

## Dear Raytheon Stakeholder,

The meaning of performance in business certainly relates to shareholder value, which, of course, we all know is very important. But it also means many other things: being a good corporate citizen; earning the trust of our customers by doing business in an ethical manner; and creating a safe and welcoming work environment that encourages diversity in every sense of the word, including diversity of thought and opinion. It means caring for the environment around us and making corporate governance a priority in the way we relate to our shareholders. It means having a vision, a strategy, goals and values for our company — core principles that guide each and every employee, regardless of position.

At Raytheon, we believe that tending to these matters, and others, enables us to be good stewards of our company, so that we are consistently supporting our culture — a culture that builds a reputation with lasting value.

In this report, you will read about, for example, our efforts to promote employee health and wellness and a safe work environment, about reducing hazardous waste and solid waste, saving electricity, and reducing greenhouse gas emissions. We know and understand the importance of these efforts.

We also know that as a technology company, we are competing not only for contracts and programs, but also for *talent*. Only with a culture that values differences will we be able to retain and attract the best talent. Only by inviting and encouraging different perspectives will we be able to continue to generate the world-class, innovative solutions our customers have come to expect.

Stewardship requires *vision*. That's why the company is investing today in the technical talent pipeline for tomorrow — why our MathMovesU™ program

reaches out to middle school students to get them excited in math now so that they will pursue careers in engineering and science later.

Stewardship also requires listening. That's why we place such an emphasis on respect. Raytheon defines respect quite specifically, the way the company's employees define it: acknowledging one's presence, valuing one's opinion, providing ongoing feedback, showing appreciation and explaining why we do what we do. And that's why we strive to show you respect, as stakeholders of Raytheon.

In fact, we strive to be world-class in *all* of our stewardship activities. We believe that the way to get there is by building a culture of continuous improvement, a culture that regards today's "ceiling" of accomplishment as tomorrow's "floor."

I hope that this determination to constantly move forward comes through in the pages that follow — and that you will continue to have confidence in our company, its people and our journey.

As always, a proud member of the Raytheon team,



William H. Swanson  
Chairman and  
Chief Executive Officer

