

Responsible Purchasing Statement

A fundamental element of Leidos' philosophy towards meeting Corporate Social Responsibility (CSR) and Ethical Business commitments, is the approach we take towards safeguarding the environment and the measures we implement to incorporate sustainability within our core procurement activities. As expressed in the Corporate Environment, Health and Safety Policy LP-LG-11, Leidos is committed to:

- ▶ Minimizing detrimental environmental impacts arising from our business activities as well as the activities of our suppliers
- ▶ Environmental sustainability, including conservation of natural resources, pollution prevention, waste reduction, and recycling
- ▶ Statutory and regulatory compliance at the federal, state, and local government levels
- ▶ Incorporation of leading Environmental, Health, and Safety practices into our product and service offerings

RESPONSIBLE PROCUREMENT

Leidos conducts itself ethically and in accordance with all applicable legal obligations. This extends to the purchase of goods and services not only for ourselves, but for and on behalf of our customers. To ensure our obligations are understood and met, Leidos implements robust and comprehensive Acquisition Procedures (APs). Through the APs, our Supply Chain Management Team is able to work with suppliers to procure goods and services that meet the needs of the relevant function, business area, or program. The Leidos APs incorporate ethical and sustainability requirements, including the following elements:

- ▶ Leidos is committed to delivering procurements that, where financially and technically feasible, minimize our impact on the environment through the lifecycle of our offered products and services. This means that whenever we make a decision on purchases, we will take all reasonable steps to ensure:
 - › Goods/products that meet customer technical requirements are sourced via local manufacturers/suppliers in order to avoid unnecessary shipping, transportation, and packaging
 - › Goods/products that are compliant with restrictions on hazardous materials are selected in preference to non-compliant alternatives
 - › New systems and equipment hold the required industry markings and comply with the relevant conformity standards as expressed in the contract or quality assurance plan
 - › Waste management and recycling requirements are communicated to the purchaser for inclusion within the related program's waste management plan
- ▶ Any manufacturer end of life take-back procedures are recorded and communicated to the purchaser for inclusion in the related program waste management plan
- ▶ Selected suppliers are made aware of and can comply with the Leidos Code of Conduct and Policy on Conflict Minerals
- ▶ Leidos will carry out detailed supplier evaluations to ensure:
 - › Supplier legal status and history
 - › Compliance with contract and government imposed conformity standards
 - › Compliance with federal, state, and local statutory obligations - including sustainability requirements and environmental standards

- ▶ Leidos will communicate our policy on use of conflict minerals throughout the supply chain
- ▶ Disseminate and confirm that the supplier is able to comply with the Leidos Ethics Policy

SUSTAINABLE DESIGN WITH PRODUCTS AND SERVICES

Leidos strives to develop and market products that are both sustainable and safe for their intended use. Our commitment to environmental stewardship, as expressed through the Leidos CSR program and existing environmental policies, is shown through our work to conserve and sustain the world's natural resources while protecting Leidos customers and the communities in which we live and operate.

At Leidos, our team members are committed to delivering tailored products and services that meet the performance needs and expectations of our customers. Through implementation of the Leidos design standards, we are able to incorporate sustainable design elements where technically and financially feasible and where no customer constraints on product selection exist. By carefully considering and assessing environmental aspects associated with our products and services, Leidos is able to significantly affect the overall impacts through the lifecycle of a product or service. Our adoption of a product lifecycle perspective and focus on sustainable innovation can yield the following benefits for our customers:

- ▶ Reduced energy consumption through product service life, which equals reduced operational costs and reduced carbon emissions
- ▶ Disposal strategies that include reduced waste management costs, increased use of product take-back initiatives, and enhanced asset transfers or charitable donation opportunities
- ▶ Demonstrated compliance with environmental, sustainability, and CSR expectations and policy requirements
- ▶ Enhanced industry reputation and improved stakeholder relationships
- ▶ Increased opportunities to participate in industry and global initiatives aimed at reducing environmental impact and carbon emissions

EXECUTION GOALS

In support of this responsible purchasing statement, Leidos will:

- ▶ Assign responsible purchasing elements to functional procurement managers with additional oversight provided by corporate procurement and sustainability leaders
- ▶ Allocate the necessary funding to effectively execute responsible purchasing
- ▶ Track and measure the financial and environmental impacts
- ▶ Review and revise the responsible purchasing statement as necessary
- ▶ Conduct supplier evaluations across several different categories, such as ethical, environmental, and social metrics