

# Enterprise Infrastructure Solutions (EIS) Climate Change Adaptation, Sustainability, and Green Initiatives Report

02 August, 2022

CAGE Code: 91417 Document Control Number: 7056206 Contract Number: GS00Q17NSD3005

Prepared for:

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## **REVISION HISTORY**

Version #	Implemented By	Revision Date	Approved By	Approval Date	Reason
-	Paul Clouse	13 November 2017	Carl Grube	13 November 2017	Initial Release
Rev A	Paul Clouse	31 July 2018	Carl Grube	31 July 2018	Annual Update (no changes)
Rev B	Paul Clouse	20 August 2019	Carl Grube	20 August 2019	Annual Update
Rev C	Paul Clouse	30 September 2020	Joe James	30 September 2020	Annual Update
Rev D	Paul Clouse	31 July 2021	Joe James	31 July 2021	Annual Update
Rev E	Paul Clouse	02 August 2022	Joe James	02 August 2022	Annual Update

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## 1 INTRODUCTION

L3Harris Corporation is pleased to submit this annual update report on Climate Change Adaptation, Sustainability and Green Initiatives to satisfy EIS reporting requirements in Section F. This report consists of two climate-related reports for the Carbon Disclosure Project (CDP). These reports—CDP 2022 Climate Change and CDP 2022 Water Security—cover company-wide climate-related data collection for calendar year 2021—and are submitted as Attachments 1 and 2, respectively.

These recurring reports were previously submitted to the General Services Administration (GSA) and the California Department of General Services, to satisfy climate-related reporting requirements for government contracting. Updates of these reports for calendar year 2022 will be available for distribution in July 2023.

## ATTACHMENT A. CDP 2020 CLIMATE CHANGE REPORT



# Welcome to your CDP Climate Change Questionnaire 2022

# **C0.** Introduction

## C0.1

### (C0.1) Give a general description and introduction to your organization.

L3Harris Technologies, Inc. (L3Harris), headquartered in Melbourne, Florida, is an agile global aerospace and defense (A&D) technology innovator, delivering end-to-end solutions that meet customers' mission-critical needs. We provide advanced defense and commercial technologies across air, land, sea, space and cyber domains. We support government and commercial customers in 100 countries, with our largest customers being various departments and agencies of the United States (U.S.) Government and their prime contractors. Our products, systems and services have defense and civil government applications, as well as commercial applications.

We structure our operations primarily around the products, systems and services we sell and the markets we serve. L3Harris organizational structure consists of three business segments that are referred to as:

 Aviation Systems (AS), including defense aviation products; other commercial aviation products; commercial pilot training; and mission networks for air traffic management. As of 2022 this segment was realigned and some locations were divested.

 Communication Systems (CS), including tactical communications; broadband communications; integrated vision solutions; and public safety;

 Integrated Mission Systems (IMS), including multi-mission intelligence, surveillance and reconnaissance and communication systems; integrated electrical and electronic systems for maritime platforms; and advanced electrooptical and infrared solutions;

Space and Airborne Systems (SAS), including space payloads, sensors and full-mission solutions; classified intelligence and cyber defense; avionics; and electronic warfare. Our operational excellence program, called e3 (excellence everywhere every day) is a Business Operating System committed to excellence, innovation, customer satisfaction and continuous improvement. e3 provides a common language, processes, and metrics across the enterprise and includes regular reviews and performance metrics to drive continuous improvement as a foundation for innovation. A key element of our e3 program is environmental sustainability, which includes climate-related sustainability metrics and goals. We are committed to advancing environmental sustainability and compliance. The Company's robust environmental, health and safety (EHS) management system provides the framework for



policies and standards, as well as enterprise initiatives to reduce solid waste, water usage and greenhouse gas (GHG) emissions.

# C0.2

## (C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years
Reporting	January 1,	December 31,	No
year	2021	2021	

## C0.3

## (C0.3) Select the countries/areas in which you operate.

Australia Canada Germany India Italy Portugal United Kingdom of Great Britain and Northern Ireland United States of America

## C0.4

# (C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

## C0.5

(C0.5) Select the option that describes the reporting boundary for which climaterelated impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

## C0.8

## (C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier	
Yes, a Ticker symbol	L3Harris Technologies, Inc.'s Ticker symbol: LHX.	

L3Harris Technologies INC CDP Climate Change Questionnaire 2022 Friday, July 29, 2022



# C1. Governance

# C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

## C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain			
Board-level committee	Board level responsibility for overseeing our ethics and compliance programs, and our activities related to corporate citizenship and responsibility and environmental sustainability including climate-related issues, is carried out through our Board's Nominating and Governance Committee. This committee assists the L3Harris Board of Directors (our Board) in overseeing our ethics and business conduct program, our environmental, health and safety (EHS) programs and our charitable, civic, educational and philanthropic activities, and also monitors and takes appropriate action regarding strategic issues and trends relating to environmental, social and governance (ESG) efforts and corporate citizenship and responsibility. Through the Board's Nominating and Governance Committee, the Board monitors progress against targets and goals related to climate-related risks at the board level and provides oversight of our corporate strategy, plans of action, management policies, and performance objectives.			

## C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.



Frequency with which climate- related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding annual budgets Reviewing and guiding business plans Setting performance objectives Monitoring implementation and performance of objectives Overseeing major capital expenditures, acquisitions and divestitures Monitoring and overseeing progress against goals and targets for addressing climate-related issues	L3Harris is committed to responsible and effective corporate governance to enhance the creation of sustainable, long-term shareholder value, and to be accountable and responsive to our shareholders. Through the Board's Nominating and Governance Committee, the Board monitors progress against targets and goals related to climate-related risks at the board level and provides oversight of our corporate strategy, plans of action, management policies, and performance objectives. Board meetings occur quarterly, and environmental sustainability performance, including climate-related goals, is reviewed and guidance is given to adjust strategy at least annually. In addition, at each regularly scheduled Board meeting our Board routinely discusses matters of strategic importance and receives updates on these topics. The Board also holds executive sessions solely for independent directors, and separately with our Chief Executive Officer (CEO) to discuss significant business developments including those related to climate-related risks and opportunities.



1	Governance Committee include elements of risk suc	
	as climate change.	

## C1.1d

# (C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	No, but we plan to address this within the next two years	Important but not an immediate priority	Under our Corporate Governance Guidelines, our Board selects director nominees based on the recommendation of our Nominating and Governance Committee and criteria including: • Current knowledge and contacts in the markets in which we do business and in our industry or other relevant industries; • Compatibility of the individual's experience, qualifications, attributes or skills and personality with those of other directors and potential directors in building a Board that is effective, collegial and responsive to the needs of L3Harris and the interests of our shareholders. The Board annually performs a Self-Evaluation of its overall effectiveness, including utilization of a skills matrix. Board members then take appropriate training in line with their assessment. These trainings are tracked by the Corporate Governance Committee. Currently this does not explicitly address skills and experience regarding climate related issues but we plan to address this within the next two years.

## C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.



Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Chief Executive Officer (CEO)	Both assessing and managing climate-related risks and opportunities	Quarterly
Chief Operating Officer (COO)	Both assessing and managing climate-related risks and opportunities	Quarterly
Sustainability committee	Both assessing and managing climate-related risks and opportunities	More frequently than quarterly

P<sup>1</sup>Position eliminated mid-2021 when COO became CEO.

# C1.2a

# (C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

For the first half of 2021 L3Harris' Chairman of the board and CEO (both positions are held by one responsible party) along with our COO provided joint leadership on climate-related issues. They were both briefed by the Corporate Vice President (VP) of Global Operations on climate related issues at a minimum frequency of quarterly during Functional Quarterly Reviews (FQR) where they provided leadership and direction on the implementation of L3Harris' climate-related strategy. They also provided the Board updates on and discussed topics of strategic importance and other significant business developments including those related to climate-related risks and opportunities. Mid-2021 our previous CEO transitioned out and the COO became CEO; the COO position was then eliminated.

The VP of Global Operations reports directly to our CEO and has five functions under his purview including: Continuous Improvement (also known as e3), Manufacturing Engineering, EHS, Supply Chain, and Quality. Corporate Environmental Sustainability is part of the EHS function and reports to the VP of Global Operations. This group is directly responsible for both assessing and managing climate-related risks and opportunities day-to-day. This group is led by the VP of Environmental, Health and Safety who has a dedicated Environmental Sustainability Director on staff. This group is supported by Segment EHS Directors/leads and other subject matter experts (SMEs). The Corporate Environmental Sustainability function includes establishing environmental sustainability baselines, targets and roadmaps; deploying environmental sustainability goals and ESG strategy. In 2020, work was done to re-baseline Company metrics and establish L3Harris' long-term goals. The EHS group, with the primary expertise in climate related issues, reports directly to the VP of Global Operations, who in turn reports to the CEO; therefore, it is appropriate that the CEO holds the highest management level position with direct responsibility for climate related issues.



L3Harris also has a cross-functional ESG Working Group that serves as a formal sustainability committee to harmonize ESG programs. Led by the Environmental Sustainability Director, the ESG Working Group has executive sponsorship and includes representatives from Ethics, Human Resources, Risk, Communications, Legal, EHS (Operations), and Investor Relations, and is supported by representatives from Facilities, Engineering, Supply Chain, and Government Relations as needed. Members of this group include:

- VP, Environmental Health and Safety
- Director, Environmental Sustainability
- Director, Communications
- VP, Global Communications
- Senior Director, Ethics and Compliance
- Senior Manager, Engagement & Inclusion
- Senior Vice President, General Counsel and Secretary
- VP, Associate General Counsel
- Senior Director, Investor Relations
- Director, Risk Management
- VP, Global Operations

A key program focus area of the ESG Working Group is environmental sustainability including risks associated with climate-related issues. The group meets monthly and is involved in the Company's assessment and management of climate-related risks and opportunities. The members of this committee comprise of management and executive level members that have operational responsibility for the implementation and tracking of decisions taken at the board level and day-to-day management of climate-related issues throughout the enterprise. As an aerospace and defense company, L3Harris leads, manages, and monitors a broad range of ESG topics, and focuses on key impacts relevant to our business and to our stakeholders including climate related issues. Responsibility for setting the framework for climate-related issues lies with the personnel and committee referenced above. Through the management processes and organizational structure described above, we are focused on advancing environmental sustainability and compliance. The Company's robust EHS management system provides the framework for establishing policies and standards, as well as enterprise initiatives to reduce solid waste, water usage and GHG emissions. We are focused on continuous improvement to further reduce GHG emissions. Strategies to drive continuous improvement include leveraging our EHS management system, identifying and quantifying energy - and water-saving opportunities, installing more energy and water efficient infrastructure, conducting solid waste characterization assessments, and establishing employee-led Green Teams across the organization.

## C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

Provide incentives for the Comment management of climaterelated issues



Row	Yes	Monetary and non-monetary incentives are provided to the
1		Corporate executive team and to all employees for
		management of climate-related issues or advancement of
		climate-related opportunities.

# C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Corporate executive team	Monetary reward	Other (please specify) Pre-determined objectives related to ESG focus areas	The overall objective of our executive compensation program is to encourage and reward the creation of sustainable, long-term shareholder value. Our guiding principles provide a framework for our executive compensation program to meet this objective. The compensation program for our executive officers includes base salary, annual cash incentive award compensation and equity-based long-term incentive compensation. For annual cash incentive awards, our Annual Incentive Plan is based on formulaic calculations of our financial results against pre- determined financial performance measure targets, as well as performance reviews relative to pre-determined objectives for the fiscal year. Pre-determined objectives generally emphasize ethics; compliance and safety; operational excellence; talent, engagement; diversity and inclusion; and ESG focus areas, which include climate-related issues.
All employees	Non- monetary reward	Behavior change related indicator	Employees who demonstrate extraordinary achievement to customer or operational excellence, including environmental initiatives to reduce reliance on natural resources, are eligible for recognition through the company-wide recognition program. Recognizing Inspiring Sharing Engaging (R.I.S.E) is L3Harris' rewards and recognition program, designed to provide a method of recognizing individual employees or team contributions to furthering the goals and objectives of L3Harris, as well as to celebrate the achievements that make L3Harris successful. The levels of awards can be a non- monetary or monetary way of showing recognition for contributions through Boost, Launch, Ascend, Elevate and service milestone awards. These recognitions may additionally be celebrated through news articles



posted to internal company communications. Work on
Green Teams or other environmental sustainability
efforts could receive this type of incentive. Also,
L3Harris offers priority parking for those carpooling
and/or driving fuel efficient vehicles like hybrids or
electric vehicles to promote and incentivize overall
GHG emissions reductions.

# C2. Risks and opportunities

## C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

## C2.1a

# (C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	1	
Medium-term	1	5	
Long-term	5	20	

## C2.1b

# (C2.1b) How does your organization define substantive financial or strategic impact on your business?

Our Enterprise Risk Management (ERM) process is used to survey our senior leader and subject matter experts to determine and prioritize substantive/material financial impacts. Our company-wide risks are assessed regularly on potential impact, likelihood to occur, trends, and current mitigation, and specifically include risks associated with business continuity/natural disasters (e.g. floods, fires, hurricanes, etc.), supply chain and environmental compliance. An overall financial impact assessment is made ranging from under S10M (not significant/substantive) to greater than \$500M (catastrophic), which corresponds to the overall size of the company. The ERM process engages senior leadership to focus company resources to mitigate the risks that could have the most significant impact to the business.

## C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climaterelated risks and opportunities.



#### Value chain stage(s) covered

Direct operations Upstream

#### **Risk management process**

Integrated into multi-disciplinary company-wide risk management process

#### Frequency of assessment

Annually

#### Time horizon(s) covered

Short-term Medium-term Long-term

#### Description of process

L3Harris identifies, assesses, and manages climate-related risks and opportunities through numerous controls and processes embedded in our operations.

In addition to our GHG reduction efforts, L3Harris identifies, assesses and manages climate-related risks and opportunities through numerous controls and processes embedded in our operations. In 2021, we developed a Climate and Water Risk Management Plan (CWRMP) to update and expand upon the 2019 Climate Risk Management Plan that evaluated the potential impacts of climate change on operationscritical resources for major L3Harris locations and operations. The CWRMP covers a portion of L3Harris' larger global portfolio in the U.S., Canada, England and Australia, and brings climate and water risk considerations together to provide a more holistic risk assessment. The CWRMP includes an analysis of climate science projected trends and potential associated risks for climate variables such as average annual temperature and precipitation, sea level rise, and extreme weather events. The report is updated every two years. In 2021 the CWRMP was briefed at the Business Resilience Council and provided to the Enterprise Risk Management (ERM) to further integrate climate-related risks into our process.

As a part of our ongoing sustainability and climate resilience efforts during 2021, L3Harris completed a Supply Chain Climate Risk Assessment (SCCRA) to identify and better understand the potential climate change risks present throughout the supply chain. The SCCRA focused on global supply chain operations and assessed the primary climate risks to key categories of L3Harris' supply chain, including Freight and Logistics, Facilities and Operations, HR and Administration and IT/Telecom. The SCCRA also informs L3Harris' Environmental Social Governance (ESG) efforts to publicly disclose relevant environmental and physical climate-related risks and opportunities.

L3Harris has also incorporated climate risk into the Business Impact Analysis template for consideration of potential climate-related impacts relevant to individual locations and



future climate science projections.

L3Harris conducts a detailed aspect and impacts risk assessment on an annual basis. All sites with greater than 75 employees are responsible for completing the assessment and other sites complete the assessment based on segment discretion. For example, the Communication System segment completes the assessment on all sites. The assessment includes reviewing legal and other requirements, changes to regulations, process changes, and environmental risk including climate-related risks. The opportunities are risk-ranked and prioritized. These risks could be internal to L3Harris operations or external to stakeholders and the communities in which we operate. Selected risks and corresponding action plans are then tracked and managed as part of the facilities' objectives and targets. Objectives and targets are reviewed annually and tracked to completion. The management of risk and opportunities is part of a multidisciplinary company process.

L3Harris' ERM process, which is guided by the Committee of Sponsoring Organizations (COSO) framework, also identifies and assesses our top material enterprise risks, which includes climate-related and other ESG risks. The process is Board-approved and is overseen by the CEO and Senior Executives. Additionally, the Audit Committee performs an annual review of the risk identification process to assist in the identification of additional risks. Top material risks along with existing mitigation plans are reviewed annually by the CEO, Senior Executives and the Board. We improved our ERM process in 2021 through:

 Increased leader input and consultation on risk identification to address emerging issues;

Realigned survey timing to allow results to be considered during the enterprise strategic planning process;

 Expanded our assessment criteria to provide greater insight into risk considerations; and

 Assigned "risk champions" at the segment leadership level to respond to the level of risk identified in the ERM process.

In late spring 2021, we established the Business Resilience Council. It includes L3Harris functional and segment leaders serving as delegates and is an active partner in the ERM process. The Business Resilience Council reports to the Business Resilience Management Team (BRMT)/L3Harris senior leadership and is chartered to oversee the Business Resilience Policy.

Climate-related opportunities are also identified through our annual Strategic Growth Planning (SGP) process, our facilities infrastructure and real estate planning process and through facility eco-treasure hunts. As part of our SGP process, L3Harris has and will continue to leverage feasibility and materiality assessments as a strategy to obtain more information on climate related risks to minimize our environmental impact across our operations.



# C2.2a

# (C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain	
Current regulation	Relevant, always included	Current regulation is always considered in our climate-related risk assessments as regulatory compliance is foundational to our operations. L3Harris conducts a detailed aspect and impacts risk assessment on an annual basis. All sites with greater than 75 employees are responsible for completing the assessment and other sites complete the assessment based on segment discretion. For example, the Communication Systems segment completes the assessment on all sites. The assessment includes reviewing legal and other requirements, changes to regulations, process changes, and environmental risk including climate-related risks. The opportunities are risk-ranked and prioritized. These risks could be internal to L3Harris operations or external to stakeholders and the communities in which we operate. Selected risks and corresponding action plans are then tracked and managed as part of the facilities' objectives and targets. Objectives and targets are reviewed annually and tracked to completion. The management of risk and opportunities is part of a multi-disciplinary company process. To adhere to voluntary (e.g. GHG Protocol) and mandatory climate and air emissions related regulations L3Harris reports on GHG emissions as well as the energy usage associated with business operations within our operational control within the reporting year L3Harris does not fall under any mandatory climate related regulations such as emissions trading.	
Emerging	Relevant, always included	Emerging regulation is always considered in our climate-related risk assessments as regulatory compliance is foundational to our operations. With continuously evolving climate-related policies and regulations, monitoring emerging regulations is critical in helping us proactively address future climate related compliance risks. L3Harris conducts a detailed aspect and impacts risk assessment on an annual basis. All sites with greater than 75 employees are responsible for completing the assessment and other sites complete the assessment based on segment discretion. For example, the Communication Systems segment completes the assessment on all sites. The assessment includes reviewing legal and other requirements, changes to regulations, process changes, and environmental risk including climate-related risks. The opportunities are risk-ranked and prioritized. These risks could be internal to L3Harris operations or external to stakeholders and the communities in which we operate. Selected risks and corresponding action plans are then tracked and managed as part of the facilities' objectives and targets. Objectives and targets are	



		reviewed annually and tracked to completion. The management of risk and opportunities is part of a multi-disciplinary company process. Currently, we are in the process of integrating the Task Force on Climate-Related Financial Disclosures (TCFD) reporting framework in efforts to manage climate related risks and opportunities. The TCFD framework should be fully implemented by 2023. In addition, L3Harris is actively monitoring and working to integrate net-zero emission requirements emerging from the United Kingdom.
Technology	Relevant, always included	Our future success depends on our ability to develop new products, systems, services, and technologies that achieve market acceptance in our current and future markets. We believe that to remain competitive in the future, we will need to continue to design, develop, manufacture, assemble, test, market and support new products, systems, services and technologies. Understanding environmental conditions is important to lives, property and economies. At L3Harris, we apply our advanced technologies to help preserve our environment for generations to come. L3Harris develops space, airborne and ground sensors for persistent and direct monitoring. We also conduct project-based reviews to assess environmental sustainability risks and opportunities, which include an evaluation of new technologies that would help decrease our overall energy use or other environmental impacts. Environmental Sustainability Calculators and project review checklists are part of business operations in order to integrate environmental sustainability into capital projects and review the projects for environmental sustainability risks and opportunities. The tools were designed to:
		<ul> <li>Help determine technology and equipment options with lower environmental sustainability impacts while maintaining program and/or functional requirements</li> <li>Standardize how project impacts are calculated across the company The Environmental Sustainability Calculators are used to evaluate impacts and cost to gauge financial investment required and to understand the positive/negative impact projects have on accomplishing our environmental sustainability goals.</li> <li>Eco-treasure hunts are conducted annually to discover and realize energy efficiency and water conservation risks and opportunities while enabling employees to build a culture of continuous improvement. The Environmental Sustainability Calculators are also used as part of the eco-treasure hunts to estimate the potential savings of the opportunities or alternative technologies identified during the events to align key metrics and standardize savings calculations. Other location-</li> </ul>



		based projects are also reviewed for technology-related energy improvements and efficiencies on an ad hoc basis.
Legal	Relevant, always included	Legal matters, including any climate-related litigation claims that could arise, are always considered in our climate-related risk assessments as regulatory compliance is foundational to our operations. L3Harris conducts a detailed aspect and impacts risk assessment on an annual basis. All sites with greater than 75 employees are responsible for completing the assessment and other sites complete the assessment based on segment discretion. For example, the Communication Systems segment completes the assessment on all sites. The assessment includes reviewing legal and other requirements, changes to regulations, process changes, and environmental risk including climate-related risks. The opportunities are risk-ranked and prioritized. These risks could be internal to L3Harris operations or external to stakeholders and the communities in which we operate. Selected risks and corresponding action plans are then tracked and managed as part of the facilities' objectives and targets. Objectives and targets are reviewed annually and tracked to completion. The management of risk and opportunities is part of a multi-disciplinary company process.
Market	Relevant, sometimes included	We acknowledge that market factors could result in changes in customer demand for certain products and services as climate-related risks and opportunities are increasingly taken into account, and we consider climate-change risks and how they may impact our customers and suppliers. However, L3Harris has a diverse well-established supply chain with suppliers located across the globe, which limits our exposure to water and climate risks in our value chain and provides a level of risk mitigation for potential climate-related impacts such as shifts in precipitation patterns, increase in frequency and/or intensity of extreme weather events such as hurricanes, droughts, and floods, which could otherwise disrupt the value chain. L3Harris is using the 2021 Supply Chain Climate Risk Assessment (SCCRA) to identify and better understand the potential climate change risks present throughout the supply chain. The SCCRA focused on global supply chain operations and assessed the primary climate risks to key categories of L3Harris' supply chain: Freight and Logistics, Facilities and Operations, HR and Administration and IT/Telecom. For example, supply chain interruption could occur due to severe weather events and damage to local and/or national infrastructure resulting in a late delivery of products to a customer, which could have negative monetary impacts. Climate-related risks will be assessed and incorporated into our overall business strategy as necessary over the next two years using the expertise of members of the ESG Working Group, supported by representatives from Supply Chain. Additionally, the SCCRA helps inform L3Harris' ESG efforts to publicly disclose



		relevant environmental and physical climate-related risks and opportunities.
Reputation	Relevant, always included	Reputational risks are always considered in our climate-related risk assessments as our stakeholders (customers, employees, shareholders, and other interested parties) perceptions are highly important to our business including perceptions related to our contribution to or detraction from the transition to a lower-carbon economy. We understand the importance of reputation and work to keep up with stakeholder expectations through living our values. L3Harris' company values include Integrity (Accountable, Ethical, Honest), Excellence (Flawless Execution, Customer Focused, Innovative) and Respect (Safe & Sustainable, Community-Minded, Inclusive). The company is committed to protecting the health and safety of our workers and customers, and to preserving the environment in the global communities in which we operate. In addition, L3Harris has a robust employee volunteer initiative platform called L.I.F.T (L3Harris Investing for Tomorrow). The LIFT platform provides volunteer time and assistance to not-for profit organizations in the areas of Science, Technology, Engineering, and Math (STEM) education, mission aligned activities and programs.
Acute physical	Relevant, always included	Acute risks that are event-driven, such as increased severity of extreme weather events, such as cyclones, hurricanes, or floods are relevant and included in our risk assessments. L3Harris' CWRMP evaluates and addresses the potential impacts of climate change on operationally critical water, energy, communication and transportation resources for business-critical facilities and operations, in consideration of past climate-related disruptive events and the potential for future disruption from climate-related events. The CWRMP is updated every two-years. Financial analysis regarding operational impacts are discussed and reviewed as part of the emergency response planning, which includes climate-related risk as well as other possible disruptions.
Chronic physical	Relevant, always included	Chronic longer-term shifts in climate patterns (e.g. sustained higher temperatures) that may cause sea level rise or chronic heat waves are relevant and included in our risk assessments. L3Harris' CWRMP evaluates and addresses the potential impacts of climate change on operationally critical water, energy, communication and transportation resources for business-critical facilities and operations, in consideration of past climate-related disruptive events and the potential for future disruption from climate-related events. The CWRMP is updated every two-years. Financial analysis regarding operational impacts are discussed and reviewed as part of the emergency response planning, which includes climate-related risk as well as other possible disruptions.



# C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

## C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

## Risk type & Primary climate-related risk driver

Acute physical Cyclone, hurricane, typhoon

## Primary potential financial impact

Increased indirect (operating) costs

## Company-specific description

In 2021, we developed a Climate and Water Risk Management Plan (CWRMP) to update and expand upon the 2019 Climate Risk Management Plan that evaluated the potential impacts of climate change on operations-critical resources for major L3Harris locations and operations.

L3Harris has identified extreme weather events and increasing average temperatures as key risks to our assets and operations.

Projections for severe storms show significant regional variability and uncertainty across the US, and show decreasing trends for Australia, but the intensity of severe storm events that occur in both of these regions is expected to increase. Across Canada and the UK, severe thunderstorms and the amount of rainfall associated with them is supposed to increase in both frequency and intensity.

L3Harris has operations worldwide, including manufacturing operations located in regions that are at risk for Severe Storm Uncertainty and Variability with greatest risk in coastal areas including Florida and California.

This risk of extreme weather events creates potential for property and equipment damage resulting from increased severity and frequency of events such as cyclones, hurricanes and floods. Damage to operational equipment and potential loss of data can L3Harris Technologies INC CDP Climate Change Questionnaire 2022 Friday, July 29.2022



result from flooding of buildings, whether due to sea-level rise, increased river flood risk, groundwater or increased risk of 'flash' flooding when heavy precipitation overwhelms drainage systems which can increase our operating / maintenance costs to repair any damage should an event occur. For example, our locations carry higher insurance deductibles in locations such as Florida associated with increased wind and hurricane risk and in California associated with increased flood and earthquake risk.

#### Time horizon

Medium-term

#### Likelihood

Very likely

## Magnitude of impact

Medium

# Are you able to provide a potential financial impact figure?

Yes, an estimated range

### Potential financial impact figure (currency)

### Potential financial impact figure – minimum (currency) 250,000

## Potential financial impact figure – maximum (currency)

35,000,000

## Explanation of financial impact figure

The estimated financial impact of \$250,000 to \$35,000.000 in the increased insurance deductible is based on the total insurable values by

location and business unit that may be impacted and therefore varies by facility. The type of property damage and how it occurs (trigger) will drive the potential coverage and deductibles we have in place. Examples include perils such as fire, flood, or wind damage.

## Cost of response to risk

0

### Description of response and explanation of cost calculation

Our strategy to manage physical climate risks/extreme weather includes controls &processes embedded in our operations:

-Tools to mitigate risk from extreme weather leading to greater chronic stress on our facilities through investing in resiliency. We work with property insurer on property risk engineering, hold annual site visits for locations with high total insurable values; quarterly calls with the carrier/operations/facilities/Risk Management to address potential issues. Mitigate potential damage through implementation of engineering recommendations. Evaluate the entire building envelope when addressing risks, e.g.

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wind recommendations engineered to protect assets & keep us operational through extreme events. Key stakeholders work together with our property carrier risk engineering lead to ensure the safety & operations of our strategic facilities. -Resiliency projects are identified through annual Strategic Growth Planning process, facilities infrastructure & real estate planning process & facility eco-treasure hunts. -Our 2021 Climate and Water Risk Management Plan (CWRMP) evaluated potential impacts of climate change on operation-critical resources for major locations and operations. This supports development of location-level emergency management & risk reduction plans

-In 2021, we established the Business Resilience Council (BRC) and policy which required Business Continuity Plans be developed for all sites following mission-critical business processes, including Business Impact Analyses (BIAs) that incorporate climate risk.

-Measures to build adaptive capacity to mitigate these risks, including upgrading infrastructure, improving structural integrity of facilities, ensuring appropriate backup power is available, & implementing more renewable energy

Case Study

Situation: Through the development of our CWRMP we have identified operations worldwide, including manufacturing located in regions at risk for severe storm uncertainty & variability with greatest risk in coastal areas including Florida Action: To minimize disruption and damage implement facility resiliency & property risk engineering recommendations from property insurer

Result: In 2021 multiple facilities in Florida implemented resiliency projects including roof replacements, generator installation & electrical upgrades to proactively address potential risks posed by hurricanes

The costs to manage this risk is S0 as this management is integrated into normal business operations.

### Comment

## C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

## C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

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## Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

## **Opportunity type**

Energy source

### Primary climate-related opportunity driver

Use of lower-emission sources of energy

## Primary potential financial impact

Reduced indirect (operating) costs

## Company-specific description

With the anticipated increase in demand for energy and L3Harris' goal to reduce GHG emissions, the opportunity to explore use of lower-emission sources of energy was identified. Specifically, the opportunity was recognized to evaluate the use of renewable energy in order to reduce GHG emissions and climate change risks associated with use of fossil fuel-based energy. This opportunity included efforts to pursue strategically impactful, cost-effective renewable energy solutions to reduce Scope 2 GHG emissions and support environmental sustainability goals were initiated in 2019.

### Time horizon

Medium-term

### Likelihood

Likely

### Magnitude of impact

Medium

## Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

## Potential financial impact figure (currency)

3,800,000

## Potential financial impact figure - minimum (currency)

## Potential financial impact figure – maximum (currency)

## Explanation of financial impact figure

\$3.8 - Levelized savings (S/MWh) Cost is based on third party economic analysis for procurement of renewable energy.

## Cost to realize opportunity

360,000

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### Strategy to realize opportunity and explanation of cost calculation

Our strategy to realize the opportunity of decreased energy / operating costs from using lower emissions sources of energy involved increasing our use of renewable energy.

#### Case Study

Situation: With the anticipated increase in demand for energy and L3Harris' goal to reduce GHG emissions, the opportunity to explore use of lower-emission sources of energy to reduce both GHG emissions and energy costs was identified.

Action: L3Harris conducted a renewable energy (RE) feasibility project focused on evaluating various RE technologies including solar and wind across the entire enterprise. We leveraged an energy management and renewable energy feasibility study to advance our commitment to achieve our long-term GHG emission reduction target by releasing a competitive request for proposal (RFP) for RE power purchase agreement (PPA) projects located throughout the United States.

Result: In 2020, L3Harris entered into a long-term VPPA for renewable energy for up to 100 megawatts of capacity from a new solar farm. In addition, L3Harris leveraged that same study to provide documentation demonstrating the importance and value of hiring a full-time energy manager to assist with minimizing climate related impacts. After the Corporate Level requisition for an Energy Manager was filled at the end of 2019 our full-time employee specializing in energy management joined the organization in 2020 to continue to drive reductions in energy and GHG emissions, in addition, to focusing on developing a larger, more robust energy management strategy. This role has been modified to further meet enterprise needs.

Costs of \$396,000 are associated with project determination, and management and implementation

### Comment

Costs associated with project determination and management; additional costs will be evaluated once known.

# **C3. Business Strategy**

## C3.1

(C3.1) Does your organization's strategy include a transition plan that aligns with a 1.5°C world?

### Row 1

### Transition plan

No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a transition plan within two years



# Explain why your organization does not have a transition plan that aligns with a 1.5°C world and any plans to develop one in the future

In 2020 we established a new GHG target to reduce Scope 1 and 2 GHG emissions 30% by 2026 against a 2019 baseline. 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.

As part of the UK Climate Change Act, the UK made a commitment to achieve net-zero carbon emissions by 2050. To support this commitment, L3Harris UK locations have pledged their commitment to achieving net zero emissions by 2050 and disclosed required Scope 1, 2, and 3 emissions and reduction goals as part of their Carbon Reduction Plan.L3Harris is committed to evaluating a path forward to determine if it is feasible to achieve a net-zero carbon emission commitment enterprise wide by 2050. To assist with this evaluation, L3Harris is proceeding with a comprehensive Scope 3 GHG inventory analysis.

# C3.2

# (C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

Use of climate-related scenario analysis to inform strategy		
Row 1	Yes, qualitative, but we plan to add quantitative in the next two years	

## C3.2a

Climate-	Scenario	Temperature	Parameters, assumptions, analytical choices
related	analysis	alignment of	
scenario	coverage	scenario	
Physical climate scenarios RCP 2.6	Company- wide		The scenario analysis includes an analysis of climate science projected trends and potential associated risks for climate variables. Key parameters included average annual temperature and precipitation, sea level rise, extreme weather events (extreme temperatures and precipitation, severe storms, wildfires), streamflow, water demand/stress, and drought. The assessment used datasets on current and projected climate parameters from the World Bank Climate Knowledge Portal, the U.S. Global Change Research Program's Fourth National Climate Assessment, Canada's Changing Climate Report, the UK's Climate Projections Report and Australia's State

## (C3.2a) Provide details of your organization's use of climate-related scenario analysis.



		of the Climate Report.
Physical climate scenarios RCP 4.5	Company- wide	The scenario analysis includes an analysis of climate science projected trends and potential associated risks for climate variables. Key parameters included average annual temperature and precipitation, sea level rise, extreme weather events (extreme temperatures and precipitation, severe storms, wildfires), streamflow, water demand/stress, and drought The assessment used datasets on current and projected climate parameters from the World Bank Climate Knowledge Portal, the U.S. Global Change Research Program's Fourth National Climate Assessment, Canada's Changing Climate Report, the UK's Climate Projections Report and Australia's State of the Climate Report.
Physical climate scenarios RCP 6.0	Company- wide	The scenario analysis includes an analysis of climate science projected trends and potential associated risks for climate variables. Key parameters included average annual temperature and precipitation, sea level rise, extreme weather events (extreme temperatures and precipitation, severe storms, wildfires), streamflow, water demand/stress, and drought The assessment used datasets on current and projected climate parameters from the World Bank Climate Knowledge Portal, the U.S. Global Change Research Program's Fourth National Climate Assessment, Canada's Changing Climate Report, the UK's Climate Projections Report and Australia's State of the Climate Report.
Physical climate scenarios RCP 8.5	Company- wide	The scenario analysis includes an analysis of climate science projected trends and potential associated risks for climate variables. Key parameters included average annual temperature and precipitation, sea level rise, extreme weather events (extreme temperatures and precipitation, severe storms, wildfires), streamflow, water demand/stress, and drought The assessment used datasets on current and projected climate parameters from the World Bank Climate Knowledge Portal, the U.S. Global Change Research Program's Fourth National Climate Assessment, Canada's Changing Climate Report, the UK's Climate Projections Report and Australia's State of the Climate Report.



# C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

## **Focal questions**

How could different climate projections impact L3Harris facilities and our operations?

## Results of the climate-related scenario analysis with respect to the focal questions

L3Harris has identified extreme weather events and increasing average temperatures as key risks to our assets and operations. These climate risks can cause direct damage or chronic stress to our facilities and infrastructure, leading to equipment failures and facility closures.

# C3.3

# (C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Climate risks could delay delivery of products & services to customers. Damage to products would also have a financial impact. Failure to deliver functioning products to customers on time can have differing levels of financial impact. For example, a late delivery of wireless products to a customer could have a monetary penalty in the millions(\$US) based on agreed upon contracts. Our cross-functional ESG Working Group serves as a formal sustainability committee to harmonize programs & support development of our overall corporate ESG strategy. A key focus area of the ESG Working Group is environmental sustainability, including climate-related issues. This focus area includes evaluating how our products & services are impacted by climate risks as well as how our products & services may have climate-related impacts externally. With expertise from members of this committee, supported by representatives from Facilities, Engineering, & Supply Chain, climate-related risks & opportunities related to our products & services are assessed & incorporated into our overall business strategy



		as necessary. Our future success depends on our ability to develop new products, systems, services & technologies that achieve market acceptance in current & future markets. To remain competitive, we continue to design, develop, manufacture, assemble, test, market & support new products, systems, services & technologies. We apply advanced information & communications technologies to the fields of weather forecasting, environmental change monitoring, & GHG reduction. We also work to reduce the amount of GHGs that enters the atmosphere in the first place. Several of our products and technologies can be used by our customers to improve the sustainability of their own operations and manage climate-related and other environmental challenges. Some examples of our product technology being used to advance climate science include: - Advanced Baseline Imagery (ABI) which has revolutionized meteorologists' ability to collect weather, climate, ocean, and environmental data.
Supply chain and/or value chain	Yes	Our ESG Working Group serves as a formal sustainability committee to harmonize ESG programs and support development of our overall corporate ESG strategy, including issuance of our annual Sustainability Report. A key focus of the ESG Working Group and our corporate ESG strategy is environmental sustainability, including risks associated with climate-related issues. This focus includes evaluating how our supply chain is impacted by climate risks and how our supply chain may have climate-related impacts externally. L3Harris has a diverse well-established supply chain with suppliers located across the globe, which limits our exposure to climate risks in our value chain and provides a level of risk mitigation for potential climate- related impacts such as shifts in precipitation patterns, increase in frequency and/or intensity of extreme weather events which could otherwise disrupt the value chain. As a part of our ongoing sustainability and climate resilience efforts during 2021, L3Harris completed a Supply Chain Climate Risk Assessment (SCCRA) to identify and better understand the potential climate change risks present throughout the supply chain. The SCCRA focused on global



		supply chain operations and assessed the primary climate risks to key categories of L3Harris' supply chain, including Freight and Logistics, Facilities and Operations, HR and Administration and IT/Telecom. Key risks included severe weather, extreme heat, wildfires, extreme precipitation, and sea level rise which can have several implications to the objectives of supply chain management. The SCCRA also informs L3Harris' ESG efforts to publicly disclose relevant environmental and physical climate-related risks and opportunities. Findings from the assessment have been included in our enterprise risk management (ERM) process. L3Harris' ERM process, which is guided by the Committee of Sponsoring Organizations (COSO) framework, also identifies and assesses our top material enterprise risks, which includes climate-related and other ESG risks. The process is Board-approved and is overseen by the CEO and Senior Executives. Additionally, the Audit Committee performs an annual review of the risk identification process to assist in the identification of additional risks. Top material risks along with existing mitigation plans are reviewed annually by the CEO, Senior Executives and the Board.
Investment in R&D	Evaluation in progress	Our cross-functional ESG Working Group serves as a formal sustainability committee to harmonize ESG programs and support development of our overall corporate ESG strategy, including issuance of our annual Sustainability Report. A key program focus area of the ESG Working Group and our corporate ESG strategy is environmental sustainability, including risks associated with climate-related issues. This focus area includes the importance of our investment in R&D into our business strategy relation to climate risks. With expertise from members of this committee supported by representatives from Engineering, climate-related risks and opportunities related to our investment in R&D will be assessed and incorporated into our overall business strategy as necessary over the next two years. Our future success depends on our ability to develop new products, systems, services and technologies that achieve market acceptance in our current and future markets. We believe that to remain competitive in the future, we will need to continue to design, develop, manufacture, assemble, test, market and support new products, systems, services to help create a more sustainable Earth by applying advanced information and communications technologies to the fields of weather forecasting, environmental change



		monitoring, and greenhouse gas reduction. A catastrophic identified risk would have to occur for our R&D investment to be impacted.
Operations 1	Yes	Climate-related risks & opportunities have influenced overall business strategy. Climate risks could delay delivery of products & services to customers. Damage to products would have a financial impact. For example, supply chain interruption could occur due to severe weather events & damage to local &/or national infrastructure resulting in late delivery of products to a customer, which could have negative monetary impacts. As part of our 5-year sustainability business strategy, we consider climate-related risk in our operations as it relates to climate-related impacts on our business & our impact on climate change (GHG emissions). With respect to impacts on our business, we maintain a Climate Risk Management Plan (CRMP) that is updated every 2 years, which addresses the potential impacts of climate change on operationally critical water, energy, communication, & transportation resources for major facilities & operations looking at past climate-related disruptive events. To help manage potential climate-related impacts on our business, we have an Emergency Management Program for activities to prepare for, respond to & recover from disasters or other crisis. Locations within our Segments have Business Continuity Plans, Site Emergency Management Playbooks, &/or Site Emergency Response Checklists. Locations with increased risk for hurricanes maintain Hurricane & Wind Checklists. With respect to our impact on climate change, we have GHG emission reduction targets, which we work to achieve. These targets are woven into our operational impact. In 2020, we implemented energy reductions & prioritized based on potential environmental & operational impact. In 2020, we implemented energy efficiency projects to reduce our Scope 1 GHG emissions. A key focus area of our ESG Working Group includes evaluating how operations are impacted by climate risks & may have climate-related by climate risks & may have climate-related by climate risks from this committee, supported by Facilities, Engineering, &



1	assessed & incorporated into our business strategy
	annually.
L	

## C3.4

# (C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Capital expenditures Acquisitions and divestments Assets Liabilities	Revenues: Costs of projects, both capital and expense will impact revenues depending upon final investment amount. Capital and expense expenditures are mapped out on an annual basis; the process for submitting and evaluating capital/expense funding begins around period seven. Direct Costs: Costs of projects, both capital and expense will impact revenues depending upon final investment amount. Additionally, operating costs could be reduced based on the opportunity. For example, re-lamping projects typically have a return on investment around 5 years, meaning each facility will have a reduced operating cost within 5 years. Capital Expenditures: Select projects that meet the threshold for capital expenditure will be evaluated for return on investment (ROI) and factored into our Financial Planning and Analysis (FP&A). An example of how project selection for Capital Expenditures is factored into financial planning is through use of our Environmental Sustainability Calculators and project selection for Capital Expenditures is maching and rolled out to the business to integrate environmental sustainability into capital projects and evaluate impacts & cost to gauge financial investment required and to understand the positive/negative impact projects have or accomplishing our sustainability gals. The results of the project analysis using the Environmental Sustainability Calculators are used to develop our e3 project list and prioritize Capital Expenditure projects annually. Acquisitions and divestments: Acquisitions and divestitures would impact the Climate Risk Management Plan (CRMP) based on portfolio shaping. Assets: Risks identified could lead to loss and/or damage to company assets such as manufacturing equipment, process technology, and software data systems. Liabilities: Climate-based identified risks are reviewed as part of our risk management and risk carrier policies.

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Case Study:
Situation: Extreme cold weather event in Texas, US in February 2021
forcing operational shutdowns. When operations cease there is a
potential risk to revenue.
Action: On an annual basis extreme weather events are factored into our
Enterprise Risk Management process. Resiliency infrastructure projects
are identified annually to improve the infrastructure at our locations.
Results: Risks are evaluated at the Senior Executive level; for this
specific event the potential financial impact to operations was from
climate-related risks (e.g. extreme cold event) and other possible
disruptions. A plan was put in place to mitigate loss of business due to
extreme weather events. After the TX weather event, L3Harris confirmed
there were no impacts to revenue. Some suppliers were offline for days
however this did not impact our revenue and business continuity.

# C4. Targets and performance

# C4.1

(C4.1) Did you have an emissions target that was active in the reporting year? Absolute target

## C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number Abs 3 Year target was set 2020 Target coverage Company-wide Scope(s) Scope 1 Scope 2 Scope 2 accounting method Market-based Scope 3 category(ies) L3Harris Technologies INC CDP Climate Change Questionnaire 2022 Friday, July 29. 2022



### Base year

2019

- Base year Scope 1 emissions covered by target (metric tons CO2e) 77,542
- Base year Scope 2 emissions covered by target (metric tons CO2e) 270,913

Base year Scope 3 emissions covered by target (metric tons CO2e)

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

348,455

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year 2026

Targeted reduction from base year (%)

30

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

243,918.5

Scope 1 emissions in reporting year covered by target (metric tons CO2e) 47,849

Scope 2 emissions in reporting year covered by target (metric tons CO2e) 221,843



## Scope 3 emissions in reporting year covered by target (metric tons CO2e)

# Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

269,692

- % of target achieved relative to base year [auto-calculated] 75.3449752
- Target status in reporting year

Underway

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

### **Target ambition**

## Please explain target coverage and identify any exclusions

The 'Covered emissions in the 'reporting year' field of this target include total emissions for L3Harris, which includes the combined data for L3 Technologies and Harris Corporation.

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 2.0°C, using the absolute contraction approach. The target has not yet been verified by the SBTi.

### Plan for achieving target, and progress made to the end of the reporting year

Between 2020 to 2021, we reduced our year-over-year Scope 1 and 2 emissions by 78,763 metric tons of CO2e, which totals a 23 percent decrease from our 2019 baseline due to our continued focus on energy efficiency, an increased use of renewable electricity, and lower building occupancy due to the COVID-19 pandemic. We took steps in 2021 to source more renewable energy and reduce the GHG emissions associated with the electricity we purchase to power our operations. In 2021, construction was completed for the Elm Branch Solar Farm project as a part of our long-term virtual power purchase agreement (VPPA) for renewable energy. This will help us make progress toward our GHG emissions reduction target in future years.

List the emissions reduction initiatives which contributed most to achieving this target

## C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

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Net-zero target(s)

## C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number NZ1

NZ I

#### Target coverage

Country/region

Absolute/intensity emission target(s) linked to this net-zero target Abs1

Target year for achieving net zero

2050

#### Is this a science-based target?

No, but we are reporting another target that is science-based

#### Please explain target coverage and identify any exclusions

As part of the UK Climate Change Act, the UK made a commitment to achieve net-zero carbon emissions by 2050. To support this commitment, L3Harris UK locations have pledged their commitment to achieving net-zero emissions by 2050 and disclosed required Scope 1, 2, and 3 emissions and reduction goals as part of their Carbon Reduction Plan. This plan details how net-zero will be achieved for our facilities in the UK by 2050.

L3Harris is committed to evaluating a path forward to determine if it is feasible to achieve a net-zero carbon emission commitment enterprise wide by 2050. To assist with this evaluation, L3Harris is proceeding with a comprehensive Scope 3 GHG inventory analysis.

# Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?

Yes

## Planned milestones and/or near-term investments for neutralization at target year

L3Harris Technologies UK Limited commits to Net Zero by evaluating the following initiatives based on UK business operations and current reduction state:

 Effective energy management strategies that streamline energy efficiency within our UK facilities

 Continuous identification and implementation of energy reductions projects and investments in ultra-efficiency equipment

Fleet electrification to transition away from non-renewable fuel sources



Enhance grid interactivity through peak shaving, load shifting, energy storage, and demand management

- · Establish supplier partnerships to drive reductions across our value chain
- Additional procurement and integration of renewable energy sources within our energy
   portfolio

Investment in Renewable Energy Guarantees of Origin and verifiable carbon offsets

Planned actions to mitigate emissions beyond your value chain (optional)

## C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

## C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	6	105
To be implemented*	0	0
Implementation commenced*	2	4
Implemented*	44	290
Not to be implemented	21	1,018

## C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in buildings Lighting

Estimated annual CO2e savings (metric tonnes CO2e) 110

Scope(s) or Scope 3 category(ies) where emissions savings occur Scope 2 (location-based)



## Voluntary/Mandatory

Voluntary

## Annual monetary savings (unit currency – as specified in C0.4) 27,749

Investment required (unit currency – as specified in C0.4)

34,769

Payback period

1-3 years

## Estimated lifetime of the initiative

16-20 years

## Comment

2021 lighting projects; LED/lighting timer system

## Initiative category & Initiative type

Energy efficiency in buildings Other, please specify Efficiency building improvements

## Estimated annual CO2e savings (metric tonnes CO2e)

180

## Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1 Scope 2 (location-based)

## Voluntary/Mandatory

Voluntary

## Annual monetary savings (unit currency – as specified in C0.4) 1.051,468

## Investment required (unit currency - as specified in C0.4)

164,744

## Payback period

<1 year

## Estimated lifetime of the initiative

16-20 years

## Comment

2021 energy efficiency building projects including boiler update, HVAC, Energy peak demand consumption reductions program.



# C4.3c

# (C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment			
Employee engagement	Comment Employee engagement on corporate environmental sustainability efforts including climate-related initiatives and efficiency and emissions-reductions activities is an important part of our environmental sustainability strategy. We engage with employees through our environmental sustainability strategy. We engage with employees through our environmentally-focused signage in our facilities, meetings, organized events such as Earth Day events, and mandatory as well as voluntary EHS and environmental sustainability training. In addition, Green Teams are organized, grassroots and cross-functional groups of employees who voluntarily come together to brainstorm, motivate and empower employees around environmental sustainability. They focus on identifying and implementing environmental sustainability based projects such as resource conservation, pollution prevention and waste diversion initiatives that will help L3Harris achieve its environmental sustainability goals. There are a dozen Green Teams across the company with goals to increase teams and participation. Furthermore, facility employees are engaged in Eco-treasure hunts to discover and realize energy efficiency and water conservation risks and opportunities while enabling employees to build a culture of continuous improvement. Employee engagement in these sustainability initiatives helps L3Harris achieve greater Scope 1, 2 and 3 greenhouse gas reductions.			
Financial optimization calculations	L3Harris invests in projects that promote increased energy efficiency and GHG emissions reductions to support progress towards our environmental sustainability goals. L3Harris e3 (Continuous Improvement) projects are centered around maximizing efficiency and minimizing cost. Project-based reviews are completed to assess environmental sustainability risks and opportunities. In 2020, Environmental Sustainability Calculators and project review checklists were developed and rolled out to the business to integrate environmental sustainability into capital projects and review the projects for environmental sustainability risks and opportunities. The tools were designed to: • Provide support during the planning and scoping process of capital projects • Help determine technology and equipment options with lower environmental sustainability impacts while maintaining program and/or functional requirements • Standardize how project impacts are calculated across the company. The Environmental Sustainability Calculators are used to evaluate impacts & cost to gauge financial investment required and to understand the positive/negative impact projects have on accomplishing our sustainability goals. Eco-treasure hunts are conducted annually to discover and realize energy efficiency and water conservation risks and opportunities while enabling employees to build a culture of continuous improvement. The Environmental Sustainability Calculators are also used as part of the eco-treasure hunts to estimate the potential energy, financial and emissions savings of the opportunities or alternative technologies identified during the events, to align key metrics and standardize savings calculations. Other location-			



1	based projects are also reviewed for technology-related energy improvements and
	efficiencies on an ad hoc basis.

## C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

No

# C5. Emissions methodology

## C5.1

(C5.1) Is this your first year of reporting emissions data to CDP? No

## C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

No

## C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?		
Row 1	No		

## C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

January 1, 2019

## Base year end

December 31, 2019

Base year emissions (metric tons CO2e)



#### 77,542

### Comment

2019 is our base year as it represents the first full year of data post-merger between L3 Technologies. Inc. and Harris Corporation. L3Harris undergoes a change management process to identify and correct data entry errors from past years. In 2019 and 2020, several sites identified errors in their data entries that corresponded to a minor decrease in enterprise level GHG emissions for both years. Therefore, the 2019 and 2020 totals presented in this report will not necessarily match past reports due to the corrections made during the change management process.

Scope 1 GHG emissions are calculated following L3Harris' Corporate GHG Standard. Our standard is built on the International Aerospace Environmental Group (IAEG) Aerospace GHG Reporting Guidance and the World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) GHG Protocol Corporate Accounting and Reporting Standard (the GHG Protocol).

## Scope 2 (location-based)

#### Base year start

January 1, 2019

#### Base year end

December 31, 2019

#### Base year emissions (metric tons CO2e)

259,338

#### Comment

2019 is our base year as it represents the first full year of data post-merger between L3 Technologies, Inc. and Harris Corporation. L3Harris undergoes a change management process to identify and correct data entry errors from past years. In 2019 and 2020, several sites identified errors in their data entries that corresponded to a minor decrease in enterprise level GHG emissions for both years. Therefore, the 2019 and 2020 totals presented in this report will not necessarily match past reports due to the corrections made during the change management process

Scope 2 GHG emissions are calculated following L3Harris' Corporate GHG Standard. Our standard is built on International Aerospace Environmental Group (IAEG) Aerospace GHG Reporting Guidance and the World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) GHG Protocol Corporate Accounting and Reporting Standard (the GHG Protocol), using the Scope 2 locationbased emission factor methodology guidance.

As part of our merger, re-base-lining work conducted in 2019 included collecting combined data for L3 Technologies and Harris Corporation to determine our emissions for a new baseline year as a combined company. For this report, Gross global Scope 1



emissions (metric tons CO2e) include total emissions for L3Harris, which includes the combined data for L3 Technologies and Harris Corporation for 2019.

## Scope 2 (market-based)

## Base year start

January 1, 2019

#### Base year end

December 31, 2019

#### Base year emissions (metric tons CO2e)

270,913

#### Comment

2019 is our base year as it represents the first full year of data post-merger between L3 Technologies, Inc. and Harris Corporation. L3Harris undergoes a change management process to identify and correct data entry errors from past years. In 2019 and 2020, several sites identified errors in their data entries that corresponded to a minor decrease in enterprise level GHG emissions for both years. Therefore, the 2019 and 2020 totals presented in this report will not necessarily match past reports due to the corrections made during the change management process.

Scope 2 GHG emissions are calculated following L3Harris' Corporate GHG Standard. Our standard is built on International Aerospace Environmental Group (IAEG) Aerospace GHG Reporting Guidance and the World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) GHG Protocol Corporate Accounting and Reporting Standard (the GHG Protocol), using the Scope 2 locationbased emission factor methodology guidance.

## Scope 3 category 1: Purchased goods and services

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 2: Capital goods

Base year start

Base year end



### Base year emissions (metric tons CO2e)

#### Comment

# Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

#### Base year start

January 1, 2019

## Base year end

December 31, 2019

## Base year emissions (metric tons CO2e)

13,034

#### Comment

2019 is our base year as it represents the first full year of data post-merger between L3 Technologies, Inc. and Harris Corporation.

The U.S Energy Information Administration (EIA) estimates that electricity transmission and distribution (T&D) losses average about 5% of electricity that is transmitted and distributed annually in the United States. We followed the GHG Protocol Scope 3 Calculations Guidance to estimate GHG emissions from fuel-and-energy-related activities.

Equation I Electricity consumed (kWh) × electricity life cycle emission factor ((kg CO2 e)/kWh) × T&D loss rate (%)

## Scope 3 category 4: Upstream transportation and distribution

#### Base year start

Base year end

Base year emissions (metric tons CO2e)

#### Comment

## Scope 3 category 5: Waste generated in operations



#### Base year start

Base year end

## Base year emissions (metric tons CO2e)

#### Comment

## Scope 3 category 6: Business travel

#### Base year start

January 1, 2019

#### Base year end

December 31, 2019

#### Base year emissions (metric tons CO2e)

17,174

#### Comment

2019 is our base year as it represents the first full year of data post-merger between L3 Technologies, Inc. and Harris Corporation.

We obtained air travel-related GHG emissions directly from our supplier, BCD Travel.

## Scope 3 category 7: Employee commuting

## Base year start

January 1, 2019

### Base year end

December 31, 2019

#### Base year emissions (metric tons CO2e)

112,437

#### Comment

2019 is our base year as it represents the first full year of data post-merger between L3 Technologies, Inc. and Harris Corporation.

We used national averages for commute miles to and from work, and average miles per gallon. The number of employees going into work and number of days worked throughout the year are additional primary data points used to estimate GHG emissions. Resulting gallons are entered into the U.S. EPA equivalencies calculator to determine GHG emissions in units of MTCO2.



#### Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 11: Use of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)



## Comment

## Scope 3 category 12: End of life treatment of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 15: Investments

Base year start

Base year end



## Base year emissions (metric tons CO2e)

Comment

## Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

## C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) The Greenhouse Gas Protocol: Scope 2 Guidance

US EPA Center for Corporate Climate Leadership: Direct Emissions from Stationary Combustion Sources

US EPA Center for Corporate Climate Leadership: Direct Emissions from Mobile Combustion Sources

US EPA Emissions & Generation Resource Integrated Database (eGRID)

Other, please specify



International Aerospace Environmental Group (IAEG), GHG Reporting Guidance for the Aerospace Industry, A Supplement to the GHG Protocol Corporate Accounting and Reporting Standard

# C6. Emissions data

## C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e) 47,849

Comment

## C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

## Row 1

## Scope 2, location-based

We are reporting a Scope 2, location-based figure

## Scope 2, market-based

We are reporting a Scope 2, market-based figure

## Comment

As part of our merger, re-base-lining work conducted in 2019 included collecting combined data for L3 Technologies, Inc. and Harris Corporation to determine our emissions for a new baseline year as a combined company. For this report, Gross global Scope 1 emissions (metric tons CO2e) include total emissions for L3Harris, which includes the combined data for L3 Technologies. Inc. and Harris Corporation for 2019.

## C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

## Reporting year

Scope 2, location-based 228,439



Scope 2, market-based (if applicable) 221,843

## Comment

## C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

## C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

## Source

Scope 1 fugitive emissions from fire extinguishers or fire suppressant systems; and Scope 1 fugitive emission from refrigerant units that are less than 50 lbs.

## Relevance of Scope 1 emissions from this source

Emissions are not relevant

## Relevance of location-based Scope 2 emissions from this source

No emissions from this source

Relevance of market-based Scope 2 emissions from this source (if applicable) No emissions from this source

## Explain why this source is excluded

In line with recognized carbon account guidance, the assessment of GHG emissions includes all identified sources anticipated to make a material contribution (more than 5%) to our total GHG inventory. However, due to the small size of emissions and difficulties in data collection fugitive emissions from fire extinguishers or fire suppressant systems and refrigerant units that are less than 50 lbs. have been deemed to be de minimis are therefore excluded from the emissions inventory.

# Estimated percentage of total Scope 1+2 emissions this excluded source represents

1

## Explain how you estimated the percentage of emissions this excluded source represents

Sources may be considered immaterial or de minimis and excluded from the inventory as long as the cumulative de minimis sources do not add up to more than 5% of the



inventory. Emissions from de minimis sources may be based on the base year or previous year's data as long as emissions have not changed significantly from the base year used for estimating and the sources continue to be de minimis. No sources are knowingly excluded without initial quantification and assessment of its contribution to the overall GHG emissions. This process is documented in our internal GHG procedure.

## Source

Minor Scope 1 and 2 emissions due to thermal and electrical energy used at some small locations within L3Harris' operational control with less than 25 employees

## Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable) Emissions are not relevant

## Explain why this source is excluded

In line with recognized carbon accounting guidance, the assessment of GHG emissions includes all identified sources anticipated to make a material contribution (more than 5%) to our total GHG inventory. However, minor Scope 1 and 2 emissions due to thermal and electrical energy used at some small locations within L3Harris' operational control with greater than 25 employees are included in the GHG emissions inventory each year. Locations with less than 25 employees are subject to further review and are screened in accordance with the criteria provided in the IAEG's GHG reporting guidance, which recommends reporting locations which meet at least one of the following criteria: • Number of employees: greater or equal to 50 (industrial activities) or 100 (warehouses/offices etc.) • Square feet/meters: 50,000ft2 (4,600 m2) or more • Annual spend (USDS) on energy: \$100,000 USD or more because in accordance with the IAEG's GHG reporting guidance emissions from these sources are considered de minimis and not relevant.

# Estimated percentage of total Scope 1+2 emissions this excluded source represents

1

# Explain how you estimated the percentage of emissions this excluded source represents

Performed an analysis to confirm that the percentage of owned square footage excluded from the Scope 1 and 2 GHG inventory is less than 1% of the total footprint. Therefore, the conclusion can be drawn that the GHG emissions resulting from that square footage also makes up less than 1% of the total enterprise CO2e emissions.



## C6.5

# (C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

## Purchased goods and services

## **Evaluation status**

Relevant, not yet calculated

## Please explain

Not yet calculated. We do not currently calculate Scope 3 GHG emissions for Purchased goods and services, but plan to do so following the International Aerospace Environmental Group GHG Reporting Guidance supplemental Value Chain (Scope 3) guidance

## Capital goods

## Evaluation status

Relevant, not yet calculated

## Please explain

Not yet calculated

## Fuel-and-energy-related activities (not included in Scope 1 or 2)

## **Evaluation status**

Relevant, calculated

## Emissions in reporting year (metric tons CO2e)

11,369

## Emissions calculation methodology

Average data method

## Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

## **Please explain**

L3Harris calculated metric tonnes of CO2e due to distribution loss per the GHG Protocol Scope 3 Calculation Guidance for T&D losses using the average-data method and distribution loss rate (%). The distribution loss rate (%) used was the average U.S. nation-wide loss provided by the EIA (https://www.eia.gov/tools/faqs/faq.php? id=105&t=3). The nation-wide loss was approximately 5.0%. Based on L3Harris' annual purchased electricity, we calculated the amount of electricity that would have been needed to deliver those GWh, taking into consideration a 5.0% loss. We estimate the loss of approximately 12,280 metric tons of CO2e due to transmission and distribution loss



#### Upstream transportation and distribution

#### Evaluation status

Relevant, not yet calculated

#### Please explain

Not yet calculated

#### Waste generated in operations

#### Evaluation status

Not relevant, explanation provided

#### Please explain

The International Aerospace Environmental Group (IAEG) has also developed supplementary guidance to the GHG Protocol for GHG reporting specific to the aerospace industry International Aerospace Environmental Group's (IAEG) GHG Reporting Guidance for the Aerospace Industry: A Supplement to the GHG Protocol Corporate (Scope 1 and 2) and Value Chain (Scope 3) Accounting and Reporting Standards A Supplement to the GHG Protocol Corporate (Scope 1) Accounting and Reporting Standards, (May 2019 Version 3) http://www.iaeg.com/elements/pdf/IAEG\_GHG\_Reporting\_Guidance\_Version3\_Final.pd f This guidance includes the results of a materiality assessment conducted for all scope 3 categories to determine the relevancy of each Scope 3 category to the aerospace industry. We considered relevant scope 3 emissions as those that are in line with what is included in the IAEG guidance as this provided sector specific recommendations for emission sources. The IAEG has deemed that Scope 3 emissions from waste generated in operations is not relevant to most aerospace companies.

## **Business travel**

#### Evaluation status

Relevant, calculated

#### Emissions in reporting year (metric tons CO2e)

25,818

#### Emissions calculation methodology

Distance-based method

## Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

#### Please explain

Calculation provided by a third-party travel management software. Flight data is tracked and CO2e calculated using GHG protocol emission factors.

#### Employee commuting



## **Evaluation status**

Relevant, calculated

Emissions in reporting year (metric tons CO2e) 61,301

### Emissions calculation methodology

Distance-based method

## Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

## Please explain

Using national averages for commute miles to and from work. 50,000 employees averaging 25 miles a day, 250 working days/year and 24.7 miles per gallon average. Used EPA GHG equivalence calculator

https://www.epa.gov/energy/greenhousegasequivalencies-calculator Using national averages for commute miles to and from work. 48,000 employees averaging 25 miles a day, 250 working days/year and 24.7 miles per gallon average. Used EPA GHG equivalence calculator https://www.epa.gov/energy/greenhousegasequivalencies-calculator. Approximately 20,000 employees were remote (work-from-home) as of March 2020 (~9 months)

## Upstream leased assets

## **Evaluation status**

Not relevant, explanation provided

## Please explain

L3Harris takes an operational control-based approach to reporting and report all locations where we are present as part of our Scope 1 and 2 footprint and therefore, we do

not have any upstream assets that we lease as part of our Scope 3 footprint. The IAEG has also deemed that this category is not relevant to most aerospace companies.

## Downstream transportation and distribution

#### Evaluation status

Relevant, not yet calculated

#### Please explain

Not yet calculated

## Processing of sold products

## Evaluation status

Relevant, not yet calculated

#### Please explain



#### Not yet calculated

#### Use of sold products

## Evaluation status Relevant, not yet calculated

Please explain Not yet calculated

## End of life treatment of sold products

Evaluation status Relevant, not yet calculated

## Please explain

Not yet calculated

## Downstream leased assets

Evaluation status Relevant, not yet calculated

## Please explain

Not yet calculated

## Franchises

Evaluation status Not relevant, explanation provided

## Please explain

Not Relevant - L3Harris is not a franchisor and does not operate any franchises.

## Investments

## Evaluation status

Relevant, not yet calculated

## Please explain

Not yet calculated

## Other (upstream)

**Evaluation status** 

## Please explain

Other (downstream)



## **Evaluation status**

## Please explain

## C-CG6.6

(C-CG6.6) Does your organization assess the life cycle emissions of any of its products or services?

	Assessment of life cycle emissions	Comment
Row 1	No, and we do not plan to start doing so within the next two years	

## C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

## C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

In	tensity figure
	0.000015
M	etric numerator (Gross global combined Scope 1 and 2 emissions, metric
to	ns CO2e)
	269,692
M	etric denominator
	unit total revenue
M	etric denominator: Unit total
	17,814,000,000
S	cope 2 figure used
	Market-based
%	change from previous year
	12
D	rection of change
	Decreased



## Reason for change

In 2020, L3Harris had a 0.000017 Intensity figure for CO2e/\$ revenue. Through operational changes in 2021, including energy efficiency projects (reduction in electrical consumption etc. as reported in C4.3b), increased renewable energy from the Elm Branch Solar Farm virtual power purchase agreement, and reduced revenue compared to prior year, this intensity was reduced to 0.000015.

## **C7. Emissions breakdowns**

## C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

No

## C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
United States of America	43,740
Australia	8
Canada	2,283
China	0
Costa Rica	0
Germany	72
India	0
Italy	336
New Zealand	0
Portugal	296
Republic of Korea	0
Singapore	0
United Kingdom of Great Britain and Northern Ireland	1,115

## C7.3

# (C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division



# C7.3a

## (C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)	
Aviation Systems	10,511	
Communication Systems	5,077	
Integrated Mission Systems	20,048	
Space and Airborne Systems	12,213	

## C7.5

## (C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
United States of America		215,351
Australia		1,216
Canada	÷	2,476
China		0
Costa Rica		0
Germany		136
India		105
Italy		640
New Zealand		0
Portugal	Cr.	187
Republic of Korea		0
Singapore	1	0
United Kingdom of Great Britain and Northern Ireland		1,731

## C7.6

# (C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

## C7.6a

## (C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric	Scope 2, market-based (metric
	tons CO2e)	tons CO2e)



Aviation Systems	36,453	
Communication Systems	32,190	
Integrated Mission Systems	83,939	
Space and Airborne Systems	69,260	

## C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

## C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	14,090	Decreased	4.4	Due to a net increase in renewable energy consumption during the year, we decreased our total emissions by 14,090 tonnes of CO2e. Our total Scope 1 & 2 emissions in the previous year was 317,034 tCO2e, therefore we arrived at - 4.4% through (-14,090/317,034) * 100= - 4.4% (i.e. a 4.4% decrease in emissions).
Other emissions reduction activities	290	Decreased	0.09	Due to emissions reduction activities implemented during the year such as the energy efficiency projects discussed in C4.3b, we decreased our total emissions by 290 tonnes of CO2e. Our total Scope 1 & 2 emissions in the previous year were 317,034 tCO2e, therefore we arrived at -0.09% through (- 290/317,034) * 100= -0.09% (i.e. a 0.09% decrease in emissions due to the implementation of efficiency projects.
Divestment				



Acquisitions		1		
Mergers				
Change in output	32,962	Decreased	10.4	Due to reductions in output during the year, we decreased our emissions by 32,962 tonnes of CO2e. Our total Scope 1 and 2 emissions in the previous year was 317,034 tCO2e, therefore we arrived at -10.4% through (- 32,962/317,034) * 100= -10.4% (i.e. a 10.4% decrease in emissions from changes in output such as COVID-19).
Change in methodology				
Change in boundary				
Change in physical operating conditions				
Unidentified				
Other				

## C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

## C-CG7.10

(C-CG7.10) How do your total Scope 3 emissions for the reporting year compare to those of the previous reporting year?

Decreased

## C-CG7.10a

(C-CG7.10a) For each Scope 3 category calculated in C6.5, specify how your emissions compare to the previous year and identify the reason for any change.

Fuel and energy-related activities (not included in Scopes 1 or 2)

```
Direction of change
Decreased
```



## Primary reason for change

Other emissions reduction activities

## Change in emissions in this category (metric tons CO2e)

977

## % change in emissions in this category

7.91

## Please explain

Due to emission reduction activities implemented during the year, we reduced our Scope 3 emissions from fuel and energy-related activities by 977 tonnes of CO2e. Our Scope 3 emissions from fuel and energy-related activities in the previous year were 12,346 tCO2e, therefore we arrived at -7.91% through (-977/12,346) \* 100 = -7.91% (i.e. an 7.91% decrease in emissions).

## **Business travel**

## Direction of change

Increased

## Primary reason for change

Other, please specify Increased air travel

## Change in emissions in this category (metric tons CO2e)

10,290

## % change in emissions in this category

66.27

## Please explain

Due to the lessening of business travel restrictions from COVID-19 compared to 2020, we increased our Scope 3 emissions from business travel by 10,290 tonnes of CO2e. Our Scope 3 emissions from business travel in the previous year were 15,528 tCO2e, therefore we arrived at 66.27% through (10,290/15,528) \* 100= 66.27% (i.e. a 66.27% increase in emissions).

## Employee commuting

## Direction of change

Decreased

## Primary reason for change

Other, please specify

Continued remote or hybrid work for roughly 50% of the organization, fewer total employees

## Change in emissions in this category (metric tons CO2e)

12,907



## % change in emissions in this category

17.39

## Please explain

Due to the continuation of remote / hybrid work, fewer total employees within the organization, and the decrease of gallons of gas used while commuting throughout the year, we reduced our Scope 3 emissions from employee commuting by 12,907 tonnes of CO2e. Our Scope 3 emissions from employee commuting in the previous year was 74,208 tCO2e, therefore we arrived at -17.39% through (-12,907/74,208) \* 100= - 17.39% (i.e. a 17.39% decrease in emissions).

# C8. Energy

## C8.1

# (C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

## C8.2

## (C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy- related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, Yes steam, or cooling	

## C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.



	Heating value	MWh from renewable sources	MWh from non- renewable sources	Total (renewable and non- renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	418,800	418,800
Consumption of purchased or acquired electricity		27 <sub>.</sub> 273	583,503	610,775
Consumption of purchased or acquired steam		0	12,032	12,032
Consumption of purchased or acquired cooling		0	16,021	16,021
Consumption of self- generated non-fuel renewable energy		39		39
Total energy consumption		27,312	1,030,355	1,057,667

## C8.2b

## (C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

## C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.



## Sustainable biomass

Heating value

 $\mathsf{H}\mathsf{H}\mathsf{V}$ 

Total fuel MWh consumed by the organization

0

Comment

#### Other biomass

Heating value

## .....

## Total fuel MWh consumed by the organization

0

Comment

Other renewable fuels (e.g. renewable hydrogen)

Heating value HHV

Total fuel MWh consumed by the organization

Comment

## Coal

Heating value

Total fuel MWh consumed by the organization

0

Comment

## Oil

Heating value HHV

## Total fuel MWh consumed by the organization

0



## Comment

#### Gas

Heating value

HHV

## Total fuel MWh consumed by the organization

192,114

#### Comment

Natural Gas used in operations and for comfort heat

#### Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value HHV

#### Total fuel MWh consumed by the organization

226,685

### Comment

6.292 MWh Diesel; 12,530 MWh Gasoline; 203,512 MWh Propane; 4,351 MWh Jet Kerosene

## **Total fuel**

Heating value

HΗV

## Total fuel MWh consumed by the organization

418,800

Comment

## C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	39	39	39	39
Heat	0	0	0	0
Steam	0	0	0	0



	Cooling	0	0	0	0
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## C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing r Unbund	nethod led energy attribute certificates (EACs) purchase
Energy car Electrici	
<b>Low-carbo</b> Solar	n technology type
	rea of low-carbon energy consumption States of America
Tracking in US-REC	nstrument used
Low-carbo year (MWh 1,834	n energy consumed via selected sourcing method in the reporting )
attribute	ea of origin (generation) of the low-carbon energy or energy States of America
	oning year of the energy generation facility (e.g. date of first al operation or repowering)
Comment RECs fo	or solar energy
Sourcing r Unbund Energy car	led energy attribute certificates (EACs) purchase

Electricity

Low-carbon technology type Wind



## Country/area of low-carbon energy consumption

United States of America

## Tracking instrument used

US-REC

# Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

1,040

## Country/area of origin (generation) of the low-carbon energy or energy attribute

United States of America

## Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2,021

## Comment

RECs for wind energy

## Sourcing method

Direct procurement from an off-site grid- connected generator e.g. Power purchase agreement (PPA)

## Energy carrier

Electricity

## Low-carbon technology type

Solar

## Country/area of low-carbon energy consumption

United States of America

# Tracking instrument used

US-REC

# Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

24,399

## Country/area of origin (generation) of the low-carbon energy or energy attribute

United States of America

# Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2,021



## Comment

RECs from the Elm Branch Solar Farm project as a part of our long-term virtual power purchase agreement (VPPA).

## C8.2g

(C8.2g) Provide a breakdown of your non-fuel energy consumption by country.

Country/area

United States of America

Consumption of electricity (MWh) 578,105

Consumption of heat, steam, and cooling (MWh) 28,053

Total non-fuel energy consumption (MWh) [Auto-calculated]

606,158

## Country/area

Australia

## Consumption of electricity (MWh)

1,630

## Consumption of heat, steam, and cooling (MWh)

0

## Total non-fuel energy consumption (MWh) [Auto-calculated]

1,630

## Country/area

Canada

Consumption of electricity (MWh)

21,207

## Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]



#### 21,207

Country/area

Germany

## Consumption of electricity (MWh)

281

## Consumption of heat, steam, and cooling (MWh)

0

## Total non-fuel energy consumption (MWh) [Auto-calculated]

281

## Country/area

India

## Consumption of electricity (MWh)

146

## Consumption of heat, steam, and cooling (MWh)

0

## Total non-fuel energy consumption (MWh) [Auto-calculated]

146

## Country/area

Italy

## Consumption of electricity (MWh)

1,374

## Consumption of heat, steam, and cooling (MWh)

0

## Total non-fuel energy consumption (MWh) [Auto-calculated]

1,374

Country/area Portugal



## Consumption of electricity (MWh) 732

Consumption of heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

732

Country/area

United Kingdom of Great Britain and Northern Ireland

Consumption of electricity (MWh)

7,338

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

7,338

## C-CG8.5

(C-CG8.5) Does your organization measure the efficiency of any of its products or services?

	Measurement of product/service efficiency	Comment
Row 1	No, and we do not plan to start doing so within the next two years	

# **C9. Additional metrics**

## C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

# C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?



	Investment in low-carbon R&D	Comment
Row 1	No	

# C10. Verification

## C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	No third-party verification or assurance
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No third-party verification or assurance

## C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, but we are actively considering verifying within the next two years

# C11. Carbon pricing

## C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

## C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

# C11.3

## (C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years



# C12. Engagement

# C12.1

(C12.1) Do you engage with your value chain on climate-related issues? Yes, our customers/clients

## C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

## Type of engagement & Details of engagement

Education/information sharing Run an engagement campaign to education customers about your climate change performance and strategy

% of customers by number

3

% of customer - related Scope 3 emissions as reported in C6.5 0

Please explain the rationale for selecting this group of customers and scope of engagement

Share information on climate change performance and strategy with our customers that request visibility into these metrics. At this time we are unable to allocate scope 3 emissions to specific customers.

## Impact of engagement, including measures of success

The impact of our engagement increases the visibility of our climate change performance and strategy with our customers, primarily the US government, which is striving to increase its focus on environmental sustainability. By providing additional data we are helping our customers increase their environmental sustainability strategy to include their suppliers.

## C12.2

# (C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

Yes, climate-related requirements are included in our supplier contracts



## C12.2a

(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization's purchasing process and the compliance mechanisms in place.

## **Climate-related requirement**

Complying with regulatory requirements

## Description of this climate related requirement

All suppliers are required to comply with the Supplier Code of Conduct as evidenced in the signed Terms and Conditions and annual certifications. Suppliers are required to comply with all applicable environmental, health and safety laws, regulations, and directives.

% suppliers by procurement spend that have to comply with this climaterelated requirement

100

% suppliers by procurement spend in compliance with this climate-related requirement

100

Mechanisms for monitoring compliance with this climate-related requirement No mechanism for monitoring compliance

Response to supplier non-compliance with this climate-related requirement No response

## C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate

Yes, we engage indirectly through trade associations

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

No, and we do not plan to have one in the next two years



# Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy

Participation and engagement with trade associations is vetted through the Corporate Environmental, Health & Safety (EHS) group to ensure alignment with the companies' overall environmental sustainability strategy. To ensure a consistent approach maintained to multiple engagement activities at least one member of the Corporate EHS team participates in engagement with all trade associations that are approved.

### C12.3b

(C12.3b) Provide details of the trade associations your organization engages with which are likely to take a position on any policy, law or regulation that may impact the climate.

#### **Trade association**

**Business Roundtable** 

Is your organization's position on climate change consistent with theirs? Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We publicly promote their current position

# State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

In 2021, our CEO, Chris Kubasik, became a member of the Business Roundtable and committed to their principles, including climate change. The Business Roundtable recognizes the real and growing threat of climate change and believes that America's business leaders have an obligation to contribute to an environmentally responsible future. Because the consequences of global warming for society and ecosystems are potentially serious and far-reaching, steps to address the risks of such warming are prudent even now, while the science continues to evolve. Business Roundtable supports collective actions that will lead to the coordinated efforts to address the risks of climate change. Business Roundtable CEOs believe market-based solutions are the best approach to combating climate change. CEOs call for complementary suite of policies to drive innovation, significantly reduce greenhouse gas emissions and limit global temperature rise. In 2021, Business Roundtable Energy and Environment Committee Chair George Oliver, Chairman and Chief Executive Officer of Johnson Controls, testified before the U.S. Senate Budget Committee during a hearing on "Climate Change: The Cost of Inaction." Oliver highlighted that the Roundtable has for more than a decade called for collective action to address climate change and last year released climate principles and policies, which included the use of a market-based strategy that

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includes a price on carbon where feasible and effective.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

Describe the aim of your organization's funding

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement? Yes, we have evaluated, and it is aligned

### C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports

Status

Complete

#### Attach the document

L3Harris-SustainabilityReport-2021.pdf

#### Page/Section reference

Sustainability Program pgs. 6 and 21 of pdf

#### Content elements

Governance Emission targets Other metrics

#### Comment

#### Publication

In voluntary sustainability report

#### Status

Complete

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#### Attach the document

L3Harris-SustainabilityReport-2021.pdf

#### Page/Section reference

Pg 12, 17, 18, 26-29

#### **Content elements**

Governance Strategy Risks & opportunities Emissions figures Emission targets Other metrics

#### Comment

#### Publication

In voluntary communications

#### Status

Complete

#### Attach the document

L3Harris ESG webpage.pdf

#### Page/Section reference

Environmental, Social and Governance | L3Harris™ Fast. Forward.

#### Content elements

Governance Strategy Risks & opportunities Emissions figures Emission targets Other metrics

#### Comment

#### Publication

In voluntary communications

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#### Status

Complete

#### Attach the document

L3Harris-SDGIndex-2021 (2).pdf

### Page/Section reference

Pgs 11-12

#### Content elements

Other, please specify TCFD Index

Comment

### C15. Biodiversity

### C15.1

(C15.1) is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

Row	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	
	No, and we do not plan to have both within the next two years	

### C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

Row 1	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity		
	No, and we do not plan to do so within the next 2 years		

### C15.3

(C15.3) Does your organization assess the impact of its value chain on biodiversity?

Does your organization assess the impact of its value chain on biodiversity?

Row 1 No, and we do not plan to assess biodiversity-related impacts within the next two years



### C15.4

(C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity- related commitments?		
Row 1	No, and we do not plan to undertake any biodiversity-related actions		

### C15.5

(C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance	
Row 1	No		

### C15.6

(C15.6) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In voluntary sustainability report or other voluntary communications	Other, please specify Materiality Assessment which includes biodiversity	Biodiversity has been identified as a low impact topic for L3Harris (pg 9)

1L3Harris-SustainabilityReport-2021.pdf

## C16. Signoff

### C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

In the first half of 2021, the VP of Global Operations, reported directly to our Vice Chair, President and COO. In mid-2021, our previous CEO stepped down and the COO became CEO; the COO position was then eliminated. The VP of Global Operations is a peer of our Segment Presidents and is the functional leader for global operations. He has five functions



under his purview including: Continuous Improvement (also known as e3), Manufacturing Engineering, Environmental, Health and Safety (EHS), Supply Chain, and Quality. As part of the EHS organization, the corporate environmental sustainability function reports to the VP of EHS who reports to the VP of Global Operations, and the Board's Nominating and Governance Committee oversees EHS water-related issues.

### C16.1

# (C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

Job title		Corresponding job category	
Row 1	Vice President, Global Operations	Other C-Suite Officer	

### SC. Supply chain module

### SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

N/A

### SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue	
Row 1	17,814,000,000	

### SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

### SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

### SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?



Allocation challenges	Please explain what would help you overcome these challenges	
Diversity of product lines makes accurately accounting for each	At this time we do not have data segregated by customer/product. We track greenhouse gas (GHG), water	
product/product line cost ineffective	and waste metrics on a strictly facility/location basis.	

### SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Yes

### SC1.4a

#### (SC1.4a) Describe how you plan to develop your capabilities.

Our preliminary plan would be to integrate our accounting for customers/products with EHS metrics so we can segregate data associated with customers/product.

### SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

### SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

No

### SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

No, I am not providing data

### Submit your response

#### In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

I understand that my response will be shared	Response	
with all requesting stakeholders	permission	

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Please select your submission options	Yes	Public
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#### Please confirm below

I have read and accept the applicable Terms

### ATTACHMENT B. CDP 2020 WATER REPORT

Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this document



# Welcome to your CDP Water Security Questionnaire 2022

### **W0. Introduction**

### W0.1

#### (W0.1) Give a general description of and introduction to your organization.

L3Harris Technologies, Inc., (L3Harris) headquartered in Melbourne, Florida, is an agile global aerospace and defense (A&D) technology innovator, delivering end-to-end solutions that meet customers' mission-critical needs. We provide advanced defense and commercial technologies across air, land, sea, space and cyber domains. We support government and commercial customers in 100 countries, with our largest customers being various departments and agencies of the United States (U.S.) Government and their prime contractors. Our products, systems and services have defense and civil government applications, as well as commercial applications.

We structure our operations primarily around the products, systems and services we sell and the markets we serve. L3Harris organizational structure consists of four business segments that are referred to as:

• Aviation Systems (AS), including defense aviation products; other commercial aviation products; commercial pilot training; and mission networks for air traffic management. As of 2022 this segment was realigned and some locations were divested.

 Communication Systems (CS), including tactical communications; broadband communications; integrated vision solutions; and public safety;

Integrated Mission Systems (IMS), including multi-mission intelligence, surveillance and reconnaissance and communication systems; integrated electrical and electronic systems for maritime platforms; and advanced electrooptical and infrared solutions;

• Space and Airborne Systems (SAS), including space payloads, sensors and full-mission solutions; classified intelligence and cyber defense; avionics; and electronic warfare.

Our operational excellence program, e3 (excellence everywhere every day) is a Business Operating System committed to excellence, innovation, customer satisfaction and continuous improvement. e3 provides a common language, processes, and metrics across the enterprise and includes regular reviews and performance metrics to drive continuous improvement as a foundation for innovation. A key element of our e3 program is environmental sustainability, which includes water-related sustainability metrics and goals. We are committed to advancing environmental sustainability and compliance. The Company's robust environmental, health and



safety (EHS) management system provides the framework for policies and standards, as well as enterprise initiatives to reduce solid waste, water usage and greenhouse gas (GHG) emissions.

### W0.2

#### (W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	
Reporting year	January 1, 2021	December 31, 2021	

### W0.3

#### (W0.3) Select the countries/areas in which you operate.

Australia	
Canada	
Germany	
India	
Italy	
Portugal	
United Kingdom of Great Britain and Northern Irelan	d
United States of America	

### W0.4

# (W0.4) Select the currency used for all financial information disclosed throughout your response.

USD

### W0.5

# (W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which operational control is exercised

### W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

No

### W0.7

(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization.

Provide your unique identifier



Yes, a Ticker symbol

L3Harris Technologies, Inc.'s Ticker symbol: LHX

### W1. Current state

### W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Not very important	Not very important	L3Harris operations do not rely on substantial water volume and water quality for our day-to-day operations. Facility level water consumption is tracked corporate-wide on a quarterly basis. L3Harris has limited water consumption at some sites (manufacturing facilities), however, activities at the majority of L3Harris sites involve electronic and software programming, with primary water consumption generally related to sanitary use by employees, landscape irrigation, and heating and cooling. Based on this operational activity and tracked water consumption, reliance and use of significant volumes of process water is limited. As such, water use and potential water risks would not be deemed as substantive. For these reasons, our importance rating is not very important. The availability of sufficient qualities of good quality freshwater is anticipated to remain as not very important in the future.



			categories of L3Harris' supply chain including Freight and Logistics, Facilities and Operations, HR and Administration and IT/Telecom. Water availability was ranked as a low risk across 3 of the 4 assessed categories. Therefore, our indirect use importance rating is not very important. Risks and findings from these assessments are evaluated during our enterprise risk management process and help inform our path forward.
Sufficient amounts of recycled brackish and/or produced water available for use	Not very important	Not very important	L3Harris operations do not rely on substantial water volume of recycled water for our day to day operations. Facility level water consumption is tracked corporate-wide on a quarterly basis. L3Harris has limited water consumption at some sites (manufacturing facilities), however, activities at the majority of L3Harris sites involve electronic and software programming, with primary water consumption generally related to sanitary use by employees (restrooms, hand washing, etc.), landscape irrigation, and heating and cooling. Based on this operational activity and tracked water consumption, reliance and use of significant volumes of process water is limited. As such, water use and potential water risks are not deemed as substantive. For these reasons, our importance rating for sufficient quantities of recycled water is rated as not very important Our diverse, well-established supply chain has suppliers located across the globe, which limits our exposure to water risks in our value chain and provides a level of risk mitigation for potential climate-related impacts which could otherwise disrupt the value chain. As a part of our ongoing sustainability and climate resilience efforts during 2021, L3Harris completed a Supply Chain Climate Risk Assessment (SCCRA) to identify and better understand the potential climate change (including water related) risks present throughout the supply chain including Freight and Logistics, Facilities and Operations, HR and Administration and IT/Telecom. Water availability was ranked as a low risk across 3 of the 4 assessed categories. Therefore, our indirect use importance rating is not very important. Risks



and findings from these assessments are
evaluated during our enterprise risk management
process and help inform our path forward.

### W1.3

#### (W1.3) Provide a figure for your organization's total water withdrawal efficiency.

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	17,814,000,000	1,449	12,293,995.8592132	L3Harris expects total water withdrawal efficiency to go up in the future. L3Harris has a publicly stated goal to achieve a 20% reduction in water use by 2026 over a baseline year of 2019. Therefore, water use is expected to decrease in future years.

### W2. Business impacts

### W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts? No

### W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

### **W3. Procedures**

### W3.3

(W3.3) Does your organization undertake a water-related risk assessment? Yes, water-related risks are assessed

### W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.



#### Value chain stage

Direct operations Supply chain

#### Coverage

Full

#### Risk assessment procedure

Water risks are assessed as part of an established enterprise risk management framework

#### Frequency of assessment

Annually

#### How far into the future are risks considered?

More than 6 years

#### Type of tools and methods used

Tools on the market Enterprise risk management Databases Other

#### Tools and methods used

WRI Aqueduct WWF Water Risk Filter Enterprise Risk Management FAO/AQUASTAT Internal company methods External consultants Nation specific databases, tools, or standards Scenario analysis

#### Contextual issues considered

Water availability at a basin/catchment level Water quality at a basin/catchment level Water regulatory frameworks Status of ecosystems and habitats Access to fully-functioning, safely managed WASH services for all employees

#### Stakeholders considered

Customers Employees Investors Local communities Regulators Water utilities at a local level L3Harris Technologies INC CDP Water Security Questionnaire 2022 Friday, July 29. 2022



#### Comment

L3Harris has a process in place for conducting a Water Risk Assessment (WRA) that evaluates potential water related risks including water scarcity, flooding, poor water quality, etc. on operationally-critical water, energy resources for major L3Harris facilities and operations. The WRA is updated every two years. In 2021, we developed a Climate and Water Risk Management Plan (CWRMP) to update and expand upon the 2019 Climate Risk Management Plan and previous Water Risk Assessment (WRA) that evaluated the potential impacts of climate change and water related impacts on operations-critical resources for major L3Harris locations and operations.

Internally, L3Harris has established an EHS management system to collect water use data. Additionally, L3Harris conducts a detailed aspect and impacts risk assessment on an annual basis. All sites with greater than 75 employees are responsible for completing the assessment and other sites complete the assessment based on segment discretion. It includes reviewing legal and other requirements, changes to regulations, process changes, and environmental risk including water-related risks. The opportunities are risk-ranked and prioritized. These risks could be internal to operations, external to stakeholders and the communities in which we operate. Selected risks & corresponding action plans are tracked & managed as part of the facilities' objectives and targets. In addition, our Board uses an enterprise risk management (ERM) process, administered by management, and considers risks and related mitigation identified through the ERM process or raised in the context of a range of matters on which management reports to our Board or one of its committees. The risks and opportunities identified through this process may include elements such as water-related issues.

As a part of our ongoing sustainability and climate resilience efforts during 2021, L3Harris completed a Supply Chain Climate Risk Assessment (SCCRA) to identify and better understand the potential climate change (including water related) risks present throughout the supply chain. The SCCRA focused on global supply chain operations and assessed the primary climate risks to key categories of L3Harris' supply chain, including Freight and Logistics, Facilities and Operations, HR and Administration and IT/Telecom. The SCCRA also informs L3Harris' ESG efforts to publicly disclose relevant environmental and physical climate-related risks and opportunities.

#### W3.3b

(W3.3b) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

L3Harris has a process for conducting a Water Risk Assessment (WRA) that evaluates potential water related risks on operationally critical water resources for major L3Harris facilities and operations. Subject matter experts assist with the development of the WRA and update it every two years. Additionally, we conduct a detailed Aspects/Impacts Risk Assessment that focuses on a variety of risks, including water. The process occurs annually at major locations, is separate from the WRA, reviews legal and other changes to regulations, process changes, and environmental risks. The opportunities are risk-ranked and prioritized. These risks could be internal to L3Harris or external to stakeholders and the local communities. Selected risks and



corresponding action plans are tracked and managed as part of the location's objectives and targets which are reviewed annually. Both exercises identify similar risks and impacts, and action items may be similar.

In 2021, we developed a Climate and Water Risk Management Plan (CWRMP) to update and expand upon the 2019 Climate Risk Management Plan and previous WRA that evaluated the potential impacts of climate change and water related impacts on operations-critical resources for major locations and operations. The CWRMP covers a portion of our larger portfolio in the U.S., Canada, England and Australia, and brings climate and water risk considerations together to provide a more holistic risk assessment. This assessment used datasets on current and projected water parameters from the World Bank Climate Knowledge Portal, WRI Aqueduct Water Risk Atlas, and the Water Risk Filter developed by WWF in collaboration with DEG. The CWRMP is updated every two years, and was coupled with a separate Supply Chain Climate Risk Assessment (SCCRA) in 2021 to assess the primary climate risks to L3Harris'supply chain.

As a part of our ongoing sustainability and climate resilience efforts during 2021, we completed the SCCRA to identify and better understand the potential climate change (and water related) risks present throughout the supply chain. The SCCRA focused on global supply chain operations and assessed the primary climate risks to key categories of our supply chain, including Freight and Logistics, Facilities and Operations, HR and Administration and IT/Telecom. Water availability was considered a low risk for the enterprise across 3 of the 4 categories. The SCCRA also informs L3Harris' ESG efforts to publicly disclose relevant environmental and physical climate-related risks and opportunities.

L3Harris leverages our Enterprise Risk Management (ERM) assessments to identify water risks. This process identifies material risks across sites with input from each business segment and function. Internally, we also use an established EHS management system to collect and analyze data around water use.

Each of the following water related issues are included in our risk assessment for the following reasons:

 L3Harris operations do not rely on substantial water volume and water quality for our day-today operations. Facility level water consumption is tracked corporate-wide on a quarterly basis.
 L3Harris has limited water consumption at some sites (manufacturing facilities), however, activities at the majority of our sites involve electronic and software programming, water consumption related to sanitary use by employees and heating and cooling. For the reasons above, water availability and quality at a local level is relevant to our operations.

Water-related regulatory frameworks are relevant to L3Harris because some of our sites hold
 wastewater discharge permits and are subject to local regulatory frameworks.

 Generally, our operations are in developed areas and do not impact ecosystems and habitats, therefore issues regarding ecosystems and habits have limited relevance to our operations.
 However, any biodiversity impacts (ecosystems and habitat impacts)related to new construction and tenant improvements are evaluated through the local regulatory planning and permitting processes

A sanitary working environment is essential to employee health and safety, therefore assessing access to fully functioning, safely managed WASH services for all employees is relevant to our operations

The water related risk and opportunity assessment also considered the following stakeholders: To ensure customer expectations & requirements are met, water risk impacts are considered for customers, based on contract, regulatory requirements, etc.



 Employee water and sanitation needs are an essential part of employee health and safety and are therefore included in the aspect and impact assessment.

 Investors are considered in water risk assessments to make sure investor expectations are met over time and to ensure we provide the information that investors and stakeholders require.
 Regulators are relevant to L3Harris because some of our sites hold wastewater discharge permits and are subject to local regulatory frameworks

### W4. Risks and opportunities

### W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

No

### W4.1a

## (W4.1a) How does your organization define substantive financial or strategic impact on your business?

Our Enterprise Risk Management (ERM) process is used to survey our senior leaders and subject matter experts to determine and prioritize substantive/material financial impacts. Our company-wide risks are assessed regularly on potential impact, likelihood to occur, trends, and current mitigation, and specifically include risks associated with business continuity/natural disasters (e.g., floods, fires, hurricanes, etc.), supply chain and environmental compliance. An overall financial impact assessment is made ranging from under \$10M (not significant/substantive) to greater than \$500M (catastrophic), which corresponds to the overall size of the company. The ERM process engages senior leadership to focus company resources to mitigate the risks that could have the most significant impact to the business.

### W4.2b

# (W4.2b) Why does your organization not consider itself exposed to water risks in its direct operations with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	L3Harris operations do not rely on substantial water volume or water quality for our day-to-day operations. L3Harris recognizes water is an important issue and important to stakeholders but L3Harris operations do not rely on substantial water volume, nor impact water quality from our day- to-day operations therefore L3Harris' impact on water is considered low and exposure to water-related risk is not considered to be material.
		Facility level water consumption is tracked corporate-wide on a quarterly basis. L3Harris has limited water consumption at some sites (manufacturing facilities). However, activities at the majority of L3Harris sites involve electronic and software programming, and water consumption



is related to sanitary use by employees (restrooms, etc.), landscape
irrigation and heating & cooling. Based on this operational activity and
tracked water consumption, reliance and use of significant volumes of
process water is limited. As such, water use and potential water risks are
not deemed as substantive. Sites representing the largest water usage and
that were deemed most critical to operations based on facility size and their
role as manufacturing facilities and material production were evaluated in
the WRA. While the WRA revealed some water-related risk, no substantive
impact is anticipated. We continue to track and work to reduce our water
use, particularly at sites where risks were identified, to meet our goals. We
complete regular WRA every two years and broaden the scope to cover
our operations.
In addition, project-based reviews & eco-treasures hunts are completed.
which include an evaluation of projects that would help decrease our
overall water use & other impacts (e.g., energy use, GHG emissions).
Environmental Sustainability Calculators & project review checklists are
used to integrate environmental sustainability into capital projects and
review the projects for environmental sustainability risks and opportunities.
The tools were designed to:
Provide support during the planning & scoping process of capital projects
<ul> <li>Help determine technology &amp; equipment options with lower environmental</li> </ul>
impacts while maintaining program and/or functional requirements
Standardize how project impacts are calculated across the company
The Environmental Sustainability Calculators are used to evaluate
impacts and cost to gauge financial investment required & to understand
the positive/negative impact projects have on accomplishing our goals.

### W4.2c

(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	L3Harris has a diverse well-established supply chain with suppliers located across the world, which limits our exposure to water risks in our value chain and provides a level of risk mitigation for potential climate-related impacts such as shifts in precipitation patterns, increase in frequency and/or intensity of extreme weather events such as hurricanes, droughts, and floods, which could otherwise disrupt the value chain. A formal assessment of water-related risk in our supply chain was completed in 2021. Water availability was ranked as a low risk across 3 of the 4 assessed categories and no substantive water-related impacts were identified. Water risks in our value chain are therefore not highly ranked in the Enterprise Risk Management process.



### W4.3

# (W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes, we have identified opportunities, and some/all are being realized

### W4.3a

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

Type of opportunity

Efficiency

#### Primary water-related opportunity

Improved water efficiency in operations

#### Company-specific description & strategy to realize opportunity

Improved water efficiency represents significant opportunity for associated water OPEX savings. To realize this opportunity, eco-treasure hunts are conducted annually to discover energy efficiency and water conservation risks and opportunities while enabling employees to build a culture of continuous improvement. The Sustainability Calculators are also used as part of the eco-treasure hunts to estimate the potential savings of the opportunities or alternative technologies identified during the events to align key metrics and standardize savings calculations. Other location-based projects are also reviewed for technology-related energy improvements and efficiencies on an ad hoc basis.

An example is an Irrigation Management Project, which was implemented at the SAS Colorado Springs, CO Campus: The location is utilizing irrigation management to reduce water consumption. A 50% reduction was achieved (during the 6-month watering period) through a combination of conservation, system maintenance, and xeriscaping. Annual Results:

Water reduction of 737,000 gallons

\$6,200 dollars savings

47.8% Year-over-year reduction – helping the facility work toward achieving its water reduction target and the overall corporate water goals.

The water and cost savings demonstrate that this opportunity was strategic for L3Harris.

#### Estimated timeframe for realization

1 to 3 years

#### Magnitude of potential financial impact

Low



#### Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

#### Potential financial impact figure (currency) 6,200

#### Potential financial impact figure - minimum (currency)

#### Potential financial impact figure - maximum (currency)

#### Explanation of financial impact

Environmental Sustainability Calculators and project review checklists are used in the business to integrate environmental sustainability into capital projects and review the projects for environmental sustainability risks and opportunities. The tools were designed to:

Provide support during the planning and scoping process of capital projects;

Help determine technology and equipment options with lower environmental sustainability impacts while maintaining program and/or functional requirements;

Standardize how project impacts are calculated across the company; and

The Environmental Sustainability Calculators are used to evaluate impacts & cost to gauge financial investment required and to understand the positive/negative impact projects have on accomplishing our environmental sustainability goals. Per project estimations using the Environmental Sustainability Calculator, this will reduce water costs associated with water use and consumption.

The estimated annual financial impact is based on annual savings achieved from a recent project at the SAS Colorado Springs, CO Campus. Water (Irrigation Management Project.) The location is utilizing irrigation management to reduce water consumption. A 50% reduction was achieved (during the 6-month watering period) through a combination of conservation, system maintenance, and xeriscaping. Annual Results:

Water reduction of 737,000 gallons x water price of \$8.4 per 1000 gallons

\$6,200 dollars savings

### W6. Governance

### W6.1

#### (W6.1) Does your organization have a water policy?

Yes, we have a documented water policy, but it is not publicly available



### W6.1a

# (W6.1a) Select the options that best describe the scope and content of your water policy.

Scope	Content	Please explain
Row Compa 1 wide	ny- Description of business dependency on water Description of business impact or water Company water targets and goals Commitments beyond regulatory compliance Commitment to water-related innovation Commitment to water stewardship and/or collective action	We have a Corporate (CHQ) Environmental Compliance Policy and a CHQ Sustainability Policy. These policies apply to all L3Harris locations and reflect a commitment to consistency in our approach to water security. If local regulations are more stringent, the Location must comply with/exceed the higher standard. Our CHQ Environmental Compliance Policy includes water- related regulatory compliance obligations. All locations must comply with applicable national/federal, state & local laws, regulations, directives & CHQ policies. Our CHQ Sustainability Policy includes water-related policy and our commitment to conducting business responsibly (e.g water use reduction targets & goals) & commitment to business practices that support a sustainable global environment by effectively managing our footprint through the careful use of energy & natural resources including water. It includes language around understanding our business dependency & business impacts on natural resources & the related potential climate, water & use/disposal of materials. Based on operational activities & usage, operations do not rely on a substantive water volume/quality for operations. However, we rely on sustainable access to limited amounts o water to keep operations running & for general consumption at facilities. It also includes commitment to continuously strive for a more efficient & sustainable environment through: Resource conservation, pollution prevention, waste reduction & diversion; Minimize environmental impacts in the areas of GHG emissions, water, & waste; Give back to communities by volunteering & donating resources; Create innovative approaches to minimize environmental impacts & improve economic bottom lines. The policy provides a framework for implementation where CHQ EHS representatives are responsible for developing & managing the environmental sustainability strategy for the corporation in collaboration with business segments & functions. EHS & functional representatives work with CHQ, business segment & local leadership to



strategy including monitoring & tracking consumption of
resources at designated locations & develop/implement
strategies to minimize & optimize their use;
Communicating responsibilities, projects & objectives;
Facilitating data collection;
Facilitating the creation of Green Teams to drive efforts;
Providing assistance to assess sustainability aspects in
purchasing.

### W6.2

(W6.2) Is there board level oversight of water-related issues within your organization? Yes

### W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual	Please explain		
Board-level committee	Board level responsibility for overseeing our ethics and compliance programs and our activities related to corporate citizenship and responsibility and environmental sustainability including water-related issues is carried out through our Board's Nominating and Governance Committee. This committee assists the L3Harris Board of Directors (our Board) in overseeing our ethics and business conduct program, our EHS programs and our charitable, civic, educational and philanthropic activities, and also monitors and takes appropriate action regarding strategic issues and trends relating to environmental, social and governance (ESG) efforts and corporate citizenship and responsibility. Through the Board's Nominating and Governance Committee, the Board monitors progress against targets and goals related to water-related risks at the board level and provides oversight of our corporate strategy, plans of action, management policies, and performance objectives. Our Board plays an active role in overseeing the formulation and implementation of our overall business strategy.		

### W6.2b

(W6.2b) Provide further details on the board's oversight of water-related issues.

Frequency that	Governance	Please explain
water-related	mechanisms into	
issues are a	which water-related	



scheduled agenda ite	
Row Scheduled 1 some meet	strategic matters and other significant business developments including those related to water- related risks and opportunities.

### W6.2d

# (W6.2d) Does your organization have at least one board member with competence on water-related issues?

Board member(s)<br/>have competence<br/>on water-relatedPrimary reason for<br/>no board-levelExplain why your organization does not have<br/>at least one board member with competence<br/>on water-related issues and any plans to<br/>address board-level competence in the future<br/>issues



Row 1	No, but we plan to address this within	Important but not an immediate priority	Under our Corporate Governance Guidelines, our Board selects director nominees based on the
	the next two years		recommendation of our Nominating and Governance Committee and criteria including: • Current knowledge and contacts in the markets in which we do business and in our industry or other relevant industries; • Compatibility of the individual's experience, qualifications, attributes or skills and personality with those of other directors and potential directors in building a Board that is effective, collegial and responsive to the needs of L3Harris and the interests of our shareholders. The Board annually performs a Self-Evaluation of its overall effectiveness, including utilization of a skills matrix. Board members then take appropriate training in line with their assessment. These trainings are tracked by the Corporate Governance Committee.
			Currently this process does not explicitly address skills and experience regarding sustainability related issues including water but we plan to address this within the next two years.

### W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

#### Name of the position(s) and/or committee(s)

Chief Executive Officer (CEO)

#### Responsibility

Assessing water-related risks and opportunities Managing water-related risks and opportunities

#### Frequency of reporting to the board on water-related issues

Quarterly

#### Please explain

For the first half of 2021 the CEO and COO provided joint leadership on water-related issues. They were briefed by the Corporate VP of Global Operations on water-related issues at least quarterly where they provided leadership and direction on the implementation of water-related strategy. They provided the Board at least annual updates on water-related risks and opportunities. Mid-2021 our previous CEO



transitioned out and the COO became CEO; the COO position was eliminated. Corporate Environmental Sustainability is led by the VP of EHS with a dedicated Sustainability Director and reports to the VP of Global Operations who reports to our CEO. This group is directly responsible for assessing and managing water-related risks and opportunities. Corporate Environmental Sustainability establishes environmental baselines, targets and roadmaps; deploying our sustainability plan and targeting improvements; and developing long-term sustainability goals and ESG strategy.

#### Name of the position(s) and/or committee(s)

Chief Operating Officer (COO)

#### Responsibility

Assessing water-related risks and opportunities Managing water-related risks and opportunities

#### Frequency of reporting to the board on water-related issues Quarterly

#### Please explain

For the first half of 2021 the CEO and COO provided joint leadership on water-related issues. They were briefed by the Corporate VP of Global Operations on water-related issues at least quarterly where they provided leadership and direction on the implementation of water-related strategy. They provided the Board at least annual updates on water-related risks and opportunities. Mid-2021 our previous CEO transitioned out and the COO became CEO; the COO position was eliminated. Corporate Environmental Sustainability is led by the VP of EHS with a dedicated Sustainability Director and reports to the VP of Global Operations who reports to our CEO. This group is directly responsible for assessing and managing water-related risks and opportunities. Corporate Environmental Sustainability establishes environmental baselines, targets and roadmaps; deploying our sustainability plan and targeting improvements; and developing long-term sustainability goals and ESG strategy.

#### Name of the position(s) and/or committee(s)

Sustainability committee

#### Responsibility

Assessing water-related risks and opportunities Managing water-related risks and opportunities

#### Frequency of reporting to the board on water-related issues

More frequently than quarterly

#### Please explain

L3Harris stood up a cross-functional ESG Working Group that serves as a formal sustainability committee to harmonize ESG programs. Led by the Environmental Sustainability Director, the ESG Working Group has executive sponsorship and includes



representatives from Ethics, Human Resources, Risk, Communications, Legal, EHS (Operations), and Investor Relations, and is supported by representatives from Facilities, Engineering, Supply Chain, and Government Relations as needed.

The ESG working group meets on a monthly basis and is involved in the Company's assessment and management of water-related risks and opportunities. The members of this committee comprise of management and executive level members that have operational responsibility for the implementation of decisions taken at the board level and day-to-day management of climate and water-related issues throughout the various functions of the business where they serve.

### W6.4

## (W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water- related issues	Comment
Row 1	Yes	Monetary and non-monetary incentives are provided to the Corporate executive team and to all employees for management of water-related issues or advancement of water-related opportunities.

### W6.4a

(W6.4a) What incentives are provided to C-suite employees or board members for the management of water-related issues (do not include the names of individuals)?

	Role(s) entitled to incentive	Performance indicator	Please explain
Monetary reward	Board/Executive board Corporate executive team	Other, please specify Pre-determined objectives related to ESG focus areas	The overall objective of our executive compensation program is to encourage and reward the creation of sustainable, long-term shareholder value. Our guiding principles provide a framework for our executive compensation program to meet this objective. The compensation program for our executive officers includes base salary, annual cash incentive award compensation and equity- based long-term incentive compensation. For annual cash incentive awards, our Annual Incentive Plan is based on formulaic calculations of our financial results against pre- determined financial performance measure targets, as well as performance reviews relative to pre-determined objectives for the fiscal year. Pre-determined objectives generally emphasized



			ethics; compliance and safety; operational excellence; talent; engagement; diversity and inclusion; and ESG focus areas, which include water-related issues.
Non- monetary reward	Corporate executive team	Reduction of water withdrawals Reduction in consumption volumes Improvements in efficiency - direct operations Improvements in efficiency - supply chain Improvements in efficiency - product- use Improvements in waste water quality - direct operations Improvements in waste water quality - direct operations Improvements in waste water quality - supply chain Improvements in waste water quality - supply chain Improvements in waste water quality - product-use Implementation of employee awareness campaign or training program Supply chain engagement Implementation of water-related community project	Employees who demonstrate extraordinary achievement to customer or operational excellence, including environmental initiatives to reduce reliance on natural resources, are eligible for recognition through the company- wide recognition program. Recognizing Inspiring Sharing Engaging (R.I.S.E) is L3Harris' rewards and recognition program, designed to provide a method of recognizing individual employees or team contributions to furthering the goals and objectives of L3Harris, as well as to celebrate the achievements that make L3Harris successful. The levels of awards can be a non-monetary or monetary way of showing recognition for contributions through Boost, Launch, Ascend, Elevate and service milestone awards. These recognitions may additionally be celebrated through news articles posted to internal company communications. Work on Green Teams or other sustainability efforts could also receive this type of incentive.

### W6.5

# (W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

No



### W6.6

# (W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

No, and we have no plans to do so

### W7. Business strategy

### W7.1

# (W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are water- related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water- related issues are integrated	5-10	Objectives related to water use and water discharge are evaluated on an annual basis as part of the overall environmental sustainability program. Annually, L3Harris sets targets, goals and objectives as part of our strategic growth planning (SGP) process. In 2020 L3Harris announced our long-term goals, which included a water use reduction target of 20% by 2026 over a baseline year of 2019. The corporate goals are used to guide Segment and site level reduction initiatives and projects for the year. Annually, we collect water data to track to our target and analyze the data to re-evaluate our annual goals.
Strategy for achieving long-term objectives	Yes, water- related issues are integrated	5-10	Objectives related to water use and water discharge are evaluated on an annual basis as part of the overall environmental sustainability program. The strategy for achieving long-term objectives involves identifying water-related opportunities through our annual corporate Strategic Growth Planning (SGP) process, our facilities infrastructure and real estate planning process, and through facility eco-treasure hunts. Water efficiency projects are identified through the Facilities Infrastructure Planning process (e3 continuous improvement projects) and our eco treasure hunt process. Eco-treasure hunts are conducted annually to discover and realize energy efficiency and water conservation risks and opportunities while enabling employees to build a culture of continuous improvement. Other location-based projects are also



			reviewed for water-related conservation or efficiencies on an ad hoc basis.
Financial planning	Yes, water- related issues are integrated	5-10	Financial planning for water-related projects is evaluated and integrated into our facilities infrastructure and real estate planning process and through facility eco-treasure hunts. Water efficiency projects are identified through the Facilities Infrastructure Planning process (e3 continuous improvement projects) and our eco treasure hunt process. Environmental Sustainability Calculators are used to estimate costs and the potential savings of the opportunities identified to align key metrics and standardize cost and savings calculations. These estimates are integrated into corporate, segment, and facility financial planning as appropriate. Other location-based projects are also reviewed for technology-related energy improvements and efficiencies on an ad hoc basis and financial planning for these projects is done at the local level.

### W7.2

(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

#### Row 1

Water-related CAPEX (+/- % change)	
D	
Anticipated forward trend for CAPEX	(+/- % change)
0	
Water-related OPEX (+/- % change)	
0	
Anticipated forward trend for OPEX (	+/- % change)
0	

#### Please explain

From 2020 to 2021, CAPEX and OPEX remained relatively flat due to continued identification and implementation of various water conservation projects throughout the organization and no significant changes to our business impacting OPEX. The waterrelated Capital expenditures include water conservation and efficiency projects that are identified through the Facilities Infrastructure Planning process (e3 continuous improvement projects) and our eco treasure hunt process. The water related operational expenditures include costs of municipal water supply and wastewater disposal. No



major operational changes are expected that will impact our OPEX water costs. Currently, we expect both CAPEX and OPEX to remain flat in 2022 given the continued identification and implementation of water reduction/efficiency projects.

### W7.3

#### (W7.3) Does your organization use scenario analysis to inform its business strategy?

	Use of scenario analysis	Comment
Row 1	Yes	In 2021, L3Harris updated its previous Water Risk Assessment (WRA) to identify potential water related impacts to our business operations on a global scale. We developed a Climate and Water Risk Management Plan (CWRMP) which brings climate and water risk considerations together to provide a more holistic risk assessment.

### W7.3a

(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.

	Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water- related outcomes	Influence on business strategy
Row 1	Water- related Climate- related	In 2021, L3Harris updated its previous Water Risk Assessment (WRA) to identify potential water related impacts to our business operations on a global scale. We developed a Climate and Water Risk Management Plan (CWRMP) which brings climate and water risk considerations together to provide a more holistic risk assessment. This assessment used datasets on climate science projected trends as well as current and projected water parameters from the World Bank Climate Knowledge Portal, the World Resources Institute's (WRI) Aqueduct Water Risk Atlas, and the Water Risk Filter developed by World	The scenario analysis has identified water availability and reliability as key risks to our assets and operations, especially those located in the western U.S. and Australia, where they are expected to experience the largest increase in frequency and intensity of droughts. These water risks could create health and safety concerns for our employees, as well as disruptions in our operations. L3Harris has taken measures to mitigate these risks,	We kicked off a more impactful water strategy initiative in 2021 to identify large- scale water conservation and efficiency projects across our portfolio and we work with facilities to evaluate and implement these projects. In addition, we continue to focus on including irrigation controls, low-flow toilets/faucets, reuse of wastewater and cooling tower efficiencies, as well as new technologies and processes to minimize the amount of onsite



 Wildlife Fund for Nature (WWF) in	including upgrading	water use.
collaboration with Deutsche	our facilities to use	Our Water Reporting
Entwicklungsgesellschaft (DEG).	less water for daily	Procedure governing
Entwicklungsgesenschalt (DEG).	operations.	our company-wide
Key parameters included average	орегацияз.	management of water-
annual precipitation, sea level rise.		related issues
extreme weather events (extreme		was updated in 2021.
temperatures and precipitation,		It defines our
severe storms, wildfires).		approach and
streamflow, water demand/stress,		methodology for
and drought.		calculating the
and arought.		company-wide
The assessment covered critical		water inventory,
L3Harris facilities in the U.S.		describes the
Canada, England, and Australia.		management process
The WRA was combined with the		governing reduction
Climate Risk Management Plan to		activities and outlines
create the CWRMP in 2021, and		the
is updated every two years.		process for reporting
		progress towards our
		water use reduction
		goal.

### W7.4

#### (W7.4) Does your company use an internal price on water?

Row 1

#### Does your company use an internal price on water?

No, and we do not anticipate doing so within the next two years

#### Please explain

L3Harris recognizes water is an important issue and important to stakeholders; however, L3Harris operations do not rely on a substantial water volume in our day-today operations. Therefore, L3Harris impact on water is considered low.

### W7.5

# (W7.5) Do you classify any of your current products and/or services as low water impact?

Products and/or services classified as low water impact	Primary reason for not classifying any of your current products and/or services as low water impact	Please explain	
--	--	----------------	--



Row 1	No, and we do not plan to	Important but not an immediate business priority	The water impact of our products is not substantial during both the production and
	address this within the next		use phases and our products do not directly consume or discharge water
	two years		during their use. Therefore we do not consider it applicable to our business that our products and services could be considered as having a lower impact on water resources than the market norm or than the company's previous products.

### W8. Targets

### W8.1

(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.

	Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Row 1	Company-wide targets and goals Business level specific targets and/or goals Site/facility specific targets and/or goals	Targets are monitored at the corporate level Goals are monitored at the corporate level	Annually, L3Harris sets targets, goals and objectives as part of our strategic growth planning (SGP) process. In 2020 L3Harris announced our long-term goals, which included a water use reduction target of 20% by 2026 over a baseline year of 2019. The corporate goals are used to guide Segment and site level reduction initiatives and projects for the year. Annually, we collect water data to track to our target and analyze the data to re-evaluate our annual goals.

### W8.1a

(W8.1a) Provide details of your water targets that are monitored at the corporate level, and the progress made.

Target reference number Target 1 Category of target Water withdrawals Level Company-wide L3Hams Technologies INC CDP Water Security Questionnaire 2022 Friday, July 29. 2022



#### **Primary motivation**

Reduced environmental impact

#### Description of target

L3Harris has set a company-wide target of 20% reduction of water use by 2026 over a baseline year of 2019.

#### Quantitative metric

% reduction in total water withdrawals

Baseline year

2019

Start year 2020

Target year 2026

#### % of target achieved

100

#### Please explain

L3Harris established our water use reduction target and adjusted our baseline year and period of performance to more properly represent when business operations and representative water use began for the Company.

In 2021, we reduced our year-over-year water use by 434 Megaliters which is a 23% reduction from the 2019 baseline. 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. The reduced water use is also reflective of reduced occupancy at many of our locations due to COVID-19.

### W8.1b

(W8.1b) Provide details of your water goal(s) that are monitored at the corporate level and the progress made.

Goal

Promotion of water data transparency

Level

Company-wide

#### Motivation

Corporate social responsibility

**Description of goal** 



Disclosure of water-related data on a quarterly basis internally and on an annual basis externally in L3Harris' annual Sustainability Report. This goal allows for an increase in transparency for internal and external stakeholders. In addition, accurate and reliable data makes it easier to track progress towards annual and long-term goals. The promotion of water data transparency is implemented throughout the organization by reporting out quarterly on progress, providing trainings on how to properly enter water data and establishing data verification processes within our environmental management systems (EMS) to address potential errors or data trends both positive or negative. L3Harris has dedicated resources (e.g., employees) committed to entering data on a quarterly basis within our EMS system and funding for our EMS system is provided at the corporate level.

#### **Baseline** year

2019

#### Start year

2019

#### End year

2026

#### Progress

Data has been leveraged to announce L3Harris' long-term water use reduction goal and track our reduction efforts against our baseline year of 2019 on a quarterly basis internally and on an annual basis externally. In addition, we integrated water-related issues into our operations, identify, implement, and track water related efficiency projects as part of our facilities infrastructure capital and expense budget and e3 (also known as continuous improvement) program. L3Harris was successful in disclosing this water-related data and information and described how we integrate water-related issues into our long-term strategic business plan in our first Sustainability Report. Water usage data, goal reduction tracking and disclosure are important to L3Harris for the sake of evaluating our progress towards our long-term goal and providing transparency to our internal and external stakeholders.

#### Goal

Other, please specify

Increase water conservation efforts: Identification and implementation of ecotreasure hunt/e3 projects annually

#### Level

Company-wide

#### Motivation

Reduced environmental impact

#### Description of goal

Conduct eco-treasure hunts and implement water efficiency projects. As part of our environmental sustainability strategy, (and to support our company wide target to reduce



water consumption by 20%) in 2020 we expanded our goal to complete both Segment level and Corporate sponsored eco-treasure hunts annually to identify water-related efficiency projects. Establishing eco-treasure hunt goals creates a process for discovering and realizing energy efficiency and water conservation opportunities while minimizing potential risks associated with aging facilities infrastructure equipment and/or inefficient business operations. The eco-treasure hunts also build upon L3Harris' culture of continuous improvement and empowers employees to positively contribute to L3Harris' long-term water use reduction goal.

#### **Baseline** year

2019

Start year

2019

End year

2026

#### Progress

L3Harris' e3 continuous improvement program provides a common language, processes, and metrics across the enterprise and includes regular reviews and performance metrics to drive continuous improvement as a foundation for innovation. A key element of our e3 program is environmental sustainability including water-related goals. Through our e3 program, we identify, implement, and track water-related efficiency projects. Water efficiency projects are identified and implemented as part of the annual Facilities Infrastructure Planning process (e3 projects). The indicator used to assess progress against the goal is the number of eco-treasure hunts conducted, including corporate sponsored and Segment sponsored eco-treasure hunts . Ecotreasure hunts across many facilities are ongoing and will continue throughout our water use goal performance period. It is our goal to continue annual identification of water efficiency projects through the Facilities Infrastructure Planning process (e3 projects) and continue annual Segment level and Corporate sponsored eco-treasure hunts and track the opportunities identified from these processed and the associated reduced environmental impact realized from implementation of the identified projects.

### **W9. Verification**

### W9.1

## (W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

No, but we are actively considering verifying within the next two years



### W10. Sign off

### W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

In the first half of 2021, the VP of Global Operations, reported directly to our Vice Chair, President and COO. In mid-2021, our previous CEO stepped down and the COO became CEO; the COO position was then eliminated. The VP of Global Operations is a peer of our Segment Presidents and is the functional leader for global operations. He has five functions under his purview including: Continuous Improvement (also known as e3), Manufacturing Engineering, Environmental, Health and Safety (EHS), Supply Chain, and Quality. As part of the EHS organization, the corporate environmental sustainability function reports to the VP of EHS who reports to the VP of Global Operations, and the Board's Nominating and Governance Committee oversees EHS water-related issues.

### W10.1

(W10.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Vice President, Global Operations	Other C-Suite Officer

### W10.2

(W10.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

Yes

### Submit your response

#### In which language are you submitting your response?

English

#### Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission Public
Please select your submission options	Yes	



Please confirm below