

Any material intended to be used for the containment, protection, handling, delivery and presentation of goods from raw materials to processed goods from the producer to the user or consumer. Packaging may be classified as primary packaging, grouped or secondary packaging, and transport or tertiary packaging. Examples of packaging include: cartons, crates, pails, trays, bags, pallets, pallet collars, drums, load boards, skids, dunnage, interior or exterior blocking, bracing, cushioning, weatherproofing, exterior strapping, stretch wrapping, coatings, closures, inks, adhesives, interleaving paper and labels.

An interior container or bag which is in contact with the contents. It is also known as the package. It may be used as the shipping container if it meets transportation requirements.

A container which encloses one or more primary containers. It is also known as an intermediate package. It may be used as the shipping container if it meets transportation requirements.

An exterior package used to protect goods during the process of distribution, handling, storage and transportation. It includes shipping containers and pallets with shrink wrapping or banding, for example.

Refers to the materials that are used to build or construct the packaging of Lockheed Martin products and supplies. Packaging products include, but are not limited to, paper, corrugate, stretch wrap, cushioning media (such as polymeric peanuts), wood products (such as plywood and sawn lumber), fasteners (such as nails and screws), adhesives and inks.

The concentration of materials (i.e., plastic resins, wood fiber) that have been recovered or otherwise diverted from the solid waste stream, either during the manufacturing process (post-industrial) or after the consumer use (post-consumer) and have been reused in the production of another (including the same) packaging product.

Concentration level which defines the limit above which the presence of a substance or substance category is restricted or declarable.

Substance of Very High Concern identified by European Economic

Area via candidate list.

Deliberate use in the formulation or fabrication of a product where its continued presence is desired to provide a specific characteristic, appearance or quality.

International Phytosanitary Measures No. 15 directly addresses the need to treat wood materials of a thickness greater than six millimeters used to ship products between countries.

Optimizes the use of renewable or recycled source materials.

Is manufactured using clean production technologies and best practices.

Is made from materials healthy throughout the lifecycle.

Is physically designed to optimize materials and energy.

Is effectively recovered and utilized in biological and/or industrial closed loop cycles.

The criteria presented here blend broad sustainability objectives with business considerations and strategies that address environmental concerns related to the life cycle of packaging.

Suppliers to Lockheed Martin will initially focus on the following elements of sustainable packaging:

Reducing packaging volumes so as to reduce the amount of packaging that must be disposed of by Lockheed Martin.

Using packaging materials that are more easily recycled or reused.

Using returnable containers wherever feasible and economical.

Should refers to being requested but not required.

All suppliers of packaging and packaging products should ensure the following Lockheed Martin Global Supply Chain Operations (GSCO) packaging specifications are considered:

Unless Lockheed Martin has indicated otherwise, all packaging and/or packaging products should not contain a restricted substance above the threshold level for the reporting application listed in

Suppliers should declare the presence of any/all SVHCs greater than 0.1 percent w/w of packaging and packaging products. of the European Chemical Agency (ECHA), Article 59(1) of Regulation No. 1907/2006 (EU REACH). SVHCs are found at: https://echa.europa.eu/candidate-list-table.

Suppliers should also review biannual updates to the list of SVHCs and inform Lockheed Martin if a newly added SVHCis present in any/all packaging and packaging products provided to Lockheed Martin greater than 0.1 percent w/w.

: All plastic packaging and packaging products should be marked with the appropriate Society of the Plastic Industry, Inc (SPI) resin identification code. Exceptions apply to metalized films and laminates, shrink/plastic wrap, foams and materials that have a dimension or shape that makes marking impractical.

Unless Lockheed Martin has indicated otherwise, all packaging and/or packaging products constructed of wood should be treated and marked when

From Lockheed Martin's perspective, the direct benefits of improved packaging from our suppliers are to 1) reduce the quantity of packaging waste we send to landfills (which benefits the environment and helps reduce waste to landfills); and, 2) reduce product damage due to improper packaging.

There are also indirect benefits from improved packaging that help fulfill broader sustainability objectives. These include, among others:

: In warehousing and logistics, cube utilization refers to the use of space within a storage area, trailer or container. Oube utilization is generally calculated as a percentage of total space or Higher cube utilization is desired.

: Items that can be sourced locally and do not have to be transported $% \left(1\right) =\left(1\right) \left(1\right) +\left(1\right) \left(1\right) \left(1\right) +\left(1\right) \left(1\right) \left($

Changes to supplier packaging systems must be compliant with existing contractual and technical (i.e., engineering) requirements and must protect the part(s) to prevent damage. Suppliers must consider the following before changes are implemented:

Review contract provisions before changing existing packaging systems, as these have precedence when making decisions on the packaging used for certain products.

Federal Department of Transportation and state agency shipping requirements must be followed. Damage prevention must be a primary consideration when packaging products. One of the most important

This section provides a list of preferred packaging materials that Lockheed Martin suppliers should evaluate for use wherever practical. Packaging materials whose use should be restricted are also listed. The items listed	or