

June 26, 2019

### **Notice Regarding Anti-Human Trafficking Compliance Obligations**

Northrop Grumman fully supports the elimination of human trafficking and slavery, including from the supply chain. We do not tolerate trafficking in persons, including the procurement of commercial sex acts, and the use of forced or child labor.

We have implemented comprehensive policies and procedures, including our Supplier Standards of Business Conduct (SSOBC), which require our employees and suppliers to comply with applicable law, including but not limited to requirements under the Federal Acquisition Regulation (FAR) and/or UK Modern Slavery Act, and behave in an ethical manner.

This communication is intended to remind you of your obligations under Northrop Grumman policies and procedures and the FAR (to the extent applicable).

#### **Northrop Grumman Supplier Standards of Business Conduct**

We expect our suppliers (and those who work for them, including employees and subcontractors) at all tiers to comply with our Supplier Standards of Business Conduct, which set forth certain fundamental requirements, including regarding human trafficking.

A copy of our Supplier Standards of Business Conduct can be accessed using the below link:

<http://www.northropgrumman.com/suppliers/Pages/SSBC.aspx>.

In addition, our standard supplier terms and conditions also expressly prohibit trafficking in persons, the use of forced labor and require our suppliers and subcontractors to notify us in the event of any actual or suspected human trafficking violation.

#### **FAR Requirements**

The United States Government has a longstanding policy prohibiting contractors and their subcontractors from engaging in human trafficking and related activities, and related FAR regulations further strengthen this policy against human trafficking.

#### ***Prohibition of Trafficking Related Activities***

FAR 52.222-50, *Combating Trafficking in Persons*, prohibits “trafficking related activities”. The prohibitions include, among others, denying an employee access to his/her own identification or immigration documents, engaging in fraudulent recruitment practices, and charging recruitment fees directly to employees. These prohibitions apply to contractors, subcontractors, as well as each of their employees and agents.

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### ***Maintenance of Human Trafficking Compliance Plans and Certification***

FAR 52.222-56, *Certification Regarding Trafficking in Persons Compliance Plan*, requires companies performing contracts or subcontracts whose value exceeds \$500,000 for supplies acquired (other than COTS) or services performed outside of the U.S., to develop human trafficking compliance plans. Such plans are expected to be “appropriate” to the “size and complexity of the contract” and the “nature and scope of the activities to be performed.” The regulation includes specific minimum requirements for a satisfactory compliance plan.

When a compliance plan is required, the awardee must also provide a specific, written certification that the compliance plan along with associated procedures were implemented and, after conducting due diligence, no prohibited human trafficking activity has occurred or if otherwise appropriate remedial action has been taken.

The certification must be provided *prior to* award of a contract or subcontract and *annually* thereafter.

### ***Required Notification of Violations***

When a contractor becomes aware of any “credible information” alleging human trafficking violations of the contractor, subcontractor, agents, or employees, the contractor must immediately inform the relevant contracting officer and inspector general of the allegations along with any action the contractor has taken in response to the allegation.

### ***Mandatory Flow Downs***

FAR 52.222-50 and 52.222-56 are mandatory flow downs in all subcontracts at every tier issued under DoD prime contracts. While the requirement for a compliance plan and notification are applicable to contractors and subcontractors only in certain circumstances, the requirement must still be flowed down.

FAR also requires contractors and subcontractors to provide specified notifications to employees prohibiting trafficking in persons and the actions to be taken for policy violations.

### ***Training***

In addition to reviewing the above regulations and referenced documentation, Northrop Grumman also encourages your organization to review its [Supplier Anti-Human Trafficking Requirements Overview](#) training.

Please contact your Northrop Grumman Procurement Contracting Official (PCO) for questions related to a specific procurement or the Corporate Global Supply Chain Office at [GlobalSupplyChain@ngc.com](mailto:GlobalSupplyChain@ngc.com) for general questions.

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