# L3Harris' Supply Chains Act Report (2024)

# ABOUT THIS REPORT

L3Harris MAS Inc. has prepared this report (this "**Report**") pursuant to the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "**Act**") for the financial year ended December 31, 2024. This is a joint Report made on behalf of L3Harris MAS Inc. and its subsidiaries, L3Harris MAPPS Inc. and Wescam Inc. (collectively, the "**L3Harris Reporting Entities**"). This Report has not been externally assured.

This Report describes the steps taken to enhance transparency in our supply chains by outlining the steps taken during the 2024 financial year to prevent and reduce the risk that forced labour or child labour (collectively, "**Modern Slavery**") is used at any step of our production of goods in Canada or elsewhere, or of goods we import into Canada. This has been done in accordance with the mandatory reporting criteria outlined in Sections 11(1) and 11(3) of the Act.

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

# INTRODUCTION

L3Harris exemplifies Integrity, Respect, and Excellence through accountable, honest, and ethical behaviour. We recognize the challenges of addressing Modern Slavery in the workplace and are dedicated to upholding the highest standards while delivering advanced and innovative products to our communities.

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

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

# STRUCTURE, ACTIVITIES AND SUPPLY CHAINS

### **Company Structure**

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

<sup>&</sup>lt;sup>1</sup> UK Modern Slavery Act Statement can be found <u>here</u>.

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

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

L3Harris Reporting Entities	Entity Specific Information
L3Harris MAS Inc.	Incorporated pursuant to the Canada Business Corporations
	Act, headquartered in Mirabel, Quebec.
	Business Number: 886952605RC0005
L3Harris MAPPS Inc.	Incorporated pursuant to the Canada Business Corporations
	Act, headquartered in Saint-Laurent, Quebec.
	Business Number: 861642833RC0001
Wescam, Inc.	Incorporated pursuant to the Ontario Business Corporations
	Act, headquartered in Waterdown, Ontario.
	Business Number: 889433058

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

#### Activities and Operations

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

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

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

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

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

#### **Our Supply Chains**

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

In 2024, the majority of the goods sourced from suppliers by the L3Harris Reporting Entities were from the following countries: Canada, the United States, Israel, the United Kingdom, Germany, Switzerland, Australia and France.

# POLICIES AND DUE DILIGENCE

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

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

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

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

#### Code of Conduct

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

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

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

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

#### Supplier Code of Conduct

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

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

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

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

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

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

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

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

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

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

#### Human Rights Policy

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

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

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

### L3Harris Helpline

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

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

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

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

# Supplier Onboarding

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

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

### Supply Chain Due Diligence

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

### POTENTIAL RISKS IN OUR OPERATIONS AND SUPPLY CHAINS

### Potential Risks in Our Operations

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

### Potential Risks in Our Supply Chains

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

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

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

#### Management and Mitigation of Potential Risks

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

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

#### TRAINING

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

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

As the L3Harris Reporting Entities continue the development of their actions to prevent and reduce the risk of Modern Slavery in 2025, we will consider implementing, as appropriate, a more focused training module on Modern Slavery.

### ASSESSING EFFECTIVENESS

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

#### **APPROVAL & ATTESTATION**

This Report was approved by the sole Director of L3Harris MAS Inc. on May 28,2025, on behalf of itself and L3Harris MAPPS Inc. and Wescam Inc., pursuant to section 11(4)(b)(ii) of the Act.

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

Richard Foster Vice President and sole Director of L3Harris MAS Inc. May 28, 2025

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

# RESOLUTION OF THE SOLE DIRECTOR OF L3HARRIS MAS INC. (the "CORPORATION")

DATED: May 28, 2025

#### Supply Chains Act Report

# RECITALS:

- A. The Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "Act") came into force on January 1, 2024;
- B. The Act requires, among other things, certain entities, including the Corporation and certain of its subsidiaries, on or before May 31<sup>st</sup> of each year, to report to the Minister of Public Safety and Emergency Preparedness (the "Minister") about the measures such entities have taken during the previous financial year to prevent and reduce the risk of forced and child labour in their supply chains during the previous fiscal year;
- C. Subsection 11(2)(b) of the Act allows for a joint report to be filed in respect of more than one reporting entity;
- D. The sole director of the Corporation (the "**Director**") has been provided with a draft of the initial such report of the Corporation (the "**Report**"), which has been prepared in respect of the Act as a joint report made on behalf of the Corporation, L3Harris MAPPS Inc., and Wescam Inc. (collectively, the "**L3Harris Reporting Entities**");
- E. The Report is required to be filed by the L3Harris Reporting Entities with the Minister by May 31, 2025;
- F. Subsection 11(4)(b)(ii) of the Act provides that in the case of a joint report, the governing body of the entity that controls each entity included in the report may approve the Report on behalf of all entities included in the Report; and
- G. In accordance with section 13 of the Act, the L3Harris Reporting Entities must (i) make the Report available to the public, including by publishing it in a prominent place on their respective websites, and (ii) provide the Report to their shareholders, along with their annual financial statements.

**RESOLVED THAT:** 

- 1. The Report be and is hereby authorized and approved by the Director;
- 2. The execution of the Report on behalf of the L3Harris Reporting Entities by the Director in accordance with subsection 11(5) of the Act, is hereby authorized and approved;

- 3. The submission of the Report to the Minister on behalf of the L3Harris Reporting Entities, including completing the mandatory questionnaire, the posting of the Report on the L3Harris Reporting Entities' respective websites and the delivery of the Report to their shareholders together with their annual financial statements, is hereby authorized and approved; and
- 4. The proper officers or directors of the Corporation and each of them are hereby authorized and directed in the name of and on behalf of the Corporation to take all such action, do all such things, enter into, execute and to deliver or cause to be delivered all such documents, agreements and writings, as may be necessary or advisable for the purposes and intent of the above resolutions.

[Signature page follows]

The foregoing resolution is hereby consented to and approved by the sole director of the Corporation pursuant to the *Canada Business Corporations Act* this 28th day of May, 2025.

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Richard Foster, Vice President