

SETTING THE STANDARD

CODE OF ETHICS AND BUSINESS CONDUCT

**Do What's Right
Respect Others
Perform with Excellence**

LOCKHEED MARTIN 

SETTING THE STANDARD

Updated February 2025.

Lockheed Martin Corporation

6801 Rockledge Drive
Bethesda, MD 20817

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Lockheed Martin Corporation
6801 Rockledge Drive, MP-211
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At Lockheed Martin, our core values – to do what’s right, respect others, and perform with excellence – unite us as a team and define how we operate every day. Building trust with our colleagues, customers, and communities depends on the integrity and high standards we share.

That’s why I encourage you to read and understand Lockheed Martin’s “Code of Ethics and Business Conduct,” which provides guidance when we act on behalf of our organization.

We hold every team member to the same standards, policies, and procedures. Many of these standards are higher than local laws or customs may require.

We also expect and encourage you to step forward and speak up if you witness actions or behaviors that are inconsistent with our standards. You can do so with confidence – knowing that our Code of Conduct clearly states our zero-tolerance policy for retaliation, harassment, discrimination, or corruption.

Lockheed Martin’s reputation depends on every one of our team members. So thank you for your commitment to upholding our core values. Together as OneLM, we can ensure our integrity and reputation for excellence continues to guide us.

Jim Taiclet
Chairman, President and Chief Executive Officer



Our Values

DO WHAT'S RIGHT

We are committed to the highest standards of ethical conduct in all that we do.

RESPECT OTHERS

We recognize that our success depends on the talent, skills and expertise of our people.

PERFORM WITH EXCELLENCE

We understand the importance of our missions and the trust our customers place in us.

Key Policies

- CPS-001 Ethics and Business Conduct



Uphold the Code

WE SET THE STANDARD

- Our Code establishes the principles by which we maintain our commitment to ethical business practices, which often go beyond what the law requires.
- Follow both the letter and the spirit of the laws and regulations that govern our business and the countries in which we operate.
- Cooperate in **investigations**.
- Our Code applies to Lockheed Martin employees, our Board of Directors, consultants, contract laborers and others representing or acting for our Corporation.
- Any **waiver** of the Code for executive officers or members of the Board of Directors may be made only by the Board or a Board committee and must be promptly disclosed to our stockholders on our website.

Why It Matters

- Maintaining the trust of employees, our customers and stakeholders is essential to ensuring sustainable success.

What to Watch Out For

- Violations of the Code may result in disciplinary action up to and including termination.
- Leaders are accountable for actions that could influence employees to violate our Code.

Key Policies

- CPS-001 Ethics and Business Conduct
- CPS-718 Disclosures to the United States Government
- CRX-021 Internal Investigations



Investigations: You must notify the Legal Department, Ethics Office or Security if you learn that a government agency or any third party is conducting an investigation or asking for information pertaining to a suspected violation of law. We must never destroy or alter any documents or electronic records, lie to or mislead an investigator or obstruct the collection of information relating to an investigation or any legal action brought on behalf of, or against, the Corporation. To the greatest extent possible, we will cooperate with government agencies responsible for investigating suspected violations of the law. If requested by Lockheed Martin, we will cooperate with investigations conducted by any government.

Waiver: This prevents waivers of the Code from being hidden from the public and complies with New York Stock Exchange (NYSE) requirements and similar rules under the Securities and Exchange Commission and the Sarbanes-Oxley Act of 2002.

Report Violations

WE SET THE STANDARD

- Take prompt action to **report** violations of the Code, policy or a contract provision.

Why It Matters

- Any one of us may be the only person to see or suspect a potential violation. If we don't report it, who will?
- Timely reporting may allow issues to be resolved before they become larger issues.

What to Watch Out For

- Failure to report may itself be a violation of this Code.

Key Policies

- CRX-021 Internal Investigations

Ethics is here for you for guidance. You'll receive information and resources to help address your concern:

Call:
1-800-LM ETHIC (1-800-563-8442)

When calling from outside the U.S., first dial the origin country's exit code

Email:
corporate.ethics@lmco.com

Mail:
Corporate Ethics Office
Lockheed Martin Corporation
6801 Rockledge Drive, MP-211
Bethesda, MD 20817



Report: If you have reason to believe that questionable or illicit conduct exists, report suspected violations to your supervisor, manager, Human Resources Business Partner, Ethics Officer, Legal, Security, EEO Investigations, Environment, Safety & Health, Sustainability, Internal Audit or the **Audit Committee**.

Audit Committee: Employees may transmit concerns about accounting, internal controls or auditing matters and confidential or anonymous submission of questionable accounting or auditing matters to the Audit Committee of the Lockheed Martin Board of Directors. If you wish to raise a concern to the Audit Committee, you may do so by contacting the Corporate Ethics Office and your concern will be communicated to the Chair of the Audit Committee of the Board.

Participate in Training

WE SET THE STANDARD

- Complete all required Business Conduct Compliance Training and annual Ethics Awareness Training.

Why It Matters

- Training prepares us to recognize and effectively react to situations requiring ethical decision making.
 - Addresses the consequences of compliance violations.
 - Helps improve our understanding of topics in this Code.

What to Watch Out For

- Be sure to complete your required training by the due date.

Key Policies

- CPS-001 Ethics and Business Conduct



Take Action

WE SET THE STANDARD

- Act with integrity, ask tough questions and understand how our words and actions affect our colleagues and the Corporation.
- Use, and encourage others to use, the Voicing Our Values techniques to help take action and put our values into practice.

Why It Matters

- Challenges to our values may be a normal occurrence in the work environment, but you must resolve them.

What to Watch Out For

- Warning signs help you identify and correct potential problems before they become larger issues.
- Assumptions and inferences can impact your impartiality and hinder ethical decision-making.

Key Policies

- CPS-001 Ethics and Business Conduct
- CPS-718 Disclosures to the United States Government
- CRX-021 Internal Investigations

Voicing Our Values Techniques



Ask Questions

Gather a Variety of Information



Obtain Data

Focus on Facts, Not Emotions



Talk to Others

Ask for Input from Trusted Sources



Reframe the Issue

Offer a Different Perspective



Report Violations

See Something, Say Something

Zero Tolerance for Harassment

WE SET THE STANDARD

- Verbal or physical conduct that offends, abuses, intimidates, torments, degrades or threatens another person is prohibited.
- You will help maintain a work environment that is free of physical, psychological, and verbal harassment or other abusive conduct.

Why It Matters

- Success depends on the talent, skills and expertise of all employees.
- Targets, as well as witnesses, of harassment may struggle to contribute to their full potential.

What to Watch Out For

- Be knowledgeable of prohibited conduct by reviewing policy.
- Be mindful of your own behavior and how your actions, words and deeds could impact someone else.
- Harassment can occur in many forms, inside and outside of the workplace.
- Be an Upstander and intervene when you witness, or become aware of, harassing or discriminatory behavior.



Key Policies

- CPS-003 Nondiscrimination and Equal Employment Opportunity
- CPS-564 Harassment-Free Workplace
- CPS-734 Combating Trafficking in Persons
- CRX-053 Workplace Security - Maintaining a Safe and Respectful Workplace Free from Threats and Violence

EXAMPLES OF SEXUAL HARASSMENT INCLUDE:

- Unwanted sexual advances, including verbal sexual advances and propositions.
- Offering employment benefits in exchange for sexual favors.
- Making or threatening reprisals after a negative response to sexual advances.
- Leering or making sexual gestures.
- Displaying pornographic or sexually suggestive objects, pictures, cartoons, or posters.
- Using inappropriate terms of endearment.
- Verbal abuse of a sexual nature.
- Graphic verbal commentaries about an individual's body.
- Sexually degrading words used to describe an individual.
- Suggestive or obscene letters, notes, or invitations.



Zero Tolerance for Discrimination

WE SET THE STANDARD

- Do not discriminate against employees or applicants on the basis of characteristics protected by applicable law or Lockheed Martin policy.
- Follow all policies and laws that relate to recruitment, selection, and other aspects of employment such as promotion, demotion, transfer, layoff, termination, compensation, education, training and disciplinary action.

Why It Matters

- Excluding someone based on protected characteristics - simply by virtue of who they are - is against the law.

What to Watch Out For

- Perpetuating stereotypes is a form of discrimination that can damage the culture and the performance of the Corporation.

Key Policies

- CPS-003 Nondiscrimination and Equal Employment Opportunity
- CPS-564 Harassment-Free Workplace
- CPS-734 Combating Trafficking in Persons
- CRX-515 Business Resource Groups and Employee Networks
- CRX-537 Military Leave



Do Not Retaliate

WE SET THE STANDARD

- Lockheed Martin does not tolerate retaliation against anyone who, in good faith, makes an inquiry, participates in an investigation or reports misconduct. Contacting Ethics in “Good Faith” does not mean you have to be right, but it does mean you believe the information provided is truthful.

Why It Matters

- Fear of retaliation is one of the most common reasons why employees won't speak up or take action.
- Retaliation destroys trust.

What to Watch Out For

- If someone tries to stop you from reporting an issue, that person can be subject to disciplinary action up to and including termination.
- Retaliation can be subtle, including changes in work assignments or casual work-related interactions, or it can be overt at times. You are legally **protected** from reprisals for reporting fraud, waste or abuse on government programs.

Key Policies

- CPS-001 Ethics and Business Conduct
- CPS-003 Nondiscrimination and Equal Employment Opportunity
- CPS-564 Harassment-Free Workplace
- CPS-575 Providing Reasonable Accommodations in the Workplace and for Applicants



Protected: U.S. law also entitles each Lockheed Martin employee to certain rights and protections against reprisals if the employee discloses, to certain governmental officials or to the Legal Department or Ethics Office, information that the employee reasonably believes is evidence of gross waste, mismanagement, abuse of authority, or violations of law related to U.S. government contracts, grants, or funds; or evidence of a substantial and specific danger to public health and safety.

Retaliation is the unfair or inappropriate treatment against an employee for reporting misconduct, filing a complaint, assisting another in making a complaint, participating in a company internal investigation, or making an ethics-related inquiry.

Respect Privacy

WE SET THE STANDARD

- Do not collect, store or access Personal Information / Personal Data (PI / PD) unless there is a legitimate business purpose and you have the proper authorization.
- Respect the privacy and dignity of all individuals and safeguard the confidentiality of employee records and information.
- When transmitting PI / PD outside the LM network (LMI), use approved secure e-mail and file transfer methods.

Why It Matters

- Safeguarding PI / PD builds trust with employees and customers.

What to Watch Out For

- Privacy regulations differ by country.
- Be sure to use the appropriate Personal Information / Personal Data legend in the subject line of email messages.
- Ensure that you do not share Personal Information / Personal Data on social media or collaborative workspaces.
- Data disclosed to third parties should be limited to only the information necessary to fulfill contractual agreements.

Key Policies

- CRX-015 Protection of Sensitive Information
- CRX-016 Privacy - United States
- CRX-017 Personal Data Protection - Non-U.S

PERSONAL INFORMATION / PERSONAL DATA

Personal Information (PI) and Personal Data (PD) at Lockheed Martin is defined as any information that permits the identity of an individual to be determined. PI includes identifiable information for persons in the US; PD for persons in non-US countries.



Use Assets Responsibly

WE SET THE STANDARD

- You are responsible for properly using and protecting our Corporation's, and our customers', **property** and assets, and ensuring their efficient use.
- Do not waste nor abuse company and customer assets.

Why It Matters

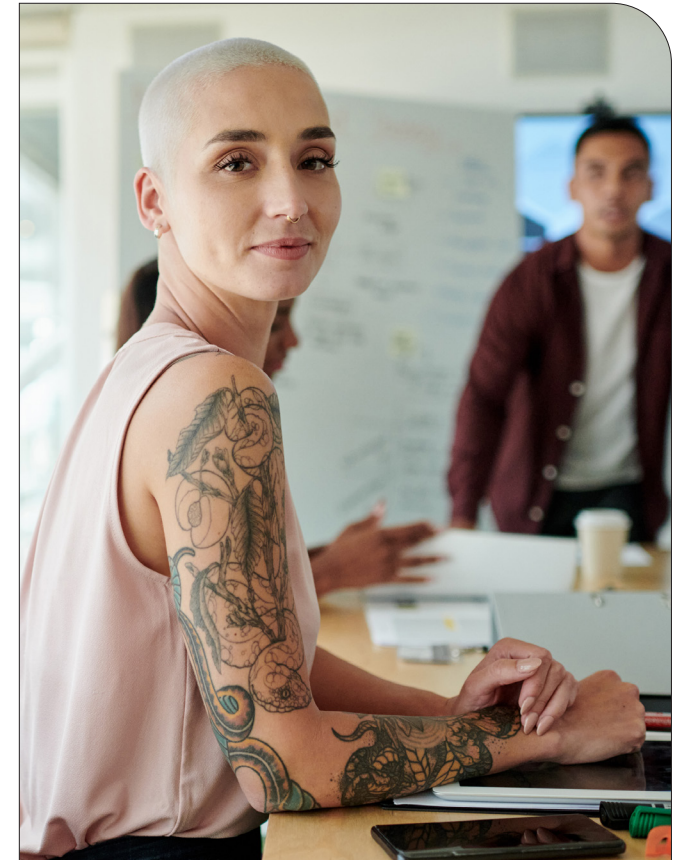
- Our customers expect us to protect resources that they entrust to us.
- Unauthorized use of company assets, as well as third-party information entrusted to the Corporation, can create risks to the Corporation and impact our financial obligations.
- Improper use of assets could result in violations of law and failure to meet contractual obligations and / or deviations from company policies; all of which can have unintended impacts to the corporation and individuals.

What to Watch Out For

- Misuse of U.S. Government assets can constitute a federal crime.
- Activities of concern include:
 - Using customer assets for anything that is not specifically or contractually allowed / authorized.
 - Sending / storing / handling sensitive information on a personal computing device.
 - Sending company information to personal email addresses.
 - Using unapproved electronic items to store data in company / customer assets.
 - Personal use of company assets.
 - Personal use of your corporate credit card.

Key Policies

- CPS-007 Personal Use of Lockheed Martin Assets
- CPS-037 Proper Use of Computing and Information Resources
- CRX-014 Individual Conflict of Interest
- CRX-156 Purchasing Cards (P-Cards)
- CRX-253 Social Media
- CRX-303 Electronic Messaging
- CRX-325 Business Travel
- CRX-327 Commercial Cards
- TVL-001 Business Travel Handbook



Property: This includes electronic communication systems, information resources, materials, facilities and equipment.

Keep Accurate Business Records and Accurately Communicate to the Public

WE SET THE STANDARD

- You will honestly and accurately prepare all business and financial records.
- Conduct business transparently while not compromising proprietary or confidential information.
- Never misrepresent facts or falsify records.
- Promptly and accurately enter all business transactions in our books and business records.
- You have an obligation to make accurate disclosures to the public and our stockholders.

Why It Matters

- Customers, regulators and investors expect us to maintain the integrity of our records.
- Complex business processes demand that each of us be able to rely on the accuracy of the data we provide each other to serve our customers.
- Keeping accurate records is critical to accurately recording and reporting financial transactions and meeting our legal and regulatory obligations.
- Our investors rely on accurate **public disclosures**.



What to Watch Out For

- Every business record you provide helps us provide accurate disclosures to all government and regulatory agencies.
- Be mindful of any proprietary or confidential information included in any type of public disclosure / external communication.
- Properly account for all costs, including labor, travel, material and any other expenses.
- If you prepare business or financial records or public communications on behalf of the Corporation, ensure that they contain comprehensive, fair, timely, accurate and understandable information.
- Inaccurate pricing information submitted in proposals, reporting of business travel expenses, or labor charging, violates policy and may also be illegal.

Key Policies

- CPS-011 Internal Control and Enterprise Risk Management
- CPS-020 Fair Disclosure of Material Information and Financial Information to the Investment Community and Public
- CPS-201 Release of Information
- CPS-730 Compliance with Anti-Corruption Laws
- CRX-011 International Business Development Consultants

Public disclosures: Include reports or documents filed with the U.S. Securities and Exchange Commission and other regulatory authorities as well as other public communications made by the Corporation, including external presentations.

Protect Sensitive Information

WE SET THE STANDARD

- Use, store and protect **Sensitive Information** in accordance with applicable requirements.
- Obtain proper authorization before disclosing or receiving any Sensitive Information.
- Do not share Sensitive Information in unapproved forums.

Why It Matters

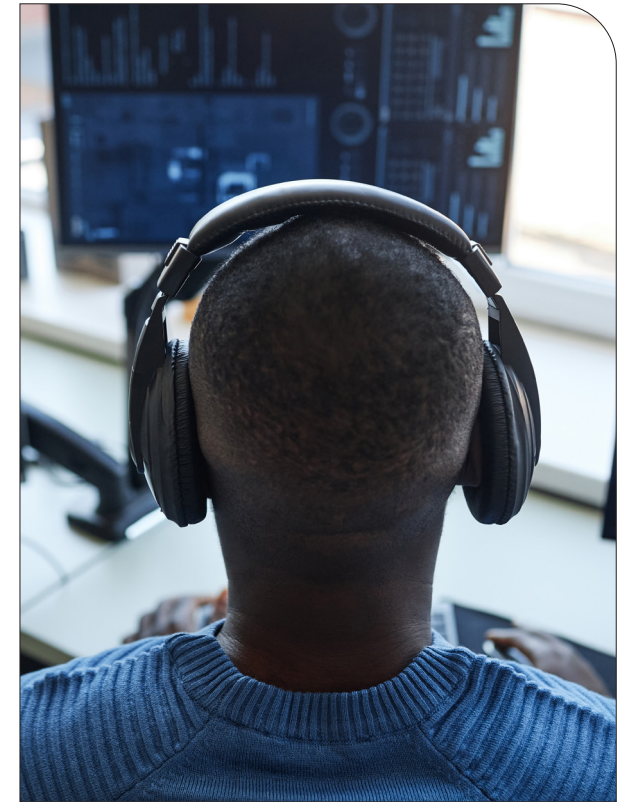
- We generate, acquire, and access large amounts of valuable information every day. This information provides us and our customers with business, technological, and economic advantage; and can also impact national security interests.

What to Watch Out For

- Obtain **proper approval** before publishing or making external presentations about Lockheed Martin or its customers or partners.
- Wherever we do business there are country-specific laws and regulations governing import / export issues and unique information handling and safeguarding requirements.
- Use social media responsibly and take extra care to protect information about the Corporation, your colleagues, customers and yourself.
- Information protection requirements stay in effect even if your employment or engagement with the Corporation ends.

Key Policies

- CPS-022 Ethical Development and Use of Artificial Intelligence
- CPS-201 Release of Information
- CPS-310 International Trade Controls and Compliance
- CPS-569 Security
- CRX-002 Intellectual Property
- CRX-013 Government and Competitor Information
- CRX-015 Protection of Sensitive Information
- CRX-016 Privacy - United States
- CRX-017 Personal Data Protection - Non-U.S.
- CRX-253 Social Media
- CRX-303 Electronic Messaging



Sensitive Information: Information in any or all of these categories: Personal Information (U.S.), Personal Data (Non-U.S.), Export Controlled Information, Lockheed Martin Proprietary Information, Third-Party Proprietary Information, Attorney-Client Privileged Information and / or Attorney Work Product and Protected Information.

Proper Approval: To obtain approval, U.S. employees should visit the PIRA tool (Public Information Release Authorization System - <https://pira.us.lmco.com>). Non-U.S. employees should contact Communications for the appropriate point of contact to review their materials.

Accurately Charge Labor and Other Costs

WE SET THE STANDARD

- Follow the business-specific labor recording policies and procedures where you work.
- Properly account for all costs including labor, travel, material and other **costs**.

Why It Matters

- The violation of labor charging practices is one of the most frequent case allegations at Lockheed Martin.
- Improperly charging time on customer contracts could be considered fraud.

What to Watch Out For

- You will be held accountable for ensuring that your labor charges are accurate.
- Excessive use of online collaboration tools / Internet for non-work purposes could lead to labor mischarging.
- Inaccurate labor charging or leaders approving / directing mischarging may violate policy and may be illegal.



Key Policies

- CMS-505 Recording and Verification of Direct Labor Costs
- CPS-441 Cost Estimating / Pricing
- CPS-730 Compliance with Anti-Corruption Laws
- CRX-325 Business Travel
- CRX-327 Commercial Cards

Costs: These costs include, but are not limited to, normal contract work, work related to normal contract research and development and bid and proposal activities. This means that transactions between the Corporation and outside individuals and the organizations are accounted for and executed in accordance with generally accepted accounting practices and principles in the United States, and in the countries where we do business.

Avoid Individual Conflicts of Interest

WE SET THE STANDARD

- Be fair and impartial in all business dealings.
- Place the interest of Lockheed Martin over personal interests in matters relating to the Corporation's business.
- Avoid actual conflicts of interest as well as activities that create the appearance of one.
- Do not use our contacts or position in the Corporation to advance outside or personal interests.
- Our Corporation's property, information or opportunities will not be used for personal gain.
- We will provide immediate written disclosure of actual or potential conflicts of interest.

Why It Matters

- You may think you can balance multiple interests at the same time and not realize when your loyalties are divided.

What to Watch Out For

- Disclose all potential conflicts of interest to get an independent, objective assessment and take appropriate mitigating actions.



Key Policies

- CPS-008 Gifts, Hospitality, Other Business Courtesies, and Sponsorships
- CPS-730 Compliance with Anti-Corruption Laws
- CRX-010 U.S. Business Development Consultants
- CRX-011 International Business Development Consultants
- CRX-013 Government and Competitor Information
- CRX-014 Individual Conflict of Interest

Avoid Conflicts of Interest with Government Employees

WE SET THE STANDARD

- Comply with all conflicts of interest laws and regulations covering employing or acquiring the services of government employees, which includes military personnel.

Why It Matters

- Our success and ability to compete depends on ensuring that we do not hire or work with current or former government employees in a manner that creates a real or perceived conflict of interest.
- The nature of the information and the competitive advantage and / or detail of information that the individual possesses may itself create a conflict.

What to Watch Out For

- There are rules for contacting or negotiating with current government employees to discuss their potential future employment or their service as consultants or subcontractors.
- There may be restrictions regarding roles or responsibilities that former government employees may perform.



Key Policies

- CPS-008 Gifts, Hospitality, Other Business Courtesies, and Sponsorships
- CRX-014A Conflict of Interest - Government Employment

*NOTE: U.S. Government employees should have their government ethics official **review their background** before applying for work.*

Review their background: U.S. Government employees should have their government ethics official review their background before applying for work.

This process may result in a recusal letter (also called a disqualification letter) and an ethics opinion letter which would explain any restrictions or bans on their potential post-government employment.

Avoid Organizational Conflicts of Interest

WE SET THE STANDARD

- Avoid, neutralize, or mitigate Organizational Conflicts of Interest (OCI).
- Prevent unfair competitive advantage or conflicting roles that might impair objectivity.

Why It Matters

- You may have worked with multiple customer representatives across different programs.
- A conflict on one government contract could compromise our ability to work on another.
- Failure to properly screen new business opportunities could result in disqualification or loss of business.
- Policies are intended to prevent unfair competitive advantage and conflicting roles that might bias the Corporation's judgment.

What to Watch Out For

- Be sure to **report** and maintain the disclosure of any OCI restrictions.

Key Policies

- CRX-014E People with Organizational Conflict of Interest Restrictions
- CRX-600 Organizational Conflict of Interest



Report: Visit CRX-600 for the process regarding preparing a screening letter and distributing it through the OCI Reporting System.

Do Not Engage in Insider Trading

WE SET THE STANDARD

- You must comply with all applicable securities laws and avoid even the appearance of impropriety.
- You must not engage in insider trading, which means you must not:
 - trade in the securities of any company (including Lockheed Martin) when you possess material, nonpublic information (MNPI) about that company,
 - suggest (or “tip”) that others engage in such trading, or
 - share MNPI with others (including other employees of Lockheed Martin) unless authorized to do so.
- You are responsible for making sure that you do not share MNPI with your family and that you do not share MNPI with other employees of Lockheed Martin or third parties without express authorization. You can be held liable for the actions of others with whom you share MNPI.

Why It Matters

- Investors’ trust in us and the public’s trust in financial markets depend on confidence that trades in securities are based on publicly available information.



What to Watch Out For

- The terms “**securities**,” “**trading**,” “**material**” and “**nonpublic**” have extensive and complicated legal definitions.
- If you learn of important information related to Lockheed Martin or a third party before the general public knows, there’s a possibility it could be considered material nonpublic information. Communicating such information to others may violate the law, even if you personally do not trade any securities based on such information.

Key Policies

- CPS-016 Mergers, Acquisitions, Divestitures, Business Ventures, and Investments
- CPS-020 Fair Disclosure of Material Information and Financial Information to the Investment Community and Public
- CPS-722 Compliance with United States Securities Laws

Securities: Securities include stock (common and preferred), restricted stock units, employee stock options, bonds, notes, debentures, put or call options, or similar instruments.

Trading: Trading includes all transactions in securities, including fund transfers or fund reallocations into or out of the Lockheed Martin stock fund in your savings, benefit or deferred compensation plans; any purchase or sale of common stock (including the sale of shares received from vested restricted stock units); gifts of Lockheed Martin securities if the value of the gift is established for tax purposes at the time the gift is made; and the exercise of employee stock options. It also includes trades executed pursuant to limit orders, even if these were placed prior to your coming into possession of material, nonpublic information.

Material: Information is “material” if there is a substantial likelihood that a reasonable investor would consider it important in deciding whether to trade a security. Both positive and negative information can be “material.”

Nonpublic: Information is considered “nonpublic” until it is widely disseminated. This means it has been in the news or released in the form of an official announcement and enough time has passed in the open market, privately or in company plans for the information to be assimilated by the general public (typically the next business day).

Ensure the Quality and Safety of Our Products and Services

WE SET THE STANDARD

- Be committed to meeting customer and company expectations by identifying and adhering to policies and procedures that ensure Quality, Mission Success, and System Safety Engineering throughout the product or service lifecycle.
- Develop and deliver high-quality products and services that meet all applicable quality and safety standards for their intended use.
- Implement and follow disciplined systems to measure performance and consistency.

Why It Matters

- Quality assurance processes detect and correct defects to ensure delivery of safe products and services that meet all contractual, legal and regulatory requirements.

What to Watch Out For

- All quality concerns will be taken seriously, whether from inside or outside the company, and addressed appropriately.
- Seek to continuously advance safety and quality in the design and manufacture of our products and services.
- If something does not appear to conform to the standards expected, use a “See Something, Say Something” approach and notify your leader.



Key Policies

- CPS-002 Quality, Mission Success, and System Safety

Use Artificial Intelligence Responsibly

WE SET THE STANDARD

- The benefits of Artificial Intelligence (AI) will be pursued while ensuring the procurement, development and our internal use are in accordance with our values.

Why It Matters

- We recognize that AI holds tremendous potential benefits for our customers and our operations, and we intend to be an industry leader in this revolutionary technology.
- Increased access to data and high-performance computing has unleashed unprecedented opportunities in AI that are changing the way companies operate in all industry sectors.
- As a rapidly evolving discipline, there may be risks that must be considered and addressed in the design and implementation of AI systems.
- There are significant potential legal risks associated with the use of third party AI models, tools and data sets as well as associated with reliance on AI to perform tasks and generate content.



What to Watch Out For

- We have established an Artificial Intelligence Ethics Advisory Committee to develop further guidance and to adjudicate concerns related to the above principles. Employees who have concerns about adherence to our Ethical AI principles should contact Ethics or a member of the Artificial Intelligence Ethics Advisory Committee.
- Practice the ethical development of AI capabilities and follow our principles in areas related to AI such as machine learning, data analytics, and data mining.
- Contact our Artificial Intelligence Ethics Advisory Committee to adjudicate concerns or receive guidance related to our AI principles.

Key Policies

- CPS-022 Ethical Development and Use of Artificial Intelligence

Lockheed Martin subscribes to the following ethics principles in our AI design, development, deployment, and internal use:

- Responsible
- Equitable
- Traceable
- Reliable
- Governable

See CPS-022 for details.

Fair Competition

WE SET THE STANDARD

- Be fair when dealing with customers, suppliers, competitors and employees.
- Ensure all communications and representations to prospective customers, suppliers and partners are accurate and truthful.
- Perform all contracts in compliance with laws, specifications, requirements, and contract terms and conditions.
- Never request, accept, use, copy or distribute any information to which Lockheed Martin is not legitimately entitled.

Why It Matters

- Maintaining the highest standards of integrity in our procurement processes, and in bidding or negotiating contracts, is essential to performing on current and future contracts, products and services.
- If you receive unauthorized information, or are uncertain as to the Corporation's legal right to use or share the information, do not copy, distribute or use it until guidance from the Legal Department has been provided.



What to Watch Out For

- These activities not only violate policy, but also may be illegal:
 - Discussing, using, copying or distributing any unauthorized information (especially pricing, bid strategy or customer information obtained during bids or negotiations or in connection with attendance at trade shows, industry groups or training) without seeking guidance from the Legal Department or Ethics Office.
- Report any inquiries made to us in connection with our bid or negotiation activities to the Legal Department.

Key Policies

- CPS-009 New Business Opportunity Management
- CPS-441 Cost Estimating / Pricing
- CPS-729 Compliance with United States Antiboycott Laws
- CPS-730 Compliance with Anti-Corruption Laws
- CRX-011 International Business Development Consultants
- CRX-013 Government and Competitor Information
- CRX-015 Protection of Sensitive Information

Abide by International Trade Laws

WE SET THE STANDARD

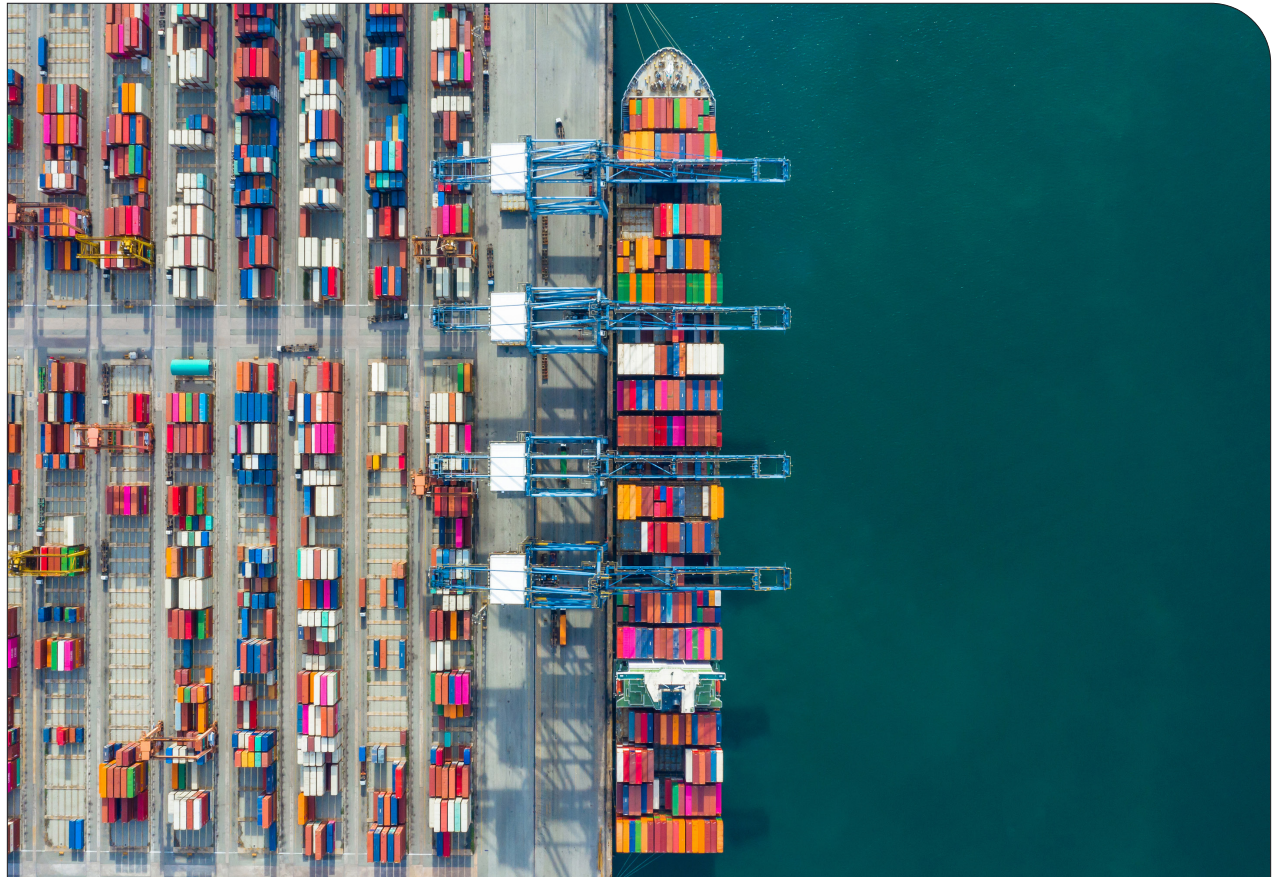
- Comply with all export and import laws and regulations that cover the transfer of certain technical data, equipment and technology between countries.
- Do not engage in or support restrictive international trade practices or boycotts not sanctioned by the U.S. Government.
- Comply with U.S. law and the laws of the countries where we do business.

Why It Matters

- Export and import violations, and illegal boycotts, damage the trust and transparency needed to transact legitimate and long-term business.
- Customers expect fair and open competition in how we do business worldwide with our competitors, suppliers and customers.

What to Watch Out For

- Any **written or oral** request in bids and proposals to comply with boycotts not sanctioned by the U.S. Government is a boycott red flag and must be immediately reported to your Element Legal Counsel, even if Lockheed Martin decides not to proceed with the bid / proposal.
- The U.S. maintains sanctions or embargoes that prohibit engaging in certain business activities in specified countries, as well as with specified individuals and entities. For example, U.S. law prohibits interaction with identified terrorist states and organizations.



Key Policies

- CPS-310 International Trade Controls and Compliance
- CPS-729 Compliance with United States Antiboycott Laws
- CRX-015 Protection of Sensitive Information

Written or oral: This includes explicit or more subtle contract language such as, "The Seller agrees to fully comply with the Israeli Boycott rules and certifies that the equipment to be supplied under this contract will not be of Israeli origin..." or, "The Seller's specialists shall abide by all rules and laws of Country X."

Actions of Third Parties

WE SET THE STANDARD

- Do not engage with third parties to conduct business in a manner that is contrary to law or to our policies or that would circumvent our values and principles.
- Provide training to certain third parties on our ethical values, policies and compliance requirements.

Why It Matters

- The actions of third parties who conduct business on our behalf can impact our reputation.
- Improper actions conducted on our behalf could result in criminal or civil liability for the Corporation or for the employee(s) responsible for the third party.
- We may be accountable for the actions of anyone conducting business on our behalf.



What to Watch Out For

- Be certain that all third parties, including business development consultants and independent contractors, understand and comply with their obligations to act in accordance with applicable laws and regulations and the Corporation's requirements for doing business.
- Be certain that consultants, representatives and third parties certify that they will comply, and are acting in compliance with, the Corporation's requirements for doing business on its behalf.

Key Policies

- CPS-008 Gifts, Hospitality, Other Business Courtesies, and Sponsorships
- CPS-113 Acquisition of Goods and Services
- CPS-716 Compliance with the Anti-Kickback Act of 1986
- CPS-730 Compliance with Anti-Corruption Laws
- CPS-734 Combating Trafficking in Persons
- CRX-010 U.S. Business Development Consultants
- CRX-011 International Business Development Consultants
- CRX-025 Teaming Agreements
- CRX-106 Managing Major Subcontracts
- CRX-126 Counterfeit Prevention

Corruption and Kickbacks will not be Tolerated

WE SET THE STANDARD

- Do not offer, give, solicit or receive any form of bribe or **kickback**.
- Walk away from any business engagement that would violate any anti-corruption law or our Code of Conduct, or that would create even a perception of impropriety.

Why It Matters

- **Corruption** creates unfair competition, increases cost and jeopardizes the quality and capability of our products and services.
- **Bribery**, including even the attempt to corrupt, is illegal and may be enough to be prosecuted under U.S. and other countries' laws.
- Conducting business where there is even a hint of impropriety could cause irreparable reputational harm, in addition to legal harm to our business such as, significant financial penalties and debarment.

What to Watch Out For

- A party's poor reputation, ties to government and public officials, questionable or unusual circumstances, unusual compensation and questionable accounting or invoicing, or insufficient capabilities are **red flags**.
- Expressions such as; 'that's the way business is done here', 'everyone does it', 'that is what is expected to win the contract', or 'this is normal in this country' are also red flags.

Key Policies

- CPS-008 Gifts, Hospitality, Other Business Courtesies, and Sponsorships
- CPS-021 Good Corporate Citizenship and Respect for Human Rights
- CPS-310 International Trade Controls and Compliance
- CPS-730 Compliance with Anti-Corruption Laws
- CRX-011 International Business Development Consultants
- CRX-015 Protection of Sensitive Information



Kickback: A kickback is any money, fee, commission, credit, gift, gratuity, thing of value, loan, entertainment, service or compensation of any kind that is provided, directly or indirectly, to any prime contractor, prime contractor employee, subcontractor or subcontractor employee for the purpose of improperly obtaining or rewarding favorable treatment in connection with a prime contract with the U.S., or a subcontract in connection with a prime contract with the U.S.

Corruption: Corruption is any unlawful, illegitimate or improper behavior intended to gain an advantage and includes bribery, fraud, extortion, theft, abuse of power and money laundering.

Bribery: Bribery is directly or indirectly paying, promising, giving, offering or authorizing to give anything of value to anyone for the purpose of influencing that person to misuse his or her position.

Red flags: A "red flag" is a fact, event, or set of circumstances, or other information that may indicate a potential legal compliance concern for illegal or unethical business conduct, particularly with regard to corrupt practices and non-compliance with anti-corruption laws.

Strictly Adhere to all Antitrust Laws

WE SET THE STANDARD

- Do not enter into business arrangements that eliminate or discourage competition or that give us an improper competitive advantage.

Why It Matters

- Antitrust laws apply world-wide and protect trade and commerce from unlawful restraints and monopolies, or unfair business practices, protecting customers, Lockheed Martin and our business partners.

What to Watch Out For

- Discussion or agreement with competitors or partners to allocate bids, contracts, customers, markets or territories, or coordinate pricing or limit supply of products or services.

Key Policies

- CPS-720 Compliance with the Antitrust Laws



Antitrust rules apply to more than you might think. They require that you avoid engaging in certain activities and business discussions. Examples from the policy include:

- Price fixing.
- Boycotting suppliers or customers.
- Pricing intended to run a competitor out of business.
- Disparaging, misrepresenting or harassing a competitor.
- Teaming with companies to create less competitive outcomes for customers or blocking competitors to prevent market entry.
- Restricting the hiring or salaries of employees with competitors or suppliers.
- Entering into agreements with competitors to divide the market by allocating bids, contracts, territories or markets or restricting the production or sale of products or product lines.
- Conditioning the sale of one product or service on the sale of another product or service.
- Conditioning the sale or purchase of products or services on the requirement that the seller or purchaser not do business with competitors of the Corporation.

Accept and Provide Only Appropriate Business Courtesies

WE SET THE STANDARD

- Avoid even the perception that favorable treatment is being sought, received or given.
- Ensure that any business courtesy offered or accepted is permitted by law and policy.

Why It Matters

- When people exchange gifts or **business courtesies**, it can create the perception that favors were granted in order to improperly influence business judgment.
- You will compete on the merits of our products and services and not give business courtesies to gain an unfair competitive advantage.
- Source products and services fairly to avoid accepting business courtesies that may cause even the perception of an inappropriate business relationship.



What to Watch Out For

- Complex rules and monetary limits apply when dealing with Public Officials. Consult policy and obtain guidance if you are uncertain if an action is inappropriate or within the allowable limits.
- Understand that a business relation is any individual or group with whom we do business or we seek to do business or who seeks to do business with us.
- We have established country-specific, permissible thresholds which may not be exceeded without prior approvals.
- It is not only the value of the business courtesy that matters. The simple act of offering, giving or receiving any business courtesy, or the perception of an intent to gain an improper business advantage, may be illegal or unethical.
- No sponsorship may be undertaken to directly or indirectly procure future business or with the intent to obtain or retain business, secure an improper advantage or induce anyone to act improperly.
- Global Supply Chain Operations employees and those who are involved in the process of directing business or funds are held to a higher standard.
- Giving cash, cash equivalents or gift cards to business relations is prohibited.



GIFTS DECISION TREE

The Gifts Decision Tree is a tool to assist you when making decisions about actions that may involve gifts, hospitality, other business courtesies and sponsorships.

Key Policies

- CPS-008 Gifts, Hospitality, Other Business Courtesies, and Sponsorships
- CPS-716 Compliance with the Anti-Kickback Act of 1986
- CPS-730 Compliance with Anti-Corruption Laws
- CRX-010 U.S. Business Development Consultants
- CRX-011 International Business Development Consultants

Business Courtesies: A business courtesy is any tangible or intangible thing of value for which fair market value is not paid by the recipient.

Safe and Healthy Work Environment

WE SET THE STANDARD

- Provide a safe and healthy work environment and operate in a manner that protects the environment, conserves natural resources and prevents pollution.
- Stop immediately if something that is unsafe or can harm the environment is identified.

Why It Matters

- Whether working on-site or at home, it is important that our workplace is safe and beneficial to our personal welfare and the environment.

What to Watch Out For

- Report any non-compliance to posted warnings, procedures and regulations.
- Any accident, injury or close call sustained on the job, or any environment, safety or health concern you may have must be reported immediately.

Key Policies

- CPS-015 Environment, Safety and Health (ESH)



ZERO IN ON SAFETY



Use IDEA:

- **ID (Identify):** assess the situation to identify safety risk
- **E (Evaluate):** determine the best course of action to address the risk
- **A (Act):** communicate or report your safety concerns to colleagues and your leader, and mitigate the risk

Maintain a Drug-Free Workplace

WE SET THE STANDARD

- The possession, use, sale, manufacture, transfer, trafficking in, or being under the influence of illegal drugs, or the abusive use of legal drugs, in the workplace or in the performance of company business, is prohibited.
- Being under the influence of alcohol in the workplace or in any other location where we perform business on behalf of the Company is prohibited.
- Complying with the Drug-Free Workplace Act of 1988 and federal, state, and local laws and regulations concerning violations of criminal drug statutes in the workplace is a requirement.
- We will not knowingly hire or rehire individuals who possess, use, sell, manufacture, transfer, or traffic in illegal drugs.

Why It Matters

- Using an illegal substance can negatively impact your ability to perform safely, be productive and obtain or maintain a security clearance or continued employment.



What to Watch Out For

- State and local initiatives legalizing the use of marijuana for medical and / or recreational purposes do not alter Lockheed Martin's obligation as a federal contractor to maintain a drug-free workplace.
- Being "under the influence" doesn't necessarily mean being above the legal limit.
- If you or a colleague has a drug or alcohol dependency issue, take advantage of company resources for help.

Key Policies

- CRX-525 Tobacco- and Smoke-Free Environment
- CRX-545 Drug-Free Workplace

Security

WE SET THE STANDARD

- Protect our people, operations and assets.
- Take action to mitigate threats to employee safety.
- Properly safeguard all classified material and other information entrusted to us.
- Comply with and seek to exceed customer and national security policy requirements.
- Maintain dedicated counterintelligence and insider threat detection programs.
- Use a thorough and objective security investigative process.

Why It Matters

- Security compliance benefits our Corporation, customers, national security and global stability.
- Adherence to security requirements supports contract performance and enables our products and services to be delivered uncompromised.
- A strong security program fosters a safe environment for our workforce.
- We are a prime target for a number of threat actors seeking to gain information or to damage / destroy our capabilities.



What to Watch Out For

- You may be the first person to notice concerning changes in a colleague's behavior, or suspicious or unusual activity, such as inquiries or requests for information from external sources regarding company people, facilities, operations, programs or products. It's up to you to report it.
- Ensure that any unauthorized access to information or assets is reported.
- An email security threat can contain references that may appear to be legitimate in order to trick you into thinking it's coming from a legitimate source.

Key Policies

- CPS-569 Security
- CRX-052 Crisis Management
- CRX-053 Workplace Security - Maintaining a Safe and Respectful Workplace Free from Threats and Violence
- CRX-055 Travel or Assignment to Elevated Risk Locations
- CRX-056 International Security Operations
- CRX-057 Enterprise Security Services
- CRX-059 Insider Threat Detection Program

Sustainability and Responsible Corporate Citizenship

WE SET THE STANDARD

- Fosters innovation, integrity and security across our platforms and services.
- Maximizes the positive contributions of our products and services on the environment, the economy, community development and infrastructure resilience.
- Seeks to avoid and minimize negative consequences of business activities across the full value chain.
- Operates in a manner that protects the environment, as well as people, by conserving natural resources, preventing pollution and ensuring ethical business conduct.

Why It Matters

- Drives affordability, risk mitigation and innovation throughout our business strategy and our value chain.
- Ensures long-term competitiveness of our business and health of our communities and planet.
- Improves customer and stakeholder collaboration.
- Signifies commitment and fosters a sense of purpose that align with employee values.



Key Policies

- CPS-021 Good Corporate Citizenship and Respect for Human Rights
- CPS-803 Sustainability
- CRX-202 Restrictions on the Use of Chemical Substances in Products and Processes
- CRX-350 Energy

Respect and Appreciate Human Rights

WE SET THE STANDARD

- Respect for human rights is an essential element of being a good corporate citizen.
- The importance of human rights across the globe, includes:
 - Treating employees with respect.
 - Promoting fair responsible employment and wage & hour practices.
 - Providing fair and competitive wages.
 - Prohibiting harassment, bullying, discrimination, use of child or forced labor, or trafficking in persons for any purpose.
- Employees can exercise their right of free association and to choose or not choose collective bargaining representation.
- Employees and suppliers must take the appropriate steps to ensure respect for human rights in our business.
- We adhere to human rights precepts in our relations with stakeholders and through our products and services.

Why It Matters

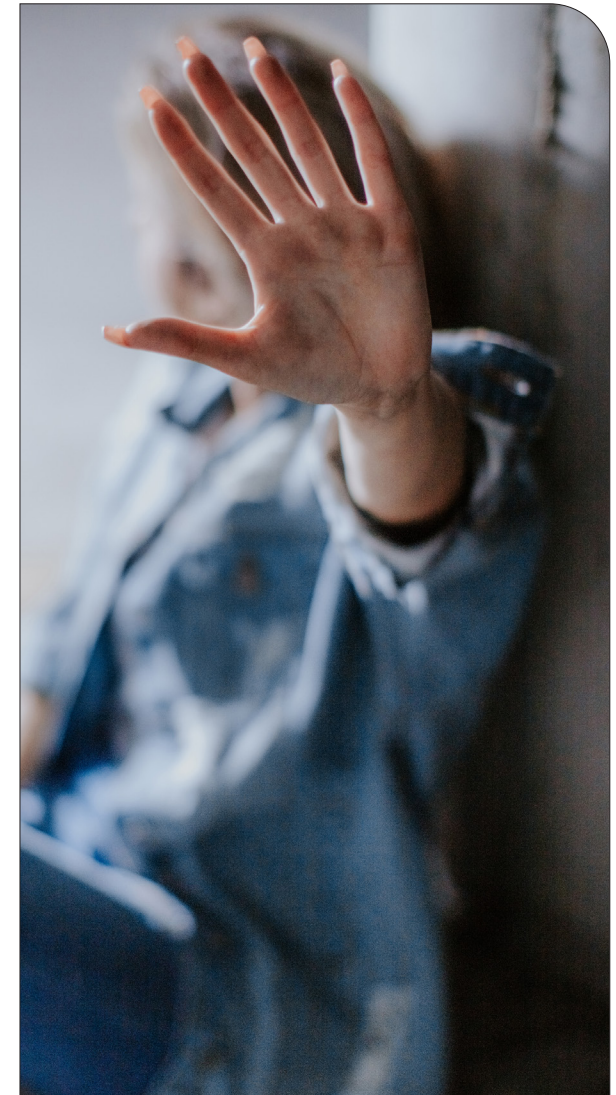
- Protecting and advancing human rights:
 - Maintains our commitment to integrity and our core values.
 - Promotes employee satisfaction and productivity.
 - Enhances competitiveness of our business.
- Trafficking in persons and slavery are issues around the world, and if we are not mindful, we could unwittingly engage with third parties who violate these principles.

What to Watch Out For

- Suspicious behavior or activities may indicate the presence of human rights violations.

Key Policies

- CPS-001 Ethics and Business Conduct
- CPS-003 Nondiscrimination and Equal Employment Opportunity
- CPS-021 Good Corporate Citizenship and Respect for Human Rights
- CPS-730 Compliance with Anti-Corruption Laws
- CPS-734 Combating Trafficking in Persons
- CPS-803 Sustainability
- CRX-515 Business Resource Groups and Employee Networks



Political Process

WE SET THE STANDARD

- Follow corporate policy and the law concerning the political process in all countries where we do business.
- Uphold the spirit and letter of all laws relating to our participation in the political process.

Why It Matters

- Laws governing political contributions and lobbying are complex.
- Even unintended violations can result in loss of business opportunities, damage to our reputation and civil and criminal penalties.



What to Watch Out For

PROHIBITED

- Using any Lockheed Martin funds, assets or facilities for the benefit of political parties or candidates anywhere in the world without obtaining prior written approval.

WE SUPPORT THE POLITICAL PROCESS

- Many countries, in addition to the United States, may prohibit corporate political contributions. This may include donating corporate funds, goods or services, directly or indirectly, to political candidates, including through consultants or employee work time.
- Local and state laws may limit corporate political contributions and activities.

REQUIRE CAUTION

- Public Office - Conflicts of interest can arise if you seek or hold public office or serve on commissions or advisory groups.
- Lobbying - Lobbying can be direct or indirect, but either way, it is highly scrutinized and must follow policy.
- U.S. Congressional and Executive Branch - It is important that Lockheed Martin present a single, consistent business message to our U.S.-based customer community. Government Affairs works with business areas to develop a united approach to the Corporation's U.S.-based marketing initiatives and policy, regulatory and legislative strategies. To this end, Government Affairs must authorize any interaction with U.S. Congressional members or Executive Branch officials in Washington, D.C. or their employees and staff.

- State and Local Governments - Government Affairs must authorize any interaction with state and local government officials on behalf of Lockheed Martin.
- Non-U.S. Governments - Follow policy when engaging with Non-U.S. Government Officials to assure that their activities are permitted and within local laws and regulations.
- Individual Political Contributions - Some state and local laws may restrict, limit or require disclosure of personal political contributions made by individual employees or their immediate family members.

PERMITTED

- You are encouraged to:
 - Participate in the Lockheed Martin Employees' Political Action Committee, if eligible.
 - Participate personally in civic affairs and the political process on your own time, and at your own expense.
 - Support the political parties and candidates of your choice.

Key Policies

- CPS-004 Political Activity
- CPS-005 International Operations
- CPS-008 Gifts, Hospitality, Other Business Courtesies, and Sponsorships
- CPS-045 Government Affairs
- CPS-730 Compliance with Anti-Corruption Laws
- CRX-251 Charitable Contributions

Who should I contact if I have a problem, question or concern?

In general, start by discussing the situation with your supervisor or manager. If that is not practical or if your manager is not able to help you resolve the matter, it is your responsibility to continue to speak up and seek resolution.

For more information, please visit the Corporate Ethics and Business Conduct website to review our “How the Ethics Process Works” brochure.







Receipt and Acknowledgement

THE PRINT VERSION OF RECEIPT AND ACKNOWLEDGMENT IS ONLY USED BY EMPLOYEES WHO ARE READING A HARD COPY VERSION OF THIS DOCUMENT.

ALL EMPLOYEES WITH ACCESS TO OUR LEARNING MANAGEMENT SYSTEM WILL ACKNOWLEDGE COMPLETION ONLINE.

I acknowledge that I have read, understand and will abide by *Setting the Standard*, the Lockheed Martin Code of Ethics and Business Conduct. I understand that each Lockheed Martin employee, member of the Board of Directors, consultant, contract laborer or other agent representing or acting for the Corporation is responsible for knowing and adhering to the principles and standards of the Code. I also understand that violations of the Code are cause for corrective action, which may result in disciplinary action up to and including discharge.

Signature: _____

Print Name: _____

Employee Number (if applicable): _____

Company: _____

Date: _____ Location: _____

Contact Human Resources or the Ethics Office for instructions on submitting this form and arranging for a record of completion. If you are not a Lockheed Martin employee, contact your Lockheed Martin point of contact.



