



Setting the Standard

Code of Ethics and Business Conduct

Updated September 2011

Published by the Office of Ethics and Business Conduct

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, Australian English, Canadian English, Chinese (Simplified and Traditional), English for the United Kingdom, French, German, Greek, Hebrew, Italian, Japanese, Korean, Portuguese, Spanish, and Turkish.

The most current version of this document is available on-line via the Lockheed Martin Corporation internal network and on the World Wide Web: <http://www.lockheedmartin.com>

The Corporate Policy Statements (CPSs) and Corporate Legal Procedures (LEGs) identified in this Code are included only as reference for Lockheed Martin employees and are subject to change or elimination at the discretion of the Lockheed Martin Corporation. Any such change or elimination will not change this Code. The current versions of all corporate policies and procedures are available to employees on the Lockheed Martin intranet, and as applicable, the International Shared Network.



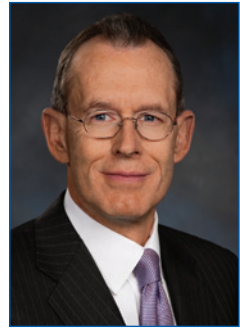
Setting the Standard

Code of Ethics and Business Conduct

Updated September 2011

Dear Colleague:

I am honored and proud to work for a company that contributes so much to our communities, our industry, and freedom around the world. Our continued success as a Corporation depends upon delivering innovative solutions to our customers while maintaining our commitment to integrity — in everything we do.



All of us have a shared responsibility to maintain the highest standard of integrity to ensure that we sustain a place where we are proud to work. If you are faced with an ethical dilemma, you have a responsibility to speak up and seek resolution. We all must be accountable for acting with integrity and upholding the values of the Corporation. *Setting the Standard*, our Code of Ethics and Business Conduct, provides guidance on our expectations for all employees, contract labor, agents, consultants, members of the Board of Directors, and others when representing or acting for the Corporation. Our Code spells out the values we live by and the standards we set. You should read and refer to it often as I do.

Of course, this booklet will not have all the answers to every question that may arise. In those situations where the answer isn't obvious, there are various resources available to provide guidance on doing the right thing. If you observe a violation or potential violation of this Code or if you have a question, talk to your manager, human resources, legal, security, internal audit, the energy, environment, safety and health organization, or the ethics office.

Thank you for your help in Setting the Standard for ethics and integrity.

A handwritten signature in black ink, appearing to read "Robert J. Stevens". The signature is stylized with a large, sweeping horizontal stroke across the top and a vertical line extending downwards from the center.

Robert J. Stevens
Chairman and Chief Executive Officer

September 2011

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A Culture of Integrity

Lockheed Martin is committed to dealing honestly and fairly with our employees, customers, suppliers, shareholders and the communities in which we live and work. Our success depends on maintaining a culture of integrity.

Our Vision and Our Values

Lockheed Martin holds each director, executive, leader, employee and agent accountable for upholding our Vision, our Values and our Code. In so doing, we ensure that Lockheed Martin's business will be conducted consistently with the high ethical standards that we demand from each other, and that others have the right to demand from us.



Our Vision:

Powered By Innovation, Guided By Integrity, We Help Our Customers Achieve Their Most Challenging Goals.

Our Values:

Do What's Right

Respect Others

Perform With Excellence

Report Violations of This Code

You have many different channels to report violations or potential violations of this Code, including your manager, Human Resources, Legal, Security, Internal Audit, the Energy, Environment, Safety and Health organization, and Ethics, as appropriate.

If you have any reason to believe that a violation of the Code or a contract provision has occurred, or you are asked to violate the Code or a contract provision, don't remain silent. You should take action. Report such violations, or suspected violations; depending on the circumstances, failure to report may itself violate this Code. Remember that no unethical or illegal acts can be justified by saying that they benefited the Corporation, or that they were directed by a higher authority in the organization.

In addition to reporting violations, you are encouraged to contact the Office of Ethics and Business Conduct to discuss any ethics question or concern. When faced with an ethical dilemma, it is always better to obtain guidance before acting.

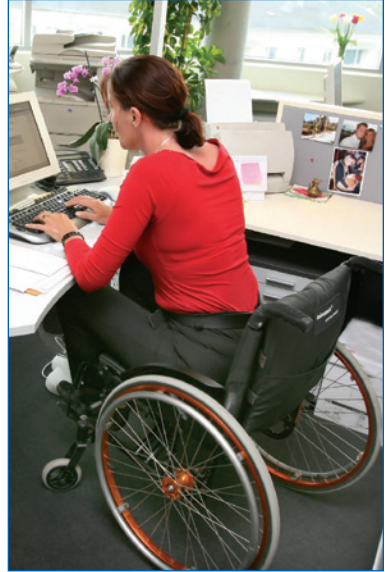
You may contact the Corporate Office of Ethics and Business Conduct for information on how to contact your local Ethics Officer, or to report a concern or seek guidance. The following are some of the confidential ways in which you can communicate with the Office of Ethics and Business Conduct (Note: Caller ID is not used on Ethics HelpLine phone numbers):

Call:	800-LM ETHIC (800-563-8442) International: Dial the code for the United States and 800-563-8442 For the Hearing or Speech Impaired: 800-441-7457
Write:	Office of Ethics and Business Conduct Lockheed Martin Corporation 6801 Rockledge Drive Bethesda, MD 20817
Fax:	U.S. Access Code (if required) + 301-897-6442
E-Mail:	corporate.ethics@lmco.com
Ask Us:	http://ethics.corp.lmco.com/ethics/AskUs/index.cfm

Contacting Your Ethics Officer or the Office of Ethics and Business Conduct

What can you expect when you contact the Ethics Office?

- Your concern will be treated seriously and fairly.
- You will be treated with dignity and respect.
- You need not identify yourself.
- Whether you identify yourself or not, your communication will be kept confidential to the greatest extent possible.
- If your concerns are not resolved at the time you call, you will be informed of the outcome. If you have reported anonymously, you can call the Ethics HelpLine to learn the outcome of the case.
- Due to privacy considerations, you likely will not be informed of the details of any discipline that may result from an investigation into your concerns.
- The Corporation takes its obligations very seriously and will take appropriate action in response to violations of this Code, even if these actions are not always visible to you.



Remember, there is never a penalty for contacting the Ethics Office in good faith. People in a position of authority cannot stop you; if they try, they are subject to disciplinary action up to and including dismissal. ***Lockheed Martin will not tolerate retaliation against employees who raise concerns to any source in good faith.*** For more information, please see “How the Ethics Process Works at Lockheed Martin,” which is available at the following internet link or will be mailed to you upon request:

http://www.lockheedmartin.com/aboutus/ethics/ethics_program.html

Be Accountable for Upholding the Code

Our Code applies to all Lockheed Martin employees, members of the Board of Directors, agents, consultants, contract labor, or others, when they are representing or acting for the Corporation.*

You are responsible for adherence to the standards of conduct set forth in this Code and for raising questions if you are concerned that these standards are not being met. Violations of the Code are cause for corrective action, which may result in disciplinary action up to and including discharge.

You should speak up and seek resolution regarding issues that arise in your work environment. At times, simply asking questions, gathering additional information, reframing the issue or talking to subject matter experts can prevent a violation of the Code.

Lockheed Martin leaders must be particularly careful with their words and conduct to avoid placing, or seeming to place, pressure on subordinates that could cause them to perform in a way that is contrary to the ethical standards set forth in this Code and company policies. If someone approaches you with



a question or concern relating to the Code, listen carefully and ask for clarification and additional information to ensure that you fully understand the question or concern. Answer any question that you can, but do seek help if you need it before responding. You are not required to provide an immediate response, but should always acknowledge the inquiry and get back to them as soon as possible. If the concern raised requires that an investigation be conducted to determine compliance with the Code, refer it to the appropriate resource identified in the section titled, “Report Violations of this Code.”

* 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.

Comply With Laws and Regulations

Our Value

Lockheed Martin is committed to doing the right thing and remembering who we work for. For this reason, we believe that it is important to comply with both the letter and the spirit of the laws and regulations that govern our business.

Setting the Standard

You are expected to perform all of your duties on behalf of Lockheed Martin in compliance with all laws, regulations and company policies and procedures. This is a minimum expectation. The Legal Department and the Ethics Office are always available to help you understand the laws and regulations that apply to your job. It should be understood, however, that upholding our Values and this Code may require more than mere compliance with laws and regulations.

If you perform work internationally you are also subject to the laws and regulations of the countries in which we do business. You may find that there is a conflict between the laws of the countries in which we operate and the laws of the United States or company policy. In those situations, you must consult with the Legal Department or the Ethics Office to receive direction on how to handle the conflict.



References

Lockheed Martin employees should consult the following Corporate Policy Statement (CPS) for further information about this topic:

CPS-001 Ethics and Business Conduct

Citizenship and Human Rights

Our Value

Lockheed Martin is committed to good citizenship, which we believe includes the protection and advancement of human rights. Being a good citizen ensures the long-term sustainability and competitiveness of our business, and is a reasonable expectation of our employees, customers, and shareholders. We will operate with integrity in all of our business dealings.

Setting the Standard

You are responsible for upholding Lockheed Martin's long-standing commitment to good citizenship. This means that you will understand and uphold the provisions of this Code, and all applicable policy statements. In particular, you will treat people with respect and dignity, encourage diversity and diverse opinions, promote equal opportunity for all, and help create an inclusive and ethical culture. You will seek to maintain a safe working environment, minimize the environmental impact of our operations, maximize the efficiencies of our products, and reduce wastes, emissions, energy consumption and the use of materials of concern. You will not use child labor or forced labor, discriminate against others in the workplace, or engage in corrupt practices.

References

Lockheed Martin employees should consult the following Corporate Policy Statements (CPSs) for further information about this topic:

- CPS-021 Good Corporate Citizenship and Respect for Human Rights
- 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-204 Contributions
- CPS-504 Compensation
- CPS-564 Harassment-Free Workplace
- CPS-565 Workplace Security – Maintaining a Safe and Respectful Workplace Free from Threats and Violence
- CPS-734 Trafficking in Persons

Zero Tolerance for Discrimination and Harassment

Our Value

Lockheed Martin is committed to providing a safe and respectful work environment free from threats, violence, harassment and discrimination. Respecting others and performing with excellence create opportunities to achieve success in our workplace.

Setting the Standard

You are expected to treat all Lockheed Martin employees, suppliers, and customers with dignity and respect. Lockheed Martin's goal is to maintain a professional work environment that is free from threats and acts of violence, bullying, abusive or intimidating conduct or other similar behavior.

Lockheed Martin does not tolerate harassment or discrimination of any kind – especially involving race, ethnicity, religion, color, sex, national origin, age, U.S. military veteran's status, ancestry, sexual orientation, gender identity or expression, marital status, family structure, genetic information, or mental or physical disability.

As a global enterprise, we recognize that the various countries in which we do business may have different legal provisions pertaining to discrimination and harassment in the workplace. Nonetheless, Lockheed Martin has set a standard of zero tolerance for discrimination and harassment that applies to all of its employees, wherever they work.

If you are a Lockheed Martin leader, you have a special responsibility for promoting a positive, diverse, and inclusive work environment where everyone may raise issues or concerns without fear of retaliation.

References

Lockheed Martin employees should consult the following Corporate Policy Statements (CPSs) for further information about this topic:

- CPS-003 Nondiscrimination – Equal Employment Opportunity
- CPS-564 Harassment-Free Workplace
- CPS-565 Workplace Security – Maintaining a Safe and Respectful Workplace Free from Threats and Violence
- CPS-734 Trafficking in Persons
- CPS-515 Employee Affinity Groups
- CPS-537 Military Duty

Maintain a Safe and Healthy Work Environment

Our Value

Lockheed Martin is committed to providing a drug-free, tobacco-free, safe and healthy work environment. Lockheed Martin observes environmentally sound business practices throughout the world because preservation of natural resources is the right thing to do.



Setting the Standard

You are responsible for complying with 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.

You may not be under the influence of alcohol or illegal drugs, or abuse legal drugs, in the workplace at any time. Lockheed Martin also has a tobacco- and smoke-free environment. You may not smoke, use or sell tobacco products on Lockheed Martin premises.

References

Lockheed Martin employees should consult the following Corporate Policy Statements (CPSs) for further information about this topic:

- CPS-015 Environment, Safety and Health (ESH)
- CPS-545 Drug-Free Workplace
- CPS-565 Workplace Security – Maintaining a Safe and Respectful Workplace Free from Threats and Violence
- CPS-525 Tobacco- and Smoke-Free Environment
- CPS-547 Fitness Center Reimbursement Program

Accurately Charge Labor and Other Costs

Our Value

Lockheed Martin customers place special trust and confidence in us when they award us work. We must honor this special trust by ensuring the integrity of our accounting and company records.

Setting the Standard

You and your supervisor (or manager) are responsible for understanding and complying with the labor recording policies and procedures at your location. You are also responsible for properly accounting for labor, travel, material and other costs, and ensuring that they are accurately recorded and charged to the company's records. These costs include, but are not limited to, normal contract work, work related to independent research and development, and bid and proposal activities.



Knowingly mischarging the time that you work or falsifying your time keeping violates company policy and the law. No employee shall knowingly charge an incorrect account or cost objective, or knowingly approve such mischarging. Shifting costs to improper accounts also is prohibited.

Transactions between the Corporation and outside individuals and organizations must be promptly and accurately entered in our books in accordance with generally accepted accounting practices and principles in the United States, and in the countries in which we do business. Under no circumstances should you misrepresent facts or falsify records.

References

Lockheed Martin employees should consult the following Corporate Policy Statements (CPSs) for further information about this topic:

- CPS-011 Internal Control
- CPS-417 Business Travel
- CPS-114 Commercial Cards
- CPS-441 Cost Estimating/Pricing

Maintain Accurate Business Records

Our Value

Lockheed Martin's reputation and credibility depend on all of us maintaining accurate business records. 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 and confidential information.

Setting the Standard

You must ensure the accuracy of any business or financial records for which you are responsible. These include not only financial accounts, but other records such as quality reports, time records, expense reports, resumés and submissions to the company, the customer or regulatory authorities like the Securities and Exchange Commission.

If you are responsible for the preparation of any business or financial records on behalf of the Corporation, or for making public communications, you must ensure that all information contained in such records or communications is full, fair, timely, accurate, and understandable.

You should not include any 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.

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.

References

Lockheed Martin employees should consult the following Corporate Policy Statements (CPSs) for further information about this topic:

- 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

Responding to Investigations and Legal Action

Our Value

Lockheed Martin values the trust placed in our Corporation. We face a significant risk of damaging that trust and our reputation when we are involved in an investigation or litigation. We must pay particular attention to conducting our business and ourselves according to the highest standards of business ethics.

Setting the Standard

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, Lockheed Martin shall cooperate with government agencies responsible for investigating suspected violations of law. If requested by Lockheed Martin, you also are required to cooperate with investigations conducted by the government. You must notify the Ethics Office or the Legal Department immediately if you learn that a government agency or any third party is conducting such an investigation or asking for information pertaining to a suspected violation of law. The Ethics Office or Legal Department will help you to review information before it is released to the investigative organization.

References

Lockheed Martin employees should consult the following Corporate Policy Statements (CPSs) and Corporate Legal Procedure (LEG) for further information about this topic:

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

Strictly Adhere to All Antitrust Laws

Our Value

Lockheed Martin values open and fair competition. We want to win, but only with integrity. We do not knowingly enter into business arrangements that eliminate or discourage competition or that provide us an improper competitive advantage, as such arrangements undermine the free marketplace on which our business depends.

Setting the Standard

You are expected to know that antitrust laws may apply to your activities and to consult with the Legal Department as necessary. You should be aware that any of the following may violate antitrust laws:

- 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 try 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 territories or markets, and/or limiting the production or sale of products or product lines;
- Conditioning the sale of one product/service on the sale of another unwanted product/service; and/or
- Conditioning the sale or purchase of products/services on the requirement that the seller or purchaser not do business with competitors of the Corporation.

You must avoid engaging in or discussing any of the above activities with competitors, suppliers, or customers, and must report any instances in which such activities are proposed or discussed to the Ethics Office or the Legal Department.

References

Lockheed Martin employees should consult the following Corporate Policy Statement (CPS) for further information about this topic:

CPS-720 Compliance with the Antitrust Laws

Do Business Ethically Outside the United States

Our Value

Lockheed Martin's commitment to the highest standards of ethical conduct applies globally. Bribery, violations of export and import laws, and participation in illegal boycotts erode confidence in the marketplace, undermine democracy, distort economic and social development, and hurt everyone who depends on trust and transparency in the transaction of business.

Setting the Standard

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. In the case of a conflict with U.S. law, you must obtain direction from the Legal Department or the Ethics Office, which will consult with the Legal Department.

In particular, you must pay special attention to the following laws:

Anti-corruption:

You must strictly comply with the anti-corruption laws that govern our operations in the countries in which we do business. Such laws include the U.S. Foreign Corrupt Practices Act (FCPA), the U.K. Bribery Act, and similar laws enacted by other countries. Together, these laws prohibit bribery, directly or indirectly, of foreign government officials, political parties, party officials, or candidates for public office, to obtain or retain business or an improper business advantage. They also prohibit knowingly falsifying a company's books and records or knowingly circumventing or failing to implement adequate internal accounting controls, which could facilitate or conceal bribery.

Lockheed Martin policy prohibits anyone conducting business on behalf of Lockheed Martin, including Lockheed Martin directors, officers, employees, consultants, representatives, distributors, offset brokers, suppliers, and other business partners, from offering or making any improper payments of money or anything of value to government officials, political parties, or candidates for public office. Our policy specifically prohibits facilitating payments (improper payments made to expedite or secure performance of a routine governmental action like obtaining a visa or customs clearance), but allows personal safety payments where there is an imminent threat to health or safety.

Export/Import and Other Trade Restrictions:

You are required to strictly comply with all export and import laws and regulations which govern the transfer between countries of certain technical data, equipment and technology. The export licensing and controls that govern such transfers, as well as the rules pertaining to the import of goods and services, are complex. You must be careful to avoid even inadvertent violations.

In addition, you may not obligate Lockheed Martin to engage in trade in any country subject to trade restrictions imposed by the U.S. government. Such 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.

To ensure compliance with these laws, sanctions and embargoes, you are responsible for consulting with company experts in the International Trade Controls and Compliance Organization, the Ethics Office or the Legal Department before negotiating or entering into any foreign transaction.

Antiboycott:

You may 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, or otherwise to engage in or support restrictive international trade practices or boycotts not sanctioned by the U.S. government. All requests to engage in any such activity, whether written or oral, must be reported immediately to the Legal Department or the Ethics Office, which will consult with the Legal Department.

References

Lockheed Martin employees should consult the following Corporate Policy Statements (CPSs) and Corporate Legal Procedure (LEG) for further information about this topic:

- CPS-310 International Trade Controls and Compliance
- CPS-704 International Consultants
- CPS-729 Compliance with United States Antiboycott Laws
- CPS-730 Compliance with the Anti-Corruption Laws
- LEG-015 Protection of Sensitive Information

Political Contributions and Activities, Including Lobbying

Our Value

Lockheed Martin respects the integrity of the political process. Lockheed Martin values its reputation and is committed to upholding the spirit and letter of all laws relating to its participation in the political process.

Setting the Standard

Many countries, including the United States, prohibit Lockheed Martin from donating corporate funds, goods, or services, directly or indirectly, to political candidates. This includes employees' work time. Local and state laws also govern Lockheed Martin's political contributions and activities. Because the laws in this area are complex, you must obtain the written approval of the Legal Department or the Ethics Office, which will consult with the Legal Department, before using any Lockheed Martin funds, assets, or facilities for the benefit of political parties or candidates anywhere in the world.



You are encouraged to participate personally in civic affairs and the political process and to support the political parties and candidates of your choice. Your involvement and participation in the political process must be on an individual basis, on your own time, and at your own expense. You must be aware of, and avoid, conflicts of interest that can arise if you campaign for or hold public office or serve on commissions or advisory groups. If you plan to seek or accept a public office, you must consult with the Legal Department.

You must be aware of and follow corporate guidelines before contacting U.S. Congressional members and covered Executive Branch officials. Lobbying, both direct and indirect, is highly scrutinized and must be performed in accordance with all applicable rules and regulations. Always consult with the Legal Department before you act to avoid unintentional violations of corporate policy and federal rules concerning gifts and lobbying.

You must also know and follow corporate policies and procedures before contacting any member or employee of a non-U.S. government.

It is important that Lockheed Martin present a single, consistent business message to our Washington, DC-based customer community. You must coordinate with Washington Operations before interacting with U.S. Congressional and Executive Branch employees and staff.

You may elect to participate in the Lockheed Martin Employees Political Action Committee (LMEPAC). LMEPAC supports Congressional and state political candidates who support national defense, technology, and business issues important to Lockheed Martin. LMEPAC also supports candidates who represent districts and states with Lockheed Martin employees and facilities.

References

Lockheed Martin employees should consult the following Corporate Policy Statements (CPSs) for further information about this topic:

- CPS-004 Political Activity
- CPS-005 Doing Business Overseas
- CPS-045 Washington Operations

Compete Fairly for All Business Opportunities

Our Value

Lockheed Martin's continued long-term success depends on our upholding the integrity of the procurement process in bidding, negotiating and performing contracts for local, state, national and international customers. We compete fairly and ethically for all business opportunities.

Setting the Standard

You are responsible for dealing fairly with the company's customers, suppliers, competitors and employees. If you are involved in proposals, bid preparations, or contract negotiations, you must be certain that all statements, communications, and representations to prospective customers and suppliers are accurate and truthful. Once awarded, all contracts must be performed in compliance with specifications, requirements, and contract terms and conditions.

You must refuse any offers to provide Lockheed Martin with any unauthorized contractor bid and proposal information or source selection information and immediately report the offer to the Legal Department or the Ethics Office. You may not use, obtain, accept or receive any information to which Lockheed Martin is not clearly and legitimately entitled. If you ever have reason to believe that the release or receipt of any information is unauthorized, or you are uncertain as to Lockheed Martin's legal right to use the information, do not copy, distribute or use it until you have obtained guidance from the Legal Department, or the Ethics Office, which will consult with the Legal Department.

References

Lockheed Martin employees should consult the following Corporate Policy Statement (CPS) and Corporate Legal Procedures (LEGs) for further information about this topic:

- CPS-009 New Business Opportunity Management
- LEG-013 Government and Competitor Information
- LEG-015 Protection of Sensitive Information

Provide and Accept Appropriate Business Courtesies

Our Value

Lockheed Martin competes on the merits of its products and services and does not use the exchange of business courtesies to gain an unfair competitive advantage. When people exchange business courtesies it can create the perception that favors were granted in order to influence business judgment.

Setting the Standard

Lockheed Martin employees are responsible for ensuring that the offering or receipt of any gift or business courtesy is permitted by law and regulation; does not violate the rules and standards of the recipient's organization; is consistent with reasonable marketplace customs; and will not adversely impact the reputation of, or embarrass, Lockheed Martin.

Questions and Exceptions:

If you have any questions about whether an offer or acceptance of a business courtesy is in compliance with the rules, regulations, and Lockheed Martin policy, you must obtain guidance in advance from the Ethics Office, which will consult with the Legal Department as applicable. You may only offer, give or accept a business courtesy that is not expressly permitted by this Code or Lockheed Martin policy if you obtain written approval in advance from the Ethics Office.

Definition of Business Courtesy:

Lockheed Martin defines the term business courtesy broadly to mean a gift, gratuity, favor, benefit, loan, commission, discount, forbearance, or other intangible or tangible item having monetary value for which fair market value is not paid by the recipient. Such courtesies include, but are not limited to: cash and cash equivalents (checks, bonds, stocks, certificates of deposit, other convertible coupons, or gift cards/certificates); discounts; door prizes and raffles; entertainment and recreation (tickets, passes, fees, etc.); free or reduced cost admittance to a business-related event (conference, briefing, seminar, training, Lockheed Martin authorized participation in an advisory board or committee meeting, or other business event); honoraria; lodging; meals and drinks; models; promotional items; services; transportation; or use of a donor's time, material, equipment or facilities.

1. *Offering or Providing Business Courtesies to Government Officials or Representatives:*

The rules and regulations that apply to the offering of business courtesies to government employees, officials, and representatives of the U.S. and foreign governments are complex. You must comply strictly with these laws and regulations and you must never offer or accept a business courtesy if doing so violates a law or regulation, will cause embarrassment for the Corporation, or will reflect negatively on the Corporation's reputation. The following subsections address the offering or providing of business courtesies in certain specific situations:

A. U.S. Federal, State and Local Governments

Employees of U.S. federal, state and local governments are subject to laws and regulations concerning acceptance of business courtesies from firms and persons with whom the government does business or over whom it has regulatory authority.

a) Federal Executive Branch Employees

You may not offer or give anything of value to federal Executive Branch employees, except as follows:

- Lockheed Martin advertising or promotional items of little intrinsic value (generally \$20.00 or less per occasion) such as a coffee mug, calendar, or similar item displaying the company logo;
- Modest refreshments such as soft drinks, coffee, and donuts on an occasional basis in connection with business activities; or
- Business courtesies, other than transportation, having an aggregate value of \$20.00 or less per occasion.

When combined, the value of the business courtesies may not exceed \$50.00 in a calendar year. Although it is the responsibility of the government employee to track and monitor these thresholds, you must not knowingly provide business courtesies exceeding the \$20.00 individual or \$50.00 annual limit.

b) Federal Legislative and Judiciary Branches, and State and Local Government Employees

Employees of the federal Legislative and Judiciary Branches and employees of state and local government departments or agencies are subject to a wide variety of laws and regulations.

With few exceptions, you may not provide business courtesies to Senate or House of Representatives members, officers or staffs. Generally, you also may not provide business courtesies to members of the Judiciary Branch.

It may be permissible to provide business courtesies of reasonable market value to employees of state or local government in support of business activities, provided such practice does not violate any law or regulation or the standards of conduct of the recipient's organization. It is your responsibility to know the prohibitions or limitations of the recipient's organization before offering any business courtesy.

B. Foreign Governments

The U.S. Foreign Corrupt Practices Act (FCPA), the U.K. Bribery Act, and the anti-corruption laws of other countries in which we do business may restrict the Corporation from offering or giving business courtesies to any foreign official, any foreign political party or official of a foreign political party, or any candidate for foreign political office. Officials or employees of companies owned or controlled by a foreign government are considered "foreign officials" under the FCPA.

The company policy on Compliance with the Anti-Corruption Laws contains Hospitality Rules for Foreign Officials and Hospitality Guidelines that outline those business courtesies that are acceptable to offer and give in particular countries in which we do business. This Lockheed Martin policy and the Hospitality Rules for Foreign Officials and Hospitality Guidelines apply to all Lockheed Martin employees around the world, including employees of wholly owned subsidiaries, and others doing business on behalf of Lockheed Martin.

If you seek to offer or give a business courtesy that is not expressly permitted by the Hospitality Guidelines and Hospitality Rules, you must obtain prior approval from the Legal Department or the Ethics Office, which will consult with the Legal Department.



2. *Offering or Providing Business Courtesies to Non-Government Persons*

You may provide business courtesies of reasonable value to non-government persons in support of business activities, provided:

- The practice is not for any improper purpose and does not violate any law or regulation or the standards of conduct of the recipient's organization;
- The business courtesy is reasonable, customary, appropriate for the occasion, and infrequent;
- No cash or cash equivalents, a loan, guarantee of loan, compensation, or honoraria are provided; and
- The business courtesy is under a fair market value of \$100.00.

Local transportation and reimbursement for local transportation may be provided to non-government persons if allowed by the recipient's organization and the expenses are reasonable under the circumstances.

3. *Acceptance of Business Courtesies by Lockheed Martin Employees*

Lockheed Martin employees who are involved in a procurement or financial role (extends to employees who work with or evaluate vendors, suppliers, etc.) with a particular business relation may not accept any business courtesy from that business relation with the exception of promotional items with a fair market value under \$20.00.

It is permissible for employees outside a procurement or financial role with a particular business relation to accept unsolicited business courtesies from that business relation, provided the business courtesy is:

- Extended to a general audience (e.g., all conference attendees, all veterans);
- Infrequent and presented openly and transparently;
- Avoiding the intent and appearance of impropriety;
- Not in the form of cash, cash equivalents, a loan, a guarantee of loan, compensation or honoraria;
- Not in the form of expense-paid travel (transportation, lodging, or subsistence meals); and
- Under a fair market value of \$100.00.

Solicitation of business courtesies is always prohibited. If you have any questions about the propriety of accepting a business courtesy, contact the Ethics Office for guidance. It is your personal responsibility to ensure that your acceptance of a business courtesy does not create the perception that favors were granted to secure favorable treatment.

References

Lockheed Martin employees should consult the following Corporate Policy Statements (CPSs) for further information about this topic:

- CPS-008 Gifts, Gratuities, and Other Business Courtesies
- CPS-730 Compliance with the Anti-Corruption Laws

Avoid Personal and Organizational Conflicts of Interest

Our Value

Lockheed Martin is committed to upholding the highest standards of ethical business conduct and expects the same of its employees, agents and Board of Directors. We all have a responsibility to our shareholders to act in the best interests of the Corporation.

Setting the Standard

Definition of 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 that you exercise on behalf of Lockheed Martin, influence your actions, or lead you to neglect Lockheed Martin business interests.

Personal Conflict of Interest Guidelines:

You are responsible as a Lockheed Martin employee to act in a fair and impartial manner in all business dealings, and to place the interests of Lockheed Martin over personal interests in matters relating to Lockheed Martin business.

You must avoid financial, business, or other transactions or situations in which your personal interests might conflict with, or appear to conflict with, the interests of Lockheed Martin. Such situations may arise from relationships with customers, competitors, and suppliers, present or prospective employees, or from the acquisition or use of company assets for personal gain. An actual conflict of interest does not need to be present to constitute a violation of this Code; you must also avoid activities that create the appearance of a conflict of interest.

A conflict of interest may exist when you use your contacts or position in the company to advance interests other than the company's, such as your own private business or financial affairs, or those of a friend or relative (whether or not at the expense of the company). You should never use company property or information for personal gain, or take for yourself personally any opportunity that is discovered through your position at Lockheed Martin.

Examples of How a Personal Conflict of Interest Could Occur:

- Employment by a competitor or potential competitor, regardless of the nature of the employment, while employed by Lockheed Martin.

- Acceptance of gifts, payment, or services from those seeking to do business with Lockheed Martin.
- Placement of business with a firm owned or controlled by a Lockheed Martin employee or their family.
- Ownership of, or substantial interest in, a company that is a customer, competitor or a supplier.
- Acting independently as a consultant to a Lockheed Martin customer or supplier, while employed by Lockheed Martin.
- Having a personal interest or potential for gain in any company transaction.
- Using company assets, intellectual property, or proprietary information for personal gain.
- Employing or discussing employment with former government employees, or using them as consultants or subcontractors in violation of applicable laws or regulation.
- Having a close, personal relationship with a subordinate employee.

You must disclose in writing any situation, transaction, or relationship that might give rise to an actual or potential conflict of interest to your manager or supervisor, who will review the disclosure with the Legal Department.

Definition of Organizational Conflict of Interest: An organizational conflict of interest could occur if Lockheed Martin is unable or potentially unable to render impartial assistance, service or advice to the government – when objectivity is impaired or we have an unfair competitive advantage.

Organizational Conflict of Interest Guidelines: Our Corporate Organizational Conflict of Interest Plan provides you guidance for identifying and avoiding or mitigating organizational conflicts of interest within Lockheed Martin. Your early identification and timely communication of potential conflicts of this nature can ultimately allow Lockheed Martin to continue to participate in new business opportunities and reinforce our intention to conduct business with integrity.

References

Lockheed Martin employees should consult the following Corporate Legal Procedure (LEG) and Corporate Policy Statement (CPS) for further information about this topic:

- LEG-014 Conflict of Interest
- CPS-034 Organizational Conflict of Interest

Avoid Conflicts of Interest When Hiring and Working with Former Government Employees

Our Value

Lockheed Martin's continued success and ability to compete in the marketplace depends on ensuring that we do not hire or work with former government employees in any manner that creates a real or perceived conflict of interest. We compete fairly and ethically for all business opportunities.

Setting the Standard

You are responsible for ensuring that Lockheed Martin avoids conflicts of interest in connection with employing or acquiring the services of current or former government employees. This includes employing or acquiring the services of current or former military personnel and other federal government employees.

You must comply fully with all laws and regulations pertaining to employing or acquiring the services of government employees. These rules apply to contact or negotiations with current government employees to discuss their potential employment by the company or their use as consultants or subcontractors. These rules also may restrict the roles and responsibilities that former government employees may perform on our behalf after joining the company. The laws and regulations governing the hiring and employment of former government employees can be difficult to follow; when in doubt, you should consult Lockheed Martin policies and procedures, and seek the advice of your supervisor, manager, Human Resources, the Ethics Office or Legal Department.

References

Lockheed Martin employees should consult the following Corporate Policy Statement (CPS) for further information about this topic:

- CPS-523 Employing or Acquiring the Services of Current or Former Military Personnel and Other Federal Government Employees

Properly Engage Consultants, Representatives, and Other Third Parties

Our Value

Lockheed Martin only works with those consultants, business representatives, and other third parties who share Lockheed Martin's commitment to upholding the highest standards of business integrity. The actions of our consultants, representatives, and other third parties reflect on and impact the reputation of Lockheed Martin. Business integrity and commitment to obeying the law are key considerations in the selection and retention of those who represent Lockheed Martin.

Setting the Standard

You must not retain a consultant, representative, or other third party to conduct business in a manner that is contrary to Lockheed Martin's policies or procedures or that would circumvent our values and principles. For example, you must not retain consultants, representatives or other third parties for the purpose of paying bribes or kickbacks, engaging in industrial espionage, obtaining the proprietary data of a third party without authority, or improperly gaining inside information or influence.

You are responsible for seeking advice from Corporate Consultant Services or the Legal Department prior to engaging an international or domestic consultant. Consultants and representatives must certify their willingness to comply with this Code, Lockheed Martin's policies and procedures, and all applicable laws, regulations, and administrative requirements.

References

Lockheed Martin employees should consult the following Corporate Policy Statement (CPS) and Corporate Legal Procedure (LEG) for further information about this topic:

- CPS-704 International Consultants
- LEG-010 Domestic Business Development Consultants

Protect Sensitive Information

Our Value

Lockheed Martin customers, suppliers and shareholders trust us to protect sensitive information. We generate sensitive information in our day-to-day work for the Corporation and our customers, and we regularly receive sensitive information from our customers, suppliers and others. Our obligation to protect sensitive information extends beyond our employment with Lockheed Martin.

Setting the Standard

You may not disclose or receive sensitive information, including proprietary company information, without proper authorization. You must keep sensitive information, including any proprietary documents, protected and secure. You may only disclose sensitive information if you have the proper authorization to do so.

In the course of normal business activities, suppliers, customers, and competitors may sometimes divulge to you information that is proprietary to their business. You may only accept or use the proprietary information of a supplier, customer or competitor if such use or acceptance complies with company policy. If you receive proprietary information from a supplier, customer or competitor, without proper authorization, such as a non-disclosure agreement, you must immediately bring this to the attention of the Legal Department or the Ethics Office.

References

Lockheed Martin employees should consult the following Corporate Legal Procedure (LEG) for further information about this topic:

LEG-015 Protection of Sensitive Information

Protect Personal Information

Our Value

Lockheed Martin employees, contract labor, agents, consultants, customers, business partners and members of the Board of Directors entrust to us personal information. To continue building and sustaining a culture of trust, we must protect this sensitive data and use it only for authorized purposes.

Setting the Standard

You must not access personal information unless you have a “need to know” such information for legitimate business purposes and have prior authorization.

If you have access to personal information (including personnel or medical records), you may not disclose such information without proper authorization. You must keep personal information protected and secure in accordance with all corporate policies, procedures, laws and applicable third party agreements. You must never use personal information for any purpose for which it was not intended or for personal gain.

If you collect or access personal information on behalf of Lockheed Martin, you are responsible for knowing and complying with all applicable laws and policies that govern such activities.

If you become aware or believe that personal information has been accessed by an unauthorized person, disclosed inappropriately, used for purposes other than Lockheed Martin business, or gathered in violation of corporate policy or the law, you must immediately bring this to the attention of the Corporate Chief Privacy Officer, Business Area Privacy Leader, or the Ethics Office.

References

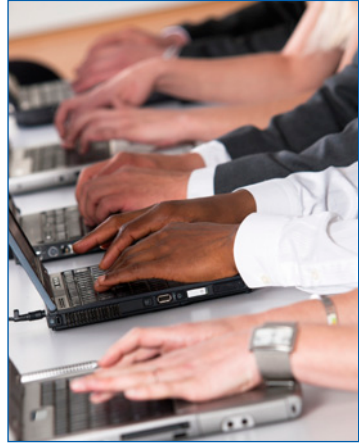
Lockheed Martin employees should consult the following Corporate Legal Procedures (LEGs) for further information about this topic:

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

Properly Use Company and Customer Assets

Our Value

Lockheed Martin's resources and assets do not belong to us – they belong to our shareholders. We have a special responsibility to protect Lockheed Martin's resources and assets. We have the same special responsibility to protect all customer resources and assets that are entrusted to Lockheed Martin for use and safeguarding.



Setting the Standard

You are responsible for the proper use of company and customer property, electronic communication systems, information resources, materials, facilities, and equipment. You must use and maintain these assets with the utmost care and respect, guarding against waste and abuse, and you must never borrow or remove them from company or customer property without management's permission.

Company assets are intended to be used for the conduct of Lockheed Martin's business. You may occasionally use company assets for personal use if you obtain permission from your supervisor or manager and your use is in accordance with company policy. You must also seek guidance and permission before using any customer asset for personal use. You may not use the company's resources to support a personal business or for an illegal act or a purpose which would cause embarrassment to our Corporation.

Use of a corporate credit card for personal use is strictly prohibited.

References

Lockheed Martin employees should consult the following Corporate Policy Statements (CPSs) and Corporate Legal Procedure (LEG) for further information about this topic:

- CPS-007 Personal Use of Lockheed Martin Assets
- CPS-037 Proper Use of Computing and Information Resources
- CPS-206 Social Media
- CPS-801 Electronic Mail
- CPS-114 Commercial Cards
- LEG-014 Conflict of Interest

Do Not Engage in Insider Trading

Our Value

Lockheed Martin believes in the value of a fair and open market for the buying and selling of securities. As a publicly owned corporation, we have a special obligation to be alert to and comply with the securities laws and regulations of the United States and other countries.

Setting the Standard

You may not buy or sell stocks or securities on the basis of “material non-public information.” In the course of your job at Lockheed Martin, you may learn of material information related to Lockheed Martin or other companies before the general public knows such information. This type of information is referred to as “material nonpublic information.” “Material information” is any information that a reasonable investor would consider important in making decisions. Some examples of “material information” may include, but are not limited to: discussions of mergers and acquisitions; changes in the management or executive structure of the Corporation; awards or cancellations of major contracts; and corporate financial information. When such information is not known to the public, it is considered “material nonpublic information.”

Until such “material nonpublic information” is well known by the public, it is against the law for you to buy or sell the Corporation’s stock based on the information, or to pass this information on to someone else who then buys or sells the stock. Two simple rules can help protect you in this area: (1) do not use nonpublic information for personal gain; and (2) do not pass along such information to someone else without a need to know. If you have a question as to whether information is “material nonpublic information,” please check with your Ethics Office or the Legal Department.

This guidance also applies to the securities of other companies (suppliers, vendors, subcontractors, etc.) for which you receive nonpublic information in the course of your employment at Lockheed Martin.

References

Lockheed Martin employees should consult the following Corporate Policy Statements (CPSs) for further information about this topic:

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

Participate in Business Conduct Compliance Training and Ethics Awareness Training

Our Value

Lockheed Martin has developed education and communication programs in many subject areas to provide employees with job-specific information to raise their level of awareness and sensitivity to key issues.

Setting the Standard

Lockheed Martin expects all employees, consultants and the Board of Directors to participate in awareness training. You are required to complete Ethics Awareness Training annually and compliance training as assigned. Completion of annual Ethics Awareness Training and Business Conduct Compliance Training is a condition of your continued employment with Lockheed Martin.

The current list of Business Conduct Compliance Training courses can be found on the Lockheed Martin Ethics website at:

<http://www.lockheedmartin.com/aboutus/ethics/BusinessConductCompliance.html>
or obtained from your manager or supervisor.

The Business Conduct Compliance Training URL is:

<http://ethics.corp.lmco.com/ethics/guide.html>

The external Ethics Awareness Training URL is:

<http://www.lockheedmartin.com/aboutus/ethics/training.html>

About the Office of Ethics and Business Conduct

Lockheed Martin has established the Office of Ethics and Business Conduct to underscore our commitment to ethical conduct throughout our Corporation.

The Vice President, Ethics and Business Conduct, reports directly to the Chief Executive Officer and the Ethics and Corporate Responsibility Committee of the Board of Directors, and oversees a vigorous corporate-wide effort to promote a positive, inclusive, and ethical work environment for all employees.

The Business Area Ethics Directors report directly to the Vice President, Ethics and Business Conduct, and to the Executive Vice Presidents who lead their Business Area. The Business Area Ethics Directors promote a positive, inclusive, and ethical work environment for all employees of their Business Area and lead the Business Unit Ethics Officers.

Our Ethics Officers promote a positive, inclusive, and ethical work environment within their business units and operate confidential Ethics HelpLines at each operating company, as well as at the corporate level. Please use these resources whenever you have a question or concern that cannot be readily addressed within your work group or through your manager or supervisor.

If your concern relates to the actions or decisions of an Ethics Officer, please contact the Business Area Ethics Director. If your concern relates to the actions or decisions of a Business Area Ethics Director, please contact the Vice President, Ethics and Business Conduct. If your concern relates to the actions or decisions of the Vice President, Ethics and Business Conduct, please contact the Senior Vice President, General Counsel & Corporate Secretary of Lockheed Martin Corporation.

Warning Signs – You’re on Thin Ethical Ice When You Hear...

“It doesn’t matter how it gets done as long as it gets done.”

“We didn’t have this conversation.”

“No one will ever know.”

“It sounds too good to be true.”

“Shred that document.”

“I deserve it.”

“We can hide it.”

“It’s all for a good cause.”

“Well, maybe just this once.”

“Everyone does it.”

“This will destroy the competition.”

“What’s in it for me?”

“It’s okay if I don’t gain personally.”

“No one will get hurt.”

“This is a ‘non-meeting.’”



If you hear anyone using one of these expressions, use the following questions to help ensure you are on solid ethical ground.

Speak Up – When in Doubt, Ask...

“Does it comply with Lockheed Martin’s values?”

“How will it look to
our customer or supplier?”

“Is it fair and honest?”



**“Do I need to ask more questions
for a clearer picture?”**

“Does my supervisor know?”

*“Do I have valid data that
may lead to a different
decision?”*

“Is this really the
only solution?”

“Are these actions legal?”

**“Have we considered
all the risks?”**

*“How would I feel if my family,
friends, and neighbors knew what
we were doing?”*

“Who can help me clarify
the options?”

“Can I live with this decision?”

“Why is this bothering me?”

If you are still not sure what to do, speak up... keep questioning yourself and others until you are certain you are doing the right thing.

Contacting the Audit Committee

The Audit Committee of the Lockheed Martin Board of Directors has created a process by which employees may transmit concerns about accounting, internal controls, or auditing matters to the Audit Committee (<http://ethics.corp.lmco.com/ethics/opendoor.html>), and for the confidential or anonymous submission of concerns regarding questionable or auditing matters. If you wish to raise a question or concern to the Audit Committee, you may do so by contacting the Office of Ethics and Business Conduct at Corporate Headquarters. Your concern will be communicated to the Chair of the Audit Committee of the Board.

Comments on the Code

Please feel free to provide the Ethics Office with your comments about the Code.

- Call: 800-LM ETHIC (800-563-8442)
International: Dial the code for the United States
and 800-563-8442
For the Hearing or Speech Impaired: 800-441-7457
- Write: Office of Ethics and Business Conduct
Lockheed Martin Corporation
6801 Rockledge Drive
Bethesda, MD 20817
- Fax: U.S. Access Code (if required) + 301-897-6442
- E-Mail: corporate.ethics@lmco.com
- Ask Us: <http://ethics.corp.lmco.com/ethics/AskUs/index.cfm>

Receipt and Acknowledgment

You must acknowledge that you have received your personal copy of Setting the Standard, the Lockheed Martin Code of Ethics and Business Conduct (the Code). Your acknowledgement indicates that you have read and will abide by the Code. You will also be acknowledging that you understand that each Lockheed Martin employee, member of the Board of Directors, agent, consultant, or contract worker is responsible for knowing and adhering to the principles and standards of the Code.

Visit LMPeople to enter your Receipt and Acknowledgement on-line. Employees and others required to acknowledge who do not have LMPeople access should contact Human Resources or the Ethics Office for instructions on submitting their signed Receipt and Acknowledgment.

Contacts

My Supervisor/Manager is:

Name: _____

Phone Number: _____

My Ethics Officer is:

Name: _____

Phone Number: _____

My Human Resources Business Partner is:

Name: _____

Phone Number: _____





FPO FSC
logo

FPO Rainforest
logo

FPO SOY INK
logo