

Macropod *Dynamics*

SOVEREIGN · SALTATORIAL · COMBAT · AUTONOMY · CANBERRA · MMXIX

CHARTER · OFFICE OF INDUSTRY PARTNERING

Industry *Partnering* Charter

The principles, procedures and obligations under which Macropod Dynamics enters into supplier, sub-contracting and teaming relationships across the Australian and allied defence industrial base.

DOCUMENT REFERENCE

MD-CHARTER-IPC-04

EDITION

04 · February 2026

APPROVING AUTHORITY

Board Resolution MD-25-031

EFFECTIVE DATE

01 March 2026

OWNER

Director, Industry Partnering

REVIEW CYCLE

Biennial

1 · *Purpose* & application

This Charter sets out the principles, eligibility framework and procedural commitments under which Macropod Dynamics Pty Ltd (the Group) enters into industry partnering arrangements with Australian and allied entities. It applies to all teaming, sub-contracting, technology-licensing and integrated-product-team relationships that touch the MK-VII platform or its derivative variants.

The Charter is endorsed by the Board pursuant to Resolution MD-25-031 and is a condition of every supplier engagement entered into after 1 March 2026. Pre-existing engagements are migrated to Charter compliance at next contract anniversary or 30 June 2027, whichever falls earlier.

1.1 Status & precedence

Where the terms of this Charter are inconsistent with a specific contractual instrument, the executed contract prevails between the parties; however, the Group will not enter into contractual instruments that derogate from sections 3 (Sovereignty), 5 (Conduct) or 7 (Indigenous Procurement) of this Charter.

1.2 Defined terms

THE GROUP	Macropod Dynamics Pty Ltd, ABN 47 982 314 651, and its wholly-owned subsidiaries.
SOVEREIGN CONTENT	Goods, services and technical data that originate in, or are substantially transformed within, Australia, as determined under Defence Industry Policy 2024.
TIER-1 SUPPLIER	A direct contracting party to the Group with a per-annum contract value at or above A\$2.0M.
INDIGENOUS SUPPLIER	An entity registered with Supply Nation as Certified Aboriginal or Torres Strait Islander-owned at the date of contract award.

2 · Foundational *principles*

- 1. Sovereignty by default.** Australian sources are preferred where capability, schedule and cost are within reasonable equivalence.
- 2. Open requirements, closed dialogue.** Performance specifications are issued in plain language; commercial discussions are bilateral and documented.
- 3. Earned reciprocity.** Suppliers who invest in capability, capacity or workforce in service of Group programs may expect commensurate forward-load visibility.
- 4. Documented decisions.** Every material partnering decision is captured in the Industry Partnering Register and reviewed quarterly by the Audit & Risk Committee.

5. **Adverse information disclosed.** Where the Group becomes aware of a material concern affecting a supplier's eligibility, the supplier is notified in writing within ten business days.

3 · *Sovereignty* & Australian Industry Capability

The Group is contractually committed to an Australian Industry Capability content target of **78 per cent** across the Land 174 Phase 2 program lifecycle, as reported quarterly to the Capability Acquisition & Sustainment Group. This Charter establishes the minimum thresholds the Group will require of its supply chain in order to meet that obligation.

TIER	DESCRIPTION	MIN. SOVEREIGN CONTENT	REPORTING
Tier 1	Prime sub-systems, integration, sustainment	82%	Quarterly
Tier 2	Sub-assembly, testing, certification	68%	Half-yearly
Tier 3	Component & service supply	No floor	Annual attestation

Five Eyes substitution. Where capability is not held by an Australian entity, the Group will preference Five Eyes partners (United States, United Kingdom, Canada, New Zealand) before all other origins. Substitution outside Five Eyes requires written approval of the Director, Industry Partnering and notification to the Department of Defence.

4 · *Eligibility* & onboarding

4.1 Mandatory pre-conditions

1. Australian Business Number registered for at least 24 months.
2. Commonwealth tax compliance evidence current within 90 days of award.
3. For technical sub-systems: ISO 9001:2015 certification; for airworthy or man-rated assemblies: AS9100D certification.
4. Modern Slavery Act 2018 (Cth) compliance attestation, including supplier-tier mapping where required.
5. Membership of the Defence Industry Security Program at the level required by the work scope, or a bona-fide application lodged within thirty days of award.

4.2 Onboarding procedure

Tier-1 onboarding is a six-week process comprising: (i) capability assessment and site visit; (ii) financial due diligence to commercial-investment-grade standard; (iii) cyber-hygiene baseline assessment against the Australian Signals Directorate Essential Eight; (iv) execution of the Group's standard Master Supply Agreement; and (v) entry into the Industry Partnering Register.

5 · *Conduct* & integrity

Suppliers and partners are required, as a condition of engagement, to acknowledge and operate consistently with the Group's published Code of Conduct, Anti-Bribery & Corruption Policy and Whistleblower Policy, copies of which are available at macropoddynamics.com. The Group reserves the right to audit conformance on reasonable notice.

5.1 Gifts, hospitality & inducements

No gift, hospitality or inducement of any kind is offered or accepted in connection with a sourcing decision. Customary courtesies of de-minimis value (less than A\$50, recorded) may be accepted on the understanding that they do not influence procurement outcomes. The Group's Gift & Hospitality Register is maintained by the Office of the General Counsel.

6 · Information *handling* & cyber

All technical information shared in the course of partnering activity is treated as Commercial-in-Confidence at minimum. Information designated PROTECTED, OFFICIAL: Sensitive or higher under the Australian Government Protective Security Policy Framework is handled exclusively through DISP-accredited environments and may not be transmitted, processed or stored on uncleared infrastructure.

Suppliers experiencing a cyber-incident affecting Group information must notify the Group within twenty-four hours of detection through the channel specified in their Master Supply Agreement. The Group's Cyber Incident Response Team will coordinate further reporting obligations to the Australian Cyber Security Centre.

7 · *Indigenous* procurement

The Group has a standing commitment to Indigenous procurement consistent with the Commonwealth Indigenous Procurement Policy and the Group's published Reconciliation Action Plan 2025–2027. As at 1 February 2026 the Group transacts with fourteen (14) Supply Nation Certified Indigenous suppliers across the Australian footprint, with combined FY25 spend of A\$11.4 million.

Where the Group identifies an Indigenous supplier capable of meeting a defined work scope at competitive cost and schedule, that supplier will be approached prior to a wider sourcing event. This is not a quota mechanism; it is a sequencing preference recorded in the Industry Partnering Register.

8 · *Disputes* & escalation

Disputes are resolved in accordance with the executed Master Supply Agreement. Where good-faith engagement at the operational level fails to resolve a dispute, escalation lies first to the Director, Industry Partnering, and thereafter to formal mediation under the Resolution Institute Mediation Rules at the Group's Canberra headquarters.

9 · Charter *review* & contact

This Charter is reviewed biennially by the Audit & Risk Committee of the Board, with the next scheduled review in February 2028. Suggested amendments may be submitted in writing to the Office of Industry Partnering at partnering@macropoddynamics.com.

Geoffrey Halworth AM

CHAIRMAN

Dr Hugh Garwood

FOUNDER & CHIEF EXECUTIVE