Human Rights Disclosure Raytheon Technologies Corporation – 2021

Whereas: As one of the world's largest defense contractors, Raytheon Technologies Corporation (Raytheon) is exposed to significant actual and potential adverse human rights risks. The use of its weapons and defense technologies may violate the rights to life, liberty, personal security, privacy, non-discrimination, peaceful assembly, and association.

The UN Guiding Principles on Business and Human Rights (UNGPs) constitute the global authoritative framework outlining human rights responsibilities of states and businesses. While regulation of the international arms trade falls under the state duty to protect human rights, the UNGPs define clear expectations for defense companies to respect human rights in their operations, supply chains, and end use of products.

In 2019, a military coalition led by Saudi Arabia and the United Arab Emirates used a Raytheon Paveway bomb to conduct an airstrike in Yemen, killing six civilians, including three children.¹ Citing Raytheon's "close and enduring relationship" with the Saudi Arabian armed forces and the gravity of associated human rights violations, Amnesty International determined that Raytheon is directly linked, and potentially contributing, to adverse human rights impacts.² Amnesty's report concluded that Raytheon's response was "wholly inadequate" and the company failed "to undertake even the most basic level of human rights due diligence."³

Human rights organizations allege that Raytheon's supply of missile systems for F-16 fighter jets and bombs to the Israeli armed forces were used to conduct airstrikes in Gaza that killed thousands of Palestinian civilians.⁴ Raytheon also continues to supply weapons like Sidewinder missiles to Israel.⁵

Raytheon has substantial contracts to produce and develop missiles for the U.S. nuclear arsenal. The U.S. Air Force recently awarded Raytheon a \$900 million contract to develop a new nuclear-armed cruise missile. The Treaty on the Prohibition of Nuclear Weapons, which enters into force in 2021, may require Raytheon to demonstrate that it is not conducting prohibited activities in jurisdictions that ratified the Treaty.

By supplying border security technologies to U.S. Customs and Border Protection to enable the surveillance and arrest of migrants and refugees crossing the U.S. – Mexico border, Raytheon may be linked to violations of individuals' rights to seek asylum, privacy, due process, and other rights.⁷

 $^{^{1} \}underline{\text{https://www.amnesty.org/en/latest/news/2019/09/yemen-us-made-bomb-used-in-deadly-air-strike-on-civilians/}$

https://www.amnesty.org/download/Documents/ACT3008932019ENGLISH.PDF

³ https://www.amnesty.org/download/Documents/ACT3008932019ENGLISH.PDF

⁴ https://www.afsc.org/resource/us-corporations-complicit-military-attacks-gaza; https://investigate.afsc.org/company/raytheon-technologies; http://news.bbc.co.uk/2/shared/bsp/hi/pdfs/23_02_09_amnesty.pdf

⁵ https://dsca.mil/major-arms-sales/israel-aim-9x-sidewinder-missiles

⁶ https://www.dontbankonthebomb.com/wp-content/uploads/2019/05/2019 Producers-Report-FINAL.pdf; https://tucson.com/business/raytheon-wins-major-air-force-contract-to-develop-next-air-launched-nuclear-cruise-missile/article_0e114638-294b-5e68-bfad-

https://www.tni.org/files/publication-downloads/more-than-a-wall-report.pdf; https://www.theatlantic.com/national/archive/2013/07/border-patrol-arm-drones/313656/; https://www.ohchr.org/en/issues/migration/pages/migrationandhumanrightsindex.aspx

While Raytheon has a Code of Conduct, investors lack evidence that it is effectively implemented across business functions. Disclosure on human rights governance, impact assessments, and remedy is absent. Gaps in human rights risk management expose the company and investors to financial, legal, regulatory, reputational, and human capital management risks. These risks may harm Raytheon's ability to compete for contracts or obtain adequate insurance.

Resolved: Shareholders request the Board of Directors prepare a report, at reasonable cost and omitting proprietary information, on Raytheon's human rights due diligence process to identify, assess, prevent, mitigate, and remedy actual and potential human rights impacts associated with high-risk products and services, including those in conflict-affected areas.