



ADDENDUM AUSTRALIA

Our Code, as well as this addendum is provided as guidance in conducting your L3 responsibilities. These documents are not intended to be all inclusive. You should seek guidance from the Legal Department as conflicts arise.

The L3 Code of Ethics and Business Conduct (“Code”) applies to everyone who does business on behalf of L3 - employees, officers and members of our Board of Directors. It also may apply to agents, consultants, contract labor and others who act on L3’s behalf. Above all, every L3 employee must conduct himself or herself in an ethical manner.

Specifically, everyone who represents L3 will ensure that:

- ✓ Ethical behavior is the foundation by which we conduct our business
- ✓ We do not take advantage, or abuse our position for personal gain or otherwise knowingly violate the law
- ✓ Our actions do not create, directly or indirectly, a conflict of interest
- ✓ We seek guidance when necessary

Requirements

If you are a U.S. citizen working outside of the United States, you are required to abide by United States laws, as well as the laws and regulations of the country in which you are employed. All other individuals may or may not be subject to both U.S. and foreign laws, depending on the circumstances. In situations where you are uncertain about whether a particular law applies, consult with your Manager or the Legal Department **immediately**.

Mandatory Obligation to Disclose Certain Misconduct

The US Federal Acquisition Regulation (FAR) requires the mandatory disclosure of credible evidence of federal criminal law violations involving fraud, conflict of interest, bribery, or gratuity violations, as well as claims under the Civil False Claims Act, and significant overpayments. This mandatory disclosure obligation continues up through three (3) years after contract close-out. In order to comply with these obligations, all L3 employees must immediately report any issues that could potentially constitute a violation of criminal or civil law, or significant overpayment on a Government contract or subcontract, to your responsible Ethics Officer or the Corporate Ethics Officer. You may also report these matters through the Ethics Helpline. Reporting of these matters is mandatory, although you may use the Ethics Helpline if you prefer to remain anonymous. There are some laws particularly applicable to doing business in Australia. This addendum describes specific areas of Australian law that complement the existing requirements of the Code and is meant to be read in conjunction with the Code.

NOTE: Enacted by the Parliament of Australia, these federal laws apply to the whole of Australia. However, since all Australian States are self-governing and have their own state laws and court systems, L3 employees, officers, members of our Board of Directors, agents, consultants, contract labor and others who act on L3's behalf in different states are required to consult the location's Legal department on the applicable state laws.

Anti-Bribery and Corruption

Specific offences apply to the bribery of Australian and foreign officials under the *Criminal Code Act 1995 (Criminal Code)*, discussed below. These offences may be committed by individuals or by corporations. A body corporate may be liable for a bribery offence under the Criminal Code where it is established that a corporate culture existed that directed, encouraged, tolerated or led to non-compliance, where a company failed to create and maintain a corporate culture which required compliance and where the bribery act was knowingly or recklessly carried out or expressly or impliedly authorised by a company's board or senior executives.

Corporate culture is defined to mean an attitude, policy, rule, course of conduct or practice existing within the body corporate generally or in the part of the body corporate in which the relevant activities takes place.

More generally, directors may breach their duties under the *Corporations Act 2001* if they fail to prevent bribery and corruption by the company.

Gifts and Entertainment with Australian Government Representatives

Divisions 141 and 142 of the Criminal Code make it an offence to dishonestly offer, provide or cause any benefit to be provided to another which is not otherwise legitimately due, either with the subjective intention of influencing a Commonwealth public official (who may be the other person), or objectively where that benefit would tend to influence the Commonwealth public official. This benefit is considered a bribe.

Division 141 also prohibits Commonwealth public officials from obtaining, seeking or agreeing to receive a bribe. You should not give, offer or promise to give a bribe to a Commonwealth public official. Various State governments have adopted similar prohibitions covering non-commonwealth public officials.

Most government departments have developed codes of conduct, which regulate the giving and receiving of gifts. Some government departments may have a "no gift" policy. The Australian Public Service Code of Conduct requires that all valuable gifts or benefits should be registered.

Gifts and Entertainment with Foreign Government Employees and Officials

Division 70 of the Criminal Code deals with bribery of foreign public officials which occurs wholly or partly in Australia, or by Australian citizens, residents of Australia or a body corporate incorporated under Australian law.

You must not offer, promise, provide or be instrumental in providing a bribe to a foreign public official in the exercise of an official's duties as a foreign public official in order to obtain or retain business, or business advantage that is not legitimately due to the recipient or intended recipient. You should not give anything of value to a foreign official for the

purpose of improperly influencing an official decision, or otherwise provide unlawful political contributions to obtain or retain business overseas.

Privacy and Information Security

The *Privacy Act 1988 (Privacy Act)* regulates the handling of information concerning individuals. It includes the thirteen Australian Privacy Principles (**APPs**) which regulate how most Australian government agencies, health providers and private sector organisations are able to deal with an individual's personal information. These do not apply to the Australian Capital Territory. The APPs apply to private sector organisations who have annual group turnover exceeding AUD\$3 million, or who have a lower turnover but who are (relevantly) contractors who provide services under a Commonwealth contract.

It is important that you are aware of what and how personal information can be collected, used and disclosed. Personal information generally cannot be collected unless the information is reasonably necessary for one or more functions of the entity. Be aware that higher standards apply to information considered sensitive, such as health records.

You must not collect personal information in a way that is unlawful or unfair. Once personal information is obtained, you cannot use it for any purpose other than for which it was obtained unless consent has been granted.

Individuals have a general right to access information about them and have it corrected if it is inaccurate, incomplete or out of date.

The Privacy Commissioner also has some regulatory functions under other enactments that you need to be familiar with, including the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006*, *Telecommunications Act 1997*, *National Health Act 1953*, *Data Matching Program (Assistance and Tax) Act 1990* and *the Crimes Act 1914*.

Mandatory reporting of data breaches

The *Privacy Amendment (Notifiable Data Breaches) Act 2017 (NDB Act)* came into effect on 22 February 2018 to amend the Privacy Act. The NDB Act makes it mandatory for entities regulated by the Privacy Act to report eligible data breaches to both the Office of the Australian Information Commissioner and to any individuals who may potentially be affected by the data breach.

An eligible data breach occurs where:

- (a) there is unauthorised access to, or unauthorised disclosure of personal information or personal information is lost in circumstances where unauthorised access to, or unauthorised disclosure of the information is likely to occur; and
- (b) a reasonable person would conclude that the access or disclosure would be likely to result in serious harm to any of the individuals to whom the information relates.

Failure to report the eligible breach as soon as practicable is considered an interference with the privacy of an individual affected by the data breach. Significant financial penalties up to AUD\$2.1 million may apply for serious or repeated interference. Therefore where a data breach is known or suspected, you should notify your Manager and consult the relevant Legal Department immediately.

Procurement Integrity

All Australian Government agencies operating under the *Financial Management and Accountability Act 1997* are governed by the Commonwealth Procurement Rules (**CPR**), which provide what is required and expected in Commonwealth purchasing. The CPR were updated with effect from 1 January 2018 to incorporate new requirements arising from international trade obligations. A current copy of the CPR can be found on the Department of Finance website.

False Statements and False Claims

The Australian Consumer Law, as set out in Schedule 2 of the *Competition and Consumer Act 2010*, covers various aspects of consumer protection, placing a general ban on any misleading, deceptive and unconscionable conduct in trade or commerce. It also contains specific provisions on

- (a) unfair practices;
- (b) product safety and information;
- (c) conditions and warranties in consumer transactions; and
- (d) actions against manufacturers/importers of goods and product liability.

Fair Treatment and Non-Discrimination

Age Discrimination Act 2004 makes it unlawful to treat people less favorably because of their age. Age is defined as including age group. Accordingly, an act of discrimination does not have to be linked to an exact age but can be related to the age group of a person.

Disability Discrimination Act 1992 makes it unlawful to treat a person with a disability less favorably than a person without a disability. This includes discriminating against a person on the basis that they have a relative, friend, carer, worker or associate who has a disability.

Equal Employment Opportunity (Commonwealth Authorities) Act 1987 requires certain Commonwealth authorities to promote equal opportunity in employment for women and persons in designated groups and for related purposes. *Equal Opportunity for Women in the Workplace Act 1999* requires certain employers to promote equal opportunity for women in employment. It also establishes the Equal Opportunity for Women in the Workplace Agency and the office of the Director of Equal Opportunity for Women in the Workplace.

Racial Discrimination Act 1975 makes it unlawful to treat a person less favorably than another person in a similar situation because of their race, colour, descent, national or ethnic origin or immigrant status. The Act also makes racial hatred an offence. It applies to employment, education, accommodation, the provision and use of services and access public places. It also protects from harassment.

Sex Discrimination Act 1984 prohibits discrimination against persons on the ground of sex, marital status, pregnancy or potential pregnancy.

The Fair Work Act 2009 and *Fair Work (Registered Organisations) Act 2009* provide a process for agreement-making and specific protection against unfair dismissal, workplace bullying, unlawful termination and discrimination. These Acts also provide for ten National Employment Standards (**NES**) that apply to every employee and employer in the national workplace system.

Safeguarding Health and Safety

The *Safety, Rehabilitation and Compensation Act 1988* relates to the rehabilitation and compensation of employees of the Commonwealth and certain corporations for work place injury.

The *Work Health and Safety Act 2011* protects the health, safety and welfare of all workers whilst at work. This includes employees, contractors, subcontractors, outworkers, apprentices and trainees, work experience students, volunteers and employers who perform work.

The Act also provides protection for the general public so that their health and safety is not placed at risk by work activities.

Avoiding Insider Trading

The *Corporations Act 2001* prohibits insider trading, which is dealing in securities whilst in possession of price sensitive information that is not generally available. The Act is administered by the Australian Securities and Investments Commission.

Competition Laws

The *Competition and Consumer Act 2010* is the key antitrust law in Australia. It regulates competition and fair trading, provides for protection of consumers, and prevents some restrictive trade practices of companies. It is administered by the Australian Competition and Consumer Commission and also gives some rights for private action.

Environmental Laws

The *Environment Protection and Biodiversity Conservation Act 1999* provides the principles of ecologically sustainable development and the adoption of environmental assessments and approval processes on activities that are likely to have significant effects on the environment.

National Security – Export Control

The *Defence and Strategic Goods List* is made under the Customs Act 1901 and specifies all goods, software and technology that require a permit when exported, supplied, brokered or published. The List is in two parts - Part 1: Munitions (or military) Items, and Part 2: Dual-Use Goods. The List includes equipment, assemblies and components, associated test, inspection and production equipment, materials, software and technology.

Goods identified on the Defence and Strategic Goods List may not be exported from Australia or otherwise supplied, brokered or published unless a permit has been granted by the Minister for Defence, or an authorised person, and that license or permission is produced to a Collector of Customs before exportation, or an exemption exists.

Money Laundering

Australia's *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (AML/CTF Act) is specifically targeted at the financial, bullion, and gaming industries who provide 'designated services'. The powers of the regulator, Australian Transaction

Reports and Analysis Centre (AUSTRAC), were recently extended to capture digital currency providers too. L3 does not operate within the regulated industries, but becoming a target for money laundering activities through intermingling of legitimate and illegal financial activity or cross-border movement of cash, is potentially a risk for any entity conducting business in Australia. General offences relating to both the proceeds of crime, and the instruments of crime (that is, funds used to conduct an illegal activity) apply under division 400 of the Criminal Code.