

**Leidos Airborne Solutions Australia Pty Ltd
(Formerly Cobham Aviation Services Australia Pty Ltd)**

Modern Slavery Statement

Calendar Year 2022

1. Introduction & Reporting Entity

This joint statement constitutes the modern slavery statement for Leidos Airborne Solutions Australia Pty Ltd (**LASA**) as well as all fully owned entities within Australia, being; Leidos SAR Services Pty Ltd (**SAR**), Leidos NAS Pty Ltd (**NAS**) & Surveillance Australia Pty Ltd (**SAPL**) for the calendar year 1 January 2022 – 31 December 2022. LASA supports the principles contained in the Universal Declaration of Human Rights and seeks to reflect these in the context of its business activities. This report confirms LASA's position in respect of such matters and highlights the steps that are being taken to safeguard that there is a process to identify, address and minimise any slavery or human trafficking known to be taking place in the course of business activities.

2. Business Structure/Restructure

In late 2021 Cobham Aviation Services Australia completed its business separation initiative, splitting the company into two distinct business units; Cobham Special Mission and Cobham Regional Services.

In October of 2022, Leidos Australia Pty Ltd, an Australian Subsidiary of Leidos Holdings Inc, completed its acquisition of the Cobham Special Mission Group entities from Cobham Ltd. In turn, the Cobham Special Mission Group are now wholly owned subsidiaries of Leidos Australia Pty Ltd.

As part of the transition and integration to the Leidos Group, Cobham Aviation Services Australia Pty Ltd underwent significant rebranding, which included a change of company names. The names changes were as follows;

- Leidos Airborne Solutions Australia Pty Ltd (formerly Cobham Aviation Services Australia Pty Ltd)
- Leidos SAR Services Pty Ltd (formerly Cobham SAR Services Pty Ltd)
- Leidos NAS Pty Ltd (formerly Cobham NAS Pty Ltd)

Leidos Australia also acquired Surveillance Australia Pty Ltd (another Cobham Special Mission subsidiary), however this name remains unchanged.

In addition to the change in company names, the LASA group entities rebranded to Airborne Solutions.

All of the above entities continue to be fully operative with no change to legal status or their Australian Company number.

3. Operations

Headquartered in Adelaide, LASA has a national footprint, operating out of metropolitan centres and regional bases and employing more than 400 people across Australia. LASA is a major provider of contract aviation services in Australia. There is also a common executive team who are responsible for the management of LASA and its subsidiaries.

Its capabilities include airborne intelligence, surveillance and reconnaissance, search and rescue operations, mission aircrew training, modifications, sensor integration and Mission Management system development.

The Surveillance Australia Pty Ltd aspect of the business provides fixed wing border surveillance services under contract with the Australian Border Force (ABF). From our bases in Broome, Darwin and Cairns, we patrol Australia's 8.2 million square kilometre Exclusive Economic Zone, which deems SAPL the largest outsourced civil maritime surveillance operation in the world. This is carried out by a fully owned fleet of ten highly modified DeHavilland Dash 8 aircraft, flying 15,000 hours and 2,500 missions per year, providing coverage throughout night and day, regardless of weather conditions. These aircraft are fitted with new generation surveillance sensors and fully integrated advanced satellite systems.

LASAs leading role when it comes to search and rescue activities are carried out under the Leidos SAR Services Pty Ltd entity in conjunction with the Australian Maritime Safety Authority (AMSA) is to initiate recovery missions by locating missing people in distress and delivering life-saving equipment such as life rafts, satellite phones and food. The fleet is made up of 4x Bombardier Challenger CL-604 Jets, stationed at the three Search and Rescue bases that SAR hold across Australia. These bases are in Perth, Melbourne and Cairns.

As well of the above work that LASA performs for government agencies, LASA's engineering functions also supports the line and base maintenance of its aircraft fleet in various locations around Australia.

4. Supply Chains and The Risks of Modern Slavery

LASA utilise approximately 750 suppliers in support of the operational activity, these are categorised into;

- 1) direct suppliers (aircraft parts, components and tooling) and
- 2) in-direct suppliers (non-aircraft materials and services).

The procurement activity is managed and controlled centrally utilising a single ERP system, where suppliers are loaded, controlled and integrated with LASA's finance functions.

Direct Suppliers

LASA's annualized spend with its direct suppliers is in excess of \$40M AUD. This direct spend accounts for 40% of LASA's total spend (101M AUD, utilising approximately 240 suppliers with the majority of these being Original Equipment Manufacturers (OEMs) and approved maintenance repair and overhaul facilities of aircraft parts and components.

These suppliers are mostly located in North America, Canada, Singapore and Australia. LASA's direct suppliers are governed by international aviation regulatory and industry quality standards which are subject to established audit schedules and regulatory reviews.

In-Direct Suppliers

LASA's in-direct spend accounts for the remaining 60% of LASA's total spend (\$101M AUD), utilising approximately 510 suppliers. Of that spend, around 50% is spent with aviation centric multinational companies supplying industry services and products such as fuel, airline travel and pilot training services which are subject to the same industry standards as Direct suppliers. From the remaining 50% of spend 70% are Australian based suppliers. These are business consumables and supplies for the running of a large national and geographically diverse aviation business.

LASA is yet to find any indication of modern slavery risks through operations and supply chain, but acknowledges a greater risk exposure within its in-direct spend in areas such as textiles, i.e. uniforms, face masks and paper-based consumable products.

5. Measures for Controlling, Assessing and Addressing the Risks

LASA assesses modern slavery risks through both internal operations and external supply chains using the major modern slavery risk indicators stated within the Commonwealth Modern Slavery Act 2018 Guidance for Reporting Entities.

Internal Assessment – LASA Operations

LASA identifies and assesses potential modern slavery risks within its organisation by means of business wide training programs, whistle blowing and grievance mechanisms.

LASA's utilises an internal training system, which is updated on a regular basis. Every LASA employee completes modern slavery and grievance training upon employment commencement and is also completed by long term contractors that LASA engages. The training is then updated and re-completed by all staff annually, in order to ensure each and every employee is, and remains, aware of the risks of modern slavery.

LASA uses a whistleblowing reporting hotline "Your Call" which has the capability to receive anonymous disclosures about any wrongdoings or inappropriate practices, and promotes business integrity and transparency by providing employees with a confidential reporting avenue where concerns of modern slavery risks may be raised.

External Assessment – LASA Suppliers

LASA identifies and assesses modern slavery risks identifiers of its suppliers through a questionnaire included in the supplier assessment form during the on boarding of new suppliers or renewal of existing suppliers. The scope of the questionnaire includes:

- i. **Supplier Identification** – general business information such as business name, address, key personnel, banking details, ABN / DUNS.
- ii. **Workforce Diversity** – information regarding the total number of employees and details regarding both female and/or indigenous ownership and small to medium enterprise (SME).

- iii. **Policy and Supply Chain Practices**– requires the supplier to acknowledge and disclose policies in place that includes bribery and corruption, universal declaration of human rights, conflict minerals, human trafficking and modern slavery that covers the identification and management of modern slavery risks within the company's supply chain.

Should LASA identify any risk indicators of modern slavery across its supply chain through the supplier initial onboarding or renewal process or indeed during the ongoing operations, LASA will conduct further investigation.

6. Effectiveness of the Measures

LASA is yet to identify any modern slavery concerns through its operations or its supply chain. LASA's process of conducting business, including operations and supplier management, is mandated and monitored by LASA's safety and quality, regulatory and ISO requirements. These measures allow identification of modern slavery concerns through internal reporting and subsequent actions based on any findings.

LASA has a modern slavery working group that consists of the Head of Logistics, the Head of Legal, and the Legal Team ("**Working Group**"). The Working Group meet quarterly to discuss the modern slavery reporting requirements and address any potential risk. This ensures that the business works to address any modern slavery risks and collaboratively implements or will amend relevant policies and procedures that are required under the Commonwealth Modern Slavery Act 2018.

In terms of the effectiveness of the measures put in place by HR, the internal training results are logged within a database, so that a record of any reports, resolution that follow, and their effectiveness, are kept for future reference. The "Your Call" whistleblowing mechanism also has turnaround times put in place to measure its speed, ease and its effectiveness when it comes to the reporting of any perceived modern slavery risks.

LASA remains focused and adaptive to all of the requirements of managing suppliers with now the inclusion of measuring and reporting any modern slavery findings in accordance with the guidelines of the Commonwealth Modern Slavery Act 2018.

7. Process of Consultation

Each LASA sub-entity has an important part to play in assessing and addressing modern slavery risks within its operations and supply chains. This joint statement has been prepared in consultation with each reporting LASA entity within the LASA group.

The consultation process involved engagement from representatives of different areas of the business within the Working Group. The Working Group also consulted with Human Resources to assess the potential risks and measures imposed by LASA within its Human Resources function.

The overall governance and approval of the statement was assessed and approved by LASA's executive leadership team & Vice President.

8. Conclusion

LASA understands that there are some countries in which its supply chain operates that pose a level of risk to modern slavery as evidenced by the employee training modules, anti-slavery and human trafficking policies, and through direct and indirect supplier assessments. LASA is currently taking steps to ensure that there is awareness and measures in place to address any identified risks across its businesses, such as the implementation of annual training renewals (as mentioned above).

LASA recognises that due diligence needs to be continuously applied and awareness and training programs improved and adapted to combat the ever changing and ever-present issue of human trafficking and modern slavery.

9. Endorsement

This Statement is made pursuant to the Commonwealth Modern Slavery Act 2018, and constitutes the modern slavery statement for Leidos Airborne Solutions Australia Pty Ltd, as well as all fully owned entities within Australia, being; Leidos SAR Services Pty Ltd, Leidos NAS Pty Ltd & Surveillance Australia Pty Ltd, for the calendar year 1 January 2022 – 31 December 2022.

This joint statement was approved by the Boards of each of the below companies:

LEIDOS AIRBORNE SOLUTIONS PTY LTD.



James Woodhams

Vice President – Leidos Airborne Solutions Pty Ltd

LEIDOS SAR SERVICES PTY LTD.



James Woodhams

Vice President – Leidos Airborne Solutions Pty Ltd

LEIDOS NAS PTY LTD.



James Woodhams

Vice President – Leidos Airborne Solutions Pty Ltd

SURVEILLANCE AUSTRALIA PTY LTD.



James Woodhams

Vice President – Leidos Airborne Solutions Pty Ltd