SETTING the STANDARD

Code of Ethics and Business Conduct
Setting the Standard

Updated June 2014

Lockheed Martin Corporation
6801 Rockledge Drive
Bethesda, MD 20817

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In addition to English, this booklet is published in the following languages:

Arabic, Dutch, Chinese (Simplified), Chinese (Traditional), French, German, Hebrew, Indonesian, Japanese, Korean, Malay, Portuguese, Romanian, Spanish and Turkish

Note: The most current version of this document is available online via the Lockheed Martin Corporation internal network and externally at http://www.lockheedmartin.com/us/who-we-are/ethics.html. The online version provides the most recent updates for reference materials, including Corporate Policy Statements and Cross Functional Procedures.
A Message from our Chairman, President and Chief Executive Officer

Dear Colleague:

At Lockheed Martin, we are committed to our core values. *We Do What’s Right, Respect Others and Perform with Excellence.* We never allow our ethics or integrity to be compromised by our desire to succeed, regardless of the circumstances of our business.

As we continue to expand our reach in the global marketplace, strengthen our position as a leading technology innovator, and find new solutions to our customers’ complex challenges, we must hold firm to our high standards for ethical conduct. Our values and ethics are fundamental to who we are and what we do. They not only define us, they distinguish us.

When we demonstrate integrity in all of our dealings, we build bonds of trust, which lead to stronger, more enduring relationships. It’s these trusted relationships that create the opportunity for new and repeat business, and that’s what will secure our future.

We hold every Lockheed Martin employee accountable for upholding our ethical standards. Those standards go well beyond compliance with laws, rules and regulations that govern our business. They require each of us to abide by our values in every decision we make and every action we take.

*Setting the Standard* is our Code of Ethics and Business Conduct. It explains how we must conduct ourselves when representing or acting on behalf of our company. It details the high expectations we set for employee behavior, from our commitment to good citizenship to our zero tolerance policy on corruption. And, it serves as the most basic building block for future success.

In addition to relying on our Code, I encourage you to consult other valuable resources, including your manager, Ethics officer and Human Resources business partner, whenever an ethics-related issue or question arises. They can provide additional guidance and insight when you need it.

Thank you for embracing and implementing our core values, and for committing to the high standards for ethics and integrity that define who we are at Lockheed Martin.

Marillyn A. Hewson
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Our Vision and Values

Lockheed Martin sets the standard for integrity in everything we do. We demand this of ourselves, just as others — like our shareholders and customers — expect this of us.

Our Vision:
Be the global leader in supporting our customers to strengthen global security, deliver citizen services and advance scientific discovery.

Our Values:
- Do What’s Right
- Respect Others
- Perform With Excellence

Policies
- CPS-001 Ethics and Business Conduct
We Uphold the Code

We Set the Standard

▷ Our Code applies to all Lockheed Martin employees, members of the Board of Directors, consultants, contract laborers and other agents when they represent or act for the Corporation.*

▷ We require you to perform your duties in compliance with our Code and policies as well as applicable laws and regulations.

Why We Do It

▷ We follow both the letter and the spirit of the laws and regulations that govern our business.

* 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 the shareholders. 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.

Responding to Investigations and Legal Action:

▷ You are required to cooperate in internal investigations.

▷ You 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, you are also required to cooperate with investigations conducted by the government.

▷ You must notify the Ethics Office, Legal Department or Industrial 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.

Continued on next page
**We Uphold the Code**

**What are my responsibilities as a leader?**

As a leader, you can affect employee behavior through your words and conduct. Be aware that your actions could influence employees to act in a way that is contrary to our ethical standards, even if that is not your intent. The suggestions that follow will guide you in demonstrating ethical leadership.

**If someone approaches you with a question or concern:**

- Thank the employee for coming forward
- Listen carefully
- Ask for clarification and additional information to ensure that you fully understand the question or concern
- Answer any question that you can, but seek help if you need it before responding
- You are not required to provide an immediate response, but should always follow up as soon as possible
- If the concern requires investigation, refer it to the appropriate resource
- If you are not sure an investigation is required, it is best to ask

**Policies**

- CPS-001 Ethics and Business Conduct
- CPS-718 Disclosures to the United States Government
- CPS-730 Compliance with the Anti-Corruption Laws
- CRX-021 Internal Investigations

*Upholding our values and this Code may require more than mere compliance with laws and regulations.*
We are Committed to Good Citizenship

We Set the Standard

- We are committed to good citizenship, which includes the protection and advancement of human rights.
- We treat others with respect and dignity, encourage diversity and diverse opinions, promote equal opportunity for all and help create an inclusive and ethical culture.
- We prohibit harassment, bullying and discrimination, use of child, compulsory or forced labor and trafficking in persons for any purpose.
- We reduce our use of energy, water and waste in our operations, reduce the use of materials of concern and seek to maximize the efficiency of our products.
- We do not engage in corrupt practices.
- We comply with all applicable wage and hour laws and regulations and provide legally-mandated benefits. This includes requirements relating to maximum hours worked, minimum wages, overtime hours, piece rates, nonexempt or exemption classification and other elements of compensation.
- We respect the right of employees to exercise their right of free association and to choose or not choose collective bargaining representation.

Why We Do It

Good citizenship, corporate sustainability and the protection and advancement of human rights:

- Maintains our commitment to integrity
- Ensures employee satisfaction and productivity
- Enhances the talent competitiveness of our business

Policies

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

We Set the Standard

- We protect the environment, strengthen communities and propel responsible growth.
- We maintain a safe working environment, treat employees with respect and offer engagement, wellness, ethics and inclusion programs.
- We deploy technologies that support stable governments and thriving citizens.
- We define accountability and manage the full spectrum of risks and opportunities.
- We reduce our use of natural resources in our operations and our products.

Why We Do It

- Our commitment ensures long-term business performance and growth, and strengthens the competitiveness of our business.
- Our sustainability performance improves customer relationships and quality, reduces cost and risk, and drives innovation.
- Our stakeholders expect us to operate with integrity as well as with a commitment to good citizenship and the protection and advancement of human rights.

Policies

- CPS-001 Ethics and Business Conduct
- CPS-003 Nondiscrimination — Equal Employment Opportunity
- CPS-015 Environment, Safety and Health (ESH)
- CPS-020 Fair Disclosure of Material Information and Financial Information to the Investment Community and Public
- CPS-021 Good Corporate Citizenship and Respect for Human Rights
- CPS-803 Sustainability
- CRX-015 Protection of Sensitive Information
- CRX-515 Employee Resource Groups and Employee Networks

For more information, visit the Sustainability website at http://www.lockheedmartin.com/us/who-we-are/sustainability.html
**We Report Violations**

**We Set the Standard**
- You are responsible for reporting a violation or suspected violation of the Code or a contract provision.
- You must not take illegal or unethical action, even if it appears to benefit the Corporation or is directed by a higher authority in the organization.

**Why We Do It**
- We are committed to the highest standards of ethical conduct in our dealings with our constituencies.
- Violations of the Code may result in disciplinary action up to and including termination. Failure to report may itself violate this Code.

**You can report suspected violations to:**
- Management
- Human Resources
- Legal Department
- Security
- Internal Audit
- Energy, Environment, Safety and Health (EESH)
- Ethics Office

**1-800-LM ETHIC (1-800-563-8442) —**
Caller ID not used

**For the Hearing or Speech Impaired:**
1-800-441-7457

**Fax:** 1-301-897-6442

**Internationally:** when calling or faxing from outside the U.S., first dial the origin country’s exit code

**Email:** corporate.ethics@lmco.com

**Mail:**
Office of Ethics and Business Conduct
Lockheed Martin Corporation
6801 Rockledge Drive
Bethesda, MD 20817

**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 Office of Ethics and Business Conduct and your concern will be communicated to the Chair of the Audit Committee of the Board.
We Do Not Tolerate Retaliation

We Set the Standard

- We do not tolerate retaliation.
- We take appropriate corrective action in response to violations of this Code, even if these actions are not always visible to you.
- If someone tries to stop you from reporting an issue, that person can be subject to disciplinary action up to and including termination.
- There is never a penalty for contacting the Ethics Office or any source in good faith. “Good faith” does not mean you have to be right but it does mean you believe the information provided is truthful.

Why We Do It

- Retaliation destroys trust and damages our ethical culture.
- When you speak up, it gives us the opportunity to improve our overall culture and performance.

What is Retaliation?

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

Continued on next page
We Do Not Tolerate Retaliation

Other Rights:
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.

Policies

- CPS-001 Ethics and Business Conduct
- CPS-003 Nondiscrimination — Equal Employment Opportunity
- CPS-564 Harassment-Free Workplace
- CPS-575 Providing Reasonable Accommodations in the Workplace and for Applicants
- CPS-718 Disclosures to the United States Government
- CPS-730 Compliance with the Anti-Corruption Laws
- CRX-053 Workplace Security — Maintaining a Safe and Respectful Workplace Free from Threats and Violence
We Accurately Charge Labor and Other Costs

We Set the Standard

- Understand and follow the labor recording policies and procedures at your work location.
- Properly account for all costs including labor, travel, material and other costs. These costs include, but are not limited to normal contract work, work related to independent research and development and bid and proposal activities.
- Never misrepresent facts or falsify records.

Why We Do It

It is a violation of policy, and in some cases the law, to knowingly:

- Mischarge or falsify timekeeping records
- Charge an incorrect account or cost objective
- Approve mischarging
- Shift costs to improper accounts

All business transactions must be promptly and accurately entered in our books and business records. This means that transactions between the Corporation and outside individuals and 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.

Policies

- CPS-011 Internal Control
- CPS-441 Cost Estimating/Pricing
- CPS-730 Compliance with the Anti-Corruption Laws
- CRX-325 Business Travel
- CRX-327 Commercial Cards

Our customers expect us to ensure the integrity of our records.
We Set the Standard

➤ Be responsible for properly using and protecting our Corporation’s and our customers’ property. This includes electronic communication systems, information resources, materials, facilities and equipment.

➤ Prevent waste and abuse of these assets. This means you must maintain the assets with care, guard against waste and abuse and never borrow or remove them from corporate or customer property without management’s permission. Seek guidance and permission before using any customer asset for personal use.

➤ You are only permitted to use company assets occasionally for personal use within company policy. The activity must not be in support of any personal business venture, the business of any other corporation or firm, consulting effort, or similar profit venture, political interests (except as provided in CPS-004), political activity or illegal purpose, or purpose that would cause embarrassment to Lockheed Martin or otherwise be adverse to its interests.

➤ Do not use a corporate credit card for personal use.

Why We Do It

➤ Lockheed Martin’s resources and assets should be used for the benefit of our shareholders.

➤ We are responsible for protecting customer resources and assets that are entrusted to the Corporation.

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
**We Protect Sensitive Information**

Sensitive Information includes Lockheed Martin Proprietary Information, Third Party Proprietary Information, Export Controlled Information, Personal Information/Personal Data and Classified Information.

**We Set the Standard**

You must:

- Handle, store and protect Sensitive Information in accordance with applicable requirements
- Obtain proper authorization before disclosing or receiving such information, internally or through a third party (like a supplier, customer or competitor)
- Only access personal information or personal data for legitimate business purposes and have prior authorization
- Respect the privacy and dignity of our employees and safeguard the confidentiality of employee records and information
- Prior to disclosing classified information, ensure that recipients have the proper security clearance and “need to know”
- Protect it even if you are no longer employed by the Corporation
- Take extra care when using social media to protect information about the Corporation, your colleagues, customers and yourself
- Refer external inquiries to Communications
- Obtain proper approval before publishing or making outside presentations about Lockheed Martin or its customers or partners
- Report unauthorized access of personal and proprietary information

**Why We Do It**

- We are entrusted with Sensitive Information from the Corporation, our customers, suppliers and others.
- Mishandling information can damage our reputation, customers, partners and country. It can also result in penalties and fines against the Corporation and individual employees.

*Continued on next page*
When you do business internationally, there are country-specific laws to consider, including import/export issues, privacy considerations and unique information handling and safeguarding requirements.

Policies

- CPS-310 International Trade Controls and Compliance
- CRX-015 Protection of Sensitive Information
- CRX-015A Personal Information
- CRX-015B Export Controlled Information
- CRX-015C Lockheed Martin Proprietary Information
- CRX-015D Third Party Proprietary Information
- CRX-015E Transmitting Sensitive Information
- CRX-015F Storing Sensitive Information
- CRX-015G Disposing of Sensitive Information
- CRX-015H Unrestricted Information
- CRX-016 Privacy — United States
- CRX-017 Personal Data Protection — Non-U.S.
- CRX-253 Social Media
We Provide and Accept Appropriate Business Courtesies

We Set the Standard

- Avoid the perception that favorable treatment is being sought, received or given in exchange for business courtesies.
- Ensure that the offer or receipt of any gift or business courtesy is permitted by law and consistent with reasonable marketplace customs.
- Verify that the rules of the recipient’s organization are not violated by a gift.
- Do not offer, give, solicit or receive any form of bribe or 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. These are criminal acts under the laws of many countries including the U.S.

Why We Do It

- We compete on the merits of our products and services and do not use the exchange of business courtesies to gain an unfair competitive advantage.
- When people exchange gifts or business courtesies it can create the perception that favors were granted in order to influence business judgment.

The term business courtesy is intentionally broad and includes any item that has monetary value for which fair market value is not paid by the recipient.

- Recognize that complex rules and limits apply when dealing with U.S. and other government personnel, including members of the military.
- There are specific guidelines that apply in each country where we do business.
- There are different rules for employees who work in Supply Chain Management or are involved in the process of directing business or funds to our business relations.

Continued on next page
We Provide and Accept Appropriate Business Courtesies

- The fair market value limits are different based on an individual or employee role.
- Some gift limit rules are calculated within a calendar year and others depend on the fair market value of the courtesy being offered or received.

Consult policy and obtain guidance if you are uncertain if an action is inappropriate or within the allowable limits.

Policies
- CPS-008 Gifts, Gratuities, and Other Business Courtesies
- CPS-716 Compliance with the Anti-Kickback Act of 1986
- CPS-730 Compliance with the Anti-Corruption Laws
- CRX-011 International Consultants
We Avoid Conflicts of Interest

INDIVIDUAL CONFLICTS OF INTEREST

We Set the Standard

➤ You must be fair and impartial in all business dealings.
➤ Our policies prohibit both an actual conflict of interest and activities that create the appearance of a conflict of interest. Avoid situations in which your personal interests might conflict, or appear to conflict, with Lockheed Martin interests.
➤ Never use your contacts or position in the Corporation to advance outside or personal interests.
➤ Do not use our Corporation’s property, information or opportunities for personal gain.
➤ You must provide written disclosure of actual or potential conflicts of interest.

Why We Do It

➤ We are committed to the highest standards of ethical business conduct. We expect this of our employees, agents and Board of Directors. Agents include consultants, contract laborers and anyone else representing or acting for the Corporation.

➤ We have a responsibility to our shareholders to act in the best interests of the Corporation.
➤ The internal disclosure process reinforces our intention to conduct business with integrity.

What is a Personal Conflict of Interest?

A personal conflict of interest exists when you have divided loyalties — when you have a direct or indirect personal interest in a transaction or matter such that it might reasonably appear to affect the judgment you exercise on behalf of Lockheed Martin, influence your actions or lead you to neglect Lockheed Martin business interests.

Our Conflict of Interest policy covers many situations, including these examples:

➤ Personal interest in our Corporation’s transactions —
  • Having a personal interest or potential for gain in any of our Corporation’s transactions.

Continued on next page
We Avoid Conflicts of Interest

- Owning a, or having a substantial interest in, a company that is a customer, competitor or a supplier.
- Family members —
  - Doing business with a firm owned or controlled by a Lockheed Martin employee or their family.
  - Family relationships with persons employed by a supplier or competitor.
- Gifts — Acceptance of gifts, payments or services from those seeking to do business with Lockheed Martin. Consult CPS-008 for further guidance about acceptance of gifts.
- Outside business interests — Owning your own business or working for another business while employed by Lockheed Martin, using the same or similar professional skills or training used in the course of your employment.
- Multiple roles — Acting as an independent consultant to a Lockheed Martin customer or supplier, while employed by Lockheed Martin.
- Using assets for personal gain — Using our assets, intellectual property or proprietary information for personal gain.
- Subordinate employees — Having a close, personal relationship with a subordinate employee.
- Charitable endeavors — Using work time selling products to benefit charitable organizations or soliciting donations for such organizations.

- Government employees — Discussing employment with government employees, giving them gifts in violation of applicable laws or regulations or assigning off-limits roles to Lockheed Martin employees who are former government employees.

Policies

- CPS-008 Gifts, Gratuities, and Other Business Courtesies
- CPS-730 Compliance with the Anti-Corruption Laws
- CRX-011 International Consultants
- CRX-014 Individual Conflict of Interest
- CRX-251 Charitable Contributions

CONFLICT OF INTEREST - GOVERNMENT EMPLOYMENT

We Set the Standard

- We comply with all laws and regulations covering employing or acquiring the services of government employees.
- We avoid conflicts of interest in connection with employing or acquiring the services of current or former government employees. This includes current or former military personnel and other government employees.

Why We Do It

- Our continued success and ability to compete in the marketplace depend on ensuring that we do not hire or work with current or former government employees.

Continued on next page
**We Avoid Conflicts of Interest**

employees in a manner that creates a real or perceived conflict of interest.

These rules:

» Apply to contact or negotiations with current government employees to discuss their potential employment by the Corporation or their use as consultants or subcontractors

» May restrict the roles and responsibilities that former government employees may perform on our behalf after joining the Corporation

» Can be complex. Always consult Lockheed Martin policy and seek the advice of Human Resources or the Legal Department

**Why We Do It**

Early identification and timely communication of potential conflicts of this nature:

» Allows Lockheed Martin to continue to participate in new business opportunities

» Prevents disqualification and loss of business

» Builds customer trust

**What is an OCI?**

An OCI could occur if Lockheed Martin is unable or potentially unable to render impartial assistance, service or advice to a customer. The rules are intended to prevent both unfair competitive advantage and conflicting roles that might bias a company’s judgment.

**When do you have to disclose an OCI?**

Situations requiring disclosure are outlined in CRX-014.

**ORGANIZATIONAL CONFLICT OF INTEREST**

**We Set the Standard**

» We identify and avoid or mitigate organizational conflicts of interest (OCI) within Lockheed Martin.

» We abide by OCI restrictions.

**Policies**

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

» CRX-600 Organizational Conflict of Interest
We Maintain Accurate Business Records

We Set the Standard

When you prepare or submit business or financial records, they must be accurate. These include not only financial accounts, but also other records such as quality reports, time records, expense reports, résumés and submissions to the Corporation, the customer or regulatory authorities like the Securities and Exchange Commission.

You must not include proprietary or confidential information in any public disclosures without obtaining the proper prior approval. Public disclosures include reports or documents filed with the Securities and Exchange Commission, other regulatory authorities and other public communications made by the Corporation.

Why We Do It

We have an obligation to the public and our shareholders to make accurate public disclosures.

We are committed to operating in an environment of open communication while not compromising proprietary or confidential information.

If you prepare business or financial records or public communications on behalf of the Corporation, you must ensure that all information they contain is comprehensive, fair, timely, accurate and understandable. Public communications include external presentations. Refer to CPS-201 for further guidance.

If you have concerns about any aspect of our business or financial records or auditing matters, or you learn that others have such concerns, you should talk to your manager, the Finance organization, Internal Audit, the Legal Department or the Ethics Office.

Policies

- CPS-011 Internal Control
- 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 the Anti-Corruption Laws
- CRX-011 International Consultants
We Set the Standard

- Our training is designed to help employees learn to execute our values through examples based on real situations in our work environment.
- Ethics Awareness Training is required annually of all employees, consultants and the Board of Directors.
- Business Conduct Compliance Training educates employees about the specific compliance requirements and the target audience for each course is often role-specific.
- Audits are conducted for effective execution, and you are required to take your training by the specified due dates.

Why We Do It

- Training prepares us to recognize and react to situations requiring ethical decision making.
- Ethics Awareness Training allows us to talk about how ethics is part of the work we do.
- The courses improve our understanding of topics in this Code and teach us how to apply the training in practice.
- Training addresses the consequences of compliance violations for both Lockheed Martin and individual employees.
- Our courses help ensure that ethics is an integrated part of our business.

Policies

- CPS-001 Ethics and Business Conduct
We are Committed to Security

We Set the Standard

▷ We protect our people, operations and assets around the globe.
▷ We take action to mitigate threats to employee safety in our workplace.
▷ We properly safeguard all classified material and other information entrusted to us.
▷ We comply with and seek to exceed customer and national security policy requirements.
▷ We maintain dedicated counterintelligence and insider threat detection programs.
▷ We use a thorough and objective security investigative process.

Why We Do It

▷ Our commitment supports the security of our employees, customers and business partners.
▷ Security compliance benefits our Corporation, customers, national security and global stability.
▷ Adhering to security requirements supports contract performance.
▷ Our customers entrust us to deliver products and services without security compromises.

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 LM Security Procedures
We Have Zero Tolerance for Discrimination and Harassment

We Set the Standard
We do not tolerate harassment or discrimination of any kind, especially involving race, ethnicity, religion, color, sex, national origin, age, military veteran status, ancestry, sexual orientation, gender identity or expression, marital status, family structure, genetic information or mental or physical disability.

Why We Do It
Lockheed Martin’s goal is to maintain a professional work environment that is free from:

- Threats
- Violence
- Bullying
- Abusive or intimidating conduct
- Other similar behavior

Zero Tolerance
As a global enterprise, we recognize various countries where we operate may have different standards in the workplace. Our zero tolerance policy applies to all our employees, wherever they work.

Policies
- CPS-003 Nondiscrimination — Equal Employment Opportunity
- CPS-564 Harassment-Free Workplace
- CPS-734 Trafficking in Persons
- CRX-053 Workplace Security — Maintaining a Safe and Respectful Workplace Free from Threats and Violence
- CRX-515 Employee Resource Groups and Employee Networks
- CRX-537 Military Leave
We Maintain a Safe and Healthy Work Environment

We Set the Standard

You must:

- Comply with applicable environmental, safety and health laws, regulations, policies and procedures
- Observe all posted warnings and regulations
- Report immediately to the appropriate management any accident or injury sustained on the job, or any environmental, safety or health concern you may have

Why We Do It

- We are committed to providing a safe and healthy work environment and protecting human health and the environment.
- We observe environmental stewardship practices throughout the world because it is the responsible thing to do and is good for business.
- Sustainable business practices benefit people and the planet and provide economic benefit.

Policies

- CPS-015 Environment, Safety and Health (ESH)
- CRX-053 Workplace Security — Maintaining a Safe and Respectful Workplace Free from Threats and Violence
- CRX-525 Tobacco- and Smoke-Free Environment
- CRX-545 Drug-Free Workplace
We Maintain a Drug-Free Workplace

We Set the Standard

- We prohibit possession, use, sale, manufacture, transfer, trafficking in or being under the influence of illegal drugs, and abuse of legal drugs, in the workplace or when performing business on behalf of the Corporation.
- We prohibit being under the influence of alcohol in the workplace or when performing business on behalf of the Corporation.
- As a federal contractor, Lockheed Martin must maintain a drug-free workplace. State and local initiatives legalizing marijuana for medical or recreational purposes do not change this requirement.
- Our premises are tobacco-free and smoke-free.

Why We Do It

- Health and wellness initiatives directly relate to a productive work environment. We follow the Drug-Free Workplace Act of 1988 and equivalent acts in the other countries where we operate.
- Using an illegal substance can negatively impact your ability to perform safely, be productive and obtain or maintain a security clearance or continued employment.

Policies

- CRX-525 Tobacco- and Smoke-Free Environment
- CRX-545 Drug-Free Workplace
We Value Fair Competition

We Set the Standard
- Be fair in our dealings with customers, suppliers, competitors and employees.
- Make sure that all statements, communications and representations to prospective customers and suppliers are accurate and truthful.
- Perform all contracts in compliance with specifications, requirements and contract terms and conditions.
- Refuse offers of unauthorized contractor bid, proposal or source selection information.
- Never use, obtain, accept or receive any information to which Lockheed Martin is not clearly and legitimately entitled.

If you receive or release unauthorized information, or if you are uncertain as to the Corporation’s legal right to use the information, do not copy, distribute or use it. Seek guidance from the Legal Department or Ethics Office.

Why We Do It
- We value the integrity of the procurement process in bidding, negotiating and performing contracts.

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

- We have zero tolerance for corruption.
- If you perform work internationally, you are subject to the laws and regulations of the countries where we do business. You may find conflicts between the laws of the countries where we operate and the laws of the U.S. or our Corporation’s policy.
- Unless prohibited or penalized by U.S. law, you are responsible for complying with the national and local laws of the countries in which we operate.

Why We Do It

- Our high standards of ethical business conduct are a key component of our business strategy that enables us to build customer relationships and win programs around the world.
- Bribes, export and import violations and illegal boycotts damage the trust and transparency needed to transact business.
- Corruption creates unfair competition, increases cost and jeopardizes the quality and capability of our products and services.

- Non-compliance can result in potential debarment, incarceration and monetary penalties.
- Corruption destabilizes economies and damages the fabric of society.

Anti-Corruption

You must strictly comply with the anti-corruption laws that govern our operations in the countries where we do business. These laws include the U.S. Foreign Corrupt Practices Act (FCPA), the U.K. Bribery Act and similar laws in other countries.

What do these laws do?

- Prohibit direct or indirect bribery of U.S. and international government officials, political parties, party officials, or candidates for public office or employees of commercial organizations to obtain or retain business or an improper business advantage.
- Prohibit knowingly falsifying books and records or knowingly circumventing or failing to implement adequate internal accounting controls, which could facilitate or conceal bribery.

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We Conduct International Business with Integrity

Our policy prohibits offering or making improper payments of money or anything of value. The policy applies to anyone conducting business on behalf of Lockheed Martin. This includes Lockheed Martin directors, officers, employees, consultants, representatives, distributors, offset brokers, suppliers, wholly owned subsidiaries and other business partners.

Our policy specifically prohibits facilitating payments. Facilitating payments include payments made to expedite or secure performance of a routine governmental action like obtaining a visa or customs clearance.

Export/Import and Other Trade Restrictions

- We require strict compliance with all export and import laws and regulations that cover the transfer of certain technical data, equipment and technology between countries.
- You may not obligate Lockheed Martin to engage in trade in any country subject to trade restrictions imposed by the U.S. government.
- Before you negotiate or enter into an international transaction, consult with the International Trade Compliance Office, Legal Department or Ethics Office.

These restrictions can include sanctions or embargoes that prohibit Lockheed Martin from engaging in certain business activities in specified countries, and with specified individuals and entities. For example, U.S. law prohibits interaction with identified terrorist states and organizations.

International trade laws and regulations are complex. Be careful to avoid even inadvertent violations.

Antiboycott

- Do not engage in or support restrictive international trade practices or boycotts not sanctioned by the U.S. government.
- Do not enter into an agreement, provide any information or take any action that would cause Lockheed Martin to refuse to deal with potential or actual customers, suppliers or others in support of an illegal boycott.

All requests, whether written or oral, must be reported immediately to the Legal Department or Ethics Office.

Policies

- CPS-008 Gifts, Gratuities, and Other Business Courtesies
- CPS-021 Good Corporate Citizenship and Respect for Human Rights
- CPS-310 International Trade Controls and Compliance
- CPS-729 Compliance with United States Antiboycott Laws
- CPS-730 Compliance with the Anti-Corruption Laws
- CRX-011 International Consultants
- CRX-015 Protection of Sensitive Information

Contact your Legal Department or Ethics Office about conflicts with U.S. law or the specific laws and regulations that apply to your job.
We Do Not Engage in Insider Trading

We Set the Standard
We do not:

- Use or share material, nonpublic information for personal gain
- Pass along such information to someone without a need to know
- Trade Lockheed Martin’s, or any other company’s, securities while in possession of material nonpublic information

Why We Do It

- We believe in a fair and open market.
- We are obligated to comply with the securities laws and regulations of the United States and other countries.

What is material nonpublic information?
In the course of your employment, you may learn of material information related to Lockheed Martin or other companies, teammates, suppliers, vendors, subcontractors or others before the general public knows the information. Information, both positive and negative, is “material” if there is a substantial likelihood that a reasonable investor would consider it important in deciding whether to trade a security. Information is “nonpublic” until it is official, widely disseminated and has been assimilated by the general public.

What are securities?
Securities include stocks, stock options, bonds, notes, debentures, and put or call options. Your trades in the retirement savings plan are regulated just like stock transactions.

What is trading?
Trading includes any decision to buy or sell a security including within Lockheed Martin’s equity compensation and retirement benefit plan.

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

Contact the Legal Department or Ethics Office if you have a question as to whether something is “material nonpublic information.”
We Strictly Adhere to All Antitrust Laws

We Set the Standard

- Avoid engaging in or discussing any activities that may violate antitrust laws, or others that even have the appearance of antitrust, with competitors, suppliers or customers.
- Antitrust laws apply to our work activities and violations can result in civil and sometimes criminal penalties.
- If any such activities are proposed, discussed or implemented, contact the Legal Department or Ethics Office.

Why We Do It

- We value open and fair competition.
- We do not knowingly enter into business arrangements that eliminate or discourage competition or that give us an improper competitive advantage.

Actions that may violate antitrust laws 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 in ways that create less competitive outcomes for customers, including trying to block competitors and prevent market entry
- Bribery, kickbacks or stealing trade secrets
- Entering into agreements or understandings with competitors to divide the market in which they compete by allocating bids, contracts, territories or markets and/or restricting the production or sale of products or product lines
- Conditioning the sale of one product/service on the sale of another unwanted product/service
- Conditioning the sale or purchase of products/services on the requirement that the seller or purchaser not do business with competitors of the Corporation

Policies

- CPS-720 Compliance with the Antitrust Laws
We Properly Engage Third Parties

We Set the Standard

- We do not select or retain consultants, representatives or third parties to conduct business in a manner that is contrary to our policies or that would circumvent our values and principles. Actions we prohibit include:
  - Paying bribes or kickbacks
  - Engaging in industrial espionage
  - Obtaining the proprietary data of a third party without authority
  - Improperly gaining inside information or influence
  - Consultants, representatives and third parties must certify that they will comply with the Corporation’s requirements for doing business on its behalf

Why We Do It

- The decisions and actions of others who conduct business on our behalf impact our Corporation’s reputation.

In some cases, our customer agreement holds us accountable for actions on our behalf by third parties.

Policies

- CPS-113 Acquisition of Goods and Services
- CPS-716 Compliance with the Anti-Kickback Act of 1986
- CPS-730 Compliance with the Anti-Corruption Laws
- CPS-734 Trafficking in Persons
- CRX-010 Domestic Business Development Consultants
- CRX-011 International Consultants
- CRX-025 Teaming Agreements
- CRX-106 Managing Major Subcontracts
- CRX-126 Counterfeit Electronic Parts and Material

Seek advice from Consultant Services prior to engaging an international or domestic consultant.
We Respect the Political Process

We Set the Standard
We follow corporate policy and the law concerning the political process in all countries where we do business.

Why We Do It
▶ We uphold the spirit and letter of all laws relating to our participation in the political process.
▶ Laws governing political contributions, gifts and lobbying are complex. Even unintended violations can result in loss of business opportunities.

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 of Washington Operations or Lockheed Martin International for political activities outside of the United States.
▶ 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 employee work time.
▶ Local and state laws may limit corporate political contributions and activities.

Use Caution
Contact Washington Operations or Lockheed Martin International (for political activities outside of the United States) for any of the following issues:
▶ 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. You must follow all applicable rules and

Continued on next page
We Respect the Political Process

regulations, particularly avoiding violations — even unintentional — of corporate policy and federal rules concerning gifts and lobbying.

- U.S. Congressional and Executive Branch — It is important that Lockheed Martin presents a single, consistent business message to our Washington, D.C.-based customer community. Washington Operations 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 — Washington Operations must authorize any interaction with state and local government officials on behalf of Lockheed Martin.

- Non-U.S. Governments — You must know and follow corporate policies and procedures before contacting any member or employee of a non-U.S. entity.

- 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

Policies

- CPS-004 Political Activity
- CPS-008 Gifts, Gratuities, and Other Business Courtesies
- CPS-045 Washington Operations
- CPS-730 Compliance with the Anti-Corruption Laws
- CRX-251 Charitable Contributions
- CRX-453 Doing Business Overseas
WARNING SIGNS
Ask Yourself...

- Is this really the only solution?
- Are these actions legal?
- How will it look to our customer or supplier?
- Is it okay if everyone does it?
- Is it fair and honest?
- Is it okay if I don’t gain personally?

- Do I need to ask more questions for a clearer picture?
- Why is this bothering me?
- Have we considered all the risks?
- Is this sounding too good to be true?
- Is it okay if my family or friends knew what we were doing?
- Does it comply with Lockheed Martin values?

- Can I live with this decision?
- Do I have valid data that may lead to a different decision?
Receipt and Acknowledgement

You must acknowledge that you have read and will abide by Setting the Standard, the Lockheed Martin Code of Ethics and Business Conduct (the Code). You will also be acknowledging that you 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.

- If you are acknowledging your completion on our internal website, acknowledge online in MyLearning at https://mylearning.external.lmco.com/irj/portal/z_nglms/learner/pages/lrnDeepLink?action=2&p1=076169SSM14. Enter the date you completed and click on the “Take Credit” box.

- If you are accessing this externally, you may also use the link above but will need to log in using the “Lockheed Martin Internal” option with your credentials to access MyLearning. Review your “Courses Due” section.

Complete the form below only if you DO NOT have access to MyLearning:

I acknowledge that I have received my personal copy of Setting the Standard, the Lockheed Martin Code of Ethics and Business Conduct. I understand that my acknowledgment indicates I have read and will abide by the Code. 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: _______________________ Company: _______________________________
Date: ________________________________ Location: ________________________________

Contact Human Resources or the Ethics Office for instructions on submitting this form.