



Northrop Grumman  
2980 Fairview Park Drive  
Falls Church, Virginia 22042-4511

northropgrumman.com

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

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

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

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

### **Northrop Grumman Standards of Business Conduct for Suppliers and Other Trading Partners**

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

A copy of our Standards of Business Conduct for Suppliers and Other Trading Partners can be accessed using the below link:  
<http://www2.northropgrumman.com/suppliers/Pages/SSBC.aspx>

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

### **FAR Requirements**

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

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

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

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

FAR 52.222-56, *Certification Regarding Trafficking in Persons Compliance Plan*, requires companies performing contracts or subcontracts whose value exceeds \$550,000 for supplies acquired (other than COTS) or services performed outside of the U.S., to develop human trafficking compliance plans. In accordance with FAR 52.222-50, such plans are expected to be “appropriate” to the “size and complexity of the contract” and the “nature and scope of the activities to be performed.” The regulation includes specific minimum requirements for a compliance plan.

When a compliance plan is required, the awardee must also provide a specific, written certification that it implemented the compliance plan, terminated the contract with any subcontractor engaging in prohibited activities identified at paragraph (b) of the clause at 52.222-50 and, after conducting due diligence: (1) to the best of its knowledge or belief, neither it nor any of its proposed agents, subcontractors, or their agents engaged in human trafficking activity ; or (2) if abuses relating to any of the prohibited activities identified in 52.222-50(b) have been found, the Offeror or proposed subcontractor has taken the appropriate remedial and referral actions.

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

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

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

#### ***Mandatory Flow Downs and Remedies***

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

In addition to other remedies available to the Government, the Contractor’s failure to comply with the requirements of paragraphs (c), (d), (g), (h), or (i) of this clause may result in-

- (1) Requiring the Contractor to remove a Contractor employee or employees from the performance of the contract;
- (2) Requiring the Contractor to terminate a subcontract;
- (3) Suspension of contract payments until the Contractor has taken appropriate remedial action;
- (4) Loss of award fee, consistent with the award fee plan, for the performance period in which the Government determined Contractor non-compliance;
- (5) Declining to exercise available options under the contract;
- (6) Termination of the contract for default or cause, in accordance with the termination clause of this contract; or
- (7) Suspension or debarment.

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

#### **Training**

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

Please contact your Northrop Grumman Buyer/Subcontract Administrator for questions related to a specific procurement or the Corporate Global Supply Chain Compliance Office at [NorthropGrummanSupplyChain@ngc.com](mailto:NorthropGrummanSupplyChain@ngc.com) for general questions.