

Lockheed Martin UK Holdings Limited (LMUK) is a wholly owned subsidiary of Lockheed Martin Corporation headquartered in Bethesda, Maryland, US. This statement is applicable to the following LMUK companies:

- Lockheed Martin UK Limited
- Lockheed Martin UK Ampthill Limited
- Lockheed Martin UK Strategic Systems Limited
- Lockheed Martin Helicopter Company Limited

While this statement is applicable to the above companies incorporated in the UK, it should be noted that Lockheed Martin Corporation, LMUK's parent company, has corporate anti-trafficking policies, a summary statement in relation to which can be found on the Lockheed Martin Corporation web site and it and its subsidiaries including those that may have some business connections with the UK are required to comply with those policies.

Section 54 of the Modern Slavery Act 2015 requires commercial organisations to disclose their policies and other information in relation to slavery and human trafficking, and the steps the organisations have taken during the preceding financial year<sup>1</sup> to ensure that slavery and human trafficking are not taking place within the business and its supply chains. LMUK is committed to ensuring that its employees and suppliers take appropriate steps to mitigate the risk of human trafficking and slavery from occurring in any aspect of its business and supply chain. The following information is provided in compliance with the foregoing statute.

LMUK operates primarily in the UK employing approximately 1600 staff, it works regularly with circa 750 suppliers of which 90% (by value) of its subcontracted products and services are sourced from UK suppliers, of the 10% of products and services sourced from international partners the vast majority come from nations considered low risk of violating modern day slavery legislation namely North American and European sources. The market place LMUK operates in is such that the majori / N

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<sup>1</sup> For the purposes of this Modern Slavery Act 2015 statement except where referring to future intent this statement reflects

LMUK verifies supply chains through several methods, including site evaluations, inspections, verification of qualifications and certifications, as well as those of government debarments and denied parties lists, among others. LMUK requires as a condition of contract that all suppliers agree to comply with all applicable laws and regulations.

LMUK has policies and practices to manage the risk of modern day slavery, these measures include:

- 1) Acquisition procedures that introduce a formal risk management approach, which categorises each supplier as low, moderate or enhanced. It further introduces enhanced due-diligence for moderate or enhanced risk suppliers including requiring details of approaches and techniques applicable to lower tier suppliers.
- 2) LMUK require that all bidders into new procurements confirm that they take measures to mitigate any potential for modern day slavery to occur and for any moderate or enhanced risk details of the policies and procedures followed by suppliers with their internal teams and with their suppliers.
- 3) LMUK now make it a formal condition of contract that all vendors awarded contracts have confirmed that they are cognisant of and take suitable measures to prevent modern day slavery occurring.
- 4) LMUK trains all LMUK staff on modern day slavery. The latest training also blends in awareness of other nations' requirements such as the US Trafficking in Persons Legislation.
- 5) Recruitment and engagement of staff and contractors has been reviewed to ensure that all modern day slavery related HR policies can be mapped to LMUK processes and procedures.

Whilst not publicly available all internal policies can be made available for review by HMG / MoD departments upon request, provided reasonable notice is given.

In addition, LMUK maintains an ethics helpline at (US) 1-800-LM-ETHIC (when calling from outside the U.S., first dial the origin country's exit code). Anyone who observes conduct contrary to the principles set forth in Lockheed Martin's **Code of Conduct** *Setting the Standard* may call the Ethics helpline number that is included in all supply contracts. LMUK promptly investigates all reported matters and takes action as needed, including disclosure to governmental authorities as appropriate. LMUK staff can also raise any concerns or report any issues to ethics and legal staff based in the UK.

LMUK requires as a condition of contract that all suppliers comoth42(-)-186(al)1 0 0q0.i/F1 11.04 Tf1 0 0 1 141.00912 0

## Human Trafficking

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

## Child Labor

LMUK expects its suppliers to ensure that child labor is not used in the performance of work. The term "child" refers to any person under the minimum legal age for employment where the work is performed.

LMUK maintains internal accountability standards and procedures for employees or contractors failing to meet its standards regarding slavery and trafficking. LMUK has implemented several internal policies addressing this requirement; an example is Corporate Policy Statement, **Good Corporate Citizenship and Respect for Human Rights** which states that LMUK

LMUK periodically reviews, reassesses, and evaluates its modern day slavery compliance measures, not only to ensure compliance with the law but also to ensure that it fulfils its core values, namely, "Do the Right Thing," "Respect Others," and "Perform with Excellence." LMUK actively reviews the Modern Slavery Act 2015 declarations of its suppliers and industry peers and considers any best practice that it can adopt to enhance its own developing policies and procedures.

For and on behalf of LMUK Holdings Ltd and its subsidiaries

Chief Executive, Lockheed Martin UK