



2019
Corporate
Responsibility
Report



We value our inspired, passionate and united employees.

Not only do they further the Leidos mission to provide innovative solutions, they are equally active in their communities, are ethically-minded, and make a positive difference in the world.

Our solutions transform business and change the world. We're equally committed to using our time and resources to support people, enrich communities, and protect the environment. This commitment defines our philosophy on sustainability.

01	CEO Message	31	Community	63	Reporting
03	Executive Summary	34	Our Management Approach	66	Process
06	Our communities	34	Corporate Philanthropy	66	Stakeholder Inclusiveness
06	Our Environment	35	Charitable Giving & Volunteerism	67	Ethics and Compliance
06	Our People	36	Strategic University Alliances	70	Code of Conduct
07	Environment	36	University Alliance Program	70	Compliance and Audit
10	Our Management Approach	37	CASE STUDIES	70	Anti-Corruption
10	Environmental Services and Performance	37	Ravens fight opioid addiction	72	Human Trafficking
12	Corporate Footprint and Environmental Stewardship	39	People	73	Ethics Program Structure
15	Environment Health and Safety	41	Professional and Career Development	77	Trust Center
17	CASE STUDIES	43	Inclusion & Diversity	80	Cybersecurity
	Environmental Services and Performance	44	Pay and Benefits	81	Data Privacy
	17 NASA Headquarters	46	Employee Demographic and Statistics	83	Conflict Minerals Report and Policy
	19 National Energy Technology Lab	48	Veteran Hiring	85	Conflict Minerals Report
	21 Ameren Illinois Energy Efficiency Program	49	CASE STUDIES	86	Conflict Minerals Policy
	23 Pepsi Manufacturing Facility	49	Women's Leadership Forum	87	Global Reporting Initiative (GRI)
	25 U.S. Environmental Protection Agency	51	Veteran's Fellowship Program		
	27 Earth Day 2020	53	Political Activities		
	Featured Projects	57	Supplier and Small Business Relationships		
	29 Solar Advisory Services	60	Supply Chain Management Approach		
	30 Scientific, Engineering, Response and Analytical Service	60	Supplier Selection		
	30 Market Development Initiative	60	Strategic Sourcing Initiatives		
		61	Small Businesses		
		61	Outreach Activities		
		62	Mentor-Protégé Program		
		62	Veteran-Owned Small Businesses		

Chairman and CEO Message

Read a message from our Chairman and CEO, Roger Krone, on his commitment to sustainability.

At Leidos, our sustainability efforts tie deeply to our mission of making the world safer, healthier and more efficient.

We are a Fortune 500® information technology, engineering, and science solutions and services leader in the defense, intelligence, homeland security, civil, and health markets. The talents of our employees, nearly 40% of whom have degrees in science, technology, engineering, or math (STEM) disciplines, help government agencies solve the world's toughest challenges. Their dedication and performance in 2019 drove growth and continued strong financial performance.

As we release this, our 11th annual Corporate Responsibility Report, the world faces unprecedented challenges from the ongoing COVID-19 pandemic. At the same time, our world contends with racial and social injustice. In times of uncertainty, Leidos is guided by the conviction to do what is right every day. Whether it is prioritizing our global workforce's health and mental well-being throughout the pandemic or creating an inclusive environment where employees are respected, valued and heard, our efforts are rooted in a foundation of ethics and integrity.

The year 2020 reminds us that we all must play a part in creating a more equitable world. In January, we added inclusion as our sixth core value – alongside integrity, innovation, agility, collaboration, and commitment. Adding this value was not a symbolic gesture, rather it formalizes a culture that fosters a sense of belonging and welcomes all perspectives. We believe that inclusion and integrity are built on the foundation of respect for all. Our employees are empowered to uphold our values, reinforcing a culture that we are incredibly proud of. To me, this makes Leidos genuinely unique.

Our exceptional talent and leadership adjust to challenges and opportunities. We develop innovative, sustainable solutions for our clients that help address global challenges to make the world safer, healthier and more efficient. As the world continues to respond to the COVID-19 pandemic, Leidos' strong Environmental, Social and Governance (ESG) practices help us prepare and protect our stakeholders.

We are building resiliency in our business model through long-term planning and prioritizing disaster preparedness and business continuity. We are focused on ensuring our employees' health and safety, communicating regularly with our stakeholders, better managing our supply chain, and building an agile, diverse and empowered workforce.

We offer our employees industry-leading compensation and benefits, including a Stock Purchase Plan that affords any employee the chance to become a Leidos shareholder at a discounted price. Our talent Resource Program, core to our ability to retain the best people, focuses on filling opportunities with

talent internal to the company. To further ensure our employee retention efforts, we conduct a quarterly pulse engagement survey. In 2019 an independent third party conducted an anonymous employee engagement survey across our global operations. We are using those results to further empower our teams.

We are trusted by many government agencies to deliver on critical environmental and sustainability-driven missions. Our engineers and scientists address all aspects of environmental remediation; we modernize aging energy infrastructure and design, implement, and manage state-wide energy efficiency programs. Our energy efficiency services helped utilities save more than 700,000 net megawatt-hours annually, equivalent to 55 million gallons of gasoline or enough to power more than 66,000 homes. Additionally:

- ▶ In 2010, as a company, we pledged to reduce greenhouse gas (GHG) emissions by 25% with a 2020 deadline. We have already reduced GHG emissions by more than 50%, and we are on track to exceed this target even further.
- ▶ We adhere to the highest possible ethics and security standards. In 2019, the Ethisphere Institute again named us one of the World's Most Ethical Companies®. This honor recognizes our continued commitment to defining and advancing ethical business practices standards.
- ▶ To support our communities, we make close to \$5 million in charitable donations annually. Our employees, who inspire me with their commitment to improving the world around us, contribute tens of thousands of hours of their talent to a wide variety of company-sponsored causes. Focus areas include addressing the emerging needs tied to mental health and well-being, including fighting the opioid epidemic, as well as focusing on STEM education, basic needs and wellness, ethics and leadership, and supporting those who serve our Nation, and their families.

Finally, one year ago, we became a founding signatory of the Business Roundtable's Purpose of a Corporation. This commitment inspired us to reinvent our approach to sustainability to focus on a systems approach that drives collective well-being for the world around us.

We realize that operating sustainably is a continuous journey, not a fixed destination. Moving forward, we remain deeply committed to our employees, our communities and our world.



Roger A. Krone
Chairman and Chief Executive Officer



Executive Summary

Our efforts went beyond programs and resources designed to benefit Leidos employees, and provided for those most in need in our communities.



Executive Summary

We committed additional time and resources to battle one of the major issues of our time, the Opioid crisis, as well as initiated planning to launch a new campaign specific to mental health and mental well-being. The new campaign, a direct result of signing the Business Roundtable's Purpose of a Corporation redefinition, focuses on COVID-19 related anxiety and depression; Veterans and anti-suicide; and continued substance use disorder prevention.

Further, Leidos was recognized as one of the World's Most Ethical Companies by the Ethisphere Institute, a global leader in defining and advancing the highest standards of ethical business practices. We are one of only 128 honorees from 21 countries and 50 industries to receive this recognition. Being named one of the World's Most Ethical Companies for the second consecutive year is an exclusive honor and distinguishes companies like ours that drive positive change through ethical practices, promotion of corporate citizenship, and responsible governance and leadership. This recognition truly sets us apart.

The annual Leidos Corporate Responsibility Report, published in accordance with the Global Reporting Initiative (GRI™) Standards Framework, takes stock of the progress and impact of the company across multiple areas assessed as important to its growth and sustainability. Each year, Leidos strengthens its workforce, maintains a commitment to hiring veterans, further reduces its Greenhouse Gas (GHG) emissions, seeks to educate and engage employees, enhances its robust ethics program, and expands its participation in the community.

The highlights below are just a few of our key accomplishments and successes in major focus areas during calendar year 2019.

We are proud of the programs and activities our corporate responsibility report outlines and the actions we pursued to help our company grow and become more sustainable in 2019. The report complies with the Global Reporting Initiative™ Standards Framework.



Our communities

- ▶ To support the communities where we live and work, Leidos made more than \$4.5 million in charitable donations and employees contributed approximately 27,000 volunteer hours to a wide variety of company-sponsored causes including STEM education, basic needs and wellness, ethics, and leadership, and support to our military and intelligence personnel and their families.
- ▶ In 2019, Leidos continued to build on our impactful anti-opioid social responsibility campaign. The multi-faceted internal and external campaign included additional awareness/educational materials published on Leidos.com, participation in regional panels led by the U.S. Chamber of Commerce and the Dept. of State, achieving a milestone of 100+ CEOs signing to pledge their support (i.e., call-to-action published to Leidos.com to encourage industry partners to join our cause), continued expansion of our non-profit relationships, and various community and state chamber engagement projects in Maryland.
- ▶ We maintained strong partnerships with fourteen different colleges and universities through our long-standing Strategic University Alliances program, focused on improving STEM education, as well as bringing high-technology solutions to the nation's most challenging problems.

Our people

- ▶ We formally added inclusion as the sixth Leidos value. More than 20,000 employees responded to our Engagement Survey 2019, providing feedback on their perceptions and opinions of the culture at Leidos. Overwhelmingly our employees responded that Leidos is committed to inclusion and diversity in the workplace, and that their managers also prioritize and promote diversity and inclusion. Adding inclusion as a value solidified and formalized our commitment to inclusion and diversity.
- ▶ For the second year in a row, Leidos attained best in class rankings on the Bloomberg Gender-Equality Index including: Number of Women on Board of Directors, Family Care, Health Care, Flexible Work, Career Development, and Diversity & Inclusion Strategy, and Supplier Diversity Initiatives. We also received a 100% score on the Human Rights Campaign Foundation's 2020 Corporate Equality Index (CEI), the nation's premier benchmarking survey and report measuring corporate policies and practices related to LGBTQ workplace equality. The top score of 100%, which emphasizes Leidos' unwavering commitment to inclusion, diversity, and workplace equality, earned the company the distinction of "Best Place to Work for LGBTQ Equality."

Our environment

- ▶ 1 of every 4 Fortune 500® companies is a valued energy, environmental science, and engineering client. We currently manage 1.8B of support to clients across all markets including nine federal agencies and all five U.S. military branches.
- ▶ Leidos is ranked by Engineering News-Record among the Top 10 federal environmental firms and Top 200 environmental firms, including the Top 5 in Nuclear Waste, Top 10 in Solar Power, Top 25 in Transmission and Distribution, and Top 50 in Hazardous Waste.
- ▶ In 2010, as a company, we pledged to reduce greenhouse gas (GHG) emissions by 25% with a deadline of 2020. We have already reduced GHG emissions by more than 50%, and we are on track to exceed this target even further.
- ▶ We increased renewable energy purchases by nearly 500% between 2018 and 2019 using Renewable Energy Certificates (RECs).
- ▶ We implemented an award-winning sustainability software enabling us to monitor our environmental footprint, better track employee volunteerism and causes of interest, and collect employee health and safety information.

- ▶ We partnered directly with employees to understand their career aspirations by aligning their passions and interests to an effective skill set that serves both the organization and the community. We offer a range of Massive Open Online Courses (MOOCs) including supervisor responsibilities, PMP® certification preparation, Innovation Awareness, and System Engineer Certification Training. Leidos continues to offer more than 3,000 online courses at no cost to employees or their organizations on topics such as business, management, and information technology.
- ▶ More than 20% of our workforce are veterans, illustrating our strong affinity with the military both in our workforce. We maintained our "Best for Vets" and Top 100 Military Friendly Employer designations. For our Operation Military Veteran Program (MVP) efforts, we were once again named to the VETS Indexes List, which includes publicly traded companies that support the hiring and professional development of veterans.

Environment

Our environmental services, coupled with our internal stewardship and GHG reduction efforts, are creating a healthier world.



Environment

The greatest contribution Leidos makes to environmental stewardship comes through the work we do for our customers. Our solutions complement an ever-increasing internal focus on reducing our environmental footprint.

Internally, we use our energy and environmental expertise to inform our own accountability with regard to environmental impacts. We disclose environmental impacts of our business, and take steps to mitigate those impacts through programs that are beneficial to our environment, our customers, and our company. We set a goal to reduce our greenhouse gas (GHG) emissions by 25% no later than 2020 relative to a 2010 baseline. Our legacy company achieved this goal six years ahead of schedule, largely due to restructuring, real estate reductions, and the concerted efforts of our employees. We are currently working to set new GHG goals and build on our achievements. We plan to release these goals in 2021.

Leidos promotes environmental stewardship as a key element of corporate responsibility, contributing to the environmental well-being of the communities where we live and work. We aim to contribute to our high-performance culture by creating a greener, more cost-effective company that is consistent with corporate values to be a good environmental steward in the communities where we live and work.

Finally, operating a sustainable business requires a safe and healthy environment. Leidos is committed to protecting the health and safety of our employees, our communities, our customers and the environment.

Our Management Approach

As a company that primarily provides services to the Federal government, Leidos has a relatively small environmental footprint. However, we have surpassed our legacy emissions goal through two primary measures. First, we have continually reduced the size of our real estate portfolio. The second measure is our Strategic Energy Management Program, which identifies energy reduction initiatives, including the introduction of energy-saving equipment at our facilities, and maintains goals to increase renewable energy purchases throughout our operations.

Our overall sustainability strategy includes voluntary measures to minimize GHG emissions and energy use, track environmental risks, and improve environmental data collection and visibility. Our strategy is defined by the Sustainability Working Group (SWG), which is co-sponsored by both the Vice President of Corporate Real Estate, Facilities and Workplace Services and the Vice President of Corporate Communications. The SWG membership consists of key representatives from each of the various Leidos functions, as well as customer-facing sustainability experts. The SWG tracks environmental performance throughout our operations, helps guide our overall sustainability strategy, and identifies and manages climate-related risks to our company. The executive sponsors provide annual updates regarding sustainability to the Board of Directors that includes information and feedback from the wider team. The SWG ensures Leidos makes continual progress towards meeting our goals of reducing environmental impact and risk exposure across the organization.

In 2019, Leidos implemented a new environmental management information system to better track and measure our environmental footprint. The system will also serve as a centralized hub for our ongoing energy and emissions management programs, and will allow us to update management more regularly on our environmental impact throughout the year.

Our emissions inventory is verified by a 3rd party every two years, and is reported to CDP, whose scoring we use as a benchmark to evaluate our environmental reporting.

Additionally, Leidos maintains an Environmental, Health and Safety Management System to ensure that we protect our employees, our environment and our stakeholders, as well as to ensure compliance with applicable laws and regulations. Our EH&S Management System consists of design,

implementation and oversight processes to ensure consistent application across Leidos' operations, inclusion of Leidos employees who work at customer-owned locations, and continuous progress towards a goal of zero accidents across our enterprise.

Policies and formalized environmental procedures include:

- ▶ LP-LG-11: Environmental Health and Safety which expresses our commitment to:
 - › Minimizing detrimental environmental impacts arising from our business activities
 - › Environmental sustainability, including conservation of natural resources, pollution prevention, waste reduction, and recycling
 - › Statutory and regulatory compliance
 - › Incorporation of leading EH&S practices into our product and service offerings
- ▶ Leidos EH&S Manual
- ▶ Leidos Strategic Energy Management Plan

Our EHS Management System has earned Leidos recognition as a leader in the field of occupational health and safety, and undergoes rigorous internal scrutiny.

Environmental Services and Performance

A pioneer in energy efficiency programs for more than 30 years, we continue to lead the energy efficiency industry with our innovations today.

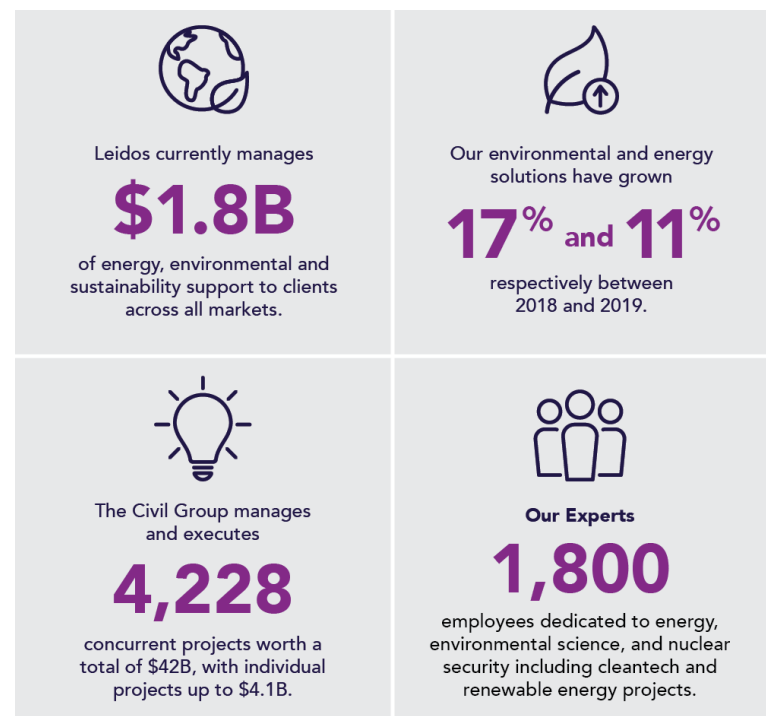
Leidos has more than 40 years of energy, environment, and critical infrastructure experience. Our energy solutions advance the nation's need for clean, reliable, and secure energy. Leidos is also a leader in the environmental engineering space, with solutions ranging from cleantech and renewables, planning through implementation, public participation, regulatory compliance, data management, and site remediation.

As a services firm, our primary clean technology strategy is to hire the best and brightest minds in environmental services and maintain strong relationships with government agencies looking to develop new technologies, as well as other commercial entities looking to purchase energy services.



GLOBAL ENVIRONMENTAL SERVICES AND SOLUTIONS

Our greatest contribution to environmental stewardship is through innovative and responsible solutions we provide to our customers.



SAFER, MORE EFFICIENT, AND MORE SECURE

- ▶ 1 of every 4 Fortune 500® companies is a valued energy, environmental science, and engineering client
- ▶ Clients include nine federal agencies and all five U.S. military branches
- ▶ Ranked by Engineering News-Record among the Top 10 federal environmental firms and Top 200 environmental firms list
- ▶ Ranked in the Top 5 in Nuclear Waste, Top 10 in Solar Power, Top 25 in Transmission and Distribution, and Top 50 in Hazardous Waste engineering by Engineering News-Record

PROJECT SUCCESS

- ▶ Leidos maintains an excellent record of completing projects within or ahead of schedule on more than 4,500 challenging environmental projects over the last five years. We have:

- ▶ Helped utilities save more than 700,000 net megawatt hours annually through our energy efficiency services, equivalent to 55 million gallons of gasoline or enough to power more than 66,000 homes.
- ▶ Provided more than \$1 billion in incentives from 43 energy efficiency programs.
- ▶ Reviewed 800 renewable energy and 150 biofuel projects across six continents, with energy capacity in excess of 35,000 megawatts over the last two years.
- ▶ Completed more than 3,000 National Environmental Policy Act (NEPA) studies for complex and politically sensitive projects in wilderness, rural, and urban environments.
- ▶ Completed more than 17,000 environmental restoration projects; 550 environment, health, and safety compliance and verification studies; and 585 hazardous, toxic, and radioactive waste projects to date.
- ▶ Prepared the largest habitat conservation plan for aquatic resources in the United States.
- ▶ Collected more than a quarter million environmental samples for testing and analysis.
- ▶ Innovated the per- and polyfluoroalkyl substances (PFAS) remediation process.

OUR EXPERTS

- ▶ **Energy Technology:** Our team of talented and diverse experts provides advanced research and technology development for clean, reliable, and affordable energy solutions at government and industrial sites and academic labs around the nation. Our energy, engineering, and technical specialists devote their expertise to developing actionable approaches to risk management, scientific discovery, and engineering solutions that consistently meet our clients' energy mission requirements.
- ▶ **Environmental:** Leidos environmental engineers and scientists provide a complete capability to meet the needs of customers, including the Department of Defense (DoD), Department of Energy (DOE), National Aeronautics and Space Administration (NASA), and commercial clients. Our proven experience includes the following services:
 - ▶ Environmental Planning – Accurately detect, quantify, and plan your site environment with the expertise of Leidos natural and cultural

resource specialists. Using the latest assessment technology and monitoring strategies, we give you the data needed to make scientifically sound decisions needed to prepare National Environmental Policy Act (NEPA) documents.

- ▶ Environmental Remediation – Reduce your liability with sustainable, long-term solutions that comply with Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) and Resource Conservation and Recovery Act (RCRA). Leidos offers smart analytics to help you identify effective and affordable solutions to complex environmental challenges.
- ▶ Regulatory Compliance – Federal, state, and industry clients have relied on Leidos for more than 40 years to meet regulatory requirements and protect workers and public health.

Highlighted in this report are just a few projects that show how Leidos helps to reduce negative environmental impacts through cleantech, energy efficiency, sustainable use of resources, environmental protection and remediation, engineering and infrastructure.

Corporate Footprint and Environmental Stewardship

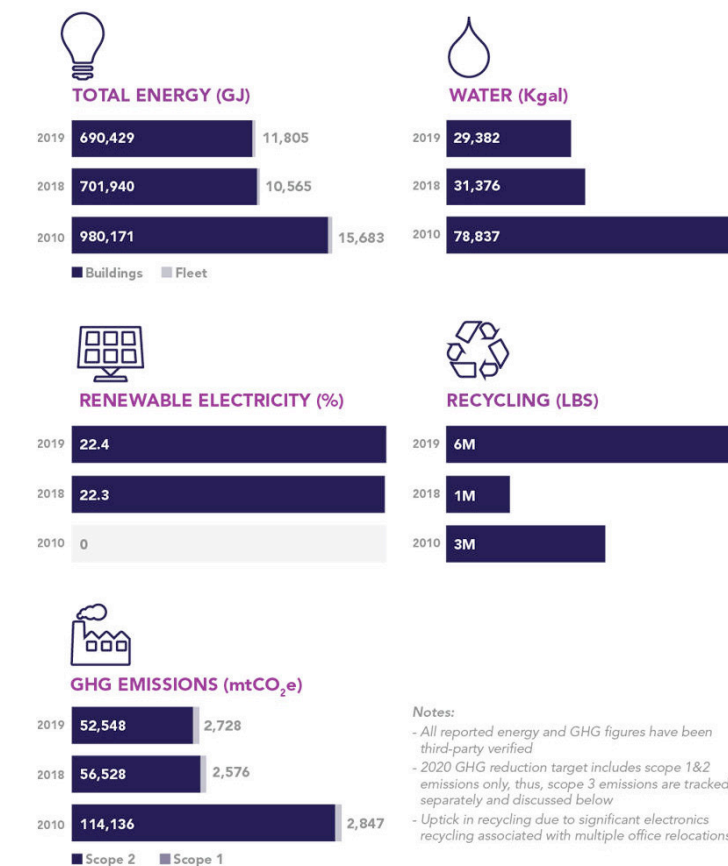
WE ARE COMMITTED TO REDUCING OUR ENVIRONMENTAL IMPACT.

At Leidos, we have eliminated under-performing real estate assets and improved operating efficiencies across our entire real estate portfolio, including through flexible workplace initiatives. These actions have been the largest contributing factor to reaching our Legacy 2020 greenhouse gas (GHG) reduction goal of 25% six years early in 2014. Between 2018 and 2019, we continued to reduce GHG emissions through real estate restructuring as well as through improved efficiency programs and use of renewable energy to power select facilities. We increased renewable energy purchases by nearly 500% between 2017 and 2018 through the use of Renewable Energy Certificates (RECs), and will continue to look for opportunities to increase our utilization of renewable energy. Our renewable purchased remained relatively consistent between 2018 and 2019. Continued improvements to the power grid (e.g. increased efficiency and use of cleaner fuels) have also contributed to GHG emission reductions. Leidos remains primarily a service-oriented company, with the majority of our real estate portfolio being

commercial office space. Leidos continues to occupy lab, warehouse, and data center space that contributes to the company's environmental footprint. Our operations are lower impact in nature when compared to many of our competitors that specialize in heavy manufacturing, an emission-heavy business model.

FOOTPRINT AT A GLANCE

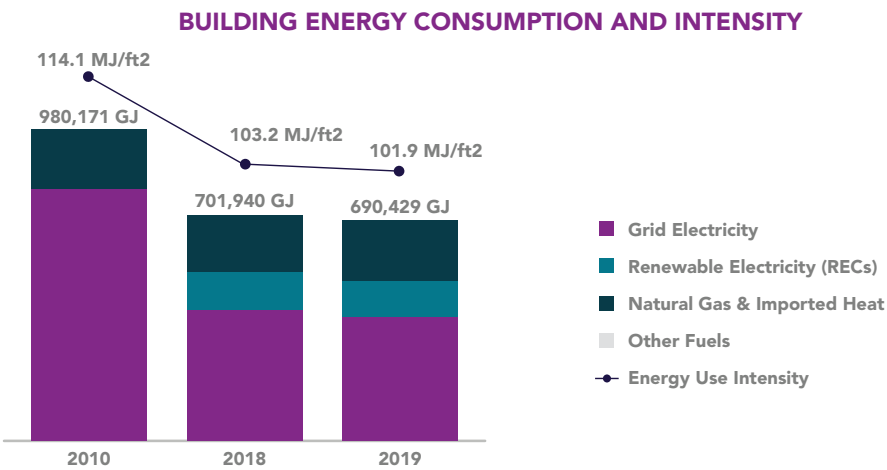
The charts below summarize our environmental performance history. The charts include data from calendar years (CY) 2018 and 2019 to illustrate year-over-year performance improvements and from CY 2010 for comparison to our baseline. The primary metrics we track and manage, including energy and water use, waste generation, and GHG emissions but we also monitor transportation and material consumption.



ENERGY CONSUMPTION

Leidos consumed 702,234 GJ in buildings and fleet vehicles in 2019. This reflects a 1.4% improvement from 2018 and a 29% improvement from our 2010 baseline. In addition, we increased our use of renewable energy nearly six-fold from 2017 to 2018 and held steady in 2019 at about 22% of total electricity consumption.

In 2019, Leidos owned and leased buildings consumed 690,429 GJ, including 111,923 GJ of renewable electricity. Leidos began implementing energy savings opportunities identified in our Strategic Energy Management Plan in 2013, and we continue to drive savings through standardized operating procedures and design practices. Between 2018 and 2019, Leidos reduced building energy consumption by about 11,500 GJ, or about 1.6%, as a result of conservation and efficiency initiatives. Compared to our 2010 baseline, we have reduced building energy consumption by nearly 290,000 GJ, or about 30%. The majority of these savings were the result of strategies to utilize real estate more effectively, including disposing of underperforming or underutilized assets and implementing alternative workplace strategies. Other savings were realized through upgrades to HVAC controls and equipment and LED lighting retrofits at our facilities. These energy efficiency improvements have helped to reduce the average energy use intensity (EUI) across approximately 6.8 million square feet of Leidos-owned and leased floor space by 1.3% compared to 2018 and 11% since 2010.



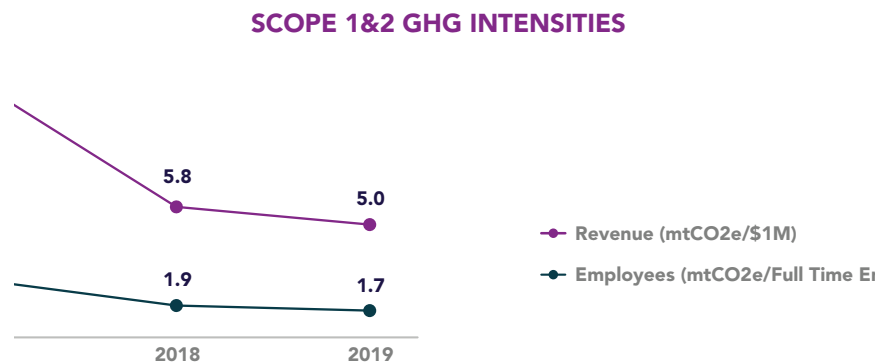
GHG EMISSIONS

Leidos views GHG emissions as an important metric and a good representation of our overall environmental impact and mitigation progress. Each year, GHG emissions from our global real estate portfolio, vehicle fleet, business travel, and employee commuting are quantified according to the GHG protocol and using industry-accepted GHG emission factors. Our annual GHG emissions are also verified according to ISO standards by an external third-party to confirm accuracy and completeness and to improve transparency.

Scope 1 & 2 GHG Emissions

In 2019, our market-based GHG emissions totaled approximately 55,272 metric tons of carbon dioxide equivalent (mtCO₂e), a 6% reduction from 2018. Compared to our 2010 baseline, we have achieved an absolute GHG reduction of about 53%, which is more than double our 2020 goal of 25%.

In addition to absolute GHG emissions and reductions, Leidos tracks the GHG intensity of our revenue and our workforce. One of our objectives is to disassociate GHG emissions from revenue and employee count and we have consistently improved our performance relative to these metrics since 2010. In 2019, we reduced the GHG intensity of our revenue by 14% compared to 2018 and by 53% compared to 2010. Similarly, we reduced the GHG intensity of our workforce by 11% compared to 2018 and by 40% compared to 2010.



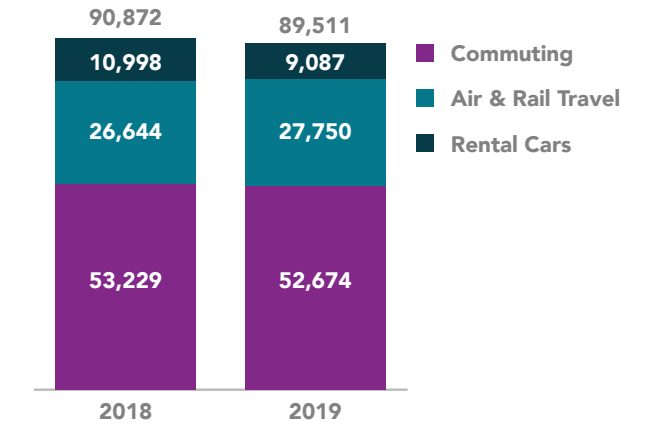
Some of the strategies used to reduce GHG emissions and intensities in 2019, included:

- ▶ Utilizing real estate effectively through the following strategies:
 - › Disposing of underperforming or underutilized assets
 - › Implementing alternative workplace strategies
- ▶ Reducing energy consumption and investing in renewable energy across the enterprise:
 - › Identifying and implementing energy efficiency projects
 - › Exploring opportunities for onsite renewable and alternative energy production
 - › Purchasing renewable energy credits through a proven and innovative energy auction conducted by the Leidos Energy Solutions Team
- ▶ Documenting our efforts to enhance technology and network support, including upgrades to more energy-efficient equipment (e.g., thin clients and blade servers) and cloud-based IT service delivery, enabling greater workplace flexibility
- ▶ Improving employee awareness of environmental sustainability and educating employees on how to improve workplace behavior to reduce wasteful energy consumption

SCOPE 3 EMISSIONS

In 2017, Leidos began quantifying scope 3 GHG emissions from employee commuting and business travel to more completely understand our environmental impacts and to identify opportunities and evaluate existing initiatives to reduce GHG emissions. Scope 3 GHG emissions totaled about 89,511 mtCO₂e in 2019, and were split about 60% from employee commuting and 40% from business travel (car, air, and rail travel). This reflects a slight decrease of about 1.5% compared to 2018. Note that scope 3 emissions for 2018 have been revised from previous disclosures to include scope 3 emissions from outside of the U.S.

SCOPE 3 GHG EMISSIONS (mtCO₂e)



Employee Commuting

Reducing the environmental impact of employee commuting is important to Leidos. We estimate that employees working at Leidos locations generated about 52,674 mtCO₂e during their commutes in 2019. These estimates are based on Leidos employee counts and telework agreements, along with national commuting statistics from transportation surveys conducted in the U.S., the UK, and Australia.

We aim to reduce these emissions by continuing to encourage and support commuting alternatives to single-rider vehicle use. Our Commuter Incentive Program provides a financial incentive to employees who choose to commute by mass transit, carpools, vanpools, bike, or foot. Ridesharing and carpool matching are made available on our intranet to employees through local commuter web sites. Our transportation actions have been awarded twice with a Best Workplace for CommutersSM designation by the National Center for Transit Research.

Leidos also promotes flexible work environments to improve employee work-life balance, promote a high-performance culture, and help reduce the company's environmental impact by avoiding commute trips. When leasing new or renovating existing space, Leidos business units are encouraged to promote increased telework and desk-sharing (i.e., hoteling) options for employees. Our efforts aim to reduce employee commuting stress and emissions while also reducing the company's real estate footprint.

Business Travel

We estimate that business travel by air and rail generated about 27,750 mt-CO2e and rental cars generated an additional 9,087 mtCO2e in 2019. These estimates are based on Leidos trip mileage data by mode and vehicle class and emission factors from the U.S. EPA.

We aim to reduce business travel emissions through more efficient business processes and enhanced communications technologies. Our headquarters in Reston, Virginia, has been outfitted with advanced technology to encourage video-conferencing and reduced business travel across the Enterprise. Technologies such as these have contributed to a decline of airline travel and rental car reservations across the company since 2011.

MATERIAL USE AND ENVIRONMENTAL SUPPLIER ASSESSMENT

Leidos works closely with many of our vendors to support our business operations with environmentally friendly materials. Printing and paper use are daily impacts that we do our best to manage. Because these activities touch our employees on a daily basis, our procurement vendors have restricted the types of products that can be used in printing and paper use. When Leidos specifies new occupied space or updates existing space, we

attempt to use the most environmentally friendly options possible. Our carpet and furniture vendors have been especially helpful by providing cost-competitive and environmentally friendly products.

Leidos understands that our value chain is one of the largest sources of impact on the environment. In 2019, we undertook planning to implement a supplier sustainability assessment process that is planned to launch in 2020. See the suppliers section of this report for more information on this program.

WATER

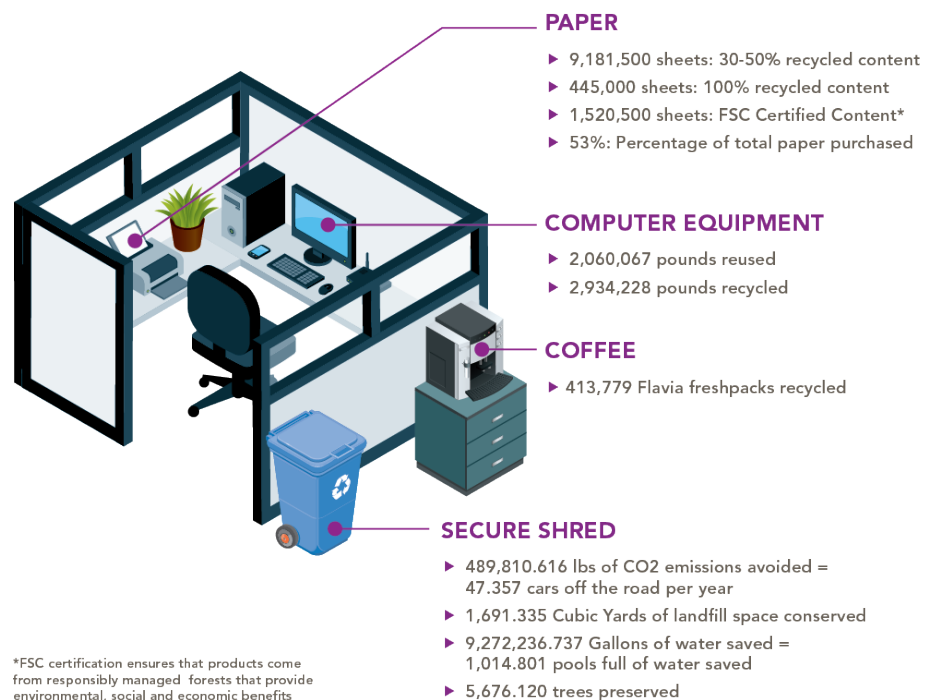
Water use at Leidos is mostly limited to typical commercial office consumption, which does not have a significant effect on national or local water sources. We monitor our water use and work to reduce its use through water-efficient technology, especially in water-sensitive climates like Southern California. For example, our San Diego campus taps into the city's reclaimed water distribution system to supply irrigation to our landscaping, a practice that conserves community drinking water resources.

Environmental Health and Safety

We are united in protecting the health and safety of our employees, customers, communities, and the environment.

Leidos is a leader in the field of environmental, health and safety (EH&S) and places a strong emphasis on EH&S activities both internally and on behalf of our clients. Internally, we emphasize direct management responsibility, corporate policies and directives, EH&S program implementation, employee training, and compliance assessments. Our corporate policies and procedures fully support compliance with all EH&S regulations at work locations. We have a proactive compliance program of employee education, training, auditing, and reporting that, through employee awareness and integration into our business operations, improves our commitment to a safe and healthy work environment.

It is Leidos' policy to operate in compliance with all environmental, health and safety rules and regulations, and to comply with our clients' policies and procedures. Leidos has developed and implemented an environmental, health and safety management system designed to address the diverse needs and requirements of a company that conducts field work, performs research and development, and manufactures products. The Leidos Corporate EH&S System conforms, but is not certified, to ISO 14001: 2015 and



American National Standards Institute standard Z10 American National Standard for Occupational Health and Safety Management Systems.

Leidos is committed to conducting business in a manner that protects the health and safety of our employees, customers, business partners, community, neighbors, and the environment. The EH&S program is supported by the highest management level in the Company. The EH&S organization provides support for every Leidos location, and along with each line organization manager, is responsible for the general health and safety of employees and compliance with applicable policies, procedures, and regulations.

2019 EH&S STATISTICS - INJURY AND ILLNESS RATES*

Over the past 5 years, Leidos has achieved injury and illness rate performance well below the industry average (see comparison rates below for NACIS code 5417, Scientific Research and Development Services).

Leidos Occupational Injury and Illness Data

Rates	2015	2016	2017	2018	2019
Total Recordable cases (OSHA 300 Col. M1-6)	0.25	0.2	0.25	0.16	0.24
Injury cases (OSHA 300 Col. M1)	0.24	0.17	0.22	0.15	0.22
Illness cases (Occupational Diseases) (OSHA 300 Col. M2-6)	0.01	0.02	0.03	0.01	0.02
Days away from work cases (Lost Days) (OSHA 300 Col. H)	0.08	0.09	0.08	0.03	0.07
Fatalities (OSHA 300 Col. G)	0	0	0	0	0
BLS Rate Total Recordable cases NAICS 5417	1.0	0.8	0.9	0.8	N/A

* 2015-2016 data presented includes Leidos Incorporated (Federal Employer Identification Number 95-3630868) US domestic operations. Subsidiaries are not included. On August 16, 2016, a subsidiary of Leidos Holdings, Inc. merged with the entirety of Lockheed Martin Corporation's Information Systems & Global Solutions (IS&GS) business, resulting in Leidos Innovations Corporation (LIC). Consequently, beginning in 2017 (first full year post-merger), data includes consolidated OSHA injury and illness data of US domestic operations for both of Leidos Holdings' operating companies, Leidos, Inc. and LIC. Other subsidiaries are not included.

N/A = Not available yet from BLS

Environmental Services and Performance:

CASE STUDY

National Aeronautics and Space Administration (NASA) Headquarters



LINKING ENERGY AND ENVIRONMENT TO MISSION

Leidos embraces NASA's risk management culture, applying a mindset of scientific and engineering discovery to protect the mission. We serve as a systems integrator for NASA HQ. Providing deep reach-back to experts in energy, environment and NASA programs, Leidos understands impacts from complex interconnections between energy and cyber infrastructure, a changing climate, human capital, and resilience and sustainability drivers.

Leidos streamlines mission considerations within energy and environmental program execution by looking beyond organizational silos. We align technical expertise with stakeholder engagement, outreach, and award-winning training and risk communication.

- ▶ Leidos facilitated NASA HQ's Sustainability Working Group (SWG) formation in 2009 and continues supporting the SWG to engrain strategies Agency-wide.
- ▶ Through the Interagency Forum on Climate Risk, Impacts and Adaptations, Leidos has helped NASA engage with a broad spectrum of external partners for 12 years to share best practices, and we helped develop NASA's first Climate Risk Management Plan.
- ▶ Our team won the Outstanding Collaborative Planning Project or Program award for Building a Climate Resilient National Climate Region workshops, co-sponsored by NASA.
- ▶ Leidos was granted a 2018 HQ Honor Award for reviewing NASA's first Agency-wide Strategic Energy Investment Plan, which links energy and budgetary goals.

Holistic risk management demands a mission focus. However, energy and environment impact NASA's individual Programs and Field Centers differently. For instance, facilitating NASA's Center Climate Risk Workshop Series, Leidos worked with NASA climate scientists to craft data messaging unique to each Center's needs. We analyze differing mission roles and geographic locations to deliver tailored solutions:

- ▶ Reviewed Center Energy Savings Performance Contracts and potential Power Purchase Agreement opportunities to manage long-term costs.
- ▶ Employed GIS to visualize vulnerabilities in California, where NASA has a dense physical supply chain.
- ▶ Applied advanced statistics to characterize changes in rainfall Intensity-Duration-Frequency curves for all 13 major NASA Centers.
- ▶ Explored mission risk imposed by critical mineral resources essential to the aerospace industry.
- ▶ Assisted in developing Federal Energy Management Program Energy & Water Management Awards submissions, helping NASA win awards in the Midwest and Southeast United States.

Environmental Services and Performance:

CASE STUDY

National Energy Technology Lab



ANALYZING THE ENTIRE ENERGY CHAIN

Our full understanding of DOE's NETL mission allows us to look mindfully at the data of an entire energy chain. For NETL's Mission Execution and Strategic Analysis (MESA) contract, our experts analyze large, multimedia data sets to help improve decision-making and business practices for NETL. We support the design of mission-specific, tailored analytic systems that transform raw data into valuable knowledge that helps make our country safer, healthier, and more efficient.

Leidos, as a subcontractor, provides technical and administrative support services for program and project planning, execution, monitoring, and assessment, as one part of our support. We also provide strategic analytics across four strategic analysis areas: process and cost engineering analysis, energy market finance and technology deployment analysis, life cycle analysis, and subsurface analysis to help NETL direct research priorities, focus resources, and strengthen operations. This support spans the DOE offices of Fossil Energy, Energy Efficiency and Renewable Energy, and Electricity Delivery and Energy Reliability.

Your mission is our mission

NETL defines a program as a set of activities with a common purpose undertaken in support of an assigned mission area. Within a program, a group of projects coordinates to accomplish the program over a specified timeframe. NETL's MESA team evaluates the readiness of these projects as they develop from laboratory scale to pilot or full-scale demonstration in a timeline of up to 15 years. Our job is to be cognizant of ongoing requirements, regulations, internal and external stakeholders, implementation strategies, and other current or emerging factors that may influence NETL's research programs. Leidos provides the pivotal information that NETL relies on to make effective and efficient decisions so that its programs and projects successfully reach fruition.

Strategy for energy advancement

Another key to Leidos' support is our mix of interdisciplinary technical experts in engineering, economics, business, and policy, who provide an in-depth understanding of the U.S. energy field. Whether dedicated, onsite staff members, or reach-back to expertise from across Leidos, they know conventional and advanced energy technologies and regulatory, legislative, and policy issues, and use that knowledge to help NETL to advance its mission to discover, integrate, and mature technology solutions to enhance the nation's energy foundation and protect the environment for future generations.

Environmental Services and Performance:

CASE STUDY

Delivering savings and lasting benefits

Ameren Illinois



In Illinois, the state has established a vision aimed at building a stronger clean energy economy through the expansion of energy efficiency investments, workforce development, and low-income programs. Since 2008, Leidos has administered the Ameren Illinois energy efficiency portfolio – first for commercial and industrial customers and then for homeowners and renters across downstate Illinois. In 2018, Ameren Illinois partnered with our team of experts to continue administering the entire portfolio of programs through 2021. To date, Ameren Illinois and Leidos have received more than a dozen major energy industry awards for exceptional program delivery, implementation best practices, and innovation.

Leidos provides a broad variety of services for Ameren Illinois, including overall portfolio management, technical project support, marketing and outreach, quality assurance and control, application and incentive processing, and data governance. In addition, our team integrates new approaches and technologies into the portfolio, delivers enhanced energy efficiency services to low- and moderate-income residential customers, serves businesses and organizations located in economically challenged areas, and seeks out opportunities to partner with diverse suppliers across the portfolio. Since launch, Leidos' implementation of the Ameren Illinois energy efficiency portfolio has helped customers reduce their energy usage by more than 13,000 GWh and 170 million therms – the equivalent of over \$1.25 billion in energy savings.

BRINGING ENERGY EFFICIENCY TO ALL

Together, Ameren Illinois and Leidos have established an industry-leading Market Development Initiative that leverages more than \$100 million in funding to make energy efficiency more accessible to all customers. Recent Illinois legislation emphasizes enhanced energy efficiency funding for low-income households and new investments in local communities – two tenets that helped shape and realize Ameren Illinois CEO Richard Mark's vision of "Energy Efficiency for All." The Market Development Initiative focuses on providing additional resources, financial support, and innovative solutions to residential and business customers in lower income communities throughout central and southern Illinois. Additionally, our team is focused on making investments in Illinois communities that advance collaboration and innovative ideas in energy efficiency, create opportunities for diverse contractors and suppliers, and build an energy efficiency workforce of the future.

Ameren Illinois and Leidos are partnering to deliver a number of innovative solutions through the Market Development Initiative. Our team has increased collaboration with community-based organizations in order to leverage their existing engagements with underserved customers, build energy efficiency program awareness, and deliver greater energy savings through these channels. Leidos has also helped Ameren Illinois to increase workforce development efforts through scholarships at community colleges and technical schools, internship connections, and job opportunities with energy efficiency implementers and contractors. To round out the "Energy Efficiency for All" vision, our energy efficiency experts have delivered new technologies and equipment – like smart thermostats and advanced power strips – to customers residing in low-income areas at no cost. The result of these efforts is greater financial stability for customers and impactful economic development for communities in downstate Illinois.

Environmental Services and Performance:

CASE STUDY

Pepsi
Manufacturing
Facility reduces
annual energy
costs by
\$1 million



Pepsi's Central Production Facility Co-op & Northeast Hot Fill Co-op (CPF-NEHF) in Ayer, Massachusetts, is enhancing their in-house manufacturing processes through the implementation of upgraded technologies that improve profitability and increase energy efficiency. Through National Grid's Industrial Program – administered by Leidos – the CPF-NEHF engineering team learned about energy efficiency opportunities as well as available technical project support and incentives. This partnership with Leidos and National Grid sparked several projects – energy-reducing improvements that are saving the facility an estimated \$1 million in electric costs each year.

CPF-NEHF's initial project focused on the installation of LED lighting to illuminate the aisles in their bottling plant. In addition to increased visibility for employees and auditors, the new lighting also enhanced worker safety. The success of the lighting improvements encouraged the management team to look for other substantial energy improvements.

Leidos helped CPF-NEHF analyze other energy reduction projects and access additional incentives from National Grid. The facility installed a new compressor that improved energy efficiency and reused wastewater heat during their manufacturing process. In addition, the bottling plant added several blow molders to their operation, which allowed CPF-NEHF to bring the process in-house rather than relying on the purchase of outsourced pre-made bottles. National Grid supported the facility improvements through incentives and financing – helping CPF-NEHF build positive cash flow from the projects.

Leidos is focused on helping utilities and their large industrial customers generate project opportunities that go beyond lighting. In fact, 88% of the savings achieved through National Grid's Industrial Program is delivered through non-lighting projects. Our experienced team targets process and operational improvements that produce substantial energy savings and important ancillary benefits – like increased safety, reduced carbon emissions, and better long-term sustainability. Leidos helps manufacturing plants operate with greater efficiency, thus lowering production costs and enhancing their competitiveness in a global marketplace.

Environmental Services and Performance:

CASE STUDY

U.S. Environmental Protection Agency



U.S. ENVIRONMENTAL PROTECTION AGENCY

When a national emergency happens, a quick and judicious response is what EPA expects to receive from Leidos. After 20 years of 24-hour support under the SERAS Program, Leidos is poised and ready at all times to provide technical and analytical support to EPA's Environmental Response Team, including 24/7 nationwide emergency response/rapid mobilization in support of releases involving hazardous chemicals, oil, radionuclides, and/or chemical/biological agents of concern.

Since 2009, we have responded to more than 90 emergency responses/rapid mobilizations, including the Kilauea volcanic eruption and multiple California wildfires. Leidos also supports air monitoring during events of national significance (e.g., Democratic and Republican National Conventions, national sporting events).

Leidos has performed more than 380 work assignments on the contract to date, with up to 75 work assignments each month. Additionally, we have provided more than 700 deliverables on average over the past 3 years.

Multidisciplinary staff with best technology available

A multidisciplinary staff of chemists, biologists, geologists, engineers, and environmental scientists quickly assess any type of environmental emergency and assist with containment and remediation activities.

Leidos provides oversight and evaluation of cleanup activities; analytical, logistical, health and safety, and quality assurance support; on-site sampling, monitoring, and analysis support; and wireless remote communication capability for monitoring instrumentation.

Leidos also brings certified divers as a specialized capability to the response team. For example, our divers collected benthic organisms in DDT-contaminated sediment to evaluate for toxicity in the San Jacinto River after the devastating effects of Hurricane Harvey. We also provide dedicated health and safety support to EPA by developing and reviewing a first responders' Guide to Fentanyl Exposure.

Leidos deploys Trace Atmospheric Gas Analyzer (TAGA) mobile laboratories that are equipped with precise instrumentation to monitor air contaminants following industrial accidents and catastrophic weather events. The TAGA instrumentation detects volatile organic compounds using the stationary or mobile monitoring mode in near real time and at parts per billion levels or lower. The gas chromatograph/mass spectrometer provides on-site rapid analysis of air samples. Leidos also maintains and operates EPA's accredited, fixed analytical laboratory in Edison, N.J.

CEO Earth Day Message

Earth Day 2020



CELEBRATING THE 50TH ANNIVERSARY OF EARTH DAY

The past few months have given us all time to reflect on what is important—our health, our families, service to one another, and to our communities and our world. Greenhouse gas emissions and pollution have fallen across continents as countries contain the spread of the coronavirus. Still, at the same time, resources and attention are unavoidably diverted from important causes like protecting our environment.

And so today, despite the events around us, I write to remind you of the 50th Anniversary of Earth Day – one of the most significant civic-focused days of action in history. Events across the world this year will proceed virtually or privately within families, as you might imagine. But it's still important to pause and take pride in our collective commitment to sustainability.

In 2010, as a company, we pledged to reduce greenhouse gas (GHG) emissions by 25% with a deadline of 2020. I am proud to announce that we have already reduced GHG emissions by more than 50%, and we are on track to exceed this target even further. This is a tremendous feat that we should all be proud of, however, operating sustainably is a continuous journey and our efforts continue.

Recent sustainability initiatives include:

- ▶ Being a founding signatory of the Business Roundtable's Purpose of a Corporation.
- ▶ Refining our sustainability strategy to a systems approach and reorganizing our Environmental and Corporate Social Responsibility teams all together within our Communications Team to focus on collective wellbeing, as opposed to just environmental impact.
- ▶ Developing a supplier sustainability program to understand better the impacts of our supply chain and how we can drive positive behaviors within our supplier base.
- ▶ Investing in sustainability software that enables us to monitor our environmental footprint, better track employee volunteerism and causes of interest, and facilitate the distribution of employee health and safety information.
- ▶ Launching a mental health and wellbeing initiative, building on our anti-opioid work, to help improve prevention and diagnosis, and address stigma and access to mental healthcare. Our ability to serve our customers depends on our strong mental health and among other mental health challenges, by 2030, depression alone will be the leading cause of disability around the world.

Our talented colleagues and subject matter experts across the enterprise continue to lead sustainability initiatives each day. I want to thank them for their dedication. They collaborate with our business and community partners, suppliers, and other stakeholders who share our vision to improve our world and make it a better place for the coming generations.

Thank you for your commitment to a sustainable world.

Roger Krone Signature

Roger A. Krone
Chairman and Chief Executive Officer

Featured Projects

SOLAR ADVISORY SERVICES

Leidos has advised the development and financing of over 24 Gigawatts of solar power, equivalent to roughly 35% of the entire US solar capacity¹

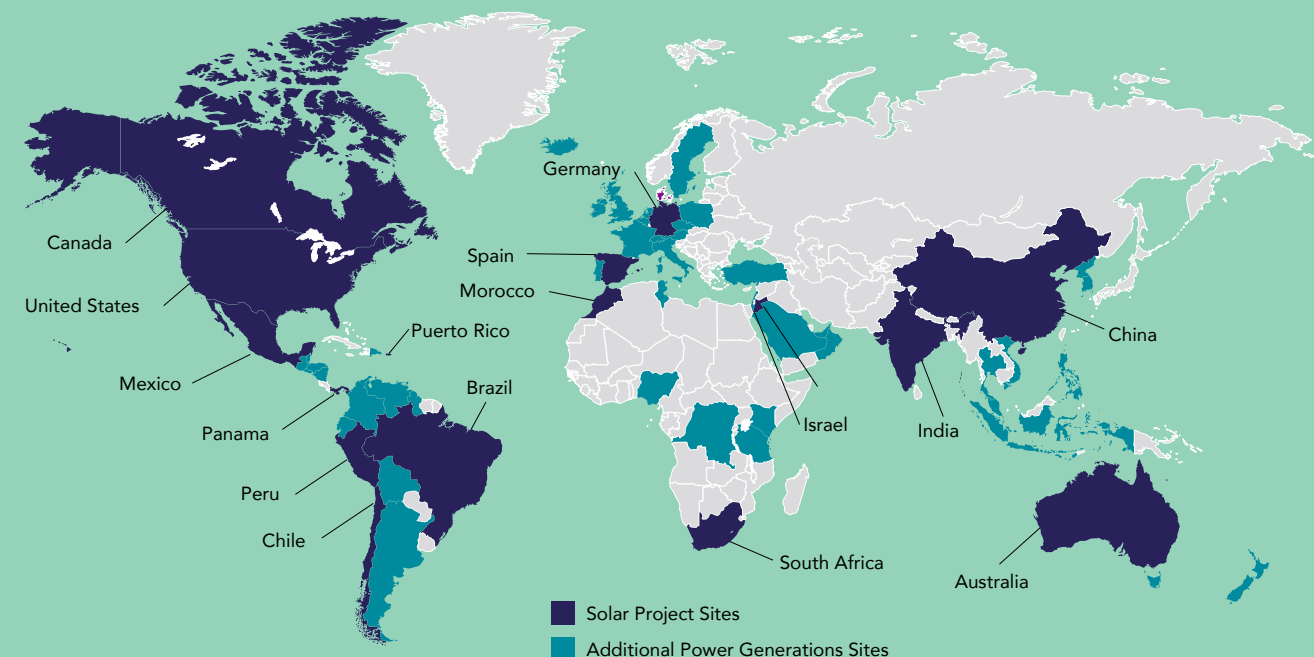
Leidos' Energy and Infrastructure Consulting staff numbers 90 employees with experience in all forms of power generation, and the breadth of our experience makes us unique. Our solar team draws on the company's 40 years of experience across conventional thermal, wind, solar, hydroelectric, and geothermal generation to account for numerous risk variables on every project we evaluate and advise. Roughly 30 of our energy consultants regularly work on solar projects, and the team is a mix of engineers and power market professionals who are helping to reduce greenhouse gas emissions in their everyday work.

OUR WORK

Leidos' energy consulting portfolio has a truly global footprint. We have been the technical advisor or independent engineer for projects in over 70 countries on 6 continents.

Our solar team is experienced in every phase of project development and implementation. Our engineers work to independently evaluate the design, construction, performance, and operations and maintenance of solar installations to confirm they will generate power as contracted. Central to our evaluations are the solar technologies to be used, including new-to-the-market modules, inverters, and trackers, as well as the underlying solar resource and energy production assumptions. Leidos engineers leverage comprehensive meteorological data, sophisticated modeling platforms, and technology research to verify each project will perform and compete to its full potential.

Leidos' solar team is just one example of how our greatest contributions to environmental stewardship come through our customer work. The 24 GW of solar capacity our advisory team has helped develop is, according to estimations from the Department of Energy, equivalent to roughly 75 million traditional solar PV panels.² As the world's appetite for reliable, clean energy grows, Leidos' energy consultants will be working to ensure that utilities, asset owners, and investors can meet the clean energy demands of the future.



¹ Calculated using the Solar Energy Industries Association's US Solar Market Insight, dated September 17, 2019

² <https://www.energy.gov/eere/articles/how-much-power-1-gigawatt>

Featured Projects

SCIENTIFIC, ENGINEERING, RESPONSE AND ANALYTICAL SERVICES

Leidos Scientists and Environmental Engineers support human and environmental health in the wake of natural disasters for EPA

Typically we think of firefighters, police, and medical staff when we think of emergency responders, but the Leidos employees who get the call in the wake of a natural disaster are a team of scientists and engineers. Our employees in the Energy and Environmental Science (EES) Division support the EPA's Environmental Response Team (ERT) as part of the Scientific, Engineering, Response, and Analytical Services (SERAS) contract. They travel throughout the country on short notice and provide the ERT with around-the-clock capabilities in technical monitoring, safety, and quality assurance in disaster response.

"As much as we plan ahead, you simply can't time these national emergencies," said Environmental Engineer Jon McBurney. "And as there are emergencies, our staff dedicated to the SERAS contract are committed, ready, and willing to help at a moment's notice – even when this necessitates traveling right into the center of danger."

Our SERAS team coordinates and implements a wide range of activities to protect both human health and the environment in the wake of natural disasters, and responded to numerous emergencies over the past few years including hurricanes, wildfires, and the recent refinery fires in Texas.

One great example of our SERAS team's work is in the conduct of slope stability studies in the wake of wildfires. The 2018 California wildfire season was the deadliest and most destructive in the state's history, with 8,527 fires burning nearly 2 million acres. These fires left slopes across the state exposed and unstable, as the vegetation holding them up had burned off. Once the fires were mostly contained, our SERAS geologists perform onsite slope stability studies that then inform EPA's post-fire response. These studies identified areas most vulnerable to potential mudslides in the event of subsequent heavy rains, and informed response plans designed to keep these environments and nearby infrastructure intact.

The impact made by our SERAS team is immense, spans the entire country, and extends far beyond the footprint of Leidos' offices. Discover Biologist Chris Gussman put it best in saying, "Working with the EPA on the SERAS contract has been extremely fulfilling. It is rewarding to see the concrete benefits of our labor in examples like the hurricane cleanup, volcano monitoring, and wildfire stability – but knowing that there are individuals who are now safe because of all the work you've put in, there's great satisfaction in that."

MARKET DEVELOPMENT INITIATIVE

Helping all customers of Ameren Illinois, regardless of income or socio-economic status, gain access to incentives that help them reap the benefits of energy efficiency

Energy costs are a significant financial burden for lower income households – with many families spending approximately 20 percent of their monthly income on utility bills. Homes and buildings in lower-income neighborhoods tend to be older, with fewer energy-efficient features and equipment, which compounds the problem of high costs for low income energy consumers. In downstate Illinois, the local utility Ameren Illinois sought to invest in these communities and help customers reduce energy costs through efficient home upgrades. As the prime energy efficiency program implementer, Leidos assisted Ameren Illinois in launching the Market Development Initiative in 2018. The Initiative is comprised of projects and partnerships all working together to further three goals: engage customers who have not previously benefitted from energy efficiency, increase the number of industry jobs available to local and diverse candidates, and support new and growing energy efficiency businesses.

Leidos assists Ameren Illinois in building awareness and increasing participation in various energy efficiency projects and programs by building partnerships with key community-based organizations, such as the Illinois Black Chamber of Commerce (ILBCC) and the NAACP. In addition, our team plans community events, hosts training for community partners, and builds online resources for the Initiative. Leidos' marketing and outreach specialists provide expertise in targeting and engaging low-income communities so the benefits of energy efficiency programs reach those who stand to benefit the most. Leidos also provides Ameren Illinois with experienced project managers, who help guide customers through the various energy efficiency programs and capture opportunities to reduce costs.

The Market Development team has deployed many innovative methods to engage communities throughout the Ameren Illinois service territory. Ameren Illinois and Leidos partnered with the Head Start childcare program to provide training to their staff and educate new families on the available energy-saving programs for their homes. The partnership with the ILBCC included the incorporation of energy efficiency education into organization's networking mixers, where minority-owned business owners could sign up for an energy assessment and apply to be considered for procurement opportunities with Ameren. Our team also collaborated with "Meals on Wheels" programs, working across the territory to educate customers on energy efficiency initiatives and provide them with energy-saving kits during meal drop-offs.

The efforts by Ameren Illinois and Leidos have led to award-winning outcomes since the Initiative's launch, demonstrating the environmental and economic impacts to communities throughout central and southern Illinois. Some of the key outcomes of the Initiative include:

- ▶ Generation of over 2,000 energy efficiency program participants in the first year
- ▶ A 40% increase in minority- and woman-owned business enterprises supporting the program
- ▶ \$8.5 million program spend with minority-owned suppliers and vendors

Community

Our strong nonprofit relationships and philanthropic outreach programs are creating more sustainable communities.



Community

We serve our communities, engage our employees, and align our outreach with company business goals.

Leidos actively supports the communities where our employees live and work, providing some of the most inspired and passionate examples of how we are working to make the world safer, healthier, and more efficient. Through our philanthropic efforts, we strive to create a sustainable future, including working side-by-side with community organizations providing critically important services and opportunities to those most in need. United together, our efforts help individuals and families succeed today, as well as position our future generations for success.

We focus on the following four broad categories with an overarching goal of combining charitable giving with employee volunteerism whenever possible:

- ▶ Education (Science, Technology, Engineering, and Mathematics, or STEM, focus): We continue to focus on STEM education and skills development, from kindergarten through college and beyond.
- ▶ National security personnel and their families: We support active-duty and veteran service members, as well as the broader defense and intelligence communities, and their families. Our employees are passionate about making a difference for the men and women who serve our nation.
- ▶ Basic needs/wellness: We help sustain our local communities by providing food, clothing, and housing and by helping to tackle major health challenges of our time, including opioid addiction, heart disease, cancer and diabetes, among others.
- ▶ Ethics/leadership: We collaborate with chambers of commerce and schools to develop ethics and leadership programs to help build the next generation workforce.



Our Management Approach

The purpose of our philanthropic efforts is to enrich our communities, helping to tackle some of the most significant challenges of our time. From increasing the availability of STEM education at all levels, to supporting our men and women in uniform and their families, to helping end the stigma surrounding opioid addiction, to providing basic necessities to those who are most vulnerable, to instilling the importance of integrity in our youth, Leidos strives to improve its communities.

Our philanthropy is grounded in the following standing policies:

- ▶ Organizations must be tax-exempt under Section 501(c)(3) of the Internal Revenue Service (IRS) Code to receive a charitable donation.
- ▶ Leidos does not support organizations that practice discrimination based on race, gender, age, color, religion, national origin, sexual orientation, gender identity, disability, veteran or marital status, or any other protected characteristics as established by applicable law.
- ▶ Donations are not made to sectarian or religious organizations (except for programs which are broadly promoted and available to anyone, regardless of religious orientation), political parties, political candidates, or partisan political organizations

Annually, we commit to allocating our charitable resources (both budget, time, and talent) to a variety of cause areas and in conjunction with a series of both long-standing and new non-profit relationships. Our goals are to continue to spend our available charitable budget and encourage our employees to contribute their time consistent with prior year levels, increasing contributions in both areas to the greatest extent possible.

Leidos delivers innovative solutions through the efforts of diverse and talented employees who are dedicated to customer success – we focus on empowering our teams, contributing to our communities, and operating sustainably.

Corporate Philanthropy

OUR CORPORATE PHILANTHROPY SERVES THE COMMUNITIES WHERE WE OPERATE AND ALIGNS WITH OUR BUSINESS OBJECTIVES.

Leidos philanthropy improves the lives of our employees and residents of the communities where we live and work. Marshaling resources to this aim, we identify causes and organizations that align with our specific priorities and the unique needs of the communities where Leidos does business.

Specifically, we focus on:

- ▶ Building strong non-profit partnerships focused on overcoming important challenges of our time.
- ▶ Making charitable donations to qualified non-profits and also providing in-kind services and materials.
- ▶ Organizing company-sponsored volunteer opportunities for employees and also promoting their personal volunteerism interests.
- ▶ Supporting our internal Employee Resource Groups (ERGs) and their community outreach priorities.
- ▶ Collaborating with other stakeholders (e.g., chambers of commerce, academic institutions, and government agencies) to improve our local communities.

Charitable Giving & Volunteerism

During calendar year 2019, we donated over \$4.5 million to charitable organizations and over 27,000 volunteer hours (company sponsored projects only). The graph below illustrates the distribution of our enterprise-wide charitable giving since calendar year 2015 and demonstrates a doubling of our giving since 2016. We expect future charitable spending to be consistent with our 2019 spend and volunteering to steadily increase (aided by a new software implemented in 2020 to track volunteer hours).

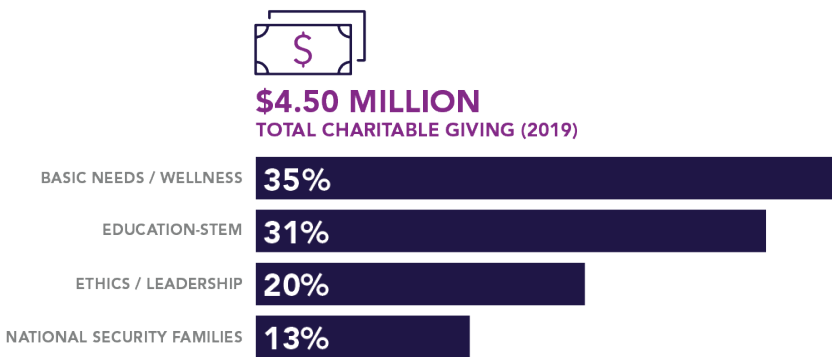
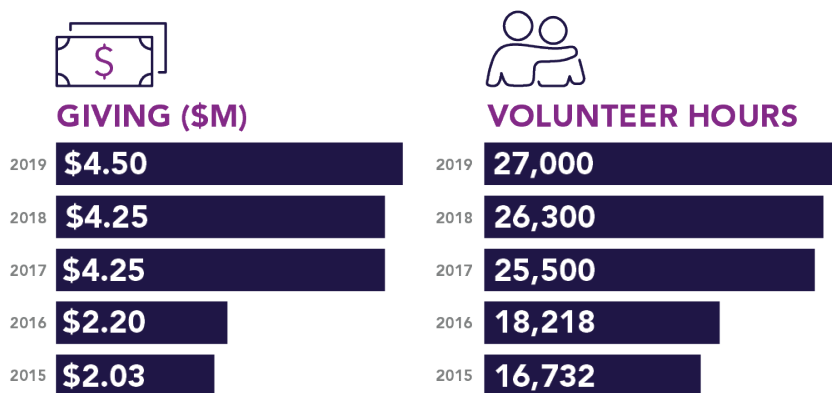
Leidos does not have a philanthropic foundation (beyond the Leidos Relief Foundation, a separate 501c3 organization for Leidos employees to assist fellow employees during times of need) and does not generally accept unsolicited requests for grants, sponsorships or donations. To execute our giving strategy, we identify and reach out to those organizations that best align with our priorities and objectives as a company.

Specific to cause area, the following graph illustrates total Leidos 2019 charitable giving broken down by the company's focus areas:

Volunteering continues to be an important component of the overall Leidos philanthropic profile and we recognize the unique value it brings to our employees, communities, customers and workplace. Our ongoing commitment continues to drive notable changes in our culture, reflected in how we select non-profit partners, plan outreach activities and recognize the successes of our passionate employee volunteers.

Employees contributed over 27,000 hours to company-sponsored outreach activities in 2019 (shown below), a consistent increase over prior calendar years. In addition to supporting company-sponsored efforts (reported), Leidos employees also pursue numerous other cause areas, reflecting their varied passions and interests.

At Leidos, we regularly highlight employee volunteer accomplishments. This helps to increase employee engagement by incentivizing new volunteer projects and ultimately contributes to improved retention and hiring, respectively. Every day, our employees are change agents in their communities. By combining corporate giving with passionate and inspired employee participation, Leidos is making a meaningful difference to those in need.



Strategic University Alliances

Our University Alliance Program connects Leidos with wellsprings of innovation found at leading universities.

Leidos is committed to bringing high-technology solutions to the nation's most challenging problems, and universities are one of the sources of innovation into which the company can and does tap.

We established a number of strategic university alliances (SUAs) to focus on-campus activities to support our strategic goals, particularly by strengthening the Leidos science and technology core. Over the last couple of years, we have further increased our SUAs to now include fourteen university partners. Leidos chooses schools through a rigorous, collaborative process that includes business and technology leadership across the company. Partnering with universities is an important element of the overall Leidos corporate responsibility program, where we combine time and resources to support our people, enrich our communities and protect the environment.

Strong relationships with select universities reinforces our commitment to STEM education, provides opportunities for growing our business, supports thought leadership in the markets in which we compete and provides enhanced access to both professors and students. Leidos appointed a senior campus executive for each university who serves as an official representative and spokesperson. Each campus executive is allocated discretionary funding to support their activities with the university and is supported by an advisory council drawn from stakeholders across the company. Together, this team sets goals and objectives for each campus and determines how to best invest discretionary resources.

University Alliance Program

The following higher learning institutions are key partners with Leidos in building academic, research, and recruiting programs:



Community:**CASE STUDY**

Ravens
continue to
fight opioid
addiction with
drug disposal
distribution
initiative



Leidos and the Baltimore Ravens announced on June 17, 2020 that they have teamed up to distribute nearly 70,000 drug disposal packets to local non-profit chapters across communities in Baltimore, Md. The distribution is part of the “Tackling Opioid Addiction” campaign, an on-going partnership between Leidos and the Baltimore Ravens to raise awareness around the opioid public health crisis.

Data from the Baltimore City Health Department shows more than 90 percent of drug and alcohol-related deaths in the city are opioid-related. The COVID-19 pandemic and resulting economic downturn have also negatively affected mental health and created new barriers for people already suffering from substance use disorders. The drug disposal packet distribution will enable community members to safely dispose legal leftover prescriptions from the safety of their own homes.

“This initiative reinforces our commitment to the people of Baltimore. We want to do our part to help end the opioid epidemic and address challenges impacting over-all mental health and well-being,” said Leidos Senior Vice President Melissa Lee Dueñas. “We are excited to continue our work with the Ravens, building on the efforts of local organizations to help our community persevere.”

“The opioid public health crisis has only been exacerbated during the COVID-19 pandemic,” said Ravens vice president of community relations Heather Darney. “We understand it’s more crucial than ever to help with this important cause. We’re proud to partner with Leidos to distribute these drug disposal packets, as we continue working together to raise awareness around the dangers of opioid addiction.”

Leidos launched a company-wide initiative in 2017 to help end the opioid epidemic after Chairman and CEO Roger Krone received an employee’s call to action. Since then, Leidos has led dozens of initiatives and events to heighten awareness, including a large-scale drug deactivation kit distribution event in conjunction with the Community Anti-Drug Coalitions of America (CADCA), the MD National Guard, and the Aberdeen Proving Ground team.

ABOUT BALTIMORE RAVENS

Entering their 25th year of existence, the Baltimore Ravens are just one of four NFL franchises to win multiple Super Bowls since the turn of the century. Under head coach John Harbaugh, who arrived in 2008, Baltimore has posted the NFL’s fourth-most total victories (128, tied), won the league’s second-most playoff games (10, tied), advanced to an impressive three AFC Championship contests, and in 2012, captured the World Championship in Super Bowl XLVII. The Ravens, who also won Super Bowl XXXV during the 2000 campaign, have made the playoffs in eight of the past 12 seasons –producing four AFC North Division titles during this time (2011, 2012, 2018 & 2019).

People

Our development and training programs are creating a strong workforce focused on solving the world's most daunting challenges.



People

The talent, character and passion of every employee defines Leidos.

Our people are driven and smart, focused on solving the world's most daunting challenges. The work requires insight, ingenuity, and commitment. Our values, which are embedded into everything that we do, reflect this.

Leidos fosters career growth through tools and resources that help guide employees at all stages in the employment lifecycle. Training and education resources offer skill-building benefits to employees seeking career development. Our mentoring programs support the company's ability to attract and retain a diverse workforce and foster a more inclusive work environment.

We are keenly aware that the workforce needed to grow our business and deliver creative solutions is one rich in diversity of thought, experience and culture. Our diversity and inclusion focus on building and maintaining the talent that will create cohesive and collaborative teams that drive innovation.

Professional and Career Development

Committed to providing employees with the opportunities and resources they need to succeed.

Our people are our most valuable assets. To support them, Leidos provides a broad range of development resources and opportunities to all Leidos employees, including those who work part-time. Managers are empowered to conduct ongoing career conversations with their employees and assist with identifying career interests and devel-



opment opportunities. Managers are required to offer all employees a career conversation at least once each year, and are prompted to do so quarterly as part of the Check-In process. Attracting, developing and retaining the most qualified and capable workforce is vital to our success and to that of our employees.

Leidos partners directly with employees to understand their career aspirations by aligning their passions and interests to an effective skill-set that serves both the organization and the community. We offer a suite of development and training resources to employees to help them acquire desired skills and experiences that improve job performance and prepare them for more advanced professional responsibilities.

We use a virtual learning platform to provide all employees access to development and training, regardless of geographic location or schedule demands. Our program focuses on a variety of topics such as Project Management Certification preparation and System Engineer Certification Training.

EDUCATIONAL PARTNERSHIPS

The Leidos EdAssist partnership leverages an established network of relationships with over 200 colleges and universities that provide discounted degree programs in areas of study that support our business objectives. This partnership enables us to offer a variety of areas of study and delivery options (online and on-campus) that meet the varied and unique needs of employees at all Leidos locations. The discounted tuition rates and structure vary by school and some include discounts for family members as well.

TRAINING ALLIANCE

We have also established relationships and alliances with training vendors that offer employees opportunities to advance their proficiency in technical and professional skills through online training or open enrollment programs at vendor locations. These vendors offer employees significant discounts for public, online and virtual offerings.

Through our partnership with leading content providers such as Coursera, O'Reilly, Skillsoft, Udacity, and Udemy, Leidos offers more than 3,000 online courses on topics such as business, management, and information technology at no cost to employees or their organizations. Through Skillsoft's Books24x7® Referenceware® service, all employees also have access to the complete unabridged contents of thousands of the latest and best business and technology books. Professionals across all disciplines can use Referenceware for continuous learning to help solve job-critical challenges.

MENTORING

Mentoring and coaching are important to our workforce development goals. Both informal and formal mentoring programs at Leidos support the company's ability to attract and retain a diverse work force and to foster a more inclusive work environment, as well as a natural "culture of mentoring." Our most powerful mentoring tools are the Executive Mentoring Program and the Leidos Mentoring Tool which assists protégés and mentors in finding a successful match.

The Executive Mentoring Program aligns all of our Executive staff as mentors to one or more diverse, high-potential protégés in year-long cycles. Protégés are given rare opportunities to connect with our Executives to support higher level career development aspirations and reach new heights within the organization. The Program also acts as a conduit to identify potential successors for critical roles from our diverse, high-potential talent pool.

The Leidos Mentoring Tool is a free and open mentoring tool designed to support professional development for all employees within the organization. Protégé participants are informed about interested and best-fit mentors across the global enterprise. Partnerships may continue until both mentor and protégé believe that the protégé has effectively achieved the development goals set forth at the initiation of mentorship. The Program also boasts points of contact across hundreds of metro areas around the world, supporting program participants and facilitating local networking and collaboration events.

LEIDOS LEADERSHIP PROGRAM

We have designed and launch a new Leidos Leadership Program (LLP). The LLP represents our commitment to making Leidos a great place to work by investing in the growth of our employees. The effectiveness of our employees is critical to achieving our business objectives and providing our customers with innovative solutions, the highest possible levels of service, and enhanced program outcomes. LLP offerings align with our Leadership Framework to shape a collective leadership mindset for leaders at all levels. We integrate peer learning, networking, and simulation experiences with direct application to the Leidos environment. The various offerings for leaders at all levels are intentionally designed to meet the needs of a global organization with dispersed employees working in a variety of environments. By increasing leadership capacity, we are better able to execute our corporate strategy and meet our growth goals.

RETAINING OUR MOST CRITICAL ASSET

Engaging, developing and retaining a talented workforce is essential to our success. The dynamic nature of our work means that our employees may be faced with position reductions and reorganizations when a program ends, is re-competed, or otherwise modified. Leidos is keenly aware of the stress this can place on our people, and we are committed to retaining and strengthening our highly skilled professional workforce while communicating clearly and openly at all times.

Established in 2008, our Talent Resource Program partners with Talent Acquisition teams and Hiring Managers to identify potential open internal opportunities and internal talent. Talent Resource Partners provide a variety of services, including one-on-one coaching, interview training, résumé building guidance, and information on other internal organizations that need similar skill sets. Various resources are available to employees, including redeployment overview sessions, six different workshops on-line and inclusion in our enterprise redeployment listing aimed at ensuring that our talent seeking opportunities are highly visible to hiring managers and recruiters. Through the efforts of Talent Resource Partners, our internal placement rate for affected employees averaged 50% in 2019.

To ensure that our employee retention efforts are successful, we conduct a quarterly pulse engagement survey to a representative sample of employees. We also participate in periodic formal employee engagement surveys. In 2019, we conducted employee engagement surveys with Leidos employees in Australia, the United Kingdom, and the United States. The surveys were anonymous and conducted by an independent third party. Results were aggregated by business areas, and a number of demographic elements, and shared with our board of directors and executive leadership team.

Inclusion & Diversity

At Leidos, we believe that a focus on inclusion and diversity improves team performance, influences innovative business strategies and drives positive results by advancing our workforce, cultivating an inclusive workplace and advancing our reputation in the marketplace.

By cultivating an inclusive culture, we enable every employee to leverage their unique talents and high performance standards to create cohesive and collaborative teams that drive innovative solutions. Leidos values differences in thought, style, backgrounds, and opinions. The talent needed to grow our business depends on cultivating a workforce rich in diversity of thought, experience and culture. Our commitment to diversity and inclusion is reflected in:

- ▶ How we advance our Inclusion and Diversity brand externally to attract qualified diverse candidates into our applicant pool
- ▶ How we build our inclusion acumen to remove barriers to retention
- ▶ How we establish processes that will advance our diverse talent
- ▶ How we provide premier Employee Resource Groups with tools and resources to foster impact and engagement across Leidos

Our inclusion and diversity program is part of the Talent Development & Inclusion Corporate function which is part of the HR Centers of Excellence team, led by our Chief Human Resources Officer & Head of Business Partnership - an executive leadership position. Inclusion and diversity strategies, solutions and resources are shared at Human Resources and Compensation Committee meetings, which has explicit responsibility for equal opportunity, affirmative action, and workplace diversity issues, as described in the public committee charter.

Launched in 2018, our Inclusion and Diversity (I&D) campaign, Inclusive Perspectives = Innovative Solutions, reinforces the importance of an inclusive environment where diverse perspectives yield innovative solutions for our customers. The campaign also introduced our I&D framework, a vibrant new I&D logo, and collateral posters prominently displayed across various Leidos locations; the posters are also accessible for download via our employee intranet platform.

Our commitment to inclusion and diversity is reflected in the way we engage our people, our customers and our external partnerships through our innovative programs, sponsorships and engagement.

OUR FRAMEWORK



Talent Acquisition and Partnerships

Leverage our brand to build relationships with key influencers and stakeholders to attract qualified candidates



Retention and Advancement

Building inclusion acumen across the enterprise to support the advancement of diverse talent while removing barriers to retention



Employee Engagement

Creating inclusive communities for employees to connect and collaborate through participation in Employee Resource Groups

Pay & Benefits

Pay and benefits are fundamental to any career decision. That’s why we craft compensation packages that reflect the importance of the work we do for our customers.

Non-salary benefits as described below are available to all U.S. benefits eligible employees with minor exceptions. Employees in an “alternative employment status” such as consulting employees may be eligible for coverage but may not have access to the full suite of benefits. Similarly, employees of Leidos subsidiaries such as QTC, Leidos Biomedical Research and Dynetics have separate benefits packages.

COMPENSATION

We structure our salaries to be competitive for the region, market conditions, hardship, and hazards. We also:

- ▶ Reward your contributions to the company and our customers’ mission.
- ▶ Recognize and reward notable advances for your profession, the company, and your customers.
- ▶ Ensure fairness, comply with applicable federal, state, and international laws, and meet applicable audit entities’ standards.

HEALTH & WELLNESS

Comprehensive health coverage, health and wellness programs are designed to keep you and your family healthy.

- ▶ Medical insurance plans cover you and your eligible family members, including registered domestic partners, through national HSA-compatible consumer-directed health plans or regional HMOs where available.
- ▶ Health Savings Accounts are available in conjunction with our HSA-eligible consumer-directed health plans.
- ▶ Health Care Flexible Spending Account (FSA) is available to those that are enrolled in a non-HSA compatible medical plan and those that waive medical coverage. FSAs let you set aside pre-tax dollars for eligible medical, dental, vision, mental health, and pharmacy expenses.
- ▶ Dental insurance options include a national PPO plan and regional dental HMO plans.
- ▶ Vision coverage is provided by a national insurer.

- ▶ Mission for Life wellness program designed to help you reach your goals through personally tailored health information and behavior change support. A confidential well-being assessment and online tools will help you manage:
 - › Nutrition and diet
 - › Fitness goals
 - › Stress relief
 - › Smoking cessation
 - › Financial wellness
 - › Mental Health and mindfulness

- ▶ 24/7 Employee Assistance Program (EAP) provides confidential assessments and referrals to help deal with personal issues that could affect your health, family, or job performance.

INCOME PROTECTION

Benefits should provide peace of mind, support you and your family, and help you successfully navigate life events. We took all these factors into account when we developed our income protection.

- ▶ **Company-provided Term Basic Life** insurance is provided equal to your annual base salary, up to \$1 million while eligible dependents are covered at \$2,000 each.
- ▶ **Group Universal Life (GUL)** insurance can be purchased in increments of 1x to 8x annual base salary, up to \$4 million. GUL also features a Cash Accumulation Fund (CAF) that allows you to earn interest on a tax-deferred basis.
- ▶ **Optional Dependent Life** insurance can be purchased on an after-tax basis.
 - › Spouse or domestic partner coverage
 - › Child coverage
- ▶ **Accidental Death and Dismemberment** insurance is provided equal to your annual base salary, up to \$250,000. You can also purchase supplemental AD&D coverage in increments of 1x annual base salary to 10x annual base salary, up to \$1,000,000.
- ▶ **Business travel accident insurance (BTA)** is provided equal to three times your annual base salary, up to \$500,000. CEs are covered by our BTA policy, but they get a flat 300k (reduced by 35% at age 70)

► A Disability benefit that may include:

- › Disability sick leave
- › Voluntary short-term disability insurance plan
- › Private California short-term disability insurance
- › Other state-mandated short-term disability plans, where applicable
- › Voluntary long-term disability insurance

LEAVE

Time off is as important to your professional productivity as it is to your personal well-being. We offer several types of leave that together total the time you need to live your life outside the office.

Paid Time Off (PTO)

As an eligible employee, you'll be able to accrue paid time off for vacations, personal business, and short-term illness. You can also borrow up to 40 hours of PTO before you accrue it, with your manager's approval.

Paid Parental Leave

Eligible employees may take the lesser of ten (10) days or two (2) weeks of paid parental leave.

Holidays

Most Leidos employees get ten paid holidays each year, three floating holidays* to be used at your discretion and these seven fixed holidays:

- New Year's Day
- Martin Luther King Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Christmas Day

Note: Holidays may vary based on contractual requirements.

*Floating holidays are prorated based on date of hire

Military Reservist Leave

As a military reservist you'll receive 2 weeks, equivalent to 10 working days, pay differential during each fiscal year. If you're called up for a national emergency or requested for active duty, we'll provide you the flexibility to serve when and where you're needed.

Jury Duty

You'll receive full pay when you serve jury duty.

Bereavement Leave

You'll receive up to three days off, fully paid, due to the death of a close family member.

RETIREMENT

Employees are eligible to participate in the Leidos 401(k) Retirement Plan. Company match is determined by the employee's fringe benefit package

- A 100 percent company match on your pre-tax and or Roth after-tax contributions, up to 5 percent of your salary.
- Vesting of company contributions over three years of service.
- Pre-tax, Roth after-tax, and/or traditional after-tax contributions are allowed.
- Immediate eligibility for company contributions.
- Both passive and active investment options with a wide selection of funds.
- Investment advice from Vanguard Advice Services.

FINANCIAL WELLNESS

Leidos believes that financial wellness is an important part of a person's overall health and wellness. Therefore, we are pleased to offer a complimentary suite of programs to meet the varying needs of employees. Programs are dedicated to helping you with improving or maintaining your overall financial wellness by offering educational seminars, webinars, one-on-one coaching, and tools such as the Student Loan Assistance tool. Programs are designed to help you with your financial goals such as budgeting, managing credit card debt, paying off student loans, retirement readiness and more.

EMPLOYEE STOCK PURCHASE PLAN

The Leidos Employee Stock Purchase Plan (ESPP) offers a convenient way for employees to purchase Leidos Common Stock at a discount.

- A 10 percent discount for all enrollees.
- Available to active full-time, part-time and consulting employees in the US, UK and Australia.
- No required service or waiting period.
- Elect 1 to 10 percent of your eligible compensation (base pay, bonus, holiday and overtime pay).

FAMILY BENEFITS

Understanding the inherent challenges of balancing work and family responsibilities, we offer benefits to make family life a little easier:

- Center-based and In-Home back-up childcare, for kids 6 weeks to 12 years old (depending on the center), is available at Bright Horizons centers throughout the U.S. Benefits-eligible employees can take advantage of this benefit up to 20 days per child, per year. The cost of center-based care is only \$25 for the first child and \$15 for each additional child per day. For In-Home care, the cost is \$6 per hour for up to three children.
- Free access to Sittercity – a database of local caregivers, an online senior care referral tool, and petcare. Use the Sittercity caregiver database to find:
 - › Babysitters
 - › Nannies
 - › Senior Care Resources
 - › Pet Care
- Dependent (Daycare) Flexible Spending Accounts let you set aside pre-tax dollars for eligible childcare expenses.

Employee Demographic and Statistics

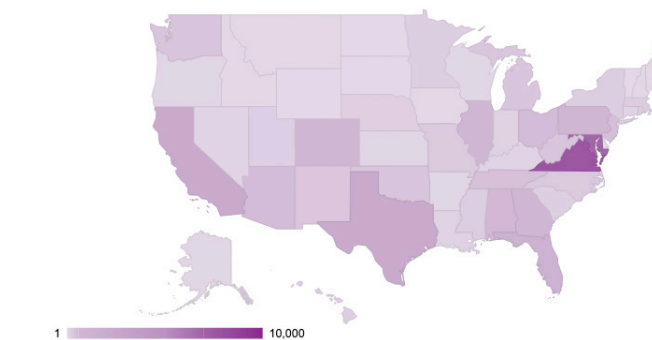
Analyzing demographic data helps Leidos develop practices to better serve our employees.

People are the foundation of everything that we do. It is our responsibility to provide opportunities for them and give them paths to grow and develop – this will help us retain our best talent. Fostering a diverse team is also critical in order to provide the best possible results for our customers.

LOCATIONS

U.S. Employees

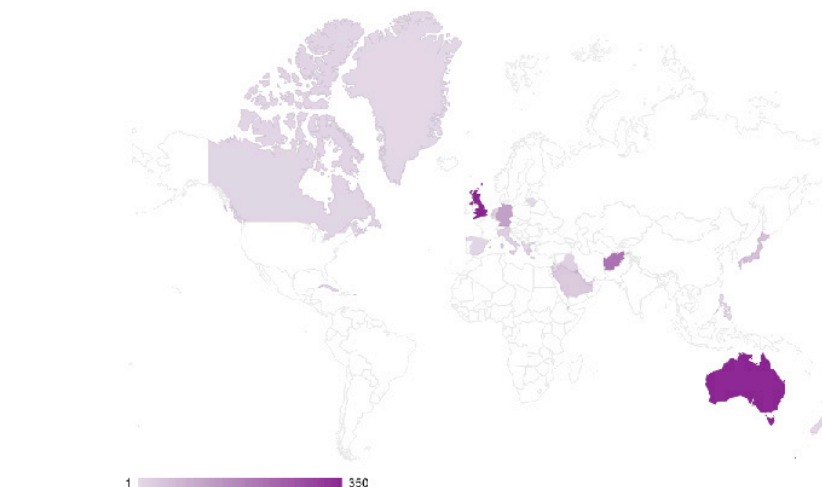
Leidos is a global company with 33,522 employees worldwide (as of the end of December 2019). Of that population, over 91% are in the U.S., representing all 50 states, the District of Columbia, and territories. The largest concentration of our employees is in the National Capital Region, with about 11,029 employees in the Washington, D.C. Metropolitan area.



SINCE THIS MAP DOES NOT DISPLAY WASHINGTON, D.C. OR U.S. TERRITORIES, 920 EMPLOYEES WORKING IN WASHINGTON, D.C. ARE MAPPED TO VIRGINIA, AND EMPLOYEES WORKING IN U.S. TERRITORIES APPEAR IN THE INTERNATIONAL MAP BELOW.

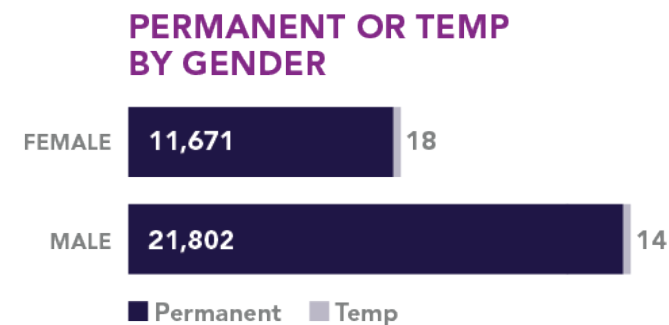
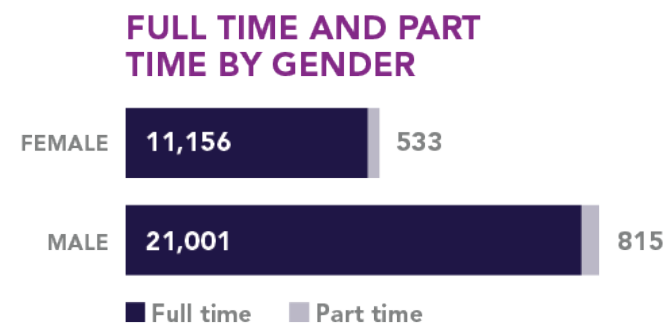
International Employees

We also have employees in more than 29 countries around the world, with the majority of international employees located in the United Kingdom and Australia.



WORKFORCE COMPOSITION

The overall composition of our workforce by gender remained steady in 2019.



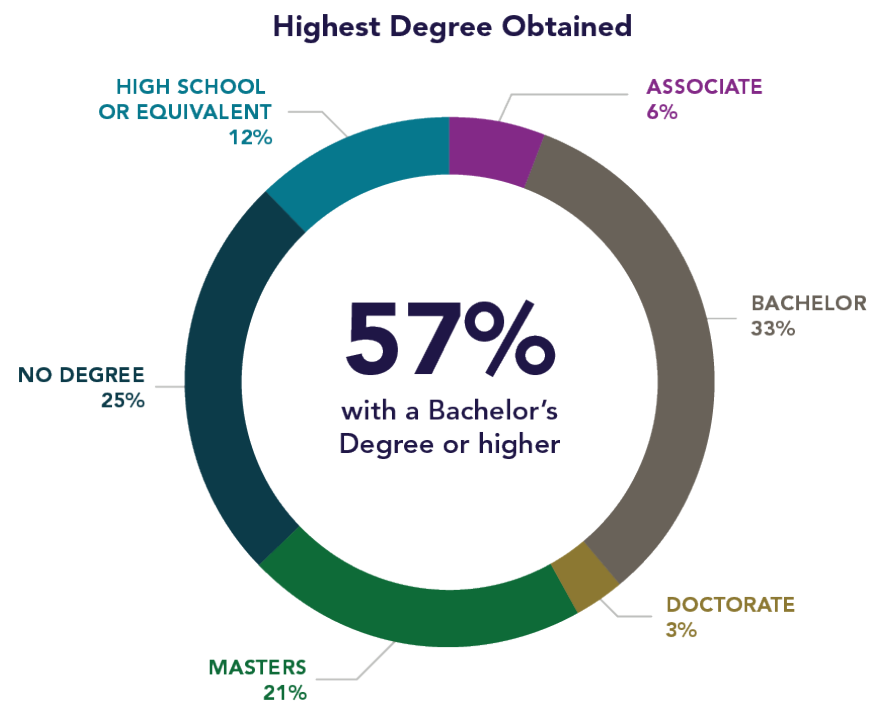
Leidos tracks workforce metrics regularly and participates in benchmarking studies to ensure that we are in-line with industry trends and on-target for meeting our people goals. Initiatives to positively impact our diversity, such as maintaining affinity groups like our standing Employee Resource Groups (ERGs) as well as recruiting and development efforts, focus on advancing our diverse workforce. See Inclusion and Diversity for more information on these and other programs.

EMPLOYEE EDUCATION

A large concentration of our workforce is composed of scientists, engineers, developers, analysts, and others in technical positions.



Leidos is proud of these very educated individuals and their contributions to our customers, partners, and communities.



Veteran Hiring

A long-standing commitment to supporting military veterans and their families.

Leidos has a strong affinity with the military, both in our lines of business and in our workforce and are proud that 20 percent of our workforce are military veterans. We assist veterans through the often difficult transition from military life to a career in the private sector. Since the beginning of 2016, Leidos has hired 8,600 veterans and military spouses. Leidos is committed to supporting veterans and military spouses as they pursue challenging and rewarding careers within our many business areas.

Our dedicated military veteran outreach program is called Operation MVP (Military Veteran Program). Through this program, Leidos teams with military transition centers, military associations, and veteran organizations in an effort to identify and hire separating and retiring military veterans. The Operation MVP team participates in specific career development and networking events geared towards the veteran and military dependent/caregiver population, and stays actively engaged with military transition offices, Department of Labor representatives, as well as veteran non-profit and membership organizations. We further help wounded warriors by providing career workshops, offering help with résumé building and interview preparation, and conducting job fairs and interview events.

For our efforts, Leidos has received numerous awards and recognition including:

- ▶ The 2020 Virginia Values Veterans (V3) Trailblazer Award for companies that have demonstrated innovation for, and overall support of, veterans in the areas of veteran workforce development; marketing, hiring, training, culture, retention and community impact.
- ▶ 2020 Military Times Best for Vets Employer list for seventh consecutive year, ranking #39 out of 144 companies
- ▶ Victory Media's list for Military Friendly Employer and Military Spouse Friendly Employer
- ▶ U.S. Veteran's Magazine Best of the Best Top Veteran-Friendly Companies

Furthermore, we have maintained a presence on the VETS Indexes List since its inception in July 2017. This index includes publicly traded companies that support the hiring and professional development of veterans.

Leidos has a signed pledge supporting the ESGR (Employer Support of The Guard and Reserve), as well as ongoing national and state veteran and military spouse hiring initiatives with Hiring Our Heroes and their Hiring 100,000 Military Spouse Campaign, Virginia Values Veterans, and Maryland's Military Career Corps Connect Program. Additional information is available in the Awards & Partnerships section of our Operation MVP homepage.

Military spouses are often overlooked in armed forces support efforts. That's why Leidos opens our doors to military spouses and offers flexibility to those already on our team. Leidos participates in the Military Spouse Employment Partnership, which provides targeted recruitment and employment solutions designed to create connections between military spouses and companies. We have pledged to hire 45 military spouses by July 2021 through The Hiring 100,000 Military Spouse Campaign mentioned above, and are set to surpass this goal in 2020. Our employees with spouses in the military are often asked to uproot due to redeployment – we do our best to place those employees at Leidos locations closer to their new homes.



Women's Leadership Forum: Leading The Way

"Everyone clearly appreciated and supported our company's prioritization on cultivating an inclusive, collaborative environment rooted in employee engagement."

Michele Brown
CHIEF ETHICS AND
COMPLIANCE OFFICER



The Women's Network Employee Resource Group (ERG) hosted the inaugural Women's Leadership Forum "Leading the Way." The event aimed to empower, energize, and engage both existing leaders and emerging talents. Diversity and inclusion, peer advocacy, and mentorship were topics of discussion throughout the two-day event.

"What are we doing at the highest levels to engage women? That was a central question we asked ourselves when we began working on the Women's Forum," said Vicki Schmanske, President of the Leidos Intelligence Group. Schmanske sponsored the event with Michele Brown, Chief Ethics and Compliance Officer, and Gerry Fasano, President of the Defense Group, who both serve as executive sponsors of the Women's Network. Opening remarks were provided by Leidos Chairman and CEO Roger Krone.

The organizers had a very clear vision for the forum. They wanted to involve participants from all generations, all levels, and all groups at Leidos. They wanted to engage influential speakers from a deep internal talent pool but also mix in quality external voices. And, finally, they wanted to inspire the women in attendance to not only lead the way for future generations, but to help Leidos further ingrain diversity and inclusion into its culture and corporate values.

Panelists talked about their backgrounds, how they empower female leadership, inspiring others to lead, why inclusion matters, the importance of male advocates, and strategies to engage talent and increase retention. Female leaders in cybersecurity, healthcare, science, and space shared their expertise and discussed the importance of women in leading STEM roles.

"It's critical that we take the time to bring together leaders and influencers across Leidos to discuss some of the most important topics and trends for women in the workplace," said Fasano. "I personally was energized and inspired by the lively discussions, and look forward to continuing this dialogue at future events."

Paul Engola, Chief Human Resources Officer and Head of Business Partnerships, joined Diversity and Inclusion Manager Desira Stearns discussed Leidos' plans to leverage, nurture, and foster gender representation across talent pools.

Shirley Clark, CEO of The Women's Center, talked about the concept of intentional leadership and provided advice on how women can build their unique brand. Clark's organization is a nonprofit which provides mental health counseling, support, and education in the Washington D.C. Metropolitan Area.

The second external speaker was Deloitte CEO Cathy Engelbert. She delivered a moving and powerful keynote speech about her own professional journey and why she's a fierce advocate for advancing women in the workplace. One week after the Women's Forum, the WNBA appointed Engelbert as its Commissioner effective July 17.

At the conclusion of the forum, attendees pledged to take the insights and momentum back to their teams. They agreed:

- ▶ To build relationships and a network of female leaders
- ▶ To celebrate the accomplishments of their fellow female engineers, scientists, and technologists
- ▶ To understand why inclusion matters and how to incorporate best practices in leadership
- ▶ To learn more about the leadership opportunities and resources the company provides
- ▶ To inspire others to lead
- ▶ To commit to the next steps in the leadership journey for every woman at Leidos

"It was really exciting to be invited to listen and learn about the challenges so that I am able to be part of the solution for the future. The energy was fantastic and I look forward to seeing this event grow," said Steve Hull, Chief Information Officer.

Veterans

Fellowship program eases transition to civilian roles for active duty service members



In a competitive labor market, candidates and companies alike need to leverage any partnerships or resources which might give them a leg up. This is especially true for members of the Armed Forces like Chuck Unruh, who experience unique challenges when transitioning into civilian roles. Targeting an early 2020 transition from the Army, Unruh turned to the U.S. Chamber of Commerce Foundation's Hiring Our Heroes (HOH) initiative.

Launched in 2011, Hiring Our Heroes is a nonprofit, nationwide initiative to help veterans, transitioning service members, and military spouses find meaningful employment opportunities. One of the resources that HOH provides is its Corporate Fellowship Program (CFP) which allows companies to bring on active duty service members or military spouses as fellows. The CFP helps connect transitioning service members to opportunities for hands-on corporate training, mentoring, and experience while helping employers tap into a pool of top talent.

The CFP is an authorized organization under the Department of Defense's SkillBridge Program, which aims to connect transitioning service members with real-world job experiences. Transitioning service members from any branch of service may apply

if they meet the eligibility requirements. DoD Instruction 1322.29 allows service members to participate in authorized programs with command approval.

HOH holds three CFP cohorts annually at multiple locations across the United States. Over the course of three months, program fellows complete on-the-job training with their host company four days a week. At the end of each week, fellows attend a "leadership huddle" with senior-level guest speakers to prepare them for their transition to the private sector and to offer networking opportunities. Leidos recently hosted one of these huddles on Nov. 1 at its Reston, Va., headquarters, giving Unruh a chance to tell his peers about his host company.

"I started my fellowship at the end of August and have been working in capture management in the Military & Veterans Health Solutions group," says Unruh, the first-ever HOH fellow at Leidos. "I've learned a lot about capture management, business development and operations in a very short time, and from colleagues and a company whose values align with mine."

With almost 7,300 employees who are veterans, its Operation MVP hiring program for transitioning service members, and its MAG (Military Alliance Group)

employee resource group, Leidos is committed to providing veterans with fulfilling civilian careers. As a corporate partner of HOH, Leidos gains special access to highly-qualified transitioning service members.

"Their CFP allows us to find great candidates like Chuck, but working with HOH as a whole also helps us develop a more comprehensive understanding of the job market for veterans," says Alex Verhulst, Talent Acquisition Military Program Manager at Leidos.

Unruh discovered HOH while he was an Army Medical Service Corps officer for a medical intelligence center. He attended a Soldier For Life – Transition Assistance Program workshop provided by the Army, learned about the CFP, and asked for and received his leadership's approval to apply for the program.

After being accepted as one of the program's 931 fellows this year, Unruh was placed with Leidos for his 12-week fellowship. The CFP has graduated more than 2,400 participants since it began in 2015. Unruh's cohort graduated on November 12 but his civilian career is just getting started.

"I hope to come back to Leidos as a full-time employee early next year," says Unruh.

Political Activities

Learn how our participation in the political process is conducted in a legal, ethical and transparent manner.



Political Activities

Leidos participates in the political process and we conduct oversight to make certain that our political activities and lobbying expenditures are conducted in a legal, ethical and transparent manner.

Under federal law, Leidos is prohibited from making direct political contributions in connection with federal elections. In jurisdictions with “pay-to-play” laws, all contributions, including personal contributions and contributions by certain family members, must be approved and disclosed in accordance with Leidos policy. While Leidos encourages employees to engage in the political process, they must notify the Leidos Government Affairs Committee (LGAC) before running for political office or accepting an appointment to any government office.

Through our Government Affairs Office, Leidos maintains a legally permissible Leidos Political Action Committee (LPAC). All political activity using corporate funds - including contributions to state and local politicians, the use of Leidos facilities, and any fundraising activity - is pre-approved by the LGAC.

Our work often brings us into close collaboration with public officials. Our employees familiarize themselves with applicable laws regarding gifts and lobbying, including procurement lobbying laws, and coordinates with the Leidos Government Affairs Office to ensure proper disclosure.

BOARD OVERSIGHT

Leidos political activities are overseen by the Leidos Board of Directors (Corporate Governance and Ethics Committee, or CGEC), the LGAC, and senior company leaders. The Board of Directors CGEC annually reviews the political activities of the corporation and the Leidos Political Action Committee.

LEIDOS POLITICAL ACTION COMMITTEE

The Leidos Political Action Committee (LPAC) is a separate, segregated fund comprised of employee voluntary contributions used to support candidates for federal office. All contributions made by the LPAC are done so in a bi-partisan manner. Participation in the LPAC is restricted and adheres to Federal Elections Commission (FEC) regulations.

In accordance with the LPAC bylaws and with federal law, all contributions made by the LPAC are reported to the FEC and can be reviewed at www.fec.gov. No in-kind contributions are made. No political contributions are made to state and local candidates and all contributions were made within the United States.

LOBBYING EXPENDITURES

Leidos participates in industry associations and interacts directly with various stakeholders throughout government in an effort to educate, inform and advocate on behalf of the corporation, our employees and our shareholders. These communications are regulated by federal, state and local laws. In accordance with applicable laws, such activity and associated expenses are reported on a regular basis. In compliance with the Lobbying Disclosure Act (LDA), Leidos’ lobbying activities and expenses, as defined by Section 162(e) of the Internal Revenue Code, are disclosed to the U.S. Congress on a quarterly basis. Federal reports disclosing lobbying activity and expenses are available to the public via the Office of the Clerk of the U.S. House of Representatives at the following website: <http://lobbyingdisclosure.house.gov/>.

The company files periodic reports with state and local agencies reflecting lobbying activities regulated by relevant state and local laws as necessary.



Suppliers and Small Businesses

Our thousands of suppliers and small businesses are crucial to our success as well as economic growth and prosperity.



Supplier and Small Business Relationships

We are united with our suppliers and small businesses to make a difference in the world.

Maintaining strong and committed relationships with approximately 7,000 active suppliers, as well as continuing our award-winning small businesses advocacy programs, is essential to our mission of providing outstanding support to our customers. Our diverse customer base, requirements for services and need for varied materials require us to work with suppliers both large and small who can offer capabilities and unique solutions while providing the best value.

As a company specializing in IT, Science and Engineering solutions, Leidos has a supply chain that varies based on the types of contracts we are able to win from diverse markets of global importance to commercial, local, state, and federal government entities. Our major commodity areas consist of engineering services, IT hardware, software, communications technology and transportation. We strive to source from local and domestic suppliers whenever possible, with roughly 40% of our \$4.1 billion in sourcing expenses going to US-based small businesses. We are also committed to sourcing from veteran-owned firms, realizing the value they deliver to our customers, our company and the country at large. Helping veteran-owned firms succeed and grow advances our goal of helping veterans transition successfully to the civilian workforce.

Our downstream products consist predominately of services rendered to U.S. government entities within the areas of defense and intelligence, civil services and infrastructure, healthcare, and cyber services. Our physical products tend to come in the form of defense solutions, IT hardware and infrastructure for civil projects.

Supply Chain Management Approach

It is the mission of Leidos' Strategic Sourcing program to utilize our robust mix of people, leadership practices and tools to enhance the value for Leidos customers while keeping Leidos competitive in the marketplace. Our sourcing practices allow our programs to drive and deliver innovative solutions and services that matter most for meeting tomorrow's demands. Our Strategic Sourcing program enables us to find the right products and services at the right price, all while ensuring that our suppliers meet our ethical standards. Our supplier expectations with regards to sustainability, social responsibility, and ethics are outlined on our supplier portal home page, and are included in our standard contract terms and conditions.

Abiding by the highest standards of business ethics is an essential component of all of our supplier relationships. Leidos maintains a Defense Contract Management Agency (DCMA) approved purchasing system and adheres to the Federal Acquisition Regulation (FAR) when purchasing direct-charge, non-commercial items or services. Our system is governed by a number of policies and procedures addressing use of consultants, contracts, procurement and international business – see our GRI Standards Index for a list. Supplier compliance is mandated with certain regulations and laws, including clauses that address:

- ▶ Gratuities
- ▶ Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity
- ▶ Price or Fee Adjustment for Illegal or Improper Activity
- ▶ Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009
- ▶ Utilization of Small Business Concerns
- ▶ Notice to the Government of Labor Disputes
- ▶ Opportunity (Only Paragraphs (b) (1) through (c)(11))
- ▶ Trafficking in Persons
- ▶ Material Identification and Material Safety Data
- ▶ Policy to Ban Text Messaging While Driving
- ▶ Conflict Minerals Policy

Leidos is regularly solicited by our customers to complete supplier questionnaires. These questionnaires are part of supply chain sustainability programs that our customers are operating in an effort to improve their own sustainability. By complying, we provide valuable information on our environmental performance, but also a wide range of sustainability areas, including human rights, fair labor practices and health and safety issues.

Supplier Selection

Our supplier selection criteria are based on specific customer requirements, with an emphasis on suppliers that offer strategic and competitive pricing, quality products and services, focus on continuous improvement and commitment to performance in delivery of goods or services. For customers with greater Environment, Health and Safety requirements those applicable suppliers complete the Leidos Contractor Safety Questionnaire as part of supplier evaluation prior to final supplier selection for award.

Our suppliers are reminded of our commitment to conduct business with uncompromising integrity. This commitment is clearly established in the Code of Conduct.

Leidos requires suppliers to conduct themselves in a manner consistent with the principles of our Code of Conduct. In addition, we strongly encourage our suppliers to establish proactive and meaningful ethics and compliance programs within their organizations. We want our suppliers to understand, foster, and mirror the ethical conduct we expect from our employees in all business transactions, and maintain a restricted supplier list, which is updated on a quarterly basis, to ensure our programs are sourcing from suppliers who meet our ethical and technical standards.

Strategic Sourcing Initiatives

Our Strategic Sourcing program undertakes initiatives in order to support the Leidos strategy that enable development of differentiating capabilities. Leidos' Sourcing program has implemented effective enterprise processes, best practices and tools for execution excellence in business operations and risk management that enable efficient and secure supply chain sourcing and management. We additionally pursue, establish, and maintain mutually beneficial external partnerships to help continually enhance our Sourcing program.

Examples of practices that enable us to execute efficient and secure supply chain management include the provision of enterprise-wide supply chain engineering, material cost estimating, material planning, purchasing, logistics and category management for internal procurement and bid proposals; implementation of automation for cost efficiencies, and implementation of cyber best practices to ensure security and resilience in our operations.



To enhance our implementation of cybersecurity best practices, we have sponsored research at the University of Tennessee on the fundamentals of managing cyber risks in global supply chains. We are both increasing our understanding of, and implementing, industry-leading cybersecurity practices in order to reduce related risks in our product and service offerings.

In order to manage mutually beneficial external partnerships that support our Group and Functional strategies, we maintain executive relationships with Leidos' major suppliers, subcontractors and strategic partners, including the Leidos Alliance Partner Network (LAPN).

Additionally, our sourcing program maximizes leverage and utility of our Strategic University Alliances to ensure we bring in the best and brightest talent for our program, leads the annual Leidos Supplier Symposium, and continually works to cultivate relationships with private equity and venture capital firms to gain access to emerging technologies.

Finally, Leidos initiated an internal supplier sustainability program in 2019. The program is set to launch in 2020 with the release of a supplier sustainability questionnaire covering environmental, social, and governance topics. The program will be piloted to a select group of partners in order to identify priority areas, and ultimately expanded as we formalize our most material supply chain issues.

These initiatives complement our goals of delivering exceptional service, value and expertise to internal stakeholders through efficient and compliant processes, as well as helping to establish a high performing, innovative and diverse supply base.

Small Businesses

Leidos has a proud history of providing maximum opportunities for small businesses to engage with us as we support our customers in the vital areas of National Security, Health, and Engineering. The commitments we have made to our customers in supporting the Nation's small business program are key to distinguishing us as a small business advocacy leader.

We work closely with all categories of small businesses, including small disadvantaged, women-owned, veteran-owned, service-disabled veteran-owned, and historically underutilized business zone (HUBZone) companies, as well as historically black colleges and universities and minority institutions (HBCU/MIs). We continue to exceed the statutory goals for small disadvantaged, women-owned and service-disabled veteran-owned small businesses, as we believe that our success is strengthened by our legacy of commitment to small business engagement.

During government fiscal year 2019, Leidos awarded over \$1.6 billion in contracts to small businesses. The Leidos Inc. Small Business Program holds a rating of "Exceptional" from the Defense Contract Management Agency (DCMA). These statistics illustrate the importance of small businesses to Leidos success, customer success and the dedication of the Leidos Small Business Development Program to promoting strategic teaming with a variety of small businesses.

To ensure continued company success and growth opportunities to small businesses, Leidos focuses on the following:

- ▶ A proactive corporate-led "Small Business Development Program" responsible for marketing and outreach/awareness activities
- ▶ Fostering strategic relationships with small businesses that lead to subcontracting as well as prime contracting opportunities

Leidos has been recognized for well over a decade for its outstanding efforts and work with small businesses of all categories. We have received notable recognition from the Small Business Administration in recent years, and received further recognition in 2019 that included the National Veterans Small Business Coalition's Veterans Champion Award, The DoD NUNN Perry award recognition for Excellence in the DoD Mentor Protégé Program, and The Reston Chamber of Commerce Member of the Year Award.

Outreach Activities

Leidos participates in a variety of outreach programs that provide opportunities to introduce to small businesses in every socio-economic category. We host numerous small business events at our facilities to bring in small businesses interested in teaming opportunities as well as specific subcontracting opportunities. These "matchmaking" forums have been extremely successful, with Leidos business developers, program managers, and procurement personnel meeting with small businesses to receive capability briefings and discuss active opportunities.

Similarly, Leidos holds similar events for specific major programs and proposals. We frequently participate in industry and customer small business events that enable small businesses to find out about opportunities with Leidos. Over the years, we have participated in numerous events and forums sponsored by various federal agencies, including the Department of Defense, the SBA, and industry associations such as the National Defense Industrial Associate (NDIA), Armed Forces Communications and Electronics Association (AFCEA). Leidos also has a strong presence as a sponsor and participant with organizations that support minority and other socio-economic categories.

Mentor-Protégé Program

Leidos was one of the first contractors to be selected for DoD's pilot Mentor-Protégé Program in 1991. Since that time, Leidos formally mentored nearly 100 small businesses and is one of the most active participants in the federal agency program, and we currently maintain 7 active agreements with government agencies and third-party organizations to provide mentor services to small businesses. Some examples of our activities include:

- ▶ Offering certification programs for individuals, including Project Management Professional Certifications
- ▶ Certification for whole programs in Network+, Ethical Hacker, and Security+
- ▶ Assistance and support for our small business partners in preparing for the DCAA audit process

In addition to formal agreements, Leidos informally mentors many small

businesses by providing assistance in the areas of joint marketing, task order response, human resources (HR), technology transfer, and administrative efforts. This approach helps develop our small business teammates while ensuring the highest levels of technical and programmatic performance.

Veteran-Owned Small Businesses

Leidos is an active supporter and sponsor of numerous veteran targeted events, which is not surprising considering more than 20% of Leidos' employees are veterans themselves. Leidos maintains a program aimed at enhancing the growth of Veteran-Owned Small Businesses (VOSBs) of all types in the government contracting arena through cooperative efforts with veteran advocacy bodies, and we directly supported VOSBs with approximately \$335 million in spending in 2019.



Reporting

Learn how efforts to empower our employees, improve our communities, and preserve the environment shape the way we do business.



About our Reporting

Our reporting process is evolving along with our approach to corporate responsibility.

Corporate responsibility reporting at Leidos chronicles our progress toward improving the company's sustainability programs and performance. This website, and our associated Global Reporting Initiative (GRI™) Index, discusses how we balance efforts to support our people, enrich the communities where we live and work, and our efforts to reduce the environmental impact of our operations. We also highlight ethics, governance, and other related program areas that form the bedrock of our philosophy about corporate responsibility.

We publish reports annually in accordance with the latest GRI™ Sustainability Reporting Standards (GRI Standards). The GRI Standards emphasize materiality to focus reporting on topics with the most significant impact and influence on our stakeholders. This year's report is our eleventh, covering calendar year 2019. This report also aligns with and references our fiscal year Annual Report on Form 10-K.

The GRI™ is a third-party organization developing the world's most widely-used sustainability reporting framework. To ensure the highest degree of technical quality, credibility, and relevance, the framework is maintained through consensus-seeking participants drawn globally from business, civil society, labor, and professional institutions. The GRI Standards represent global best practice in sustainability reporting.

Leidos defines report content by balancing our interest in providing the most comprehensive and transparent representation of the company's sustainability profile with the availability of data and resources. We strive to provide a robust report that addresses the interests of our stakeholders while aligning with the most relevant and significant indicators of our economic, environmental, and social performance.



Process

The CR Report is generated by a core group of individuals representing the Leidos Corporate Social Responsibility and Sustainability functions and a network of Subject Matter Experts (SMEs) throughout the company. To identify topics for inclusion in the report, we carefully examined the full list of topics presented in the GRI™ Standards and Guidance documents and determined which were material to Leidos and its stakeholders. We consulted with company SMEs to verify the significance of individual topics, evaluate data availability, and establish appropriate boundaries. Boundaries are discussed in our management approach disclosures for each material topic, but are generally limited to the stakeholders that are directly impacted or influenced by the topic in question. All topics judged to be material are included in this report.

Stakeholder Inclusiveness

We engage with our employees, communities, clients, industry teammates, government leadership and corporate responsibility thought leaders based on shared values. Our goal is to establish and nurture effective and productive relationships that align with our mission and values.

Leidos is a relatively new company, yet one with 50 years of history. We strive for continuous improvement, alignment with industry best practices, and leadership in corporate sustainability and responsibility. As a result, we periodically re-evaluate and update our sustainability and corporate responsibility programs and the ways in which we share our progress with stakeholders.



Ethics & Compliance

Leidos is known for maintaining the highest standards of integrity and ethical behavior. Our robust policies, procedures, training, and communications create a comprehensive program, cultivating a culture of integrity that touches every aspect of employee conduct.



Ethics & Compliance

Leidos is known for maintaining the highest standards of integrity and ethical behavior. Our robust policies, procedures, training, and communications create a comprehensive program, cultivating a culture of integrity that touches every aspect of employee conduct.

For the third consecutive year, Leidos named one of the World's Most Ethical Companies by the Ethisphere Institute.



We have a strong history of performance resting on our foundation of integrity. This foundation supports an environment where ethics and compliance is everyone's responsibility. Leidos employees proudly embrace these standards through their work and interactions. Managers at all levels must model the behavior they expect from their teams, and reinforce those values to promote a strong ethical culture within their organizations.



Leidos is recognized by the Ethisphere Institute as a global leader in defining and advancing the standards of ethical business practices, specifically as one of the World's Most Ethical Companies. This honor underscores the company's commitment to leading with integrity and prioritizing ethical business performance.

REPORT AN ETHICS CONCERN

We take every report seriously and have zero tolerance for retaliation of any kind against individuals who, in good faith, raise questions or report concerns.

Code of Conduct

Leidos has a strong culture of ethics and integrity. [Our Code of Conduct](#) is a broad statement of principles for conducting business according to the highest ethical standards. It applies to all Leidos subsidiaries and is available in eight languages.

English	German
Arabic	Japanese
Chinese	Korean
French	Spanish

Compliance and Audit

The Leidos Internal Audit department regularly audits Leidos programs. The scope of these audits includes assessing compliance with key aspects of the policies and procedures encompassed in the Code. These audits generally include, but are not limited to:

- ▶ Compliance with contractual requirements
- ▶ Financial performance
- ▶ Internal Controls and cultural environment
- ▶ Supplier Management
- ▶ Prior, recurring and current ethics concerns and investigations

Anti-Corruption

Commitment to International Anti-Corruption and Anti-Bribery

As mandated through Leidos' corporate core values, the company is committed to maintaining integrity in all of its business operations and requires strict compliance with anti-bribery and anti-corruption laws throughout the world. In accordance with the Code, all Leidos employees are required to keep accurate records, conduct business fairly and honestly and comply with all applicable anti-bribery laws and regulations. Without exception, the company acts in accordance with all of its ethics policies and procedures wherever Leidos operates. Moreover, Leidos also holds its third-party business partners, suppliers, and vendors to the same standards of ethics and integrity.

International Anti-Corruption Policy and Procedures

Through robust policies, procedures and frameworks, the company implements a comprehensive program across our company to ensure compliance with all applicable anti-bribery and anti-corruption laws and regulations. All Leidos personnel and intermediaries that conduct business with Leidos must comply with international Anti-Corruption laws. Key features of the program include oversight of gifts, hospitality, and political and charitable contributions, conducting due diligence merger and acquisition investigations, maintaining accurate books and records, providing accessible general and specific guidance, prohibiting cash and facilitation payments, and requiring employee and third-party training tailored to job function. In addition, Leidos' International Business policy requires the Leidos International Business Review Board (IBRB) to review international transactions. The IBRB reviewers consist of specialists across the enterprise who review proposed international efforts and provide advice on risk mitigation and contracts procedures in the international environment.

Managing Third-Party Intermediary Risk

The Leidos international anti-corruption program requires close monitoring of third-party intermediaries, including but not limited to:

- ▶ Sales representatives,
- ▶ Marketing consultants,
- ▶ Distributors and resellers,
- ▶ Joint venture partners and teaming partners,
- ▶ Customs brokers and freight forwarders
- ▶ Providers of international sponsorship services, and
- ▶ Tax, legal and regulatory advisors representing Leidos in international jurisdiction.

Leidos employs a risk-based model to conduct due diligence reviews and ongoing oversight of third-party intermediaries. Through due diligence reviews, compliance training, and contract terms and conditions, Leidos implements compliance measures commensurate with the particular corruption and bribery risks associated with a business transaction or engagement. Red flags considered in the assessment include:

- ▶ Geographical region and country
- ▶ Criminal history (prior convictions, legal enforcement, sanctions, debarment, or penalties)
- ▶ Political exposure of the intermediary or parties involved
- ▶ Experience and expertise of the intermediary
- ▶ Degree to which the business activity interaction involves Government Officials
- ▶ Method and amount of compensation (payment to jurisdiction outside the location where services are rendered; transfers to anonymous or numbered bank accounts; cash payments; excessive compensation, fixed retainer payments)
- ▶ Remaining totality of any Red Flags

External Industry Engagement

As mentioned above, Leidos is a member of both the Steering Committee and Working Group of DII, a key industry organization promoting ethical conduct among defense contractors.

Leidos is also a member of The International Forum on Business Ethical Conduct (IFBEC) – a global organization of companies in the aerospace and defense sectors. The IFBEC Global Principles of Business Ethics for the Aerospace and Defense Industry affirm the industry's commitment to ethical business behavior and establishes a uniform set of standards addressing business conduct related to zero tolerance of corruption, use of third-parties, management of conflicts of interest and respect for proprietary information.

Additionally, Leidos is a long-standing member of Trace International, a globally-recognized anti-bribery business association. As a leader in the international business community, Leidos takes its commitment to international anti-corruption and anti-bribery compliance very seriously and is committed to upholding the highest standards and implementing best practices throughout the Leidos compliance program.



Human Trafficking

Respect for Human Rights

Our mission and our values reflect an unwavering respect for human dignity and fundamental human rights. We condemn human rights abuses and support the United Nations (UN) Guiding Principles on Business and Human Rights. We have a responsibility to respect human rights in the operation of our business, and we adhere to the UN framework to protect and respect human rights and to remedy human rights abuses. We also expect everyone with whom we conduct business to also respect human rights and work to combat human trafficking.

Combating Trafficking in Persons

Consistent with the United Nations Guiding Principles on Business and Human Rights requirements of the Federal Acquisition Regulation Subpart 22.17 and Defense Federal Acquisition Regulation Supplement, the current FAR and DFARS regulations establish general anti-human trafficking requirements that are applicable to all federal contracts and subcontracts, including the prohibition of specific human trafficking activities and require immediate reporting of such activities to Government authorities. To ensure compliance with these regulations and corporate policies, Leidos implements a compliance plan for the prevention of human trafficking that governs activities under applicable FAR and DFARS contracts.

In accordance with these regulations, Leidos employees, consultants, contractors, subcontractors, and agents performing any work under a federal contract shall not:

- ▶ Engage in or support trafficking in persons;
- ▶ Procure commercial sex acts;
- ▶ Use forced labor in the performance of the contract;
- ▶ Destroy, conceal, confiscate, or otherwise deny access by an employee to the employee's identity or immigration documents, such as passports or driver's licenses;

- ▶ Use misleading or fraudulent recruitment practices during the recruitment of employees, or misrepresent or fail to disclose information about the key terms and conditions of employment, including wages and fringe benefits, the location of work, living conditions and housing (if housing is provided or arranged), any significant costs to be charged to the employee, and, if applicable, the hazardous nature of the work;
- ▶ Use recruiters that do not comply with local labor laws;
- ▶ Charge recruitment fees to employees;
- ▶ Fail to provide or reimburse return transportation costs upon the end of employment for non-national employees brought into a country for the purpose of working on a U.S. government contract or subcontract;
- ▶ Provide or arrange housing that fails to meet the host country housing and safety standards; and
- ▶ Fail to provide a written agreement, if required by law or contract, in the employee's native language at least five days before the employee departs from his or her country of origin.

Employees, agents, vendors and subcontractors who violate this policy may be subject to disciplinary actions, including but not limited to, removal from the contract, reduction in benefits, or termination of employment or subcontract/agency agreement. Employees, consultants, contractors, subcontractors, and agents working overseas shall also become aware of and comply with that host nation's laws on this subject.

Any suspected violations must be reported immediately to the Leidos Hotline at 855-753- 4367. Incidents of suspected human trafficking may also be reported to the Global Human Trafficking Hotline at 1- 844-888-FREE and help@befree.org. Individuals may freely make such reports without fear of reprisal. Retaliation against individuals for reporting suspected violations is a serious breach of the Leidos Code of Conduct and can result in disciplinary action.



Integrity

Having the courage to make tough ethical decisions, taking pride in our work, being transparent with our team, and being respectful of everyone.

Ethics Program Structure

The Leidos Ethics and Compliance Program seeks to continuously strengthen our culture of uncompromising integrity by promoting ethics through a variety of initiatives. Ethical business conduct is the responsibility of every employee. In fact, integrity is the first of the six stated Leidos values that employees are expected to emulate and aspire to exemplify. Leidos defines this value of integrity as “having the courage to make tough ethical decisions, taking pride in our work, being transparent with our team, and being respectful of everyone.”

Combining policies, procedures, training and communications, the Leidos Ethics and Compliance Program is comprehensive and touches every aspect of employee conduct. Current employees stand on the shoulders of those who founded the company in 1969 and who established its solid reputation over the decades. The company’s continued success stems from a culture that recruits and retains outstanding individuals committed to preserving its reputation.

CODE OF CONDUCT

Leidos has a strong culture of ethics and integrity. Our Code of Conduct is a broad statement of principles for conducting business according to the highest ethical standards. It applies to all Leidos subsidiaries and is available in eight languages.

POLICIES AND PROCEDURES

The Code of Conduct (the Code) is the basis of Leidos corporate policies and practices and is designed to promote ethical business conduct and compliance with the law. All employees are required to conduct all business affairs ethically, to comply with the Code, and certify they read and understand the Code as part of their annual required training. The Leidos core values of integrity, inclusion, innovation, agility, collaboration, and commitment are emphasized in the Code and are the foundation of our culture.

The Standards of Business Ethics and Conduct at Leidos is the foundational policy of the Ethics and Compliance Program. The Ethics Review Board (ERB), an executive management committee, meets quarterly in conjunction with an Audit Review Board and Enterprise Risk Management Committee, to review significant enterprise ethics and compliance matters and strengthen the ability to review risks across the company.

Chief Ethics and Compliance Officer Michele Brown reports to the ERB on a range of issues, including significant ethics cases, trends, disciplinary actions, remedial measures, compliance risks, policy issues, training, communications, and new developments and initiatives. Members of the ERB include Chairman and CEO Roger Krone, Chief Financial Officer, General Counsel, Chief Ethics and Compliance Officer, Chief Human Resources Officer and Head of Business Partnerships, Group Presidents and corporate functional executives.

CORPORATE GOVERNANCE AND ETHICS COMMITTEE

Chief Ethics and Compliance Officer Brown reports quarterly to the CGEC of the Leidos Board of Directors. The CGEC charter establishes its oversight of ethics policies and practices, including ethics awareness training, case trends disciplinary actions, and conflicts of interest. In order to provide effective oversight, the CGEC keeps itself knowledgeable about ethics and compliance conditions and trends in the broader industry and within Leidos.

The CGEC also reviews policies and practices in the areas of sustainability, including the safety and protection of the environment; charitable contributions; and political, social and environmental issues that may affect the company’s business operations, performance, public image or reputation.

ETHICS TRAINING AND COMMUNICATIONS

The Ethics and Compliance Office promotes a culture of integrity at Leidos and provides ethics and compliance training, communications, and guidance to create a transparent environment and informed employee population.

The Code and annual Ethics Awareness training reinforce Leidos’ core values and provide important information related to many key compliance and risk areas. The Code and ethics awareness training are updated annually, and CEO Krone delivers opening remarks in the training to reinforce our commitment to ethics, integrity, behavior, and accountability. CEO Krone echoes this message in the company’s New Employee Orientation. Ethics Awareness training must be completed annually by all employees, including part-time employees,

Other required annual courses for Leidos employees include labor charging, security awareness, and inclusion acumen training. Employees

that work on certain programs and in specific job functions must also complete role-based compliance training. New Leidos employees must complete these required trainings within their first 30 days of employment along with health and safety training. Other courses may be required based on an employee’s role.

Each year, the Ethics and Compliance Office endeavors to find new and innovative ways to underscore the importance of ethical decision-making for all employees. Using robust communications campaigns, the program routinely publishes a variety of ethics and compliance-related information by email directly to employees and also on the Leidos intranet. Articles and announcements posted to the intranet include sections for employees to provide comments and feedback, which promotes a two-way dialogue and candid conversation.

As part of the office’s continuing efforts to promote transparency and confidence in its robust and independent investigation process, Chief Ethics and Compliance Officer Brown publishes an annual all-employee email titled “Ethics Year in Review.” The email provides an overview of the company’s investigative process and activity from the previous year in an effort to be candid about the office’s efforts to promote a culture of ethics and integrity. The message provides detailed data about ethics-related cases, including the number and nature of cases investigated, the number of employees involved, the substantiation rate, and the remediation taken, including number of terminations.

Further, the Ethics and Compliance Office periodically publishes “Ethics in the News,” highlighting recent, non-Leidos ethics and compliance-related news items. These articles reinforce the importance of Leidos values and acting with integrity at all times. The company encourages employees to use “Ethics in the News” as a resource to facilitate discussions about ethics with their colleagues and others they interact with on a daily basis.

As a companion piece to “Ethics in the News,” the Ethics and Compliance Office publishes a series titled “Let’s Talk Ethics.” The articles feature actual Leidos ethics cases, including any corrective actions, where employees engaged in activities contrary to Leidos policies and the Code. The intent is to highlight and reinforce policies and procedures.



REPORTING CHANNELS AND INVESTIGATIONS CASE MANAGEMENT

Leidos' established process for reporting observed or suspected misconduct or any employee grievance is widely advertised and promotes eight separate channels for employees and others to report a concern or simply to ask for guidance. If an individual is uncomfortable coming forward, the individual has the option of reporting anonymously where permitted by law. Any information provided will be kept confidential to the greatest extent possible. The available reporting options are:

1. Their supervisor or other individual in the management chain
2. Their Group Ethics Director, the Director of Investigations or the Chief Ethics and Compliance Officer
3. Their local Human Resources representative, the Workforce Solutions Director or the Chief Human Resources Officer
4. The Employee Ethics Council
5. The Leidos Hotline at 855-7-LEIDOS (855.753.4367), which connects you to an independent third-party provider, EthicsPoint, or by online submission of the concern at leidos.com/hotline (international hotline numbers are available on our Ethics and Compliance intranet hub). For additional information, please see our Hotline FAQs.
6. The General Counsel or Chief Security Officer.
7. The Chairman and CEO
8. The Board of Directors via the Lead Director of the Leidos Board of Directors, the Corporate Governance and Ethics Committee Chair or the Audit and Finance Committee Chair.

Consistent with best practices, Leidos has retained a third-party administrator to host its Hotline, which offers a 24/7 call center and accompanying website where employees and others can voice concerns or ask for guidance. The Ethics and Compliance Office is responsible for maintaining this relationship and ensures that the Hotline complies with all relevant laws and regulations in the countries where Leidos operates and that the proper access controls are in place to ensure the information is kept confidential to the greatest extent possible, and accessed by only those with a business need to know. The office has also set up toll-free calling options for U.S.-based callers, and several international locations. Finally, the office ensures that the Hotline phone numbers are posted in common work areas across the enterprise.

The Ethics and Compliance Office maintains an Enterprise Case Management System for documenting and tracking investigations. All key investigative functions, including Human Resources, Ethics and Compliance, Legal, and Security, use this centralized, multifunctional case management system. The company employs a highly collaborative approach to ensure that the most appropriate and independent function investigates each allegation based upon the nature of the underlying concern. All cases are subject to biweekly reviews by Legal, Human Resources, Ethics and Compliance, and Security representatives. Such a high level of collaboration across the en-

terprise has produced a best-in-class investigative program. Furthermore, Leidos does not close any substantiated case in ECMS until the company has completed all corrective actions.

The company has zero tolerance for retaliation in any form. Leidos supports those who speak up and the company has always encouraged its employees to report any legal or ethical misconduct without fear of retaliation. Additionally, Leidos has established follow-up procedures for closed investigations where there is a heightened risk of retaliation. Those who engage in retaliation will face disciplinary action, up to and including termination of employment. Anyone who asks questions or reports concerns in good faith will be protected. The company is committed to complying with the employee whistleblower protections contained in the Federal Acquisition Regulation (FAR) and the Department of Defense FAR Supplement (DFARS), as well as the anti-retaliation provisions of all applicable laws that prohibit discrimination in the workplace. Employees may also report concerns to an agency's Office of Inspector General or the Department of Defense (DOD) Hotline.

ETHICS PROGRAM ASSESSMENTS AND CONTINUOUS IMPROVEMENT

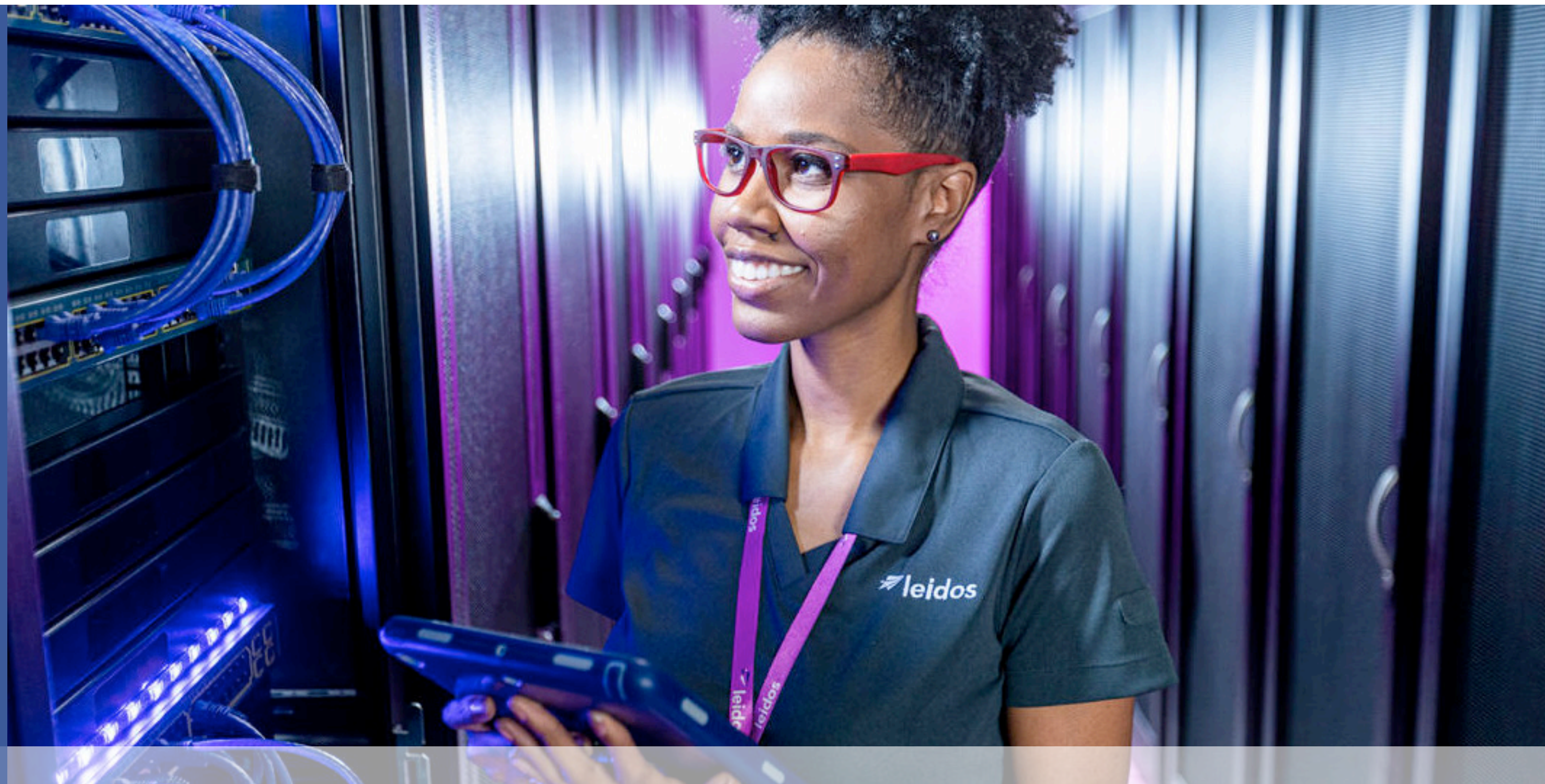
Leidos regularly and comprehensively assesses its Ethics and Compliance program, as well as its culture. The company does this in a number of ways: alignment of the ethics and compliance program to mitigate risks identified during risk assessments, internal reviews of the ethics and compliance program against laws and regulations, audits by internal and external auditors, benchmarking against external best practices, ethical cultural and employee engagement surveys (which includes measuring how comfortable Leidos makes employees feel in reporting misconduct), and reviews by external consultants.

The Ethics and Compliance Office engages in an ongoing ethics and awareness campaign to focus all employees on the necessity of ethical behavior and to emphasize its commitment that ethics concerns will reach the right people, that swift corrective action will be taken in valid ethics cases, and that the company has zero tolerance for retaliation of any kind.

The campaign message is simple and clear: Protect Leidos and customer assets; foster a safe and healthy work environment; respect human rights; deal fairly and honestly with customers, third parties and public officials; conduct international business properly; report misconduct; and protect colleagues from retaliation. In sum, do the right thing every day. Leidos leadership and the Ethics and Compliance Office remain focused on increasing employees' understanding of how the Code of Conduct translates into day-to-day work experiences.

Trust Center

Leidos is known for maintaining the highest standards of integrity and ethical behavior, and this extends fully to how we manage data privacy and cybersecurity. We apply industry-leading data privacy and cybersecurity standards in our day-to-day business. We have a duty to our employees, customers, communities, and stakeholders to proactively safeguard and handle their data, systems, and technology in line with the continually-developing regulatory framework across the globe.

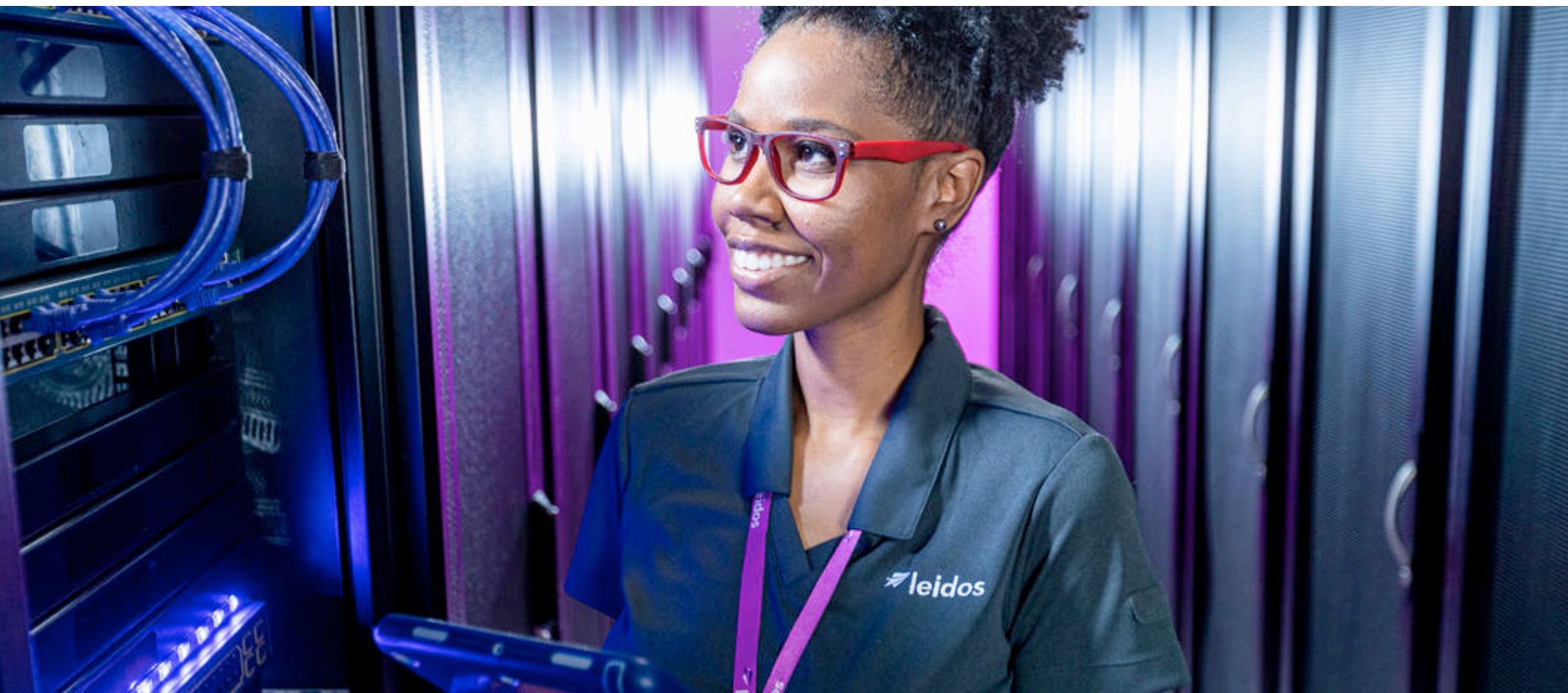


Trust Center

Our commitment to privacy and cybersecurity

Leidos is known for maintaining the highest standards of integrity and ethical behavior, and this extends fully to how we manage data privacy and cybersecurity. We apply industry-leading data privacy and cybersecurity standards in our day-to-day business. We have a duty to our employees, customers, communities, and stakeholders to proactively safeguard and handle their data, systems, and technology in line with the continually-developing regulatory framework across the globe.

In this Trust Center, you will find information about our approach to cybersecurity and data privacy, including our broad policy, governance and compliance initiatives. This Trust Center will be regularly updated as industry standards and legal requirements evolve.



Cybersecurity

With oversight from the Leidos Board of Directors and its Technology & Information Security Committee, we utilize industry-standard frameworks with which to provide appropriate governance of our corporate cybersecurity efforts.

APPROACH TO CYBERSECURITY

The Leidos Board of Directors' Technology & Information Security Committee provides oversight of matters involving the Company's overall strategic direction and associated exposure to, and management of, significant business risks in the areas of technology, information, and operational security.

The Leidos Security Council is responsible for harmonizing effective security strategy, governance, command media, communications, and major initiatives across functional and line of business teams.

Established in 2019, the team is co-chaired by the Chief Information Security Officer and the Chief Security Officer and is supported by voting representatives from the lines of business, Legal Department, Ethics and Compliance, Corporate Performance Excellence, Enterprise Risk Management, and Global Privacy Office. Nonvoting members include the Chief Audit Executive, Chief Technology Officer, and the Corporate Controller.

Leidos has also formed a Data Governance Steering Council, Data Classification Working Group, Records Retention Working Group, Cyber Regulatory Working Group and Data Privacy Working Group— all of which play a significant role in the continued maturation of Leidos' global cybersecurity, data protection and privacy strategy.

COMMITMENT TO INDUSTRY STANDARDS

Leidos uses industry-standard frameworks with which to provide appropriate governance of our cybersecurity efforts. To that end, the National Institute of Standards and Technology NIST 800-37 Risk Assessment methodology is used every day as our standard methodology for assessing risk related to hardware, software, systems, and cybersecurity controls.

In 2019, the Defense Contract Management Agency (DCMA) conducted a NIST 800-171 assessment of our Corporate System Security Plan and related controls to ensure that we are compliant with the 800-171 requirements aligned to the Defense Federal Acquisition Regulation Supplement (DFARS) 252.204-7012 clause. We successfully achieved a perfect score of 110.

In Q1 2020, we successfully renewed our ISO 27001 certification, which was conducted by an independent, accredited third-party auditor.

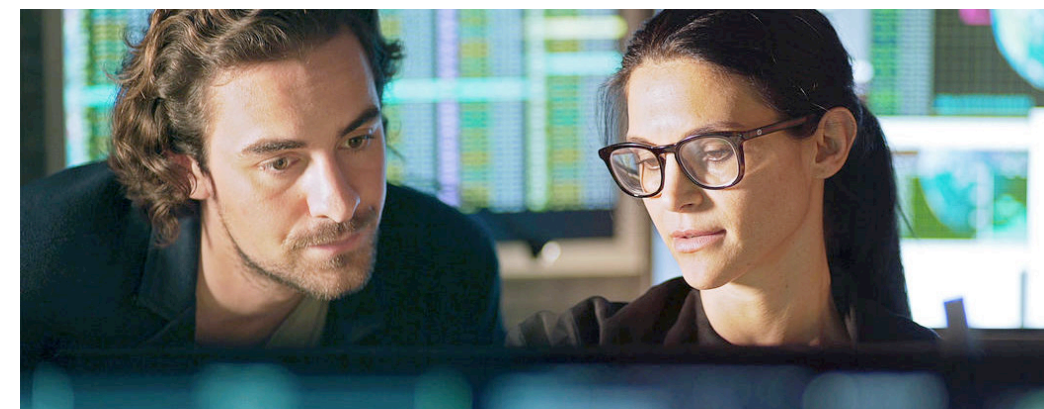
Our compliance with both NIST 800-171 and ISO 27001 standard speaks to our unwavering and industry-leading cybersecurity program. Our business relies entirely on the ability to assure and attest to the confidentiality, security, integrity, and availability of data and systems - that includes our own and those of our customers and partners.

AUDIT AND RISK ASSESSMENTS

To further validate our externally-validated standards, Leidos Internal Audit has developed an Information Technology Risk Assessment Framework (IT-RAF) and a Cybersecurity Risk Assessment Framework (CS-RAF). Both of these frameworks are based on Industry Standard Frameworks (e.g., NIST 800-171) and identify various domains under broader categories, including:

- ▶ Governance and Organization
- ▶ Policy and Standards
- ▶ Infrastructure and Architecture
- ▶ Applications; Operations
- ▶ Awareness
- ▶ Continuous Controls Monitoring
- ▶ Metrics and Reporting
- ▶ Compliance.

Internal Audit uses the above frameworks to perform continuous IT and Cybersecurity risk assessments. Data privacy is a consideration under both frameworks, while cybersecurity risk is predominately covered under CS-RAF.



Using these two frameworks; the underlying risk methodology; discussions with the CIO and CISO, other senior executives, and members of both the Technology and Info Security Committee and the Audit and Finance Committee of the Board of Directors; as well as white papers published by both commercial entities and industry trade groups, Internal Audit develops Information Technology and Cybersecurity Internal Audit Plans.

Types of internal audits that are generally performed include:

- ▶ Information Security Governance
- ▶ Information Assets Classification and Management
- ▶ Identity and Access Management
- ▶ Change Management
- ▶ Cybersecurity Incident Response
- ▶ Vulnerability Identification and Remediation
- ▶ Business Continuity and Disaster Recovery

In 2019, Corporate Information Security also conducted its own self-assessment of the Leidos program, based on the Aerospace Industries Association (AIA) National Aerospace Standard (NAS) number 9933. NAS 9933, mostly derived from the Center for Internet Security Maturity Model, adds further control families that are frequently associated with the Defense industry. After a baseline of existing practices in each control family, Corporate Information Security established maturity targets aligned against a strategy of becoming a Superior Cybersecurity provider in our marketplace.

In addition, Leidos Global Privacy Office has implemented a software system, which it calls the Global Privacy Management System, to administer various types of data mapping questionnaires and Privacy Impact assessments

PREPAREDNESS AND INCIDENT RESPONSE

Leidos has enterprise-wide an enterprise Incident Response Plan, accompanied by related policies and procedures which address how various types of data are to be protected and handled, and in the event of a cybersecurity or data security incident, the procedures which must be followed. These policies and procedures identify incident response teams and outline accountability for key stakeholder communications.

Additionally, Leidos periodically conducts an external penetration test of our network defenses and continually tests our cybersecurity resilience, while continuing to mature our cybersecurity defenses and incident management practices.

Data Privacy

Protecting personal information is a commitment we make to our customers and employees and is an essential part of doing business. The Global Privacy Office helps Leidos meet its privacy and data protection obligations, also with oversight from the Leidos Board of Directors and its Technology & Information Security Committee.

APPROACH TO DATA PRIVACY

Led by our Chief Privacy Officer (CPO), the Global Privacy Office (GPO) promotes a culture that values privacy by focusing on five main pillars:

- ▶ Governance
- ▶ Accountability
- ▶ Operational
- ▶ Training and Communications
- ▶ Legal/Regulatory Compliance

READ OUR PRIVACY STATEMENT

We know that improperly handling personal information can have serious consequences for our employees, our company, our investors and our customers. Thus, data privacy is integral to our Code of Conduct and employee training programs.

Leidos has implemented several internal policies and procedures, including a baseline privacy policy that sets forth how Leidos employees must handle personal information related to other employees, customers and the partners with whom Leidos does business. All Leidos employees are required to comply with these policies and procedures.

Annual cybersecurity/data privacy, HIPAA, and general data privacy awareness training is also required of employees when relevant to their job function. We have created tailored training programs related to specific subject areas such as the Health Insurance Portability and Accountability Act (HIPAA), General Data Protection Regulation (GDPR) and California Consumer Privacy Act (CCPA). For example, Annual HIPAA training is required for all employees who handle Protected Health Information related to U.S. residents. Likewise, our Code of Conduct includes sections devoted to data privacy awareness and related employee obligations.

The GPO has also designed and manages a robust Intranet site for Leidos employees, which includes a Data Privacy Best Practices Toolkit, a link to its customized privacy management system and numerous other data privacy-related resources.

Finally, we also have integrated Privacy by Design into our business operations, since protecting personal information is a commitment we make to our customers. It is an essential part of doing business. Privacy by Design is a framework based on proactively embedding privacy into the design and operation of IT systems, networked infrastructure, and business practices. As an example of Privacy by Design, the GPO has implemented processes for identifying customer programs which involve the handling of personal information. The GPO works closely with designated Points of Contact (POCs) to integrate data privacy protection into program execution. This is just one of several ways in which the GPO has implemented - and continues to implement - Privacy by Design.

GOVERNANCE

The Leidos Board of Directors' Technology & Information Security Committee provides oversight of matters involving the Company's overall strategic direction and associated exposure to, as well as management of, significant business risks in the areas of technology, information, and operational security.

Leidos has also formed a Data Governance Steering Council (DGSC). The mission of the DGSC is to align Leidos data management goals, standards, practices and processes with its business goals and strategies, all while reducing the risk of misuse, misappropriation, loss, theft or unauthorized access to various types of data.

The DGSC is co-chaired by the Chief Privacy Officer (CPO) and Chief Information Officer (CIO) and includes members from several corporate functions, such as Corporate Security, Information Technology, Legal, International Regulatory Compliance, Program Execution, Human Resources, Finance, Contracts, and Corporate Communications, as well as from business teams and non-U.S. entities. It meets monthly to evaluate various aspects of data governance, including data ownership, classification, risk, quality, security, privacy, mapping, retention, unification, access and measurement. Its co-chairs and members serve as proponents of data governance at Leidos.

In addition, the DGSC has spun off several Working Groups, including a Records Retention Working Group, Data Classification Working Group, Data Protection Working Group and Cyber Regulatory Working Group.

AUDIT AND RISK ASSESSMENTS

As outlined in our approach to cybersecurity, to further validate our externally-validated standards, Leidos Internal Audit has developed an Information Technology Risk Assessment Framework (IT-RAF) and a Cybersecurity Risk Assessment Framework (CS-RAF). Both of these frameworks are based on Industry Standard Frameworks (e.g., NIST 800-171) and identify various domains under broader categories, further details of which can be found within the Cybersecurity page of our Trust Center.

In addition, the GPO has configured and implemented a software system to administer various types of data mapping questionnaires and Privacy Impact Assessments, as well as to process Subject Access Requests from individuals.

PREPAREDNESS AND INCIDENT RESPONSE

Leidos has an enterprise-wide Incident Response Plan and associated procedures which address how cybersecurity incidents and data spills are to be handled. These documents designate incident response teams, how to investigate and remediate cybersecurity incidents and data spills, and escalation paths for key stakeholder communications.

RESOURCES

Linked here are additional resources that further identify our approach and policies related to data privacy and governance.

[Privacy Statement](#)

[EU/UK Privacy Notice](#)

[California Privacy Notice](#)

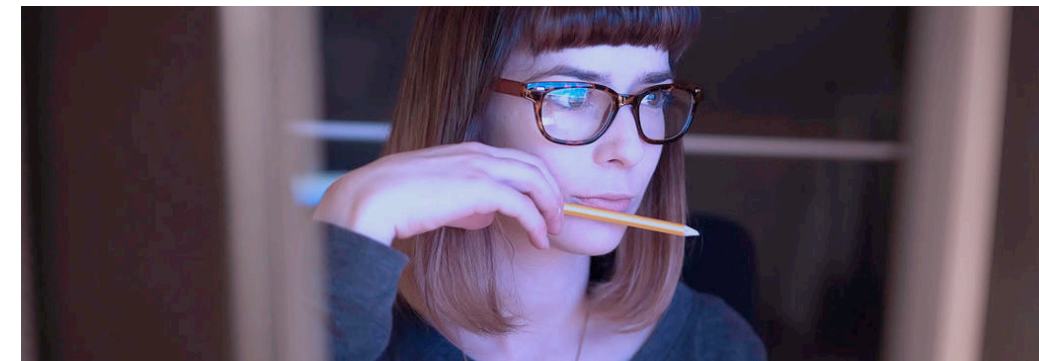
[Leidos Australia Privacy Policy](#)

[Data Protection Addendum](#)

[Intra-Group Data Transfer Agreement Summary](#)

[Privacy Rights Request Form](#)

[Job Applicant Privacy Notice](#)



Conflict Minerals Report and Policy

Leidos fully supports the goals and objectives of Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act which aims to prevent the use of certain "Conflict Minerals" that directly or indirectly finance or benefit armed groups in the Democratic Republic of the Congo or adjoining countries.



CONFLICT MINERALS REPORT

3/13/2017

Exhibit

EX-1.01 2 formsdex101.htm EXHIBIT 1.01

Exhibit 1.01

Conflict Minerals Report of Leidos Holdings, Inc.
for the Year Ending December 31, 2015

The following should be read in conjunction with the definitions contained in the Securities and Exchange Commission (“SEC”) instructions to Form SD and related rules.

This report for the year ended December 31, 2015 is presented by Leidos Holding, Inc. and our wholly-owned subsidiary, Leidos, Inc., (collectively, “Leidos” or “we,” “us” or “our”) to comply with Rule 13p-1 of the Securities Exchange Act of 1934. The rule was adopted by the SEC as directed by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 to implement reporting and disclosure requirements related to the cassiterite, columbite-tantalite, gold, wolframite and their derivatives, tin, tantalum and tungsten (“3TG Minerals”) necessary to the functionality or production of products manufactured by registrants.

Leidos is an applied technology company delivering services and solutions to customers in the national security, health and infrastructure markets. Being a solutions provider occasionally requires the development of one-of-a-kind products or components under customer-funded contracts. Typically, our products fall into the category of very low production numbers of special purpose products for government customers. Substantially all of our products are assembled from widely available component parts. We provide sensor systems, intelligence processing systems and communications/dissemination systems for the United States government for air, ground and maritime applications. We also provide information technology systems for a variety of commercial and government customers. However, in some cases, we produce standard products for customers. For customers in the security industry, we deliver and deploy radiation detection systems, radiation sensor panels, VACIS® cargo and vehicle inspection systems, hand-held, mobile and airborne spectroscopy systems and advanced air particle detector systems.

Reasonable Country of Origin Inquiry

We do not directly source minerals from smelters, refiners or mines, nor do we have direct knowledge of the country of origin and chain of custody of our 3TG Minerals or whether our 3TG Minerals have directly or indirectly financed or benefited armed groups in the Democratic Republic of the Congo or adjoining countries (the “Covered Countries”). Our supply chain is complex and there are many intermediaries between us and the mine. As a result, our ability to identify the origin and chain of custody of our 3TG Minerals and determine whether they directly or indirectly financed or benefited armed groups in any Covered Country (the “Conflict Status”), is limited. We must rely on our direct vendors and suppliers for information relating to the 3TG Minerals in the parts and materials we source from them, who in turn often similarly rely on their own vendors and suppliers as they too are far removed from the actual source of any 3TG Minerals.

With respect to the 3TG Minerals necessary to the functionality or production of products manufactured by us, or contracted by us to be manufactured, we conducted in good faith a country of origin inquiry that we believe was reasonably designed to determine whether any of our 3TG Minerals originated in the Covered Countries or were from recycled or scrap sources. For a description of our country of origin

<https://www.sec.gov/Archives/edgar/data/253394/000133692016000094/formsdex101.htm>

1/3

3/13/2017

Exhibit

inquiry, please see the discussion below of the measures we took to exercise due diligence (of which such inquiry was a part).

To the extent we determined that our 3TG Minerals originated (or may have originated) in the Covered Countries and may not have been from recycled or scrap sources, we exercised the required due diligence, but were unable to determine whether they financed or benefitted armed groups.

Design of Due Diligence Measures

To better manage our supply-chain and facilitate the 3TG Minerals origin, chain of custody and Conflict Status due diligence and disclosure required by the SEC, we established management systems and due diligence procedures (our “3TG Minerals Due Diligence Process”) based on guidance from the Organisation for Economic Co-operation and Development’s *OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-affected and High-Risk Areas*. The design of our 3TG Minerals Due Diligence Process included the following:

- Adopting a 3TG minerals policy, which is available on our web site at www.leidos.com.
- Analyzing contract data and revenue recognition methodology to identify contracts and programs in which we manufactured or contracted to manufacture a product, and developing a list of vendors and suppliers associated with each such program and contract.
- Sending surveys to various vendors and suppliers inquiring whether 3TG minerals were used in the provided parts and materials and, if so, the source of any such parts and materials. The surveys were based on the Electronic Industry Citizenship Coalition and Global e-Sustainability Initiative (the “EICC-GeSI”) Conflict Minerals Reporting Template.
- Sending follow-up survey questionnaires to each vendor/supplier that indicated they had supplied materials containing 3TG Minerals to better understand the process they executed in determining that the minerals did not originate in any of the Covered Countries.
- Assessing and managing the conflict risk identified through the process outlined above.
- Providing a mechanism for vendors and suppliers to communicate their concerns with respect to our 3TG Mineral Due Diligence Process.
- Publicly reporting the results of our due diligence.

To gain further insight into the country of origin, chain of custody and Conflict Status of our 3TG Minerals we continued our membership and relied upon the Conflict Free Smelter Assessment Program (the “CFSP”) of the EICC-GeSI’s Extractives Work Group. As described by the EICC-GeSI, the CFSP is a voluntary program in which an independent third party evaluates smelter and refinery procurement activities and determines whether the smelter or refinery demonstrated that all the materials they processed originated from conflict-free sources.

Due Diligence Measures Taken

3

<https://www.sec.gov/Archives/edgar/data/253394/000133692016000094/formsdex101.htm>

2/3

3/13/2017

Exhibit

Throughout 2015 we sought representations from each of our vendors and suppliers to determine the status of 3TG Minerals used in the supplied materials and the source of any 3TG Minerals identified. Through these efforts, we received information from vendors and suppliers representing a substantial portion of the 3TG Minerals supplied directly to us or contained in products that we contracted to be manufactured by third parties. We analyzed the responses for completeness and internal consistency and made followed up inquiries in effort to resolve any deficiencies we identified. We relied on representations from vendors and suppliers that we considered reasonable. We considered warning signs or other circumstances that, in our view, indicated the responses were unreliable or that the 3TG Minerals (i) came from a Covered Country and (ii) were not from recycled or scrap sources. We compared the smelter and refinery information provided by our vendors and suppliers with the data made available by the CSFP concerning the country of origin of the 3TG Minerals processed by those facilities and their Conflict Status.

Diligence Results

With respect to each of our products, despite the implementation of the 3TG Minerals Due Diligence Process outlined above, we either (i) were unable to obtain sufficient information to identify the country of origin of the 3TG Minerals contained the product, or (ii) were unable to determine whether a products 3TG Minerals identified as having originated from one of the Covered Countries directly or indirectly financed armed conflict.

Other Steps

We have taken, or will undertake, the following steps since the period covered by this Report to mitigate the risk that our 3TG Minerals financed or benefitted armed groups in the Covered Countries:

- Continue to make our vendors and suppliers aware of our policy on 3TG Minerals; and
- Attempt to increase the response rate of our vendors and suppliers to our information requests.

We will maintain our efforts to address the ongoing issue of 3TG Minerals in the global supply chain by endeavoring to employ best practices in the design and implementation of our 3TG Minerals Due Diligence Process.

4

<https://www.sec.gov/Archives/edgar/data/253394/000133692016000094/formsdex101.htm>

3/3

CONFLICT POLICY STATEMENT

Leidos Holdings, Inc.
Leidos, Inc.
Conflict Minerals Policy Statement

Leidos Holdings, Inc. and Leidos, Inc. (collectively, “Leidos”) fully support the goals and objectives of Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Act”) which aims to prevent the use of certain “Conflict Minerals” that directly or indirectly finance or benefit armed groups in the Democratic Republic of the Congo (DRC) or adjoining countries (as defined in the Act). “Conflict Minerals” currently include: columbite-tantalite (coltan), cassiterite, gold, wolframite, or their derivatives (tantalum, tin and tungsten).

Leidos is committed to avoiding the use of Conflict Minerals that directly or indirectly finance or benefit armed groups in the DRC or adjoining countries. Leidos is also committed to complying with the reporting obligations required under Section 1502 of the Act, as well as the related rules and regulations issued by the U.S. Securities and Exchange Commission (SEC).

Leidos has designed its due diligence framework to conform in all material respects to the disclosure requirements adopted under Section 13(p) of the Exchange Act, with the framework provided by The Organization for Economic Co-operation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, an internationally-recognized due diligence framework. Among other things, Leidos seeks to have its suppliers complete the Electronic Industry Citizenship Coalition and Global e-Sustainability Initiative (EICC-GeSI) Conflict Minerals Reporting Template.

We have the following expectations of our suppliers and their suppliers which we are working diligently to fully implement:

- Suppliers should not supply us with any products or other materials that directly or indirectly finance or benefit armed groups in the DRC or adjoining countries.
- Suppliers are expected to source Conflict Minerals only from sources that are identified as DRC Conflict Free.
- Suppliers should develop policies, procedures, due diligence processes and management systems that are reasonably designed to prevent products or minerals that are not DRC Conflict Free from entering our supply chain and to provide transparency as to the source of any Conflict Minerals.
- Suppliers are expected to take steps to identify the steps in the supply chain through which Conflict Minerals are introduced, and to undertake all due diligence efforts necessary to identify the smelter, refiner and/or mine from which Conflict Minerals originate, including requiring direct or indirect suppliers to our suppliers to cooperate in diligence efforts and to provide any information necessary to facilitate our compliance efforts with respect to the Conflict Minerals Rules.
- Suppliers are expected to pass on these requirements on to their supply chain partners who supply them with products containing any Conflict Mineral.

We evaluate our relationship with our suppliers on an ongoing basis, and we will consider the extent to which a supplier has failed to reasonably comply with this Conflict Minerals Policy. If we determine that a supplier’s efforts are deficient, we may take any appropriate action, including terminating our relationship with the supplier.

1

Global Reporting Initiative (GRI) Index™

The Leidos Corporate Responsibility Report is published in accordance with the GRI™ Sustainability Reporting Framework (Core option).



GRI™ Standards Index

This report has been prepared in accordance with the GRI™ Standards: Core option.

The GRI™ Standards emphasize materiality and focused sustainability reporting on the economic, environmental, and/or social impacts of an organization. The following index lists our responses to the GRI™ Standards: Core option (General Disclosures and material topic-specific disclosures) and provides links to relevant report content on Leidos.com where appropriate.

Note: For each topic-specific disclosure, disclosures on Management Approach are contained in relevant sections on Leidos.com, including how Leidos manages each material topic, any associated impacts and boundaries, and related evaluations of management approach, where applicable.

GENERAL STANDARD DISCLOSURES

General Disclosures are applicable to all organizations preparing sustainability reports and provide contextual information about an organization and its sustainability reporting practices. They include information about an organization's profile, strategy, ethics and integrity, governance, stakeholder engagement practices, and reporting process.



DISCLOSURE NUMBER	DISCLOSURE TITLE & REQUIREMENTS	2019 RESPONSE
Strategy		
102-14	A statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy for addressing sustainability.	CEO Message
102-15	Provide a description of key impacts, risks, and opportunities.	Executive Summary
Organizational Profile		
102-1	Name of the organization	Leidos
102-2	Report the primary brands, products, and services, including an explanation of any products or services that are banned in certain markets.	As of December 2019, we employed approximately 33,522 full and part-time employees in more than 29 countries worldwide. Headquartered in Reston, Va., Leidos reported annual revenues of approximately \$11.1 billion for the fiscal year ended December 31, 2019. Our mission is to make the world safer, healthier, and more efficient through information technology, engineering, and science. At January 3, 2020, our business is aligned into three reportable segments (Defense Solutions, Civil and Health), and our Corporate functions. Our operations and reportable segments are organized around the markets we serve. We provide a wide array of scientific, engineering and technical services and solutions across these reportable segments. Less than 10% of our revenues and tangible long-lived assets are generated by or owned by entities located outside of the United States. Effective the beginning of fiscal 2019, we changed the composition of our Defense Solutions reportable segment to better align the operations within the reportable segment to the customers we serve. This resulted in the identification of new operating segments within Defense Solutions. See 2019 Annual Report for additional information on our primary brand, products, and services.
102-3	Report the location of the organization's headquarters.	CY 2019: 11951 Freedom Drive, Reston, VA 20190. As of March 2020: 1950 Presidents Street, Reston, VA 20190
102-4	Number of countries where the organization operates, and the names of countries where it has significant operations and/or that are relevant to the topics covered in the report.	People > Employee Demographics and Statistics
102-5	Nature of ownership and legal form.	Corporation (LDOS)
102-6	Markets served including: Geographic locations where products and services are offered, sectors served, types of customers and beneficiaries	See 2019 Annual Report
102-7	Report the scale of the organization (total number of employees, operations, net sales, total capitalization, quantity of products/services provided).	See 2019 Annual Report

DISCLOSURE NUMBER	DISCLOSURE TITLE & REQUIREMENTS	2019 RESPONSE
102-8	<p>*Total number of employees by employment contract (permanent and temporary), by gender.</p> <p>*Total number of employees by employment by contract (permanent and temporary), by region.</p> <p>*Total number of employees by employment type (full-time and part-time), by gender.</p> <p>*Whether a significant portion of the organization's activities are performed by workers who are not employees. If applicable, a description of the nature and scale of work performed by workers who are not employees.</p> <p>*Any significant variations in the numbers reported in Disclosures 102-8-a, 102-8-b, and 102-8-c (such as seasonal variations in tourism or agricultural industries).</p> <p>*An explanation of how the data have been compiled, including any assumptions made.</p>	People > Employee Demographics and Statistics and 2019 Annual Report
102-41	Stakeholder Engagement: Percentage of total employees covered by collective bargaining.	Currently, 0.8% of Leidos employees are covered by collective bargaining agreements.
102-9	A description of the organization's supply chain, including its main elements as they relate to the organization's activities, primary brands, products, and services.	Supplier and Small Business Relationships
102-10	Significant changes to the organization's size, structure, ownership, or supply chain, including: Changes in the location of, or changes in, operations, including facility openings, closings, and expansions; Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations); Changes in the location of suppliers, the structure of the supply chain, or relationships with suppliers, including selection and termination.	See 2019 Annual Report. During fiscal 2019, we acquired IMX Medical Management Services and its affiliated businesses. In early fiscal 2020, we acquired Dynetics, Inc. and entered into a definitive agreement to acquire L3Harris Technologies' security detection and automation businesses. See "Note 6—Acquisitions" and "Note 27—Subsequent Events" in Part II of the Annual Report on Form 10-K for further information. Additionally, during fiscal 2019, we divested of our commercial cybersecurity and health staff augmentation businesses. For further information, see "Note 7—Divestitures" in Part II of the Annual Report on Form 10-K.
102-11	Whether and how the organization applies the Precautionary Principal or approach.	Leidos maintains a corporate-level Enterprise Risk Management Council (ERMC) to review business activities that present, or have the potential to present, significant risk to the company. Risks and their mitigation plans are identified by relevant operating units and functions. The ERMC reviews those plans to ensure that necessary actions are implemented to avoid, mitigate, and manage those risks and that the steps taken are in-line with the company's overall risk tolerance.

DISCLOSURE NUMBER	DISCLOSURE TITLE & REQUIREMENTS	2019 RESPONSE
102-12	A list of externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	The Leidos corporate responsibility report is developed in compliance with the GRI Standards Reporting Framework. Additionally, Leidos subject matter experts participate in a number of collaborative efforts with stakeholders and external organizations. Additionally, Leidos has signed on to the Business Roundtable's Statement on the Purpose of a Corporation.
102-13	A list of the main memberships of industry or other associations, and national or international advocacy organizations.	Leidos participates in numerous professional industry associations and community/non-profit organizations related to our business as well as the communities in which employees live and work, respectively. Leidos employees hold leadership positions in many of these organizations. We do not currently have a centralized list of all involvement.
Identified Material Aspects and Boundaries		
102-45	A list of all entities included in the organization's consolidated financial statements or equivalent documents; Whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report.	See 2019 Annual Report
102-46	An explanation of the process for defining the report content and the topic Boundaries; An explanation of how the organization has implemented the Reporting Principles for defining report content.	About Our Reporting
102-47	A list of the material topics identified in the process for defining report content.	About Our Reporting
103-1	<p>Explanation of the material topic and its Boundary. An explanation of why the topic is material;</p> <ul style="list-style-type: none"> The Boundary for the material topic, which includes a description of where the impacts occur; the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships; Any specific limitation regarding the topic Boundary 	All statements regarding our core values and commitment to data privacy, ethics, and integrity apply to the entire enterprise. References to numbers of employees and associated metrics apply to the entire enterprise, except where noted otherwise. Most employee benefit programs addressed within this report relate to Leidos U.S. operations, which make up the preponderance of our workforce, and may exclude certain U.S. subsidiaries. In keeping with our workforce distributions, this report highlights activities within our U.S. operations, including subsidiaries and leased facilities, while presenting selected data on our worldwide enterprise. Information about our business and financial performance, reported pursuant to our fiscal year ended December, 2019, is provided in our 2019 Annual Report

DISCLOSURE NUMBER	DISCLOSURE TITLE & REQUIREMENTS	2019 RESPONSE
103-2	The management approach and its components. <ul style="list-style-type: none"> • An explanation of how the organization manages the topic. • A statement of the purpose of the management approach. • A description of the following, if the management approach includes that component: <ol style="list-style-type: none"> 1. Policies; 2. Commitments; 3. Goals and targets; 4. Responsibilities; 5. Resources; 6. Grievance mechanisms; 7. Specific actions, such as processes, projects, programs and initiatives 	The management approach for material topics is addressed in the introduction of the corresponding section of this report.
103-3	Evaluation of the management approach <ul style="list-style-type: none"> • An explanation of how the organization evaluates the management approach, including: <ul style="list-style-type: none"> • The mechanisms for evaluating the effectiveness of the management approach; • The results of the evaluation of the management approach; • Any related adjustments to the management approach. 	A summary of the evaluation of our management approach is addressed in the introduction of the corresponding section of this report.
102-48	The effect of any restatements of information given in previous reports, and the reasons for such restatements.	No major restatements during the period 2019.
102-49	Significant changes from previous reporting periods in the list of material topics and topic boundaries.	This report contains no significant changes to scope, boundary, or measurement methods used in previously published corporate responsibility reports.
Stakeholder Engagement		
102-40	A list of stakeholder groups engaged by the organization	About Our Reporting
102-42	The basis for identifying and selecting stakeholders with whom to engage.	About Our Reporting
102-43	The organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.	About Our Reporting

DISCLOSURE NUMBER	DISCLOSURE TITLE & REQUIREMENTS	2019 RESPONSE
102-44	Key topics and concerns that have been raised through stakeholder engagement, including: How the organization has responded to those key topics and concerns, including through its reporting; The stakeholder groups that raised each of the key topics and concerns.	This is addressed with the relevant topics reported.
Report Profile		
102-50	Reporting period for the information provided	Calendar year 2019.
102-51	If applicable, the date of the most recent previous report.	Fall, 2019 (covering the period calendar year 2018).
102-52	Reporting cycle.	Annual
102-53	The contact point for questions regarding the report or its content.	Michael P. Coogan, Vice President, Director, Corporate Responsibility.
102-54	a. The claim made by the organization, if it has prepared a report in accordance with the GRI Standards, either: <ol style="list-style-type: none"> i. 'This report has been prepared in accordance with the GRI Standards: Core option'; ii. 'This report has been prepared in accordance with the GRI Standards: Comprehensive option'. 	This report has been prepared in accordance with the GRI Standards: Core option.
102-55	The GRI content index, which specifies each of the GRI Standards used and lists all disclosures included in the report. For each disclosure, the content index shall include: <ol style="list-style-type: none"> i. the number of the disclosure (for disclosures covered by the GRI Standards); ii. the page number(s) or URL(s) where the information can be found, either within the report or in other published materials; iii. if applicable, and where permitted, the reason(s) for omission when a required disclosure cannot be made. 	GRI Standards Index

DISCLOSURE NUMBER	DISCLOSURE TITLE & REQUIREMENTS	2019 RESPONSE
102-56	A description of the organization's policy and current practice with regard to seeking external assurance for the report. If the report has been externally assured: i. A reference to the external assurance report, statements, or opinions. If not included in the assurance report accompanying the sustainability report, a description of what has and what has not been assured and on what basis, including the assurance standards used, the level of assurance obtained, and any limitations of the assurance process; ii. The relationship between the organization and the assurance provider; iii. Whether and how the highest governance body or senior executives are involved in seeking external assurance for the organization's sustainability report.	Leidos GRI reports are not currently externally assured. However, our greenhouse gas emissions data is externally assured by a third party.
Governance		
102-18	Governance structure of the organization, including committees of the highest governance body. Committees responsible for decision-making on economic, environmental, and social topics.	Leidos is governed by a board of directors comprising thirteen directors, twelve of which are independent directors as defined by the New York Stock Exchange and corporate governance guidelines. The board includes four standing committees, including a Corporate Governance and Ethics Committee, chartered with the responsibility to review such environmental, social and governance issues that may significantly impact the Company's business operations, reputation or relations with employees, customers, stockholders and other constituents. The Governance and Ethics Committee also reviews legislative and regulatory trends and public policy developments that may affect the Company's business, including government relations activity.
Ethics and Integrity		
102-16	A description of the organization's values, principles, standards, and norms of behavior.	Ethics and Compliance
102-17	A description of internal and external mechanisms for: Seeking advice about ethical and lawful behavior, and organizational integrity; Reporting concerns about unethical or unlawful behavior, and organizational integrity.	Ethics and Compliance
ECONOMIC		

TOPIC-SPECIFIC DISCLOSURES

Topic-specific disclosures include information on an organization's impacts related to material economic, environmental, and social topics and disclosures on Management Approach. Topic-specific disclosures deemed material to Leidos are presented below according to the three Topic-specific Standards — Economic, Environmental and Social.

DISCLOSURE NUMBER	DISCLOSURE TITLE & REQUIREMENTS	2019 RESPONSE
Economic Performance		
201-1	Direct economic value generated and distributed (EVG&D) on an accruals basis, including the basic components for the organization's global operations as listed below. If data are presented on a cash basis, report the justification for this decision in addition to reporting the following basic components: *Direct economic value generated: revenues; *Economic value distributed: operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments; *Economic value retained: 'direct economic value generated' less 'economic value distributed'. *Where significant, report EVG&D separately at country, regional, or market levels, and the criteria used for defining significance.	See 2019 Annual Report Community > Corporate Philanthropy
201-2	Financial implications and other risks and opportunities for the organization's activities due to climate change Risks and opportunities posed by climate change that have the potential to generate substantive changes in operations, revenue, or expenditure, including: *A description of the risk or opportunity and its classification as either physical, regulatory, or other; *A description of the impact associated with the risk or opportunity; *The financial implications of the risk or opportunity before action is taken; *The methods used to manage the risk or opportunity; The costs of actions taken to manage the risk or opportunity.	Leidos reports relevant climate change risks and opportunities through CDP. Our latest response can be found here. Information on climate-related risks and opportunities can be found in section C2 – Risks and Opportunities. https://www.cdp.net/en/responses?utf8=%E2%9C%93&queries%5Bname%5D=Leidos

DISCLOSURE NUMBER	DISCLOSURE TITLE & REQUIREMENTS	2019 RESPONSE
201-3	<p>Defined benefit plan obligations and other retirement plans If the plan's liabilities are met by the organization's general resources, the estimated value of those liabilities.</p> <p>If a separate fund exists to pay the plan's pension liabilities: * The extent to which the scheme's liabilities are estimated to be covered by the assets that have been set aside to meet them; * The basis on which that estimate has been arrived at; * When that estimate was made. * If a fund set up to pay the plan's pension liabilities is not fully covered, explain the strategy, if any, adopted by the employer to work towards full coverage, and the timescale, if any, by which the employer hopes to achieve full coverage. * Percentage of salary contributed by employee or employer. * Level of participation in retirement plans, such as participation in mandatory or voluntary schemes, regional, or country-based schemes, or those with financial impact.</p>	<p>As of January 1, 2019, the Leidos Biomedical Research plan has 645 active participants, 532 deferred vested participants and 623 receiving pensions. This plan is approximately 99 percent funded as of January 1, 2019, on a stabilized funding basis. This plan was fully frozen on August 30, 2019. All participant accruals are fully frozen.</p> <p>The second plan includes, as of 31 March 2019 the Calanais Pension trustee Co., LTD sponsored plan included: 156 deferred members, 78 pensioner members (including 6 dependent pensioner members) and funding level of 97%.</p>

DISCLOSURE NUMBER	DISCLOSURE TITLE & REQUIREMENTS	2019 RESPONSE
ENVIRONMENTAL		
Energy		
302-1	<p>Energy consumption within the organization: 1. Total fuel consumption within the organization from non-renewable sources, in joules or multiples, and including fuel types used. 2. Total fuel consumption within the organization from renewable sources, in joules or multiples, and including fuel types used. 3. In joules, watt-hours or multiples, the total: a. electricity consumption b. heating consumption c. cooling consumption d. steam consumption 4. In joules, watt-hours or multiples, the total: a. electricity sold b. heating sold c. cooling sold d. steam sold 5. Total energy consumption within the organization, in joules or multiples. 6. Standards, methodologies, assumptions, and/or calculation tools used. 7. Source of the conversion factors used.</p>	<p>Environment > Corporate Footprint and Environmental Stewardship</p> <p>Leidos followed the World Resource Institute and the World Business Council for Sustainable Development (WRI/WBCSD) GHG Protocol Corporate Accounting and Reporting Standard (Revised Edition) and The Climate Registry (TCR) General Reporting Protocol v2.1 for data collection and calculation methods, assumptions, and conversion factors.</p> <p>Building-specific Assumptions: *For owned buildings and leased buildings where Leidos is responsible for paying utility bills, electricity and natural gas data were collected from utility billing information. *For leased buildings where Leidos is not responsible for paying electricity bills, electricity consumption was estimated using the average intensity method described in The Climate Registry's (TCR) General Reporting Protocol v3.0. This method multiplies the floor area of each lease by an assumed electricity intensity factor based on building type from the U.S. Energy Information Administration's (EIA) Commercial Buildings Energy Consumption Survey for 2012 (CBECS 2012). The resulting consumption was prorated based on the fraction of the year for which Leidos occupied each lease. *For leased buildings where Leidos is not responsible for paying natural gas bills, natural gas consumption was estimated using the average intensity method described in The Climate Registry's (TCR) General Reporting Protocol v3.0. This method multiplies the floor area of each lease by an assumed natural gas intensity factor based on building type from the U.S. Energy Information Administration's (EIA) Commercial Buildings Energy Consumption Survey for 2012 (CBECS 2012). The resulting consumption was prorated based on the fraction of the year for which Leidos occupied each lease. *Diesel fuel use for generators at owned facilities was estimated by multiplying the number of hours each generator was in use during the calendar year by the fuel consumption rate (gallons per hour) specific to each generator model. *Leidos-occupied floor area is reported as an annual equivalent value. The floor area of each lease is prorated according the fraction of the year each lease was active. For example, a 10,000 ft2 office lease occupied by Leidos for half the year is equivalent to 5,000 ft2 occupied for the entire year.</p> <p>Fleet-specific Assumptions: *Leidos vehicle data is taken from insurance policy data that is updated on a quarterly basis. *Fuel consumption was prorated based on the disposal date of the vehicle. If the vehicle did not have a disposal date, it was conservatively assumed to have been used for the entire calendar year.</p>
302-2	<p>Energy consumption outside of the organization: 1. Energy consumption outside of the organization, in joules or multiples. 2. Standards, methodologies, assumptions, and/or calculation tools used. 3. Source of the conversion factors used.</p>	<p>Environment > Corporate Footprint and Environmental Stewardship</p>

DISCLOSURE NUMBER	DISCLOSURE TITLE & REQUIREMENTS	2019 RESPONSE
302-3	Energy intensity: 1. Energy intensity ratio for the organization. 2. Organization-specific metric (the denominator) chosen to calculate the ratio 3. Types of energy included in the intensity ratio; whether fuel, electricity, heating, cooling, steam, or all. 4. Whether the ratio uses energy consumption within the organization, outside of it, or both.	1. 96.6 kBtu/ft2 (buildings energy only, fleet vehicle energy excluded)3. Natural gas and electricity consumption in owned and leased buildings. Leidos does not purchase heating, cooling, steam, or any other fuels. Fleet vehicle fuel consumption is not captured because the base metric of the intensity ratio is floor area of buildings. Note that fleet vehicle fuel consumption accounts for less than 2% of total energy. 2. Total owned and lease floor area is 6,775,416 ft2 (Leidos-occupied floor area only, subleased floor area excluded) 3. Natural gas and electricity consumption in owned and leased buildings. Leidos does not purchase heating, cooling, steam, or any other fuels. Fleet vehicle fuel consumption is not captured because the base metric of the intensity ratio is floor area of buildings. Note that fleet vehicle fuel consumption accounts for less than 2% of total energy. 4. All reported energy is consumed within the organization.
302-4	Reduction of energy consumption: 1. Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives, in joules or multiples. 2. Types of energy included in the reductions; whether fuel, electricity, heating, cooling, steam, or all. 3. Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it. 4. Standards, methodologies, assumptions, and/or calculation tools used.	Environment > Corporate Footprint and Environmental Stewardship Leidos followed the World Resource Institute and the World Business Council for Sustainable Development (WRI/WBCSD) GHG Protocol Corporate Accounting and Reporting Standard (Revised Edition) and The Climate Registry (TCR) General Reporting Protocol v2.1 for data collection and calculation methods, assumptions, and conversion factors. Building-specific Assumptions: *For owned buildings and leased buildings where Leidos is responsible for paying utility bills, electricity and natural gas data were collected from utility billing information. *For leased buildings where Leidos is not responsible for paying electricity bills, electricity consumption was estimated using the average intensity method described in The Climate Registry's (TCR) General Reporting Protocol v3.0. This method multiplies the floor area of each lease by an assumed electricity intensity factor based on building type from the U.S. Energy Information Administration's (EIA) Commercial Buildings Energy Consumption Survey for 2012 (CBECS 2012). The resulting consumption was prorated based on the fraction of the year for which Leidos occupied each lease. *For leased buildings where Leidos is not responsible for paying natural gas bills, natural gas consumption was estimated using the average intensity method described in The Climate Registry's (TCR) General Reporting Protocol v3.0. This method multiplies the floor area of each lease by an assumed natural gas intensity factor based on building type from the U.S. Energy Information Administration's (EIA) Commercial Buildings Energy Consumption Survey for 2012 (CBECS 2012). The resulting consumption was prorated based on the fraction of the year for which Leidos occupied each lease. *Diesel fuel use for generators at owned facilities was estimated by multiplying the number of hours each generator was in use during the calendar year by the fuel consumption rate (gallons per hour) specific to each generator model. *Leidos-occupied floor area is reported as an annual equivalent value. The floor area of each lease is prorated according the fraction of the year each lease was active. For example, a 10,000 ft2 office lease occupied by Leidos for half the year is equivalent to 5,000 ft2 occupied for the entire year. Fleet-specific Assumptions: *Leidos vehicle data is taken from insurance policy data that is updated on a quarterly basis. *Fuel consumption was prorated based on the disposal date of the vehicle. If the vehicle did not have a disposal date, it was conservatively assumed to have been used for the entire calendar year.

DISCLOSURE NUMBER	DISCLOSURE TITLE & REQUIREMENTS	2019 RESPONSE
Emissions		
305-1	Direct greenhouse gas (GHG) emissions (Scope 1): 1. Gross direct (Scope 1) GHG emissions in metric tons of CO2 equivalent. 2. Gases included in the calculation; whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, or all. 3. Biogenic CO2 emissions in metric tons of CO2 equivalent. 4. Base year for the calculation, if applicable, including: a. the rationale for choosing it; b. emissions in the base year; c. the context for any significant changes in emissions that triggered recalculations of base year emissions. 5. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source. 6. Consolidation approach for emissions; whether equity share, financial control, or operational control. 7. Standards, methodologies, assumptions, and/or calculation tools used.	Environment > Corporate Footprint and Environmental Stewardship Base year and rationale: Leidos utilizes a 2010 base year, because it was the year that Leidos began quantifying and reporting GHG emissions. Since most of our GHG emissions result from energy, 2010 is a logical base year for measuring energy savings also. In addition to measuring against the base year, Leidos finds it informative to measure year-over-year performance improvements. Leidos followed the World Resource Institute and the World Business Council for Sustainable Development (WRI/WBCSD) GHG Protocol Corporate Accounting and Reporting Standard (Revised Edition) and The Climate Registry (TCR) General Reporting Protocol v2.1 for data collection and calculation methods, assumptions, and conversion factors. Building-specific Assumptions: *For owned buildings and leased buildings where Leidos is responsible for paying utility bills, electricity and natural gas data were collected from utility billing information. *For leased buildings where Leidos is not responsible for paying electricity bills, electricity consumption was estimated using the average intensity method described in The Climate Registry's (TCR) General Reporting Protocol v3.0. This method multiplies the floor area of each lease by an assumed electricity intensity factor based on building type from the U.S. Energy Information Administration's (EIA) Commercial Buildings Energy Consumption Survey for 2012 (CBECS 2012). The resulting consumption was prorated based on the fraction of the year for which Leidos occupied each lease. *For leased buildings where Leidos is not responsible for paying natural gas bills, natural gas consumption was estimated using the average intensity method described in The Climate Registry's (TCR) General Reporting Protocol v3.0. This method multiplies the floor area of each lease by an assumed natural gas intensity factor based on building type from the U.S. Energy Information Administration's (EIA) Commercial Buildings Energy Consumption Survey for 2012 (CBECS 2012). The resulting consumption was prorated based on the fraction of the year for which Leidos occupied each lease. *Diesel fuel use for generators at owned facilities was estimated by multiplying the number of hours each generator was in use during the calendar year by the fuel consumption rate (gallons per hour) specific to each generator model. Leidos-occupied floor area is reported as an annual equivalent value. The floor area of each lease is prorated according the fraction of the year each lease was active. For example, a 10,000 ft2 office lease occupied by Leidos for half the year is equivalent to 5,000 ft2 occupied for the entire year. Fleet-specific Assumptions: *Leidos vehicle data is taken from insurance policy data that is updated on a quarterly basis. *Fuel consumption was prorated based on the disposal date of the vehicle. If the vehicle did not have a disposal date, it was conservatively assumed to have been used for the entire calendar year. Leidos vehicle data is taken from insurance policy data that is updated on a quarterly basis.

DISCLOSURE NUMBER	DISCLOSURE TITLE & REQUIREMENTS	2019 RESPONSE
305-2	Energy indirect (Scope 2) GHG emissions: 1. Gross location-based energy indirect (Scope 2) GHG emissions in metric tons of CO2 equivalent. 2. If applicable, gross market-based energy indirect (Scope 2) GHG emissions in metric tons of CO2 equivalent. 3. If available, the gases included in the calculation; whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, or all. 4. Base year for the calculation, if applicable, including: a. the rationale for choosing it; b. emissions in the base year; c. the context for any significant changes in emissions that triggered recalculations of base year emissions. 5. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source. 6. Consolidation approach for emissions; whether equity share, financial control, or operational control. 7. Standards, methodologies, assumptions, and/or calculation tools used.	Environment > Corporate Footprint and Environmental Stewardship See response in 305-1 for Standards, Methodologies, and Assumptions Used for GHG Calculations
305-3	Other indirect greenhouse gas (GHG) emissions (Scope 3): 1. Gross other indirect (Scope 3) GHG emissions in metric tons of CO2 equivalent. 2. If available, the gases included in the calculation; whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, or all. 3. Biogenic CO2 emissions in metric tons of CO2 equivalent. 4. Other indirect (Scope 3) GHG emissions categories and activities included in the calculation. 5. Base year for the calculation, if applicable, including: *the rationale for choosing it; *emissions in the base year; *the context for any significant changes in emissions that triggered recalculations of base year emissions. 6. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source. 7. Standards, methodologies, assumptions, and/or calculation tools used.	Footprint and Environmental Stewardship See response in 305-1 for Standards, Methodologies, and Assumptions used for GHG Calculations

DISCLOSURE NUMBER	DISCLOSURE TITLE & REQUIREMENTS	2019 RESPONSE
305-4	Greenhouse gas (GHG) emissions intensity: 1. GHG emissions intensity ratio for the organization. 2. Organization-specific metric (the denominator) chosen to calculate the ratio. 3. Types of GHG emissions included in the intensity ratio; whether direct (Scope 1), energy indirect (Scope 2), and/or other indirect (Scope 3). 4. Gases included in the calculation; whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, or all.	1. 5.0 mtCO ₂ e/\$1M revenue 1.7 mtCO ₂ e/FTE employee 2. \$11.094B revenue 33,013 FTE employees 3. All direct (Scope 1), energy indirect (Scope 2) market-based emissions from buildings and fleet vehicles. EXCLUDED: Scope 1 GHG emissions from fleet vehicles and Scope 3 GHG emissions from employee commuting and business travel are not captured in the emissions intensity ratio, because the base metric is building floor area.
305-5	Reduction of greenhouse gas (GHG) emissions: 1. GHG emissions reduced as a direct result of reduction initiatives, in metric tons of CO ₂ equivalent. 2. Gases included in the calculation; whether CO ₂ , CH4, N2O, HFCs, PFCs, SF6, NF3, or all. 3. Base year or baseline, including the rationale for choosing it. 4. Scopes in which reductions took place; whether direct (Scope 1), energy indirect (Scope 2), and/or other indirect (Scope 3). 5. Standards, methodologies, assumptions, and/or calculation tools used. emissions in the base year; the context for any significant changes in emissions that triggered recalculations of base year emissions. 6. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source. 7. Standards, methodologies, assumptions, and/or calculation tools used.	1. 10,567 mtCO ₂ e total reduction. 10,155 mtCO ₂ e from REC purchases, 243 mtCO ₂ e from elimination of under-performing real estate assets, and 169 mtCO ₂ e from lighting and HVAC energy efficiency measures. 2. CO ₂ , CH4, N2O. Reduction initiatives did not affect any other GHGs. 3. 2018 was selected as the base year for GHG reductions reported in this section to evaluate year-over-year improvements. 4. Direct (Scope 1), energy indirect (Scope 2) only. GHG emissions were reduced, in part, as a result of three initiatives: elimination of under-performing real estate assets, renewable energy purchases, and energy efficiency improvements. GHG reductions from eliminated real estate were assumed proportional to the reduction of Leidos-occupied floor area from 2018 to 2019 (-0.425%). GHG reductions from REC purchases were determined by multiplying total REC purchases (in MWh) by the 2020 Green-e Residual Mix emission factor for the eGRID subregion in which the purchasing facilities operate. The GHG reduction from energy efficiency improvements were determined by multiplying the annual energy savings (in kWh) of each project by the eGRID emission factors for the subregion in which each project was completed. Leidos-occupied floor area is reported as an annual equivalent value. The floor area of each lease is prorated according to the fraction of the year each lease was active. For example, a 10,000 ft ² office lease occupied by Leidos for half the year is equivalent to 5,000 ft ² occupied for the entire year. Fleet-specific Assumptions: Leidos vehicle data is taken from insurance policy data that is updated on a quarterly basis. Fuel consumption was prorated based on the disposal date of the vehicle. If the vehicle did not have a disposal date, it was conservatively assumed to have been used for the entire calendar year.
Effluents and Waste		
306-2	Waste by type and disposal method: Report the total weight of hazardous and non-hazardous waste, by disposal methods. Total weight of non-hazardous waste, with a breakdown by disposal methods where applicable. How the waste disposal method has been determined:	Leidos has national contracts with professional waste management companies for recycling and waste disposal at all owned (not leased) facilities. Total recycling and compost waste details are provided in the Environment > Corporate Footprint and Environmental Stewardship section. Leidos disposes of hazardous waste using Clean Harbors Environmental Services. In all cases, we are considered a small quantity generator per US EPA (less than 1,000 kilograms of hazardous waste per month). The waste is generally landfilled or incinerated at an EPA-permitted hazardous waste Treatment Storage and Disposal Facility (TSDF), as reported to Leidos by Clean Harbors Environmental Services.

DISCLOSURE NUMBER	DISCLOSURE TITLE & REQUIREMENTS	2019 RESPONSE
Supplier Environmental Assessment		
308-1	Percentage of new suppliers that were screened using environmental criteria.	Leidos did not screen suppliers for environmental criteria in 2019.
308-2	Negative environmental impacts in the supply chain and actions taken: 1. Number of suppliers assessed for environmental impacts. 2. Number of suppliers identified as having significant actual and potential negative environmental impacts. 3. Significant actual and potential negative environmental impacts identified in the supply chain. 4. Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which improvements were agreed upon as a result of assessment. 5. Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which relationships were terminated as a result of assessment, and why.	1. None 2. None 3. None 4. 0% 5. 0%"
SOCIAL LABOR PRACTICES AND DECENT WORK		
Occupational Health and Safety		
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities.	Leidos reports for the company's overall injury rate by total workforce only (vs. by gender or region). Environment > Environmental Health and Safety
Training and Education		
404-2	Programs for upgrading employee skills and transition assistance programs.	People > Professional and Career Development

DISCLOSURE NUMBER	DISCLOSURE TITLE & REQUIREMENTS	2019 RESPONSE
Diversity and Equal Opportunity		
405-1	Diversity of governance bodies and employees: Percentage of individuals within the organization's governance bodies in each of the following diversity categories: – Age group: under 30 years old, 30-50 years old, over 50 years old; – Gender; –Other indicators of diversity where relevant (such as minority or vulnerable groups). *Percentage of employees per employee category in each of the following diversity categories: – Gender; –Age group: under 30 years old, 30-50 years old, over 50 years old; –Other indicators of diversity where relevant (such as minority or vulnerable groups).	For governance composition, see 102-18 response. People > Employee Demographics and Statistics
Supplier Social Assessment		
414-1	New suppliers that were screened using social criteria	Supplier and Small Business Relationships
414-2	Negative social impacts in the supply chain and actions taken: * Number of suppliers assessed for social impacts. * Number of suppliers identified as having significant actual and potential negative social impacts. *Significant actual and potential negative social impacts identified in the supply chain. *Percentage of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of assessment. * Percentage of suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of assessment, and why.	Supplier and Small Business Relationships Ethics and Compliance

DISCLOSURE NUMBER	DISCLOSURE TITLE & REQUIREMENTS	2019 RESPONSE
SOCIAL SOCIETY		
Local Communities		
413-1	Operations with local community engagement, impact assessments, and development programs: Percentage of operations with implemented local community engagement, impact assessments, and/or development programs, including the use of: Social impact assessments, including gender impact assessments, based on participatory processes; Environmental impact assessments and ongoing monitoring; Public disclosure of results of environmental and social impact assessments; Local community development programs based on local communities' needs; Stakeholder engagement plans based on stakeholder mapping; Broad based local community consultation committees and processes that include vulnerable groups; Works councils, occupational health and safety committees and other worker representation bodies to deal with impacts; Formal local community grievance processes that include vulnerable groups; Works councils, occupational health and safety committees and other worker representation bodies to deal with impacts; Formal local community grievance processes	Leidos does not currently track this metric. Most of our locations, however, engage in outreach within their communities. Included in this report are several examples of our efforts in both specific communities and amongst specific populations, as well as our community engagement priority areas. We believe that these programs and activities are effective, yet continue to look for ways to maximize their positive effects and minimize any negative impacts. Community Community > Corporate Philanthropy
Anti-Corruption		
205-1	Operations assessed for risks related to corruption: Total number and percentage of operations assessed for risks related to corruption. Significant risks related to corruption identified through the risk assessment.	The Leidos Internal Audit department has a multi-year risk based Audit Plan. The Audit Plan focuses on Financial, Business Operations, Corporate Functions, Information Technology & Security controls to ensure compliance with Leidos policies and procedures. Risks are continuously monitored and the Audit Plan is adjusted accordingly. The multi-year Audit Plan covers U.S. as well as international operations.

DISCLOSURE NUMBER	DISCLOSURE TITLE & REQUIREMENTS	2019 RESPONSE
205-2	Communication and training about anti-corruption policies and procedures: *Total number and percentage of governance body members that the organization's anti-corruption policies and procedures have been communicated to, broken down by region. *Total number and percentage of employees that the organization's anti-corruption policies and procedures have been communicated to, broken down by employee category and region. * Total number and percentage of business partners that the organization's anti-corruption policies and procedures have been communicated to, broken down by type of business partner and region. Describe if the organization's anti-corruption policies and procedures have been communicated to any other persons or organizations. *Total number and percentage of governance body members that have received training on anti-corruption, broken down by region. *Total number and percentage of employees that have received training on anti-corruption, broken down by employee category and region.	Ethics and Compliance
202-3	Confirmed incidents of corruption and actions taken: Total number and nature of confirmed incidents of corruption. Total number of confirmed incidents in which employees were dismissed or disciplined for corruption. Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption. Public legal cases regarding corruption brought against the organization or its employees during the reporting period and the outcomes of such cases.	None
Public Policy		
415-1	Political contributions: Total monetary value of financial and in-kind political contributions made directly and indirectly by the organization by country and recipient/beneficiary. If applicable, how the monetary value of in-kind contributions was estimated.	For calendar year 2019, the Leidos Political Action Committee (L-PAC) made \$653,000 in political contributions. No in-kind contributions were made. No political contributions were made to state and local candidates and committees and all L-PAC contributions were made within the United States.

DISCLOSURE NUMBER	DISCLOSURE TITLE & REQUIREMENTS	2019 RESPONSE
Anti-Competitive Behavior		
206-1	Number of legal actions pending or completed during the reporting period regarding anti-competitive behavior and violations of anti-trust and monopoly legislation in which the organization has been identified as a participant. Legal actions for anti-competitive behavior, anti-trust, and monopoly practices: Main outcomes of completed legal actions, including any decisions or judgments.	None
Compliance		
419-1	Non-compliance with laws and regulations in the social and economic area: Significant fines and non-monetary sanctions for non-compliance with laws and/or regulations in the social and economic area in terms of: total monetary value of significant fines; total number of non-monetary sanctions; Cases brought through dispute resolution mechanisms. If the organization has not identified any non-compliance with laws and/or regulations, a brief statement of this fact is sufficient. The context against which significant fines and non-monetary sanctions were incurred.	None Ethics and Compliance
Customer Privacy		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data: Total number of substantiated complaints received concerning breaches of customer privacy, categorized by: complaints received from outside parties and substantiated by the organization; complaints from regulatory bodies. Total number of identified leaks, thefts, or losses of customer data. If the organization has not identified any substantiated complaints, a brief statement of this fact is sufficient.	None Trust Center > Data Privacy

ABOUT LEIDOS

Leidos is a Fortune 500® information technology, engineering, and science solutions and services leader working to solve the world's toughest challenges in the defense, intelligence, homeland security, civil, and health markets. The company's 38,000 employees support vital missions for government and commercial customers. Headquartered in Reston, Virginia, Leidos reported annual revenues of approximately \$11.09 billion for the fiscal year ended January 3, 2020.



LinkedIn: Leidos



Facebook: Leidosinc



YouTube: Leidosinc



Twitter: @Leidosinc



leidos