Raytheon Australia

Modern Slavery Statement

This statement is issued on behalf of Raytheon Australia Pty Ltd ('Raytheon Australia') pursuant to the Modern Slavery Act 2018 (Cth) (the Act).

Raytheon Australia is committed to ensuring slavery and human trafficking are not taking place in our business or supply chains. This statement sets out the actions taken by Raytheon Australia during the financial year ending 31 December 2020 to ensure slavery and human trafficking is not taking place in any part of our operations or supply chain.

Integrated
in Australia

Our Corporate Structure

Raytheon Australia is a proprietary company limited by shares, registered under the Corporations Act 2001 (Cth), and a member of a global group of companies ultimately owned by Raytheon Technologies Corporation (RTX). All of the shares issued in the capital of Raytheon Australia Pty Ltd are owned by Raytheon Systems Limited, a company incorporated in the United Kingdom. Both Raytheon Australia Pty Ltd and Raytheon Systems Limited are ultimately owned by RTX. Raytheon Australia does not control other entities.

RTX is a corporation incorporated under the laws of the State of Delaware, USA and listed on the New York Stock Exchange. RTX is an aerospace and defense company that provides advanced systems and services for commercial, military, and government customers worldwide. The company was formed in 2020 through the combination of Raytheon Company and the United Technologies Corporation aerospace businesses. RTX is headquartered in Waltham, Massachusetts, U.S.A. and a global manufacturer with a highly skilled workforce comprised of approximately 181,000 employees. RTX consists of four highly specialized businesses: Collins Aerospace Systems, Pratt & Whitney, Raytheon Intelligence & Space, and Raytheon Missiles & Defense; with each segment comprised of groups of similar operations.

- **Collins Aerospace** specializes in aerostructures, avionics interiors, mechanical systems, mission systems, and power and control systems that serve customers across the commercial, regional, business aviation and military sectors.
- **Pratt & Whitney** designs, manufactures and services the world's most advanced aircraft engines and auxiliary power systems for commercial, military and business aircraft.
- **Raytheon Intelligence & Space (RIS)** delivers disruptive technologies its customers need to succeed in any domain, against any challenge. RIS specializes in developing advanced sensors, training, and cyber and software solutions that provide a decisive advantage to civil, military and commercial customers around the world.
- **Raytheon Missiles & Defense (RMD)** produces a broad portfolio of advanced technologies, including air missile defense systems, precision weapons, radars, and command and control systems – delivering end-to-end solutions to detect, track and engage threats.

Our Operations

Raytheon Australia is a technology company focusing on multi-domain systems integration and whole-of-life capabilities for the Australian Defence Force (ADF). Our vision is to be the Capability Partner for Australia's Defence and the nation's leading provider of whole-of-life defence capability.

We have over twenty years of experience delivering and sustaining capability for the ADF, including:

- Australian Defence Force systems (Joint, Naval, Air and Land);
- Joint Fires;
- Integrated Air and Missile Defence; and
- Advanced Test and Training.

Raytheon Australia's team of more than 1200 employees, almost entirely located in Australia, includes over 700 engineers and technicians, strengthened by a team of highly-skilled program managers, integrated logistics support, sustainment and training experts, technical governance specialists and corporate professionals, to deliver high-tech capability to the ADF spanning across all domains.

Raytheon Australia undertakes the full spectrum of design, systems engineering and sustainment activities, including systems architecture, specification of subsystems and components, performance and evaluation of trade-studies, procurement, systems integration, acceptance testing, installation and set to work during the production phase, and provision of training. We also support Commonwealth validation, verification and certification activities for the fielded capability. These capabilities enable us to engage with Capability Managers and Program Offices to support and contribute to the entire capability life cycle from requirements definition, specification development, program execution and acceptance, to sustainment and disposal.

Raytheon Australia is established in every mainland state in Australia, either at dedicated sites or co-located on Defence bases with our customer.
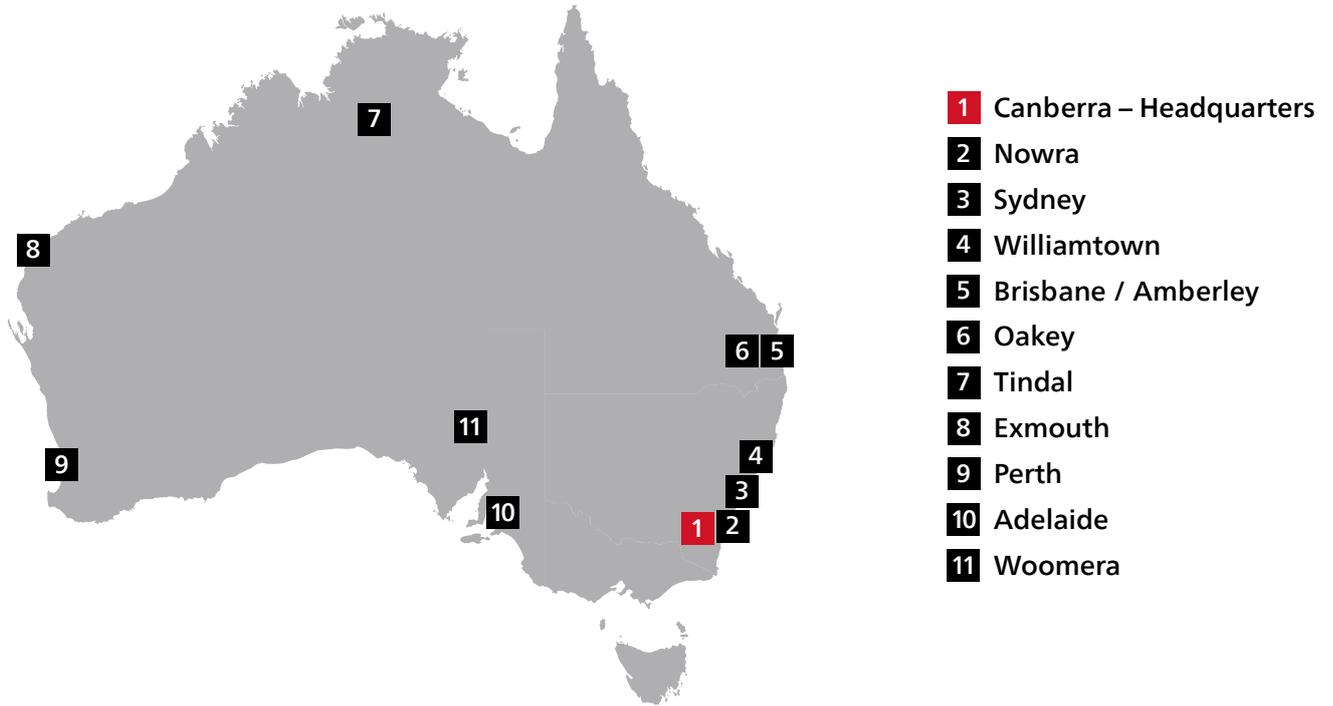
Figure 1: Raytheon Australia Geographic Operations

1	Canberra – Headquarters
2	Nowra
3	Sydney
4	Williamtown
5	Brisbane / Amberley
6	Oakey
7	Tindal
8	Exmouth
9	Perth
10	Adelaide
11	Woomera

Raytheon Australia is structured for delivery and growth and is organised in to three groups:

Developing Capability

- Strategy & Business Development
- Enterprise Focus Area – Effects
- Exports

Enabling Capability

- Business Operations
- Contracts & Supply Chain
- Human Resources & Corporate Services
- Public Affairs
- Engineering
- Information Technology

Execution

- Mission Systems
- Above Water Systems
- Under Water Systems
- Joint Battlespace Systems
- Weapons

Figure 2: Raytheon Australia business structure

The pursuit of new work is managed by the Developing Capability Group. This includes forward planning of the required workforce and professional development needed to deliver future contracted responsibilities. Enabling Capability is responsible and accountable for maintaining robust, industry leading business processes, providing specialist expertise and conducting independent reviews to ensure program integrity. Once a new contract is awarded, work responsibility is handed over to a Product Line for Execution.

The Product Lines are responsible for the day to day execution of programs of work and are accountable for the management of staff, scheduling, planning, budgets, costs and deliveries. Product Lines and their programs are supported by the company's Enabling Capability which delivers cross-organisational, multidiscipline subject matter expert support. Each Product Line locally maintains the highly specialised capabilities needed to execute programs of work. Our four major product lines are outlined on the following page:

MISSION SYSTEMS

Capabilities

Trusted partner in delivering critical integrated communications:

- Battlefield communications
- Enhanced Position Location Reporting Systems (ELPRS)
- Cryptographic Equipment
- Cyber

ABOVE WATER SYSTEMS

Capabilities

Focussed on delivering major systems for the RAN surface fleet:

- Capability Life Cycle Management
- Sustainment and training services
- Combat System and shipborne mission package integration
- Ship Communications Systems

BELOW WATER SYSTEMS
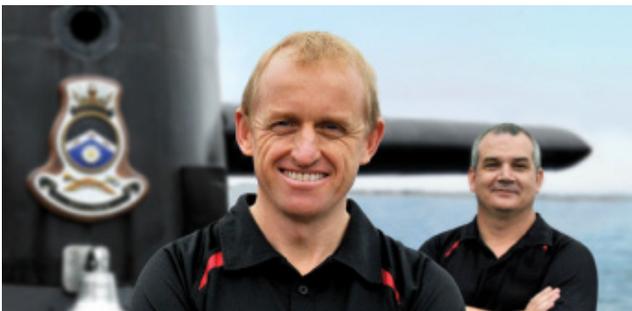
Capabilities

A sovereign capability: Collins Class Submarine combat system:

- Combat System Manager
- Life of Type Extension
- Combat System architecture, design and sustainment
- Management of the Combat System Shore Facility

JOINT BATTLESPACE SYSTEMS

Capabilities

Maintaining Australia's defence technology edge:

- Woomera Test Range
- Joint Adversarial Training and Testing Services (JATTS)
- Mobile Threat Training Emitter System (MTTES)
- Air Combat Training Services Support

Figure 3: Raytheon Product Lines

Our Supply Chain

Raytheon Australia seeks to develop strategic relationships with reputable, responsible suppliers that are committed to the highest standards of ethics and business conduct. We rely on a global supply chain to deliver goods and services, in a timely and satisfactory manner, and in full compliance with applicable terms and conditions.

Our global supply chain spans many industries. Our suppliers can be divided into two broad categories:

- Product suppliers (a/k/a "direct" suppliers) – i.e., those that support the delivery of services and products to our customers; and
- Non-product suppliers (a/k/a "indirect" suppliers) – i.e., those that support our operations.

The products we procure for the delivery of our programs are predominantly high-end technology or commercial off-the-shelf products. We procure from large multinational companies and from small and medium-sized businesses.

Raytheon Australia's supply chain consists of more than 1500 active Tier 1 suppliers across 20 countries. More than ninety-five percent (>95%) of our Tier 1 suppliers are located in Australia, New Zealand or North America (USA / Canada). The balance of our supply chain is predominantly based in the United Kingdom, with some European suppliers (e.g., Denmark, Norway, Spain, Germany). Less than one percent (1%) of Raytheon Australia's supply chain is based in Asia.

Our Exposure to Modern Slavery

We consider our exposure to modern slavery to be low due to the nature of our business, the marketplaces that we and our suppliers operate in, and our company's policies and procedures for combatting modern slavery (these are described in more detail in the below section titled, "Managing Modern Slavery Risks").

Risk in Our Operations

We do not have a significant risk of modern slavery within our operations or workforce. Modern slavery is anathema to our culture and values. Our internal policies and procedures are designed to provide a safe work environment, ensure compliance with applicable law, and respect and protect human rights by, among other things, condemning and prohibiting the use of forced labor. As an aerospace and defense company, we operate in a highly regulated industry, predominantly employ a highly skilled workforce, and do not operate in any sector or industry that has a prevalence to modern slavery risks.

Risk in Our Supply Chain

Because of the nature of the goods and services we predominantly source, where our suppliers are predominantly located, the risk-based due diligence we conduct to ensure potential suppliers are qualified and reputable before on-boarding, and our standard terms and conditions of purchase requiring suppliers to comply with applicable laws, we do not have a significant risk of modern slavery within our supply chain. However, we recognize that forced labour and related practices have the potential to intersect with our supply chain, and as described below in more detail, we have established policies and procedures to mitigate that risk.

Managing Modern Slavery Risks

Raytheon Australia is committed to responsible and ethical business practices and expects our business partners and suppliers to share that commitment. Every employee is responsible for ensuring that our business is conducted in compliance with applicable laws (including laws prohibiting forced labor) and with our Code of Conduct. The RTX Code of Conduct describes our values and standards; and how we work with our people, our customers and partners, local communities, and the public.

RTX Code of Conduct

Stronger Together, Raytheon Technologies' global Code of Conduct (the "*Code*") is the foundation of our culture. By setting standards and by guiding us in line with our values, the *Code* helps us to build a strong ethical culture and to achieve our business goals with integrity. It applies to all our directors, officers, and employees, and in certain respects, to business partners such as suppliers, consultants, representatives, and agents. Among other things, the *Code* includes the following statements regarding selecting and collaborating with the right partners and the protection of human rights:

We choose our business partners based on merit and shared values and treat them fairly. We seek business partners who can help us achieve our goals by working collaboratively to provide expertise, resources, efficiency, and innovation. This helps us deliver excellent, reliable products on time and on budget. We expect partners to share our high ethical and safety standards and our passion for making a positive impact in the world. Selecting and collaborating with the right partners means that we:

- *Seek to do business with partners who meet our needs and share our values;*
- *Conduct risk-based due diligence to ensure potential partners are qualified and reputable before on-boarding;*

- *Monitor business partner performance on an ongoing basis;*
- *Expect our partners to uphold our values and comply with anti-bribery conventions and all other applicable laws; and*
- *Formalize relationships in writing to provide transparency and accountability.*

Respecting and protecting human rights mean that we:

- *Ensure safe and healthy working conditions for our employees, by applying best practices in our day-to-day activities and facilities and ensuring compliance with the most stringent applicable EHS standard;*
- *Promote responsible sourcing practices and hold business partners accountable to the standards we set in our Supplier Terms and Conditions and Code of Conduct;*
- *Work only with business partners who share our commitment to fighting human trafficking and supporting human rights;*
- *Condemn and prohibit the use of child or forced labor; and*
- *Follow company policies, regulations, and guidance regarding potential conflict minerals.*

The Code is available **here**.

Internal Accountability Standards – Reporting Encouraged, without Fear of Retaliation

Raytheon Australia is committed to a culture where people are encouraged and confident to speak up, without fear of retaliation. This is an enterprise-wide value.

RTX promotes behaviors based on trust, respect, and accountability. When employees, contractors and partners observe or suspect something that conflicts with our values, we encourage them to speak up and report it. Employees are encouraged and expected to report anything that is, or appears to be, a violation of the *Code* of which they are aware and that have not otherwise been reported to management or to the Global Ethics & Compliance organization. Additional information regarding the various resources available to ask a question or raise concerns, including in complete confidence through the Ombudsman Program, is available **here**.

All concerns or allegations of misconduct submitted to the RTX Ethics Office will be thoroughly investigated in the ordinary course by the company's Ethics Office and, if substantiated, resolved through appropriate corrective action.

RTX has zero tolerance for retaliation and activities that impact good-faith reporting – anyone engaging in retaliatory behavior is subject to disciplinary action, up to possible termination.

Internal Training

RTX recognizes that our people play an important role in building and maintaining a strong ethical culture where we achieve our business goals with integrity, in accordance with our *Code*, and applicable laws. All employees receive annual ethics and compliance training. We also make training available to all employees on recognizing and mitigating the risk of human trafficking and modern slavery in supply chains.

Supply Chain Expectations and Assessment Processes

Raytheon Australia's suppliers are critical to our success and our ability to provide superior products and services in a responsible manner. As a vital part of our team, we have the same expectations of our suppliers for ethics and compliance as we have for our officers, directors, employees, and representatives.

- **Compliance with all Applicable Laws:** Our standard terms and conditions of purchase require suppliers to comply with all applicable laws and regulations.
- **Raytheon Supplier Conduct:** Through Raytheon Australia's standard terms and conditions of purchase, suppliers must represent that they have not participated in any conduct in connection with the contract that violates our company's Code of Conduct or, alternatively, equivalent Business Ethics and Conduct Standards of the supplier.
- **RTX Supplier Code of Conduct (Supplier Code):** Among other things, the *Supplier Code* requires suppliers to ensure child labor is not used in the performance of their work, whether or not related to RTX business. It also requires suppliers to fully comply with laws and regulations prohibiting human trafficking. This includes prohibiting the use of forced, bonded or indentured labor, involuntary prison labor, slavery, or trafficking in persons. The *Supplier Code* provides that our suppliers will allow RTX and/or its representatives to assess their compliance, as well as the compliance of the supplier's business partners, with the expectations set forth in the *Supplier Code* in performing work for RTX, including on-site inspection of facilities. The *Supplier Code* is available **here**.
- **Supplier Assessment and Verification (including Audits):** Suppliers are subject to robust selection processes and criteria, including for example, verification against government denied party lists. Periodically, in the normal course of business, we may conduct a site visit with a supplier. However, in the ordinary course of business, we do not conduct site visits or otherwise evaluate or audit suppliers specifically for the purpose of verifying the eradication of slavery and human trafficking in their supply chains. Anyone who suspects or observes such conduct may ask a question or raise

concerns, including in complete confidence, through the resources described above in the section titled, "Internal Accountability Standards – Reporting Encouraged, Without Fear of Retaliation".

- **Supplier Certification:** In the normal course of business, we do not require suppliers to expressly certify that materials incorporated into goods furnished to us comply with the laws regarding slavery and human trafficking of the country or countries in which they are doing business.

Effectiveness of Actions Taken

Questions or concerns raised through the above-described reporting mechanisms would be directed to Global Ethics & Compliance for a thorough investigation. No such reports or concerns were made during the Reporting Period, and we have not otherwise identified any instances of modern slavery or human trafficking in our business or in our supply chain. This is consistent with our assessment that overall, our exposure to human trafficking and modern slavery is low.

Continuous Improvement Efforts to Mitigate Risk

Since December 31, 2020, Raytheon Australia has taken, or intends to take the following steps to continue to ensure modern slavery is not taking place in its

organization or supply chain. As part of our regular business operations, we intend to:

- Raise internal and external awareness regarding our corporate policy condemning and prohibiting the use of child and forced labor;
- Seek to do business with reputable, responsible suppliers that are committed to the highest standards of ethics and business conduct;
- Require our suppliers, through our standard terms and conditions of purchase, to represent that they will (1) comply with all applicable laws and regulations (including those that prohibit forced labor and modern slavery) and (2) comply with a code of conduct or policy statement regarding business conduct, ethics and compliance that satisfies, at a minimum, the principles set forth in the RTX Supplier Code of Conduct;
- Provide employees with training resources designed to increase awareness of ethics and compliance matters generally, as well as on recognizing and mitigating the risks of human trafficking and modern slavery in supply chains;
- Through our Ethics Office, thoroughly investigate any concerns or allegations of misconduct submitted to the RTX or Raytheon Australia's Ethics Office and, if substantiated, resolve through appropriate corrective action; and
- Monitor the development of new regulations relating to prevention of modern slavery and human trafficking, to ensure that our policies and procedures remain current and compliant.

Statement Approval

This statement has been approved by the Raytheon Australia Pty Ltd Board of Directors on 30 April 2021.

Signed by:

Michael J Ward
Managing Director
Raytheon Australia Pty Ltd
30 April 2021