



At Raytheon, diversity is both a core component and a catalyst to everything we do. It enables people with diverse backgrounds, experiences and opinions to share their thoughts in a welcoming and respectful environment. The results are innovative ideas that are as diverse and valuable as the people who develop them. At the 2008 Raytheon Diversity Summit, employees took part in breakout sessions where role playing, discussions and experiential learning activities provided opportunity to further explore how to apply diversity competencies.

Diversity

Fostering an Inclusive Culture

Diversity at Raytheon is about inclusiveness — providing an atmosphere where everyone feels valued and empowered to perform at a peak level, regardless of the many ways people are different, including but not limited to age, race, gender, sexual orientation, family history or physical ability. We believe that promoting an inclusive culture helps us attract, develop and retain the best talent.

We also believe that our inclusive culture is a source of competitive advantage, because there is a direct connection between diversity, inclusiveness and innovation. Our experience is that the most creative teams are those that encourage and tap into diverse perspectives and ideas. By welcoming diversity, we generate exciting ideas and drive innovation.

DIVERSITY COMPETENCIES

To promote a more inclusive culture, we guide our employees in developing specific *diversity competencies* that we hope will become “second nature.” Each competency is defined by a set of behaviors focused on respectful, inclusive leadership and management of people and teams. A person exhibiting these competencies:

- *Creates opportunities for all people to participate, contribute and give feedback*
- *Builds diverse teams and organizations that value and include diverse perspectives*
- *Proactively resolves diversity-related conflict*
- *Actively encourages different ideas or viewpoints*

- *Demonstrates the ability to adapt personal style to accommodate differences*
- *Demonstrates commitment to improvement and continuous learning related to diversity and inclusion*

DIVERSITY LEADERSHIP

Raytheon’s diversity initiatives are led by the company’s Executive Diversity Leadership Team, which reports directly to our CEO, in partnership with the Raytheon Diversity Council. Our progress has been substantial. In 1999, when we first surveyed employees about our commitment to diversity, they ranked us in the 50th percentile of companies across a range of industries. By 2005, we had climbed to the 84th percentile, and we reached the 96th percentile in the 2008 survey. In addition, our 2008 scores were up in all five areas of the Diversity Index: valuing diversity, seeking out diverse opinions, working together, achieving diversity in hiring and thought, and encouraging the free exchange of ideas.

Our annual Diversity Summit is a pinnacle event that focuses business leaders on developing actionable diversity plans for which they agree to be held accountable. At the same time, participants at all levels learn from each other and outside experts.



SUPPLIER DIVERSITY

Raytheon’s commitment to diversity and inclusion also extends to our suppliers. Small, minority-, women- and veteran-owned businesses bring valuable perspective to the work we do and the solutions included in our products and services. They enhance our supply chain and strengthen our mission of customer satisfaction. In 2008, over 35 percent of Raytheon’s procurements were from small businesses. In addition, Raytheon awarded over \$470 million to small, disadvantaged businesses; \$274 million to women-owned small businesses; \$384 million to veteran-owned small businesses; and \$120 million to services-disabled, veteran-owned small businesses.



**Raytheon
Diversity**

The Raytheon Diversity Insignia reflects our commitment to diversity while providing a unifying device to help the company leverage the efforts of our many employees.

Diversity Wheel
The Diversity Wheel is used to symbolize the breadth of the qualities that make our culture vibrant and distinctive.