

## **L3Harris' Supply Chains Act Report (2023)**

### **ABOUT THIS REPORT**

L3Harris Technologies Canada Inc. has prepared this report (this "**Report**") pursuant to the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "**Act**") for the financial year ended December 31, 2023. This is a joint Report made on behalf of L3Harris Technologies Canada Inc. and its subsidiaries, L3Harris MAS Inc., L3Harris MAPPS Inc. and Wescam Inc. (collectively, the "**L3Harris Reporting Entities**"). This Report has not been externally assured.

This Report describes the steps taken to enhance transparency in our supply chains by outlining the steps taken during the 2023 financial year to prevent and reduce the risk that forced labour or child labour (collectively, "**Modern Slavery**") is used at any step of our production of goods in Canada or elsewhere, or of goods we import into Canada. This has been done in accordance with the mandatory reporting criteria outlined in Sections 11(1) and 11(3) of the Act.

The L3Harris Reporting Entities do not currently report under similar legislation in any other jurisdiction. However, other subsidiaries of L3Harris Technologies, Inc., our parent company report under similar legislation in the United Kingdom.<sup>1</sup>

### **INTRODUCTION**

Embodying our Corporate Values of Integrity, Respect, and Excellence, the L3Harris Reporting Entities are second to none when it comes to our accountable, honest, and ethical behavior. We understand the dynamic challenges the world faces when identifying and managing the risks of Modern Slavery in the workplace. We are committed to upholding the highest standard in our efforts to deliver technologically advanced and innovative products to our communities.

The L3Harris Reporting Entities are committed to protecting human rights and preventing Modern Slavery by promoting and complying with all human rights laws and standards in all of our locations. Included in this commitment is not engaging in Modern Slavery within our operations and not willingly or knowingly assisting in any Modern Slavery committed by another party. Additionally, we conduct business with suppliers who share the same commitment and enforce similar policies and best practices.

Our culture is driven by our commitment to our values, which govern all of our business activities and relationships. Our success depends on maintaining a culture of integrity and doing the right thing. In all of our business dealings, we conduct ourselves in an honest and ethical manner and expect the same of everyone who works on our behalf, including but not limited to, intermediaries, business partners, subcontractors and other third parties.

### **STRUCTURE, ACTIVITIES AND SUPPLY CHAINS**

#### ***Company Structure***

The L3Harris Reporting Entities are all directly or indirectly owned subsidiaries of L3Harris Technologies, Inc. ("**L3Harris**"), headquartered in Melbourne, Florida. L3Harris is an aerospace

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<sup>1</sup> UK Slavery and Human Trafficking Statement can be found [here](#).

and defense company that employs approximately 50,000 employees across 300 locations globally. The majority of L3Harris' business is with US federal government agencies, including Department of Defense, NASA, NOAA, Coast Guard and FAA. L3 Harris' supply chain consists of more than 10,000 suppliers.

The L3Harris Reporting Entities are part of the group of companies under the L3Harris family (collectively, the "**L3Harris Group**"). More information relating to the L3Harris Reporting Entities is set out in the table below:

<b>L3Harris Reporting Entities</b>	<b>Entity Specific Information</b>
L3Harris Technologies Canada Inc.	Incorporated pursuant to the <i>Canada Business Corporations Act</i> , headquartered in Waterdown, Ontario. Business Number: 868065111RC0003
L3Harris MAS Inc.	Incorporated pursuant to the <i>Canada Business Corporations Act</i> , headquartered in Mirabel, Quebec. Business Number: 886952605RC0004
L3Harris MAPPS, Inc.	Incorporated pursuant to the <i>Canada Business Corporations Act</i> , headquartered in Saint-Laurent, Quebec. Business Number: 861642833RC0001
Wescam, Inc.	Incorporated pursuant to the <i>Ontario Business Corporations Act</i> , headquartered in Burlington, Ontario. Business Number: 889433058

The L3Harris Group employs more than 3,000 Canadian employees across 13 locations, making it one of Canada's largest and most diverse defence and security companies. These employees add value to the Canadian economy through high-tech jobs, innovation, diversity and designing solutions for the future.

### **Activities and Operations**

The L3Harris Reporting Entities have provided products and services in Canada for more than six decades. Working with federal and provincial governments, crown corporations and civilian industry, our technologies support complex missions in defence, public safety, commercial aviation, law enforcement and environmental/remote sensing.

Overall, the L3Harris Reporting Entities provide solutions for Canada regarding defence, geospatial, weather and environmental sensing, air traffic management, border security and pilot training.

With its state-of-the-art tactical radios, the L3Harris Reporting Entities are modernizing Canada's Department of National Defence communications and are a critical component of the Integrated Soldier System program. The L3Harris Reporting Entities support NAV Canada's Air Traffic Management capabilities with telecommunication infrastructure and services. The L3Harris Reporting Entities' P25 system deployed in Alberta and Saskatchewan is one the largest first responders' radio communication systems in the world.

The L3Harris Group is recognized as one of the premier In-Service Support ("**ISS**") integrators supporting large fleets of military aircraft across Canada including the CF-18 Hornet, CC-150 Polaris, CH-148 Cyclone, CH-147F Chinook, CT-114 Tutor and CP-140 Aurora. The L3Harris Group is recognized worldwide for its Integrated Platform Management System ("**IPMS**")

developed in Canada for the Canadian Navy City Class Patrol Frigates. The IPMS is resident on the Halifax Class Frigate, Arctic Offshore Patrol Ship and is destined for the Canadian Surface Combatant.

### ***Our Supply Chains***

The L3Harris Group has more than 1,500 suppliers across Canada. Because of the diversity of the L3Harris Reporting Entities' products and services, as well as the wide geographic dispersion of our facilities, we use numerous sources for the wide array of materials, such as electronic components, printed circuit boards, metals and plastics needed for our operations and products. We depend on suppliers and subcontractors for a large number of components and subsystems. We also rely on a limited number of certified microelectronics component suppliers for our products.

In 2023, approximately 97 percent of the goods sourced from suppliers by the L3Harris Reporting Entities were from the following countries: Canada, the United States, Israel, the United Kingdom, Germany, Switzerland, Denmark, Australia, Spain, France, South Korea, Norway and Italy.

### **POLICIES AND DUE DILIGENCE**

L3Harris' Policy Statement, which is applicable to the L3Harris Reporting Entities, states:

*"L3Harris does not engage in human trafficking and will not willingly or knowingly assist in any human trafficking committed by any other party, nor will it knowingly work with suppliers or business partners that engage in such activities. L3Harris maintains internal policies and compliance plans designed to foster compliance with applicable human trafficking-related laws. Its commitment to compliance with these laws is also reflected in its Code of Conduct and Supplier Code of Conduct."*

As part of the L3Harris Group, the policies and due diligence processes set out in this section are applicable to the L3Harris Reporting Entities as they are implemented at the L3Harris parent corporation level, and are imposed upon and adopted by its subsidiaries, including the L3Harris Reporting Entities.

L3Harris will continue to periodically review and, as appropriate, modify or enhance policies, procedures, training and other tools and efforts designed to combat human trafficking and promote supply chain transparency.

### ***Code of Conduct***

L3Harris' Code of Conduct (the "**Code**"), available [here](#), describes our commitment to our values, summarizes essential policies, laws, and regulations that employees need to know while employed by the L3Harris Group, and is our guide to ethical decision-making. Making ethical decisions is essential to how we work with each other, with our customers and business partners, and within our global community.

The Code sets out our commitment to protecting human rights and preventing Modern Slavery by promoting and complying with all human rights laws and standards in all of our locations. This means we:

- do not engage in Modern Slavery within our operations and do not willingly or knowingly assist in any Modern Slavery committed by another party;
- avoid misleading or fraudulent recruiting and employment practices, including charging recruiting fees, denying access to an employee's identity or immigration documents, or failing to disclose key terms and conditions of employment;
- recognize the right to collective bargaining and comply with all applicable wage and hour laws; and
- conduct business with suppliers who share the same commitment and enforce similar policies and best practices.

The Code applies to employees, officers and members of the Board of Directors of the L3Harris Group. Following the Code is mandatory, and all employees have an obligation to comply with the Code, our policies and the laws where we do business. Violations are taken seriously at the L3Harris Group and may result in disciplinary action, up to and including termination of employment.

### ***Supplier Code of Conduct***

We expect all third parties whom we contract, including agents, suppliers and contractors, to comply with the L3Harris Supplier Code of Conduct (the "**Supplier Code**") when conducting business on L3Harris' behalf. The Supplier Code can be accessed [here](#).

The Supplier Code sets forth the expectations of L3Harris that all suppliers will:

- conduct business ethically and in compliance with all applicable laws and regulations;
- support the human rights of workers;
- treat people with respect;
- maintain safe and healthy working conditions;
- safeguard assets entrusted to them; and
- strive to protect the environment.

We expect suppliers to maintain full compliance with the Supplier Code and all laws and regulations applicable to their business and to ensure extension of these requirements to all sub-tier suppliers they employ on our behalf.

In event of a violation of any of the above expectations, we may pursue corrective action to remedy the situation. In the case of a violation of law or regulations, we may be required to report those violations to the proper authorities. We reserve the right to terminate our relationship with any supplier under the terms of any existing procurement or purchasing contract.

Additionally, we expect our suppliers to maintain an ethics and compliance program that is commensurate with the size and nature of their business. The program should include policies and other processes to ensure compliance with laws, regulations and the expectations related to

or addressed expressly within the Supplier Code. This should include systems to monitor their compliance with these standards and take appropriate action to correct identified deficiencies or incidences of noncompliance.

We also encourage our suppliers to be familiar with the business practices of their suppliers, subcontractors, and other business partners to ensure compliance with the law and the Supplier Code for any activity performed on behalf of our company; and to proactively manage and mitigate risk in their supply chain and, where appropriate, report the risk back to us to ensure that those risks are appropriately mitigated.

We require our suppliers to share our commitment to uphold the human rights of all workers. This means we expect our suppliers to: ensure all employment is freely chosen and prohibit all forms of Modern Slavery; prohibit the use of child labour; comply with all applicable laws in the countries in which they operate; respect the rights of workers to form and join trade unions of their own choosing, to bargain collectively and to engage in peaceful assembly; and refrain from violating the human rights of others.

Suppliers must educate employees on prohibited trafficking activities, discipline employees found to have violated the law or rules and notify the contracting officer of violations and action taken against employees.

### ***Human Rights Policy***

The Human Rights Policy reflects L3Harris' review of working standards and human rights concepts advanced in the Universal Declaration for Human Rights and the United Nations Guiding Principles for Business and Human Rights. It reinforces a commitment to protecting human rights by treating people with dignity, fairness and respect, as well as to partnering with stakeholders in implementing this policy. The Human Rights Policy can be accessed [here](#).

The Human Rights Policy reiterates many commitment set out in the Code, Supplier Code and Transparency in Supply Chains Policy, such as: promoting and complying with all human rights laws and standards and expecting the same of those who work on our behalf; conducting business with suppliers who share the same commitment to enforce similar policies to refrain from violating the rights of others; not engaging in Modern Slavery within operations or knowingly assisting in any Modern Slavery committed by other parties; avoiding misleading or fraudulent recruitment and employment practices; and recognizing the right to collective bargaining and complying with all wage and hour laws.

L3Harris reports periodically on progress made in upholding the Human Rights Policy and assesses regularly whether changes are needed to ensure commitment to protecting human rights.

### ***L3Harris Helpline***

Anyone who becomes aware or suspects any ethical misconduct or a violation of Company policy, law or regulation should report the matter to the L3Harris Helpline either online or by phone. Reports can be made 24/7, 365 days a year in a wide variety of languages and those making reports have the option to remain anonymous should they choose.

Additionally, we have an updated list of ethics advisors that employees can directly reach out to with questions or concerns if they feel the need to. These advisors are seasoned employees

throughout the company that help navigate ethics investigations, questions, and concerns. Employees are informed that they have other resources beyond the Ethics Helpline and Ethics advisors. Depending on the situation, employees may feel more comfortable raising the concern with a supervisor or other member of management, Human Resources, a member of the legal department, a subject matter expert, or even reaching out by mail.

The L3Harris Group strictly prohibits any form of retaliation against an employee, who in good faith makes a report or assists in the investigation of a reported concern. Employees who engage in retaliatory behaviour against others may be subject to disciplinary action, up to and including termination.

### ***Supplier Onboarding***

As part of the supply chain onboarding process and prior to contract award, L3Harris representatives conduct supplier eligibility reviews to ensure our supply partners are not in violation of the L3Harris Supplier Code. Once it is determined that the core values of our supply chain partners are aligned to the L3Harris core values, L3Harris performs a detailed assessment and certification of supplier partner offerings, processes, and capabilities. As part of this process, L3Harris supply chain partners agree to abide by the Supplier Code. We reserve the right to require that our suppliers demonstrate compliance, and we can inspect any supplier site as needed.

Additionally, L3Harris performs risk based due diligence on all third parties and has established strong internal controls consistent with our Code and applicable laws and regulations. We also employ a system to identify any potential red flags before and during any relationships with supplier partners.

### ***Supply Chain Due Diligence***

The L3Harris Group deploys supply chain center of excellence teams whose focus is on supply chain performance and compliance. These teams: perform ongoing compliance reviews, participate in improvement initiatives, collaborate with the legal, internal audit, quality, human resources, ethics, program management, finance, and accounting departments to ensure supply chain performance and culture are aligned to L3Harris objectives values.

## **POTENTIAL RISKS IN OUR OPERATIONS AND SUPPLY CHAINS**

### ***Potential Risks in Our Operations***

The L3Harris Reporting Entities consider the risk of Modern Slavery occurring within our operations to be low. Not only does the L3Harris Reporting Entities' workforce exist only within Canada, which has comprehensive and strict labour, employment, and human rights laws, but a majority of our services are provided to the government and other public sector organizations, which typically have more complex and considerably stricter rules for providing products, services and solutions than those rules that govern work with commercial customers.

### ***Potential Risks in Our Supply Chains***

We recognize that there is a risk of Modern Slavery occurring within supply chains. We understand that geographic considerations, and the nature of the raw material and particular industries can be associated with a higher risk of Modern Slavery. There are also risks linked to certain industries

even in countries considered to have lower risks of Modern Slavery. However, the suppliers we sourced goods from, predominantly imported from countries which have a low prevalence of Modern Slavery, a low risk of vulnerability to Modern Slavery and fairly robust governmental responses addressing Modern Slavery (see Walk Free, Global Slavery Index 2023, found [here](#)). Further, due to the policies and procedures currently in place that apply to our supply chains and the nature of the majority of our procurement activities, as a whole, we view the risks of Modern Slavery in our supply chains as low to moderate.

Through our assessment of our operations and supply chains regarding the risk of Modern Slavery being used, we did not identify any instances of Modern Slavery. Accordingly, no steps were required to remediate Modern Slavery, or the loss of income associated with remediation efforts.

### ***Management and Mitigation of Potential Risks***

We know that the work L3Harris does has an impact on the communities where we live and work. We strive to conduct our business in a way that demonstrates corporate stewardship and responsibility.

Consistent with our ethical culture, L3Harris is committed to good corporate citizenship through its involvement in charitable organizations and community activities. We encourage employees to volunteer in our communities.

Some specific initiatives include:

- **Veterans:** Supporting Emergency Responders and Veterans Engagement, employee resource group members partnered with the Highway of Heroes, part of the Ontario Horticultural Trades Foundation, to create a walkway and temporary irrigation system for the memorial garden which honours all Canadians who served in the military.
- **Advancing Opportunity for Women:** Teams are empowering women in Canadian defence and security industries, with three L3Harris employees from Canada recently honoured for inspiring Change at the Women in Defence and Security Scholarship and Awards Breakfast.
- **Focus on Indigenous Peoples:** Employees in Canada voluntarily took part in Indigenous Awareness Training to promote understanding among non-Indigenous Canadians and Indigenous peoples.

### **TRAINING**

All L3Harris employees, regardless of position, annually receive training related to the Code, which includes content as to how L3Harris expects its employees to conduct business on behalf of L3Harris, and periodically includes specific human trafficking related content.

We empower employees to use their best judgment by training them on our three-step ethical decision-making model – ACT. "A" stands for asking what the issues are. "C" stands for consideration of our values and responsibilities. Finally, "T" stands for taking action in a timely manner. These three steps help employees determine the appropriate steps to consider and escalate matters regarding violations or concerns.

As the L3Harris Reporting Entities continue the development of their actions to prevent and reduce the risk of Modern Slavery in 2024, we will consider implementing, as appropriate, a more focused training module on Modern Slavery.

### **ASSESSING EFFECTIVENESS**

We intend to continue to reevaluate the need to implement measures to assess the effectiveness of the processes we have in place based on the evaluation of our risks as described in this Report.

### **APPROVAL & ATTESTATION**

This Report was approved by the sole Director of L3Harris Technologies Canada Inc. on May 30, 2024, on behalf of itself and L3Harris MAS Inc., L3Harris MAPPS Inc. and Wescam Inc., pursuant to section 11(4)(b)(ii) of the Act.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the Report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

*Richard Foster*

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Richard Foster  
Vice President and sole Director of L3Harris Technologies Canada Inc.  
May 30, 2024

I have the authority to bind L3Harris Technologies Canada Inc., L3Harris MAS Inc., L3Harris MAPPS Inc. and Wescam Inc.