PUBLIC AIC PLAN
SEA1397 Phase 5B – First Pass to Second Pass

Company Details

Company Name: BAE Systems Australia Limited
Company Location: Edinburgh Parks, South Australia
Website Address: www.baesystems.com/australia

Executive Summary

The SEA1397 Phase 5B First Pass to Second Pass Contract (Contract No. DMO/ESD/00213/2014) between the Commonwealth of Australia (CoA) and BAE Systems Australia Limited (BAE Systems) continues the improvement and upgrade of the Nulka System, and aims to provide a suitably flexible and future-proof Launch Sub-System (LSS) infrastructure to the ANZAC and HOBART Class platforms to support operational use of the Nulka System to 2030 or beyond.

Contract No. DMO/ESD/00213/2014 will enable BAE Systems to retain and continue the development of its Australian indigenous launch system capability. The retention of this capability within Australia will also significantly increase the probability of there being future Australian LSS manufacturing and maintenance opportunities (by either BAE Systems or other Australian SMEs), and ensure a more reliable and complete technical support pipeline for this potential future Australian capability. The approximate value of the contract is $30.7M, of which 83% will be conducted by Australian industry.

The scope of this Project includes:
- The detailed design of the upgraded Nulka LSS to Critical Design Review (CDR) level and the development of Verification and Validation (V&V) documentation in order to complete a tailored system level Qualification Test Readiness Review (QTRR); and
- A demonstration of an upgraded Nulka LSS Engineering Development Model (EDM) in a simulated environment to minimise integration risk prior to the production and installation phase (post-Second Pass Approval).

The following Industry Requirements will be satisfied through the execution of this Project:

<table>
<thead>
<tr>
<th>IR No</th>
<th>PIC/SIC Implemented</th>
<th>Nature of Industry Requirement</th>
</tr>
</thead>
</table>
| IR 1  | Electronic Warfare  | Includes the elements of the Nulka Launch Subsystem pertaining to:  
|       |                     | - System design/engineering;  
|       |                     | - Configuration management; and  
<p>|       |                     | - Training information and product development, maintenance and knowledge transfer. |</p>
<table>
<thead>
<tr>
<th>IR No</th>
<th>PIC/SIC Implemented</th>
<th>Nature of Industry Requirement</th>
</tr>
</thead>
</table>
| IR 2  | Through-life and Real Time Support of Mission Critical and Safety Critical Software | Includes the elements of the Nulka Launch Subsystem pertaining to:  
   • System design, development and engineering;  
   • Configuration management; and  
   • Training information and product development, maintenance and knowledge transfer. |
| IR 3  | High End System and Systems of Systems Integration | Includes the elements of the Nulka Launch Subsystem pertaining to:  
   • Systems design, development and engineering;  
   • Configuration management; and  
   • Test and Evaluation. |

**Scope of Work Opportunities**

In developing this LSS design BAE Systems will be designing for a very high level of manufacture and ongoing support being provided from within Australia.

BAE Systems has an established supply chain for the manufacture and support of the existing LSS, however, where this new design calls for goods and services outside the existing supply chain, BAE -Systems will engage suitably skilled SMEs to competitively tender for prescribed work package/s on a best value for money basis.

Specific opportunities during this phase of the Project are:

- Manufacture/assembly of prototype LSS components to BAE Systems designs;
- Design of Printed Circuit Boards (PCBs) to BAE Systems specifications/requirements; and
- Manufacture/assembly of prototype PCBs to BAE Systems designs.

While the design team will be located in Melbourne and BAE Systems will be seeking assistance from locally based SMEs, BAE Systems is well prepared and regularly engages with SMEs Australia wide to ensure that it are getting the best solution.

Although the scope for new industry opportunities during this stage of the project is limited to the opportunities nominated above, the design being carried out in Australia does allow BAE Systems to maintain and further develop a team of local Subject Matter experts (SMEs) who will be best placed to effectively support Australian manufacture and support of the LSS during future project phases.

**Future Opportunities / Industry Engagement**

It is BAE Systems understanding that the future manufacture and maintenance of the LSS will be competitively bid and BAE Systems will be only one of several contractors invited to tender for this future work. When competing for this work, BAE Systems attempts to leverage its procurement spend through preferred supplier agreements that foster key supplier relationships with a limited number of suppliers.

BAE Systems has a specialist Global Access Program (GAP) team who are responsible for creating global supply chain opportunities for Australian suppliers. The GAP team supports development and continuous improvement activities with SMEs, provides advice around regulatory issues and acts as a single point of contact into BAE Systems’ global supply chain. The GAP team also regularly holds briefing sessions at locations around Australia where suppliers can be informed about domestic and international opportunities, and have the opportunities to register their interest, and present their abilities and innovations. BAE Systems also regularly testing the local market (through RFI's, industry briefings, etc) to identify potential new suppliers - component suppliers and subcontractors - for inclusion on its preferred supplier lists.

It is BAE Systems’ preference to source through its preferred supplier agreements, but it is continually seeking high performing, well managed companies to strengthen its team of key suppliers. To gain a better
understanding of BAE Systems supply chain management approach and to find out how to pursue future opportunities with BAE Systems, please visit BAE Systems’ website or the below contacts.

<table>
<thead>
<tr>
<th>Global Access Program Contact</th>
<th>SEA1397 Phase 5B Contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name: Sharon Wilson</td>
<td>Name: Leon MacLaren</td>
</tr>
<tr>
<td>Title: General Manager – Global Access Program</td>
<td>Title: Nulka LSS Development Manager</td>
</tr>
<tr>
<td>Ph: 08 8480 7425</td>
<td>Ph: 03 9918 6444</td>
</tr>
<tr>
<td>Email: <a href="mailto:sharon.wilson@baesystems.com">sharon.wilson@baesystems.com</a></td>
<td>Email: <a href="mailto:Leon.maclaren@baesystems.com">Leon.maclaren@baesystems.com</a></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Authorised on Behalf of BAE Systems Australia Limited</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
</tr>
<tr>
<td>Chris Macneil</td>
</tr>
</tbody>
</table>