

CODE OF CONDUCT
CHECK THE CODE



Our Values

People

- Treat people with respect and dignity.
- Welcome diversity and diverse opinions.
- Collaborate with our fellow employees to 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, laws, and regulations.

Commitment

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

Excellence

- Improve performance continually.
- Achieve innovation in all that we do.
- Stress quality, productivity, growth, best practices, and measurement.
- Always strive to be the best.

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1 Message from the Chairman and CEO

Dear Fellow Employee,

Raytheon's Code of Conduct is a cornerstone of our Ethics program and is grounded in our shared Company Values. We are each accountable for aligning our conduct with the Code as stewards of Raytheon's reputation for ethical business behavior. Living our Code of Conduct differentiates Raytheon in the marketplace, giving us a competitive advantage.

The Code briefly summarizes many important Company policies, provides examples of typical questions that may arise when considering these policies, and discusses how to resolve those questions, consistent with our standards of ethics and business conduct. For example, the Code outlines how employees should handle possible conflicts of interest, ensure accurate cost charging and comply with export controls and a host of other government regulatory requirements. Protecting Raytheon's intellectual property, treating one another respectfully, ensuring we ethically bid and perform our contracts, and many other topics, are also covered by the Code. The Code broadly reminds us to follow approved processes, but also to speak up if we are concerned about an issue.

As employees learn in our "Ethics Checkpoint" education classes, we have resources in addition to the Code that are available to help guide employees. Your supervisor, other managers and our legal and ethics partners can give you guidance and address issues of concern. Raytheon employees may raise questions about the best course of action to take or report suspected misconduct to the Ethics Office without fear of retaliation, which is prohibited by the Code. You may contact Ethics anonymously if you wish. Relevant contact information is found at the end of the Code of Conduct document.

I encourage employees to review and refer to the Code. It can be an important part of your ethical decision-making toolkit. Take an "Ethics check," and "check the Code," when you are faced with a question, or have a concern about the right thing to do.

Thank you for doing your part in supporting Raytheon's commitment to the highest ethical standards and values.

Sincerely,



Thomas A. Kennedy
Chairman and CEO
Raytheon Company



2 The Code of Conduct

Raytheon's Values of People, Integrity, Commitment, and Excellence are 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 Company directors, officers, and employees, and in certain respects to suppliers, consultants, representatives, and agents. The Code is fundamental to how we do business and reinforces the responsibilities we all share in protecting Raytheon's reputation.

The Office of Ethics and Business Conduct (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 to contact their supervisor, an Ethics Officer, or legal counsel in the Office of the General Counsel to resolve concerns, report potential violations of policy or the Code, or to get advice on ethics-related issues.

3 Code of Conduct Responsibilities

Responsibilities of employees:

- Foster a culture of ethical behavior.
- Understand and adhere to the standards of behavior outlined in the Code of Conduct and related Company policies, guidelines and rules.
- Seek advice from appropriate Company resources, including the Ethics Office, to resolve questions or concerns about a course of action.
- Report instances of observed or suspected misconduct to supervisors and/or the Ethics Office.
- Cooperate with an investigation of alleged misconduct or alleged violation of policy, procedure, rule, regulation, or law.
- Follow approved processes.

Responsibilities of leaders:

- Act with integrity and serve as an ethical role model for others.
- Promote a culture of compliance and integrity regarding policies, procedures, regulations, and laws.
- Foster an open work environment where employees are comfortable raising questions or concerns without fear of retaliation.
- Communicate and demonstrate intolerance of unethical behavior.
- Coach others and directly respond to support others when ethical issues are raised.
- Enlist available resources, including subject matter experts, to assist in resolving issues.
- Earn and inspire trust by leading according to Raytheon's Values.
- Ensure employees complete required ethics awareness, compliance and other relevant ethics education.

4 Code of Conduct – No Retaliation

It is strictly prohibited to take any adverse action against anyone who reports conduct that he or she reasonably believes is illegal or otherwise violates the Code, even if the report is ultimately mistaken. An employee will not be discharged, demoted, suspended, threatened, harassed or in any way subject to adverse treatment in the terms and conditions of employment because of any such report, including reports made to government agencies or other branches of government. An employee found to have retaliated against a reporting individual will face disciplinary action and possible termination of employment.

Q *I filed a complaint with the Ethics Office and an employee was disciplined as a result. I was just given an undesirable work assignment and told I was a troublemaker by my boss. Is that retaliation?*

A Retaliation for contacting the Ethics Office in good faith will not be tolerated. The Ethics Office would take your concern seriously and investigate. While your work assignment and the comment could possibly be unrelated to your filing the original complaint, if it was determined that your supervisor made the assignment because you contacted the Ethics Office, the supervisor would face disciplinary action.

5 Comply with Laws and Regulations

All directors, officers, employees, and business partners such as suppliers, consultants, and representatives must 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 Company legal counsel in the Office of the General Counsel or from the Ethics Office to ensure compliance.

U.S. Federal Acquisition Regulations and similar regulations and reporting requirements applicable internationally require government contractors such as Raytheon to disclose to the Inspector General of the Department of Defense (or to the Inspector General of the relevant government agency holding the contract), and to the contracting officer, certain suspected violations of law. Therefore, it is important for employees and managers to promptly report suspected violations of the Code, law, or regulation to the Ethics Office or the Office of the General Counsel.

If the Company has credible evidence that a federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations of Title 18 of the U.S. Code has been violated, the mandatory disclosure regulation is triggered and the Company must notify the appropriate authorities. Mandatory disclosure is also required for suspected violations of the civil False Claims Act and for significant overpayments to the Company on a contract. The regulation is intended to ensure that any fraud or corruption discovered in connection with a contract is surfaced and corrective action is taken. Significant fines, suspension, or debarment from U.S. Government contracts, as well as serious reputational harm to the Company, may result from failure to comply with this regulation. Similar disclosure requirements are applicable in other countries in which we do business.

Q *An employee was found to have mischarged his labor and his employment was terminated. Does that need to be disclosed to the government customer?*

A Yes. Labor mischarging is fraud and must be disclosed. Individuals found to have defrauded the government while working for one employer may subsequently be suspended or debarred from working for other government contractors.

6 Treat People with Respect and Dignity

Employees are expected to treat fellow employees, customers, and business partners with respect and dignity. We value an inclusive workforce because it promotes diversity of thinking and helps us reach solutions that help us achieve excellence and meet the needs of our customers. We are committed to fair employment practices. Our employment-related decisions are made without regard to race, color, creed, religion, national origin, sex, sexual orientation, gender identity and expression, age, disability, or 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.

Q *I believe I was denied a promotion because of my disability. Can the Ethics Office handle my complaint?*

A Your complaint would be most appropriate for Human Resources to handle. The Ethics Office would assist you in working with Human Resources to resolve the issue. The Alternative Dispute Resolution (ADR) process is available to provide an independent review of your concern.

7 Respect for Human Rights

The Company's policies, practices and procedures 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, laws and regulations; 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. Our respect for human rights also means we condemn and prohibit human trafficking or exploitation. This prohibition includes the engagement in any trafficking-related activities prohibited by law or regulation. The Company also pursues sustainability and environmental protection initiatives, including reduction of waste, emissions and energy use, utilization of renewable energy and water conservation.

Raytheon has implemented policies and procedures to ensure compliance with the law of each of the many jurisdictions around the world where it does business. This effort extends to our 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 Conduct, even if the non-compliance is unrelated to performance of the subcontract. We believe that the Company's policies, practices and procedures are indicative of the great importance that the Company places on human rights and fidelity to the law.

Q *If I learned one of our suppliers exploits its workers and doesn't follow applicable wage laws, should I report it?*

A Yes. The Ethics Office would work with Supply Chain Management to investigate and take appropriate action if your report were substantiated.

8 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 for following safety and health rules and reporting to appropriate leadership any accidents, injuries, and unsafe equipment, practices, or conditions.

Q

I think an unsafe condition in our work area poses a risk to employees. Can the Ethics Office look into this?

A

The Ethics Office would assist you in having subject matter experts in our Environmental, Health and Safety function investigate and work to resolve the issue.

9 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, and be maintained 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 must conform to applicable legal requirements and to our system of internal controls. Any concerns about financial reporting should be raised with supervisors, the Finance Department, Internal Audit, the Office of the General Counsel, or the Ethics Office. Those who become aware of employee questions or concerns must make sure that these issues are properly elevated within the Company to ensure an appropriate response.

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. Employees who cannot resolve such concerns through management or other channels available within the Company may contact the Audit Committee. 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/ourcompany/communicate, or by writing to the Audit Committee, Raytheon Company, 870 Winter St., Waltham, MA 02451-1449. Other concerns or communications may also be submitted to the Ethics Office or, where concerns relate to Corporate governance matters, the Lead Director at the Corporate Governance page of the Company website.

Q *Our department has spent nearly all of our travel budget. Our customer asked me to travel to their site for an important meeting, and I want to charge an account that does have funding, but is not for travel. May I do so?*

A No. Your department accounts should reflect the true nature of the travel costs and record them appropriately.

10 Accurately Charge Labor and Other Costs

Accurately charging labor, material, and other costs is essential to maintaining 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, knowingly approving such mischarging, or shifting costs to improper accounts is prohibited. Where a U.S. Government contract is affected by such mischarging, the Company is obligated by the Federal Acquisition Regulations to disclose its findings to the appropriate Inspector General. Each employee is responsible for ensuring that labor, travel, material, and other expenses are recorded truthfully. Employees granted a Company credit card may not use it for non-business or purely personal expenses. 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.

Q *Our customer asked if I'd shift the cost of additional software programs we didn't anticipate needing, and which weren't negotiated under the contract, to an account used to pay for maintenance agreements, which can be charged to the contract. My supervisor agreed but I am uncomfortable assigning these costs as requested.*

A Charging the contract for costs that are clearly outside scope is not appropriate. You should discuss your concern with your supervisor or your supervisor's manager, or you can contact the Ethics Office, to ensure these costs are accurately charged. A contract modification may be one avenue to explore.

Q *How do I know what to record on my timecard?*

A Your supervisor is responsible for providing you with a current Work Authorization (i.e., charge number) for all work performed. You are responsible for assuring that the charge number you use and the time recorded are consistent with the work you are performing. If you have any questions, consult your supervisor.

11 Appropriately Retain Records

Records must be retained or destroyed in accordance with Company records management policy. In the event of litigation or governmental investigation, the Office of the General Counsel should be consulted for guidance regarding record retention issues. The Office of the General Counsel may issue a “litigation hold” letter or instructions in certain instances; all employees must strictly adhere to such instructions.

Q *I have old records related to my job function that are cluttering my office and I'd like to just throw them out. May I do that?*

A Maybe. First, you need to check the records management policy and speak to your supervisor to be sure you are complying with the policy. Different types of records have different retention periods; after the retention period has expired, records should be disposed of using the appropriate process depending on how the records are designated.

12 Avoid Conflicts of Interest, Disclose Potential Conflicts

Directors, officers, employees, suppliers, consultants, representatives, and agents are required to avoid conflicts of interest between their obligations to the Company and their personal affairs, or other business interest or relationships. Any relationship or activity which may influence, or appear to influence, performance of one's duties to the Company must be disclosed to the Ethics Office or the Office of the 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 include: dual or prior employment by a customer, competitor, or supplier; 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 opportunities for themselves 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 the General Counsel, or, in certain cases, with the Board of Directors.

Q *I want to take a part-time job, but a co-worker said I need to have that reviewed and approved by the Company. This is my business, why does the Company need to know?*

A The Company needs to be sure your part-time work does not interfere with your Raytheon work or with any Raytheon business interest. We need to conduct a conflict of interest review to be sure your part-time work doesn't involve a competitor, supplier or customer, or otherwise create issues of concern. Finally, the Company may want to remind you that no Company time or resources may be used for secondary employment. If there are no issues, or if any concerns can be effectively addressed, your proposed part-time job with another organization would likely be approved.

Q *I have a relative who works for a supplier to the Company. Is that a problem?*

A Not necessarily. If you have no involvement in making procurement decisions concerning this supplier, there probably is no issue. However, you are required to disclose this situation to management and the Ethics Office, so that the Company can ensure that placing or continuing business with the supplier is not influenced in any way by your family relationship and your position at the Company.

Q *I have a family member who works for Raytheon; do I need to disclose that relationship?*

A Yes. This allows the Company to ensure that no conflict of interest, such as supervising a family member, exists.

13 Follow the Rules When Hiring Former Government or Competitor Employees

Any discussion or contacts with current or former Government employees (military or civilian) for the purpose of exploring potential employment or consulting opportunities with the Company are subject to 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. For example, before entering into employment discussions with U.S. Government employees, the Ethics Office or the Office of the General Counsel must be consulted 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 proprietary information and intellectual property from a prior employer is not brought into the Company or used by Raytheon in violation of an employee's obligations to his or her former employer. Likewise when leaving the Company, employees are not permitted to take proprietary information.

Q *I have been working with a U. S. Government employee and discussed the possibility of her working for the Company. She is a perfect candidate for a job with us. What steps do we need to take to hire her?*

A Contact the Ethics Office or Office of the General Counsel immediately, because your employment discussion may already have violated conflict of interest rules. A U.S. Government employee engaging in prospective employment discussions with the Company typically needs to notify her leadership and recuse herself from handling any matters involving the Company. It is often necessary for the government employee to then obtain, from a lawyer in the branch of government where she is employed, a letter that sets forth the laws involving certain post-government employment restrictions that might apply if the Company should hire her. Human Resources and the Ethics Office or the Office of the General Counsel need to be involved at every stage of the process to ensure the rules are followed because serious penalties for noncompliance including criminal penalties, could otherwise result.

Q

We just hired someone who recently worked for a competitor and he worked on a program which we are currently trying to capture. Can we use his program knowledge to help us win?

A

No, unless his former employer has given us authorization to do so, which is highly unlikely. The new employee's program knowledge belongs to his former employer, not to him. Using the employee on the procurement could result in a conflict and protest if we were to win the program award. We need to monitor the employee's work assignments to be sure a conflict does not arise. Similarly, if a Company employee with unique program knowledge leaves Raytheon, he or she may not take that program-specific knowledge to another employer unless the Company consents.

14 Never Engage in Insider Trading

Directors, officers, and employees must comply fully with securities laws concerning insider trading. Insider trading generally involves buying or selling securities while in possession of material insider information not available to the public. It is also against the insider trading laws to tip another person, including another employee, friend, or relative, regarding material non-public information to enable that person to trade in Company securities or the securities of another company, supplier, or potential business partner about which you receive information in the course of your employment at Raytheon or otherwise. 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. Failure to comply can result in substantial civil and criminal penalties. Questions about insider trading and compliance with these laws and the Company's insider trading policy should be referred to the Office of the General Counsel.

Q

I am aware the Company is about to select a business partner that will profit substantially from our business. Can I buy publicly traded stock issued by the business partner?

A

Probably not at this time. You are in possession of non-public information about the imminent selection decision that may be material to the business partner. Because insider trading rules are complex and driven by the specific facts of a situation, you should consult with the Office of the General Counsel before you trade in Raytheon stock or the stock of a business partner if you have any question as to whether you possess material non-public information about that company.

15 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 influence prices; to boycott specific suppliers or customers; to allocate customers or territories; to limit production or sale of products or product lines for anti-competitive purposes; or to engage in other anti-competitive behavior. Employees involved in any dealings with competitors should never engage in anti-competitive discussions, and if approached by anyone to enter such discussions, must report the matter to the Office of the General Counsel. Any business arrangement with a competitor must be reviewed and approved by the Office of the General Counsel to ensure compliance with antitrust laws.

Q *Can we talk with competitors, with whom we sometimes team, about margins, market share and production costs on a program in which we share an interest?*

A No. Margins, market share, and production cost information is usually very sensitive and should not be shared outside the Company. Consult with a Company lawyer because discussions on those topics could possibly be construed as anti-competitive.

16 **Protect Our Reputation in the Global Business Arena: Anti-Corruption**

Raytheon expects its employees, suppliers, 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 such as the UK Bribery Act, and related anti-bribery conventions. The FCPA prohibits offering anything of value to foreign officials for the purpose of influencing that foreign official or to secure any improper advantage in order to obtain or retain business, and the FCPA also requires strict internal accounting controls to prevent concealment of bribery or other financial transactions. Consult with Company experts in the Office of the General Counsel to ensure compliance with all anti-corruption laws.

Q *When foreign government customers visit our facility for a product demonstration may I pay for their meals at a restaurant and for tickets to a professional sporting event?*

A We compete fairly and not on the basis of any improper advantage. You will need to review these proposed business courtesies with the Office of the General Counsel and the Ethics Office, because the answer to your request may vary depending on the laws of the particular foreign country of the customer. The request also must be assessed for compliance with other applicable laws such as the FCPA and the UK Bribery Act. In some instances, providing the requested courtesies is lawful and may be approved by the Office of the General Counsel and the Ethics Office.

17 Ensure Export Controls and Anti-Boycott Compliance

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. It is important that we abide by the terms and conditions of the ITAR licenses we obtain. Imports, also, 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 or the Office of the General Counsel is necessary to ensure export compliance prior to negotiating any foreign transaction to avoid even inadvertent violations.

In addition to laws and regulations that govern the import and export of technology, other trade laws and regulations govern refusal to do business with certain counter-parties. 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 immediately to the Office of the General Counsel.

Similar Export Control and Anti-Boycott Compliance requirements are applicable in the international context and Raytheon international subsidiaries are required to comply with related laws and regulations relevant to their host countries.

Certain countries may be subject to economic sanctions under the administration of the Office of Foreign Asset Controls of the US Treasury and we may be prohibited from doing business with them. We must ensure that we comply with all applicable laws and regulations prohibiting doing business within certain countries. You should consult with the Office of the General Counsel if you have any doubts about the propriety of doing business with certain countries.

Q

I learned after the fact, that an unauthorized foreign person was present when I gave an ITAR controlled presentation on company products. What should I do?

A

Notify your supervisor and Export Control experts in Contracts or the Office of the General Counsel. The company may need to file a disclosure (with the U.S. State Department’s Directorate of Defense Trade Controls) if an ITAR violation occurred.

Q

I work on a program that has a contract with a non-U.S. party, and we have U.S. State Department authorization for this contract. The contract has been modified several times, and I am not sure we are still within the original contract value that was authorized because of all the contract modifications. What should I do?

A

Certain types of State Department authorizations have value limits for the export of defense articles, services, and technical data. If you believe the contract modifications have resulted in approaching or exceeding the authorized value limits, you should promptly contact your Export/Import Operations office, or the Office of the General Counsel, to review the status of the contract versus the export authorization and to provide guidance.

18 Steer Clear of Accepting or Giving Improper Gifts

Company business courtesies and conflict of interest policies require compliance with laws and the use of good judgment concerning giving or accepting gifts and other “things of value”. 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. Gifts offered by employees to commercial customers must be reasonable and are also governed by Company policy.

With supervisory approval and where there is no conflict of interest, other employees may accept gifts and other business courtesies up to \$100 (U.S.) 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, that often prohibit them from accepting any items of value except as specifically provided under relevant regulations. For example, 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 the General Counsel if you are 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. Similar laws and regulations apply to Raytheon international subsidiaries in their host countries.

Q *I am on a team evaluating bids from potential suppliers and one of the suppliers has offered to take me out sport fishing this weekend. May I accept the offer?*

A No. You must decline because the supplier’s offer of the fishing trip has created a conflict of interest for you during the procurement process. The supplier’s offer gives the appearance that it is intended to influence a favorable evaluation from you in return.

Q *A service provider has offered me two tickets to a sporting event I'd love to attend. We do a fair amount of business with this service provider and I am a key point of contact with them. We are in the middle of a three year agreement with the service provider.*

A Our gift and conflict of interest policies permit you to accept the tickets under these circumstances. Positive relationship-building in this instance can benefit the Company, so long as the business courtesy accepted is not lavish or frequent. It is always a good practice to first check with the Ethics Office.

Q *I've become friends with a foreign military officer who is our customer. The officer is moving on to a new assignment, and I'd like to give him a commemorative plaque and also a beautiful coffee table book of photographs of our lovely local area.*

A The Office of the General Counsel or the Ethics Office will need to review your request. There is a reasonable chance your request may be approved, but a legal analysis will have to be completed first.

19 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 and at the employee's expense and without use of Company assets. 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.

Q *A co-worker and I want to stay late at the office and make telephone calls on behalf of a political candidate we are supporting. May we do that?*

A No. You may not use Company resources, such as Company facilities or office telephones, to conduct activity in support of political candidates.

20 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. We must never do anything to compromise the integrity of the bidding process. 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, such as the use of intellectual property or other proprietary information not owned by Raytheon or authorized for use by the rightful owner.

Q *I work at a customer site and am authorized to access the customer's computer system. May I search the customer's computer system to learn how the customer evaluated the incumbent contractor for a program on which our Company is bidding?*

A No. Publicly available information about the incumbent would be permissible to obtain, but your access to the customer's computer system does not authorize you to retrieve non-public information from this source in order to support the Company's bid for this program.

Q *I received valuable pricing information in an e-mail that was inadvertently sent to me by an employee of a competitor. Can I pass it along to our Business Development team?*

A No. You need to report receipt of the information to the Office of the General Counsel or the Ethics Office immediately for proper disposition and do not disseminate further, since our Company is not the owner of this data.

21 Ensure Quality in Our Products and Services

The success of both Raytheon and our customers depends on all of us emphasizing quality and excellence in the products and services we provide. This means having a mission assurance mindset and complying with all contract and government requirements. Employees should take personal responsibility and make compliance with quality standards a priority to build on the Company's record of excellence, give the Company a competitive advantage, and protect our reputation, while abiding by government laws and regulations.

Every inspection and test specified in a contract must be performed and properly documented. If a change to a contract requirement is considered, the customer must be notified and give advance approval of the change. It is important to follow approved Company processes to guard against product substitution or the use of counterfeit parts that do not conform to contract requirements.

Q

I think there's a better, cheaper part to use on a system built by the Company. May I substitute the part for the one we're using now?

A

No, but there is a process to follow where your recommendation can be reviewed and, if appropriate, recommended to the customer. You should discuss your recommendation first with your supervisor, and the Contracts function should be engaged. The customer must approve a product substitution such as the one you propose.

22 Protect Raytheon's Intellectual Property and Proprietary Information

Raytheon's proprietary information is among our most important assets and must be safeguarded. This proprietary information includes our ideas and inventions, our innovative customer solutions, our financial information and technical business data, and our technology and business plans and other trade secrets. We have an obligation to maintain the confidentiality of and protect our Company proprietary information, as well as classified government information and third party proprietary information that has been entrusted to us. You should follow all applicable security guidelines and policies and take other reasonable steps to ensure that unauthorized use or disclosure of these assets does not occur. Likewise, employees may not use the proprietary information of a third party, such as a competitor, regardless of how it was obtained, except with proper authorization from the owner or as allowed by applicable law. All of these obligations continue even after leaving Raytheon.

Q *I am going to a foreign country on business travel for a few weeks, and I need my laptop. May I bring it along on the trip?*

A Check with Security first. Protecting the Company's proprietary information takes priority, and you will probably not be able to take your Company-issued laptop because of the risk of compromising information. Instead, you may be able to take a "clean" loaner laptop to help minimize the risk that sensitive files could be obtained by unauthorized persons, which, if it happened, would be an unauthorized disclosure of the proprietary information contained therein and, depending on the content, also may be a violation of export control laws and regulations (EAR and ITAR).

Q

I worked for another company a few years ago and retained some computer files from my tenure there. Should I destroy them?

A

You should report the issue to the Office of the General Counsel or the Ethics Office. If the information is proprietary, it doesn't belong to you or Raytheon and cannot be used or retained after your prior employment. The information should be returned to your prior employer unless that employer agrees destruction of the files is the best course of action. The matter should be handled with Office of the General Counsel or Ethics Office oversight so that the information is appropriately safeguarded and verification of the return or destruction of the material is recorded.

23 Appropriately Use Company Assets

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.

Q *Is it acceptable to make occasional personal calls from my Company telephone and use my Company e-mail address for occasional personal use?*

A Yes, but you should be sure personal use of Company telephones or computers is limited, and reasonable.

Q *May I surf the Internet using my Company-issued computer?*

A Limited personal use of the Company computer systems is permitted, but that does not include surfing or excessive use. Using Company assets to access Internet sites that are restricted because of inappropriate content is not permitted.

24 Using Social Media and Communicating Company Information Responsibly

Employees must be aware of relevant policies and requirements for obtaining appropriate approvals to communicate Company information to others authorized to receive such information. Sometimes an employee's access to specified information could be controlled by a non-disclosure agreement with a third party. In other cases, making Company information public requires prior review and approval by the Communications Office or the Office of the General Counsel. If an employee uses social media to connect with others and identifies themselves as a Company employee, they need to ensure that others are aware that opinions expressed are their own and not those of the Company. Exercise care and good judgment to protect Raytheon's interests and reputation.

Q *What are my responsibilities when using social media to communicate with others about Raytheon?*

A Social media, (such as blogs, wikis, Facebook, Twitter, YouTube, LinkedIn and others) are changing the ways in which we communicate, both personally and professionally. Raytheon understands the benefits of social media and welcomes its use – however, we acknowledge certain brand and reputation risks associated with social media engagement. As such, Raytheon employees engaged in social media channels should be familiar with and adhere to all applicable Company policies and interact online in a professional manner befitting your reputation, as well as that of Raytheon. Use integrity and common sense and treat others with respect and dignity online. Be conscious of the blurred lines between personal and professional opinions online. Only share publicly available information and be transparent about your affiliation with Raytheon by stating that any opinions expressed are your own and not those of the Company. Employees need to understand that they are ultimately responsible for their actions in social media.

Q

I am giving a presentation on Company products at a conference, and I am not sure if news media will be present there. Who needs to review and approve my presentation?

A

Check with your supervisor first, who will engage appropriate resources in the review and approval process, which may include the Communications function and the Office of the General Counsel and possibly other functions.

25 Report Any Illegal or Unethical Behavior

Observed potential illegal or unethical behavior believed to violate the Code of Conduct must be reported to a supervisor, to Human Resources, to the Ethics Office, or to the Office of the General Counsel. Anonymous reports may be made to the Ethics Office. Anonymous reports may be made through written communication or by calling the toll-free corporate EthicsLine, which does not have a caller identification feature. Reports of alleged misconduct will be investigated, and employees are expected to cooperate with internal investigations. 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 seek advice from management, the Ethics Office, or the Office of the General Counsel to determine the best course of action when in doubt about how to respond ethically in a particular situation.

Q *If I wanted to file an Ethics report about an employee whom I suspect has been conducting a side business on Company time, can I be sure something will be done about it?*

A You have a responsibility to report your concern to the Ethics Office. The Company is committed to addressing all allegations of misconduct and other questions or concerns. All reports of alleged misconduct are investigated and, if substantiated, corrective action, including possible disciplinary action, is taken. The Ethics Office will ensure that your report is taken seriously and will provide feedback to you when an investigation is concluded, although specific details of any disciplinary action taken is not likely to be shared with you for privacy reasons.

Q *How do I know violations of the Code of Conduct are taken seriously?*

A The Ethics Office publishes metrics on our internal website showing that employees are held accountable for violating the Code. The number and nature of disciplinary actions taken when violations of the Code have been substantiated demonstrates that the Company takes adherence to the Code and our Values very seriously.

26 Changes to or Waivers from the Code of Conduct

If a director or executive officer seeks a waiver from the Code, for example, with respect to a conflict of interest issue, the matter should be reviewed first with the Company's Vice President, General Counsel. A waiver may be made only by the Board of Directors and will be promptly disclosed as required by law or stock exchange regulation.

27 Required Learning

Each year Raytheon requires employees to complete learning programs on important topics, including ethics and information security awareness. Some of these programs are required by law, customers or company policy, while others are aligned to company initiatives. Employees are responsible for ensuring that 100 percent of all required learning programs are completed within established timeframes.

Annual Required Learning

Raytheon has established the following learning requirements, which totals 2.75 hours per employee, with an additional 1 hour for California managers and 45 minutes for new hires. In some cases, employees may also have additional learning required by their business, function, program or initiative. These requirements include:

All Employees:

- Ethics Checkpoint: one-hour, instructor-led annual ethics refresher
- Compliance Modules: two online modules from the Desktop Ethics and Compliance Resource Center (30 minutes each, one hour total)
- Information Security Awareness: 45-minute Web-based module on protecting Raytheon's information assets

Managers:

- Preventing Workplace Harassment: two-hour Web-based course for managers who supervise employees in California (bi-annual required completion)

New Hires:

- Foundations of Diversity and Inclusion: 45-minute Web-based module

These courses have varying rollout and completion schedules. Some courses are rolled out to all employees concurrently, while others vary among employees based on employment anniversaries. Employees should work to ensure completion of enterprise required learning by Dec. 31. Other learning requirements, such as training on appropriate use of social media, may be added as business needs change within a year or from year to year.

Where to Find Enterprise Required Learning

The enterprise required learning requirements can be accessed through the Life & Career tab, either in the Quick Access Services menu or on the Learning tab on Raytheon's internal oneRTN site.

28 Contact Information

Raytheon has many resources available to assist employees in meeting their responsibilities under the Code of Conduct. Questions and concerns related to the Code may be addressed to supervisors, managers and leaders. Subject matter experts and leaders in the matrix organization are available to assist in resolving questions or concerns involving issues specific to a particular function, especially regarding processes and topics unique to a specific function. All employees are encouraged to raise issues so that they may be addressed.

Additionally, the Ethics Office is available to advise and help employees regarding questions and issues related to the Code of Conduct.

Contact Information and Resources: The Corporate Ethics Office

You may contact Raytheon's Corporate Ethics Office by:

EthicsLine: [800.423.0210](tel:800.423.0210)

E-mail: Comments-Ethics@raytheon.com

Mail: Raytheon Company
Ethics Office
870 Winter Street
Waltham, MA 02451

Anonymous reports may be made to the Ethics Office and will be investigated. Anonymous reports may be made through written communication or by calling the toll-free corporate EthicsLine, which does not have a caller identification feature.

For additional Ethics information, resources, and education visit our:

external website: <http://www.raytheon.com/responsibility/stewardship/ethics/index.html>

Employees have an obligation to raise issues of concern. All reports, including anonymous 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 in certain cases, 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, although the feedback provided may not fully disclose all details of the disposition of the Ethics Office review. All reports are taken seriously and investigated. 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 conduct an effective investigation or where compelled by regulation or law. Employees are expected to cooperate in internal investigations. Retaliation against an employee for filing an ethics complaint is a violation of Company policy.

Contact Information: Questions or Concerns Specific to Particular Functions

For Code-related questions or concerns specific to Finance, Human Resources, Information Technology or Supply Chain Management, you may use the following email addresses to submit your queries:

Finance: Comments-finance@raytheon.com
Human Resources: Comments-hr@raytheon.com
Information Technology: Comments-infotech@raytheon.com
Supply Chain Management: Comments-supplychain@raytheon.com

To contact the Raytheon 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
870 Winter Street
Waltham, MA 02451

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



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

Raytheon Company
Office of Ethics and Business Conduct

EthicsLine: 800.423.0210
Toll free fax: 800.706.0882

E-mail: Comments-Ethics@raytheon.com
Company website: www.raytheon.com



Raytheon
Code of Conduct

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