



INTEGRITY
PEOPLE
EXCELLENCE
COMMITMENT

Ethics

Code of Conduct

Raytheon



Our Values

People

Treat people with respect and dignity.

Welcome diversity and diverse opinions.

Help our fellow employees improve their skills.

Recognize and reward accomplishment.

Foster teamwork and collaboration.

Integrity

Be honest, forthright and trustworthy.

Use straight talk; no hidden agendas.

Respect ethics, law and regulation.

Commitment

Honor commitments to customers, shareholders, the community and each other.

Accept personal responsibility to meet commitments; be accountable.

Excellence

Improve performance continually.

Stress quality, productivity, growth, best practices and measurements.

Always strive to be the best.

Ethics

Code of Conduct



Table of Contents

Message from the Chairman and CEO	i
The Code of Conduct	1
Contacting Raytheon's Ethics Office	1
Comply with Law and Regulations	1
Treat People with Respect and Dignity	2
Ensure a Safe Workplace	2
Maintain Our Financial Integrity	2
Accurately Charge Labor & Other Costs	3
Retain Records Appropriately	3
Avoid Conflicts of Interest, Disclose Potential Conflicts	3
Follow the Rules When Hiring Former Government or Competitor Employees	4
Never Engage in Insider Trading	4
Abide by Antitrust Laws	4
Protect Our Reputation in the Global Business Arena	5
Steer Clear of Accepting or Giving Improper Gifts	5
Engage Only in Lawful and Authorized Political Activity	6
Market, Bid, Negotiate, and Perform in Good Faith	6
Protect Raytheon's Intellectual Property and Proprietary Information	6
Use Company Assets Appropriately	7
Report Any Illegal or Unethical Behavior	7
Report Questionable Accounting Matters to the Audit Committee	7
Changes to or Waivers from the Code of Conduct	7
Related Policies	8-9
Contact information: the Audit Committee and Lead Director	10
Contact information and resources: the Corporate Ethics Office	10



Message from the Chairman and CEO

Dear Fellow Employee,

In these pages, you will find Raytheon's Code of Conduct. The content is critically important to the success of our organization. It sets the tone and standards for the business conduct of our global community of some 80,000 employees.

I hope you will take advantage — and maximize the value — of this information by using it in conjunction with other resources that are available to you. Ethics education is designed to be an expansive and continuous process — from online features to in-person education seminars, from manager sessions to formal policy distribution.

I would ask that you consider this guide to be your starting point. Our ethical standards of business conduct — indeed our entire set of corporate values — are a continuous journey that we take together.

I hope that you will find this Code of Conduct useful as a personal primer on ethical business conduct, now and in the future.

Sincerely,

William H. Swanson
Chairman and CEO
Raytheon Company



The Code of Conduct

Raytheon's Values of People, Integrity, Commitment, and Excellence set the foundation for our Code of Conduct. The Code provides further guidance about business behavior expected of the Raytheon community as we work and interact with fellow employees, customers, suppliers and other stakeholders. The Code applies to directors, officers, employees, consultants, representatives, and agents of the Company. The Code is fundamental to how we do business, and reinforces the responsibilities we all share in protecting the Company's reputation.

The Office of Business Ethics and Compliance (the "Ethics Office") is dedicated to giving employees the support and advice they need to act according to the Code and our Values. Employees are encouraged first to contact their supervisor to resolve concerns, report potential violations of policy or the Code, or to get advice on ethics-related issues.

Contacting Raytheon's Ethics Office

The Ethics Office has a toll-free EthicsLine, at 800.423.0210, available for those wishing to raise a concern, to report alleged misconduct or violation of Company policy, government law or regulation, or to seek advice. You may also contact the Ethics Office at Comments-Ethics@raytheon.com, or by writing to P.O. Box 21, Concord, MA 01742. Additionally, you may contact an Ethics Officer assigned to your business at toll-free numbers and e-mail addresses found on the Points of Contact page of the internal Ethics website at home.ray.com/ethics.

Reports will be investigated, and if substantiated, resolved through appropriate corrective action. Those found to have violated the Code will be subject to disciplinary action, including termination of employment. If you choose to identify yourself when making a report, you will be provided feedback when the Ethics Office has completed its review. For those who wish to report a concern or alleged violation in confidence, confidentiality will be maintained to the extent possible, although limited disclosure may be necessary in some cases to effectively conduct an investigation or where compelled by law. Employees are required to cooperate in internal investigations. Retaliation for filing an ethics complaint is a violation of Company policy. Our internal website is home.ray.com/ethics and our external website is www.raytheon.com/ethics.

Comply with Law and Regulations

All directors, officers and employees must respect and obey applicable laws and regulations. Because we are a government contractor, the laws and regulations affecting Raytheon are complex, and it is important to seek advice from your lawyer in the Office of General Counsel, or from the Ethics Office to ensure compliance with the law.



Treat People with Respect and Dignity

Employees are expected to treat one another, customers, and business partners with respect and dignity. We value an inclusive workforce because it promotes diversity of thinking and reaching solutions that help us achieve excellence and meet the needs of our customers. We are committed to fair employment practices, and our employment related decisions are made without regard to race, color, creed, religion, national origin, sex, sexual orientation, gender identity and expression, age, disability, and U.S. military Vietnam era or other eligible veteran status. Raytheon leaders at all levels have a special obligation to encourage an open work environment and ethical culture, where employees are treated respectfully and may raise issues or concerns without fear of retaliation.

Ensure a Safe Workplace

Raytheon strives to protect the environment and the health and safety of our employees. The Company ensures compliance with applicable environmental laws and regulations and provides a safe and healthy workplace for our employees. We strive to do no environmental harm, and each employee is responsible for observing sensible environmental practices. We maintain a drug-free, secure workplace where employees are attentive to hazard prevention. Each employee is responsible to follow safety and health rules and to report to appropriate leadership any accidents, injuries, and unsafe equipment, practices, or conditions.

Maintain Our Financial Integrity

The Company's financial books, records, cost accounts, and financial statements shall properly document all assets and liabilities, accurately reflect all transactions of the corporation, and be retained in accordance with Company policy and applicable laws and regulations. Company funds may not be used for any unethical purpose. No false entries shall be made on the books or records of the Company or its subsidiaries for any reason. Undisclosed or unrecorded funds or assets may not be established. All Company books, records, accounts, and financial statements must be maintained in reasonable detail, must appropriately reflect the Company's transactions, and conform to applicable legal requirements and to our system of internal controls. Any concerns about financial reporting should be raised with managers, the Finance Department, Internal Audit, the Office of General Counsel, the Ethics Office, or the Audit Committee of the Board of Directors. Complaints or concerns regarding Raytheon's accounting, internal accounting controls, or auditing matters may be communicated anonymously or confidentially to the Audit Committee, either by writing to the Audit Committee at Raytheon Audit Committee, Raytheon Company, P.O. Box 21, Concord, MA 01742, or by submitting the complaint or concern electronically via the Corporate Governance website at www.raytheon.com/about.



Accurately Charge Labor & Other Costs

Accurately charging labor, material and other costs is essential to maintain the integrity of customer billings, financial reporting, and planning. Deliberate mischarging of work time or timecard fraud violates Company policy and the law. Knowingly charging an unauthorized account or cost objective, or knowingly approving such mischarging, or shifting of costs to improper accounts is prohibited. Each employee is responsible for ensuring that labor, travel, material, and other expenses are recorded truthfully. Supervisors, the Finance Department, or the Ethics Office should be contacted if an employee has questions or concerns about proper charging of labor and other costs.

Retain Records Appropriately

Records should always be retained or destroyed in accordance with Company records management policy. In the event of litigation or governmental investigation, the Office of General Counsel must be consulted regarding record retention issues.

Avoid Conflicts of Interest, Disclose Potential Conflicts

Directors, officers, employees, consultants, representatives, and agents are required to avoid conflicts of interest between their obligations to the Company and their personal affairs. Any relationship or activity which could or would influence, or appear to influence, performance of one's duties to the Company, must be disclosed to the Ethics Office or the Office of General Counsel for review and resolution. A competing personal interest could interfere with the Company's interest, for example, where an individual has a direct and personal interest in a transaction or situation that could affect his or her judgment and divide loyalty to the Company with loyalty to one's own interest. Examples of such conflicts could include: employment by a competitor; placement of business where the employee or family member has a financial stake; acting independently as a consultant to a customer or supplier of Raytheon; or accepting anything of value not approved pursuant to policy from a supplier or potential supplier. Appearances are important, and avoiding the appearance of a conflict of interest should be our guide in this area.

Directors, officers, and employees are prohibited from personally taking for themselves opportunities discovered through the use of Company information, position, or property without the consent of the Board of Directors. No Company information, position, or property may be used for improper personal gain, and no director, officer, or employee may compete with the Company directly or indirectly. Actual or potential conflicts of interest must be disclosed and resolved in accordance with Company policy, in consultation with the Ethics Office, the Office of General Counsel, or, in certain cases, with the Board of Directors.



Follow the Rules When Hiring Former Government or Competitor Employees

Any discussion or contacts with current or former U.S. Government employees (military or civilian) for the purpose of exploring potential employment or consulting opportunities with the Company are subject to federal conflict of interest laws and regulations. Similarly, once hired or retained, these individuals may be prohibited from certain tasks and duties that relate to their prior responsibilities while employed by the U.S. Government. Consult the Ethics Office or the Office of General Counsel to ensure compliance with these rules. Also, when hiring an employee who has worked for a competitor or other third party, we must ensure that their proprietary information and intellectual property is not brought into the Company or used by Raytheon without authorization. Likewise when leaving the Company, employees are not permitted to take proprietary information to a competitor.

Never Engage in Insider Trading

Directors, officers, and employees must comply fully with securities laws with respect to “insider” trading — trading in Company securities on the basis of “material” corporate information that has not been disclosed to the public. Failure to comply can result in substantial civil and criminal penalties. Insider trading generally involves buying or selling securities while in possession of material information not available to the public. It is also against the insider trading laws to tip another person regarding material non-public information to enable that person to trade in Company securities. Material information may include financial and key business data; merger, acquisition, or divestiture discussions; award or cancellation of a major contract; changes in key management; forecasts of unanticipated financial results; and other similar information. Questions about insider trading and compliance with these laws should be referred to the Office of General Counsel.

Abide by Antitrust Laws

We compete fairly and honestly, not through unethical or illegal business practices in restraint of trade which may reduce competition. We abide by applicable antitrust laws whenever we form alliances or team, and wherever we do business. We prohibit entering into agreements with competitors to fix or control prices; to boycott specified suppliers or customers; to allocate customers or territories; to limit production or sale of products or product lines for anticompetitive purposes, or other anticompetitive behavior. Employees involved in any dealings with competitors should never engage in anticompetitive discussions, or if approached by anyone to enter such discussions, must report the matter to the Office of General Counsel. Any business arrangement with a competitor must be reviewed and approved by the Office of General Counsel to ensure legal compliance with antitrust laws.



Protect Our Reputation in the Global Business Arena

Raytheon expects its employees, consultants, representatives, and agents to protect the Company's reputation for integrity in the global marketplace. Raytheon prohibits improper international business practices and complies with all applicable laws, such as the U.S. Foreign Corrupt Practices Act (FCPA), similar laws of host nations, and related anti-bribery conventions. The FCPA prohibits corruptly offering anything of value to foreign officials to obtain business, and also requires strict internal accounting controls to prevent concealment of bribery.

Any request to refuse to deal with potential or actual customers or suppliers, or otherwise participate in a foreign economic boycott, or provide information related to a boycott request, must be reported to the Office of General Counsel.

U.S. export laws and regulations, including the International Traffic in Arms Regulations (ITAR) and the Export Administration Regulations (EAR), require U.S. Government approvals for international transfers of certain technical data, equipment, or technology. Exporting such items without proper authorization to "non-U.S. persons" as defined by the regulations may have severe business consequences. Imports, too, are strictly controlled and are subject to additional regulations and procedures. The export licensing and controls area, as well as rules pertaining to the import of goods and services, are quite complex. Consultation with Company experts in Contracts, the Office of General Counsel, and other functions is necessary to ensure export compliance prior to negotiating any foreign transaction to avoid even inadvertent violations.

Steer Clear of Accepting or Giving Improper Gifts

Company business courtesies and conflict of interest policies require the use of good judgment and compliance with laws related to giving or accepting gifts. Employees involved in purchasing goods and services for the Company should not accept gifts from suppliers of more than nominal value (less than \$20), such as promotional items, in order to avoid the appearance of favoritism.

With supervisory approval and where there is no conflict of interest, other employees may accept gifts up to \$100 in value. Acceptance of any gift above \$100 in value must be reviewed with, and approved by, the Ethics Office. Company policy allows accepting meals or entertainment, so long as it is infrequent, not lavish, and supports Company business interests (such as relationship building with business partners). It is never permissible for Raytheon employees to solicit gifts or business courtesies.

Government employees, both in the U.S. and in other countries, are subject to varied and complex rules, which often prohibit them from accepting any items of value except as specifically provided under relevant regulations. U.S. Government Executive branch employees typically may only accept gifts (including food and refreshments) valued at \$20 or less on a single occasion, and not exceeding \$50 in a calendar year. Gifts to any elected officials may only



be given in strict conformance with applicable laws and subject to advance approvals specified by Company policy. Consult the Ethics Office or Office of General Counsel if considering offering gifts or other business courtesies to government employees of any nation.

We also comply with the U.S. Anti-Kickback Act, which similarly prohibits giving anything of value to an employee of a prime U.S. government contractor or higher tier subcontractor in order to obtain or reward favorable treatment.

Gifts offered by employees to commercial customers must be reasonable and are also governed by Company policy.

Engage Only in Lawful and Authorized Political Activity

Voluntary involvement of employees in the political process is encouraged by the Company, but participation must be on an employee's own time, at the employee's expense. Raytheon contributions or expenditures on behalf of any candidate or political party are made in full compliance with relevant laws and regulations. Raytheon policy provides a lawful approval process for any political expenditure made on the Company's behalf.

Market, Bid, Negotiate, and Perform in Good Faith

Truthful and accurate communication of information about our products and services is essential to meeting our commitments to our customers. Employees must be honest in marketing, in preparing bid proposals based on properly estimated cost and pricing data, and in truthfully negotiating contracts. Excellence in performance must be based on our compliance with contract specifications and associated quality and testing requirements. We seek to outperform our competition fairly and honestly, and never through unethical or illegal business practices.

Protect Raytheon's Intellectual Property and Proprietary Information

Our ideas and inventions, our innovative customer solutions, and other proprietary information, are among Raytheon's most important assets and must be safeguarded. We have an obligation to maintain the confidentiality of Company proprietary information. This obligation continues even after leaving Raytheon. Company patents and other trade secrets, as well as classified government information entrusted to us, must be protected. Follow information security guidelines and policies to ensure that unauthorized disclosure of these assets does not occur. Likewise, employees may not use a competitor's proprietary information, regardless of how it was obtained, without proper authorization from the owner.



Use Company Assets Appropriately

The Company provides business tools, such as computers, Internet access, telephones, and a wide variety of other equipment, to enable us to be productive contributors to Raytheon's success. Occasional, limited personal use of these tools or assets is permitted so long as it does not interfere with job performance or otherwise compromise Raytheon's interests.

Report Any Illegal or Unethical Behavior

Observed potential illegal or unethical behavior believed to violate the Code of Conduct must be reported to a manager, to Human Resources, to the Ethics Office, or to the Office of General Counsel. Reports of alleged misconduct will be investigated, and employee cooperation with internal investigations is required. Substantiated allegations are resolved through appropriate corrective action and/or discipline. Retaliation is prohibited for reports of alleged misconduct made in good faith. Directors, officers, and employees are also expected to proactively seek advice from management, the Ethics Office, or the Office of General Counsel to determine the best course of action when in doubt about how to respond ethically in a particular situation.

Report Questionable Accounting Matters to the Audit Committee

As part of the Company's internal governance practices, the Audit Committee of the Board of Directors has established procedures for receiving and handling complaints or concerns about accounting, internal accounting controls, or auditing matters. Confidential or anonymous complaints regarding questionable accounting or auditing matters may be submitted to the Audit Committee, which may be accessed at the Company's Corporate Governance page at the Company's website: www.raytheon.com/about. Other concerns or communications may also be submitted to the Lead Director at the Corporate Governance page of the Company website.

Changes to or Waivers from the Code of Conduct

Changes to or waivers from the Code for any Director or executive officer may be made only by the Board of Directors, and will be promptly disclosed as required by law or stock exchange regulation.



Related Policies

Policies which relate to the various sections in the Code of Conduct are listed below. These policies may be accessed on Raytheon's internal website at home.ray.com/policy.

Comply with Law and Regulations

- [74-RP](#) Code of Business Ethics and Conduct and Business Ethics and Compliance Program

Treat People with Respect and Dignity

- [135-RP](#) Equal Employment Opportunity
- [49-RP](#) Alternative Dispute Resolution
- [150-RP](#) Sexual Harassment

Ensure a Safe Workplace

- [39-RP](#) Environmental, Health and Safety Management System
- [99-RP](#) Alcohol, Drug Use and Abuse

Maintain Our Financial Integrity

- [24-RP](#) Records Management
- [114-RP](#) Government Contract Compliance
- [138-RP](#) Internal Control over Financial Reporting

Accurately Charge Labor & Other Costs

- [17-RP](#) Cost Recording Integrity Standards
- [40-RP](#) Labor Reporting

Retain Records Appropriately

- [24-RP](#) Records Management

Avoid Conflicts of Interest, Disclose Potential Conflicts

- [124-RP](#) Conflict of Interest

Follow the Rules When Hiring Former Government Employees

- [58-RP](#) Employment of Current and Former U.S. Government Employees

Never Engage in Insider Trading

- [90-0021-110](#) Insider Trading/Personal Securities Transactions



Abide by Antitrust Laws

- [90-0003-110](#) Antitrust Laws

Protect Our Reputation in the Global Business Arena

- [104-RP](#) Export Administration Regulation - Boycotts
- [128-RP](#) Export, Reexport and Import Controls

Steer Clear of Accepting or Giving Improper Gifts

- [97-RP](#) Offering and Accepting Business Courtesies, Gifts and Other Gratuities
- [124-RP](#) Conflict of Interest
- [69-RP](#) Supply Chain Management Ethics

Engage Only in Lawful and Authorized Political Activity

- [73-RP](#) Domestic Political Contributions and Activities

Market, Bid, Negotiate, and Perform in Good Faith

- [84-RP](#) Contract Negotiations

Protect Raytheon's Intellectual Property and Proprietary Information

- [91-1001-110](#) Intellectual Property
- [92-RP](#) Employee Agreement Concerning Inventions and Other Intellectual Property
- [103-RP](#) Protection of Technical and Business Information and Data
- [75-RP](#) Security-Protection of Classified Information
- [76-0001-110](#) Control of Company Most Private, Raytheon Proprietary and Competition Sensitive Information

Use Company Assets Appropriately

- [13-9020-110](#) Company Assets; Authorized Limited Personal Use
- [96-0003-110](#) Electronic Mail and Internet/Intranet

Report Any Illegal or Unethical Behavior

- [74-RP](#) Code of Business Ethics and Conduct and Business Ethics and Compliance Program

Report Questionable Accounting Matters to the Audit Committee

- [74-RP](#) Code of Business Ethics and Conduct and Business Ethics and Compliance Program

Changes to or Waivers from the Code

- [74-RP](#) Code of Business Ethics and Conduct and Business Ethics and Compliance Program



Contact information: the Audit Committee and Lead Director

Complaints or concerns regarding Raytheon's accounting, internal accounting controls, or auditing matters are referred to the Audit Committee of the Board of Directors. You may write to the Audit Committee at:

Raytheon Audit Committee
Raytheon Company
Post Office Box 21
Concord, MA 01742

You may also submit a complaint or concern to the Audit Committee, or communicate with the Lead Director, electronically by visiting the Raytheon Corporate Governance website at www.raytheon.com/about.

Contact information and resources: the Corporate Ethics Office

You may contact Raytheon's Corporate Ethics Office by:

Calling the Ethics Line: 800.423.0210

E-mailing:

Comments-Ethics@raytheon.com

Writing: Raytheon Company
Ethics Office
Post Office Box 21
Concord, MA 01742

For additional Ethics information and resources, visit our internal website: home.ray.com/ethics, or our external website: www.raytheon.com/ethics.

The Desktop Ethics and Compliance Resource Center provides online education on a wide range of topics covered by our Code of Conduct. Employees visiting our internal website may access these education modules.



Our Values

People

Treat people with respect and dignity.
Welcome diversity and diverse opinions.
Help our fellow employees improve their skills.
Recognize and reward accomplishment.
Foster teamwork and collaboration.

Integrity

Be honest, forthright and trustworthy.
Use straight talk; no hidden agendas.
Respect ethics, law and regulation.

Commitment

Honor commitments to customers, shareholders, the community
and each other.
Accept personal responsibility to meet commitments; be accountable.

Excellence

Improve performance continually.
Stress quality, productivity, growth, best practices and measurements.
Always strive to be the best.

Contact the Office of Business Ethics and Compliance with questions or concerns about business practices, policies, or standards of conduct.

Visit our Web site <http://www.ray.com/ethics>

Learn more at the Desktop Ethics and Compliance Resource Center.

Raytheon Company
Office of Business Ethics and Compliance
EthicsLine: 800.423.0210
Toll free fax: 800.706.0882
E-mail: Comments-Ethics@raytheon.com

www.raytheon.com

Raytheon

Customer Success Is Our Mission

Company Policy

Effective Date: March 25, 2011

Hard Copies Uncontrolled - Verify Effective Date Prior to Use

Function: Legal

Title: Code of Business Ethics and Conduct and Business Ethics and Compliance Program

Authorized By: Senior Vice President – General Counsel and Secretary

1. Status

- 1.1 Supersedes Raytheon policy 00000074-RP, Business Ethics and Compliance Program, dated May 06, 2009.
- 1.2 Exhibit A revised to include the Respect for Human Rights provision.

2. Purpose

- 2.1 This policy confirms and updates the Company's Code and its Company-wide business ethics and compliance program to articulate Raytheon's expectations of its leaders, employees, agents, consultants and representatives to undertake actions that are consistent with Raytheon's guiding business values and core ethical principles, relevant laws and regulations and Company policies and procedures. Raytheon has earned a reputation for excellence in systems, products and services in defense, commercial businesses and ventures and in aviation. This reputation rests on the Company's unwavering commitment to the highest standards of ethical business conduct. Employees, customers, suppliers, shareholders and others all benefit from Raytheon's reputation as a Company of integrity.

3. Applicability

- 3.1 This policy applies to the Company's Board of Directors and all Raytheon organizations including domestic and foreign Company Businesses and wholly owned subsidiaries, agents, consultants and representatives of the Company.

4. Definitions

- 4.1 Company Business - Any operating entity of the Company that reports directly to the Executive Office.

5. Policy

- 5.1 Raytheon is committed to the highest standards of ethical business conduct in its dealings with employees, customers, communities, suppliers, shareholders and others. Raytheon has issued Principles of Business Ethics and Conduct (the "Code") (Refer to Exhibit A of this policy). Raytheon has also established a business ethics and compliance program to assist Raytheon leaders, employees and others in recognizing, understanding and attending to the ethical dimensions of their jobs and work tasks, and in appropriately resolving business conduct issues.
- 5.2 Code of Business Ethics and Conduct and Business Ethics and Compliance Program
 - 5.2.1 Raytheon is committed to the highest standards of honesty and integrity in conducting its global business operations as set forth in the Code, Raytheon's core values of people, integrity, commitment and excellence are the foundation for the Company's policies, procedures and business practices. They guide the actions of Raytheon leaders in establishing the Company's strategic direction and the actions of Raytheon employees in doing their jobs. In this way, Raytheon employees, customers, agents, consultants, representatives, suppliers and others can depend on the Company to conduct its business with the highest integrity and in compliance with the laws, regulations and rules of the jurisdictions where Raytheon does business. Raytheon fosters a free and open atmosphere that

allows and encourages employees and others to make inquiries, express work-related concerns about ethical issues, and / or to report violations or suspected violations of laws or regulations, Company policies, procedures or rules, or the Code. Each allegation is investigated and, if substantiated, resolved through appropriate corrective action and / or discipline.

5.2.2 Raytheon's business ethics and compliance program incorporates the compliance standards and principles set forth in the *United States Sentencing Guidelines for Organizations*, *The Defense Industry Initiative on Business Ethics and Conduct* (DII), and the Federal Acquisition Regulation (FAR) 3.10 and contract clause, FAR 52.203-13 in adhering to these standards and principles, the Company has established: high level corporate oversight of the business ethics and compliance program; related education and communication programs for leaders and employees; and procedures for the mandatory disclosure of violations of laws and regulations, including federal procurement laws, and of corrective actions taken. In addition, Raytheon is committed to public accountability whereby the Company makes reports to the Government, DII and other interested parties about the effectiveness of its business ethics and compliance program and related compliance activities in preventing and detecting violations of laws and regulations.

5.3 Office of Business Ethics and Compliance - Corporate Office

5.3.1 The Corporate Office of Business Ethics and Compliance reports to the Executive Office, Board of Directors and, on a day to day basis, to the Office of the General Counsel. Utilizing a network of Ethics Officers at each of the Company's Businesses, it is responsible for managing and administering the corporate-wide business ethics and compliance program, developing and implementing ethics awareness and compliance education and related communications initiatives; and establishing processes for the tracking, investigation, disposition and review of ethics matters and other issues. In addition, it is responsible for managing Raytheon's Ethics Line and exercising functional oversight of the Ethics Officers in the Company Businesses to ensure the adequacy of the ethics and compliance program in each Business. The Corporate Office of Business Ethics and Compliance periodically reports to the Board of Directors key findings and developments relating to ethics matters and investigations as well as the overall effectiveness of Raytheon's ethics and compliance program.

5.3.2 The Corporate Vice President - Business Ethics and Compliance is Raytheon's senior Ethics Officer who is responsible for leading and managing the corporate-wide ethics and compliance program. The Corporate Vice President - Business Ethics and Compliance works with each Company Business in integrating Raytheon's ethics and compliance program, selecting and developing assigned Ethics Officers, and identifying, providing and coordinating necessary resources for conducting corporate internal investigations.

5.4 Office of Business Ethics and Compliance - Company Businesses

5.4.1 Each Company Business implements Raytheon's ethics and compliance program consistent with its specific business requirements. Each Company Business shall establish an Ethics Committee that provides high-level leadership and oversight of the ethics and compliance program that is administered on a day-to-day basis by an Ethics Officer.

5.5 Making Inquiries and Communicating Concerns or Violations

5.5.1 Raytheon's toll-free Ethics Line and the toll-free lines in the Company Businesses provide employees, customers, suppliers, agents, consultants, representatives and others with a means of communicating questions and concerns about matters of integrity and business ethics when the proper course of action appears unclear. Raytheon directors, employees, agents, consultants and representatives are expected to report any conduct that is believed to be a violation or suspected violation of laws or regulations, Raytheon's policies, procedures or rules, or the Code. No individual will suffer retaliation for making such a report in good faith. All such reports will be handled confidentially where possible, depending on the particular circumstances of the matter, and consistent with statutory, regulatory and / or disclosure requirements, as well as the requirements for

conducting an effective internal investigation of the matter. Retaliation or retribution against any employee for making good faith reports to the Office of Business Ethics and Compliance is cause for disciplinary action, up to and including dismissal.

5.6 Ethics Awareness

5.6.1 Raytheon maintains an ongoing ethics awareness and communication program. This program is designed to ensure that employees are responsible, accountable and committed to conducting Company business in accordance with relevant laws and regulations, Company policies and procedures, and the Code. Each Raytheon director and employee participates in ethics awareness education in accordance with direction from the Office of Business Ethics and Compliance. Certain non-employees, such as marketing consultants, will be obligated to participate in ethics awareness and compliance education when so determined by the Office of Business Ethics and Compliance. The Code, relevant Raytheon policies and procedures, and other business ethics and compliance resources are available through Raytheon Company's [Business Ethics and Compliance Homepage](#).

5.7 Compliance Education

5.7.1 Raytheon maintains an ongoing compliance-education program. This program is designed to ensure that employees have an understanding of the laws and regulations that are relevant to their daily work tasks at a level of detail appropriate to their job functions and responsibilities. The Company maintains a "[Desktop Ethics and Compliance Resource Center](#)" to further employee understanding of their compliance obligations as well as recognizing the ethical dimensions of their actions and decisions.

6. Responsibilities

6.1 Leadership

6.1.1 Company Business Presidents and leaders at all levels are responsible for cultivating working environments that embody the Company's core ethical principles and that encourage employees and others to raise issues or concerns without fear of retribution. Raytheon leaders also are responsible for taking appropriate corrective and disciplinary action when called for to maintain compliance with the Code. Further, they will foster adherence to the Code by ensuring that employees under their cognizance complete required ethics awareness education and relevant compliance education courses.

6.2 Employees and Others

6.2.1 Raytheon directors, employees, agents, consultants and representatives are required to comply with this policy and the Company's Code of Business Ethics and Conduct. They are also required to fully cooperate with any internal or external investigation of alleged misconduct or any other alleged violation of laws, regulations, Company policies, procedures and / or rules.

7. Related Information

7.1 Raytheon's [Intranet Homepage](#) contains links to other on-line resources that employees can access to obtain rules, regulations or [policies](#), as well as related [forms](#) and education materials relevant to their jobs. [Raytheon's Business Ethics and Compliance Website](#) provides information about Raytheon's guiding business values and core ethical principles, corporate policies and procedures, ethics awareness education, compliance education and the Company's business ethics and compliance program. Employees and other stakeholders are also informed about how to contact the Raytheon Ethics Line and the Company's Ethics Officers. The Company's "[Desktop Ethics and Compliance Resource Center](#)" is accessed from this site.

7.2 Policies

Document Number	Policy Title
00000024-RP	Records Management
00000026-RP	Information Security
00000032-RP	Review of Proposals and Contract Documents
00000039-RP	Environmental, Health and Safety Management System
00000040-RP	Labor Reporting
00000056-RP	Internal Audit
00000058-RP	Employment of Current and Former U.S. Government Employees
00000069-RP	Supply Chain Management Ethics
00000073-RP	Domestic Political Contributions and Activities
00000097-RP	Offering and Accepting Business Courtesies, Gifts and Other Gratuities
00000115-RP	SEC Regulation FD
00000121-RP	Mergers and Acquisitions
00000124-RP	Conflict of Interest
00000150-RP	Sexual Harassment
00000183-RP	Electronic Communications & Internet / Intranet, Acceptable Use
00000213-RP	Protection of Raytheon and Third Party Information
90-0003-110	Antitrust Laws
90-0021-110	Insider Trading / Personal Securities Transactions

7.3 Other Company policies and procedures, including amendments to the related policies and procedures referenced above, may be found at the Company's "[Policies, Procedures and Forms](#)" intranet web site.

7.4 [Raytheon's Business Ethics and Compliance Website](#)

7.5 [Raytheon's Code of Business Ethics and Conduct](#)

7.6 [Desktop Ethics and Compliance Resource Center](#)

PRINCIPLES OF BUSINESS ETHICS AND CONDUCT

Introduction

These Principles of Business Ethics and Conduct (the “Principles”) cover a wide range of business practices and procedures. They incorporate selected Company policies and procedures (which are referenced in Section 7 of this policy and set out basic principles to guide the Company’s directors, officers and employees and to promote:

- Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- Full, fair, accurate, timely and understandable disclosure in the Company’s annual and quarterly reports and in other public communications made by the Company;
- Compliance with applicable governmental laws, rules and regulations; and
- The prompt internal reporting to an appropriate person or persons identified in these Principles of violations of these Principles and the underlying Company policies and procedures.

Those who violate these Principles and Standards (which collectively constitute the Company’s “Code of Business Ethics and Conduct”) and Company policies, will be subject to disciplinary action. If you are in a situation which you believe may violate or lead to a violation of these Principles, any Company policy, or the Standards, follow the guidelines described in the “Compliance Procedures” section of these Principles or consult with the your local Ethics Officer, the Office of Business Ethics and Compliance, or the Office of the General Counsel.

Compliance with Laws, Rules and Regulations

Obeying the law, both in letter and in spirit, is the foundation on which this Company’s ethical standards are built. All directors, officers and employees must respect and obey the laws of the cities, states and countries in which we operate. Although not all employees are expected to know the details of these laws, it is important to know enough to determine when to seek advice from supervisors, managers or other appropriate personnel.

Particular attention is paid to self-governance by the Company to monitor compliance with federal procurement laws and to adopt procedures for mandatory disclosure of violations and of corrective actions taken. Officers, employees, representatives, agents and consultants (whether engaged in bid and proposal activity, marketing, research and development, engineering, or other tasks) are prohibited from performing illegal marketing practices. Nothing of value can be given, taken, or promised for information obtained illegally, nor may it be used to the disadvantage of our competitors.

The Company holds information and education sessions to promote compliance with laws, rules and regulations, including insider trading laws. Strict compliance with the law is mandatory. Laws and regulations sometimes may be ambiguous and difficult to interpret. In such instances, contact the Office of the General Counsel or the Office of Business Ethics and Compliance for guidance so that we can ensure our compliance with applicable laws and regulations.

Conflicts of Interest

The Company requires its directors, officers, employees, consultants, representatives, and agents to avoid conflicts of interest, or even the appearance of such, between their obligations to the Company and their personal affairs. None of these persons shall have an interest, position or relationship with any person, firm or corporation with whom the Company does business or competes, if such interest, position or relationship would influence or might be likely to influence the actions of such individual in the performance of his or her duties. A conflict of interest generally exists when a director, officer, employee, consultant, representative, or agent has a direct or indirect personal interest in a transaction or situation that affects or appears to affect his or her judgment and divides his or her loyalties between two or more competing interests. A conflict can arise when one takes action or has an interest that may make it difficult to perform his or her company work objectively and effectively.

Conflicts of interest are prohibited as a matter of Company policy, except as may be approved in accordance with the Company's Conflicts of Interest Policy, or otherwise, by the Audit Committee of the Board of Directors upon recommendation of the Chief Executive Officer and General Counsel. Conflicts of interest may not always be clear-cut, so if you have a question, you should consult with your supervisor, your local Ethics Officer, the Office of Business Ethics and Compliance, or the Office of the General Counsel. You may also consult Raytheon policy [000000124-RP](#), Conflict of Interest. Any employee, officer or director who becomes aware of a conflict or potential conflict should bring it to the attention of a supervisor, Ethics Officer or General Counsel or consult the procedures described in the Compliance Procedures Section of these Principles.

Insider Trading

Directors, officers and employees are expected to comply fully with federal and state securities laws with respect to the disclosure of "material" corporate information and with respect to "insider" trading in the Company's securities. The prohibition against insider trading extends to giving casual "tips" to others, including another employee, friends or a relative. Under the law, both the "tipper" and the "tippee" are held liable if trades result from such unauthorized disclosures. There are substantial civil and criminal penalties for individuals who fail to comply. Any questions about compliance with these laws should be referred to the Office of General Counsel. Information that reasonably can be expected to affect the market value of a corporation's securities or to influence investor decisions respecting securities transactions is considered "material." Such information may include financial and key business data; merger, acquisition, or divestiture discussions; award or cancellation of a major contract; changes in key management; forecasts of unanticipated financial results; significant litigation; and gain or loss of a substantial customer or supplier.

An "insider" includes not only directors and officers of a corporation but also anyone who possesses material information on a corporation's affairs that has not been disclosed to the general public.

Corporate Opportunities

Directors, officers and employees are prohibited from personally taking for themselves opportunities that are discovered through the use of corporate property, information or position without the consent of the Board of Directors. No director, officer or employee may use corporate property, information, or position for improper personal gain, and no director, officer or employee may compete with the Company directly or indirectly. Directors, officers and employees owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises.

Competition and Fair Dealing

We seek to outperform our competition fairly and honestly. We seek competitive advantages through superior performance, never through unethical or illegal business practices. Though antitrust laws will vary from country to country, the antitrust laws of the United States are representative of typical limitations. Generally, the U.S. antitrust laws prohibit agreements or actions "in restraint of trade" – restrictive practices that may reduce competition without providing beneficial effects to consumers. These include agreements and understandings among competitors to fix or control prices; to boycott specified suppliers or customers; to allocate customers or territories with competitors; or to limit the production or sale of products or product lines for anticompetitive purposes. Such agreements are against public policy and are against the policy of the Company. Directors, officers and employees never should engage in discussions of such matters with representatives of other companies, and should report to the Office of the General Counsel any instance in which such discussions are initiated by other companies.

Contracts or other arrangements that involve exclusive dealing, tie-in sales or other restrictive agreements with suppliers and customers, discrimination in price, and other terms of sale as between customers, also may be unlawful under United States and foreign antitrust laws. Such arrangements must not be entered into without the prior approval of the Office of General Counsel.

The U.S. antitrust laws apply not only to domestic business but also to international operations and transactions related to imports to, and exports from, the United States. Because of the complexity of the antitrust laws, advice must be sought from the Office of the General Counsel on related questions.

No director, officer or employee should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other intentional unfair-dealing practice.

To maintain the Company's valuable reputation, compliance with our quality processes and safety requirements is essential. In the context of ethics, quality requires that our products and services be designed and manufactured to meet our obligations to customers. All inspection and testing documents must be handled in accordance with all applicable regulations.

Respect for Human Rights

The Company's policies, practices and procedures, both domestically and internationally, reflect a strong commitment to respect for human rights. This commitment is manifest in a number of ways. The Company's stated values include commitments to treat people with respect and dignity; to welcome diversity and diverse opinions; to respect ethics, law and regulation; and to operate with integrity in all our business dealings. These values are reflected in the Company's efforts to promote employee health and safety, equal opportunity, and to create an inclusive and ethical culture for its employees. We engage in active collaboration with employee representatives on an array of issues including safety, the prevention of sexual harassment and promotion of an inclusive work environment. The Company is committed to fair and competitive wage structures for all of its employees across the globe. The Company also pursues sustainability and environmental protection initiatives, including reduction of waste, emissions and energy use, utilization of renewable energy and water conservation. The Company has implemented policies and procedures to assure compliance with the law of each of the many jurisdictions around the world where it does business. This effort extends to domestic and international suppliers who must contractually commit to operate in accordance with all applicable laws. Further, the Company's standard contractual arrangements also permit it to terminate a supplier for failure to comply with the requirements of Raytheon's Code of Business Ethics and Conduct, even if the non-compliance is unrelated to performance of the subcontract. We believe that all of these activities are indicative of the great importance that the Company places on human rights and fidelity to the law.

Discrimination and Harassment

The Company is committed to fair employment practices, including the prohibition against all forms of illegal discrimination and harassment. By providing equal access and fair treatment to all employees based on merit, we improve the Company's success while enhancing the progress of individuals and the communities where our businesses are located. The Company is also committed to compliance with the applicable labor and employment laws wherever it operates. That includes observing those laws that pertain to freedom of association, privacy, recognition of the right to engage in collective bargaining, and those laws that pertain to the elimination of any improper employment discrimination.

Environmental, Health and Safety

The Company strives to protect the environment and the health and safety of its employees. The Company will ensure such protection through full compliance with all applicable environmental laws and regulations. It is important to provide each employee with a safe and healthful work environment. Each employee has responsibility for maintaining a safe and healthy workplace for all employees by following safety and health rules and practices and reporting accidents, injuries and unsafe equipment, practices or conditions.

Record-Keeping and Government Contracting

The Company requires honest and accurate recording and reporting of information in order to make responsible business decisions.

All of the Company's books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately reflect the Company's transactions and must conform both to applicable legal requirements and to the Company's system of internal controls.

Records should always be retained or destroyed according to the Raytheon policy [00000024-RP](#), Records Management. In accordance with this policy, in the event of litigation or governmental investigation, the Office of the General Counsel should be consulted.

Company policy mandates compliance with the Foreign Corrupt Practices Act (the FCPA). Company employees, consultants and representatives are required to adhere to the antibribery and internal accounting control provisions of the FCPA and of our policy to ensure that no improper gifts, business courtesies or offers of anything of value are provided to foreign government officials. Company policy also generally prohibits offers of business courtesies to U.S. Government personnel, with very limited exceptions, and requires compliance with the Anti-Kickback Act concerning Company contracting and subcontracting relationships under U.S. government contracts.

The Company will strictly observe the laws, rules, and regulations that govern the procurement of goods and services by any governmental agency of any country. While this type of information relates primarily to standards required in contracting with the U.S. Government, the Company's directors, officers, employees, representatives and agents who deal with any governmental entity are responsible for learning and complying with all rules that apply to procurement by that entity.

Confidentiality

Directors, officers and employees must maintain the confidentiality of confidential information entrusted to them by the Company or its customers, except when disclosure is authorized by the Office of the General Counsel, or required by laws or regulations. Confidential information includes all non-public information that might be of use to competitors, or harmful to the Company or its customers, if disclosed. It also includes information that suppliers and customers have entrusted to us. The obligation to preserve confidential information continues even after employment ends.

Protection and Proper Use of Company Assets

All directors, officers and employees should endeavor to protect the Company's assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on the Company's profitability. Any suspected incident of fraud or theft should be immediately reported for investigation. Company equipment should not be used for non-Company business, though incidental personal use may be permitted.

The obligation of employees to protect the Company's assets includes its proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks, and copyrights, as well as business, marketing and service plans, engineering and manufacturing ideas, designs, databases, records, salary information and any unpublished financial data and reports. Unauthorized use or distribution of this information would violate Company policy. It could also be illegal and result in civil or even criminal penalties.

Financial Integrity

The use of Company funds or assets for any unethical purpose is prohibited. No undisclosed or unrecorded fund or asset of the Company shall be maintained or established for any purpose. No false entries shall be made on the books or records of the Company or its subsidiaries for any reason. For example, hourly billing of time by consultants and order entries by sales administrators shall be made accurately. No documents shall be altered nor shall they be signed by those lacking proper authority. No payment on behalf of the Company shall be made or approved with the understanding that it will be used, or might be used, for something other than the stated purpose. The Company's financial books, records, and statements properly shall document all assets and liabilities, accurately shall reflect all transactions of the corporation, and shall be retained in accordance with the Company's record retention policies and all applicable laws and regulations.

Changes to and Waivers from the Code of Business Ethics and Conduct

Any change to, or waiver of, the Code of Business Ethics and Conduct for any director or executive officer, (including the principal executive officer, principal financial officer, principal accounting officer, or controller, or persons performing similar functions) may be made only by the Audit Committee of the Board of Directors. Such changes and waivers will be promptly disclosed as required by law or stock exchange regulation.

Reporting any Illegal or Unethical Behavior

Directors, officers and employees shall report any conduct which they believe in good faith to be a violation or apparent violation of the Code of Business Ethics and Conduct. These persons are encouraged to talk to supervisors, Ethics Officers, the Office of Business Ethics and Compliance, or the Office of the General Counsel about observed illegal or unethical

behavior and, when in doubt, about the best course of action in a particular situation. The Company prohibits retaliation for reports of misconduct by others made in good faith by employees. Directors, officers and employees are expected to cooperate in internal investigations of misconduct.

Compliance Procedures

Directors, officers and employees are expected to act proactively, raising concerns about ethical issues, violations of the Code of Business Ethics and Conduct, or governmental rules, laws and regulations. All reports are taken seriously. Each allegation is investigated and, if substantiated, resolved through appropriate corrective action and / or discipline. If an individual making such allegations chooses to identify him or herself, he or she will be provided with feedback when the Ethics Office has completed its review. As part of the Company's procedure for receiving and handling complaints or concerns about the Company's conduct, the Audit Committee of the Board of Directors has established procedures for:

- The receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
- The confidential, anonymous submission by Company employees of concerns regarding questionable accounting or auditing matters.

The process and procedures that have been established by the Audit Committee of the Board of Directors for the receipt, retention and treatment of such complaints and the confidential, anonymous submission of such concerns, are set forth in detail on the Company's Corporate Governance and Ethics websites.

Observance of Law

Obedience of law is the Company's policy. No plan of profit or expediency will excuse any evasion of the letter or intent of this policy. It is the obligation of the Company, its directors, officers and employees, to conduct the Company's business with due regard for all applicable local, state, federal, and foreign laws.

It is important to ensure the best possible legal position for the Company. Legal advice and assistance are best obtained before commitments are made in order to minimize or avoid later legal problems. Competent legal service is available within the Company through the Office of the General Counsel and is to be utilized whenever the services of a lawyer are warranted in the conduct of the Company's business activities. The Office of General Counsel will determine when it is appropriate to retain the services of outside legal counsel. The Office of General Counsel is the only entity within the Company that may procure the services of legal counsel on behalf of the Company.

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