

Resolved: Shareholders request the Board of Directors publish a report, at reasonable cost and omitting proprietary information, with the results of a Human Rights Impact Assessment (HRIA), examining Raytheon’s actual and potential human rights impacts associated with high-risk products and services, including those in conflict-affected areas and/or those violating international law.

Whereas: Raytheon Technologies Corporation (Raytheon) is exposed to significant actual and potential adverse human rights risks. The use of its defense products and services may violate the rights to life, liberty, personal security, and privacy. The UN Guiding Principles on Business and Human Rights (UNGPs) constitute the global authoritative framework outlining human rights responsibilities of states and businesses, and expectations are heightened for companies with business activities in conflict-affected and high-risk areas.¹ Companies’ human rights responsibilities are independent of the State’s export licensing determinations, as reiterated in a recent United Nations note.²

Raytheon’s Human Rights Policy is not aligned with the UNGPs, and investors lack evidence it is effectively implemented across business functions. An Amnesty International report found Raytheon is not meeting its human rights responsibilities despite severe, irremediable impacts.³ For example, Raytheon’s products have been directly linked to human rights violations in Yemen. The Company was most recently connected to 80 civilian deaths in a 2022 airstrike by the Saudi-led coalition, potentially amounting to war crimes.⁴ Raytheon also sells weapons to Israel,⁵ which are used to maintain the system of apartheid.⁶ Furthermore, Raytheon has annual contracts worth \$542 million in nuclear weapons, which are illegal under international law.⁷ The Company may be required to disclose more about its nuclear weapons involvement to avoid prosecution or legal proceedings.

Despite Raytheon’s stated compliance to US export licensing, a recent United States Government Accountability Office report highlights the US’ failure to monitor whether its weapons have been used by the Saudi-led coalition to attack civilians.⁸ This further emphasizes why Raytheon must conduct its own independent, robust human rights due diligence. The Company faces increasing material legal risk, as a group of Yemeni nationals sued Raytheon and peer defense contractors in March 2023 for their complicit role in war crimes in Yemen.⁹

Raytheon is the subject of multiple divestment campaigns related to its poor human rights track record.¹⁰

¹ https://www.ohchr.org/sites/default/files/documents/publications/guidingprinciplesbusinesshr_en.pdf

² <https://www.ohchr.org/sites/default/files/2022-08/BHR-Arms-sector-info-note.pdf>

³ <https://www.amnesty.org/en/documents/act30/0893/2019/en/>

⁴ <https://www.amnesty.org/en/latest/news/2022/01/yemen-us-made-weapon-used-in-air-strike-that-killed-scores-in-escalation-of-saudi-led-coalition-attacks/>; <https://www.hrw.org/news/2022/04/18/yemen-latest-round-saudi-uae-led-attacks-targets-civilians>

⁵ <https://masspeaceaction.org/why-blame-raytheon/>

⁶ <https://www.amnesty.org/en/documents/mde15/5141/2022/en/>; <https://www.btselem.org/apartheid>

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https://assets.nationbuilder.com/ican/pages/3785/attachments/original/1686495965/ICAN_Spending_Report_2023_sm.pdf?1686495965; https://treaties.un.org/doc/Treaties/2017/07/20170707%2003-42%20PM/Ch_XXVI_9.pdf

⁸ <https://www.gao.gov/assets/gao-22-105988.pdf>

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<https://static1.squarespace.com/static/608276df0e35bd790e38eff3/t/6400d4b8127ec80e81e1837d/1677776057913/STAMPED+Complaint+%281%29.pdf>

¹⁰ <https://masspeaceaction.org/our-issues/raytheon-antiwar/>; <https://www.dontbankonthebomb.com/2019-hall-of-fame/>

Raytheon is additionally exposed to increasing regulatory risk due to President Biden's new Conventional Arms Transfer policy, which establishes new restrictions for arms sales that would "more likely than not" be used to commit serious human rights or international humanitarian law violations.¹¹

New guidance from the American Bar Association explains how human rights risk assessments can reduce material risks, including divestment, export bans, and civil liability.¹² An HRIA can mitigate Raytheon's continuity risks as increased federal oversight on customer end-use may limit or cancel existing or future contracts.

¹¹ <https://www.whitehouse.gov/briefing-room/presidential-actions/2023/02/23/memorandum-on-united-states-conventional-arms-transfer-policy/>

¹² https://www.americanbar.org/content/dam/aba/administrative/human_rights/justice-defenders/chr-due-diligence-guidance-2022.pdf