



Corporate Headquarters
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Combating Trafficking in Persons Compliance Plan

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Purpose

As outlined in the Federal Acquisition Regulation (FAR 52.222-50) and Executive Order 13627 Strengthening Protections Against Trafficking in Persons in Federal Contracts, Lockheed Martin is required to develop and maintain a compliance plan during the performance of contract(s) or subcontract(s) that is appropriate for the size and complexity of the contract or subcontract and the nature and scope of the activities performed, including the risk that the contract or subcontract will involve services or supplies susceptible to trafficking. In accordance with CPS-734, Combating Trafficking in Persons, this document represents Lockheed Martin's compliance plan and must be provided to the contracting officer upon request. Additionally, relevant contents of the plan will be posted on our website.

1. Combating Trafficking in Persons Recruitment Activities and Employee Awareness

Introduction

Our global policies, procedures, and practices reflect our strong commitment to good corporate citizenship. This commitment underlies *Setting the Standard*, the Lockheed Martin Code of Ethics and Business Conduct, and our stated values—Do What's Right, Respect Others, and Perform with Excellence. Respect for human rights is an important part of being a good corporate citizen, as outlined in the CPS-021, Good Corporate Citizenship and Respect for Human Rights. This commitment applies to all employees, the Lockheed Martin Corporation Board of Directors, and others who represent or act for us.

Lockheed Martin recruits globally the best qualified talent to support business mission, goals, and services. This includes U.S. Citizens, local country nationals, and third country nationals who perform work on contracts outside the United States and abroad. Employees, agents, subcontractors, and recruiters play a key role in preventing human trafficking and related activities. Human trafficking and related activities include harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

To minimize the risk of human trafficking and to comply with contractual requirements regarding human trafficking and related activities, Lockheed Martin employs a multifaceted approach to address the risk of human trafficking and related activities outlined below.

Applicability

The Lockheed Martin compliance program applies to all Lockheed Martin elements (as defined in CRX-003, Policies and Procedures), employees, the Board of Directors, and others who represent or act for us.

With respect to subsidiaries that are wholly owned or controlled by Lockheed Martin, the Responsible Organization (as defined in CRX-007, Wholly Owned Subsidiaries) will ensure that such entities have adopted, in substantial part, the Lockheed Martin compliance program outlined below.

External Recruitment Agency Support

In collaboration with the Global Supply Chain organization's program for monitoring components, see Section 2, Lockheed Martin Human Resources will ensure all contracts with external recruitment agencies or firms include the following contract clauses, as applicable, to facilitate compliance with prime contract requirements regarding human trafficking, in addition to requiring such agencies or firms to adhere to all applicable local, state, and national government laws:

FAR 52.222-50 *Combating Trafficking in Persons* (applies to all subcontracts and contracts with agents).

DFARS 252.203-7004 *Display of Hotline Posters*, as appropriate (applies to subcontracts under Department of Defense prime contracts that exceed \$5 million except when the subcontract is for the acquisition of a commercial item).

DFARS 252.225-7040 *Contractor Personnel Supporting U.S. Armed Forces Deployed Outside the United States* (applies to subcontracts under Department of Defense prime contracts that require subcontractor personnel to be available to deploy with or otherwise provide support in the theater of operations to U.S. military forces deployed outside the United States in (1) contingency operations; (2) humanitarian or peacekeeping operations; or (3) other military operations or exercises designated by the Combatant Commander).

Recruitment

Lockheed Martin's Hiring Managers, Recruitment team, and contracted recruitment agencies that support recruitment activities must adhere to all internal policies (domestic and international) and host-country recruitment standards to combat trafficking in persons and trafficking related activities. Lockheed Martin prohibits charging of recruitment fees, as defined in FAR 52.222-50, to employees and prospective employees and prohibits the use of any recruiting firms unless the firm's employees have received training on combating trafficking related activities. Adherence to recruitment processes described in CPS-521, Recruitment and Hiring,

contracts outside the United States and international subcontractors that perform work throughout the world. Subcontractors play a key role in preventing human trafficking and related activities. To minimize the risk of human trafficking in its supply chain, and to comply with contractual requirements to prevent human trafficking in connection with Lockheed Martin's contracts, Lockheed Martin employs a multifaceted approach to address the risk of human trafficking in its supply chain.

Monitoring of Government Databases

Lockheed Martin monitors on a daily basis the U.S. Government's System for Award Management (SAM) Exclusions database and other restricted parties lists and complies with applicable limitations on award to debarred, suspended, proposed for debarment, or otherwise restricted subcontractors.

Flowdowns

All subcontracts include mandatory flow down clauses necessary to ensure compliance with this Plan and the requirements of prime contracts. This includes the following:

FAR 52.222-50 *Combating Trafficking in Persons* (applies to all subcontracts and contracts with agents).

DFARS 252.203-7004 *Display of Hotline Posters* (applies to subcontracts under Department of Defense prime contracts that exceed \$5 million, except when the subcontract is for the acquisition of a commercial item).

252.225-7040 *Contractor Personnel Supporting U.S. Armed Forces Deployed Outside the United States* (applies to subcontracts under Department of Defense prime contracts that require subcontractor personnel to be available to deploy with or otherwise provide support in the theater of operations to U.S. military forces deployed outside the United States in (1) contingency operations; (2) humanitarian or peacekeeping operations; or (3) other military operations or exercises designated by the Combatant Commander)).

Contractual Requirements for Compliance with Applicable Laws

Lockheed Martin's subcontract terms and conditions require subcontractors to comply with applicable laws and regulations.

Obtaining and Reviewing Supplier Compliance Plans

Lockheed Martin will require subcontractors to provide copies of their trafficking in persons compliance plan upon request of either the contracting officer or Lockheed Martin. Plans may also be required when needed in conducting due diligence of supplier compliance.

Registry as a Lockheed Martin Supplier

Prospective international subcontractors are required to disclose certain contractor integrity and anticorruption information prior to being eligible for receipt of subcontracts. Among the disclosures required is whether the subcontractor has been convicted of, indicted or otherwise charged by any governmental entity for the commission of among other things, violation of human trafficking or child labor laws. Subcontractors are required to inform Lockheed Martin if their status changes. If a supplier discloses a violation, the matter will be investigated and appropriate action taken.

Supplier Code of Conduct

Lockheed Martin maintains a Supplier Code of Conduct which is published on Lockheed Martin's public website and referenced on all purchase orders. It includes the following:

We expect our suppliers to not engage in the use of forced, bonded (including debt bondage) or indentured labor, involuntary prison labor, slavery, or trafficking of persons. This includes transporting, harboring, recruiting, transferring, or receiving vulnerable persons by means of threat, force, coercion, abduction, or fraud for the purpose of exploitation.

Monitoring of Contracts Performed Outside the United States

When Lockheed Martin personnel are present in international areas where subcontractors are performing work, the activities of the subcontractors will be monitored for potential trafficking problem or issues. If issues are suspected or found, the matter will be investigated and appropriate action taken.

Monitoring Third Party Sources of Information

Lockheed Martin monitors multiple sources of third party information including international news sources. If adverse information concerning a Lockheed Martin supplier is discovered, the matter will be investigated and appropriate action taken.

Remedies

Lockheed Martin will take appropriate action when subcontractors are found to engage in prohibited conduct, including the remedies specified in FAR 52.222.50. Where appropriate or required, Lockheed Martin will coordinate with the U.S. Government prior to the implementation of remedies against subcontractors.

Eligibility for Future Contracts

The record of a subcontractor's compliance with human trafficking requirements will be considered in making future subcontractor source selections. Subcontractors that have engaged in prohibited conduct may be excluded from eligibility of future awards.

Training and Other Assistance

Lockheed Martin will make training materials available to subcontractors and provide other assistance to suppliers upon request. Suppliers needing assistance with developing compliance plans will be provided copies of Lockheed Martin's Compliance Plan, its Code of Conduct, and Supplier Code of Conduct as needed.

Periodic Reassessment of the Plan

Lockheed Martin will periodically review this Plan. Additional or different controls and measures will be implemented as required.

3. Appendix A Electronic Worksite Posters

