Control and ending at the close of business on the last day of the Plan Year during which the Change in Control occurs (the "Restriction Period"), the Plan may not be terminated, and the Plan may not be amended to:

(1) revise the definition of Eligible Employee such that fewer Employees are eligible to participate in the Plan, lengthen the service requirement for participation in the Plan, create an age requirement or entry dates for participation in the Plan or otherwise reduce coverage under the Plan;

(2) reduce the amount of pre-tax contributions, designated Roth contributions or after-tax contributions that a Participant is permitted to make under the Plan; or

(3) reduce the amount of matching contributions, fringe contributions or other employer contributions required to be made under the Plan.

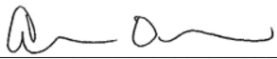
(a) Miscellaneous. Any person who was an Eligible Employee on the day immediately preceding a Change in Control shall be deemed to be an

Eligible Employee during the Restriction Period so long as the person is employed by a member of a “controlled group of corporations” which includes, or by a trade or business that is under common control with (as those terms are defined in sections 414(b) and (c) of the Code), the Company, any corporation which is the survivor of any merger or consolidation to which the Company was a party, or any corporation into which the Company has been liquidated.

Section 1.5. Trust Fund to Be Applied Exclusively for Participants and Their Beneficiaries. Subject only to the provisions of Article 6 and Sections 15.2(b) and (c), and any other provision of the Plan to the contrary notwithstanding, no part of the Trust Fund (or if the Trust is a master trust, no part of the Trust Fund with respect to the Plan) shall be used for or diverted to any purpose not for the exclusive benefit of the Participants and their Beneficiaries, either by operation or termination of the Plan, power of amendment or other means.

IN WITNESS WHEREOF, the Company has caused this instrument to be executed by its duly authorized agent on this 29th day of December, 2024.

L3HARRIS TECHNOLOGIES, INC.

By: _____

Title: Senior Director, Global Benefits, Global Total Rewards

SCHEDULE A

Special Rules Applying to Transfer Contributions and Transferred Employees

This Schedule A sets forth special rules applying to Transfer Contributions and Transferred Employees (each as defined in Section 15.4 of the Plan). Each of the provisions of the Plan shall be fully applicable to the Transfer Contributions and Transferred Employees, to the extent that such provisions are not inconsistent with this Schedule A. All capitalized terms used in this Schedule A and not otherwise defined herein shall have the meanings assigned to them by the Plan.

1. Encoda Systems, Inc. Profit Sharing Plan and Trust

(a) In General. Effective March 31, 2005, the Encoda Systems, Inc. Profit Sharing Plan and Trust (the “Encoda Plan”) was merged with and into the Plan. The portion of a Participant’s Account attributable to Transfer Contributions from the Encoda Plan shall be designated herein as the “Encoda Plan Account”.

(b) Vesting. A Participant’s Encoda Plan Account shall be 100% vested and nonforfeitable.

(c) Age 70 ½ Distributions. A Participant who continues employment after attaining age 70½ will be entitled to elect to commence distribution of his Encoda Plan Account no later than April 1 of the calendar year following the calendar year in which the Participant attains age 70½ even if such Participant remains employed. Distributions under this paragraph will be made in accordance with Section 9.1(c) (age 59½ withdrawals) or Section 9.3(d) (age 70½ minimum distributions), as elected by the Participant.

2. Harris Broadcast Communications Division 401(k) Plan

(a) In General. The Company, Leitch Incorporated (“Leitch”), Optimal Solutions, Inc. (“OSI”) and Viewbridge, Inc. (“Viewbridge”) formerly participated in the Harris Broadcast Communications Division 401(k) Plan (the “Broadcast Plan”), which plan was frozen as to new contributions and new participants effective June 30, 2007. Effective as of June 30, 2007, Leitch and OSI were liquidated into the Company. Effective July 1, 2007, Viewbridge became an Employer under the Plan. The Broadcast Plan shall be merged with and into the Plan, effective September 30, 2007.

(b) Automatic Enrollment. The provisions of Section 3.2(b) of the Plan with respect to deemed elections to participate in the Plan by Full-Time Employees shall not apply to former participants in the Broadcast Plan who become eligible to participate in the Plan effective July 1, 2007.

(c) Vesting. Former participants in the Broadcast Plan who were hired by Leitch, OSI or Videotek, Inc. prior to January 1, 2006 shall be 100% vested in their Accounts under the Plan.

(d) In-Service Withdrawal of Certain Profit Sharing Contributions. A former participant in the Videotek, Inc. 401(k) Plan, which plan was merged into the Broadcast Plan effective June 30, 2006 (the “Videotek Plan”) who has completed at least 10 Years of Service may elect an in-service withdrawal of an amount not to exceed 50% of the portion of his or her Account attributable to employer non-elective discretionary profit sharing contributions made to the Videotek Plan. Notwithstanding any provision of the Plan to the contrary, for this purpose, a

“Year of Service” is a Plan Year during which the Participant is credited with at least 1,000 Hours of Service.

(e) Service. Service shall be credited for purposes of the Plan with Aastra Digital Video and Aastra Telecom U.S., Inc. (in the latter case, provided that the Participant commenced employment by the Company in connection with the acquisition by the Company of the assets of Aastra Telecom U.S., Inc.).

3. **Harris Technical Services Corporation 401(k) Plan**

(a) In General. Harris Technical Services Corporation (“HTSC”) maintained the Harris Technical Services Corporation 401(k) Plan (the “HTSC Plan”) on behalf of its Harris Enterprise Services business unit (business unit 00211) (the “HES Business Unit”). The HTSC Plan was frozen as to new contributions and new participants, effective July 31, 2007, and HTSC adopted the Plan on behalf of its HES Business Unit, effective August 1, 2007. The HTSC Plan was merged with and into the Plan, effective October 31, 2007.

(b) Automatic Enrollment. The provisions of Section 3.2(b) of the Plan with respect to deemed elections to participate in the Plan by Full-Time Employees shall not apply to former participants in the HTSC Plan who become eligible to participate in the Plan effective August 1, 2007 (or such later date determined by the Administrative Committee).

(c) Match Eligibility. Former participants in the HTSC Plan who become eligible to participate in the Plan effective August 1, 2007 (or such later date determined by the Administrative Committee) shall be eligible to receive a matching contribution pursuant to Section 4.2 of the Plan, irrespective of whether such participants have completed the service requirement thereunder.

(d) Service. Service with “Resource Consultants, Inc. USPS MTSC (effective March 1, 2004)” shall be credited for purposes of the Plan.

4. **Multimax, Inc. 401(k) Retirement Savings Plan**

(a) In General. Multimax Incorporated (“Multimax”) formerly sponsored the Multimax, Inc. 401(k) Retirement Savings Plan (the “Multimax Plan”), which plan was frozen as to new participants and new contributions effective September 7, 2007. Effective September 8, 2007, Multimax became an Employer under this Plan. The Multimax Plan shall be merged with and into this Plan effective December 31, 2007.

(b) Match Eligibility. Participants who were employed by Multimax on September 7, 2007 shall be eligible to receive a matching contribution pursuant to Section 4.2 of the Plan effective as of the first day of the calendar month coinciding with or following 30 days of employment with Multimax or any Affiliate thereof.

(c) Vesting. The Profit Sharing Accounts of Participants who were employed by Multimax on September 7, 2007 shall be 100% vested and nonforfeitable. The vested and nonforfeitable percentage of the Matching Accounts of Participants who were employed by Multimax on September 7, 2007 shall be determined as follows by reference to a Participant’s Years of Service as of the date of the Participant’s termination of employment:

<u>Years of Service</u>	<u>Percentage</u>
Less than 1	0%

At least 1 but less than 2	33%
At least 2 but less than 3	66%
3 or more	100%

(d) Service. Service with “Legacy Multimax Inc.” shall be credited for purposes of the Plan.

5. **Crucial Security, Inc. 401(k) Plan**

Crucial Security, Inc. (“Crucial”) maintained the Crucial Security, Inc. 401(k) Plan (the “Crucial Plan”), which plan was frozen as to new participants and new contributions effective April 15, 2009. Effective April 16, 2009, Crucial became an Employer under this Plan. The Crucial Plan was merged with and into this Plan effective August 28, 2009.

6. **Patriot Technologies, LLC 401(k) Plan**

(a) In General. Harris Patriot Healthcare Solutions, LLC (“Harris Patriot”) maintained the Patriot Technologies, LLC 401(k) Plan (the “Patriot Plan”), which plan was frozen as to new participants and new contributions effective November 30, 2009. Effective December 1, 2009, Harris Patriot became an Employer under this Plan. The Patriot Plan was merged with and into this Plan effective June 16, 2010.

(b) Service. For purposes of the Plan, service with Global Technologies Group, Inc. shall be credited to former participants in the Patriot Plan.

7. **CapRock Communications, Inc. 401(k) Plan**

(a) In General. CapRock Communications, Inc. (“CapRock”) maintained the CapRock Communications, Inc. 401(k) Plan (the “CapRock Plan”), which plan was frozen as to new participants and new contributions effective September 30, 2010. Effective October 1, 2010, CapRock and its subsidiaries (including without limitation, CapRock Government Solutions, Inc.) became Employers under this Plan. The CapRock Plan was merged with and into this Plan effective as of December 31, 2010.

(b) Service. For purposes of the Plan, service with McLeod USA and Arrowhead Global Solutions, Inc. shall be credited to former participants in the Caprock Plan.

(c) Automatic Enrollment. The provisions of Section 3.2(b) of the Plan with respect to deemed elections to participate in the Plan by Full-Time Employees shall not apply to former participants in the CapRock Plan who become eligible to participate in the Plan effective October 1, 2010.

8. **ADP TotalSource Retirement Savings Plan**

(a) In General. Prior to April 4, 2011, Carefx Corporation (“Carefx”) participated in the ADP TotalSource Retirement Savings Plan, a multiple employer defined contribution plan sponsored by ADP TotalSource, Inc. (the “ADP Plan”). Effective as of April 4, 2011, Carefx became an Employer under this Plan. The assets and liabilities of the ADP Plan attributable to the employees and former employees of Carefx were transferred to this Plan in a trust-to-trust transfer effective as of September 1, 2011.

(b) Vesting. Notwithstanding any other provision in this Plan, former participants in the ADP Plan whose accounts under such plan were transferred to this Plan in a trust-to-trust transfer effective as of September 1, 2011 (“Former ADP Plan Participants”) shall be 100% vested in their Matching Accounts under this Plan.

(c) Military Leave Withdrawals. In the case of a military leave withdrawal pursuant to Section 9.1(e) of this Plan, a Former ADP Plan Participant shall be permitted to withdraw not only all or any portion of his or her Pre-Tax Account and Designated Roth Account, but also all or any portion of his or her Account attributable to matching contributions. Except as otherwise set forth in this item (c), any such withdrawal shall be subject to the terms and conditions of Section 9.1(e).

9. Exelis Retirement Savings Plan

(a) In General. Exelis Inc. (“Exelis”) maintained the Exelis Retirement Savings Plan, which plan was merged with and into this Plan effective December 31, 2015. Effective January 1, 2016, Exelis and certain subsidiaries of Exelis became Employers under this Plan.

10. Former Employees of Tait Communications

(a) In General. Effective on or around August 15, 2016, certain former employees of Tait Communications (the “Former Tait Employees”) became employed by the Company and its affiliates as a result of an agreement between the Company and Tait Communications pursuant to which the Company became the exclusive distributor in North America for certain products co-branded by the Company and Tait Communications.

(b) Service. Service with Tait Communications shall be credited for purposes of the Plan with respect to the Former Tait Employees.

11. L3 Technologies Master Savings Plan

(a) In General. L3 Technologies, Inc. (“L3”) maintained the L3 Technologies Master Savings Plan (the “L3 Plan”), which plan was merged with and into this Plan effective December 31, 2019. Effective January 1, 2020, L3 and certain subsidiaries of L3 became Employers under this Plan.

(b) Automatic Enrollment. The provisions of Section 3.2(b) of the Plan with respect to deemed elections to participate in the Plan by Full-Time Employees shall not apply to employees of L3 and its subsidiaries who became eligible to participate in the Plan effective January 1, 2020 as a result of the plan merger.

(c) Match Eligibility. A former participant in the L3 Plan (an “L3 Participant”) eligible to receive matching contributions under the L3 Plan as of December 31, 2019 shall be eligible to receive matching contributions pursuant to Section 4.2 of the Plan, regardless of whether he or she has been credited with one Year of Service.

(d) Vesting. If an L3 Participant’s employment with all Employers and Affiliates terminates under circumstances other than those set forth in Section 9.2(a), then the L3 Participant shall be entitled to receive the portion of his or her Account attributable to his or her Employer Contribution Account under the L3 Plan (the “L3 Employer Account”) in accordance with the vesting schedule(s) under the L3 Plan in effect on December 31, 2019 applicable to the

L3 Employer Account, considering the L3 Participant's Years of Service as of the date of the L3 Participant's termination of employment.

In addition, the portion of an L3 Participant's Account attributable to matching contributions under the L3 Plan made on behalf of an hourly employee of the Ocean Systems Division pursuant to Appendix 20 (the "Ocean Systems Hourly Account") shall be fully vested upon the L3 Participant's (i) Disability or (ii) termination of employment by reason of retirement (including early retirement) under the terms of the L3Harris Ocean Systems Pension Plan for Hourly Employees or by reason of a manpower reduction or reorganization by the Employer.

(e) In-Service Withdrawal of Vested L3 Employer Account. An L3 Participant who has attained age 55 may withdraw all or any part of the portion of his or her Account attributable to his or her L3 Employer Account, to the extent vested at the time of withdrawal. Such payment shall be in the form of a lump sum. For the avoidance of doubt, the L3 Employer Account for this purpose shall not include any amount attributable to participation in a money purchase pension plan.

(f) In-Service Withdrawal of Ocean Systems Hourly Account. An L3 Participant who has been credited with five Years of Service may withdraw all or any part of the portion of his or her Account attributable to his or her Ocean Systems Hourly Account, to the extent vested at the time of withdrawal. Such payment shall be in the form of a lump sum.

(g) Resumption of Contributions following Hardship Suspension. The contribution suspension for any L3 Participant whose contributions under the L3 Plan were suspended due to the Participant's hardship withdrawal prior to January 1, 2020 shall cease to apply, effective January 1, 2020 (or as soon as practicable thereafter). Following the end of such suspension, contributions to the Plan by the Participant shall not resume until the Participant has affirmatively elected, in the manner prescribed by the Administrative Committee, to resume contributing to the Plan.

(h) Beneficiary. Any designation of a beneficiary under the L3 Plan in effect at the time of the merger of the L3 Plan into this Plan shall remain in full force and effect and govern the L3 Participant's benefit under this Plan until modified by the L3 Participant in accordance with Plan procedures; provided, however, that in the event that at the time of such merger the L3 Participant had a more recent beneficiary designation under this Plan, that more recent beneficiary designation shall govern until modified by the L3 Participant in accordance with Plan procedures.

12. Autonomous Surface Vehicles, LLC 401(k) Profit Sharing Plan

(a) In General. Autonomous Surface Vehicles, LLC ("ASV") maintained the Autonomous Surface Vehicles, LLC 401(k) Profit Sharing Plan (the "ASV Plan"), which plan was merged with and into this Plan effective December 31, 2019. Effective January 1, 2020, ASV and any subsidiary thereof became an Employer under this Plan.

(b) Automatic Enrollment. The provisions of Section 3.2(b) of the Plan with respect to deemed elections to participate in the Plan by Full-Time Employees shall not apply to employees of ASV or any subsidiary thereof who became eligible to participate in the Plan effective January 1, 2020 as result of the plan merger.

(c) Match Eligibility. A former participant in the ASV Plan (an "ASV Participant") eligible to receive matching contributions under the ASV Plan as of December 31, 2019 shall be eligible to receive matching contributions pursuant to Section 4.2 of the Plan, regardless of whether he or she has been credited with one Year of Service.

(d) Vesting. If an ASV Participant’s employment with all Employers and Affiliates terminates under circumstances other than those set forth in Section 9.2(a), then the ASV Participant shall be entitled to receive the portion of his or her Matching Account and Profit Sharing Account attributable to participation in the ASV Plan in accordance with the following vesting schedule, by reference to the ASV Participant’s Years of Service as of the date of the ASV Participant’s termination of employment:

<u>Years of Service</u>	<u>Percentage</u>
Less than 1	0%
At least 1 but less than 2	50%
2 or more	100%

(e) In-Service Withdrawal upon Disability. An ASV Participant may elect an in-service withdrawal of all or a portion of his or her Account upon or following his or her Disability. Withdrawal shall be in the form of a lump sum.

(f) Resumption of Contributions following Hardship Suspension. The contribution suspension for any ASV Participant whose contributions under the ASV Plan were suspended due to the Participant’s hardship withdrawal prior to January 1, 2020 shall cease to apply, effective January 1, 2020 (or as soon as practicable thereafter). Following the end of such suspension, contributions to the Plan by the Participant shall not resume until the Participant has affirmatively elected, in the manner prescribed by the Administrative Committee, to resume contributing to the Plan.

(g) Beneficiary. Any designation of a beneficiary under the ASV Plan in effect at the time of the merger of the ASV Plan into this Plan shall be void and of no effect on and after January 1, 2020.

(h) Service. For purposes of the Plan, service with C&C Technologies shall be credited to ASV Participants.

13. **Flight Data Services Inc. 401(k) Profit Sharing Plan and Trust**

(a) In General. Flight Data Services Inc. (“FDS”) maintains the Flight Data Services Inc. 401(k) Profit Sharing Plan and Trust (the “FDS Plan”), which plan will be merged with and into this Plan effective November 1, 2020. Effective April 16, 2020, FDS became an Employer under this Plan.

(b) Automatic Enrollment. The provisions of Section 3.2(b) of the Plan with respect to deemed elections to participate in the Plan by Full-Time Employees shall not apply to Employees of FDS who became eligible to participate in the Plan effective April 16, 2020.

(c) Match Eligibility. A former participant in the FDS Plan (an “FDS Participant”) eligible to receive matching contributions under the FDS Plan as of April 16, 2020 shall be eligible to receive matching contributions pursuant to Section 4.2 of the Plan, regardless of whether he or she has been credited with one Year of Service.

(d) Vesting. The portion of an FDS Participant’s Matching Account and Profit Sharing Account attributable to participation in the FDS Plan shall be fully vested and nonforfeitable at all times.

(e) Beneficiary. Any designation of a beneficiary under the FDS Plan in effect at the time of the merger of the FDS Plan into this Plan shall be void and of no effect on and after November 1, 2020.

14. Former Employees of Viasat, Inc.

(a) In General. In connection with that transaction contemplated by the Asset Purchase Agreement by and between Viasat, Inc. and the Company dated October 1, 2022 (the “Viasat Purchase Agreement”), certain Transferred Employees, as such term is defined in the Viasat Purchase Agreement (the “Viasat Participants”) will become employed by the Company and its affiliates.

(b) Match Eligibility. A Viasat Participant shall be eligible to receive matching contributions pursuant to Section 4.2 of the Plan, regardless of whether he or she has been credited with one Year of Service.

(c) Vesting. The Matching Account and Profit Sharing Account of a Viasat Participant shall be 100% vested and nonforfeitable, regardless of the Years of Service of the Viasat Participant.

(d) Service. For purposes of the Plan, service with Viasat, Inc. and its subsidiaries shall be credited to Viasat Participants.

15. Aerojet Rocketdyne Retirement Savings Plan

(a) In General. Aerojet Rocketdyne Holdings, Inc. (“AJRD”) maintained the Aerojet Rocketdyne Retirement Savings Plan (the “AJRD Plan”), which plan was merged with and into this Plan effective December 31, 2023. Effective January 1, 2024, AJRD and certain subsidiaries of AJRD became Employers under this Plan.

(b) Automatic Enrollment. The provisions of Section 3.2(b) of the Plan with respect to deemed elections to participate in the Plan by Full-Time Employees shall not apply to employees of AJRD and its subsidiaries who, effective December 12, 2023, had deferral elections in effect under the AJRD Plan (whether pre-tax, designated Roth and/or after-tax elections) with respect to 6% or more of their eligible compensation, in the aggregate (a “6% AJRD Participant”). The deferral elections of 6% AJRD Participants under the AJRD Plan shall be carried forward to this Plan, effective January 1, 2024, unless such an employee modifies such elections at such time and in accordance with such procedures as may be prescribed by the Administrative Committee. The provisions of Section 3.2(b) of the Plan with respect to deemed elections to participate in the Plan by Full-Time Employees shall apply to all other employees of AJRD and its subsidiaries; provided, however, that such a deemed election with respect to a participant in the AJRD Plan as of December 12, 2023 other than a 6% AJRD Participant shall be effective as of the first payroll in 2024, as opposed to thirty-five (35) days thereafter. Elections to make catch-up contributions under the AJRD Plan also shall be carried forward to this Plan, effective January 1, 2024, unless an employee modifies such elections at such time and in accordance with such procedures as may be prescribed by the Administrative Committee.

(c) Match Eligibility. A participant in the AJRD Plan as of December 15, 2023 (a “Former AJRD Plan Participant”) shall be eligible to receive matching contributions pursuant to Section 4.2 of the Plan, regardless of whether he or she has been credited with one Year of Service.

(d) Vesting. Notwithstanding any provision within Section 9.2 of the Plan or any other provision of the Plan to the contrary, a Former AJRD Plan Participant’s Matching Account

shall be 100% vested and nonforfeitable, regardless of the Years of Service of the Former AJRD Plan Participant. In addition, all other amounts attributable to employer contributions made under the AJRD Plan with respect to a Former AJRD Plan Participant shall be 100% vested and nonforfeitable, regardless of the Years of Service of the Former AJRD Plan Participant.

(e) Military Leave Withdrawal. In the case of a military leave withdrawal pursuant to Section 9.1(e) of the Plan, a Former AJRD Plan Participant shall be permitted to withdraw not only his or her Pre-Tax Account and Designated Roth Account, but also all or any portion of the remainder of his or her Account. Except as otherwise set forth in this item (e), any such withdrawal shall be subject to the terms and conditions of Section 9.1(e).

(f) Beneficiary. Any designation of a beneficiary under the AJRD Plan in effect at the time of the merger of the AJRD Plan into this Plan shall remain in full force and effect and govern the Former AJRD Plan Participant's benefit under this Plan until modified by the Former AJRD Plan Participant in accordance with Plan procedures; provided, however, that in the event that at the time of such merger the Former AJRD Plan Participant had a more recent beneficiary designation under this Plan, that more recent beneficiary designation shall govern until modified by the Former AJRD Plan Participant in accordance with Plan procedures.

SCHEDULE B

Special Rules Applying to Divestiture Accounts and Divestiture Participants

This Schedule B sets forth special rules applying to Divestiture Accounts and Divestiture Participants (each as defined in Section 15.4 of the Plan). Each of the provisions of the Plan shall be fully applicable to the Divestiture Accounts and Divestiture Participants, to the extent that such provisions are not inconsistent with this Schedule B. All capitalized terms used in this Schedule B and not otherwise defined herein shall have the meanings assigned to them by the Plan.

1. Divestiture of the Broadcast Communications Division

(a) In General. The Company has entered into an Asset Sale Agreement with HBC Solutions, Inc. (formerly known as Gores Broadcast Solutions, Inc.) dated as of December 5, 2012 pursuant to which the Company will sell its Broadcast Communications Division (such agreement, as it may be amended from time to time, the “BCD Asset Sale Agreement”). The Employees who will cease to be employed by the Company as a result of such transaction shall be designated herein as “BCD Employees.”

(b) Vesting. Notwithstanding any other provision in the Plan, effective as of the “Initial Closing Date” (as such term is defined in the BCD Asset Sale Agreement), the BCD Employees shall be 100% vested in their Accounts under the Plan.

2. Divestiture of the Healthcare Solutions Business Unit

(a) In General. The Company has entered into an Asset Sale Agreement with Nant Health, LLC dated as of June 16, 2015 pursuant to which the Company will sell its Healthcare Solutions Business Unit (such agreement, as it may be amended from time to time, the “HCS Asset Sale Agreement”). The Employees who will cease to be employed by the Company as a result of such transaction shall be designated herein as “HCS Employees.”

(b) Vesting. Notwithstanding any other provision in the Plan, effective as of the “Closing Date” (as such term is defined in the HCS Asset Sale Agreement), the HCS Employees shall be 100% vested in their Accounts under the Plan.

3. Sale of Blue Falcon I Inc. (i.e., the Aerostructures Business of EDO LLC)

(a) In General. The Company has entered into a Stock Purchase Agreement with Blue Falcon I Inc. and Albany International Corp. dated as of February 27, 2016 pursuant to which the Company will sell the Aerostructures business of EDO LLC (such agreement, as it may be amended from time to time, the “Blue Falcon Purchase Agreement”).

(b) Vesting. Notwithstanding any other provision in the Plan, effective as of the “Closing Date” (as such term is defined in the Blue Falcon Purchase Agreement), the “Business Employees” and the “Leave Employees” (as each such term is defined in the Blue Falcon Purchase Agreement) shall be 100% vested in their Accounts under the Plan.

4. Divestiture of the Harris CapRock Communications Business

(a) In General. The Company has entered into a Sale Agreement with Speedcast International Limited dated as of November 1, 2016 pursuant to which the Company will sell the

Harris CapRock Communications business to Speedcast International Limited (such agreement, as it may be amended from time to time, the “HCC Sale Agreement”).

(b) Vesting. Notwithstanding any other provision in the Plan, effective as of the “Initial Closing Date” (as such term is defined in the HCC Sale Agreement), the “Transferred U.S. Employees” (as such term is defined in the HCC Sale Agreement) shall be 100% vested in their Accounts under the Plan.

5. Divestiture of the Critical Networks Government Services Business

(a) In General. The Company has entered into a Sale Agreement with MHVC Acquisition Corp. dated as of January 26, 2017 pursuant to which the Company will sell to MHVC Acquisition Corp. a certain portion of the Company’s government services business operated within its Critical Networks segment (such agreement, as it may be amended from time to time, the “Magnolia Sale Agreement”).

(b) Vesting. Notwithstanding any other provision in the Plan, effective as of the “Closing Date” (as such term is defined in the Magnolia Sale Agreement), the “Transferred U.S. Employees” (as such term is defined in the Magnolia Sale Agreement) shall be 100% vested in their Accounts under the Plan.

6. Divestiture of the Night Vision Business

(a) In General. The Company has entered into an Asset Purchase Agreement with Elbit Systems Ltd. dated as of April 4, 2019 pursuant to which the Company will sell to Elbit Systems Ltd. its Night Vision business (such agreement, as it may be amended from time to time, the “Night Vision Sale Agreement”).

(b) Vesting. Notwithstanding any other provision in the Plan, effective as of the “Closing Date” (as such term is defined in the Night Vision Sale Agreement), the “Transferred Employees” (as such term is defined in the Night Vision Sale Agreement) shall be 100% vested in their Accounts under the Plan.

7. Divestiture of the Security and Automation Business

(a) In General. The Company has entered into a Sale Agreement with Leidos, Inc. dated as of February 3, 2020 pursuant to which the Company will sell to Leidos, Inc. a certain portion of the Company’s Security and Automation business, including the sale of the Company’s subsidiary, L3 Security and Detection Systems, Inc. (such agreement, as it may be amended from time to time, the “SDS Sale Agreement”).

(b) Vesting. Notwithstanding any other provision in the Plan, effective as of the “Closing Date” (as such term is defined in the SDS Sale Agreement), the “Continuing U.S. Employees” (as such term is defined in the SDS Sale Agreement) shall be 100% vested in their Accounts under the Plan.

8. Divestiture of the EOTECH Business

(a) In General. The Company’s subsidiary, L3 Technologies, Inc., has entered into an Asset Purchase Agreement with Project Echo Holdings, LLC dated as of March 20, 2020 pursuant to which L3 Technologies, Inc. will sell to Project Echo Holdings, LLC certain assets related to L3 Technologies, Inc.’s handheld and tripod mounted electro-optical and applied

optics solutions business operated through its EOTECH division and located in Ann Arbor, Michigan (such agreement, as it may be amended from time to time, the “EOTECH Asset Purchase Agreement”).

(b) Vesting. Notwithstanding any other provision in the Plan, effective as of the “Closing Date” (as such term is defined in the EOTECH Asset Purchase Agreement), the “Transferred U.S. Employees” (as such term is defined in the EOTECH Asset Purchase Agreement) shall be 100% vested in their Accounts under the Plan.

9. **Divestiture of the Combat Vehicle Propulsion Systems Business**

(a) In General. The Company has entered into an Asset and Stock Purchase Agreement with RENK AG dated as of March 1, 2021 pursuant to which the Company and certain of its subsidiaries will sell to RENK AG, among other assets, certain assets related to the Company’s tracked combat vehicle propulsion systems business (such agreement, as it may be amended from time to time, the “Combat Propulsion Asset and Stock Purchase Agreement”).

(b) Vesting. Notwithstanding any other provision in the Plan, effective as of the “Closing Date” (as such term is defined in the Combat Propulsion Asset and Stock Purchase Agreement), the “Transferred U.S. Employees” (as such term is defined in the Combat Propulsion Asset and Stock Purchase Agreement) shall be 100% vested in their Accounts under the Plan.

10. **Divestiture of the Link Military Aviation Training Business**

(a) In General. The Company has entered into a Share and Asset Purchase Agreement with CAE USA Inc. and CAE Inc. (collectively, “CAE”) dated as of February 27, 2021 pursuant to which the Company and its subsidiary will sell to CAE, (i) its wholly owned subsidiary, L3 Doss Aviation, Inc. and (ii) certain assets related to the Company’s military aviation training business operated within its Link Training and Simulation division of its Military Training sector of its Aviation Systems segment (such agreement, as it may be amended from time to time, the “Link Purchase Agreement”).

(b) Vesting. Notwithstanding any other provision in the Plan, effective as of the “Closing Date” (as such term is defined in the Link Purchase Agreement), the “Continuing U.S. Employees” (as such term is defined in the Link Purchase Agreement) shall be 100% vested in their Accounts under the Plan.

11. **Divestiture of L3 Electron Devices, Inc. and the Narda Microwave-West Business**

(a) In General. The Company has entered into a Sale Agreement with Alpha Midco, LLC dated as of July 2, 2021 pursuant to which the Company and its subsidiary will sell to Alpha Midco, LLC (i) its wholly-owned subsidiary, L3 Electron Devices, Inc. and (ii) certain assets related to the Company’s Narda Microwave-West business operated within the Aerospace Products sector of the Company’s Aviation Systems segment (such agreement, as it may be amended from time to time, the “Electron Devices/Narda Sale Agreement”).

(b) Vesting. Notwithstanding any other provision in the Plan, effective as of the “Closing Date” (as such term is defined in the Electron Devices/Narda Sale Agreement), the “Transferred Employees” (as such term is defined in the Electron Devices/Narda Sale Agreement) shall be 100% vested in their Accounts under the Plan.

12. Divestiture of ESSCO Business

(a) In General. The Company's subsidiary, L3 Technologies, Inc., has entered into a Sale Agreement with Communications & Power Industries LLC dated as of September 1, 2021 pursuant to which L3 Technologies, Inc. will sell its ESSCO business operated within the Aerospace Products sector of its Aviation Systems segment, as conducted through L3 ESSCO, Inc. (such agreement, as it may be amended from time to time, the "ESSCO Sale Agreement").

(b) Vesting. Notwithstanding any other provision in the Plan, effective as of the "Closing Date" (as such term is defined in the ESSCO Sale Agreement), the "Continuing U.S. Employees" (as such term is defined in the ESSCO Sale Agreement) shall be 100% vested in their Accounts under the Plan.

13. Divestiture of Narda-MITEQ Business

(a) In General. The Company and certain of its subsidiaries have entered into a Purchase and Sale Agreement with NARDA Holdings, Inc. and NARDA Euro AcquiCo GmbH dated as of August 31, 2021 pursuant to which the Company and such subsidiaries will sell the Company's Narda-MITEQ business operated within the Aerospace Products sector of the Company's Aviation Systems segment (such agreement, as it may be amended from time to time, the "Narda-MITEQ Purchase and Sale Agreement").

(b) Vesting. Notwithstanding any other provision in the Plan, effective as of the "Closing Date" (as such term is defined in the Narda-MITEQ Purchase and Sale Agreement), the "Transferred U.S. Employees" (as such term is defined in the Narda-MITEQ Purchase and Sale Agreement) shall be 100% vested in their Accounts under the Plan.

14. Divestiture of Space & Navigation Business

(a) In General. The Company has entered into a Sale Agreement with EMCORE Corporation and its wholly-owned subsidiary, Ringo Acquisition Sub, Inc., dated as of February 14, 2022 pursuant to which the Company and its subsidiary will sell the Company's Space & Navigation business operated previously within the Precision Engagement Systems sector of its Aviation Systems segment and at the time of sale within the Defense Electronics Systems Division of its Advanced Development Group Sector of the Integrated Mission Systems segment (such agreement, as it may be amended from time to time, the "Space & Navigation Sale Agreement").

(b) Vesting. Notwithstanding any other provision in the Plan, effective as of the "Closing Date" (as such term is defined in the Space & Navigation Sale Agreement), the "Transferred Employees" (as such term is defined in the Space & Navigation Sale Agreement) shall be 100% vested in their Accounts under the Plan.

15. Divestiture of L3Harris Geospatial Solutions, Inc. and the Space Systems Geospatial Business

(a) In General. The Company has entered into a Sale Agreement with NV5 Global, Inc. and NV5 Geospatial, Inc. dated as of December 21, 2022 pursuant to which the Company and its subsidiaries are selling the Company's geospatial business operated within the Space Systems sector of the Company's Space and Airborne Systems segment, as conducted in part by its U.S.

subsidiary, L3Harris Geospatial Solutions, Inc. (such agreement, as it may be amended from time to time, the “Geospatial Solutions Sale Agreement”).

(b) Vesting. Notwithstanding any other provision in the Plan, effective as of the “Closing Date” (as such term is defined in the Geospatial Solutions Sale Agreement), the “Continuing U.S. Employees” (as such term is defined in the Geospatial Solutions Sale Agreement) shall be 100% vested in their Accounts under the Plan.

SCHEDULE C

Special Rules Applying to the CARES Act

This Schedule C sets forth special rules under the Plan in relation to the coronavirus disease 2019. These special rules apply only for the limited durations specified below. All capitalized terms used in this Schedule C and not otherwise defined herein shall have the meanings assigned to them by the Plan.

A. Definitions.

- (i) CARES Act. Coronavirus Aid, Relief, and Economic Security Act of 2020, as amended.
- (ii) CARES Act Distribution. A distribution from the Plan described in Section B of this Schedule C.
- (iii) CARES Act Loan. A loan from the Plan described in Section C of this Schedule C.
- (iv) COVID-19. The coronavirus disease 2019 or virus SARS-CoV-2.
- (v) Qualified Individual. A Participant, Beneficiary or alternate payee within the meaning of section 414(p) of the Code (solely for purposes of this “Qualified Individual” definition, collectively referenced as a “Participant”) who certifies in the manner required by the Administrative Committee that one or more of the following applies:
 - a. The Participant is diagnosed with COVID-19 by a test approved by the Centers for Disease Control and Prevention (including a test authorized under the Federal Food, Drug, and Cosmetic Act);
 - b. The Participant’s Spouse or dependent (as defined in Code section 152) is diagnosed with COVID-19 by a test approved by the Centers for Disease Control and Prevention (including a test authorized under the Federal Food, Drug, and Cosmetic Act);
 - c. The Participant experienced adverse financial consequences because:
 - (i) The Participant, the Participant’s Spouse or a member of the Participant’s household was quarantined, furloughed or laid off, or had work hours reduced, due to COVID-19;
 - (ii) The Participant, the Participant’s Spouse or a member of the Participant’s household was unable to work due to a lack of childcare due to COVID-19;
 - (iii) A business owned and operated by the Participant, the Participant’s Spouse or a member of the Participant’s household closed or reduced hours due to COVID-19; or

- (iv) The Participant, the Participant's Spouse or a member of the Participant's household had a reduction in pay (or self-employment income) due to COVID-19 or had a job offer rescinded, or start date for a job delayed, due to COVID-19.

A "member of the Participant's household" is an individual who shares the Participant's principal residence.

The Administrative Committee may rely on a Participant's certification that one or more of conditions (i) through (iv) above apply, provided that the Administrative Committee does not have actual knowledge to the contrary.

- B. CARES Act Distributions. A Participant, Beneficiary or alternate payee within the meaning of section 414(p) of the Code who is a Qualified Individual (in the case of a Participant, regardless of whether the Participant remains employed or has separated from service from the Employers) may request one or more distributions of his or her vested Account, other than his or her Money Purchase Pension Account, to be made on or after April 9, 2020 and prior to December 31, 2020; provided, however, that the aggregate amount of such distributions received by such Qualified Individual during 2020 from all qualified retirement plans maintained by the Employers and Affiliates that shall be considered CARES Act Distributions shall not exceed \$100,000. Notwithstanding the foregoing, in no event shall any amount described in Q&A-4 of Treasury Regulation section 1.402(c)-2 be considered a CARES Act Distribution for purposes of the Plan.

To the extent permitted by the CARES Act, and in accordance with uniform rules set forth by the Administrative Committee, an Eligible Rollover Recipient may repay a coronavirus-related distribution within the meaning of section 2202(a)(4) of the CARES Act (but only to the extent that the distribution is eligible for tax-free rollover under sections 402(c), 403(a)(4), 403(b)(8), 408(d)(3) or 457(e)(16)) to the Plan (including any portion thereof attributable to designated Roth contributions described in section 402A of the Code) during the three-year period beginning on the day after the date that the Eligible Rollover Recipient received such distribution. Any such repayment shall be deemed to be a rollover contribution under Section 5.2 of the Plan and, except as otherwise set forth in this Schedule C, subject to the Plan's rules applicable to rollover contributions.

- C. CARES Act Loans. A Participant who is a Qualified Individual may request a loan, other than a principal residence loan, from the Plan during the period beginning on April 20, 2020 and ending on September 22, 2020, which loan shall be subject to each of the provisions of the Plan and the Plan's loan program applicable to loans available under the Plan, except that in determining the maximum principal balance of such loan, (i) \$100,000 shall be substituted for \$50,000 and (ii) one hundred percent (100%) shall be substituted for fifty percent (50%), in each case as it appears in Section 10.1 of the Plan and in the Plan's loan program. For the avoidance of doubt, the number of outstanding CARES Act Loans, when aggregated with the number of outstanding loans under the Plan other than CARES Act Loans, shall not exceed two. CARES Act Loan repayments due prior to January 1, 2021 automatically shall be suspended pursuant to Section D below.
- D. Loan Repayment Suspension. Notwithstanding any provision to the contrary of the Plan or the Plan's loan program, a Participant who is a Qualified Individual and who has an outstanding loan (whether a principal residence loan or otherwise) may elect to suspend

loan repayments due on or after April 20, 2020 and prior to January 1, 2021. The period of repayment of any loan for which repayments were suspended pursuant to this Schedule C shall be extended by the period that loan repayments were deferred, and repayments with respect thereto automatically shall be reamortized and recommence in January 2021. Interest shall continue to accrue during the suspension period described in this Section D.

E.

2020 Required Minimum Distribution Waiver

Notwithstanding any provision in the Plan to the contrary, a Participant or Beneficiary who, but for the enactment of section 401(a)(9)(l) of the Code, would have been required to receive a "required minimum distribution" in 2020 (or paid in 2021 for the 2020 calendar year for a Participant with a "required beginning date" of April 1, 2021) but excluding for this purpose a "required minimum distribution" paid in 2020 for the 2019 calendar year for a Participant with a "required beginning date" of April 1, 2020 ("2020 RMDs") and who would have satisfied that requirement by receiving a distribution that is either (1) equal to the 2020 RMD, or (2) one or more payments (that include the 2020 RMD) in a series of substantially equal periodic payments made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancies) of the Participant and the Participant's designated Beneficiary, or for a period of at least ten (10) years ("Extended 2020 RMDs"), will not receive such distribution unless the Participant or Beneficiary affirmatively elects to receive such distribution. For the avoidance of doubt, a "required minimum distribution" for the 2019 calendar year for a Participant with a "required beginning date" of April 1, 2020 shall be paid to the Participant without regard to this Section E. Solely for purposes of the direct rollover provisions of the Plan, 2020 RMDs and Extended 2020 RMDs will be treated in 2020 as eligible rollover distributions.

F.

Interpretation. This Schedule C is intended to meet the requirements of the CARES Act, and the Regulations and other applicable guidance promulgated thereunder, and the provisions of the Plan and this Schedule C shall be construed and interpreted in accordance with such intent.

APPENDIX 1
MONEY PURCHASE PENSION ACCOUNTS

This Appendix 1 shall apply solely to a Participant with an Account that is attributable, in total or in part, to a Money Purchase Pension Account (such Participant, a "Money Purchase Participant").

- A. Form of Distribution. Except as otherwise set forth in this Appendix 1, the Account of a Money Purchase Participant shall be distributed in the form of a single life annuity or, in the case of a Money Purchase Participant who is legally married on his or her annuity commencement date, in the form of a Joint and Survivor Annuity or, if the Money Purchase Participant has died prior to the annuity commencement date, a Pre-Retirement Survivor Annuity. Any annuity payable under this Appendix 1 shall be satisfied by purchase of a nonforfeitable annuity contract for the Money Purchase Participant or Spouse, as applicable.
- B. Joint and Survivor Annuity. The term "Joint and Survivor Annuity" means an annuity for the life of the Money Purchase Participant with a survivor annuity for the life of his or her surviving Spouse which is equal to 50, 75 or 100 percent of the amount of the annuity payable during the joint lives of the Money Purchase Participant and his or her Spouse and which is the actuarial equivalent of a single life annuity for the life of the Money Purchase Participant.

As soon as practicable after a married Money Purchase Participant's annuity commencement date, the Administrative Committee will provide him or her with election information consisting of:

- (1) a written description of the Joint and Survivor Annuity and the relative financial effect of payment of his or her Account in that form; and
- (2) a notification of the right to waive payment in that form, the rights of his or her Spouse with respect to such waiver and the right to revoke such waiver.

During an election period commencing on the date the Money Purchase Participant receives such election information and ending on the later of the 180th day thereafter or the date as of which his or her benefits are to commence, a Money Purchase Participant may waive payment in the Joint and Survivor Annuity form and elect payment in a form permitted under Section 9.3(c) of the Plan provided that the Money Purchase Participant's surviving Spouse, if any, has consented in writing to such waiver and the Spouse's consent acknowledges the effect of such revocation and is witnessed by a notary public. A Money Purchase Participant may, at any time during his or her election period, revoke any prior waiver of the Joint and Survivor Annuity form. A Money Purchase Participant may request, in a writing filed with the Administrative Committee during his or her election period, an explanation, written in nontechnical language, of the terms, conditions and financial effect (in terms of dollars per monthly benefit payment) of payment in the Joint and Survivor Annuity form. If not previously provided to the Money Purchase Participant, the Administrative Committee shall provide the Money Purchase Participant with such explanation within 30 days of his or her request, and the Money Purchase Participant's election period will be extended, if necessary, to include the 180th day following the date on which he or she receives such explanation. No distribution shall be made from the Account until the Money Purchase Participant's election period has terminated. Notwithstanding the foregoing, if the Money Purchase Participant's Account balance does not

exceed \$7,000, the Account will be distributed in accordance with Section 9.4 of the Plan.

- C. Pre-Retirement Survivor Annuity. The term "Pre-Retirement Survivor Annuity" means an annuity for the life of the Money Purchase Participant's surviving Spouse, the payments under which must be equal to the amount of benefit that can be purchased with the balance in the Money Purchase Participant's Account as of the date of his or her death. Payment of such benefits will commence as soon as practicable after the date of the Money Purchase Participant's death, unless the surviving Spouse elects a later date. Any election to waive the Pre-Retirement Survivor Annuity must be made by the Money Purchase Participant in writing during the election period described herein and shall require the Spouse's consent in the same manner provided for in paragraph B. The election period to waive the Pre-Retirement Survivor Annuity shall begin on the first day of the Plan Year in which the Money Purchase Participant attains age 35 and end on the date of the Money Purchase Participant's death. In the event a Money Purchase Participant separates from service prior to the beginning of the election period, the election period shall begin on the date of such separation from service. In connection with the election, the Administrative Committee shall provide each Money Purchase Participant, within the period beginning with the first day of the Plan Year in which the Money Purchase Participant attains age 32 and ending with the close of the Plan Year preceding the Plan Year in which the Money Purchase Participant attains age 35, a written explanation of the Pre-Retirement Survivor Annuity containing comparable information to that required pursuant to the provisions of paragraphs B(1) and B(2). If the Money Purchase Participant enters the Plan after such election period has terminated, the Administrative Committee shall provide such explanation no later than one year following the entry of the Money Purchase Participant into the Plan. If the Money Purchase Participant is not married as of the date of his or her death, the Money Purchase Participant's Account shall be distributed to his or her Beneficiary in the form elected by the Beneficiary pursuant to Section 9.3(c) of the Plan. Notwithstanding the foregoing, if the Participant's distributable Account balance does not exceed \$7,000, the Account will be distributed in a lump sum.

APPENDIX 2
FORMER EXELIS INFORMATION SYSTEMS
PROFESSIONAL BENEFITS EMPLOYEES' SAVINGS PLAN

This Appendix 2 applies to a Participant who was regularly employed by the Information Systems division of Exelis Inc. under the contracts listed below and who was hired on or after the date set forth below for such person's specific contract but prior to January 1, 2016 (an "Information Systems Participant"). Certain Information Systems Participants previously participated in the Exelis Information Systems Professional Benefits Employees' Savings Plan (the "Professional Employees' Savings Plan"), of which this Plan is a successor. The provisions of this Appendix 2 that modify the Plan's terms shall be construed in a manner that harmonizes this Appendix 2 with the Plan. Capitalized terms not otherwise defined in this Appendix 2 are defined in Article 2 of the Plan.

Contract Name	Effective Date
Business and Financial Management Support (BFMS)	July 15, 2004
Electromagnetic Spectrum Engineering Services (ESES)	August 5, 2005
Engineering, Technical and Programmatic Support Services Electronic Warfare (EW) – Surface and Airborne ("Crane")	March 24, 2007
Advisory and Assistance Services (A&AS) for United States Strategic Command (USSTRATCOM) Systems and Mission Support ("USAMS II")	March 9, 2009
Commander, Navy Installations Command (CNIC)	August 24, 2009
JTF-GN Cyber Defense, Analysis, Operations and Strategic Planning Support (JTF-GN)	October 2, 2009
JIEDDO Omnibus (Omnibus)	April 1, 2010
Solutions for Intelligence Analysis, US Forces to Afghanistan	September 15, 2010

Space Communications Network Services (SCNS)	April 11, 2011
Enterprise Communications Support Systems (ECSS)	September 30, 2011
US INSCOM OMNIB III Program	November 12, 2011
Wideband Satellite Operations and Technical Support (WSOTS)	February 1, 2012
JIEDDO Operations Support Services	March 26, 2012
FAA Command and Control Communications Program Support	April 2, 2012
Global Combat Support System – Marine Corps Sustainment Training (GCSS MC Sustainment Training)	October 15, 2013
Deep Space Network (DSN)	January 1, 2014

Article 9
WITHDRAWALS AND DISTRIBUTIONS

Section 9.1 Withdrawals Prior to Termination of Employment

Notwithstanding any other provision in this Plan, an Information Systems Participant may withdraw all or part of his or her vested Matching Account provided that such matching contributions have been in the Professional Employees' Savings Plan, the Exelis Retirement Savings Plan or this Plan, or a combination thereof, for at least 24 months prior to such withdrawal.

Section 9.2 Vested Share of Account

Notwithstanding any other provision in this Plan, the entire Account of an Information Systems Participant shall be 100% vested and nonforfeitable.

APPENDIX 3 ES/IEWS EMPLOYEES

This Appendix 3 applies to any person employed by the Electronic Systems/Integrated Electronic Warfare Systems divisions of the Company who is a member of the bargaining unit represented by the International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers (I.U.E.)/Communications Workers of America, Local Union 81447, NJ location and who commenced such employment prior to January 1, 2022 (an "ES/IEWS Employee"); provided, however, that only Section 9.1 of this Appendix 3 shall apply to an ES/IEWS Employee who is rehired by an Employer on or after January 1, 2022. Certain ES/IEWS Employees previously participated in the Exelis Avionics Division and Exelis Communications Solutions Bargaining Unit Savings Plan (the "Avionics Savings Plan"), of which this Plan is a successor. Any references in this Appendix 3 to the Avionics Savings Plan shall mean such plan as in effect on December 31, 2014, the date immediately prior to such plan's merger into the Exelis Retirement Savings Plan. The provisions of this Appendix 3 that modify the Plan's terms shall be construed in a manner that harmonizes this Appendix 3 with the Plan. Capitalized terms not otherwise defined in this Appendix 3 are defined in Article 2 of the Plan.

Article 2 DEFINITIONS

Notwithstanding any other provision in the Plan, "Compensation" for purposes of this Appendix 3 means a Participant's W-2 wages, including overtime, shift premium, etc., which is paid during the Plan Year and determined prior to any pre-tax contributions made on behalf of a Participant to the Plan.

Notwithstanding any other provision in the Plan, "Employee" for purposes of this Appendix 3 means an ES/IEWS Employee; provided, however, that an ES/IEWS Employee who is a temporary employee shall not be eligible to participate in the Plan.

For the avoidance of doubt, a Participant who is absent from service due to layoff shall not experience a termination of employment for purposes of this Plan until he or she no longer has recall rights under the Company's applicable layoff policy.

Article 3 PARTICIPATION

An Employee entitled to participate in the Plan pursuant to this Appendix 3 shall become a Participant as of the first day of the month following one month of Service.

The provisions of Section 3.2(b) of the Plan with respect to deemed elections to participate in the Plan by Full-Time Employees shall not apply to an ES/IEWS Employee.

Article 4
PRE-TAX, DESIGNATED ROTH, MATCHING, PROFIT SHARING, FRINGE AND OTHER EMPLOYER CONTRIBUTIONS

Notwithstanding any provision in Section 4.2(a) of the Plan, an Employee who is entitled to participate in the Plan pursuant to this Appendix 3 shall be entitled to receive matching contributions each payroll period equal to 50 percent of the aggregate of the Participant's pre-tax, designated Roth and after-tax contributions for such payroll period which are at least 1 percent of his or her Compensation and no more than 6 percent of his or her Compensation for such payroll period, which shall be credited to such Participant's Matching Account. An Employee who is entitled to participate in the Plan pursuant to this Appendix 3 shall not be required to complete one Year of Service as a condition of eligibility for a matching contribution.

If as of the last day of the Plan Year, the amount of matching contributions allocated to an Employee for such Plan Year pursuant to this Appendix 3 is less than 50 percent of the aggregate of the Participant's pre-tax, designated Roth and after-tax contributions for such Plan Year which are at least 1 percent of his or her Compensation and no more than 6 percent of his or her Compensation for such Plan Year, the Employer shall make a matching contribution on behalf of such Employee in an amount equal to the difference; provided, however, that such true-up matching contribution shall not be made with respect to an Employee who terminates employment during the Plan Year.

Article 9
WITHDRAWALS AND DISTRIBUTIONS

Section 9.1 Withdrawals Prior to Termination of Employment

Notwithstanding any other provision in the Plan, a Participant whose Account is subject to this Appendix 3 may withdraw all or part of his or her vested Matching Account attributable to Plan Years commencing prior to January 1, 2020, provided that such matching contributions have been in the Avionics Savings Plan, the Exelis Retirement Savings Plan or this Plan, or a combination thereof, for at least 24 months prior to such withdrawal.

If a Participant made a withdrawal of his or her Matching Employer Contributions Account (as defined in Section 1.24 of the Avionics Savings Plan) from the Avionics Savings Plan as in effect prior to July 1, 1999, that resulted in a forfeiture of a portion of his or her Matching Employer Contributions Account, the Participant may repay in full his or her Matching Employer Contributions (as defined in Section 1.23 of the Avionics Savings Plan) distributed to him or her prior to incurring a Break in Service of five consecutive years. Upon such repayment the forfeited portion of his or her Matching Employer Contributions shall be restored. Repayments of Matching Employer Contributions shall be credited to his or her Matching Account without earnings.

Section 9.2 Vested Share of Account

Notwithstanding any other provision in the Plan, but subject to Section 9.2(a), a Participant who is entitled to matching contributions pursuant to this Appendix 3 shall become vested in, and have a nonforfeitable right to, his or her Matching Account based on his or her Years of Service (as defined in Section 1.44 of the Avionics Savings Plan) credited in the Avionics Savings Plan plus his or her Service from and after January 1, 2015, as set forth in the following provisions:

<u>Service</u>	<u>Nonforfeitable Percentage</u>
less than 1 year	0%
1 but less than 2 years	20%
2 but less than 3 years	40%
3 but less than 4 years	60%
4 but less than 5 years	80%
5 or more years	100%

Article 10 LOANS

A Participant whose Account is subject to this Appendix 3 shall be charged a fee equal to \$35 for each loan originated pursuant to Article 10 of the Plan.

APPENDIX 4 NIGHT VISION EMPLOYEES

This Appendix 4 applies to any person employed by the Night Vision division of the Company who is a member of the bargaining unit represented by the IUE, the Industrial Division of the Communications Workers of America AFL-CIO and Local 82162 (a “Night Vision Employee”). Certain Night Vision Employees previously participated in the Exelis Night Vision Savings Plan for Hourly Employees (the “Night Vision Savings Plan”), of which this Plan is a successor. Any references in this Appendix 4 to the Night Vision Savings Plan shall mean such plan as in effect on December 31, 2014, the date immediately prior to such plan’s merger into the Exelis Retirement Savings Plan. The provisions of this Appendix 4 that modify the Plan’s terms shall be construed in a manner that harmonizes this Appendix 4 with the Plan. Capitalized terms not otherwise defined in this Appendix 4 are defined in Article 2 of the Plan.

Article 2 DEFINITIONS

“Employee” for purposes of this Appendix 4 means a Night Vision Employee.

Article 3 PARTICIPATION

No Employee shall newly participate in the Plan pursuant to this Appendix 4 on or after September 15, 2019.

Article 4 PRE-TAX, DESIGNATED ROTH, MATCHING, PROFIT SHARING, FRINGE AND OTHER EMPLOYER CONTRIBUTIONS

No matching or other contribution to the Plan shall be made pursuant to this Appendix 4 with respect to service on or after September 15, 2019.

Article 9 WITHDRAWALS AND DISTRIBUTIONS

Section 9.1 Withdrawals Prior to Termination of Employment

Notwithstanding any other provision in the Plan, a Participant whose Account is subject to this Appendix 4 may withdraw all or part of his or her vested Matching Account provided that such matching contributions have been in the Night Vision Savings Plan, the Exelis Retirement Savings Plan or this Plan, or a combination thereof, for at least 24 months prior to such withdrawal.

If a Participant made a withdrawal of his or her Matching Employer Contributions Account (as defined in Section 1.24 of the Night Vision Savings Plan) from the Night Vision Savings Plan as in effect prior to July 1, 1999, that resulted in a forfeiture of a portion of his or her Matching Employer Contributions Account, the Participant may repay in full his or her Matching Employer Contributions (as defined in Section 1.23 of the Night Vision Savings Plan) distributed to him or her prior to incurring a Break in Service of five consecutive years. Upon such repayment the forfeited portion of his or her Matching Employer Contributions shall be restored. Repayments of Matching Employer Contributions shall be credited to his or her Matching Account without earnings.

Section 9.2 Vested Share of Account

Notwithstanding any other provision in the Plan, but subject to Section 9.2(a) and section 6 of Schedule B, a Participant who was entitled to matching contributions pursuant to this Appendix 4 shall become vested in, and have a nonforfeitable right to, his or her Matching Account based on his or her Years of Service (as defined in Section 1.44 of the Night Vision Savings Plan) credited in the Night Vision Savings Plan plus his or her Service from and after January 1, 2015, as set forth in the following provisions:

<u>Service</u>	<u>Nonforfeitable Percentage</u>
less than 1 year	0%
1 but less than 2 years	20%
2 but less than 3 years	40%
3 but less than 4 years	60%
4 but less than 5 years	80%
5 or more years	100%

APPENDIX 5 ELECTRONIC SYSTEMS EMPLOYEES

This Appendix 5 applies to any person employed by the Electronic Systems division of the Company who is a member of the bargaining unit represented by the IUE-CWA Local 84999 (an "Electronic Systems Employee"). Certain Electronic Systems Employees previously participated in the Exelis Communications Solutions Savings Plan for Hourly Employees (the "Communications Solutions Savings Plan"), of which this Plan is a successor. Any references in this Appendix 5 to the Communications Solutions Savings Plan shall mean such plan as in effect on December 31, 2014, the date immediately prior to such plan's merger into the Exelis Retirement Savings Plan. The provisions of this Appendix 5 that modify the Plan's terms shall be construed in a manner that harmonizes this Appendix 5 with the Plan. Capitalized terms not otherwise defined in this Appendix 5 are defined in Article 2 of the Plan.

Article 2 DEFINITIONS

"Employee" for purposes of this Appendix 5 means an Electronic Systems Employee.

Article 3 PARTICIPATION

No Employee shall newly participate in the Plan pursuant to this Appendix 5 on or after June 24, 2016.

Article 4 PRE-TAX, DESIGNATED ROTH, MATCHING, PROFIT SHARING, FRINGE AND OTHER EMPLOYER CONTRIBUTIONS

No matching or other contribution to the Plan shall be made pursuant to this Appendix 5 with respect to service on or after June 24, 2016.

Article 9 WITHDRAWALS AND DISTRIBUTIONS

Section 9.1 Withdrawals Prior to Termination of Employment

Notwithstanding any other provision in the Plan, a Participant whose Account is subject to this Appendix 5 may withdraw all or part of his or her vested Matching Account provided that such matching contributions have been in the Communications Solutions Savings Plan, the Exelis Retirement Savings Plan or this Plan, or a combination thereof, for at least 24 months prior to such withdrawal.

If a Participant made a withdrawal of his or her Matching Employer Contributions Account (as defined in Section 1.24 of the Communications Solutions Savings Plan) from the Communications Solutions Savings Plan as in effect prior to July 1, 1999, that resulted in a forfeiture of a portion of his or her Matching Employer Contributions Account, the Participant may repay in full his or her Matching Employer Contributions (as defined in Section 1.23 of the Communications Solutions Savings Plan) distributed to him or her prior to incurring a Break in Service of five consecutive years. Upon such repayment the forfeited portion of his or her Matching Employer Contributions shall be restored. Repayments of Matching Employer Contributions shall be credited to his or her Matching Account without earnings.

Section 9.2 Vested Share of Account

Notwithstanding any other provision in the Plan, but subject to Section 9.2(a) of the Plan, a Participant who is entitled to matching contributions pursuant to this Appendix 5 shall become vested in, and have a nonforfeitable right to, his or her Matching Account based on his or her Years of Service (as defined in Section 1.44 of the Communications Solutions Savings Plan) credited in the Communications Solutions Savings Plan plus his or her Service from and after January 1, 2015, as set forth in the following provisions:

<u>Service</u>	<u>Nonforfeitable Percentage</u>
less than 1 year	0%
1 but less than 2 years	20%
2 but less than 3 years	40%
3 but less than 4 years	60%
4 but less than 5 years	80%
5 or more years	100%

APPENDIX 6 PMRF EMPLOYEES

This Appendix 6 applies to any person employed by L3Harris Technologies, Inc. Critical Networks, Pacific Missile Range Facility, other than an Excluded PMRF Individual (a “PMRF Employee”). For this purpose, an Excluded PMRF Individual means an individual who is engaged by an Employer to perform services in a relationship (i) that the Employer characterizes as other than an employment relationship, or (ii) that the individual has agreed is not an employment relationship and has waived his or her rights to coverage as an employee, such as where the Employer engages the individual to perform services as an independent contractor, even if a determination is made by the Internal Revenue Service or other governmental agency or court, after the individual is engaged to perform such services, that the individual is an employee of the Employer for purposes of the Code.

Certain PMRF Employees previously participated in the Exelis Information Systems Pacific Missile Range Facility Savings Plan for Hourly Employees (the “PMRF Savings Plan”), of which this Plan is a successor. Any references in this Appendix 6 to the PMRF Savings Plan shall mean such plan as in effect on December 31, 2014, the date immediately prior to such plan’s merger into the Exelis Retirement Savings Plan. The provisions of this Appendix 6 that modify the Plan’s terms shall be construed in a manner that harmonizes this Appendix 6 with the Plan. Capitalized terms not otherwise defined in this Appendix 6 are defined in Article 2 of the Plan.

Article 2 DEFINITIONS

Notwithstanding any other provision in the Plan, “Employee” for purposes of this Appendix 6 means a PMRF Employee.

Article 3 PARTICIPATION

No Employee shall newly participate in the Plan pursuant to this Appendix 6 on or after March 31, 2021.

Article 4 PRE-TAX, DESIGNATED ROTH, MATCHING, PROFIT SHARING, FRINGE AND OTHER EMPLOYER CONTRIBUTIONS

No matching or other contribution to the Plan shall be made pursuant to this Appendix 6 with respect to service on or after March 31, 2021.

Article 9
WITHDRAWALS AND DISTRIBUTIONS

Section 9.1 Withdrawals Prior to Termination of Employment

Notwithstanding any other provision in the Plan, a Participant whose Account is subject to this Appendix 6 may withdraw all or part of his or her vested Matching Account attributable to Plan Years commencing prior to January 1, 2020, provided that such matching contributions have been in the PMRF Savings Plan, the Exelis Retirement Savings Plan or this Plan, or a combination thereof, for at least 24 months prior to such withdrawal.

If a Participant made a withdrawal of his or her Matching Employer Contributions Account (as defined in Section 1.24 of the PMRF Savings Plan) from the PMRF Savings Plan as in effect prior to July 1, 1999, that resulted in a forfeiture of a portion of his or her Matching Employer Contributions Account, the Participant may repay in full his or her Matching Employer Contributions (as defined in Section 1.23 of the PMRF Savings Plan) distributed to him or her prior to incurring a Break in Service of five consecutive years. Upon such repayment the forfeited portion of his or her Matching Employer Contributions shall be restored. Repayments of Matching Employer Contributions shall be credited to his or her Matching Account without earnings.

Section 9.2 Vested Share of Account

Notwithstanding any other provision in the Plan, but subject to Section 9.2(a) of the Plan, a Participant who is entitled to matching contributions pursuant to this Appendix 6 shall become vested in, and have a nonforfeitable right to, his or her Matching Account based on his or her Years of Service (as defined in Section 1.44 of the PMRF Savings Plan) credited in the PMRF Savings Plan plus his or her Service from and after January 1, 2015, as set forth in the following provisions:

<u>Service</u>	<u>Nonforfeitable Percentage</u>
less than 1 year	0%
1 but less than 2 years	20%
2 but less than 3 years	40%
3 but less than 4 years	60%
4 but less than 5 years	80%
5 or more years	100%

APPENDIX 7
BENEFIT GROUP EMPLOYEES

This Appendix 7 applies to any individual who is regularly employed by the Company and included in a benefit group specified in Exhibit A hereto (such an employee, a “Benefit Group Employee”). Certain Benefit Group Employees previously participated in the Exelis IS Retirement Savings Plan (the “IS Savings Plan”), of which this Plan is a successor. Any references in this Appendix 7 to the IS Savings Plan shall mean such plan as in effect on December 31, 2014, the date immediately prior to such plan’s merger into the Exelis Retirement Savings Plan. The provisions of this Appendix 7 that modify the Plan’s terms shall be construed in a manner that harmonizes this Appendix 7 with the Plan. Capitalized terms not otherwise defined in this Appendix 7 are defined in Article 2 of the Plan.

Article 2
DEFINITIONS

“Employee” for purposes of this Appendix 7 means a Benefit Group Employee.

Article 3
PARTICIPATION

No Employee shall newly participate in the Plan pursuant to this Appendix 7 on or after April 28, 2017.

Article 4
PRE-TAX, DESIGNATED ROTH, MATCHING, PROFIT SHARING, FRINGE AND OTHER EMPLOYER CONTRIBUTIONS

No matching or other contribution to the Plan shall be made pursuant to this Appendix 7 with respect to service on or after April 28, 2017.

Article 9
WITHDRAWALS AND DISTRIBUTIONS

Section 9.2 Vested Share of Account

Notwithstanding any other provision in this Plan, the entire Account of a Benefit Group Employee shall be 100% vested and nonforfeitable.

EXHIBIT A – BENEFIT GROUPS AND PROJECTS

(Effective 1/1/16)

This list identifies all union contracts in which the Benefit Group Employees are employed. This list will be amended from time to time to reflect changes in union contracts.

Benefit Group	Description	Matching Contributions	Company Base Contributions
Deep Space Network Contract			
1. DSNUNION	1. Union EEs	1. 50% to 10%	1. \$220 per month
Space Communications Network Services (SCNS)			
1. SCNS UN	1. Union EEs	1. No Match	1. No Base
Tethered Aerostat Radar Systems (TARS)			
1. TARSUNYUM	1. Union EEs	1. No Match	1. 3%
2. TARSUNHUA	2. Union EEs	2. No Match	2. 3%
3. RARSUNDEM	3. Union EEs	3. No Match	3. 3%
4. TARUNEAGL	4. Union EEs	4. No Match	4. 1%
5. TARSUNRIO	5. Union EEs	5. No Match	5. 1%
6. TARSUNCUJ	6. Union EEs	6. No Match	6. 3%
7. TARSUNMAR	7. Union EEs	7. No Match	7. 1%

APPENDIX 8 OTHER SPECIFIED GROUPS

This Appendix 8 applies to Employees who are members of the bargaining units or other specified groups identified below. The provisions of this Appendix 8 that modify the Plan's terms shall be construed in a manner that harmonizes this Appendix 8 with the Plan. Capitalized terms not otherwise defined in this Appendix 8 are defined in Article 2 of the Plan.

Bargaining Unit/Specified Group	Maximum Deferral Percentage	Match Eligibility	MATCH FORMULA ¹	Match on Catch-Up	Other Employer Contributions	Plan Expenses
Cincinnati Electronics Business Unit (PA2107) Cincinnati Electronics & International Brotherhood of Electrical Workers (IBEW 648) – Local Union 648 (205)	Base Plan	Base Plan	100% of 6%	No	No	Base Plan
Combat Propulsion Systems Business Unit (2084) Combat Propulsion Systems & International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW) and its Local 113 (232) Aerospace and Agricultural Implement Workers of America (UAW) and its Local 1279 (CBU) and (TBU) (233)	25% (pre-tax, after-tax and designated Roth combined)	Immediate (No Year of Service requirement)	100% of 5%	Yes, to be made on a Plan Year basis, provided that during the Plan Year the Participant defers under the Plan, on a pre-tax and/or designated Roth basis, an amount (i) equal to the Code section 402(g) limit or (ii) equal, in the aggregate, to at least 25% of the Participant's Compensation during the Plan Year (in each case, determined without regard to contributions under any other 401(k) plan)	No	Employer pays record-keeping and in-service withdrawal expenses

¹ The rate of matching contribution shall equal the designated percentage of the aggregate of (i) the pre-tax contribution and/or designated Roth contribution made on behalf of the Participant and (ii) the after-tax contribution made on behalf of the Participant; **provided, however**, that pre-tax, designated Roth and after-tax contributions in excess of the designated percentage of a Participant's Compensation for a payroll period (or Plan Year, in the case of matched catch-up contributions) shall not be considered for purposes of matching contributions.

<u>Communication Systems East Business Unit (PA2005)</u> Communication Systems East & International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers – Communications Workers of America, (AFL-CIO), Local 103 (173) Communication Systems East & International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers – Communications Workers of America, (AFL-CIO), Local 110 (265) Communication Systems East & International Federation of Professional & Technical Engineers, AFL-CIO, Local 241 (172)	Base Plan	Base Plan	100% of 6%	No	No	Base Plan
<u>Communication Systems East Business Unit (PA2005)</u> Communication Systems East & Association of Scientists and Professional Engineering Personnel (ASPEP)	Base Plan	Base Plan	Base Plan	No	No	Base Plan
<u>Doss Business Unit (PA2668)</u> International Association of Machinists and Aerospace Workers, AFL-CIO, and its Local Lodge No. 47 (IAM 47) (432) Service Contract Act employees	Base Plan	No Match	No Match	No	No	Base Plan
<u>Electron Devices Business Unit (PA2169)</u> Electron Devices & United Brotherhood of Carpenters and Joiners of America, Local 721 (105) Electron Devices & International Brotherhood of Electrical Workers, Local 2295 (IBEW 2295) (160)	Base Plan	Base Plan	100% of 6%	No	No	Base Plan
<u>KEO Business Unit (2399)</u> KEO & Hassett Lodge No. 1420 of District 15 of the International Association of Machinists and Aerospace Workers (IAMAW) (244)	Base Plan	Base Plan	Effective 1/1/21, 100% of 3% Effective 1/1/22, 100% of 4% Effective 1/1/23, 100% of 5%	No	No	Base Plan

Link Simulation & Training Business Unit (2144) Link Simulation & Training & International Association of Machinists and Aerospace Workers, Local Union 2949, Tuscon ANG, AZ (IAMHW 2949), F-16 Program (134) Link Simulation & Training & International Association of Machinists and Aerospace Workers, Local Lodge 519, Luke AFB, AZ (IAMHW 519), F-16 TS Program (143) Link Simulation & Training & International Association of Machinists and Aerospace Workers, Local Lodge 2003, District Lodge 75, Ft. Rucker, AL (IAMHW 2003), FSXXI Program (144) Link Simulation & Training & International Association of Machinists and Aerospace Workers, Local Lodge 771, Creech AFB, NV (IAMHW 771), PMATS Program (149)	25% (pre-tax, after-tax and designated Roth combined)	Immediate (No Year of Service requirement)	100% of 4%	No	No	Base Plan
Link Simulation & Training Business Unit (2144) Link Simulation & Training & International Association of Machinists and Aerospace Workers, Local Lodge 850, District Lodge 171, Tinker AFB, OK (IAMAW 850), E-6 ELDES Program (122) Link Simulation & Training & International Association of Machinists and Aerospace Workers, District Lodge 171, Local Lodge 850, Tinker AFB, OK (IAMAW 850), E-3 Program (145) Link Simulation & Training & International Association of Machinists and Aerospace Workers, District Lodge 131, Local Lodge 1034, Warner Robins AFB, GA (IAMHW 1034), J-STARS Program (148) Link Simulation & Training & International Association of Machinists and Aerospace Workers, Local Lodge 711, Nellis AFB NV (IAMHW 711), F-16 MTC (159) Link Simulation & Training & International Association of Machinists and Aerospace Workers Local, Lodge 778, Whiteman AFB, MO (IAMHW 778), B-2 Program (140)	25% (pre-tax, after-tax and designated Roth combined)	Immediate (No Year of Service requirement)	100% of 5%	No	No	Base Plan
Link Simulation & Training Business Unit (2144) Service Contract Act employees	Base Plan	No Match	No Match	No	No	Base Plan

<u>Link Simulation & Training Business Unit (2144)</u> Link Simulation & Training & International Association of Machinists and Aerospace Workers, Local Lodge 568, Hill AFB, UT (IAMHW 568), F-16 TS Program (147) Link Simulation & Training & International Association of Machinists and Aerospace Workers, Local Lodge 2003, District Lodge 75, Ft Rucker, AL (IAMHW 2003), ATMP Program (454) Link Simulation & Training & International Association of Machinists and Aerospace Workers, Local Lodge 2003, District Lodge 75, Ft Rucker, AL (IAMHW 2003), ATMP AVCATT Program (451)	Base Plan	Base Plan	100% of 5%	No	No	Base Plan
<u>L3 Unidyne Inc. Business Unit (PA2221)</u> Unidyne & International Association of Machinists and Aerospace Workers, District Lodge 947 and its Affiliated Local Lodge 389 (IAM 389) (273 & 275) Unidyne & International Brotherhood of Electrical Workers, Local Union 569 (IBEW 569) (274)	Base Plan	No Match	No Match	No	No	Base Plan
<u>Mission Integration Division Business Unit (2012)</u> Mission Integration Division—Greenville, International Union, United Automobile Aerospace and Agricultural Implement Workers of America (UAW) and its Local 967) (200)	Base Plan	Base Plan	100% of 5% if participant in Company pension plan; otherwise, 100% of 6%	No	No	Base Plan
<u>Ocean Systems Business Unit (PA2132)</u> Ocean Systems & International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW) and its Local 179 (272)	Base Plan	Base Plan	100% of 6%	No	No	Base Plan
<u>Space & Navigation Business Unit (PA 2129)</u> Space & Navigation & International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW) (204)	Base Plan	Base Plan	100% of 6%	No	No	Base Plan

SPD Electrical Systems Business Unit (2181) SPD Electrical Systems & United Automobile Aerospace and Agricultural Implement Workers of America (UAW) and its Local 1612, Amalgamated (203)	Base Plan	Base Plan	100% of 6%	No	Defined Contribution Retirement Plan (DCRP) contribution of 2% of Compensation each payroll period if hired prior to June 1, 2015 and have remained continuously employed by SPD since June 1, 2015. The DCRP contribution (as adjusted for earnings and losses) is fully vested.	Base Plan
Telemetry & RF Products Business Unit (PA2063) Telemetry RF Products Bristol & IUE/CWA the International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers, Local 123 AFL-CIO (285)	Base Plan	Base Plan	100% of 6%	No	No	Base Plan

APPENDIX 9 AJRD EMPLOYEES

This Appendix 9 applies to Eligible Employees who are members of any of the following bargaining units: AJRD ARDE Union – New Jersey – ARDE IBT Local 210 (TMS) (an “ARDE Bargained Employee”); AJRD Union – Canoga Park, CA (UAW) – UAW Local 887; AJRD Union – Canoga Park, CA (IBE) – IBEW Local 2295 (AFL-CIO, CLC); AJRD Union – Canoga Park, CA/Glendora, CA (SMT) (SMRT), Sheet Metal, Air, Rail, Transportation Workers’ Local Union 105 (AFL-CIO, CLC); and AJRD Union – West Palm Beach, FL (IUF) – IAMAW 166 – Lodge No. 971 (an Eligible Employee of any of such five bargaining units, an “AJRD Bargained Employee”). The provisions of this Appendix 9 that modify the Plan’s terms shall be construed in a manner that harmonizes this Appendix 9 with the Plan. Capitalized terms not otherwise defined in this Appendix 9 are defined in Article 2 of the Plan.

Article 4

PRE-TAX, DESIGNATED ROTH, MATCHING, PROFIT SHARING, FRINGE AND OTHER EMPLOYER CONTRIBUTIONS

Section 4.2 Matching Contributions

Notwithstanding any provision in Section 4.2(a) of the Plan, an AJRD Bargained Employee shall be entitled to receive matching contributions each payroll period equal to (i) 100 percent of the aggregate of the Participant’s pre-tax, designated Roth and after-tax contributions for such payroll period that do not exceed the initial three percent of his or her Compensation for such payroll period and (ii) 50 percent of the aggregate of the Participant’s pre-tax, designated Roth and after-tax contributions for such payroll period that do not exceed the next three percent of his or her Compensation for such payroll period.

In addition, an ARDE Bargained Employee shall be entitled to a match supplement equal to the amount, if any, by which the matching contribution made on behalf of an ARDE Bargained Employee for a particular month pursuant to the immediately preceding paragraph is less than \$100 (for the avoidance of doubt, an ARDE Bargained Employee shall not be required to make pre-tax, designated Roth or after-tax contributions to the Plan in order to be eligible to receive the match supplement).

The matching contributions and match supplement made on behalf of an AJRD Bargained Employee pursuant to this Appendix 9 shall be credited to his or her Matching Account.

An AJRD Bargained Employee shall not be required to complete one Year of Service as a condition of eligibility for a matching contribution or match supplement.

Except as otherwise provided herein, a matching contribution to be made on behalf of an AJRD Bargained Employee shall be subject to the provisions of Section 4.2, including that such matching contributions shall not be made with respect to catch-up contributions made pursuant to Section 4.1(c).

Section 4.5 Other Employer Contributions

In addition to any other contributions available to ARDE Bargained Employees under the Plan, the Employers shall make an automatic monthly contribution to the Account of each ARDE Bargained Employee in the amount of \$250 (the “ARDE Automatic Contribution,” and the portion of the ARDE Bargained Employee’s Account attributable to the ARDE Automatic Contribution, the “ARDE Automatic Contribution Account”).

Article 9
WITHDRAWALS AND DISTRIBUTIONS

Section 9.2 Vested Share of Account

Notwithstanding any provision within Section 9.2 of the Plan or any other provision of the Plan to the contrary, each of the Matching Account and ARDE Automatic Contribution Account of an AJRD Bargained Employee shall be 100% vested and nonforfeitable, regardless of the Years of Service of such employee. In addition, all other amounts attributable to employer contributions made under the AJRD Plan with respect to an AJRD Bargained Employee shall be 100% vested and nonforfeitable, regardless of the Years of Service of the AJRD Bargained Employee.

**AMENDMENT NUMBER TWO
TO THE
L3HARRIS EXCESS RETIREMENT SAVINGS PLAN**

WHEREAS, L3Harris Technologies, Inc., a Delaware corporation ("**L3Harris**"), heretofore has adopted and maintains the L3Harris Excess Retirement Savings Plan, as amended and restated effective January 1, 2020 (the "**Plan**");

WHEREAS, pursuant to Section 8.1 of the Plan, the Employee Benefits Committee of L3Harris (the "**Committee**") has the authority to amend the Plan;

WHEREAS, pursuant to Section 7.2 of the Plan, the Committee has delegated certain of such amendment authority to the head of global benefits of L3Harris (currently, the Senior Director, Global Benefits) (the "**Head of Global Benefits**"); and

WHEREAS, L3Harris wishes to amend the Plan (i) to specify new criteria to be satisfied in order for an employee to be eligible to participate in the Plan; (ii) to nullify an insufficient participation election; and (iii) to delete the requirement that distributions be received by direct deposit.

NOW, THEREFORE, BE IT RESOLVED, that the Plan hereby is amended as follows, effective for Plan Years commencing on or after January 1, 2023, or as of such other date set forth herein:

1. Article II, "Definitions," hereby is amended to add the following new definitions, and to renumber the definitions therein accordingly:

ABBR – means an employee's annual benefits base rate (as determined by the Corporation) for the applicable Plan Year.

Grandfathered Eligible Employee – means an employee of the Corporation or its Affiliate who (i) was eligible to make Compensation Deferrals under the Plan for the 2022 Plan Year (irrespective of whether the employee in fact made Compensation Deferrals during such year); (ii) is permitted to make Compensation Deferrals under the Plan for the 2023 Plan Year even though such employee does not meet the Threshold Compensation Rate and/or Threshold Job Level for the 2023 Plan Year; and (iii) in fact makes Compensation Deferrals under the Plan for the 2023 Plan Year, which employee shall be eligible to make Compensation Deferrals under the Plan for subsequent Plan Years, irrespective of whether such employee attains the Threshold Compensation Rate and Threshold Job Level for the applicable Plan Year. Notwithstanding the foregoing, an employee shall cease to be a Grandfathered Eligible Employee (i) upon his or her termination of employment with the Corporation and its Affiliates, notwithstanding any future rehire of the employee or (ii) in the event the employee meets the Threshold Compensation Rate and Threshold Job Level for any Plan Year following the 2023 Plan Year.

Threshold Compensation Rate – means an ABBR that equals or exceeds \$190,000 (or such other amount determined by the Committee in its sole discretion).

Threshold Job Level – means a job level of L6 or above, or a job level that is treated by the Corporation as the equivalent of job level L6 or above (or such other job level determined by the Committee in its sole discretion).

2. Section 3.1(a), “Compensation Deferrals,” hereby is amended in its entirety to read as follows:

An employee who participates in the Retirement Plan shall be eligible to have Compensation Deferrals made under the Plan on his or her behalf for a Plan Year if (i) the employee is a Grandfathered Eligible Employee or (ii) the employee has attained the Threshold Compensation Rate and Threshold Job Level as of the November 15 prior to the commencement of the Plan Year, or in the case of an employee who is hired or promoted no later than the November 30 thereafter, no later than the November 30 prior to the commencement of the Plan Year. In the case of clause (ii) hereof, the Committee in its sole discretion may adjust the November 15 and November 30 deadlines set forth therein, provided that the applicable Election Form is submitted in accordance with Section 3.2(b).

In the event that a Participant ceases to satisfy the Threshold Compensation Rate and/or Threshold Job Level in the middle of a Plan Year, Plan deferrals on behalf of such Participant shall cease with respect to Eligible Compensation earned during the Plan Year subsequent to the Plan Year during which the Participant ceased to meet such threshold (i.e., there is no mid-year change in eligibility).

3. Section 3.2, “Participation with respect to Compensation Deferrals,” hereby is amended to add the following new subsection (d) thereto:

(d) Insufficient Election. Notwithstanding the foregoing provisions of this Section 3.2 or any other provision in the Plan, an employee’s deferral election under the Plan for a Plan Year will be void and of no effect if, considering the employee’s deferral percentage (as set forth on the Election Form) and ABBR at the time the deferral election is made, the projected Compensation Deferral under the Plan for the Plan Year is zero.

4. Effective as of the date hereof, Section 6.11, “Receipt of Distribution by Direct Deposit,” hereby is deleted.

APPROVED by the **HEAD OF GLOBAL BENEFITS** on this 31st day of December, 2022.

/s/ Allison Oncel

Allison Oncel
Senior Director, Global Benefits

**AMENDMENT NUMBER THREE
TO THE
L3HARRIS EXCESS RETIREMENT SAVINGS PLAN**

WHEREAS, L3Harris Technologies, Inc., a Delaware corporation (“**L3Harris**”), heretofore has adopted and maintains the L3Harris Excess Retirement Savings Plan, as amended and restated effective January 1, 2020 (the “**Plan**”);

WHEREAS, pursuant to Section 8.1 of the Plan, the Employee Benefits Committee of L3Harris (the “**Committee**”) has the authority to amend the Plan;

WHEREAS, pursuant to Section 7.2 of the Plan, the Committee has delegated certain of such amendment authority to the head of global benefits of L3Harris (currently, the Senior Director, Global Benefits, Global Total Rewards) (the “**Head of Global Benefits**”); and

WHEREAS, L3Harris wishes to amend the Plan (i) to permit certain newly hired executives to enroll mid-year in the Plan; (ii) to update the dates on which it is determined whether the eligibility requirements for participation in the Plan for a particular plan year are satisfied; and (iii) to permit participation in the Plan by certain employees of Aerojet Rocketdyne Holdings, Inc. and its subsidiaries, even if such employees otherwise would not meet Plan eligibility requirements.

NOW, THEREFORE, BE IT RESOLVED, that the Plan hereby is amended as follows, effective for Plan Years commencing on or after January 1, 2024, or as of such other date set forth herein:

1. Article II, “Definitions,” hereby is amended to add thereto the following new definition of “Designated New Hire,” and to renumber the definitions therein (and any references in the Plan thereto) accordingly:

Designated New Hire – means an employee of the Corporation or an Affiliate who (i) is a new hire; (ii) at the time of his or her hire has attained the Threshold Compensation Rate and has a job level of XL1 or above, or a job level that is treated by the Corporation as the equivalent of job level XL1 or above (or such other job level determined by the Committee in its discretion); and (iii) was not, at any time during the 24-month period ending on the date on which he or she is hired, eligible to participate in an Account Balance Plan (irrespective of whether such employee in fact elected to participate in such plan). For this purpose, an employee is not eligible to participate in an Account Balance Plan solely on account of the accrual of interest or earnings on amounts previously deferred thereunder.

2. The definition of “Grandfathered Eligible Employee” set forth in Article II, “Definitions,” hereby is amended in its entirety to read as follows:

Grandfathered Eligible Employee – means a Grandfathered Legacy Employee and/or a Grandfathered AJRD Employee; provided, however, that in each case, such an employee shall cease to be a Grandfathered Eligible Employee (i) upon his or her termination of employment with the Corporation and its Affiliates, notwithstanding any future rehire of the employee or (ii) in the event the employee meets the Threshold Compensation Rate and Threshold Job Level for any Plan Year following the 2023 Plan Year (in the case of a Grandfathered Legacy Employee) or following the 2024 Plan Year (in the case of a Grandfathered AJRD Employee).

A Grandfathered Legacy Employee is an employee of the Corporation or its Affiliate who (i) was eligible to make Compensation Deferrals under the Plan for the 2022 Plan Year (irrespective of whether the employee in fact made Compensation Deferrals during such year); (ii) is permitted to make Compensation Deferrals under the Plan for the 2023 Plan Year even though such employee does not meet the Threshold Compensation Rate and/or Threshold Job Level for the 2023 Plan Year; and (iii) in fact makes Compensation Deferrals under the Plan for the 2023 Plan Year, which employee shall be eligible to make Compensation Deferrals under the Plan for subsequent Plan Years, irrespective of whether such employee attains the Threshold Compensation Rate and Threshold Job Level for the applicable Plan Year.

A Grandfathered AJRD Employee is an employee of the Corporation or its Affiliate who (i) was eligible to defer compensation under the 2009 Benefits Restoration Plan for the Aerojet Rocketdyne 401(k) Plan for the 2023 Plan Year (irrespective of whether the employee in fact deferred compensation during such year); (ii) is permitted to make Compensation Deferrals under the Plan for the 2024 Plan Year even though such employee does not meet the Threshold Compensation Rate and/or Threshold Job Level for the 2024 Plan Year; and (iii) in fact makes Compensation Deferrals under the Plan for the 2024 Plan Year, which employee shall be eligible to make Compensation Deferrals under the Plan for subsequent Plan Years, irrespective of whether such employee attains the Threshold Compensation Rate and Threshold Job Level for the applicable Plan Year.

3. The first paragraph of Section 3.1(a), “Compensation Deferrals,” hereby is amended in its entirety to read as follows:

(a) Compensation Deferrals. An employee who participates in the Retirement Plan shall be eligible to have Compensation Deferrals made under the Plan on his or her behalf for a Plan Year if (i) the employee is a Grandfathered Eligible Employee; (ii) as it relates to the Plan Year during which the employee is hired, the employee is a Designated New Hire; or (iii) the employee has attained the Threshold Compensation Rate and Threshold Job Level as of the October 31 prior to the commencement of the Plan Year, or in the case of an employee who is hired or promoted no later than the November 15 thereafter, no later than the November 15 prior to the commencement of the Plan Year. In the case of clause (iii) hereof, the Committee or its delegate in its sole discretion may

adjust the October 31 and November 15 deadlines set forth therein (generally or with respect to any particular employee), provided that the applicable Election Form is submitted in accordance with Section 3.2(b). Notwithstanding the foregoing, the determination as to whether employees of Aerojet Rocketdyne Holdings, Inc. and its subsidiaries have attained the Threshold Compensation Rate and Threshold Job Level as it relates to Plan eligibility for the 2024 Plan Year shall be made considering their status as of December 4, 2023.

4. Section 3.2(b), "Submission of Election Form," hereby is amended in its entirety to read as follows:

(b) Submission of Election Form. An Election Form must be completed and submitted to the Committee in accordance with procedures prescribed by the Committee, but prior to the commencement of the Plan Year during which the Eligible Compensation is earned. Notwithstanding the foregoing, a Designated New Hire whose election doesn't meet the conditions of the immediately preceding sentence may participate in the Plan for a Plan Year by submitting an Election Form within thirty (30) days after his or her hire date; provided, however, that (i) any such election to defer Eligible Compensation other than bonus or incentive compensation shall be given effect as of the second payroll occurring after the date of such election and (ii) any such election to defer Eligible Compensation that is bonus or incentive compensation shall apply solely to that portion of the bonus or incentive compensation equal to the total bonus or incentive compensation multiplied by the ratio of the number of days remaining in the performance period subsequent to the date of such election over the total number of days in the performance period.

APPROVED by the **HEAD OF GLOBAL BENEFITS** on this 8th day of December, 2023.

/s/ Allison Oncel

Allison Oncel
Senior Director, Global Benefits, Global Total Rewards

RELEASE OF ALL CLAIMS

This RELEASE OF ALL CLAIMS AGREEMENT (“Agreement”) is between L3Harris Technologies, Inc. (“Company” or “L3Harris”) and Michelle Turner (“you” and similar words). Your employment with the Company will end at close of business on December 29, 2023 (your “Separation Date”).

1. Consideration. As consideration for this Agreement, if you sign and do not revoke this Agreement and otherwise abide by its terms, the Company will provide the following consideration:
 - a. Payments. If you sign and do not revoke this Agreement and otherwise abide by its terms, the Company will pay you the following amounts, less required and authorized deductions and withholdings, within sixty (60) days following your Separation Date unless subject to a six-month delay under Section 409A of the Internal Revenue Code (“Section 409A”), due to your status as a Specified Employee (the “Specified Employee Requirement”):
 1. Severance Pay. The amount of \$1,600,000 (equal to one year of base salary plus one year of target bonus)
 2. 2023 AIP. The amount of \$951,200 in lieu of any prorated payment or other payment that you may in the future be entitled to under the 2023 AIP.
 3. Payment in Lieu of Outplacement Benefits. The amount of 18,000 in lieu of outplacement benefits.
 4. Additional Consideration. The amount of \$500,000 as additional consideration.
 - b. Benefits. If you currently have Medical, Dental, Vision or a Health Care Flexible Spending Account, you may elect to continue coverage for yourself and qualifying dependents under COBRA. If you choose to continue coverage under COBRA, you will pay the applicable active employee rates for the first 12 months following your separation date. Thereafter, you may continue coverage for up to the remainder of the COBRA period at the full monthly COBRA cost. If you do not elect and pay for COBRA, health care benefits and Health Care Flexible Spending Account participation will end on your Separation Date.

The Parties agree that the pay and benefits described above constitute adequate consideration for this Agreement and that you are not otherwise entitled to this consideration without entering into and not revoking this agreement.
2. Equity Treatment and Protective Covenants. For purposes of any equity awards granted to you, your separation from employment will be designated as “Involuntary Separation”. As further consideration for the payments to be made to you under this Agreement, you further acknowledge and agree that all protective covenants in the terms and conditions of the equity awards granted to you are restated herein, fully incorporated by reference, and shall remain in full force and effect after your Separation Date, including, but not limited to the

following:

- a. Non-Disparagement. You agree that you will not criticize, disparage, defame, or otherwise attempt to impugn the character, integrity, or reputation of Releasees (as defined in such equity terms and conditions) or the products or services of the Company or its subsidiaries and affiliated companies (via verbal, written, electronic or other communications, including, but not limited to social media platforms), nor will you unlawfully interfere with any of the business relationships of the Company or its subsidiaries and affiliates. L3Harris agrees to instruct the CHQ Senior Leadership and the Board of Directors not to express any derogatory or damaging statements about you.
- b. Non-solicitation and no hire. For a period of 12 months following your Separation Date, you may not recruit, induce, or solicit (or attempt to do so) employees to terminate their employment with the Company or hire or help an employee become employed by another business or organization as an employee, consultant, or contractor.
- c. Customer non-interference. You may not entice, induce, or solicit (or attempt to do so) any customer or potential customer to cease or reduce or refrain from doing business with the Company.
- d. Non-competition. For a period of 12 months following your Separation Date, you may not engage or otherwise participate in any activities with, or provide services to, a Competitive Business (as defined in such equity terms and conditions), without the prior written consent of the Vice President, Chief Human Resources Officer, or another designated executive officer of the Company. This does not prevent you from owning up to 1% of the equity in a publicly traded company.

In the event of a conflict between the forgoing and the equity incentive plan terms and conditions, the terms and conditions of the equity awards granted to you will prevail. Any non-compliance with this paragraph will be deemed a material breach of this Agreement.

3. Breach of Agreement; Clawback. You agree that you will not file a civil action, lawsuit, or administrative proceeding against any Releasee with respect to any claims released herein (this does not include any claims which, by law, cannot be waived). If you file or permit to be filed any civil action, lawsuit, or administrative proceeding against any Releasee seeking personal legal or equitable relief in connection with any matter relating to your employment with or separation from the Company, breach the restrictive covenants applicable to you under this Agreement or otherwise breach a provision of this Agreement, in addition to any other rights, remedies, or defenses the Company or the other Releasees may have, L3Harris may: (1) immediately terminate this Agreement, if still in effect, without further obligation or liability to you of any kind; (2) recover from you the aggregate dollar value of all pay, insurance, and other benefits provided to you following the Separation Date; (3) recover and reclaim from you shares of L3Harris stock or cash, as the case may be; and (4) recover from you all damages, costs and expenses, including

reasonable attorneys' fees and costs, incurred by the Company or the other Releasee(s) in defending such civil action, lawsuit or administrative proceeding or in connection with such breach, including such reasonable attorneys' fees and costs incurred in recovering such amounts. You further agree that any breach or threatened breach by you, intentional or otherwise, of the non-solicitation, non-competition or other provisions of this Agreement will entitle the Company, in addition to other available remedies, to a temporary and permanent injunction or any other appropriate degree of specific performance (without bond or security being required) in order to enjoin such breach or threatened breach, without the need to post any bond.

4. Other Post-Separation Benefits. For purposes of post-separation benefits, your separation will be treated as involuntary. Unless otherwise expressly provided in this Agreement or pursuant to applicable Company employee compensation or benefit arrangements, you will not be entitled to any pay, compensation, severance, insurance, or other employment benefits after your Separation Date, and you expressly waive and disclaim all such entitlement. Unless otherwise provided in this Agreement, any post-employment benefits will be governed by the terms and conditions of the applicable plan or program, which may be amended. You acknowledge that you are not eligible for 2023 AIP participation and waive any claims under the AIP plan (reference is made to Section 1.b.).
5. General Release of All Claims. In exchange for the consideration described above, you release Company and its subsidiaries, predecessors, affiliated companies and their officers, directors, shareholders, employees, agents, representatives, plans, trusts, administrators, fiduciaries, insurers, successors, and assignees ("Releasees") from all claims, rights, demands or causes of action, of every kind and nature, whether known or unknown, suspected, or unexpected that you have or could have relating to your employment with or separation from Company, including but not limited to, all claims:
 - a. Arising out of or in any way related to your employment with or separation from Company, or any contract or agreement between you and Company;
 - b. Arising under or based on the Age Discrimination in Employment Act of 1967 ("ADEA"), as amended by the Older Workers Benefit Protection Act ("OWBPA"), and alleging a violation thereof by any Releasee at any time prior to the effective date of this Agreement but does not include claims arising after your execution of this Agreement;
 - c. Arising under or based on Title VII of the Civil Rights Act of 1964; Section 1981 of the Civil Rights Act of 1866 (42 U.S.C. §1981); the Civil Rights Act of 1991 (42 U.S.C. §1981a); the Americans with Disabilities Act of 1990 (ADA); the Family and Medical Leave Act of 1993 (FMLA); the Genetic Information Nondiscrimination Act of 2008 (GINA); the National Labor Relations Act (NLRA); the Worker Adjustment and Retraining Notification Act of 1988 (WARN); the Equal Pay Act of 1963 (EPA); the Uniform Services Employment and Reemployment Rights Act (USERRA); the Rehabilitation Act of 1973; the Occupational Safety and Health Act (OSHA); the Employee Retirement Income

Security Act of 1974 (ERISA); the False Claims Act; Title VIII of the Corporate and Criminal Fraud and Accountability Act (18 U.S.C. §1514A) (the Sarbanes-Oxley Act); the federal Whistleblower Protection Act and any state whistleblower protection statute(s); any fair employment practice statute of any state; in each case as amended from time-to-time; and

- d. Arising under or based on any other federal, state, county or local law, statute, ordinance, order, policy or regulation prohibiting employment discrimination; providing for the payment of wages or benefits; or otherwise creating rights or claims for employees, or any other cause of action, including, but not limited to, all claims alleging breach of public policy; the implied obligation of good faith and fair dealing; or any express, implied, verbal or written contract, handbook, manual, policy or employment practice; or alleging misrepresentation; defamation; libel; slander; intentional or negligent infliction of emotional distress; invasion of privacy; retaliation; harassment; assault; battery; fraud; negligence; contractual interference; constructive discharge; or wrongful discharge.
6. Confidentiality. You agree that the terms and conditions of this Agreement are and will remain strictly confidential. You will not disclose (via verbal, written, electronic, or any other form of communication) any such terms and conditions, including the fact that Releasees paid any amount of money in connection herewith, to any current or former employee of Company or its affiliated companies, any other person, the media, or any organizations, agencies, or entities. You may, however, disclose the terms and conditions of this Agreement, including the payment(s) made hereunder, to your immediate family members, your attorney, your financial advisor, federal or state tax authorities or as may otherwise be required by law. If you disclose any term or condition of this Agreement to members of your immediate family, your attorney, your financial advisor, or any prospective employer, you will simultaneously notify them of this confidentiality provision and instruct them to maintain the confidentiality of this information.
7. Non-Waiver of Certain Claims. This Agreement does not waive claims which, by law, cannot be waived. This includes claims for unemployment compensation benefits, claims under the Fair Labor Standards Act (FLSA), claims for health insurance benefits under COBRA, and claims for vested benefits governed by ERISA. This Agreement also does not preclude you from filing suit to challenge the validity or enforceability of this Agreement under the ADEA, as amended by the OWBPA. You represent that you have been paid all wages legally owed to you and that you have no facts which would give rise to a claim under the FLSA or any similar state or local law pertaining to overtime, minimum wage, or payments for meal or rest breaks. This agreement does not preclude you from availing yourself of insurance coverage or indemnification: a) under any director and officer liability insurance coverage provided by the Company for acts or omissions by you while an employee of the Company or any affiliate, and/or b) for indemnification by the Company, in each case, to the extent of your right to director and officer liability insurance coverage and/or indemnification exists as of the date you sign this Agreement.
8. Permitted Actions. This Agreement does not limit your ability: (a) to report possible

- violations of law or regulation to, or file a charge or complaint with, the Securities and Exchange Commission, the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, or any other federal, state or local governmental agency or commission ("Government Agencies"); (b) to communicate with Government Agencies or participate in any investigation or proceeding conducted by any Government Agencies, including providing documents or other information without notice to Company; or (c) under applicable U.S. federal law to (i) disclose trade secrets in confidence to an attorney or to federal, state and local government officials for the sole purpose of reporting or investigating a suspected violation of law or (ii) disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if such filing is made under seal and protected from public disclosure. However, to the extent permitted by law, you hereby waive any monetary benefits or other relief against Company or its affiliated companies with respect to any claims of employment discrimination, harassment, or retaliation.
9. No Further Benefits. Except as provided in this Agreement, you are not entitled to any pay, compensation, wages, bonuses, commissions, incentives, severance, or paid time off after your Separation Date, and you expressly disclaim and waive all such entitlement.
10. Additional Representations and Warranties. You acknowledge that you have read and understand L3Harris' Code of Conduct and that you do not have any information or knowledge as to non-compliance with, or violation of, the policies and standards set forth therein. You further represent and agree that: (a) you have not instituted, prosecuted, filed, or processed any litigation or other claims or charges against L3Harris that have not previously been communicated to L3Harris in writing; (b) you are not aware of any facts that would give rise to a personal or class action claim against L3Harris under the Family and Medical Leave Act, the Fair Labor Standards Act, any claim for sexual assault, sexual harassment, or any other federal or state statute; (c) you are not aware of any work-related injuries for which you do not already have a pending claim; and (d) you will not sue L3Harris, or join in any lawsuit, or bring or join in any other claim, charge, or proceeding against L3Harris, or any other Releasee concerning any of the claims released by this Agreement. Notwithstanding the foregoing, to the extent, if any, you have a non-waivable right to file or participate in a claim or charge against L3Harris, this Agreement shall not be intended to waive such a right.
11. Return of Property. Prior to your Separation Date, you will return to Company all Company information and property in your possession, in whatever form, including but not limited to laptops, phones, tablets, thumb drives, documents, files, records, reports, notebooks, drawings, photographs, technical data, credit cards, keys, equipment, computer software, supplies or other information or property containing confidential or proprietary information of Company and its affiliated companies, and you will not retain copies of same. You further agree and certify that, no later than your Separation Date, you will permanently delete from your personal computers, tablets, or storage devices any and all confidential information or proprietary documents relating to the Company and its subsidiaries and affiliates.

12. Trading Restrictions: Officer Questionnaire. (a) You agree and acknowledge that following your Separation Date you shall continue to be subject to the L3Harris securities insider trading policies. You also acknowledge that trading on the basis of material non-public information, or providing such information to others that may trade, is a violation of the federal securities laws. (b) Upon reasonable request by L3Harris, you shall complete an officer questionnaire in the form provided to L3Harris senior executives, the responses to which may be used to enable L3Harris to comply with the disclosure obligations to the SEC.
13. Recovery of Previous Awards for Restatements, Etc. You agree that you will remain subject to Section 15 of the Annual Incentive Plan, Section 13.10 of the 2015 Equity Incentive Plan, and any other clawback policy of the Company if any of L3Harris' financial restatements are restated as a result of errors, omissions, or fraud, and L3Harris seeks to recover all, or a portion, of prior year payments or awards made to you under such plans.
14. Legal Proceedings and Cooperation. You agree that you will, to the extent reasonably requested, cooperate with and serve in any capacity reasonably requested by the Company in any pending or future investigation (including internal investigation), litigation or proceedings in which the Company is or may be a party, and regarding which you, by virtue of your employment with the Company, have knowledge or information which the Company deems relevant to said litigation, investigation or proceedings including, but not limited to, acting as the Company's representative or on behalf of the Company in any said investigation, litigation, or proceedings. You further agree that you will, without the necessity for subpoena, provide in any jurisdiction in which the Company requests, truthful testimony relevant to said investigation, litigation, or proceedings. In connection with the foregoing, the Company will attempt to accommodate your schedule, provide you with reasonable advance notice of the times at which your services are needed and reimburse you for reasonable out-of-pocket expenses. This provision shall survive termination of this Agreement.
15. Attorney. You are advised to consult with an attorney or other representative of your choice prior to signing this Agreement. You have carefully read and fully understand this Agreement, and you are signing it voluntarily and of your own free will.
16. Consideration Period. You acknowledge that you received the Agreement on December 15, 2023 (the "Receipt Date"). You have 21 calendar days from the Receipt Date to consider this Agreement before signing it. Any modifications to this agreement, whether material or immaterial, will not restart the 21-day period.

17. Revocation Period and Effective Date. You have 7 calendar days from the signature date to revoke it. This Agreement will not become enforceable until the 7-day expiration period expires (the "Effective Date"), at which time it will become fully enforceable and irrevocable. If you choose to revoke this Agreement, you must deliver to Company, within the 7-day revocation period, a signed notice of revocation delivered by both electronic mail to Melanie.Rakita@l3harris.com and Federal Express to Melanie Rakita, VP & CHRO, 1025 W. Nasa Blvd, Melbourne, FL, 32919 before the Effective Date. If you revoke the Agreement, you will not be entitled to any severance payments or benefits whatsoever.
18. Venue and Choice of Law. The parties agree that the Company is headquartered in Melbourne, Florida. This Agreement will be interpreted and enforced exclusively in accordance with Florida law, and any dispute related to this Agreement will be resolved exclusively in the United States District Court for the Middle District of Florida or the state courts with jurisdiction over Brevard County, Florida.
19. Resignation from Office. You agree that no later than the Separation Date you will resign from any offices, directorships, trusteeship, or other positions you hold with the Company or any of its subsidiaries or affiliates.
20. Validity. If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, such provision shall be severed from the remainder of this Agreement and such invalidity or unenforceability will not affect the validity or enforceability of the remaining provisions.
21. Entire Understanding. This Agreement constitutes the entire agreement between you and the Company with respect to the subjects addressed herein and supersedes all prior agreements, understandings, and representations, in whatever form, with respect to those subjects (except that any other agreement or equity terms and conditions with the Company restricting post-employment activities remains in full force and effect).
22. Preparation of Agreement. This Agreement will be interpreted in accordance with the plain meaning of its terms and not strictly for or against any of the parties hereto. Regardless of which party initially drafted this Agreement, it will not be construed against any one party, and will be construed and enforced as a mutually prepared document.
23. Jury Waiver. The Parties agree that, to the extent permitted by law: (1) any dispute involving this Agreement shall be decided by a judge sitting without a jury; (2) this constitutes a WAIVER OF JURY RIGHTS; and (3) this clause is fully severable if found to be unenforceable as a matter of law.



PERSONAL & CONFIDENTIAL

November 30, 2023

Kenneth Bedingfield
10841 Stanmore Dr
Potomac, MD 20854

Re: Offer of Employment

Dear Ken:

I am pleased to offer you the position of Senior Vice President & Chief Financial Officer reporting to Chris Kubasik, Chair and Chief Executive Officer. This is an Executive Officer position based in Melbourne, FL with a start date of December 11, 2023, and subject to approval by the L3Harris Board of Directors.

Ken, we believe you will make an outstanding contribution to the L3Harris organization, and as such, we have crafted a total rewards package for you, consistent with L3Harris' Senior Executives. The elements of this package include:

- 1) An annual base salary of \$850,000 payable bi-weekly. Base salaries are reviewed annually, with adjustments made subject to both business and personal performance.
- 2) As an L3Harris executive, you will participate in the L3Harris Annual Incentive Plan ("AIP") with a target opportunity equal to 100% of your base salary. Incentive awards are paid based on the achievement of pre-established, annual business operating metrics and the successful completion of personal performance objectives set during the annual performance management cycle. Incentive awards may range from 0% to 200% of target based on business and personal performance. Your participation in AIP will begin on your start date.
- 3) Eligibility to receive annual equity awards granted by L3Harris under its 2015 Equity Incentive Plan (the "Plan"), with a target value of \$3,750,000. The awards are granted in February following the Board of Directors approval. Once approved and accepted by you, the awards are subject to the applicable terms and conditions in effect at the time of the grant. You will be eligible for annual equity grants beginning in 2024.
- 4) A one-time cash sign-on bonus of \$200,000 to offset foregone equity compensation at your current employer scheduled to vest on December 18, 2023. The sign-on bonus will

be made less applicable deductions and withholdings, and payable within thirty (30) days from your start date and will be subject to a 12-month clawback in the event of voluntary termination.

- 5) A one-time award of 45,000 three-year, cliff-vesting Non-Qualified Stock Options. This award is subject to the applicable terms and conditions in effect at the time of the grant, and the award will be granted on the first New York Stock Exchange trading day during the month following your start date (if that trading day occurs within a Quiet Period as defined by L3Harris' equity grant policy, the grant date will be the first trading day following the end of the Quiet Period).
- 6) Eligibility to participate in the L3Harris Retirement Plan 401(k) with a company match equivalent to 100% of the first 6% of employee contributions. While you will be immediately eligible to participate in the plan up to individual plan contribution limits, company match contributions will only be made after one year of service.
- 7) Eligibility to participate in the L3Harris Excess Retirement Savings Plan ("ERSP") upon the next annual open enrollment period. This IRS non-qualified retirement plan preserves your ability to make pre-tax contributions and receive employer match contributions (after one year of service) above the qualified IRS limits in accordance with the plan terms.
- 8) Participation in health and welfare benefit plans, including qualified dependents as applicable. These plans include medical, prescription, dental, vision, life and short and long-term disability benefits. Coverage under these programs is effective, should you choose to participate as soon as day one of employment with L3Harris.
- 9) Relocation benefits to assist with your move from Potomac, MD to the Melbourne, FL area. Benefits will include, but not be limited to home sale assistance; home purchase assistance; six months of temporary living accommodations; the packing and shipment of household goods; and a miscellaneous expense allowance payment of \$10,000, less applicable taxes and other withholdings. Additional details regarding your relocation benefits will be provided under separate cover. To receive relocation benefits you must execute a Relocation Assistance Repayment Agreement.
- 10) This offer of employment is subject to the following conditions:
 - Successful completion of L3Harris' pre-employment drug and background screening, where permitted by law.
 - Submission of all required documents and fully disclose, and provide copies where applicable, of any written or other agreements or understandings to which you are a party that relate to the protection of confidential, trade secret or proprietary information; non-competition restrictions; non-solicitation or no-hire prohibitions (employees or customers); and/or ownership of invention provisions. You affirm that

- your employment with L3Harris will not violate any such agreements or understandings.
- You provide proof of identity and employment eligibility, through completion of Form I-9, and demonstrate that you are lawfully able to work for L3Harris.

Step forward and join L3Harris as we build the future. I look forward to you joining the L3Harris team and am confident that you will make many significant contributions to the organization. Should you accept the terms of this offer, please sign and date below, and email a copy of this letter to me directly at the address below. We ask that you bring the original signed version with you on your first day of work.

Sincerely,

/s/ Melanie Rakita
Mel Rakita
Vice President & Chief Human Resources Officer

Melanie.Rakita@L3Harris.com

L3Harris Technologies, Inc.
1025 W NASA Blvd
Melbourne, FL 32919

ACKNOWLEDGEMENT & ACCEPTANCE

By accepting this offer of employment, I acknowledge that I: (1) accept the terms and conditions of the offer; (2) understand that the offer constitutes the full, complete, and final agreement between you and L3Harris regarding the initial terms of my employment; and (3) understand that my employment with L3Harris is at-will and that the offer does not constitute a contract of employment or a guarantee of continued employment for any period.

Accepted and Agreed,

/s/ Kenneth Bedingfield

Signature: Kenneth Bedingfield

Date: 11/30/2023



PERSONAL & CONFIDENTIAL

November 4, 2022

Samir Mehta
8509 English Turn Lane
Waxhaw, NC 28173

Re: Offer of Employment

Dear Sam,

Congratulations! I am pleased to offer you the position of President, Communication Systems reporting solely and directly to Christopher Kubasik, Chair and CEO. You will work remotely from your home, subject to business travel as may be reasonably required in the performance of your duties.

The position will commence on or around January 3, 2023, or such later date as may be mutually agreed between you and L3Harris Technologies, Inc. (the "Company"), with such authority, duties and responsibilities as are normally attendant to such position and such other duties commensurate with this position that may be reasonably assigned by the CEO consistent with those of a president of a similarly sized business unit in the Company's industry.

As an executive officer, you will be deemed a Section 16 Officer under SEC rules, and therefore subject to certain trading restrictions and reporting requirements. Additionally, given your role you will be required to hold three times your annual base salary in LHX shares to be achieved within five years from your hire date, in accordance with our share ownership guidelines. The Company will provide you with reasonable notice of any modifications to our share ownership guidelines.

Sam, we have crafted a total rewards package consistent with L3Harris' executive compensation program design and tailored to the unique circumstances of transitioning from your current employer. The elements of this package include:

- 1) An annual base salary of \$725,000 payable bi-weekly. Base salaries are reviewed annually, with adjustments made subject to both business and personal performance.
- 2) Participation in the L3Harris Annual Incentive Plan ("AIP") with a target opportunity equal to 100% of your base salary. Incentive awards are paid based on the achievement of pre-established, annual business operating metrics and the successful completion of personal performance objectives. Individual awards may range from 0% to 200% of target based on business and personal performance. Your participation in AIP will begin on your start date, provided that your AIP award for 2023 will be paid without proration.
- 3) Eligibility to receive annual equity awards with a target value of no less than \$2,550,000. The awards are currently granted in late February following the Board of Directors approval of annual equity awards to L3Harris executives. Once approved and accepted by you, the awards are subject to the applicable terms and conditions in effect at the time of the grant. You will be eligible for annual equity grants beginning in February 2023, and you will receive an initial equity award with a value of no less than \$2,550,000 no later than March 31, 2023.
- 4) A one-time cash sign-on bonus of \$850,000, less applicable taxes and other withholdings, payable within forty-five (45) days of hire, as an incentive to join L3Harris. Should you voluntarily terminate your employment with L3Harris other than with Good Reason within twelve (12) months of hire, you will be required to repay a pro-rated portion of this bonus based on the number of months you were employed with L3Harris.
- 5) Should your Executive Leadership Group (ELG) RSU award from your current employer be cancelled, forfeited, or terminated, you will be granted a one-time Restricted Stock Unit ("RSU") with an approximate grant date value of \$1,500,000 which vest 50% on the third anniversary of the grant date and 50% on the fifth anniversary of the grant date. This award is subject to the applicable terms and conditions in effect at the time of the grant, and the award will be granted on the first trading day during the month following your start date (if that trading day occurs within a Quiet Period as defined by L3Harris' equity grant policy, the grant date will be the first trading day following the end of the Quiet Period).
- 6) Should your 2020 and 2021 annual LTIP awards from your current employer be cancelled, forfeited or terminated, you will be granted the following one-time awards to offset such foregone equity compensation at your current employer:
 - \$1,400,000 (approximate grant date value) grant of RSUs with three-year ratable vesting in equal annual installments on the first three anniversaries of the grant date; and
 - \$1,000,000 (approximate grant date value) grants of Stock Options with three-year cliff vesting on the third anniversary of the grant date.

These awards are subject to the applicable terms and conditions in effect at the time of the grant, and the award will be granted on the first New York Stock Exchange trading day during the month following your start date (if that trading day occurs within a Quiet Period as defined by L3Harris' equity grant policy, the grant date will be the first trading day following the end of the Quiet Period).

- 7) Should your 2022 annual LTIP grant from your current employer be cancelled, forfeited or terminated, you will be granted the following one-time award to offset such foregone equity compensation at your current employer:
 - \$1,600,000 (approximate grant date value) grant of RSUs with three-year ratable vesting in equal annual installments on the first three anniversaries of the grant date.

This award is subject to the applicable terms and conditions in effect at the time of the grant, and the award will be granted on the first New York Stock Exchange trading day during the month following your start date (if that trading day occurs within a Quiet Period as defined by L3Harris' equity grant policy, the grant date will be the first trading day following the end of the Quiet Period).

- 8) To the extent that your employment is terminated by the Company without Cause, or you resign with Good Reason, or your employment is terminated as a result of your Disability or death (as such terms are defined below), to the extent granted, the equity awards described in Sections 5, 6, and 7 hereof shall accelerate and vest as of the date of such termination of employment.
- 9) Eligibility to participate in the L3Harris Retirement Plan 401(k) with a company match equivalent to 100% of the first 6% of your contributions. While you will be immediately eligible to participate in the plan, company matching contributions will begin after one year of service.
- 10) Eligibility to participate in the L3Harris Excess Retirement Savings Plan ("ERSP") for 2023 and subsequent years. This IRS non-qualified retirement plan preserves your ability to make pre-tax contributions and receive employer matching contributions (after one year of service) above the qualified IRS limits in accordance with the plan terms.
- 11) Participation in health and welfare benefit plans, including qualified dependents as applicable. These plans include medical, prescription, dental, vision, life, and short and long-term disability benefits. Coverage under these programs is effective, should you choose to participate as soon as day one of employment with L3Harris.
- 12) Reimbursement for all reasonable and necessary expenses actually incurred in connection with the business affairs of the Company and the performance of your duties hereunder, in accordance with Company policy as in effect from time to time.

13) Participation as of your employment commencement date at no less than the Officer level in the Company's Severance Pay Plan and Executive Change in Control Severance Plan (the "CIC Severance Plan") for so long as such plans are in effect, without regard to any service-based eligibility requirement for participation in such plans which are hereby waived. To the extent either such plan is suspended, discontinued, or terminated, the Company shall amend this offer letter to include separation benefits that are no less favorable than those provided under the applicable plan(s) as of immediately prior to such suspension, discontinuation or termination.

14) Definitions

- As used in this Agreement, "Cause" and "Disability" shall have the meaning set forth in the CIC Severance Plan.
- As used in this Agreement, "Good Reason" shall mean, without your express written consent, the occurrence of any of the following events:
 - (i) any materially adverse diminution of your position(s), duties, responsibilities or status with the Company or a material adverse change in your reporting responsibilities, titles or offices with the Company;
 - (ii) any reduction by the Company in your rate of annual base salary, annual target cash incentive bonus opportunity or annual target long-term incentive opportunity;
 - (iii) any requirement that you relocate or maintain your principal work location fifty (50) miles or more outside of your home and/or cease to work remotely;
 - (iv) the failure of the Company to obtain the assumption agreement from any successor;
 - (v) any unsuccessful attempt on the Company's part to terminate your employment for Cause; or
 - (vi) any material breach by the Company of this Agreement or any other material written agreement with you;

provided, however, that in each case you must provide the Company with written notice that an event constituting Good Reason has occurred (such notice to be provided within sixty (60) days of your initial knowledge of the occurrence of such event) and specifying the details of such event, and the Company shall be given thirty (30) days from its receipt of written notice to cure such events. If the Company cures an event during such period that would otherwise constitute Good Reason, then you will have no right to terminate your employment for Good Reason.

15) Should your former employer determine to forfeit or clawback or require repayment of proceeds for any portion of your cash or equity incentive awards from your current employer (excluding any such awards if and only to the extent replaced pursuant to and in accordance with in Section 5, Section 6 or Section 7 of this Agreement, as the case may be), L3Harris will pay you in cash the

aggregate value of the applicable portion of such awards forfeited, clawed back or repaid, which payment shall be made promptly (and in any event within 30 days) after the time of forfeiture, claw back or demand for repayment of the applicable amount. The calculation of the applicable amount with respect to any stock shall be based on the closing price of such stock on the date of such forfeiture, claw back or demand for repayment. Payment will only be made by L3Harris upon the submission of a demand letter for repayment by your current employer, or other documentation in your possession supporting your forfeiture, clawback or repayment (provided such documentation does not contain any confidential, proprietary or other restricted information in respect of your current employer that you are not authorized to provide), and after you have made good faith efforts through your attorney to reduce or eliminate any claw back from your current employer. L3Harris will also reimburse reasonable and customary expenses for attorneys' fees related to a potential claim for clawback.

- 16) Indemnification and directors' and officers' coverage at a level no less favorable than such coverage provided to similarly situated executives.
- 17) This offer of employment is subject to the following conditions:
 - Successful completion of L3Harris' pre-employment drug and background screening, where permitted by law.
 - Submission of all required documents and fully disclose, and provide copies where applicable, of any written or other agreements or understandings to which you are a party that relate to the protection of confidential, trade secret or proprietary information; non-competition restrictions; non-solicitation or no-hire prohibitions (employees or customers); and/or ownership of invention provisions. You affirm that your employment with L3Harris will not violate any such agreements or understandings.
 - You provide proof of identity and employment eligibility, through completion of Form I-9, and demonstrate that you are lawfully able to work for L3Harris.
- 18) The Company shall pay or reimburse you for the reasonable cost of attorney's fees incurred in the negotiation of this Agreement and related agreements, such fees not to exceed \$50,000 in the aggregate, within thirty (30) days of receipt of documentation of the incurrence of such fees.
- 19) The Company shall withhold from any amounts to be paid or benefits provided to you hereunder any federal, state, local, or foreign withholding or other taxes or charges which it is from time to time required to withhold.
- 20) The intent of the parties is that payments and benefits under this letter are either exempt from or comply with Section 409A of the Internal Revenue Code ("Section 409A"), and this letter will be interpreted accordingly. If you and the Company agree that this Agreement is not in compliance with Section 409A, the parties shall cooperate in good faith to modify this Agreement to comply with Section 409A while endeavoring to preserve the intended economic benefits. All reimbursements for costs and expenses will be paid no later than the end of

the calendar year following the calendar year in which such they are incurred. Except as permitted by Section 409A; the right to reimbursement or in-kind benefits will not be subject to liquidation or exchange for another benefit; and the amount of expenses eligible for reimbursement or in-kind benefits provided during any taxable year will not affect the expenses eligible for reimbursement or in-kind benefits to be provided in any other taxable year. Whenever a payment specifies a payment period with reference to a number of days, the actual date of payment within the specified period will be within the sole discretion of the Company. For purposes of any payment payable in two or more installments, for purposes of Section 409A, each installment shall be treated as a separate payment.

- 21) If there is a change of ownership or effective control or change in the ownership of a substantial portion of the assets of the Company (within the meaning of Section 280G of the Code) (a "280G Change in Control") and any payment or benefit (including payments and benefits pursuant to this Agreement) that you would receive from the Company or otherwise (a "Transaction Payment") would (i) constitute a "parachute payment" within the meaning of Section 280G of the Code and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "Excise Tax"), then the Company shall cause to be determined, before any amounts of the Transaction Payment are paid to you, which of the following two alternative forms of payment would result in your receipt, on an after-tax basis, of the greater amount of the Transaction Payment notwithstanding that all or some portion of the Transaction Payment may be subject to the Excise Tax: (A) payment in full of the entire amount of the Transaction Payment (a "Full Payment"), or (B) payment of only a part of the Transaction Payment so that you receive the largest payment possible without the imposition of the Excise Tax (a "Reduced Payment", and you shall be entitled to payment of whichever amount that shall result in a greater after-tax amount for you. For purposes of determining whether to make a Full Payment or a Reduced Payment, the Company shall cause to be taken into account all applicable federal, state and local income and employment taxes and the Excise Tax (all computed at the highest applicable marginal rate reasonably applicable to you, net of the maximum reduction in federal income taxes which could be obtained from a deduction of such state and local taxes). If a Reduced Payment is made, the reduction in payments and/or benefits will occur in the following order: (1) first, reduction of cash payments, in reverse order of scheduled payment date (or if necessary, to zero), (2) then, reduction of non-cash and non-equity benefits provided to you, on a pro rata basis (or if necessary, to zero) and (3) then, cancellation of the acceleration of vesting of equity award compensation in the reverse order of the date of grant of your equity awards.

Unless you and the Company otherwise agree in writing, any determination required under this section shall be made in writing by a nationally recognized accounting firm selected by the Company subject your approval, which shall not be unreasonably withheld (the "Accountants"), whose determination shall be conclusive and binding upon you and the Company for all purposes, absent

manifest error. For purposes of making the calculations required by this section, the Accountants may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. Without limiting the generality of the foregoing, any determination by the Accountants under this Section will take into account the value of any reasonable compensation for services to be rendered by you (or for holding yourself out as available to perform services and refraining from performing services (such as under a covenant not to compete)). The Accountants shall provide detailed supporting calculations to the Company and you as requested by the Company or you. You and the Company shall furnish to the Accountants such information and documents as the Accountants may reasonably request in order to make a determination under this section. The Company shall bear all costs the Accountants may incur in connection with any calculations contemplated by this section as well as any costs incurred by you with the Accountants for tax planning under Sections 280G and 4999 of the Code.

Please indicate your acceptance of, and agreement to, the terms and conditions outlined above by signing and dating this offer of employment below and returning it to me.

Sincerely,

/s/ James P. Girard

James P. Girard
Vice President & Chief Human Resources Officer
321-727-5387
Jim.Girard@l3harris.com

ACKNOWLEDGEMENT & ACCEPTANCE

By accepting this offer of employment, I acknowledge that I: (1) accept the terms and conditions of the offer; (2) understand that the offer constitutes the full, complete, and final agreement between you and L3Harris regarding the initial terms of my employment; and (3) understand that my employment with L3Harris is at-will and that the offer does not constitute a contract of employment or a guarantee of continued employment for any period.

Signed: Samir Mehta

Dated: 11-04-2022

Name: Samir Mehta



PERSONAL & CONFIDENTIAL

December 22, 2022

Samir Mehta
8509 English Turn Lane
Waxhaw, NC 28173

Re: Amendment to Offer of Employment

Dear Sam,

This amendment updates your offer of employment dated and executed on November 4, 2022. The following language replaces paragraph 6 of that offer letter.

- 6) Because your current employer has agreed to fully vest your 2020 annual LTIP award, no offset will be provided from L3Harris.

Should your 2021 annual LTIP award from your current employer be cancelled, forfeited or terminated, you will be granted the following one-time awards to offset such foregone equity compensation at your current employer:

- \$900,000 (approximate grant date value) grant of RSUs with three-year ratable vesting in equal annual installments on the first three anniversaries of the grant date; and
- \$750,000 (approximate grant date value) grants of Stock Options with three-year cliff vesting on the third anniversary of the grant date

These awards are subject to the applicable terms and conditions in effect at the time of the grant, and the award will be granted on the first New York Stock Exchange trading day during the month following your start date (if that trading day occurs within a Quiet Period as defined by L3Harris' equity grant policy, the grant date will be the first day following the end of the Quiet Period). Based on your start date of January 3, 2023 your sign-on equity grants will be issued on February 1, 2023.

Please indicate your acceptance of and agreement to the above by signing and dating below and returning it to me.

Sincerely,

/s/James P. Girard
James P. Girard
Vice President & Chief Human Resources Officer
321-727-5387
Jim.Girard@l3harris.com

ACKNOWLEDGEMENT & ACCEPTANCE

Signed: /s/ Samir Mehta

Dated: 31 December 2022

Name: Samir Mehta

Exhibit 21
L3HARRIS TECHNOLOGIES INC.
SUBSIDIARIES AS OF FEBRUARY 16, 2024
(100% direct or indirect ownership by L3Harris Technologies, Inc., unless otherwise noted)

<u>Name of Subsidiary</u>	<u>State or Other Jurisdiction of Incorporation</u>
Aerojet International, Inc.	California
Aerojet Ordnance Tennessee, Inc.	Tennessee
Aerojet Rocketdyne Coleman Aerospace, Inc.	Delaware
Aerojet Rocketdyne Holdings, Inc.	Delaware
Aerojet Rocketdyne of DE, Inc.	Delaware
Aerojet Rocketdyne, Inc.	Ohio
Airline Placement Limited	United Kingdom
ARDE Barinco, Inc.	New Jersey
ARDE, Inc.	New Jersey
Asian Aviation Training Centre Ltd.	Thailand
Aviation Communication & Surveillance Systems, LLC*	Delaware
Azimuth Security Trust	Australia
Calzoni S.r.l.	Italy
Chemical Construction Corporation	Delaware
Cardova Chemical Company, Inc.	California
Cardova Chemical Company of Michigan	Michigan
DMRAC-Aviation Corporation - SGPS, Unipessoal Lda	Portugal
EAA – Escola de Aviação Aerocondor, S.A.	Portugal
Eagle Technology, LLC	Delaware
Easton Development Company, LLC	California
FAST Holdings Limited*	United Kingdom
FAST Training Services Limited*	United Kingdom
GDX LLC	Delaware
GT & MC, Inc.	Delaware
Harris Asia Pacific Sdn. Bhd.	Malaysia
Harris Atlas Systems LLC*	UAE
Harris Cayman Ltd.	Cayman Islands
Harris Communications MH Spain, S. L.	Spain
Harris Communications Pakistan (Private) Limited	Pakistan
Harris Communications Systems India Private Limited	India
Harris Denmark ApS	Denmark
Harris Denmark Holding ApS	Denmark
Harris International Saudi Communications	Saudi Arabia
Harris International Venezuela, C.A.	Venezuela
Harris Luxembourg S.a.r.l.	Luxembourg
Harris Pension Management Limited	United Kingdom
Harris Solid State (Malaysia) Sdn. Bhd.	Malaysia
Honeywell TCAS Inc.*	Delaware

<u>Name of Subsidiary</u>	<u>State or Other Jurisdiction of Incorporation</u>
L-3 Communications Advanced Aviation, Inc.	Montana
L-3 Communications Advanced Aviation, LLC	Montana
L-3 Communications Holding GmbH	Germany
L3 CTS Airline Academy (NZ) Limited	New Zealand
L3 Kenya Ltd	Kenya
L-3 Società Srl.	Italy
L3 Technologies, Inc.	Delaware
L3Harris Aerosim Academy, Inc.	Florida
L3Harris Afghanistan LLC	Delaware
L3Harris AJRD Holdings, Inc.	Delaware
L3Harris Applied Defense Solutions, Inc.	Delaware
L3Harris Applied Technologies, Inc.	Delaware
L3Harris Arctic Services, Inc.	Delaware
L3Harris Assured Communications Romania S.R.L.	Romania
L3Harris Australia Finance Pty Limited	Australia
L3Harris Australia Holdings Pty Ltd	Australia
L3Harris Autonomous Surface Vehicles Limited	United Kingdom
L3Harris Aviation Products, Inc.	Delaware
L3Harris Azimuth Security Pty. Limited	Australia
L3Harris Cincinnati Electronics Corporation	Ohio
L3Harris Commercial Training Solutions Limited	United Kingdom
L3Harris Communications & Services HK Limited	Hong Kong
L3Harris Communications Australia Pty Ltd	Australia
L3Harris Communications Chile Limitada	Chile
L3Harris Communications Malaysia Sdn. Bhd.	Malaysia
L3Harris Communications Spain, S.L.	Spain
L3Harris Communications Systems UK Limited	United Kingdom
L3Harris Comunicações e Participações do Brasil Ltda	Brazil
L3Harris Credit Holdings, Inc.	Delaware
L3Harris CTS Airline and Academy Training Limited	United Kingdom
L3Harris CTS Group Limited	United Kingdom
L3Harris CTS Limited	United Kingdom
L3Harris Defence Investments Limited	United Kingdom
L3Harris Domestic Holdings, Inc.	Delaware
L3Harris Electrodynamics, Inc.	Arizona
L3Harris Exelis Australia Pty Ltd	Australia
L3Harris Felec Services, Inc.	Delaware
L3Harris Finance Americas, Inc.	Canada
L3Harris Flight Data Services Limited	United Kingdom
L3Harris Flight Data Services, Inc.	Arizona
L3Harris Flight Training Acquisitions LLC	Delaware
L3Harris ForceX, Inc.	Tennessee

<u>Name of Subsidiary</u>	<u>State or Other Jurisdiction of Incorporation</u>
L3Harris Foreign Holdings, Inc.	Delaware
L3Harris Fuzing and Ordnance Systems, Inc.	Delaware
L3Harris Global Communications, Inc.	New York
L3Harris Global Holding UK Ltd	United Kingdom
L3Harris Holdco LLC	Delaware
L3Harris Holdings Canada Inc.	Canada
L3Harris Holdings, Inc.	Delaware
L3Harris Integrated Mission Systems Australia Pty Ltd	Australia
L3Harris International Holdings, LLC	Delaware
L3Harris International, Inc.	Delaware
L3Harris Interstate Electronics Corporation	California
L3Harris Investments, LLC	Delaware
L3Harris Kigre, Inc.	Ohio
L3Harris Linchpin Labs, Inc.	Delaware
L3Harris Manatee Investment LLC	Delaware
L3Harris Mapps Inc.	Canada
L3Harris MAPPS Limited	United Kingdom
L3Harris MAPPS Sdn. Bhd.	Malaysia
L3Harris Maritime & Aero Private Limited	India
L3Harris Maritime Power & Energy Solutions, Inc.	Delaware
L3Harris Maritime Services, Inc.	Delaware
L3Harris MAS Inc.	Canada
L3Harris Mission Critical Services, LLC	Delaware
L3Harris NexGen Communications LLC	Virginia
L3Harris Open Water Power, Inc.	Delaware
L3Harris Release & Integrated Solutions Ltd	United Kingdom
L3Harris Saudi Arabia LLC	Saudi Arabia
L3Harris Space and Airborne Systems Australia Pty Ltd	Australia
L3Harris Technologies (New Finco) Limited	United Kingdom
L3Harris Technologies AIS GP Corporation	Delaware
L3Harris Technologies ASA Limited	United Kingdom
L3Harris Technologies Australia Group Pty Ltd	Australia
L3Harris Technologies Australia Pty Ltd	Australia
L3Harris Technologies Belgium NV	Belgium
L3Harris Technologies BTC Holding, LLC	Delaware
L3Harris Technologies Canada Group Inc.	Canada
L3Harris Technologies Canada Inc.	Canada
L3Harris Technologies CTS Holdings Limited	United Kingdom
L3Harris Technologies Europe sp. z o.o.	Poland
L3Harris Technologies Flight Capital LLC	Delaware
L3Harris Technologies Germany GmbH	Germany
L3Harris Technologies Holding, LLC	Delaware
L3Harris Technologies Integrated Systems L.P.	Delaware

<u>Name of Subsidiary</u>	<u>State or Other Jurisdiction of Incorporation</u>
L3Harris Technologies Investments, Inc.	Delaware
L3Harris Technologies Japan GK	Japan
L3Harris Technologies Limited	Cyprus
L3Harris Technologies Netherlands B.V.	Netherlands
L3Harris Technologies UK Holding Ltd	United Kingdom
L3Harris Technologies UK Limited	United Kingdom
L3Harris Technologies UK Topco Limited	United Kingdom
L3Harris Technology & Services UK Ltd	United Kingdom
L3Harris Technology (Beijing) Co, LTD	China
L3Harris Trenchant Canada Inc.	Canada
L3Harris Trenchant Ltd	United Kingdom
L3Harris Trenchant NZ Limited	New Zealand
L3Harris Trenchant Pty Ltd	Australia
L3Harris TRL Electronics Limited	United Kingdom
L3Harris TRL Technology Limited	United Kingdom
L-Tres Comunicaciones Costa Rica, S.A.	Costa Rica
Manu Kai, LLC	Hawaii
Novadyne Energy Systems LLC	Delaware
Pro Flight Leasing LLC	Florida
PSPC Canada Systems, Inc.	Canada
RKO General, Inc.	Delaware
SAMI L3Harris Technologies LLC*	Saudi Arabia
SARL Assured Communications	Algeria
Sunshine General Services, LLC	Iraq
TKD, Inc.	California
Wescam Inc.	Canada
Wescam USA, Inc.	Florida

* Subsidiary of L3Harris Technologies, Inc. less than 100% directly or indirectly owned by L3Harris Technologies, Inc.

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the following Registration Statements:

Form S-3	No. 333-270103	L3Harris Technologies, Inc. Debt Securities, Preferred Stock, Common Stock, Depositary Shares and Warrants
Form S-8	No. 333-268794	L3Harris Retirement Savings Plan
Form S-8	No. 333-232482	L3 Technologies, Inc. Amended and Restated 2008 Long Term Performance Plan; L3 Technologies, Inc. Master Savings Plan; and Aviation Communications & Surveillance Systems 401(k) Plan
Form S-8	No. 333-222821	Harris Corporation Retirement Plan
Form S-8	No. 333-192735	Harris Corporation Retirement Plan
Form S-8	No. 333-163647	Harris Corporation Retirement Plan
Form S-8	No. 333-75114	Harris Corporation Retirement Plan
Form S-8	No. 333-130124	Harris Corporation 2005 Equity Incentive Plan
Form S-8	No. 333-207774	Harris Corporation 2015 Equity Incentive Plan

of our reports dated February 16, 2024, with respect to the consolidated financial statements of L3Harris Technologies, Inc. and the effectiveness of internal control over financial reporting of L3Harris Technologies, Inc. included in this Annual Report (Form 10-K) of L3Harris Technologies, Inc. for the year ended December 29, 2023.

/s/ Ernst & Young LLP
Orlando, Florida
February 16, 2024

POWER OF ATTORNEY

KNOW TO ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints SCOTT T. MIKUEN and MICHELE ST. MARY, each and individually, as his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for and in the name, place and stead of the undersigned, for him or her in any and all capacities, to sign the Annual Report on Form 10-K of L3Harris Technologies, Inc., a Delaware corporation, with respect to the fiscal year ended December 29, 2023, and to sign any and all amendments to such Annual Report on Form 10-K and to file the same, with all exhibits thereto and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto each of such attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary in connection with such matters and hereby ratifying and confirming all that each such attorneys-in-fact or agents or their substitutes, may do or cause to be done by virtue hereof. This Power of Attorney may be signed in counterparts.

Date: February 16, 2024.

/s/ CHRISTOPHER E. KUBASIK

Christopher E. Kubasik
Chair and Chief Executive Officer

/s/ KIRK S. HACHIGIAN

Kirk S. Hachigian
Director

/s/ KENNETH L. BEDINGFIELD

Kenneth L. Bedingfield
Senior Vice President and Chief Financial Officer

/s/ HARRY B. HARRIS, JR

Harry B. Harris, Jr.
Director

/s/ CORLISS J. MONTESI

Corliss J. Montesi
Vice President, Principal Accounting Officer

/s/ LEWIS HAY III

Lewis Hay III
Director

/s/ SALLIE B. BAILEY

Sallie B. Bailey
Director

/s/ RITA S. LANE

Rita S. Lane
Director

/s/ PETER W. CHIARELLI

Peter W. Chiarelli
Director

/s/ EDWARD A. RICE JR

Edward A. Rice Jr
Director

/s/ THOMAS A. DATTILO

Thomas A. Dattilo
Director

/s/ ROBERT B. MILLARD

Robert B. Millard
Director

/s/ ROGER B. FRADIN

Roger B. Fradin
Director

/s/ WILLIAM H. SWANSON

William H. Swanson
Director

/s/ JOANNA L. GERAGHTY

Joanna L. Geraghty
Director

/s/ CHRISTINA L. ZAMARRO

Christina L. Zamarro
Director

CERTIFICATION

I, Christopher E. Kubasik, Chair and Chief Executive Officer of L3Harris Technologies, Inc., certify that:

1. I have reviewed this Annual Report on Form 10-K for the fiscal year ended December 29, 2023 of L3Harris Technologies, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 16, 2024

/s/ Christopher E. Kubasik

Name: Christopher E. Kubasik

Title: Chair and Chief Executive Officer

CERTIFICATION

I, Kenneth L. Bedingfield, Senior Vice President and Chief Financial Officer of L3Harris Technologies, Inc., certify that:

1. I have reviewed this Annual Report on Form 10-K for the fiscal year ended December 29, 2023 of L3Harris Technologies, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 16, 2024

/s/ Kenneth L. Bedingfield

Name: Kenneth L. Bedingfield

Title: Senior Vice President and Chief Financial Officer

Certification
Pursuant to Section 1350 of Chapter 63 of Title 18 of the
United States Code as Adopted Pursuant to Section 906
of the Sarbanes-Oxley Act of 2002

In connection with the filing of the Annual Report on Form 10-K of L3Harris Technologies, Inc. ("L3Harris") for the fiscal year ended December 29, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Christopher E. Kubasik, Chair and Chief Executive Officer of L3Harris, hereby certifies, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of L3Harris as of the dates and for the periods expressed in the Report.

Date: February 16, 2024

/s/ Christopher E. Kubasik
Name: Christopher E. Kubasik
Title: Chair and Chief Executive Officer

Certification
Pursuant to Section 1350 of Chapter 63 of Title 18 of the
United States Code as Adopted Pursuant to Section 906
of the Sarbanes-Oxley Act of 2002

In connection with the filing of the Annual Report on Form 10-K of L3Harris Technologies, Inc. ("L3Harris") for the fiscal year ended December 29, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Kenneth L. Bedingfield, Senior Vice President and Chief Financial Officer of L3Harris, hereby certifies, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of L3Harris as of the dates and for the periods expressed in the Report.

Date: February 16, 2024

/s/ Kenneth L. Bedingfield
Name: Kenneth L. Bedingfield
Title: Senior Vice President and Chief Financial Officer



LGL-53 INCENTIVE-BASED COMPENSATION RECOVERY POLICY		Effective Date: October 2, 2023	Version: 1
Owner:	Scott Mikuen //Signature on File//	Function: LEGAL	Page 1 of 5

1.0 OVERVIEW

Exhibit 97

1.1 PURPOSE & SCOPE

Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 ("Dodd-Frank") requires recovery of the excess incentive-based compensation from executive officers following a restatement of financial information that affects the financial measures used to determine such incentive-based compensation.

This Incentive-Based Compensation Recovery Policy (this "Policy") establishes the circumstances in which current and former executive officers of L3Harris will be required to repay incentive-based compensation following a restatement of financial information pursuant to the rules and regulations adopted under Dodd-Frank. This Policy is designed to comply with, and shall be interpreted to be consistent with, Section 10D ("Section 10D") of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), Rule 10D-1 promulgated under the Exchange Act ("Rule 10d-1") and Section 303A.14 of the New York Stock Exchange (the "NYSE") Listed Company Manual (the "Listing Standards").

To the extent this Policy is in any manner deemed inconsistent with Section 10D, Rule 10d-1 or the Listing Standards, this Policy shall be treated as retroactively amended to be compliant with such rules and Listing Standards.

1.2 KEY TERMS

Accounting Restatement: a restatement of L3Harris' financial statements due to material noncompliance with any financial reporting requirement under Federal securities laws to correct a material error in previously issued financial statements or an error that would result in a material misstatement if left uncorrected in the current period.

Code: the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

Covered Executives: current and former executive officers of L3Harris who were subject to the reporting requirements of Section 16 of the Exchange Act ("Section 16") during the three completed fiscal years immediately preceding a Restatement Date and Received Erroneously Awarded Compensation after becoming subject to Section 16.

Erroneously Awarded Compensation: Incentive-Based Compensation in excess of the amount that otherwise would have been Received, computed without regard to any taxes paid, had it been determined based on the applicable Financial Reporting Measure after giving effect to any Accounting Restatement.

Financial Reporting Measures: measures of financial performance for any measurement period ending on or after October 2, 2023 (the "Effective Date") determined and presented in accordance with accounting principles used in the preparation of L3Harris' financial statements and their derivatives, whether on a consolidated or segment-level basis, a non-exclusive list of which is set forth at Appendix B.

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Incentive-Based Compensation: any compensation to a Covered Executive that was granted, earned, or vested based wholly or in part upon the attainment of a Financial Reporting Measure.

Plan: collectively, the Annual Incentive Plan, the 2015 Equity Incentive Plan, the Retirement Savings Plan, the Excess Retirement Savings Plan, and any other qualified or non-qualified defined contribution retirement plan or compensation plan adopted by L3Harris from time to time and available to Covered Executives.

Received: the Incentive-Based Compensation is received in the fiscal period during which the Financial Reporting Measure specified in the Incentive-Based Compensation is attained, even if the payment or grant of the incentive-based compensation occurs after the end of the period in which it is attained.

Restatement Date: the date of a determination to prepare an Accounting Restatement pursuant to Section 2.1 of this Policy, or such earlier date that the Board of Directors of L3Harris (the "Board"), a committee of the Board or an authorized officer of L3Harris reasonably should have concluded, that L3Harris would be required to prepare an Accounting Restatement.

1.3 SUPPORTING DOCUMENTS

Appendix A – Acknowledgement Form

Appendix B – Financial Reporting Measures

Appendix C – Incentive-Based Compensation Subject to Recovery

Appendix D – Methods of Recovery of Erroneously Awarded Compensation

1.4 RESPONSIBILITIES

This Policy shall be administered by the Compensation Committee of the Board (the "Committee"), unless otherwise determined by the Board. The Committee has full and final authority to interpret and construe this Policy and make all determinations under this Policy, in each case to the extent permitted under the Listing Standards. The Committee may also, in its sole discretion, retain or obtain the advice of a compensation consultant, independent legal counsel or other advisor in connection with its administration or enforcement of this Policy.

1.5 COMPLIANCE

The recovery of Erroneously Awarded Compensation shall be governed hereunder as of the Effective Date. Incentive-Based Compensation Received after the Effective Date is subject to this Policy.

Each Covered Executive shall be required to sign and return to L3Harris the Acknowledgement Form attached hereto as Appendix A pursuant to which such Executive Officer will agree to be bound by the terms and comply with this Policy. For the avoidance of doubt, each Covered Executive will be fully bound by, and must comply with, this Policy, whether or not such Covered Executive has executed and returned such Acknowledgement Form to L3Harris.

2.0 POLICY

In the event L3Harris is required to prepare an Accounting Restatement, the Committee shall ensure that L3Harris recovers any Erroneously Awarded Compensation Received by any Covered Executive during the three completed fiscal years (and any applicable transition period) immediately preceding the Restatement Date, irrespective of whether the Covered Executive remains in service with L3Harris and in each case in accordance with the Listing Standards and as further detailed in Sections 2.1 – 2.7 of this Policy. The applicability of this Policy to any Covered Executive is not dependent on any finding of any misconduct by a Covered Executive or of responsibility by a Covered Executive for any errors, omissions or fraud leading to an Accounting Restatement.

2.1 Determination to Prepare an Accounting Restatement

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The Board, the Audit Committee of the Board, any other committee of the Board, any authorized officer or officers of L3Harris, any court of competent jurisdiction, the U.S Securities and Exchange Commission or any other legally authorized body may conclude that an Accounting Restatement is required.

For the purposes of this Policy: (i) any event requiring disclosure under Item 4.02 of Form 8-K; or (ii) any determination to correct in subsequently issued financial statements a Financial Reporting Measure included in previously issued financial statements shall be deemed to be a conclusion that L3Harris is required to prepare an Accounting Restatement.

2.2 Incentive-Based Compensation Subject to Recovery

Following a conclusion that L3Harris is required to prepare an Accounting Restatement pursuant to Section 2.1 of this Policy, the Committee shall reasonably promptly determine the amount of Erroneously Awarded Compensation subject to recovery under this Policy, which may include, but is not limited to, the categories of Incentive-Based Compensation set forth in Appendix C.

For any Incentive-Based Compensation granted, earned or vested based on stock price or total shareholder return ("TSR"): (i) the Committee shall determine the amount of Erroneously Awarded Compensation based on a reasonable estimate of the effect of the Accounting Restatement on the stock price or TSR upon which the Incentive-Based Compensation was Received; and (ii) L3Harris shall maintain and reasonably promptly provide to the NYSE documentation of the determination of that reasonable estimate.

2.3 Method of Recovery

The Committee shall determine, in its sole discretion, the timing and method for recovering Erroneously Awarded Compensation based on all applicable facts and circumstances, provided that the Committee shall ensure reasonably prompt recovery of Erroneously Awarded Compensation from each Covered Executive.


The Committee may seek recovery of Erroneously Awarded Compensation by any method consistent with applicable law, including, but not limited to, those set forth in Appendix D.

Upon determination of the timing and method of recovery of Erroneously Awarded Compensation by the Committee, L3Harris will provide each Covered Executive written notice of the amount of Erroneously Awarded Compensation and, as applicable, a demand for repayment or return. If appropriate, the Committee may direct L3Harris to enter into a repayment agreement (in a form reasonably acceptable to the Committee) with any Covered Executive or to take any other action it deems appropriate to recover Erroneously Awarded Compensation from a Covered Executive.

All determinations and decisions made by the Committee regarding the recovery of Erroneously Awarded Compensation under this Policy shall be final, conclusive and binding and enforceable against all Covered Executives and their beneficiaries, heirs, executors, administrators and other legal representatives. In addition, the Committee may require a Covered Executive to agree to abide by the terms of this Policy as a condition to the grant of any benefit under a Plan, employment agreement, award agreement, or any other agreement entered into on or after the Effective Date.

2.4 Impracticability of Recovery

In accordance with the Listing Standards, the Committee may determine that recovery of Erroneously Awarded Compensation is impracticable for any Covered Executive only for the following reasons:

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- the direct expenses paid to a third party to assist in enforcing this Policy against a Covered Executive would exceed the amount to be recovered following a reasonable attempt to recover the applicable Erroneously Awarded Compensation, with documentation of such attempts provided to the NYSE;
- recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of L3Harris, to fail to meet the requirements of Section 401(a)(13) or Section 411(a) of the Code; or
- recovery would violate home country law adopted prior to November 28, 2022; provided that L3Harris has obtained an opinion of home country counsel, acceptable to the NYSE, that recovery would result in such a violation, and a copy of the opinion is provided to the NYSE.

Upon a finding of impracticability, the Committee may decline to take any further action to recover Erroneously Awarded Compensation from the applicable Covered Executive.

2.5 Application of Other Recovery Rights

The Committee's actions or decisions with respect to a Covered Executive under this Policy in no way limits the Committee's actions or decisions with respect to any other Covered Executive under this Policy or otherwise. This Policy will operate in addition to, and not in lieu of, any other remedies or rights of recovery that may be available to L3Harris under applicable law, regulation or rule or pursuant to the terms of any Plan, employment agreement, award agreement or similar agreement.

2.6 Indemnification

L3Harris is prohibited from indemnifying any Covered Executive against the loss of Erroneously Awarded Compensation or from paying or reimbursing a Covered Executive for purchasing insurance to cover any such loss. This prohibition applies notwithstanding the terms of any indemnification agreement or insurance policy.

2.7 Reporting and Disclosure

L3Harris shall disclose any action by the Committee under this Policy in accordance with the requirements of the Federal securities laws, including any disclosure required by the Exchange Act.

CHANGE LOG

Ver	Date	Details
1	July 20, 2023	Initial Release

