



INTEGRITY

Our decisions and actions are based on ethical, honest and accountable practices.

EXCELLENCE

We perform at the highest levels through flawless execution, customer focus and constant innovation.

RESPECT

We tackle every challenge with a sustainable, community-minded and inclusive approach.

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COVER IMAGE: L3Harris provides critical imaging and ground system capabilities for the GOES-R Series weather satellite.

HERE: L3Harris radomes protect equipment at the Cryptologic Operations Center in Misawa, Japan. Use of U.S. DoD visual information does not imply or constitute DoD endorsement.

We launched L3Harris in 2019 with a vision to create a company with the scale, resources and capabilities to provide innovative and rapidly fielded solutions to address our customers' critical mission needs.

A MESSAGE FROM WILLIAM M. BROWN



L3Harris in 2019
with a vision to
create a company
with the scale,
resources and
capabilities to
provide innovative
and rapidly
fielded solutions
to address our
customers' critical

We launched

mission needs. We are also committed to operate as a company with a highperformance culture rooted in strong shared values, excellence in everything we do and accountability to all our stakeholders.

Our values of *integrity, excellence and* respect have guided us from the start. We built on these to establish a comprehensive Environmental, Social and Governance (ESG) strategy including detailed metrics to measure progress.

To drive ESG activities, we formed a Steering Committee of senior executives who undertook a comprehensive materiality assessment. The assessment confirmed the areas that are most important to our stakeholders and to our business, and guided us in establishing our long-term goals.

ENVIRONMENTAL

We have internal reporting standards to govern our management of energy, greenhouse gas (GHG) emissions, water usage and solid waste generation and diversion. We leverage technology to continually improve practices that drive excellence in sustainability. For example, L3Harris recently signed a virtual renewable energy power purchase agreement, helping to avoid ~110,000 metric tons of GHG emissions annually—the equivalent of removing 24,000 cars from the road each year.

Additionally, our technologies for weather tracking, ocean mapping, earth observation and efficient flight routing help solve environmental challenges and promote sustainability.

SOCIAL

Last year we acted quickly to confront COVID-19, enabling nearly half of our employees to work remotely, and implemented stringent safety protocols for all. We supported first responder and other relief efforts and provided funds to organizations assisting those impacted by COVID-19. We also advanced payments to our small business suppliers to improve their liquidity.

Our communities — particularly those in the regions where we live and work — have remained important to us during this unprecedented time. We focus our community engagement in three areas: STEM education, mission-aligned programs and community development. We impact these areas through financial grants from the L3Harris foundation, company gift-matching and employee volunteerism. Additionally, the company supports the L3Harris Investing For Tomorrow (LIFT) program through mini grants that empower employees to support community programs.

Following the wave of protests against inequities in society, we reinforced our values — promoting frank and sometimes uncomfortable internal dialogue and committing to new diversity goals in our first Diversity & Inclusion Annual Report. And our values of *integrity*, *excellence* and *respect* extend throughout our value chain.

GOVERNANCE

We maintain the highest standards of business integrity throughout our organization with regular Ethics training, a global network of Ethics Advisors and a program that encourages employees to come forward with their concerns without fear of retaliation.

We have a strong governance structure supported by robust policies, operating principles and processes. Our Board of Directors oversees our corporate strategy, business action plans, management policies and performance objectives. The senior leadership team develops our three-year strategic plan, drives its execution,

and closely monitors performance against milestones.

L3HARRIS SUSTAINABILITY REPORT 2020

The progress we have made so far would not have been possible without the support of our Board of Directors, leadership team and dedicated employees.

There is more to be done, but we remain steadfast in our commitment to achieving our vision and building an enduring and sustainable future for our company and our society.

Sincerely,

William M. Brown

William M. Brown

Chair and Chief Executive Officer



ABOUT L3HARRIS

L3Harris Technologies (L3Harris) is an agile global aerospace and defense technology innovator, delivering end-to-end solutions that meet customers' mission-critical needs. The company provides advanced defense and commercial technologies across air, land, sea, space and cyber domains. Publicly traded on the New York Stock Exchange (Symbol: LHX), L3Harris has approximately \$18 billion in annual revenue and 48,000 employees, with customers in more than 100 countries.

Headquartered in Melbourne, Florida, L3Harris' largest customers include various departments and agencies of the United States (U.S.) government and their prime contractors. The company's products, systems and services have defense and civil government applications, as well as commercial applications.

around the products, systems and services it sells and the markets served. The company's organizational structure features four operating business segments.

L3Harris' operations are structured primarily

Learn more at L3Harris.com L3HARRIS: IN NUMBERS

\$18B

L3Harris annual employees revenue

scientists & engineers

>100

countries supported

INTEGRATED MISSION SYSTEMS



Including multi-mission intelligence, surveillance and reconnaissance and communication systems; integrated electrical and electronic systems for maritime platforms; and advanced electro-optical and infrared solutions.

COMMUNICATION SYSTEMS



Including tactical communications; broadband communications; integrated vision solutions; and public safety.

SPACE AND AIRBORNE SYSTEMS



Including space payloads, sensors and full-mission solutions; classified intelligence and cyber defense; avionics; and electronic warfare.



AVIATION SYSTEMS

Including defense aviation products; other commercial aviation products; commercial and military pilot training; and mission networks for air traffic management.

that matter most. We do this by living our values through environmental excellence, social commitment and governance with integrity.

We are driving change in the areas

HIGHLIGHTS OF 2020

Over the past year, L3Harris has implemented multiple initiatives that are already yielding results, as shown below:

ENVIRONMENTAL



31,637

Metric Tons of Carbon Dioxide equivalent (MT CO₂e) in GHG emissions reduced since 2019



7,083

tons of waste from operations sites diverted from landfill



A-SCORE

on CDP water disclosure

SOCIAL



~530

volunteer community projects completed in 2020



34%

decrease in Total Recordable Injury Rate (TRIR) from 2019 to 2020



1ST DIVERSITY & INCLUSION REPORT

released by L3Harris

GOVERNANCE



ESG

steering committee formed, elevating our focus on sustainability



100%

score on the Human Rights Campaign Corporate Equality Index 2020



100%

of employees trained in anti-corruption policies and procedures

STAKEHOLDER ENGAGEMENT

L3Harris takes a holistic view of our company and its role in society. We are committed to serving all of our stakeholders—employees, shareholders, customers, suppliers and community partners, among others.

As a technology innovator, we strive to deliver solutions that solve some of the nation's most mission-critical challenges, while at the same time seeking to address ESG-related issues, including reducing our environmental impact and addressing diversity and inclusion.

Following the Harris Corporation and L3
Technologies merger, we conducted a formal
materiality assessment that incorporated

perspectives from stakeholder groups to help develop and implement the new ESG strategy.

We plan to strengthen our efforts and enhance our approach through deeper engagement with new and existing stakeholder groups.

STAKEHOLDER GROUP	EXAMPLES OF OUR PRIMARY CHANNELS OF ENGAGEMENT	KEY TOPICS OF INTEREST
EMPLOYEES	Quarterly executive-led all-hands, company-wide surveys, working groups, employee resource groups, intranet, e-newsletters	Corporate governance
		Human capital
		Diversity and inclusion
		Workplace health and safety
		Data privacy and cybersecurity
CUSTOMERS	Meetings, virtual trade shows, regular consultation with governments and regulators, contractor meetings, customer service feedback	Business ethics
		Anti-corruption
		Sustainable products/services and packaging materials
SUPPLIERS	Sales meetings, conferences, forums	Supply chain
		Business ethics
		Human rights
		Conflict minerals
COMMUNITY	Meetings with community partners, volunteer events	All environmental topics
		Community engagement
		Diversity and inclusion
INVESTORS	Earnings calls, meetings with shareholders and analysts, publications of financial results and presentations, participation in ESG ratings	All topics
INDUSTRY PEERS	Involvement in industry associations	Supply chain
		All environmental topics
		Diversity and inclusion

NOTE: The table above provides examples of our key engagement methods with our main stakeholder groups, but is not an exhaustive list.

API

FOCUS AREAS

As an aerospace and defense company, L3Harris manages and addresses a broad range of ESG issues. This Sustainability Report, our first comprehensive disclosure of this nature for the combined L3Harris company, focuses on key impacts and ESG risks and opportunities relevant to our business and stakeholders. Understanding and prioritizing the ESG topics on which our business has the biggest impact allows the company to focus and report on the key issues.

In 2020, L3Harris conducted a formal materiality assessment to establish an ESG program. Based on inputs and information gathered from a variety of sources and activities, we incorporated the perspectives of key stakeholders and followed an iterative process to identify material issues. Through this effort, we expanded the awareness of ESG issues across the business, including employees, executive leaders and Board members. The broad approach helped the company enhance its ESG governance and management systems, increasing the company's ability to ensure that the ESG strategy delivers results in the coming years.

OUR APPROACH TO MATERIALITY:

- Reviewed surveys and feedback from ESG agencies such as Sustainalytics, Morgan Stanley Capital International (MSCI), and CDP to understand how L3Harris ESG programs are perceived and what topics may need more attention.
- ESG-related shareholder requests, tracked the most common focus areas, and identified opportunities to provide more information on our management approach and performance.
- AEROSPACE AND DEFENSE
 INDUSTRY: Analyzed peer company
 communications to prioritize common
 ESG issues, assessed effective reporting
 practices and developed best practices
 on communicating ESG topics.
- steering committees and working groups, from the Board level to individual departments, to inform and shape ESG strategy. Consulting with employees helped uncover diverse perspectives to ensure a stakeholder-driven approach and create internal accountability for the ESG program moving forward.
- PRACTICES: Used two of the most established reporting frameworks, the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB) guidelines, to identify material ESG issues and performance indicators for our organization.

As we embark on our ESG strategy and report on our progress in subsequent reports, we look forward to engaging broader stakeholder groups to learn how we can enhance our approach, strengthen our initiatives and maintain a focus of continuous improvement on our ESG program.

L3HARRIS SUSTAINABILITY REPORT 2020

E: ENVIRONMENTAL TOPIC S: SOCIAL TOPIC G: GOVERNANCE TOPIC



NOTE: • Topics determined to be materially important to L3Harris and which are addressed in this Sustainability Report are in **bold**. • Criteria Air Pollutants does not include GHG emissions.



COVID-19

RESPONDING TO THE CHALLENGE OF THE PANDEMIC

2020 challenged L3Harris in unprecedented ways, and we responded quickly to prioritize the health and safety of our employees, support them and their families and ensure the continuity of the supply chain.

PROTECTING OUR EMPLOYEES

L3Harris implemented rigorous safety procedures in response to the COVID-19 pandemic, including remote work options and stringent workplace hygiene protocols, and developed programs to help employees navigate new burdens.

20,000+

employees working remotely

21,800

hours of backup childcare and eldercare utilized

Measures included a relief fund for employees facing unexpected financial burdens and expanding our back-up childcare service, employee assistance program benefits, and the paid time off policy.

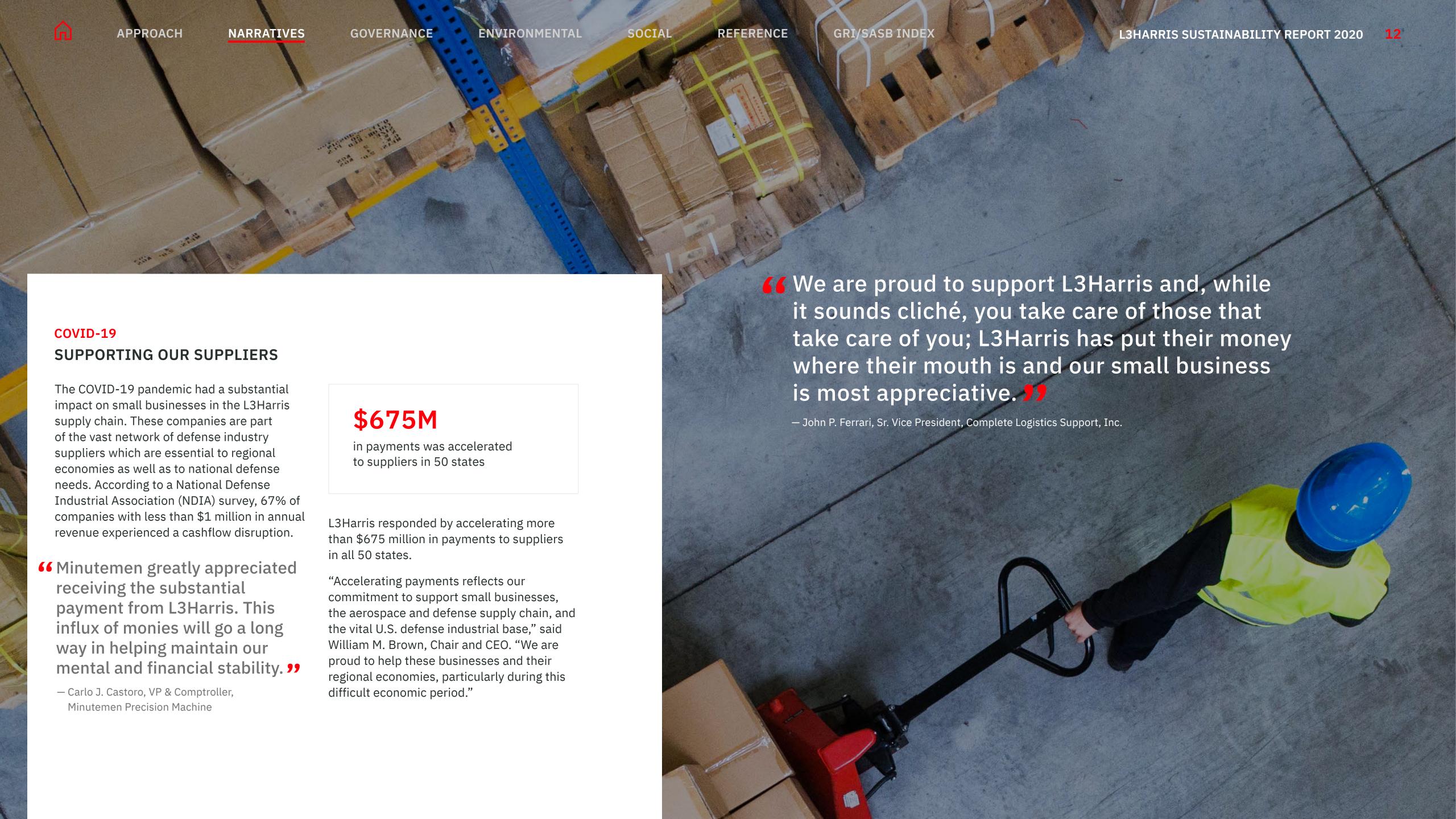
The L3Harris Cares Program, which is funded by company and employee contributions, provided grants to over 100 employees facing pandemic-related financial hardship.

Additionally, the L3Harris Foundation's Back-to-School Laptop Program reallocated company computers to the children of employees, based on application and need. By the end of 2020, ~200 computers were distributed.

For more information on our response to COVID-19, please see related information on page 13 and at L3Harris.com



Donated laptops



PRODUCT TECHNOLOGY

BRINGING LEADING EDGE TECHNOLOGY TO THE FRONT LINES

An essential part of L3Harris' customer commitment is recognizing our responsibility to deploy innovative technologies in critical times. In 2020, the company delivered on its commitment by supporting nationwide COVID-19 relief and providing assistance to public safety workers and agencies and those engaged in fighting the extensive and record-breaking fires on the west coast.

BeOn® APP CONNECTS HEALTHCARE TEAMS

In crisis conditions, coordinating necessary resources and managing patient demand can require rapid, large-scale communications with multiple agencies and workers in and out of hospitals. To assist healthcare and public safety workers in the worst stages of the pandemic, L3Harris provided its leading communications software, the BeOn® app, to emergency responders and healthcare workers responding to COVID-19 at no charge for 180 days.

The BeOn® app enables users to turn their smartphones, laptops and other devices into encrypted public safety radios, supporting

immediate, push-to-talk communication for individuals and groups, and making it easy to locate and track out-of-building personnel.



BeOn® mobile app

CASE STUDY: CONNECTING TO CRITICAL FRONT-LINE HEALTHCARE WORKERS

In late March 2020, within hours of its first license rollout for the multi-state healthcare system, L3Harris' BeOn® communications were put into use to assist healthcare workers in five states struggling to combat COVID-19.

Healthcare teams used the app to exchange text messages and pass real-time location and presence information between connected members. Specific talk groups were created for emergency rooms, triage sites and testing centers.

BeOn® technology enabled more efficient communications for overall public safety, nursing (COVID patient inflow), emergency room (ER) point-to-point and triage, in-home primary care nursing (for at-home recovery and isolation) and data updates from remote location COVID-19 testing sites. A hospital group in St. Louis said the app was a godsend.

At L3Harris we will push technology boundaries and focus our resources where they will have the biggest impact for our customers. We'll move fast to meet customer needs. ??

- Chris Kubasik, Vice Chair, President and

Chief Operating Office



PRODUCT TECHNOLOGY

FVR-90 AERIAL SYSTEM AIDS IN FIGHT AGAINST WILDFIRES

Called a "game-changer in the fight against wildland fires" the L3Harris FVR-90 unmanned aerial system with sensor technology was used by California firefighters during the unprecedented 2020 wildfires.

FVR stands for Fixed-wing, Vertical takeoff and landing, and Rotary propelled unmanned aerial systems (UAS). These units fly at high altitudes over the fires and beam real-time visual and heat imagery back to command centers. This precision situational awareness enables command centers to prioritize where fire crews and rescue workers should be deployed.

Our unique technology can make a difference in emergency operations and help save lives. The firefighters and rescue workers are the true heroes. Our technology provides a tool to help improve safety and decision making.

— Ross Niebergall, Chief Technology Officer



launch and recoveries at large scale fires

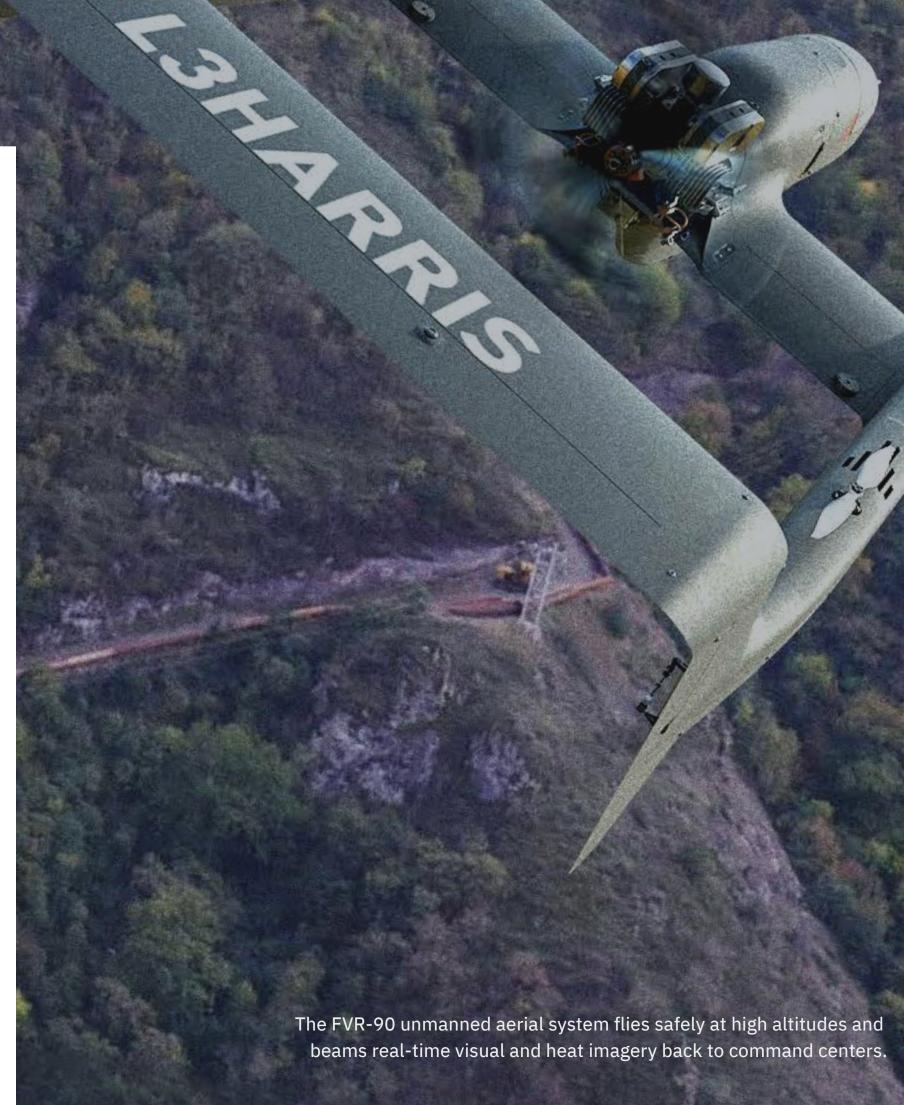
The FVR-90 system can go from box to launch in one hour and can be deployed to assist emergency workers in all 50 states within 72 hours. It requires no runway or additional equipment to be effective.

Unlike off-the-shelf quadcopters or multirotor models, the FVR-90 can take off vertically and land in areas that are too difficult for conventional aircraft. It can fly non-stop for up to 15 hours, be operated from land or sea, and carry as many as 20 pounds of sensors.

Thus far, 17 active FVR-90 units have flown a total of 1,100 hours including 533 launch and recoveries at large scale fires in Montana, Arizona and California.



FVR-90 unmanned aerial system



REDUCING OUR FOOTPRINT AND TRACKING CLIMATE CHANGE

In our internal operations, as well as in a wide range of external applications, L3Harris is stepping up to fight climate change. The company is committed to reducing greenhouse gas (GHG) emissions associated with our operations. We focus on reducing energy consumption in our facilities and we are taking steps to source more renewable energy to reduce the indirect GHG emissions associated with the electricity we purchase to power our operations. We are also using our advanced technology expertise to help agencies and individuals manage climate-related challenges, including the impact of severe weather.

FIGHTING CLIMATE CHANGE IN OUR OPERATIONS

In June 2020, L3Harris entered into a longterm virtual power purchase agreement (PPA) for renewable energy for up to 100 megawatts of capacity from a new solar farm. The project, known as Elm Branch Solar Farm, will be constructed by Lightsource bp near L3Harris facilities in the Dallas-Fort Worth area and is expected to begin operations in the second half of 2021. The impact of L3Harris' agreement helps to avoid approximately 110,000 metric tons (MT) GHG emissions annually, equivalent to removing 24,000 fossil fuel vehicles from the road each year. L3Harris will receive renewable energy certificates (RECs) from the project which will allow us to reduce our GHG emissions from purchased electricity by nearly 25% and make progress toward the GHG emissions reduction target of 30% by 2026.

ELM BRANCH SOLAR FARM: IN NUMBERS

~110,000 MT OF GHG EMISSIONS AVOIDED

annually through the agreement, equivalent to removing 24,000 fossil fuel vehicles from the road every year

100 MW

capacity commitment with Lightsource bp

74%

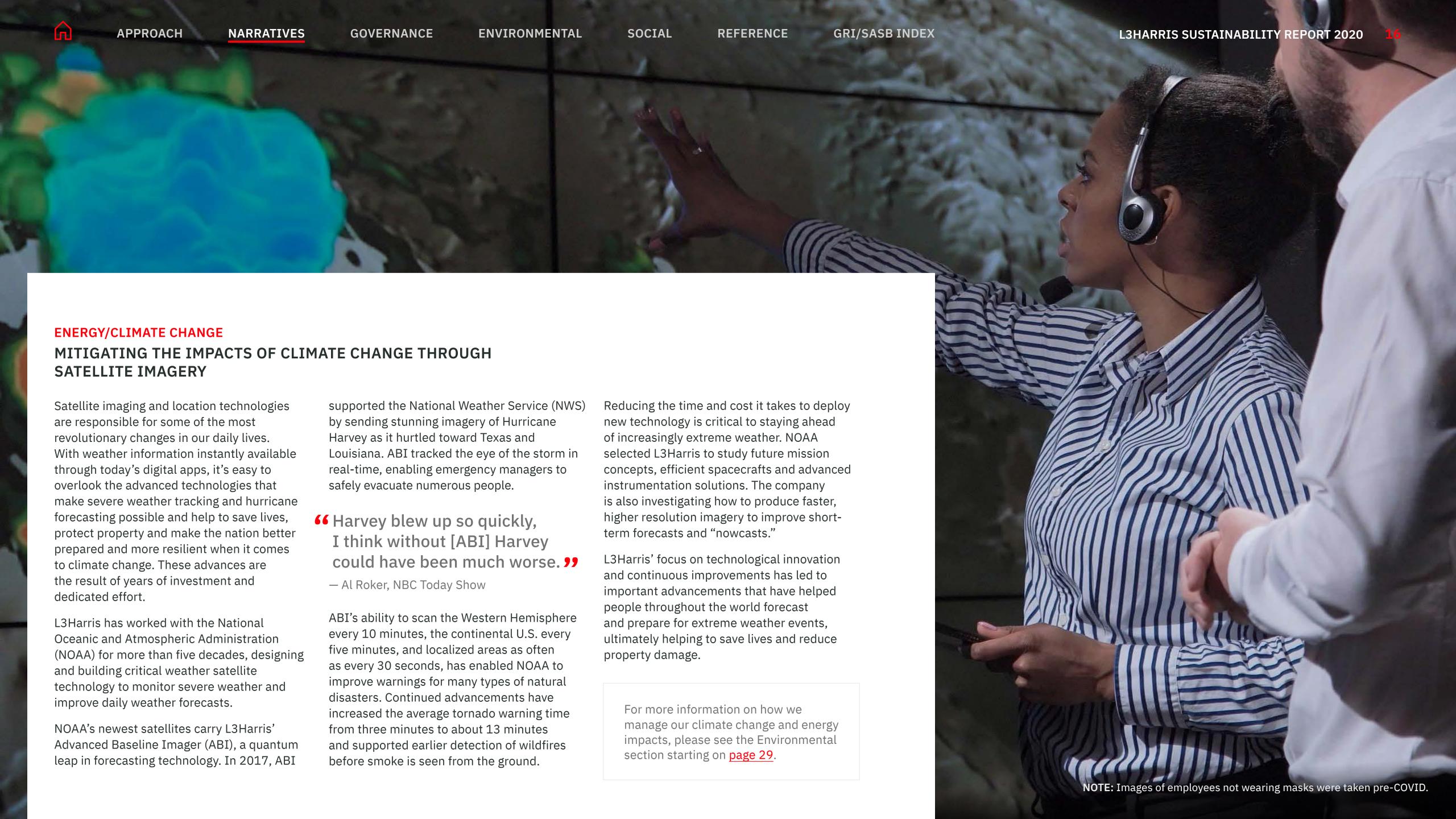
of the solar farm's capacity will be purchased by L3Harris

~25%

reduction in company Scope 2 GHG emissions from purchased electricity

This agreement with L3Harris is supporting development of new solar energy infrastructure in Texas that will provide a clean and economic source of electric power while creating hundreds of jobs in the greater Dallas-Fort Worth area.

— Kevin Smith, Chief Executive Officer (Americas), Lightsource bp

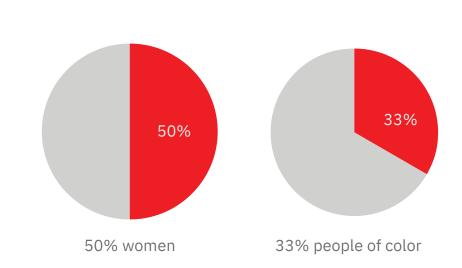




LISTENING, LEARNING AND TAKING
ACTION ON DIVERSITY AND INCLUSION

L3Harris is committed to inclusion and driving innovation through diversity of thought. We believe we operate at our best when all employees are empowered to bring their whole selves to work every day. L3Harris has a long history of diversity and inclusion programs and over the past year we've taken additional steps to build a more inclusive environment where everyone feels valued and has equal opportunity to reach their potential. These efforts also extend to the communities where we work and to our supply chain partners.

L3HARRIS' DIVERSITY GOALS: HALF OUR WORKFORCE WILL BE WOMEN AND AT LEAST A THIRD WILL BE PERSONS OF COLOR



and the best, we must sustain a culture in which individuals of all backgrounds have an equal opportunity to contribute to the best of their abilities every day. "

William M. Brown, Chair and
 Chief Executive Officer

STEPPING OUT OF OUR COMFORT ZONE

Over the past year, concerns about racial equality have risen to the forefront of the national discussion. Events have led people throughout the country to not only recognize the problem but to ask how they can become part of the solution.

Since the summer L3Harris leaders and employees have been engaged in conversations about diversity and strategies to create a more inclusive workplace. We created virtual forums across the organization to enable leaders to listen, employees to ask questions, and individuals to share their experiences.

INCLUSION LISTENING SESSIONS

Over the past few months, L3Harris has held more than 20 Inclusion Listening Sessions with more than 25,000 participants representing a range of functions, locations and experience levels.

25,000+

participants in our Listening Sessions 66 Leaders should create an environment that allows employees to feel welcomed, their voice heard, and their opinions valued, to ensure they can perform to their best.

 Chris Kubasik, Vice Chair, President and Chief Operating Officer

NOTE: Images of employees not wearing masks were taken pre-COVID.



DIVERSITY & INCLUSION (D&I) COURAGEOUS CONVERSATIONS

Sharing personal stories of overcoming bias and adversity can promote a broader understanding of these issues and open the door to more candid discussions about inclusion. That's why we developed the Courageous Conversations series, in which employees, including senior leaders, share their personal histories to communicate to similarly affected individuals that they are not alone and that others have faced these challenges in their careers or personal lives.

that diversity and inclusion make us better as a society, a company and people. L3Harris makes diversity and inclusion a priority for how we operate as a company because it will help us continue to be a premier place to work. "

Larry Lohman, Vice President, General Counsel,
 Space and Airborne Systems



In these conversations, L3Harris colleagues have shared stories about overcoming physical disabilities and of people making assumptions about them because of their gender or ethnic background. Others have talked about their internal struggles with revealing their sexual orientation, and some have described incidents of racial harassment or the stress of dealing with racism on an ongoing basis. The personal and conversational nature of these stories adds an immediacy that helps employees increase their understanding of challenges faced by others.

INROADS COLLEGE LINKS

L3Harris reinforced its commitment to future innovators, scientists and mathematicians with a \$2 million investment in INROADS' College Links, which promotes academic success for talented underserved high school students, particularly those from racial minority communities, by focusing on college and career readiness.

66 L3Harris understands that now, more than ever, is a time for us to wrap our arms around our youth. The company's support will help impact more than 11,000 College Links families over three years. >>>

- Forest T. Harper, Jr., INROADS CEO

The goal of College Links is to motivate and prepare high-performing students for a holistic college and career experience. The program includes access to career immersion activities and goal planning while improving educational outcomes for high school students interested in STEAM (Science, Technology, Engineering, Arts and Mathematics) and business careers.

for me while giving me the necessary education and tools to succeed. This program molds students into leaders and professionals that we need to make a socioeconomic impact in the future. As an alumna, this gift is greatly appreciated. It will make a huge difference in the lives of many students.

Deasia Little, Senior Associate, Test Engineering,
 Space and Airborne Systems

NOTE: Images of employees not wearing masks were taken pre-COVID.

Our communities are more than just places to live. Our communities are where we raise our families, educate our children and come together to share the most memorable parts of our lives. Through employee volunteer activities and strategic giving, L3Harris is helping our communities respond to shared challenges, create opportunities for growth and drive positive change.

To guide these efforts for maximum impact, in 2019 we launched a significantly expanded company-led employee volunteer service program, LIFT, which stands for L3Harris Investing for Tomorrow. The initiative kicked off on Veterans Day, honoring our nation's veterans with more than 60 day-of-service events around the country.

LIFT supports the L3Harris Foundation, whose partnerships are organized around three pillars that express the company's culture and strategy: STEM (Science, Technology, Engineering and Mathematics) education programs that inspire and develop the skills of the next generation of scientists and engineers; alignment with our customers' missions, including support for first responders and transitioning veterans into the workforce; and being active citizens in our local communities.

LIFT LAUNCH DAY EVENT:

VETERANS DAY

62

3,752

events

volunteer hours

3,600

30,000

employees

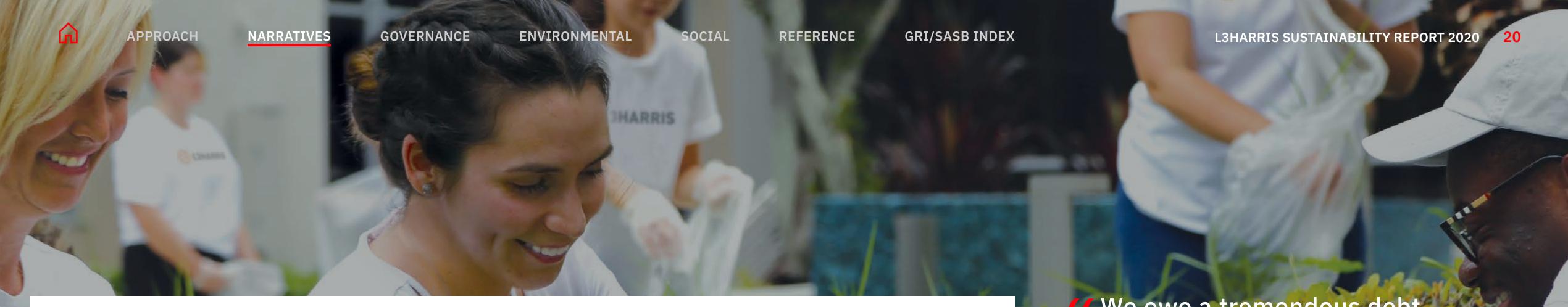
support packages

Foundation activities include companysupported, employee-led volunteer service projects and gift matching of employees' charitable donations. LIFT supports the Foundation's efforts through mini grants that support employee volunteer activities in their local communities and financial support of qualifying educational institutions. With a focus on efficiency and impact, LIFT features an online portal to help match interested employees with organizations in need.

At the LIFT launch event, Chair and CEO William M. Brown, Vice Chair, President and COO Chris Kubasik and other L3Harris leaders were among 3,600 employees who participated in day-of-service events and projects in 21 states, logging 3,752 volunteer hours in a single day.

For more information on our community engagement, please see the Social section starting on page 37.

L3HARRIS SUSTAINABILITY REPORT 2020 LIFT demonstrates our commitment to being a strong community partner, supports our employees' volunteer efforts in their respective communities, and builds employee pride in L3Harris as a company that cares. L3HARRIS INVESTING FOR TOMORRI



COMMUNITY

LIFT LAUNCH DAY EVENT: VETERANS DAY



STEM event at Stone Middle School in Melbourne.



Toy drives were held across L3Harris locations to benefit the Marine Toys for Tots Foundation. Pictured: Plano, TX



L3Harris Rochester employees assembled meal packs for students in the Feed My Starving Children event.



ADAPTING TO THE PANDEMIC

In light of the COVID-19 environment, L3Harris adapted its approach to community support to include launch of a virtual volunteering playbook and virtual mask-making sessions. We also launched an online edutainment series "Tech in 10" through which L3Harris subject matter experts shared their knowledge with students.



NOTE: Images of employees not wearing masks were taken pre-COVID.



CORPORATE GOVERNANCE

GRI 102-18 GOVERNANCE STRUCTURE OF THE ORGANIZATION
GRI 102-22 COMPOSITION OF THE BOARD AND ITS COMMITTEES
GRI 102-23 CHAIR OF THE HIGHEST GOVERNANCE BODY
GRI 102-26 ROLE OF HIGHEST GOVERNANCE BODY IN SETTING
PURPOSE, VALUES, AND STRATEGY
GRI 102-31 REVIEW OF ECONOMIC ENVIRONMENTAL

GRI 102-31 REVIEW OF ECONOMIC, ENVIRONMENTAL, AND SOCIAL TOPICS

MANAGEMENT APPROACH

We are committed to responsible and effective corporate governance to enhance creation of sustainable, long-term shareholder value, and to be accountable and responsive to all stakeholders.

Our Board is elected annually by our shareholders and is comprised of twelve directors, all of whom are independent except for two employee directors: our Chair and Chief Executive Officer and our Vice Chair, President and Chief Operating Officer. Our directors collectively possess a diverse mix of backgrounds, skills and experience, a track record of driving long-term value, and a deep and unique understanding of our business and the challenges and opportunities we face.

Further information on our current Board leadership structure, including our Chair and Lead Independent Director roles can be found on pages 2–3 of our 2021 Proxy Statement.

Our Board regularly discusses and provides insight and direction on matters of strategic importance. Our Board's major responsibilities also encompass ESG matters such as establishing and maintaining an effective governance structure, including appropriate board composition, planning for board succession, and overseeing our ethics and compliance programs and our activities related to environmental sustainability, diversity and inclusion and corporate citizenship.

Our Board and its applicable committees monitor our progress against our targets and goals with respect to ESG topics and also oversee related aspects of our corporate strategy, plans of action, management policies, and performance objectives.

See our 2021 Proxy Statement, pages 25–27, for additional details on our Board Committees and the role of our Nominating and Governance Committee, in particular. For Board member biographies, see pages 10–15.

GRI 102-19 DELEGATION OF RESPONSIBILITY

GRI 102-20 HIGH-LEVEL ACCOUNTABILITY FOR SUSTAINABILITY TOPICS

GRI 102-29 IDENTIFYING AND MANAGING ECONOMIC, ENVIRONMENTAL, AND SOCIAL IMPACTS

GRI 102-32 HIGHEST GOVERNANCE BODY'S ROLE IN SUSTAINABILITY REPORTING

Our CEO and COO are briefed by the Corporate Vice President (VP) of Global Operations on ESG-related issues. They provide leadership and direction on the implementation of our ESG strategy and together with other executives, update our Board on ESG-related risks and opportunities. We also have formed functional groups and committees to ensure effective management of, and drive performance across, the broad range of ESG topics material to our business.

ESG MANAGEMENT STRUCTURE

BOARD OF DIRECTORS

L3HARRIS SUSTAINABILITY REPORT 2020

NOMINATING & GOVERNANCE COMMITTEE

Ultimate responsibility for ESG strategy

ESG STEERING COMMITTEE

Accountable for ESG goals

KEY EXECUTIVES INCLUDING:

■ CEO:

Provide Board of Directors updates on ESG-related risks and opportunities

COO:

Provide Board of Directors updates on ESG-related risks and opportunities

- CHIEF FINANCIAL OFFICER
- CHIEF HUMAN RESOURCES OFFICER
- **■** GENERAL COUNSEL
- VP OF GLOBAL OPERATIONS:
 Briefs CEO and COO

ESG WORKING GROUP

- Management and executive-level members representing various departments
- Harmonize ESG programs
- Operational responsibility for implementation and tracking of board decisions and day-to-day management of enterprise-wide ESG issues

GRI 102-24 NOMINATING AND SELECTING THE HIGHEST GOVERNANCE BODY

GRI 102-25 CONFLICT OF INTEREST

Our Board is responsible for approving nominees to stand for election as directors. Our Nominating and Governance Committee assists in this process, identifying individuals it determines are qualified to become Board members, and recommending nominees based on a number of criteria generally relating to professional experience and personal traits as described under our Corporate Governance Guidelines. Shareholders also can recommend or directly make director nominations following the processes described in the 2021 Proxy Statement, page 94.

Our Corporate Governance Guidelines address a broad set of issues that our Board believes are integral to sound governance practices including director independence and conflicts of interest. Our Board assesses the independence of our directors and examines the nature and extent of any relationships between us and our directors, their families and their affiliates. Our Board is guided in this assessment by our Director Independence Standards, available on the Corporate Governance section of our website.

Diversity continues to be a consideration in the selection of our Board members. We understand the value of a diversity of viewpoints, background, experience, personal characteristics, including gender, race, ethnicity, age, sexual orientation and similar demographics. In 2020, we published our first Diversity and Inclusion Annual Report that speaks to the strategies, goals and results relevant to promoting a diverse workforce at all levels. To learn more, see our diversity and inclusion policies, programs and accomplishments on pages 17 and 40.

GRI 102-30 EFFECTIVENESS OF RISK MANAGEMENT PROCESSES

In implementing an enterprise risk management ("ERM") process, our leadership is guided by the Committee of Sponsoring Organizations (COSO) framework, which is the definitive standard designed to prioritize organizational risks and measure how those risks impact business performance. 2020 marked our first ERM assessment as a combined company, which included reevaluation and improvements to the process of identifying and assessing the top material enterprise risks.

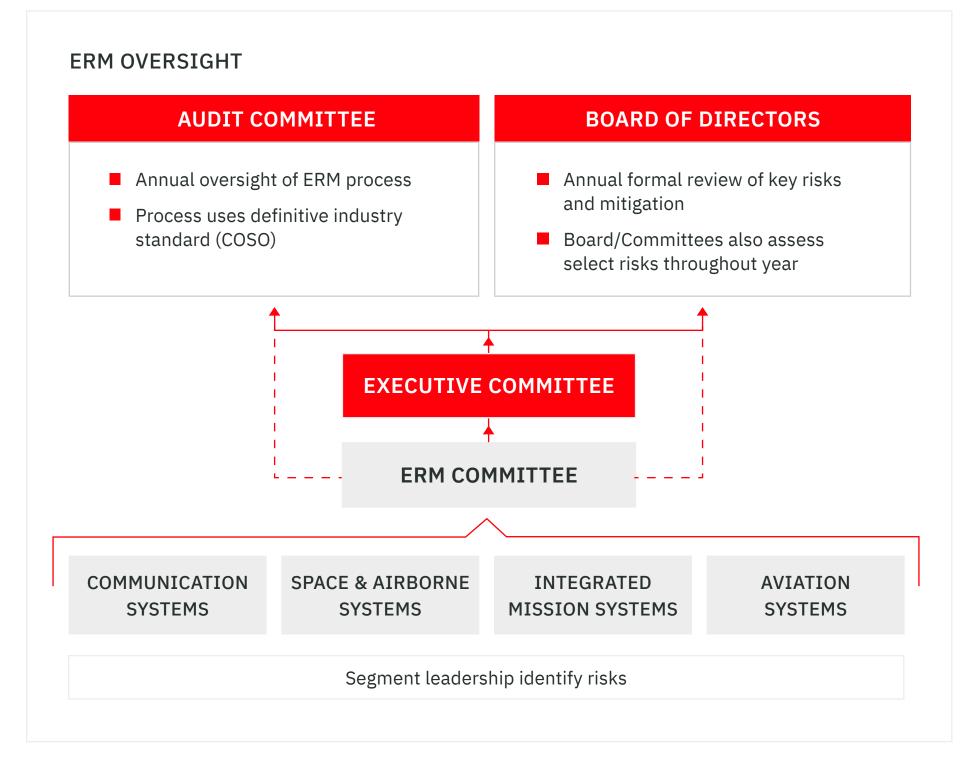
Oversight of the ERM process is provided by the Executive Committee. The Board has approved our use of an ERM process administered by management, as described below, and considers risks and related mitigation identified through our ERM process plus those included in the range of matters reported by management to our Board. The Audit Committee also performs an annual review of the enterprise risk process to assist in the identification of material risks.

The ERM Committee is chaired by the Chief Ethics & Compliance Officer and includes senior leaders along with representation from each Segment. Annually, the ERM Committee reviews and ranks material enterprise-wide risks, identified by subject matter experts across the business, using the potential impact, likelihood to occur and current mitigation as guidance. This assessment

includes those risks associated with business resilience/natural disasters and environmental compliance. The leadership team also provides additional input to the survey to ensure that all material risks are considered.

Top material risks along with existing mitigation plans, are annually approved by the Executive Committee and reviewed by the Board.

L3HARRIS SUSTAINABILITY REPORT 2020



GRI 102-33 COMMUNICATING CRITICAL CONCERNS

Shareholders and other persons who wish to communicate with members of our Board may send an e-mail to the intended recipient(s) c/o our Secretary at corporate.secretary@l3harris.com or may write to the intended recipient(s) c/o our Secretary, L3Harris Technologies, Inc., 1025 West NASA Boulevard, Melbourne, Florida 32919.

GRI 102-35 REMUNERATION POLICIES
GRI 102-36 PROCESS FOR DETERMINING REMUNERATION
GRI 102-37 STAKEHOLDERS' INVOLVEMENT IN REMUNERATION

For information on our remuneration policies for Board members and senior executives, see our 2021 Proxy Statement page 40.

GRI 102-38 ANNUAL TOTAL COMPENSATION RATIO
GRI 102-39 PERCENTAGE INCREASE IN ANNUAL
TOTAL COMPENSATION RATIO

For more information on our CEO pay ratio, see our 2021 Proxy Statement page 87.



BUSINESS ETHICS

GRI 102-16 VALUES, PRINCIPLES, STANDARDS, AND NORMS OF BEHAVIOR GRI 102-17 MECHANISMS FOR ADVICE AND CONCERNS ABOUT ETHICS SASB 510a.3 BUSINESS ETHICS

Ensuring an ethical workplace goes beyond policies and compliance with financial and regulatory standards. It encompasses principles and norms that embody the type of organization that consistently operates in an ethical manner, within and outside the company, and begins at the top with the Board and executive leadership, and includes all employees, suppliers and customers.

L3HARRIS' VALUES:

INTEGRITY

Accountable, ethical, honest

EXCELLENCE

Flawless execution, customerfocused, innovative

RESPECT

Safe & sustainable, communityminded, inclusive

VALUES AND GOVERNANCE

L3Harris' unwavering commitment to the highest ethical standards is the cornerstone of our values and continued success. The Board annually reviews and acknowledges the Code of Conduct. The company instills the highest standards of performance and behavior in our employees, who sign an annual pledge to never compromise values in order to achieve business objectives. Our customers, shareholders, suppliers and communities expect nothing less.

The Chief Ethics & Compliance (E&C) officer is responsible for maintaining and improving the company's ethics program, with direct oversight from the Board and support from full-time Ethics and Compliance staff members at both the corporate and segment levels. In addition, Ethics & Compliance Review Boards (ECRBs) help ensure proper handling of ethical issues by key senior functional leaders. ECRB's are set up at the corporate office as well as within each segment of our business. Lastly, more than 125 Ethics Advisors are strategically positioned throughout our global operations to assist employees with living our values. This multi-faceted approach, supports the business in operating ethically and in compliance with the specific laws in the countries where we operate.

BOARD NOMINATING & GOVERNANCE COMMITTEE

Provides oversight of the E&C program

EXECUTIVE COMMITTEE/CHIEF E&C OFFICER

"Tone from Top" — inspires ethical behavior

CHQ E&C OFFICE

Maintains and continuously improves E&C program

ETHICS & COMPLIANCE REVIEW BOARDS (ECRB)

Addresses and resolves allegations of misconduct

WORKING GROUPS

Augments the ECRB to address less egregious allegations

SEGMENT E&C STAFF

Implements E&C program including investigations

ETHICS ADVISORS (EAs) — DUAL HATTED EMPLOYEES Assists employees and raises concerns to leadership

EMPLOYEES

All L3Harris employees, officers and directors are required to abide by the company's Code of Conduct to help ensure that we consistently conduct our business in an ethical and legal manner. Our training program requires all employees to complete various ethics & compliance training, such as Code of Conduct, trade compliance, anticorruption and sexual harassment. Ethics and compliance related training is administered quarterly and translated into the core L3Harris languages. Over the past year, we have had 100% on-time completion rate for all required ethics & compliance training.

SUPPLIERS

All new and existing suppliers are provided with our <u>Supplier Code of Conduct</u> outlining the values and business standards to which they are expected to adhere, including compliance with laws, expectations of an ethics program, and ensuring that they meet appropriate human rights and employment practices obligations.

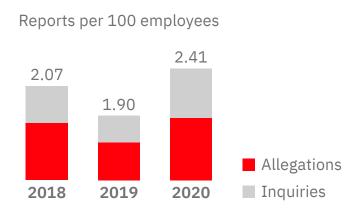
Additionally, we require each supplier to execute the L3Harris Provisions of Purchase, which includes a legal obligation to conduct business fairly, impartially and in an ethical and proper manner.

REPORTING

Employees are empowered to report any conduct they believe to be a violation of our Code of Conduct, policies, or the law. Employees may communicate their concerns through a number of avenues including their supervisor, Ethics Advisor, Human Resources, Legal, or subject matter experts. Alternatively, employees may communicate their concerns on a confidential or anonymous basis using our Helpline website or phone number.

In 2020, L3Harris had a total of 1,194 total reports averaging 2.41 reports per 100 employees as seen below:

ETHICS REPORTS



As result of these reports, there were various corrective actions taken including 74 dismissals, 61 disciplines, 175 coaching/counseling/training sessions, and 142 other actions such as process/policy improvements and third-party reconciliations.





L3Harris' two-day Ethics Advisor conference

ETHICS CONFERENCE:

In 2020, we held a two-day conference to train and equip our Ethics Advisors to support the L3Harris community and ensure that we are living our values every day. This event included the participation of Board members, senior leadership, external speakers, E&C staff, and 125 Ethics Advisors from around the world.

Breakout sessions with Ethics Advisors and senior leaders provided an open line of communication to collaborate on the company's values and promote the program throughout the organization.

ETHICS WEEK:

To raise awareness, in 2020 L3Harris launched its inaugural "Ethics Week." It consisted of leadership messaging, learning sessions, on-line games with prizes, electronic and printed materials, and giveaways and resulted in a high level of employee participation.

ETHICS SURVEY:

In an effort to continuously monitor and improve our workplace culture, we conducted an all employee ethics survey which had a 61% completion rate. The 2020 survey also resulted in nearly 5,000 employees providing comments. L3Harris' results were compared against the Defense Industry Benchmark, consisting of aerospace and defense counterparts. Leadership will use the data to strengthen and improve the company's workplace culture in 2021.

CORPORATE POLICIES & PROCEDURES:

Our corporate policies govern our business and help ensure that L3Harris remains in compliance with all laws and regulations around the globe. All corporate policies are developed, reviewed and implemented through a governance body comprised of corporate office functional representatives known as the Policy Review Board (PRB). The PRB is responsible for ensuring crossfunctional analysis and communication across the enterprise. These policies are reviewed periodically to ensure ongoing compliance with laws and regulations as well as applicability.

ANTI-CORRUPTION

MANAGEMENT APPROACH

L3Harris is committed to conducting business in an ethical and transparent manner, including complying with anti-corruption laws in countries where we operate. Some of these international regulations include the U.S. Foreign Corrupt Practices Act, the UK Bribery Act, and the Canadian Corruption of Foreign Public Officials Act.

Our Anti-Corruption Program is designed to be effective and robust. It includes a clearly articulated policy against corruption, as well as oversight, risk assessment, training, third-party due diligence, pre-acquisition due diligence and post-acquisition integration processes.

The program is continuously reviewed and improved upon. The key components of our program are detailed in our Global Anti-Corruption Policies. In addition to the Global Anti-Corruption Policy, our Business Courtesies Policy prohibits giving or receiving business courtesies, sponsorships, and charitable contributions as a means to improperly influence business decisions.

Under the Anti-Corruption Third Party Policy, risk-based due diligence is performed on third-party business partners based on an assessment of the potential anti-corruption risk. Higher-risk third parties undergo an extensive vetting process prior to engagement and periodically over the course of our relationship.

Employees participate in annual mandatory training on the L3Harris Anti-Corruption Program and Policies. International sales intermediaries ("Business Partners") receive targeted training in anti-corruption compliance. L3Harris also conducts an enterprise-wide anti-corruption compliance assessment annually to identify risks and control gaps.

The company's Anti-Corruption Program has oversight from the Nominating and Governance Committee of the Board of Directors. Trained compliance professionals throughout the segments implement the Anti-Corruption Program and ensure compliance.

GRI 205-1 OPERATIONS ASSESSED FOR RISKS RELATED TO CORRUPTION GRI 205-2 COMMUNICATION AND TRAINING ABOUT ANTI-CORRUPTION POLICIES AND PROCEDURES

	NUMBER	PERCENTAGE
Business segments assessed for corruption risks	4	100%
Policies & procedures communicated to employees	~48,000	100%
Policies & procedures communicated to Business Partners	275	100%
Employees trained	~48,000	100%
Business Partners trained	275	100%

LOBBYING AND POLITICAL ADVOCACY

MANAGEMENT APPROACH

L3Harris participates in the political and public policy process in the U.S. at the federal, state and local levels. L3Harris engages through direct and indirect lobbying to educate policy makers about our solutions that meet our customer's mission-critical needs across air, land, sea, space and cyber domains. The purpose of these efforts is to communicate our position on relevant policy issues aligned with L3Harris business objectives.

All political activities are carried out in accordance with our policy to conduct global

business ethically, transparently and in compliance with the laws in all countries where we operate. All political advocacy lobbying and contributions by or on behalf of the company are managed by the L3Harris Government Relations team, led by the Vice President of Government Relations, who reports directly to the Chief Executive Officer. In addition, the company's Executive Committee receives regular briefings on lobbying efforts.

GRI 415-1 POLITICAL CONTRIBUTIONS

As a government contractor, L3Harris is subject to laws regulating or prohibiting political contributions and solicitation activity. In accordance with federal law we have established an employee political action committee (PAC), the L3Harris PAC. It is governed by the L3Harris PAC Board, whose members are appointed by the Chief Executive Officer and include executives representing each business segment. The L3Harris PAC is funded solely from the voluntary personal contributions it receives from eligible employees.

L3Harris PAC contributions are made on a nonpartisan basis based on a candidate's positions on issues generally in support of L3Harris, its employees, and its shareholders.

In accordance with federal and state laws governing political contributions, all PAC contributions are fully disclosed in reports filed with the Federal Election Commission (FEC) [www.fec.gov] and, where applicable, state reporting portals. A listing of L3Harris PAC contributions made in 2019–2020 is available here.





EHS AND SUSTAINABILITY MANAGEMENT SYSTEM

Our commitment to environmental sustainability includes measurable objectives and target dates for their achievement.

OUR CURRENT ENVIRONMENTAL SUSTAINABILITY PROGRAM 2026 GOALS INCLUDE:¹

30%

reduction of GHG emissions over a baseline year of 2019

20%

reduction of water use over a baseline year of 2019

75%

solid waste diversion rate from landfill

MANAGEMENT APPROACH

L3Harris is committed to protecting the health and safety of our workers, our customers, and the environment in the communities where we operate around the world. By leveraging science and technology, our employees continually improve practices to drive environmental, health and safety (EHS) and environmental sustainability excellence.

We have implemented a robust EHS and Sustainability Management System to establish policies and standards, provide risk assessment tools, and lead enterprise initiatives to reduce operational EHS and environmental impacts. The system is designed to meet a continually evolving and dynamic business and operating model and follows recognized external management system standards (ISO 14001, ISO 45001 and ANSI Z10).

In accordance with our Environmental Compliance Policy, all L3Harris operations worldwide must comply, at minimum, with applicable national or federal, state, and local laws, regulations, directives and corporate policies. We set higher standards where unacceptable risk is identified.

All major L3Harris locations conduct a detailed annual risk assessment to review legal and other requirements, changes to regulations, process changes, and environmental risks, which are ranked, prioritized with corresponding action plans, and managed as part of each location's objectives and targets.

Our employees actively participate in our EHS and Environmental Sustainability Programs. A robust software tool enables employees to report EHS concerns, track incidents, compliance, and analyze environmental sustainability data such as energy use, GHG emissions, water withdrawal and use and solid waste generation from company locations.

ADVANCING ENVIRONMENTAL SUSTAINABILITY AND COMPLIANCE:

- **GREEN TEAMS** were established across the organization and continue to expand. These grassroots and cross-functional groups of employees seek to identify and implement resource conservation, pollution prevention and waste diversion initiatives that will help L3Harris achieve its 2026 goals.
- ECO-TREASURE HUNTS are conducted annually to identify energy efficiency and water conservation risks and opportunities while enabling employees to build a culture of continuous improvement.
- CALCULATORS and project review checklists were implemented to standardize the review of capital projects for environmental sustainability risks and opportunities. The calculators evaluate impacts and cost to understand the positive/negative impact projects have on accomplishing our environmental sustainability goals.
- THE e3 OPERATIONAL EXCELLENCE
 PROGRAM supports our environmental sustainability efforts, and L3Harris' environmental sustainability metrics and goals fall under its company-wide mantra of excellence, everywhere, every day.

SUSTAINABLE PRODUCTS/ SERVICES AND PACKAGING MATERIALS

MANAGEMENT APPROACH: MATERIALS, PRODUCTS & PACKAGING

With our diverse products and services and the wide geographic dispersion of our facilities, L3Harris uses multiple suppliers for raw materials (such as metals and plastics) and parts. The company monitors the materials we use in our products across all business segments and geographies, including the use of recycled materials and any products we reclaim as an organization, whether the product is at the end of useful life or for other reasons. The company continually looks for opportunities to avoid the use of hazardous materials in our products, to reuse or recycle materials, and to prevent the generation of waste.

Electronics and other products may be subject to environmental regulations in different government jurisdictions, such as domestic and international requirements requiring end-of-life management and/or restricting materials in products delivered to customers. While such requirements typically are not applicable to most equipment produced by the company, we are committed to compliance with such rules and regulations, where applicable, with respect to existing and future products sold into such jurisdictions.

Read more about L3Harris innovations in our <u>Product Technology</u> and <u>Climate Change</u> narratives.

L3Harris applies advanced information and communications technologies to the fields of weather forecasting, environmental change monitoring, and GHG emissions measurement.

MANAGEMENT APPROACH: SUSTAINABLE PRODUCTS & SERVICES

Many of our products and technologies help customers improve the sustainability of their operations and manage climate-related and other environmental challenges, including the impact of severe weather.

Specifically, L3Harris applies advanced information and communications technologies to the fields of weather forecasting, environmental change monitoring, and GHG emissions measurement. We develop space, airborne and ground sensors for persistent and direct monitoring. Our products and technologies are currently used in all facets of climate science, from the reduction of GHG emissions to responding and adapting to climate change-related threats. A few examples of L3Harris products that demonstrate where environmental sustainability meets innovation are:

ENVIRONMENTAL SUSTAINABILITY MEETS INNOVATION

- measures GHG concentrations with extremely high accuracy covering the entire globe over a sixday revisit rate which is critical to climate monitoring and modeling. TANSO-FTS-2 measures carbon dioxide, methane and carbon monoxide simultaneously, allowing scientists to discriminate between natural and man-made emissions. The instrument is deployed on the Japanese Greenhouse Gases Observing Satellite-2 (GOSAT-2).
- GOES-R SERIES technology supports severe weather forecasting in the U.S. and Western Hemisphere, early position and intensity of tropical storms and hurricanes in the Atlantic and Eastern Pacific, data tracking for fires, fog, frontal systems and other weather patterns across the continental U.S.

ENERGY AND CLIMATE CHANGE

MANAGEMENT APPROACH

L3Harris' business operations depend on energy and raw materials as key inputs to production processes. Climate-related impacts from GHG emissions associated with our processes and energy use are a relevant environmental sustainability issue related to our direct business operations. We strive to conduct business as a responsible corporate citizen and support efforts to manage our environmental footprint through the careful use of energy and natural resources. Accordingly, minimizing GHG emissions is one of three key focus areas of our EHS and Sustainability Management System.

The company has developed a GHG Reporting Standard that governs our management of energy and GHG emissions. Our standard applies to all company locations, including non-U.S. locations, and defines our approach and methodology for calculating company-wide GHG emissions. It describes the management process governing reduction activities and outlines the process for reporting progress towards our GHG emissions reduction goal.

Our Environmental Sustainability Program also includes corporate targets and objectives. Through collaboration with EHS, business segments, and leadership, we have made it a priority to develop and implement appropriately scoped environmental sustainability initiatives and projects to conserve energy and reduce GHG emissions.

GRI 302-4 REDUCTION OF ENERGY CONSUMPTION

L3Harris is focused on reducing energy consumption in our facilities through energy-efficient lighting and lighting controls, higher-efficiency heating and cooling systems, improved building management systems and process improvements. The company also invests in eco-treasure hunts to identify improvements in energy efficiency throughout our operations. Energy efficiency projects are also identified through our facility infrastructure and real estate planning process.

Cost savings and energy and GHG emission reductions are calculated for each project using our Environmental Sustainability

Calculators. In 2020 we identified 47 energy efficiency projects with projected annual savings of approximately 6 million kWh.

GRI 302-1 ENERGY CONSUMPTION WITHIN THE ORGANIZATION GRI 305-1 DIRECT (SCOPE 1) GHG EMISSIONS GRI 305-2 ENERGY INDIRECT (SCOPE 2) GHG EMISSIONS GRI 305-4 GHG EMISSIONS INTENSITY SASB 130a.1 ENERGY MANAGEMENT

2019 ENERGY (TERAJOULES)	2019 GHG EMISSIONS (MT CO₂e)	2020 ENERGY (TERAJOULES)	2020 GHG EMISSIONS (MT CO ₂ e)
) 1,517		1,215	
1,110		881	
2,627	79,835	2,096	63,554
	53		48
	79,888		63,602
2,462	259,372	2,358	245,607
	10,233		8,646
	269,605		254,253
7,715	349,493	6,551	317,856
	0.000019		0.000017
	ENERGY (TERAJOULES) 1,517 1,110 2,627 2,462	2019 ENERGY EMISSIONS (MT CO₂e) 1,517 1,110 2,627 79,835 53 79,888 2,462 259,372 10,233 269,605 7,715 349,493	2019 ENERGY EMISSIONS (MT CO₂e) ENERGY (TERAJOULES) 1,517 1,215 1,110 881 2,627 79,835 2,096 53 79,888 2,462 259,372 2,358 10,233 269,605 7,715 349,493 6,551

2010

- CO₂e = all 7 gases of GHG Protocol CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃
 We develop our GHG emissions inventories in accordance with the <u>WRI GHG Protocol Corporate Standard</u> and in alignment with the <u>International Aerospace Environmental Group (IAEG) Greenhouse Gas Reporting Guidance</u>. The assessment of GHG emissions includes all
- We monitor GHG emissions from the wholly owned and/or operated properties over which L3Harris has complete operational control in alignment with the criteria provided in the IAEG GHG reporting guidance. All actual emissions are as reported in respective years in the past, and the figures have not been recalculated due to divestitures at this time with exception to the exclusion of the Harris Night Vision business, which was divested on September 13, 2019. Other 2020 divestitures are still being evaluated for exclusion in 2021 report.
- Scope 1 = All direct GHG emissions including: Stationary combustion of fuel by L3Harris locations, and mobile combustion of fuels in L3Harris operated vehicles and process and fugitive emissions / releases from stationary air conditioning units containing HFC refrigerants and SF₆ from semiconductor and/or electrical equipment at L3Harris properties.
- Scope 2 = market-based indirect GHG emissions resulting from the generation of purchased electricity or other direct line energy purchases (e.g., steam). Both location-based and market based emissions are reported in our annual CDP report.

identified sources anticipated to make a material contribution (more than 5%) to our total GHG inventory

GRI 305-5 REDUCTION OF GHG EMISSIONS

L3HARRIS SUSTAINABILITY REPORT 2020

From 2019 to 2020, we reduced our year-over-year Scope 1 and Scope 2 emissions by 31,637 metric tons of CO₂e, which is a 9 percent decrease due to our continued focus on energy efficiency and an increased use of renewable electricity. We are taking steps to source more renewable energy and reduce the GHG emissions associated with the electricity we purchase to power our operations. In 2020, we entered into a long-term virtual power purchase agreement (PPA) for renewable energy, which will help us make progress toward our greenhouse gas emission reduction target.

GOAL: 30%

reduction in Scope 1 and 2 GHG emissions by 2026 against a 2019 baseline. **2020 Progress: 9%**

This target was developed using the tool created by the Science Based Targets initiative (SBTi) and meets the science-based level of ambition criteria required to limit the global temperature increase to 1.5°C, using the absolute contraction approach. The target has not yet been verified by the SBTi.

APPROACH NARRATIVES GOVERNANCE ENVIRONMENTAL SOCIAL REFERENCE GRI/SASB INDEX

GRI 305-3 OTHER INDIRECT (SCOPE 3) GHG EMISSIONS

GHG EMISSIONS	2019 / MT CO₂e	2020 / MT CO₂e
Scope 3 Fuel-and-energy-related activities (not included in Scope 1 or 2)	12,969	12,280
Scope 3 Business travel	17,174	15,528
Scope 3 Employee commuting	112,437	74,208

Due to the merger of L3 Technologies and Harris Corporation, not all historical business travel data is available at this time.

Scope 3 emissions result from activities associated with L3Harris activities that take place and/or arise from sources not owned or controlled by L3Harris. Therefore, the collection of indirect, or Scope 3, GHG emissions is challenging. We currently track our upstream Scope 3 emissions

from fuel and energy related activities, employee business travel, and commuting and continue to work with the International Aerospace Environmental Group (IAEG) to expand our tracking of other relevant Scope 3 emissions sources.

CLIMATE RISK MANAGEMENT

In addition to our efforts to reduce GHG emissions from our operations and mitigate the impacts of climate change, L3Harris evaluates potential impacts of climate change on operationally critical water, energy, communication, and transportation resources for major L3Harris facilities and operations. Climate science data, including average annual temperature, average annual precipitation, sea level rise, and extreme weather events (i.e., extreme precipitation, seasonal ice cover, extreme cold, hurricanes, forest fires, drought), is reviewed to evaluate the potential impacts of physical climate related risks. The Climate Risk Management Plan (CRMP) is updated every two years.

For more information, please see our CDP Climate Change questionnaire response.



L3HARRIS SUSTAINABILITY REPORT 2020



MANAGEMENT APPROACH

Water is essential to all; according to the World Economic Forum (WEF) 2019 Global Risk Report, water crisis—which captures concerns relating to water availability, quality, sanitation and other needs—is one of the key challenges facing the world. Minimizing water-related impacts is a key focus of our EHS and Sustainability Management System and Environmental Sustainability Program.

L3Harris operations do not rely on substantial water volume, nor impact water quality from our day-to-day operations. While our dependence on water is not substantial, we do require sustainable access to limited amounts of water to keep our operations running and for general use at our facilities.

Our focus on water includes evaluating all aspects of our business operations for conservation opportunities ranging from irrigation controls, low-flow toilets/faucets and cooling tower efficiencies, to new technologies and processes to minimize the

amount of onsite water use. As part of our roadmap for achieving our goals, L3Harris works with experts and engineers to develop, evaluate and implement large-scale water conservation solutions for our operations. Our investment in eco-treasure hunts extends to identifying water conservation projects. Read more in the eco-treasure hunt discussion in EHS and Sustainability Management System section.

We have developed a Water Reporting Standard that governs our management of water-related issues. The standard applies to all company locations, including non-U.S. locations. It defines our approach and methodology for calculating the company-wide water inventory, describes the management process governing reduction activities and outlines the process for reporting progress towards our water reduction goal.

GRI 303-1 INTERACTIONS WITH WATER AS A SHARED RESOURCE

Since water is a shared resource, and water related impacts are localized, in 2019 L3Harris prepared a Water Risk Assessment to identify potential water-related impacts to our business operations. The assessment used data sets available from the World Business Council for Sustainable Development (WBCSD) Global

Water Tool, World Resources Institute's (WRI)
Aqueduct Water Risk Atlas and the Water Risk
Filter developed by World Wildlife Fund for
Nature (WWF) in collaboration with Deutsche
Entwicklungsgesellschaft (DEG) to evaluate
potential water-related constraints. The Water
Risk Assessment is updated every two years.

GRI 303-2 MANAGEMENT OF WATER DISCHARGE-RELATED IMPACTS

Water discharge requirements are determined by federal, state and local regulations.

GRI 303-3 WATER WITHDRAWAL GRI 303-5 WATER CONSUMPTION

	2019 MEGALITERS	2020 MEGALITERS
Potable water	1,897	1,767
Groundwater	0.35	0.67
TOTAL WATER	1,897	1,767

- We monitor water from the wholly owned and/or operated properties over which L3Harris has complete operational control in alignment with the criteria provided in the IAEG GHG reporting guidance.
- The scope of the water inventory includes direct water.
- Potable water includes municipal water, surface water and other potable water sources.

From 2019 to 2020, we reduced our year-over-year water use by 130 Megaliters which is a 7 percent decrease. During this time period L3Harris implemented water efficiency projects identified by conducting eco-treasure hunts and through our enterprise facilities and real estate improvement process.

For example, the Space and Airborne Systems campus in Colorado Springs, CO implemented an irrigation management project which achieved a 50% reduction in water use (737,000 gallons) through a combination of conservation, system maintenance, and landscaping that reduces or eliminates the need for irrigation also known as xeriscaping.

GOAL: 20%

reduction in water use by 2026 over a 2019 baseline. **2020 Progress: 7%**

The reduced water use is also reflective of reduced occupancy at many of our facilities due to COVID-19.

We are currently enhancing our water management procedures and expect to provide more extensive coverage on our approach in subsequent Sustainability Reports.

For more information on our water stewardship, please see our CDP Water <u>questionnaire response</u>.

WASTE AND HAZARDOUS WASTE

MANAGEMENT APPROACH

Reduction of waste, including resource conservation, pollution prevention, and waste diversion, is one of the key objectives of our Environmental Sustainability Program.

We have developed a Solid Waste & Recycling Standard that we apply across our business that governs our management of solid and non-hazardous waste, special and universal wastes. Hazardous waste is managed specifically through our Environmental Compliance Standard. Our solid waste and hazardous waste programs, governed by these standards, include all waste and recycling streams for which L3Harris is responsible as generated across all locations and operations.

The Solid Waste & Recycling and Environmental Compliance Standards are intended to ensure compliance with all legal and regulatory requirements, define our approach and methodology for waste minimization, and to facilitate reporting progress on our long-term solid waste diversion goal.

GRI 306-1 WASTE GENERATION AND SIGNIFICANT WASTE-RELATED IMPACTS

GRI 306-2 MANAGEMENT OF SIGNIFICANT WASTE-RELATED IMPACTS

All current and future L3Harris sites producing solid waste fall under our Solid Waste & Recycling and Environmental Compliance Standards. As such, all L3Harris locations are responsible for developing and maintaining a Solid Waste Management Program which includes:

WASTE MANAGEMENT PROGRAM:

- GENERAL WASTE HANDLING BY WASTE TYPE, including solid waste, special waste, universal waste, and hazardous waste
- ONSITE WASTE MANAGEMENT INFRASTRUCTURE to enable efficient waste and recycling collection
- ONSITE WASTE INVENTORY AND WASTE CHARACTERIZATION ASSESSMENTS in order to understand and evaluate the processes by which solid waste is generated and disposed of onsite and identify potential upstream/downstream reduction and diversion strategies
- PROCEDURES FOR IDENTIFYING AND MANAGING WASTE VENDORS to optimize waste and recycling efforts and reduce costs

L3Harris has embedded internal resources who specialize in waste and manage our waste programs. We rely on these individuals and effective partnerships across the organization to drive a continuous improvement mindset and drive progress towards our long-term goal.

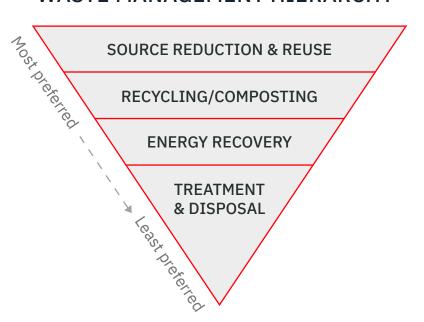
While the standards do not extend to our suppliers, guidance and best practices are provided to encourage suppliers to take a holistic approach to solid waste and collaborate on opportunities both inside and outside our own operations, such as those identified during solid waste characterization assessments.

L3Harris supports locations that aim to achieve 90% waste diversion and align with the GBCI TRUE Program for zero waste certification.

SOLID WASTE DIVERSION GOAL AND CONTINUOUS IMPROVEMENT PRINCIPLES

In alignment with the waste management hierarchy, L3Harris' approach to managing solid waste generation is realized by optimizing resources, rather than managing discards. Priority is given to source reduction, reuse, recycling, composting, and energy recovery before landfill disposal. This approach encourages the elimination of solid waste before it is created and may involve redesigning products, changing manufacturing processes, purchasing more durable goods, or reusing/donating materials and products.

WASTE MANAGEMENT HIERARCHY



L3Harris has committed to a 75% solid waste diversion rate from landfill and has a common operating philosophy of continuous

GOAL: 75%

solid waste diversion rate from landfill by 2026. **2020 Progress: 39%**

improvement and operational excellence. Each site will make progress at a different rate—and some may even exceed the 75% solid waste diversion rate goal.

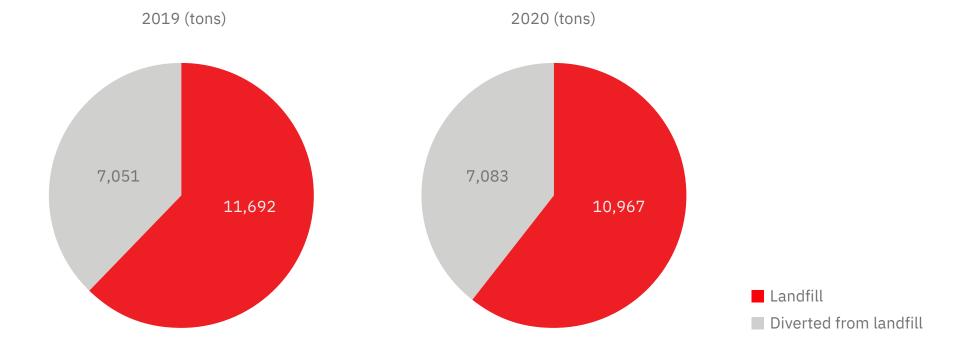
L3Harris recognizes and supports locations that choose to exceed our long-term goal and align with the Green Business Certification, Inc.'s (GBCI) Total Resource Use and Efficiency (TRUE) Program for zero waste certification. Pursuing a higher standard of solid waste diversion through practices such as maximizing material usage, conserving commodities through upstream waste prevention, and initiating progressive supplychain oriented practices is encouraged. Such practices avoid waste generation prior to point-of-disposal. By implementing changes onsite in processes, materials, equipment, and behavior that surpass traditional approaches to solid waste minimization, over 75% solid waste diversion is attainable.

GRI 306-3 WASTE GENERATED

GRI 306-4 WASTE DIVERTED FROM DISPOSAL

GRI 306-5 WASTE DIRECTED TO DISPOSAL

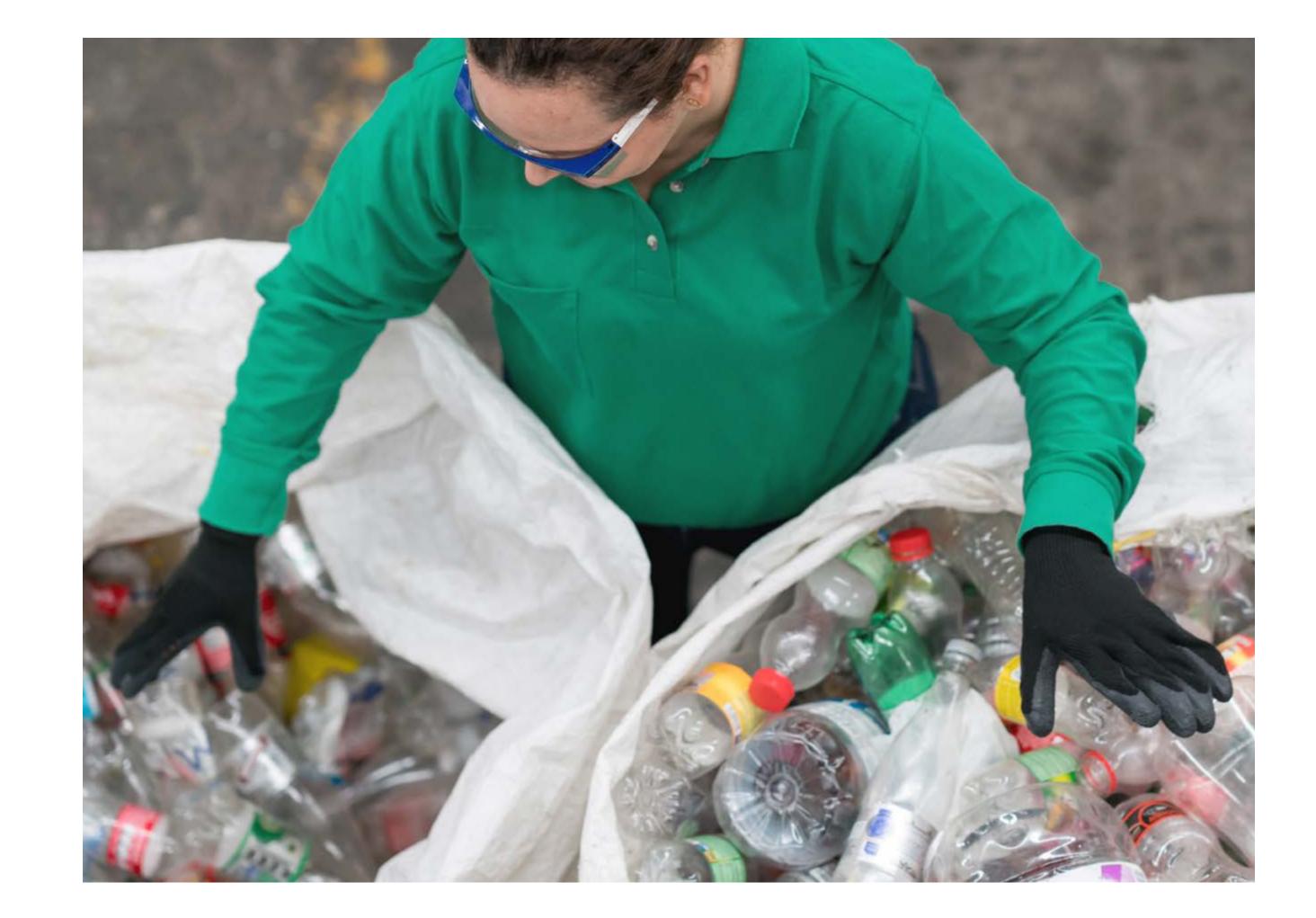
WASTE GENERATION AND DISPOSAL



Following implementation of our enhanced standards we expect to provide further breakdown of the composition of solid waste in subsequent Sustainability Reports.

39%

of all waste generated was diverted from landfill in 2020





HUMAN CAPITAL

MANAGEMENT APPROACH

Our employees are vitally important to our business. The ability to attract and retain the very best talent is essential for our company to innovate, imagine, invent, and deliver mission-critical solutions, so we strive to create a stimulating environment that provides opportunities for growth. As part of our recruitment and development strategy, L3Harris is committed to fostering inclusion and to engage and reward talent.

To measure our performance, we examine our talent metrics with the same process rigor we use to review program status and have set the following goals:

OUR PERFORMANCE GOALS & 2020 PROGRESS INCLUDE:

RETENTION

Maintain a voluntary attrition rate lower than industry average 2020 PROGRESS: rate of 7%, lower than industry average

HIRING

Maintain strong focus on university hiring. New college graduate hiring > 10% of annual hiring.

2020 PROGRESS: 12% of total hiring, with 891 hires in 2020

Achieve an intern conversion rate of at least 65% **2020 PROGRESS: 77%**

TALENT

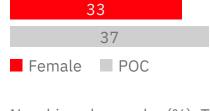
Helping our employees develop and improve skills through mentoring programs and career growth opportunities. 2020 PROGRESS: average 20 annual training hours per employee

GRI 401-1 NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER

74

2020 HIRING

New college graduate (%)



New hires, by gender (%); Total Hires 7,229



2020 TURNOVER

Employee turnover, by gender (%)



Female Male

GRI 401-2 BENEFITS PROVIDED TO FULL-TIME EMPLOYEES THAT ARE NOT PROVIDED TO TEMPORARY OR PART-TIME EMPLOYEES

The L3Harris culture prioritizes work-life balance, offering full-time employees world-class benefits that support health, finances and family in those countries where we operate:

L3HARRIS' BENEFITS:

- HEALTH BENEFITS: In the U.S., L3Harris provides a comprehensive suite of benefits including medical, dental, and vision insurance and a host of voluntary benefit offerings. Internationally, we offer access to various medical, dental and vision programs in lieu of or in coordination with country-sponsored plans.
- RETIREMENT BENEFITS: To assist employees with building wealth for their retirement, L3Harris provides access to various statutory and non-statutory retirement programs, such as 401(k) and
- supplemental savings plans with employer match in the U.S., as well as stakeholder savings plans with company contributions in the UK.

L3HARRIS SUSTAINABILITY REPORT 2020

work/LIFE BALANCE: L3Harris offers various programs and benefits that address employee assistance and counseling, parental support and, in some countries, back-up childcare and eldercare. This includes a parental leave policy to allow employees to focus on their families at key moments in life.

GRI 404-1 AVERAGE HOURS OF TRAINING PER YEAR PER EMPLOYEE

Helping our employees develop and improve skills through mentoring programs and career growth opportunities creates a more engaged and prepared employee base and, ultimately, more opportunities to meet organizational goals.

20 HOURS

is the average annual training hours per employee

L3HARRIS SUSTAINABILITY REPORT 2020

GRI 404-2 PROGRAMS FOR UPGRADING EMPLOYEE SKILLS AND TRANSITION ASSISTANCE PROGRAMS

TO HELP EMPLOYEES ENHANCE THEIR SKILLS WE PROVIDE OPPORTUNITIES FOR:

- TRAINING, rotation and development opportunities
- TUITION ASSISTANCE. In 2020, >1,100 employees received assistance
- OUTPLACEMENT SERVICES provided to displaced employees

EARLY CAREER DEVELOPMENT

We offer multi-year, function-specific development programs in Engineering, Finance, and IT that utilize carefully selected rotational assignments to build a broad knowledge base and accelerate leadership growth in early-career professionals. Rotations may span different businesses, disciplines, or geographies, with these diverse experiences supplemented by mentors, additional training, and networking opportunities.

PROFESSIONAL AND TECHNICAL DEVELOPMENT

GOVERNANCE

In an ever-changing work environment, leading a team can be challenging. To help, L3Harris has developed Frontline Leadership, a standardized training program that equips leaders to maximize team performance by improving communication, coaching and delegation skills. Frontline Leadership also educates leaders about L3Harris talent-centric practices, such as engagement and inclusion, employee recognition, screening and selecting talent, e3 operational excellence and ethics.

With a focus on continuous learning,
L3Harris has also developed functional
excellence academies in Business
Development, Program Management, and
Supply Chain to develop functional expertise
and drive best-in-class performance. These
programs are taught by L3Harris technical
experts in interactive sessions that allow
for technical development, networking, and
cross-segment collaboration.

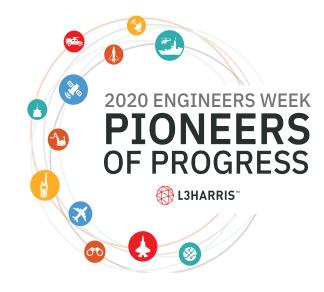
LEADERSHIP & EXECUTIVE DEVELOPMENT

To prepare the next generation of executive leaders, L3Harris has partnered with The Wharton School of the University of Pennsylvania to design and offer two distinct

offerings for executives and high potential leaders. Our Executive Program (EP) is a 5-day program conducted annually for experienced executives and our Emerging Leaders Program (ELP) conducted twice annually for high potential leaders and newly promoted executives.

ENGINEERS WEEK

L3Harris has approximately 48,000 employees, including about 19,000 engineers and scientists. Among the ways we celebrate their accomplishments and help to inspire the next generation of innovation leaders is through our company-wide celebration of National Engineers Week (EWeek). In February, L3Harris employees across 45+ locations throughout the U.S., Canada, Australia, the UK, and the United Arab Emirates participated in events, seminars and capability tours to drive collaboration, foster innovation and increase engagement.



GRI 404-3 PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS

Our performance management process ensures that 100% of eligible employees receive annual performance reviews and guidance on opportunities.



(left–right) L3Harris Board Directors Sallie Bailey and Rita Lane at the 2019 L3Harris Women's Leadership Conference

DIVERSITY AND INCLUSION

MANAGEMENT APPROACH

We operate in a competitive industry, and our future success depends on our continued ability to develop new solutions to our customers' most critical challenges. We believe that complex problems are solved by blending different perspectives, ideas and backgrounds at all levels of the organization. We value a diverse employee base that reflects multiple points of view, including those of race, gender, age, education, and experience.

This is true for our workforce, and we are now embedding the same mindset into our governance bodies. In particular, we believe that a more diverse Board can offer a broader range of perspectives to facilitate decisions. Although we have no specific diversity requirement for selecting director nominees, we use criteria that include diversity of viewpoints, background, experience, personal characteristics, including gender, race, ethnicity, age, sexual orientation and other demographics. We may also consider personal characteristics, such as functional background, executive or professional experience, and international experience. Our Board is also committed to include persons of diverse backgrounds in candidate pools when seeking new members of the Board.

2020 was the first full year of work for our Diversity Council, which was selected and announced in 2019. The Council is headed by our CEO and comprised of Employee Resource Group (ERG) leaders and executives from across the enterprise. The Council influences and evaluates company policies and strategies designed to advance diversity and inclusion and build a highperformance workforce.

~10,000

Our ERG footprint has continuously grown in our first year as L3Harris, with more than 60 local chapters established and approximately 10,000 members worldwide.

ERGs are voluntary, employee-led groups that bring together colleagues with similar values and interests. These high-energy groups are a great way to meet new people, network outside the office, support our communities and foster professional development. For more information on ERGs please visit page 14 of our Diversity and Inclusion Annual Report.

BUILDING A HIGH-PERFORMANCE CULTURE

Our commitment to speed, innovation and flawless execution is matched only by our dedication to providing every employee with rewarding career opportunities and an inclusive environment.

Our CEO has signed the CEO Action for Diversity and Inclusion and the Catalyst CEO Actions for Change, committing our company to advance diversity, build inclusion,

empower employees, mitigate bias, advance understanding and drive accountability.

We also understand that diversity alone is not enough. We must create an inclusive environment where all voices are heard, and everyone feels confident in contributing their ideas. Read more about our diversity and inclusion efforts on page 17.

OUR EFFORTS TO CREATE A WELCOMING, ENGAGING AND INCLUSIVE WORKPLACE HAVE BEEN EXTERNALLY RECOGNIZED:



100% on the Human Rights Campaign Corporate Equality Index Bloomberg Gender-Equality Index

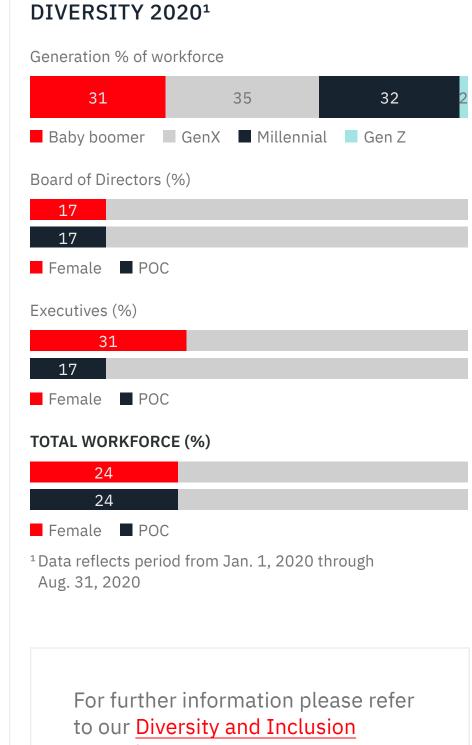
The only U.S. aerospace and defense company included on the 2020 **Bloomberg Gender Equality Index**



Certification as a Great Place to Work

GRI 405-1 DIVERSITY OF GOVERNANCE BODIES AND EMPLOYEES

L3HARRIS SUSTAINABILITY REPORT 2020



Annual Report.

HEALTH AND SAFETY

MANAGEMENT APPROACH

Everyone at L3Harris is responsible for protecting the health and safety (H&S) of our employees, our customers and the communities where we operate. Leveraging science and technology, our employees continually improve our practices to drive environmental, health and safety (EHS) excellence. We employ a learning philosophy focused on risk reduction to improve the efficiency of our operations and processes.

"Accept only Zero" starts with each employee. With our entire workforce focused on reporting EHS concerns, we can make progress towards our goal of a zero-injury workplace.

GRI 403-1 OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM

GRI 403-2 HAZARD IDENTIFICATION, RISK ASSESSMENT, AND INCIDENT INVESTIGATION

GRI 403-3 OCCUPATIONAL HEALTH SERVICES

GRI 403-4 WORKER PARTICIPATION, CONSULTATION, AND COMMUNICATION ON OCCUPATIONAL HEALTH AND SAFETY

GRI 403-5 WORKER TRAINING ON OCCUPATIONAL HEALTH AND SAFETY

L3Harris has implemented a robust EHS management system to establish policies and standards, risk assessment tools and enterprise initiatives that seek to reduce or eliminate exposure to daily hazards and promote an "Accept Only Zero" mindset.

The EHS management system follows the guidelines and principles outlined in recognized external management system standards (ISO 14001, ISO 45001 and ANSI Z10).

IN ACCORDANCE WITH OUR HEALTH AND SAFETY POLICY STANDARD, EACH LOCATION DEVELOPS A HEALTH AND SAFETY PROGRAM WHICH INCLUDES, AT A MINIMUM, THE FOLLOWING ELEMENTS:

- Processes for worksite analysis, hazard recognition, evaluation, and correction or control
- A process for establishing and communicating H&S responsibilities
- Safe working procedures and EHS standards to recognize, control and anticipate location-specific hazards, along with a process for implementing each standard
- Processes to ensure that workers have the competence to safely undertake assigned tasks through appropriate supervision,

- instruction, and training. Our EHS training program is focused on compliance and risk.
- Procedures to identify and report imminent danger to life, health conditions, or practices including 'stop work' authority
- Indicators to measure H&S performance, with targets that drive continuous improvement
- Emergency Action Plans and Emergency Response Plans, as applicable
- A return-to-work process with clear criteria for bringing injured workers back to work
- An effective management of change process

Management-worker H&S committees, working groups and teams exist at many different levels within the company. Ranging from Executive EHS Steering Committees that give strategic direction to site level committees to working groups and teams that execute initiatives or are focused on eliminating a specific hazard or type of injury.

The corporate EHS team periodically conducts audits of locations to verify performance and share best practices. Findings from these assessments are recorded using our global EHS tracking system. This tool is one of many channels for employees to report EHS concerns.

L3Harris is diligent in working to prevent injury and illnesses in the workplace, but when they occur, we take every opportunity to learn from them. All near miss and incident reports are investigated to determine their cause, significance and corrective actions.

Occupational Health Services are available to all L3Harris employees including, at our large manufacturing locations, on-site medical staff that provide preventative and reactive care for workplace injuries and illnesses. Additionally, L3Harris provides access to a triage phone line staffed twenty four hours a day, seven days a week by registered nurses and supports a mental health benefit to all U.S.-based employees through the Employee Assistance Program (EAP).

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APPROACH NARRATIVES GOVERNANCE ENVIRONMENTAL SOCIAL REFERENCE GRI/SASB INDEX L3HARRIS SUSTAINABILITY REPORT 2020 42

GRI 403-6 PROMOTION OF WORKER HEALTH

The H&S of our employees in and out of the workplace is always our top priority. For information on our medical and benefits programs and other non-occupational healthcare initiatives, see Human Capital, page 38.

For information on how we protected and supported employees during the COVID-19 pandemic, see narrative on page 11.

GRI 403-7 PREVENTION AND
MITIGATION OF
OCCUPATIONAL
HEALTH AND SAFETY
IMPACTS DIRECTLY
LINKED BY BUSINESS
RELATIONSHIPS

For information on management of H&S impacts in our supply chain, see page 45 and our Supplier Code of Conduct.

GRI 403-9 WORK RELATED INJURIES

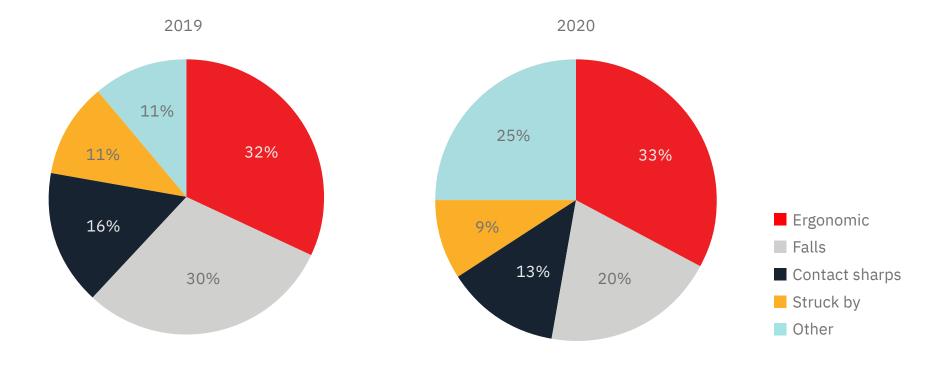
Ensuring a safe workplace remains a top priority for L3Harris, and our ultimate goal is to achieve zero injuries and incidents. In 2020, there were more than 250 injuries reported across the entire enterprise, with more than 50% attributed to ergonomics and slips, trips and falls.

Our focus on building resilient EHS programs and systems as well as increasing employee awareness and engagement has resulted in a decrease of our Total Recordable Injury Rate (TRIR) and Lost Day Injury Rate (LDIR) by 34% and 43%, respectively, from 2019 to 2020. In 2020, our TRIR was 0.56 and our LDIR was 0.17.

34% AND 43% DECREASE OF TRIR AND LDIR

from 2019 to 2020

MAIN TYPES OF WORK-RELATED INJURIES:



L3HARRIS SUSTAINABILITY REPORT 2020

HUMAN RIGHTS

MANAGEMENT APPROACH

L3Harris believes in conducting our business in a way that protects human rights throughout our value chain. In support of this commitment, we have developed and implemented associated policies and compliance plans to ensure responsible business conduct.

All L3Harris employees, regardless of position, annually receive Code of Conduct related training, which includes specific human rights and respect in the workplace content.

IN SUPPORT OF HUMAN RIGHTS:

- We do not engage in human trafficking within our operations and do not willingly or knowingly assist in any human trafficking committed by any other party, including suppliers or business partners. More information can be found in our Transparency in Supply Chains Preventing Human Trafficking document, which can be found here.
- L3Harris is committed to sourcing components and materials from companies that share our values regarding respect for human rights, integrity and environmental responsibility. We annually disclose our due diligence efforts in accordance with SEC regulations, which can be found here.
- As a Tier 3 member of U.S. Customs
 Trade Partnership Against Terrorism
 (CTPAT) program, L3Harris has
 established a multi-layered security
 program and corporate policy applicable
 to all operations worldwide to protect
 our organization and supply chain
 from any illegal or illicit activities, to
 include human trafficking and assist
 in the worldwide campaign to stop
 these activities.



APPROACH NARRATIVES GOVERNANCE ENVIRONMENTAL SOCIAL REFERENCE GRI/SASB INDEX L3HARRIS SUSTAINABILITY REPORT 2020 44

COMMUNITY

MANAGEMENT APPROACH

Community engagement is at the core of our culture. Our commitments to community align with our business strategy and reflect our values. L3Harris Foundation partnerships provide targeted philanthropic support to communities through strategic investments and volunteer hours across three pillars.

L3Harris Investing for Tomorrow (LIFT) is our way of giving back to the communities where we live and work. LIFT encourages active citizenship by funding employee-led volunteer projects, prioritizing those that most align with our strategic giving pillars. For more information on LIFT, please see page 19.

THE THREE PILLARS:

- **STEM:** We give to universities, organizations that promote STEM education and future workforce development, and provide coaching to robotics teams.
- organizations that promote the wellbeing, development, and success of our veterans, active duty military (and their families), and first responders through the Special Operations Warrior Foundation, Operation Gratitude, and Army Historical Foundation, to name a few.
- COMMUNITY: We support programs devoted to making meaningful social contributions in the places where we live and work, including United Way and American Red Cross.

GRI 413-1 OPERATIONS WITH LOCAL COMMUNITY ENGAGEMENT, IMPACT ASSESSMENT, AND DEVELOPMENT PROGRAMS

In 2020, L3Harris provided funds and support to organizations assisting communities affected by COVID-19 (read more on page 11) and recently launched a social impact grant program. The grants help nonprofit organizations around the country address populations affected by the educational, economic, and healthcare impacts of COVID-19. Preference is based on their diversity and inclusion metrics as well as geographical diversity.

GOAL: 40%
OF EMPLOYEES
VOLUNTEER

by 2023

	2019	2020
Charitable giving dollars	2.6M	6.4M
# Volunteers (% of total employees)	4,295 (9%)	2,615 (5%)
TOTAL VOLUNTEER HOURS (PER EMPLOYEE)	55,594 (1.13)	35,538 (0.74)

L3HARRIS SUSTAINABILITY REPORT 2020

SUPPLY CHAIN

MANAGEMENT APPROACH

L3Harris has a diverse, established supply chain with suppliers located throughout the globe. We value relationships with our suppliers and foster strategic partnerships with them to ensure the success of our organization. We conduct our business according to the highest ethical standards and ensure that our partners are compliant with applicable laws and regulations and adhere to our social and environmental practices. Our Supplier Code of Conduct applies to all suppliers (see Ethics section GRI disclosure 102-16) and we include nonnegotiable clauses regarding ethical, social and environmental aspects in our General Provisions of Service.

Suppliers are required to operate in a manner that actively manages risk, minimizes waste, and protects the environment.

We expect our suppliers to treat people with respect and dignity, encourage diversity, remain receptive to diverse opinions, promote equal opportunity for all, and foster an inclusive and ethical culture. We ensure that we have a supplier base that includes small, disadvantaged, veteran, disabled and minority owned businesses. Our highly successful Supplier Diversity Program provides dedicated support teams that facilitate opportunities to provide small businesses and other diverse organizations with maximum opportunity to contribute to high-tech programs and engage in technological advances in aerospace and defense. Together, our work positions L3Harris to better meet customer needs and requirements while fostering growth and innovation in small businesses.

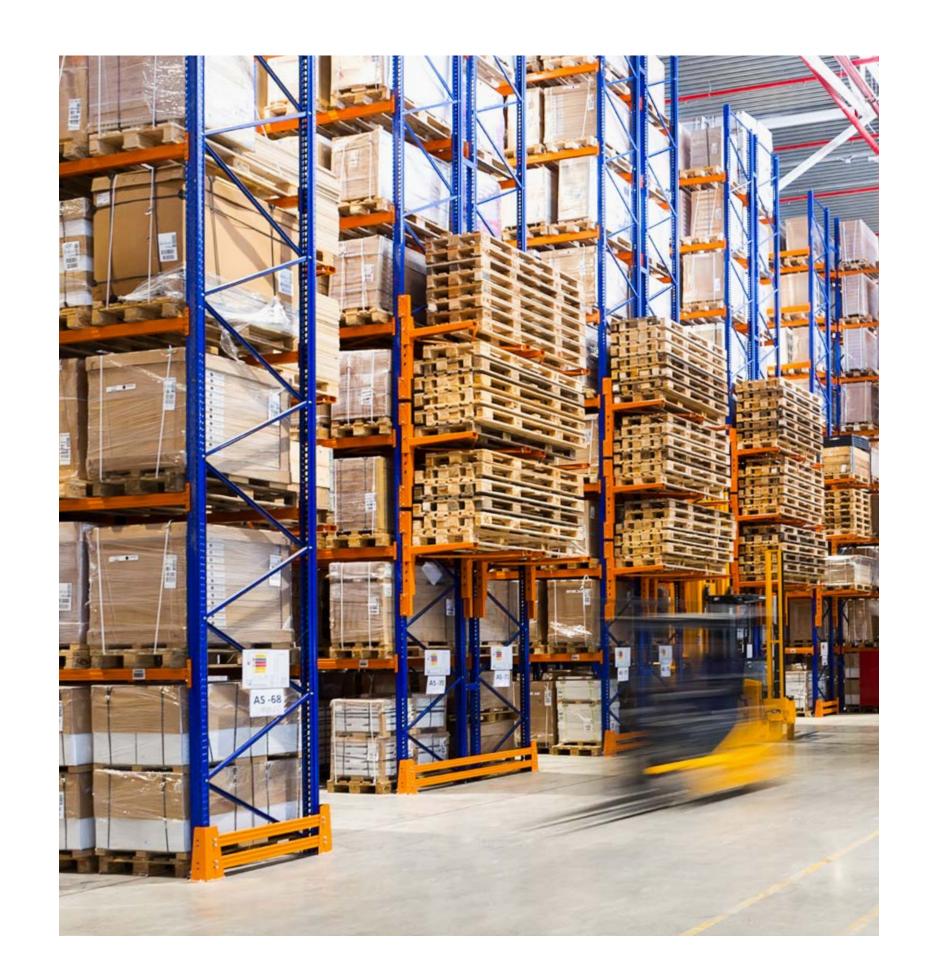
Our suppliers gain access to L3Harris resources that provide a pathway to develop new technologies. L3Harris has successfully collaborated with small businesses on innovation projects that include Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) efforts. The L3Harris SBIR Program website is a place where subcontractors can evaluate Department of Defense (DoD) SBIR topics and express an interest in partnering.

We mentor our suppliers, providing developmental assistance focused on technical and business acumen. We have received three Nunn Perry Awards from the U.S. Department of Defense (DoD) in recognition of our mentoring efforts.

+38%

Since 2015 L3Harris has awarded over 38% of its procurements on Department of Defense (DoD) programs to small businesses, exceeding the DoD's goal each year.

For this Sustainability Report, we are unable to provide the GRI disclosures associated with this supply chain management section (204-1, 308-1, and 308-2), as this information is currently unavailable. We are enhancing our current enterprise supply chain management systems to ensure this information is sufficiently tracked and can be disclosed in subsequent Sustainability Reports, which we expect to be in the next two reporting cycles.



DATA PRIVACY AND CYBERSECURITY

MANAGEMENT APPROACH: DATA PRIVACY

We have assembled a group of experts, the "Privacy Team," to oversee data privacy for L3Harris' administration. The Team makes final determinations on all matters related to data privacy, and for providing company-wide direction to functional leaders and the L3Harris Global Privacy Steering Committee. This Committee includes leaders across functions throughout L3Harris who work closely with the Privacy Team to ensure compliance.

We do not take these matters lightly. We strive to not only meet but exceed data privacy best practices.

We have established a company-wide Data Privacy Compliance Program covering all matters related to the processing and security of personal information within L3Harris. We have concluded that the Data Privacy Compliance Program, as implemented by the Privacy Team, satisfies all the applicable regulatory standards and meets the company's needs from a governance perspective.

Under some circumstances, and consistent with best practices and all applicable laws and regulations, employees and third parties may have the right to request access to their accounts to erase, rectify, complete, or amend their information.



MANAGEMENT APPROACH: CYBERSECURITY

Due to the nature of our products and services and their applications, we consider the security of our clients' data of the utmost importance. Our company-wide program is based on the Information Security Management System, fully certified under the ISO 27001 standard and comprised of a cybersecurity organization of nearly 100 full-time employees, headed by a Chief Information Security Officer.

L3Harris maintains a Security Operations Center (SOC) that monitors network and computer activity around the clock every day of the year.

L3Harris teams continuously scan applications and systems for vulnerabilities to identify risk. Action plans are created to address risks identified during the scans and are tracked until remedied.

All L3Harris employees are required to take annual cybersecurity training and receive weekly awareness updates, including notices regarding changes to policies and procedures. Users are regularly tested to assess the training.

CYBERSECURITY EDUCATION FOR OUR SUPPLY CHAIN

L3Harris is a leader and active participant in the National Defense Information Sharing and Analysis Center (ND ISAC), where over 100 A&D companies share the latest information on emerging threats and develop best practices to detect, deter and prevent cybersecurity attacks. L3Harris is also a member of the Defense Industrial Base Cybersecurity (DIB CS), facilitated by the DoD CIO Office, and other industry partnerships between the public and private sector.

In 2019, L3Harris developed and implemented a Cybersecurity Maturity Model Certification (CMMC) education program designed to prepare U.S. Department of Defense subcontractors and suppliers

regarding implementation of the security controls found in National Institute of Standards and Technology (NIST) Special Publication 800-171, Protecting Unclassified Information in Nonfederal Information Systems and Organizations. L3Harris developed a supplier portal accessed by over 4,800 suppliers to gain informational resources on CMMC, access to selfassessment and readiness tools, and access to L3Harris-developed training webinars. Over six months, L3Harris has provided five cybersecurity webinars with attendance from over 1,400 businesses. Access to the portal and training webinars were provided at no cost to L3Harris' suppliers.

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GRI 418-1 SUBSTANTIATED COMPLAINTS CONCERNING BREACHES OF CUSTOMER PRIVACY AND LOSSES OF CUSTOMER DATA

SASB 230a.1 and SASB 230a.2 DATA SECURITY

In 2020, no data breaches occurred, and we received no complaints in regard to our data management and protection practices.

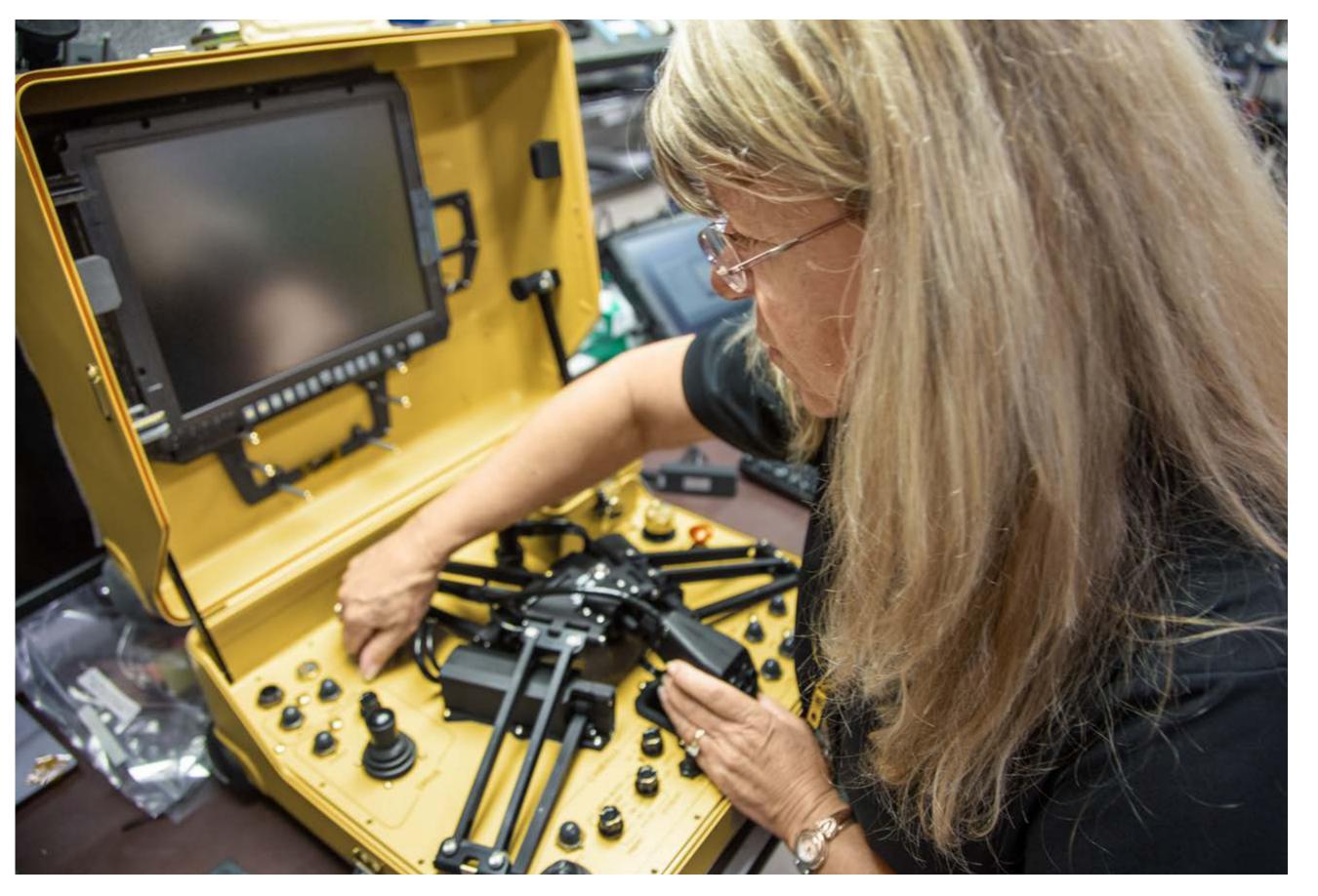
L3HARRIS SUSTAINABILITY REPORT 2020

PRODUCT SAFETY AND QUALITY

MANAGEMENT APPROACH

As a global aerospace and defense technology innovator, L3Harris strives to deliver safe and quality end-to-end solutions that meet our customers' mission critical needs. We are committed to providing safety and quality throughout our design, testing and continuous improvement practices. Based on ISO 9001 and AS9100 standards, our Quality Management System enables us to share best practices and continuously collaborate to improve our processes and strengthen our business. At L3Harris, quality is everyone's responsibility. This includes our suppliers, with whom we are working, to drive quality to a common standard.

L3Harris is enhancing our Corporate quality team; deploying a streamlined and proactive strategy which includes developing processes, standards, tools and training to ensure quality continues to be integrated throughout the enterprise.



Operator Control Unit (OCU) for the T7 robot.



GRI/SASB INDEX APPROACH **NARRATIVES** GOVERNANCE **ENVIRONMENTAL** SOCIAL REFERENCE L3HARRIS SUSTAINABILITY REPORT 2020

L3Harris has been recognized by various organizations for its achievement in multiple ESG areas.



GREAT PLACE TO WORK



GENDER EQUALITY INDEX



CDP 2020







BEST EMPLOYER FOR VETERANS



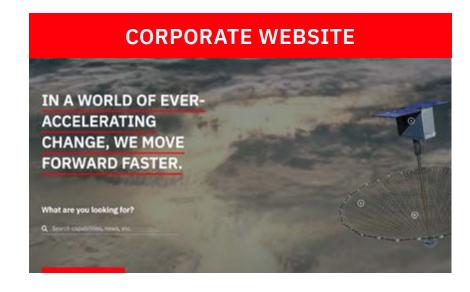




APPROACH NARRATIVES GOVERNANCE ENVIRONMENTAL SOCIAL REFERENCE GRI/SASB INDEX L3HARRIS SUSTAINABILITY REPORT 2020

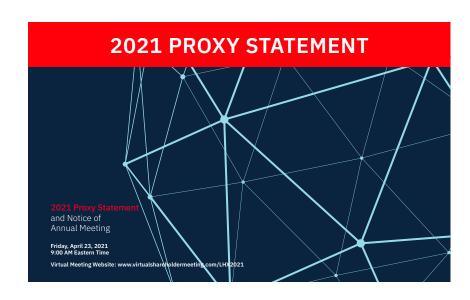
RESOURCES

L3Harris publishes a range of resources that provide further information. These are available on our website and cross-referenced in our report, and can be accessed via the links below:













GRI GENERAL DISCLOSURES

GRI#	DISCLOSURE TITLE	REFERENCE/LOCATION
102-1	Name of the organization	Approach / About L3Harris, page 06
102-2	Activities, brands, products, and services	Approach / About L3Harris, page 06
102-3	Location of headquarters	Approach / About L3Harris, page 06
102-4	Location of operations	Approach / About L3Harris, page 06
102-5	Ownership and legal form	Approach / About L3Harris, page 06
102-6	Market served	Approach / About L3Harris, page 06
102-7	Scale of the organization	Approach / About L3Harris, page 06
102-8	Information on employees and other workers	Approach / About L3Harris, page 06
102-9	Supply chain	Social / Supply Chain, page 45
102-10	Significant changes to the organization and its supply chain	No key organizational changes occurred in 2020
102-11	Precautionary principle or approach	Governance / Business Ethics, page 25
102-12	External initiatives	L3Harris endorses or participates in several externally developed voluntary programs, charters and initiatives driving standardization and best practices in governance, environment and equity, particularly in the Aerospace & Defense sector.
		 ISO 14001 ISO 45001 ANSI Z10 GRI Standards SBTi

GRI#	DISCLOSURE TITLE	REFERENCE/LOCATION
102-13	Membership associations	L3Harris also maintains memberships with a variety of industry and other associations and organizations.
		 Aerospace Industries Association (AIA) AFCEA Air Force Association Army Aviation Association of America (AAAA/Quad-A) Association for Unmanned Vehicle Systems (AUVSI) Association of the United States Army (AUSA) Business Roundtable (BRT) Catalyst Inc Defense Industry Initiative on Business Ethics and Conduct (DII) Ethics & Compliance Initiative (ECI) International Aerospace Environmental Group (IAEG) National Association for EHS&S Management (NAEM) National Defense Industrial Association (NDIA) National Industry Liaison Group Navy League of the United States Renewable Energy Buyers Alliance (REBA) The National Guard Association of the United States (NGAUS) The Naval Submarine League (NSL) The Surface Navy Association (SNA) The Wings Club
102-14	Statement from senior decision-maker	Approach / CEO Letter, page 05
102-16	Values, principles, standards, and norms of behavior	Governance / Business Ethics, page 25
102-17	Mechanisms for advice and concerns about ethics	Governance / Business Ethics, page 25
102-18	Governance structure	Governance / Corporate Governance, page 22

REFERENCE

GRI#	DISCLOSURE TITLE	REFERENCE/LOCATION
102-19	Delegation of authority	Governance / Corporate Governance, page 22
102-20	Executive-level responsibility for economic, environmental, and social topics	Governance / Corporate Governance, page 22
102-22	Composition of the highest governance body and its committees	Governance / Corporate Governance, page 22
102-23	Chair of the highest governance body	Governance / Corporate Governance, page 22
102-24	Nominating and selecting the highest governance body	Governance / Corporate Governance, page 23
102-25	Conflicts of interest	Governance / Corporate Governance, page 23
102-26	Role of highest governance body in setting purpose, values, and strategy	Governance / Corporate Governance, page 22
102-29	Identifying and managing economic, environmental, and social impacts	Governance / Corporate Governance, page 22
102-30	Effectiveness of risk management processes	Governance / Corporate Governance, page 23
102-31	Review of economic, environmental, and social topics	Governance / Corporate Governance, page 22
102-32	Highest governance body's role in sustainability reporting	Governance / Corporate Governance, page 22
102-33	Communicating critical concerns	Governance / Corporate Governance, page 24
102-35	Remuneration policies	Governance / Corporate Governance, page 24
102-36	Process for determining remuneration	Governance / Corporate Governance, page 24

GRI#	DISCLOSURE TITLE	REFERENCE/LOCATION
102-37	Stakeholder involvement in remuneration	Governance / Corporate Governance, page 24
102-38	Annual total compensation ratio	Governance / Corporate Governance, page 24
102-39	Percentage increase in annual total compensation ratio	Governance / Corporate Governance, page 24
102-40	List of stakeholder groups	Approach / Stakeholder Engagement, page 08
102-41	Collective bargaining agreements	Employee section of <u>Annual Report</u>
102-42	Identifying and selecting stakeholders	Approach / Stakeholder Engagement, page 08
102-43	Approach to stakeholder engagement	Approach / Stakeholder Engagement, page 08 Governance / Lobbying and Political Advocacy, page 28
102-44	Key topics and concerns raised	Approach / Stakeholder Engagement, page 08
102-45	Entities included in the consolidated financial statements	Unless otherwise noted, L3Harris full global operations are represented in this report, including activities at all facilities owned and leased, over which we have operational control.
102-46	Defining report content and topic boundaries	Approach / Focus Areas, page 09
102-47	List of material topics	Approach / Focus Areas, page 09
102-48 102-49	Restatements of information Changes in reporting	This is the first Sustainability Report for L3Harris, therefore there are no restatements or changes from previous reports.
102-50 102-51 102-52	Reporting period Date of most recent report Reporting cycle	This is the first Sustainability Report for L3Harris and covers the calendar year from January 1 to December 31, 2020. L3Harris intends to report on our ESG initiatives and progress and publish a Sustainability Report annually.

GRI#	DISCLOSURE TITLE	REFERENCE/LOCATION
102-53	Contact point for questions regarding the report	We welcome your feedback on our Sustainability Report, as well as any other comments or questions you may have. You may contact us at sustainability@L3harris.com
102-54	Claims of reporting in accordance with the GRI Standards	This Sustainability Report has been prepared in accordance with the GRI Standards: Core Option, and has also been developed to include key SASB disclosure topics.
102-55	GRI content index	page 51
102-56	External assurance	No external assurance

GRI ECONOMIC DISCLOSURES

GRI 204 PROCUREMENT PRACTICES

GRI#	DISCLOSURE TITLE	REFERENCE/LOCATION
MANAGEMENT APPROACH	Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy	Social / Supply Chain, page 45

GRI 205 ANTI-CORRUPTION

GRI#	DISCLOSURE TITLE	REFERENCE/LOCATION
MANAGEMENT APPROACH	Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy	Governance / Anti-Corruption, page 27
205-1	Operations assessed for risks related to corruption	Governance / Anti-Corruption, page 27
205-2	Communication and training about anti- corruption policies and procedures	Governance / Anti-Corruption, page 27

APPROACH

GRI ENVIRONMENTAL DISCLOSURES

GRI 301 MATERIALS

GRI#	DISCLOSURE TITLE	REFERENCE/LOCATION
MANAGEMENT APPROACH	Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy	Environment / Sustainable Products/Services and Packaging Materials, page 31

GRI 302 ENERGY

GRI#	DISCLOSURE TITLE	REFERENCE/LOCATION
MANAGEMENT APPROACH	Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy	Environment / Energy and Climate Change, page 32 Environment / EHS and Sustainability Management System, page 30
302-1	Energy consumption within the organization	Environment / Energy and Climate Change, page 32
302-4	Reduction of energy consumption	Environment / Energy and Climate Change, page 32

GRI 303 WATER AND EFFLUENTS

GRI#	DISCLOSURE TITLE	REFERENCE/LOCATION
MANAGEMENT APPROACH	Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy	Environment / Water, <u>page 34</u> Environment / EHS and Sustainability Management System, <u>page 30</u>

GRI#	DISCLOSURE TITLE	REFERENCE/LOCATION
303-1	Interactions with water as a shared resource	Environment / Water, <u>page 34</u>
303-2	Management of water discharge-related impacts	Environment / Water, <u>page 34</u>
303-3	Water withdrawal	Environment / Water, page 34
303-5	Water consumption	Environment / Water, page 34

GRI 305 EMISSIONS

GRI#	DISCLOSURE TITLE	REFERENCE/LOCATION
MANAGEMENT APPROACH	Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy	Environment / Energy and Climate Change, page 32 Environment / EHS and Sustainability Management System, page 30
305-1	Direct (Scope 1) GHG emissions	Environment / Energy and Climate Change, page 32
305-2	Energy indirect (Scope 2) GHG emissions	Environment / Energy and Climate Change, page 32
305-3	Other indirect (Scope 3) GHG emissions	Environment / Energy and Climate Change, page 33
305-4	GHG emissions intensity	Environment / Energy and Climate Change, page 32
305-5	Reduction of GHG emissions	Environment / Energy and Climate Change, page 32

GRI 306 WASTE

GRI#	DISCLOSURE TITLE	REFERENCE/LOCATION
MANAGEMENT APPROACH	Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy	Environment / Waste and Hazardous Waste, page 35 Environment / EHS and Sustainability Management System, page 30
306-1	Waste generation and significant waste- related impacts	Environment / Waste and Hazardous Waste, page 35
306-2	Management of significant waste-related impacts	Environment / Waste and Hazardous Waste, page 35
306-3	Waste generated	Environment / Waste and Hazardous Waste, page 36
306-4	Waste diverted from disposal	Environment / Waste and Hazardous Waste, page 36
306-5	Waste directed to disposal	Environment / Waste and Hazardous Waste, page 36

GRI 308 SUPPLER ENVIRONMENTAL ASSESSMENT

GRI#	DISCLOSURE TITLE	REFERENCE/LOCATION
MANAGEMENT APPROACH	Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy	Social / Supply Chain, page 45

GRI SOCIAL DISCLOSURES

GRI 401 EMPLOYMENT

GRI#	DISCLOSURE TITLE	REFERENCE/LOCATION
MANAGEMENT APPROACH	Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy	Social / Human Capital, <u>page 38</u>
401-1	New employee hires and employee turnover	Social / Human Capital, <u>page 38</u>
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Social / Human Capital, <u>page 38</u>

GRI 403 OCCUPATIONAL HEALTH AND SAFETY

GRI#	DISCLOSURE TITLE	REFERENCE/LOCATION
MANAGEMENT APPROACH	Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy	Social / Health and Safety, page 41
403-1	Occupational health and safety management system	Social / Health and Safety, page 41
403-2	Hazard identification, risk assessment, and incident investigation	Social / Health and Safety, page 41
403-3	Occupational health services	Social / Health and Safety, page 41
403-4	Worker participation, consultation, and communication on occupational health and safety	Social / Health and Safety, page 41

GRI#	DISCLOSURE TITLE	REFERENCE/LOCATION
403-5	Worker training on occupational health and safety	Social / Health and Safety, page 41
403-6	Promotion of worker health	Social / Health and Safety, page 42
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Social / Health and Safety, page 42
403-9	Work related injuries	Social / Health and Safety, page 42

GRI 404 TRAINING AND EDUCATION

GRI#	DISCLOSURE TITLE	REFERENCE/LOCATION
MANAGEMENT APPROACH	Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy	Social / Human Capital, <u>page 38</u>
404-1	Average hours of training per year per employee	Social / Human Capital, <u>page 38</u>
404-2	Programs for upgrading employee skills and transition assistance programs	Social / Human Capital, <u>page 39</u>
404-3	Percentage of employees receiving regular performance and career development reviews	Social / Human Capital, page 39

GRI 405 DIVERSITY AND EQUAL OPPORTUNITY

APPROACH NARRATIVES GOVERNANCE ENVIRONMENTAL SOCIAL REFERENCE GRI/SASB INDEX

GRI#	DISCLOSURE TITLE	REFERENCE/LOCATION	GRI#	DISCLOSURE TITLE	REFERENCE/LOCATION
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405-1	Diversity of governance bodies and employees	Social /Diversity and Inclusion, page 40	415-1	Political contributions	Governance / Lobbying and Political Advocacy, page 28
GRI 412	HUMAN RIGHTS ASSESSMENT		GRI 416	CUSTOMER HEALTH AND SAFETY	(
GRI#	DISCLOSURE TITLE	REFERENCE/LOCATION	GRI#	DISCLOSURE TITLE	REFERENCE/LOCATION
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MANAGEMENT APPROACH	Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy	Social / Community, page 44	MANAGEMENT APPROACH	Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy	Social / Data Privacy and Cybersecurity, page 46
413-1	Operations with local community engagement, impact assessment, and development programs	Social / Community, page 44	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Social / Data Privacy and Cybersecurity, page 46

GRI 415 PUBLIC POLICY

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SASB DISCLOSURES

SASB#	DISCLOSURE TITLE	REFERENCE/LOCATION
000.A	Production by Reportable Segment	Approach / About L3Harris, page 06
000.B	Number of Employees	Approach / About L3Harris, page 06
510a.3	Business Ethics	Governance / Business Ethics, page 25
130a.1	Energy Management	Environment / Energy and Climate Change, page 32
230a.1	Data Security	Social / Data Privacy and Cybersecurity, page 46
230a.2	Data Security	Social / Data Privacy and Cybersecurity, page 46



This report contains forward-looking statements that are based on the views of management regarding future events at the time of publication of this report. These forward-looking statements, which include, but are not limited to: our plans, strategies and objectives for future operations; new products, services or developments; future economic conditions; outlook; the effect of our acquisitions on our business; our growth potential; and the potential of the industries and markets we serve, are subject to known and unknown risks, uncertainties and other factors that may cause our actual results to be materially different from those expressed in or implied by each forward-looking statement. These risks, uncertainties and other factors are discussed in our Form 10-K for the fiscal year ended January 1, 2021.

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