Lockheed Martin Corporation

2024 CDP Corporate Questionnaire 2024

Word version

Important: this export excludes unanswered questions

12/10/2024, 04:21 am

C1. Introduction

(1.1) In which language are you submitting your response?

Select from:

☑ English

(1.2) Select the currency used for all financial information disclosed throughout your response.

Select from:

☑ USD

(1.3) Provide an overview and introduction to your organization.

(1.3.2) Organization type

Select from:

☑ Publicly traded organization

(1.3.3) Description of organization

Lockheed Martin is a U.S. publicly-held global security and aerospace company headquartered in Bethesda, MD, that is principally engaged in the research, design, development, manufacture, integration and sustainment of advanced technology systems, products and services. Our mission is to solve complex challenges, advance scientific discovery and deliver innovative solutions to help our customers keep people safe. Our primary customers are U.S. and allied government agencies. In 2023, we employed approximately 122,000 people worldwide and generated net sales of 67.6 billion. We own or lease building space at 335 locations primarily in the U.S. and manage or occupy 9 government-owned facilities under lease and other arrangements. • Aeronautics 27.5 billion in 2023 sales, 41% of our total consolidated net sales: Engages in the research, design, development, manufacture, integration, sustainment, support and upgrade of advanced military aircraft including combat and air mobility aircraft, unmanned air vehicles and related technologies. • Missiles and Fire Control 11.3 billion in 2023 sales, 17% of our total consolidated net sales: Provides air and missile defense systems; tactical missiles and air-to-ground precision strike weapon systems; logistics; fire control systems; mission operations support, readiness, engineering support and integration services; manned and unmanned ground vehicles; and energy management solutions. • Rotary and Mission Systems 16.2 billion in 2023 sales, 24% of our total consolidated net sales: Designs, manufactures, services and supports various military and commercial helicopters, surface ships, sea and land-based missile defense systems, radar systems, sea and air-based mission and combat systems, command and control mission solutions, cyber solutions and simulation and training solutions. • Space 12.6 billion in 2023 sales, 19% of our total consolidated net sales: Engages in the research and development, design, engineering and production of satellites, space transportation systems and strategic, advanced strike and defensive systems.

This business area provides network-enabled situational awareness and integrates complex space and ground global systems to help our customers gather, analyze and securely distribute critical intelligence data. Space is also responsible for various classified systems and services in support of vital national security systems. [Fixed row]

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

(1.4.1) End date of reporting year

10/31/2023

(1.4.2) Alignment of this reporting period with your financial reporting period

Select from:

☑ No

(1.4.3) Indicate if you are providing emissions data for past reporting years

Select from:

☑ Yes

(1.4.4) Number of past reporting years you will be providing Scope 1 emissions data for

Select from:

☑ 3 years

(1.4.5) Number of past reporting years you will be providing Scope 2 emissions data for

Select from:

☑ 3 years

(1.4.6) Number of past reporting years you will be providing Scope 3 emissions data for

Select from:

☑ 4 years
[Fixed row]

(1.4.1) What is your organization’s annual revenue for the reporting period?

67600000000

(1.5) Provide details on your reporting boundary.

(1.5.1) Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?

Select from:
☑ No

(1.5.2) How does your reporting boundary differ to that used in your financial statement?

The boundary of our work is restricted to global facilities for which Lockheed Martin has operational control. This includes 77 facilities within Australia, United States, Canada, Mexico, Poland and the United Kingdom, as well as estimated data from 5 smaller facilities within the United States.
[Fixed row]

(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

ISIN code - bond

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

ISIN code - equity

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ Yes

(1.6.2) Provide your unique identifier

LMT

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

LEI number

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ Yes

(1.6.2) Provide your unique identifier

DPRBOZP0K5RM2YE8UU08

D-U-N-S number

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ Yes

(1.6.2) Provide your unique identifier

834951691

Other unique identifier

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No
[Add row]

(1.7) Select the countries/areas in which you operate.

Select all that apply
☑ Canada
☑ Mexico
☑ Poland
☑ Australia
☑ United States of America
☑ United Kingdom of Great Britain and Northern Ireland

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapped

Select from:

☑ Yes, we have mapped or are currently in the process of mapping our value chain

(1.24.2) Value chain stages covered in mapping

Select all that apply

☑ Upstream value chain

(1.24.3) Highest supplier tier mapped

Select from:

☑ Tier 1 suppliers

(1.24.4) Highest supplier tier known but not mapped

Select from:

☑ Tier 4+ suppliers

(1.24.7) Description of mapping process and coverage

Supplier surveying (buy part suppliers). Buyer /seller relationship mapping – tier by tier mapping based upon commerce data (bills of lading/shipping documents) limited visibility on domestic and actual parts procured. Reverse engineering subcontracted parts from engineering drawings to map actual suppliers for each tier. Mapping generally focuses on mission critical components and program impact.
[Fixed row]

(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

(1.24.1.1) Plastics mapping

Select from:

☑ No, and we do not plan to within the next two years

(1.24.1.5) Primary reason for not mapping plastics in your value chain

Select from:

☑ Not an immediate strategic priority

(1.24.1.6) Explain why your organization has not mapped plastics in your value chain

Currently we do not map plastics across the value chain. We focus on conformance to specifications for the selection and use of plastics in our products. In addition we track impending global regulations (e.g., Global Plastics Treaty, National EPR schemes) for impact to Lockheed Martin Corporation.
[Fixed row]

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

1

(2.1.3) To (years)

3

(2.1.4) How this time horizon is linked to strategic and/or financial planning

The short-term time horizon is associated with the long-range plan (LRP) for achieving certain sales and orders milestones over a three year time period. The LRP is updated annually to reflect changes in the assumptions and business environment. This time horizon represents how Lockheed Martin assesses short-term climate risks and opportunities.

Medium-term

(2.1.1) From (years)

4

(2.1.3) To (years)

10

(2.1.4) How this time horizon is linked to strategic and/or financial planning

The medium-term time horizon is associated with the duration measured by climate-related metrics and goals within the Sustainability Management Plan (SMP). This time horizon represents how Lockheed Martin assesses medium-term climate risks and opportunities.

Long-term

(2.1.1) From (years)

11

(2.1.2) Is your long-term time horizon open ended?

Select from:

☑ Yes

(2.1.4) How this time horizon is linked to strategic and/or financial planning

Our financial and strategic planning cycles are three to five years and we make some projections in ten year cycles. Our climate targets are set over similar cycles and align with our anticipated investments to uphold our fiduciary duty to our stockholders setting long term quantitative targets would increase risk and cost to our company because the targets would be wholly detached from our robust and sound business planning process.
[Fixed row]

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

	Process in place	Dependencies and/or impacts evaluated in this process
	Select from: ☑ Yes	*Select from:* ☑ Both dependencies and impacts

[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

	Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?
	Select from: ☑ Yes	*Select from:* ☑ Both risks and opportunities	*Select from:* ☑ Yes

[Fixed row]

(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply

☑ Climate change

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Risks

☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.5) Supplier tiers covered

Select all that apply

☑ Tier 1 suppliers

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

☑ Annually

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:

☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ Not location specific

(2.2.2.12) Tools and methods used

Enterprise Risk Management

☑ COSO Enterprise Risk Management Framework

☑ Enterprise Risk Management

International methodologies and standards

☑ ISO 14001 Environmental Management Standard

☑ Life Cycle Assessment

Databases

☑ Nation-specific databases, tools, or standards

☑ Regional government databases

Other

☑ External consultants

☑ Internal company methods

☑ Materiality assessment
☑ Partner and stakeholder consultation/analysis
☑ Scenario analysis

(2.2.2.13) Risk types and criteria considered

Chronic physical
☑ Increased severity of extreme weather events

Policy
☑ Changes to international law and bilateral agreements
☑ Changes to national legislation

Market
☑ Availability and/or increased cost of raw materials
☑ Uncertainty in the market signals

Reputation
☑ Increased partner and stakeholder concern and partner and stakeholder negative feedback
☑ Stigmatization of sector

Technology
☑ Unsuccessful investment in new technologies

Liability
☑ Exposure to litigation
☑ Non-compliance with regulations

(2.2.2.14) Partners and stakeholders considered

Select all that apply
☑ Customers

☑ Employees
☑ Investors
☑ Regulators
☑ Suppliers

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:
☑ No

(2.2.2.16) Further details of process

Our enterprise risk assessment process includes an annual senior leadership survey, a subject-matter expert survey, internal audit risk evaluation, global benchmark data and strategic planning assumptions, and interviews with the Executive Leadership Team. Through this process, we identify and prioritize key risks, which are reported to the Audit Committee of the Board of Directors. Risks are prioritized based upon impact, likelihood, trends and the availability and effectiveness of controls and mitigating actions. Surveys of leaders provide an indication of concerns from a risk universe, including climate-related risks, with varying degrees of potential size and scope. Survey findings are analyzed with risk data from our Treasury function to determine overlapping strategic and operational elements that warrant consideration in the enterprise-wide risk assessment. Climate-related risks identified using global benchmark data and strategic planning assumptions are monitored by the Lockheed Martin Sustainability team and provide direct input to the risk assessment process. Our assessment includes assumptions about business, industry, and economic risk factors associated with physical and transitional climate-related risks. At the upstream, operational, and downstream levels, climate-related risks and opportunities are identified, tracked and managed through our Sustainability Management Plan. Examples that consider physical risk beyond 10 years include Lockheed Martin's gated capital project funding, which is invested towards long-term infrastructure aimed at reducing energy use and carbon, as well as our renewable energy procurement such as through power purchase agreements. Looking into the future, we are addressing long-term physical and transitional risks by undertaking an ambitious carbon emission reduction goal aligned with a science-based target methodology to reduce Scope 1 and 2 absolute carbon emissions by 36% by 2030 from a 2020 baseline. This ambitious target will help to drive lean and efficient infrastructure, processes, and operations that support our continued leadership in a changing business and regulatory environment. Through our corporate insurance purchasing program, we study risk evaluations and assessments offered by insurance carriers, related to operational climate-related weather hazards. Such risk data affects capacity, availability and pricing of certain insurance classes for business operations. At the upstream, operational, and downstream levels, acute physical risks are managed by Lockheed Martin's Business Resiliency, Business Continuity, and Global Security and Crisis Management functions. Business Resiliency ensures that resiliency capabilities are addressed through Crisis Management, Business Continuity, information technology disaster recovery, and medical response to protect human life, safeguard assets and sustain critical operations. Business Continuity outlines the preparation needed in anticipation of significant incidents that may disrupt business operations. Crisis Management promotes preparedness and response with the goal of protecting employees against injury and minimizing damage to Lockheed Martin assets.

Row 2

(2.2.2.1) Environmental issue

Select all that apply

☑ Climate change

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Risks

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.5) Supplier tiers covered

Select all that apply

☑ Tier 1 suppliers

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

☑ Annually

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:

☑ A specific environmental risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ Site-specific

☑ Local

(2.2.2.12) Tools and methods used

Enterprise Risk Management

☑ Internal company methods

☑ Risk models

☑ Stress tests

International methodologies and standards

☑ IPCC Climate Change Projections

☑ ISO 14001 Environmental Management Standard

☑ Life Cycle Assessment

Databases

☑ Nation-specific databases, tools, or standards

Other

☑ Desk-based research
☑ Internal company methods
☑ Materiality assessment
☑ Scenario analysis

(2.2.2.13) Risk types and criteria considered

Acute physical

☑ Drought
☑ Tornado
☑ Avalanche
☑ Landslide
☑ Wildfires
☑ Storm (including blizzards, dust, and sandstorms)
☑ Heat waves
☑ Cold wave/frost
☑ Cyclones, hurricanes, typhoons
☑ Heavy precipitation (rain, hail, snow/ice)
☑ Flood (coastal, fluvial, pluvial, ground water)

Chronic physical

☑ Heat stress
☑ Water stress
☑ Sea level rise
☑ Changing wind patterns
☑ Temperature variability
☑ Increased severity of extreme weather events
☑ Water availability at a basin/catchment level
☑ Changing temperature (air, freshwater, marine water)
☑ Changing precipitation patterns and types (rain, hail, snow/ice)

Policy

☑ Carbon pricing mechanisms
☑ Changes to international law and bilateral agreements
☑ Changes to national legislation

Market

☑ Availability and/or increased cost of raw materials
☑ Changing customer behavior

☑ Uncertainty in the market signals

Reputation

☑ Stigmatization of sector

Technology

☑ Data access/availability or monitoring systems

☑ Transition to lower emissions technology and products

☑ Transition to water intensive, low carbon energy sources

☑ Unsuccessful investment in new technologies

Liability

☑ Exposure to litigation

☑ Non-compliance with regulations

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ Customers

☑ Employees

☑ Investors

☑ Suppliers

☑ Regulators

☑ Local communities

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

☑ No

(2.2.2.16) Further details of process

Climate-related risks and opportunities are assessed throughout the year as individual risks. These assessments are based on our qualitative enterprise level assessment detailed below, and focus on the quantification of individual risks at the most appropriate level of business (e.g., enterprise, business segment, facility). In

2018, the Lockheed Martin Sustainability team initiated a study of climate-related risk drivers to business operations in the short, medium, and long terms. Impacts for each driver were assessed (qualitatively) and scored (quantitatively) for supply chain, manufacturing operations, and business operations. The results provided a prioritized list of climate-related risk drivers that are continuously analyzed. To date, each of our US-based facilities is assessed for a variety of acute and chronic physical climate risks to understand the relative threats as a result of Lockheed Martin's geographic distribution of operations and supply chain. Although we are a global corporation, over 93% of our workforce is based in the United States. In early 2020, the Lockheed Martin Sustainability team refined our climate-related risk assessment process as part of a more integrated scenario planning and analysis exercise. The refined process is based on the same climate risk drivers suggested in the Task Force on Climate-related Financial Disclosures (TCFD) documentation for physical and transitional risks, with greater distinction given to individual manifestations of acute physical risks. More than 120 distinct climate-related risks, based on 22 distinct risk drivers, were assessed based on a set of scenario parameters limiting the rise in global temperatures to 2ºC and another scenario that does not limit global temperature growth. Additionally, the level of risk was determined by qualitatively assessing the likelihood and impact of each risk driver on our facilities, production operations, supply chain and workforce. Our latest risk assessment will be integrated into strategic planning at the functional level and individual physical risks are being considered in business continuity drills involving multiple facilities. Our qualitative climate-scenario analysis is based on two possible futures at the facility, production operations, workforce, and supply chain levels. One scenario restricts global temperature warming to no more than 2C by 2100, aligning with Representative Concentration Pathway (RCP) 2.6, and the other scenario's global temperature rise exceeds 2C by 2100, aligning with RCP 8.5. In considering the outcome of these two scenarios, there are multiple sub-strategies used to incorporate variability in key performance measures representing both physical and transitional risks. Shared Socio-economic Pathways (SSP) and Integrated Assessment Model data are being used to determine boundaries for impact trajectories in 2030 and 2100 for both scenarios. An overview of our process begins with a qualitative risk assessment, where individual climate-related risks determined to be of potential concern are further assessed at the appropriate level of business. This approach is designed to identify potential high impact climate-related risks and then to more quantitatively focus the level of potential impact of each risk across the enterprise.
[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Select from:
☑ Yes

(2.2.7.2) Description of how interconnections are assessed

As described in our TCFD report https://www.lockheedmartin.com/content/dam/lockheed-martin/eo/documents/sustainability/2023/TCFD-aligned-climate-related-risks-opportunities-report-2022.pdf There is a direct connection between assessment of drivers, related impacts, R&Os and our overall strategic/business planning.
[Fixed row]

(2.3) Have you identified priority locations across your value chain?

(2.3.1) Identification of priority locations

Select from:

☑ No, but we plan to within the next two years

(2.3.7) Primary reason for not identifying priority locations

Select from:

☑ Other, please specify **:**Environmental dependencies and impacts are not yet assessed but are in progress.

(2.3.8) Explain why you do not identify priority locations

In 2023, Lockheed Martin joined an aerospace sector initiative through the International Aerospace Environmental Group (IAEG) and EcoVadis. The program aims to accelerate sustainability performance in the industry and the extended supply chain. The EcoVadis methodology provides questionnaires adapted to suppliers' materiality based on their industry sector, country and company size. This initiative does not focus on the eco sensitivity but includes a holistic environmental assessment of the supplier's business and operations.
[Fixed row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

(2.4.6) Metrics considered in definition

Select all that apply

☑ Likelihood of effect occurring

(2.4.7) Application of definition

Lockheed Martin assesses the impacts of climate-related financial and strategic risks holistically and does not use a defined quantitative threshold. Financial and strategic impacts are evaluated qualitatively within the context of climate-related risk and the appropriate level of business. Quantitative figures are estimated for only select climate related risks and opportunities. An overview of our process begins with a qualitative risk assessment, where individual climate-related risks determined to be of concern are further assessed at the appropriate level of business. The magnitude of impact of each climate-related risk is a qualitative assessment made in relation to other climate-related physical and transitional risks to the Corporation and is not a measure of magnitude to the Corporation as a whole. This approach is designed to identify potential high impact climate-related risks and then to more quantitatively focus the level of impact of each risk across the enterprise. For example, we assess the potential impact of a carbon tax by calculating the relative increase in our total cost of energy procurement by location at varying carbon tax rates. The threshold for this risk is not publicly available, but it represents the percentage increase in total energy procurement cost that exceeds our risk tolerance. Those locations that exceed this threshold are then identified as key focus areas for decarbonization and energy efficiency. At Lockheed Martin there are multiple time horizons used to note financial, strategic, and risk functions. The time horizons provided in C2.1a specifically consider climate related risks and opportunities, and are designed to incorporate existing, more specialized time horizons. For the purposes of CDP, we define substantive impact as issues that have the potential to disrupt our business operations if not adequately mitigated. Our operations are subject to various environmental laws and regulations. The extent of our financial exposure stemming from these laws and regulations cannot be reasonably estimated in all cases. In addition to regulatory requirements, natural disasters (e.g., floods, fires, hurricanes) have the potential to cause substantive impact. However, our Business Continuity management framework proactively and adequately responds to business disruptions, identifies potential impacts, and maintains continuity of operations.

Opportunities

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

(2.4.6) Metrics considered in definition

Select all that apply

☑ Time horizon over which the effect occurs

(2.4.7) Application of definition

Lockheed Martin assesses the impacts of climate-related financial and strategic risks and opportunities holistically and does not use a defined quantitative threshold. Financial and strategic impacts are evaluated qualitatively within the context of climate-related risk and the appropriate level of business. Quantitative figures are estimated for only select climate related risks and opportunities. Climate-related products and services represent the most significant climate-related opportunity for Lockheed Martin. Growing resource constraints and changes to our climate require technologies that strengthen society's resilience and solutions for monitoring and addressing impacts. As a company driven to provide technical solutions to the most complex challenges of our customers, our portfolio will expand to meet our customer' needs, including to address climate change and adaptation solutions in new markets. One such market is firefighting. Through technologies and strategic partnerships, we are venturing into new markets to strengthen climate adaptation and resiliency solutions in response to increasingly frequent and more severe

wildfires. Technologies include the Sikorsky S-70 FIREHAWK helicopter, which is specifically designed for firefighting and associated search and rescue; and strategic partnerships, such as the partnership with NVIDIA, which includes the creation of the first AI-centric lab dedicated to predicting and responding to wildfires that will include Lockheed Martin's Cognitive Mission Manager (CMM) system, an end-to-end AI-driven planning and orchestration platform.
[Add row]

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.1.1) Environmental risks identified

Select from:
☑ Yes, both in direct operations and upstream/downstream value chain

Plastics

(3.1.1) Environmental risks identified

Select from:
☑ No

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:
☑ Not an immediate strategic priority

(3.1.3) Please explain

We focus on conformance to specifications for the selection and use of plastics in our products. In addition, we track impending global regulations (e.g., Global Plastics Treaty, national EPR schemes, etc.) for impact to Lockheed Martin Corporation.
[Fixed row]

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☑ Carbon pricing mechanisms

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Australia

☑ Canada

☑ Puerto Rico

☑ United Kingdom of Great Britain and Northern Ireland

☑ United States of America

(3.1.1.9) Organization-specific description of risk

Increased pricing of GHG emissions is considered a key potential regulatory-driven climate risk at Lockheed Martin. Based on our current operations, only the State of California operates a cap-and-trade program requiring select facilities to offset a percentage of their GHG emissions, which is not applicable to Lockheed Martin facilities at this time. We believe the likelihood of a carbon-based tax is expected to be high as we look at our global operations in the future, initially in the EU, and the added operations cost that would accompany such a tax. Lockheed Martin seeks to understand and manage this risk by stress testing historical cost implications of localized emissions against localized energy expenditures, under multiple pricing scenarios, and through efforts to decarbonize and conserve energy based on per capita metrics. Decarbonization encompasses numerous activities to support the use of clean energy in the form of renewable energy certificate (REC) purchases, on-site renewable generation, power purchase agreements, and green tariffs. Energy conservation efforts are aimed at process and operational efficiency improvements.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased direct costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Likely

(3.1.1.14) Magnitude

Select from:

☑ Medium

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Lockheed Martin seeks to understand and manage this risk by stress testing historical cost implications of localized emissions against localized energy expenditures, under multiple pricing scenarios, and through efforts to decarbonize and conserve energy based on per capita metrics. 16.7 million is the estimated annual financial impact based on a hypothetical carbon tax target of 20/MTCO2e and our 2023 Scope 1 & 2 (Location Based) energy-specific emissions. We are assuming an estimated range of 8.4M to 84M based on hypothetical tax rates from 10 to 100 per MTCO2e. This tax rate range and the tax rate of 20/MTCO2e used in the financial

impact estimate is based on analyses conducted by our Lockheed Martin Sustainability Team on recommended science-based CO2 tax rates in 2020 and 2030, integrating various sources including the World Bank, High-Level Commission on Carbon Price, Shared Socio-Economic Pathways, and Carbon Pricing Corridors Initiative, that evaluate '1.5 C and less' and '2C and less' scenarios.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

8400000

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

84000000

(3.1.1.25) Explanation of financial effect figure

Lockheed Martin seeks to understand and manage this risk by stress testing historical cost implications of localized emissions against localized energy expenditures, under multiple pricing scenarios, and through efforts to decarbonize and conserve energy based on per capita metrics. 16.7 million is the estimated annual financial impact based on a hypothetical carbon tax target of 20/MTCO2e and our 2023 Scope 1 & 2 (Location Based) energy-specific emissions. We are assuming an estimated range of 8.4M to 84M based on hypothetical tax rates from 10 to 100 per MTCO2e. This tax rate range and the tax rate of 20/MTCO2e used in the financial impact estimate is based on analyses conducted by our Lockheed Martin Sustainability team on recommended science-based CO2 tax rates in 2020 and 2030, integrating various sources including the World Bank, High-Level Commission on Carbon Price, Shared Socio-Economic Pathways, and Carbon Pricing Corridors Initiative, that evaluate '1.5 C and less' and '2C and less' scenarios.

(3.1.1.26) Primary response to risk

Compliance, monitoring and targets

☑ Establish organization-wide targets

(3.1.1.27) Cost of response to risk

30000000

(3.1.1.28) Explanation of cost calculation

In 2023, Lockheed Martin spent approximately 30 million on (64) completed projects and initiatives related to energy efficiency and conservation. These investments result in long-term reductions in GHG emissions and annual savings of 25 million kilowatt-hours (kWh) of electricity, 116,000 million British thermal units (MMBtu) of natural gas and avoided 3.2 million in utility and maintenance costs. Investments today will continue to reduce our risk related to potential carbon pricing/tax measures that may be implemented in the future. This cost is illustrative and at this time we cannot reasonably estimate the cost of mitigating or complying with any future carbon pricing mechanisms that might be imposed. We currently meet our renewable energy goals through a combination of on-site generation, renewable energy certificates (RECs), green tariffs, and power purchase agreements.

(3.1.1.29) Description of response

Each climate-related risk category is initially assessed by Lockheed Martin's Sustainability team. All submissions are estimations and are used to identify areas of further research. The magnitude of impact of each climate-related risk is a qualitative assessment made in relation to other climate-related physical and transitional risks to the Corporation and is not a measure of magnitude to the Corporation as a whole. In addition, the risks described in this section are not necessarily the greatest potential climate-related risks to Lockheed Martin; they are risks for which we are able to publicly provide quantitative and qualitative estimates.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk2

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

☑ Other acute physical risk, please specify **:**All acute physical risk

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Puerto Rico

☑ United States of America

(3.1.1.9) Organization-specific description of risk

Climate change is directly impacting the strength and pace of storms and other weather-related events. The level of impact varies based on the location of our operations and supply chain and is not limited to just coastal regions. In addition to cyclones and flooding, other weather-related events, such as tornados and wildfires, will have a continued impact on our supply chain and operations. These impacts result in disruptions in manufacturing and the livelihoods of our workforce and families. In mid-September of 2017, Hurricane Maria, a Category 4 hurricane with 155 mph winds, destroyed infrastructure in Puerto Rico, causing power and communications outages and widespread flooding for the entire island, impeding transportation. Lockheed Martin's facility in Aguadilla, Puerto Rico, was impacted by Hurricane Maria as the site was closed over approximately a month and a half, due to loss of telecommunications. In 2017, Lockheed Martin was directly impacted by hurricanes in Texas and Florida. In 2017 and 2018, winter storms and other events disrupted operations on the East Coast, in 2020, the CZU Lightning Complex fire in California directly impacted our Santa Cruz facility and surrounding communities and in early 2021 F-35 production operations in Fort Worth, TX, were closed for one day due to Winter Storm Uri. As risks increase so too will the cost of operations and the potential for delays. Future weather events are expected to grow stronger, with greater impact.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased direct costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Very likely

(3.1.1.14) Magnitude

Select from:

☑ Low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

To assess physical risk, we utilized FEMA's National Risk Index (NRI), a dataset and online tool to help illustrate the United States communities most at risk for 18 natural hazards. Of the 18 hazards, 9 are directly related to climate change: Coastal Flooding, Cold Wave, Drought, Heat Wave, Hurricane, Riverine Flooding, Strong Wind, Wildfire, and Winter Weather. The NRI provides risk hazard ratings and annual likelihood estimates by US Census Tract but does not include Puerto Rico. Global resources are also not publicly available to provide the same risk assessments, however 94% of Lockheed Martin's workforce is based in the United States. Using FEMA's methodology for Expected Annual Loss, we have modified the formula to calculate an annual Value at Risk (VaR) value based on annual insurable value for Lockheed Martin assets or contract commitments for a sampling of suppliers. The value estimated (96.5M as reported above in 'Potential financial impact figure') is based on 2023 values.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

0

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

96530000

(3.1.1.25) Explanation of financial effect figure

To assess physical risk, we utilized FEMA's National Risk Index (NRI), a dataset and online tool to help illustrate the United States communities most at risk for 18 natural hazards. Of the 18 hazards, 9 are directly related to climate change: Coastal Flooding, Cold Wave, Drought, Heat Wave, Hurricane, Riverine Flooding, Strong Wind, Wildfire, and Winter Weather. The NRI provides risk hazard ratings and annual likelihood estimates by US Census Tract but does not include Puerto Rico. Global resources are also not publicly available to provide the same risk assessments, however 94% of Lockheed Martin's workforce is based in the United States. Using FEMA's Methodology for Expected Annual Loss, we have modified the formula to calculate an annual Value at Risk (VaR) value based on annual insurable value for Lockheed Martin assets or contract commitments for a sampling of suppliers. The value estimated (96.5M as reported above in 'Potential financial impact figure') is based on 2023 values.

(3.1.1.26) Primary response to risk

Compliance, monitoring and targets

☑ Improve monitoring of direct operations

(3.1.1.27) Cost of response to risk

0

(3.1.1.28) Explanation of cost calculation

The cost to respond to climate-related physical risks is dependent on active risk mitigation through Lockheed Martin's Risk Management function and its partnerships with insurance providers. Due to the sensitive nature of details on such activities and the associated cost, in the form of premiums, we are unable to disclose an exact figure.

(3.1.1.29) Description of response

Each climate-related risk category is initially assessed by Lockheed Martin's sustainability team. All submissions are estimations and are used to identify areas of further research. The magnitude of impact of each climate-related risk is a qualitative assessment made in relation to other climate-related physical and transitional risks to the Corporation and is not a measure of magnitude to the Corporation as a whole. In addition, the risks described in this section are not necessarily the greatest potential climate-related risks to Lockheed Martin; they are risks for which we are able to provide quantitative and qualitative estimates.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk3

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☑ Carbon pricing mechanisms

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Upstream value chain

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ United States of America

(3.1.1.9) Organization-specific description of risk

Increased pricing of GHG emissions is considered a key regulatory-driven climate risk at Lockheed Martin and extends to the affordability of our products, cost competitiveness in government contracts, and supply chain costs. The likelihood of a carbon-based tax is expected to be high as we look at our global supply chain in the future and the added operational cost that would accompany such a tax for our suppliers. The majority of our sales are driven by pricing based on costs incurred to produce products or perform services under contracts with the U.S. Government. Cost-based pricing is determined under the Federal Acquisition Regulation (FAR). The FAR provides guidance on the types of costs that are allowable in establishing prices for goods and services under U.S. Government contracts. We closely monitor compliance with the consistent application of our critical accounting policies related to contract accounting. Increases in operational costs will directly affect the affordability of our products and our competitive position against industry peers.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased indirect [operating] costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Likely

(3.1.1.14) Magnitude

Select from:

☑ Low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Lockheed Martin calculated the annual financial impact estimate of 65.8M-658.4 million based on a hypothetical carbon tax range of 10-100/MTCO2e on our 2023 Scope 3 emissions estimate for purchased goods and services and capital goods. This estimate assumes that not all Scope 3 emissions would be energy based. As energy costs are generally embedded in overall supplier costs and are often considered "allowable" under Defense Federal Acquisition Regulation Supplement (DFARS) regulation in Department of Defense acquisitions, the impact is represented as the added cost to suppliers and is not necessarily representative of the direct impact to Lockheed Martin. Our analysis considers a hypothetical tax rate range of 10 to 100 per mtCO2e. This tax rate range used in the financial impact estimate are based on analyses conducted by our Lockheed Martin Sustainability team on recommended science-based CO2 tax rates in 2020 and 2030, from various sources including the World Bank, High-Level Commission on Carbon Price, Shared Socio-Economic Pathways, and Carbon Pricing Corridors Initiative, that evaluate '1.5 C and less' and '2C and less' scenarios.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

65840000

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

658400000

(3.1.1.25) Explanation of financial effect figure

Lockheed Martin calculated the annual financial impact estimate of 68-685 million based on a hypothetical carbon tax range of 10-100/MTCO2e on our 2023 Scope 3 emissions estimate for purchased goods and services and capital goods. This estimate assumes that not all Scope 3 emissions would be energy based. As energy costs are generally embedded in overall supplier costs and are often considered "allowable" under Defense Federal Acquisition Regulation Supplement (DFARS) regulation in Department of Defense acquisitions, the impact is represented as the added cost to suppliers and is not necessarily representative of the direct impact to Lockheed Martin. Our analysis considers a hypothetical tax rate range of 10 to 100 per mtCO2e. This tax rate range used in the financial impact estimate are based on analyses conducted by our Lockheed Martin Sustainability team on recommended science-based CO2 tax rates in 2020 and 2030, from various sources including the World Bank, High-Level Commission on Carbon Price, Shared Socio-Economic Pathways, and Carbon Pricing Corridors Initiative, that evaluate '1.5 C and less' and '2C and less' scenarios.

(3.1.1.26) Primary response to risk

Diversification

☑ Increase supplier diversification

(3.1.1.27) Cost of response to risk

0

(3.1.1.28) Explanation of cost calculation

In 2020, Lockheed Martin's Sustainability team stress tested historical cost implications of directly applied carbon taxes (based on a hypothetical tax range of 10 to 100 per mtCO2e) against estimated supply chain emissions for 2019. This tax rate range is based on recommended science-based CO2 tax rates in 2020 and 2030, from various sources including the World Bank, High-Level Commission on Carbon Price, Shared Socio-Economic Pathways, and Carbon Pricing Corridors Initiative. Since energy costs are generally embedded in overall supplier costs and are often considered "allowable" under DFARS regulation in DoD acquisitions, the financial impact estimate is represented as the added cost to suppliers. These costs will drive up overall costs for our products and impact affordability for our customers. The cost of responding to a specific affordability issue cannot be disaggregated from Lockheed Martin's existing overhead expenditures, resulting in a disclosed value of "0".

(3.1.1.29) Description of response

Each climate-related risk category is initially assessed by Lockheed Martin's Sustainability team. All submissions are estimations and are used to identify areas of further research. The magnitude of impact of each climate-related risk is a qualitative assessment made in relation to other climate-related physical and transitional risks to the Corporation and is not a measure of magnitude to the Corporation as a whole. In addition, the risks described in this section are not necessarily the greatest potential climate-related risks to Lockheed Martin; they are risks for which we are able to provide quantitative and qualitative estimates.
[Add row]

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Climate change

(3.1.2.1) Financial metric

Select from:

☑ Revenue

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

148700000

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:

☑ Less than 1%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

96530000

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

☑ Less than 1%

(3.1.2.7) Explanation of financial figures

To assess physical risk, we utilized FEMA's National Risk Index (NRI), a dataset and online tool to help illustrate the United States communities most at risk for 18 natural hazards. Of the 18 hazards, 9 are directly related to climate change: Coastal Flooding, Cold Wave, Drought, Heat Wave, Hurricane, Riverine Flooding, Strong Wind, Wildfire, and Winter Weather. The NRI provides risk hazard ratings and annual likelihood estimates by US Census Tract but does not include Puerto Rico. Global resources are also not publicly available to provide the same risk assessments, however 94% of Lockheed Martin's workforce is based in the United States. Using FEMA's methodology for Expected Annual Loss, we have modified the formula to calculate an annual Value at Risk (VaR) value based on annual insurable value for Lockheed Martin assets or contract commitments for a sampling of suppliers. The value estimated (96.5M as reported above in 'Potential financial impact figure') is based on 2023 values. Lockheed Martin seeks to understand and manage this risk by stress testing historical cost implications of localized emissions against localized energy expenditures, under multiple pricing scenarios, and through efforts to decarbonize and conserve energy based on per capita metrics. 16.7 million is the estimated annual financial impact based on a hypothetical carbon tax target of 20/MTCO2e and our 2023 Scope 1 & 2 (Location Based) energy-specific emissions. We are assuming an estimated range of 8.4M to 84M based on hypothetical tax rates from 10 to 100 per MTCO2e. This tax rate range and the tax rate of 20/MTCO2e used in the financial impact estimate is based on analyses conducted by our Lockheed Martin Sustainability team on recommended science-based CO2

tax rates in 2020 and 2030, integrating various sources including the World Bank, High-Level Commission on Carbon Price, Shared Socio-Economic Pathways, and Carbon Pricing Corridors Initiative, that evaluate '1.5 C and less' and '2C and less' scenarios.
[Add row]

(3.5) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Select from:
☑ Yes

(3.5.1) Select the carbon pricing regulation(s) which impact your operations.

Select all that apply
☑ EU ETS

(3.5.2) Provide details of each Emissions Trading Scheme (ETS) your organization is regulated by.

EU ETS

(3.5.2.1) % of Scope 1 emissions covered by the ETS

0

(3.5.2.2) % of Scope 2 emissions covered by the ETS

0

(3.5.2.3) Period start date

10/01/2023

(3.5.2.4) Period end date

12/31/2025

(3.5.2.5) Allowances allocated

0

(3.5.2.6) Allowances purchased

0

(3.5.2.7) Verified Scope 1 emissions in metric tons CO2e

0

(3.5.2.8) Verified Scope 2 emissions in metric tons CO2e

0

(3.5.2.9) Details of ownership

Select from:
☑ Other, please specify **:**Material imports subject to EU CBAM

(3.5.2.10) Comment

On 16 May 2023, regulations for revising the European Union Emission Trading System (EU ETS) and the new EU Carbon Border Adjustment Mechanism (CBAM) were published in the Official Journal of the European Union. A transitional period will apply for EU CBAM from 1 October 2023 to 31 December 2025, with solely quarterly reporting obligations; from 2026 onward, purchasing CBAM certificates will be required. The EU ETS will be extended in the aviation and maritime sectors; new ETS II will cover fuels for transportation and heating. Free allowances under the EU ETS will be phased out starting in 2026.
[Fixed row]

(3.5.4) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

On 16 May 2023, regulations for revising the European Union Emission Trading System (EU ETS) and the new EU Carbon Border Adjustment Mechanism (CBAM) were published in the Official Journal of the European Union. A transitional period will apply for EU CBAM from 1 October 2023 to 31 December 2025, with solely quarterly reporting obligations; from 2026 onward, purchasing CBAM certificates will be required. The EU ETS will be extended in the aviation and maritime sectors; new ETS II will cover fuels for transportation and heating. Free allowances under the EU ETS will be phased out starting in 2026.

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

	Environmental opportunities identified
Climate change	*Select from:* ☑ Yes, we have identified opportunities, and some/all are being realized

[Fixed row]

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select from:
☑ Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services
☑ Development of new products or services through R&D and innovation

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:
☑ Downstream value chain

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ United States of America

(3.6.1.8) Organization specific description

Climate-related products and services represent the most significant climate-related opportunity for Lockheed Martin. As a company driven to provide technical solutions to the most complex challenges of our customers, our portfolio will expand to meet their needs, including to address climate change and adaptation solutions. Our customers have shaped product development and features based on climate-related risks and opportunities. Growing resource constraints and changes to our climate require technologies that strengthen society's resilience and solutions for monitoring and addressing impacts. Through a collaborative development and acquisition effort between NOAA and NASA, in November of 2016, Lockheed Martin completed and launched the first of four next-generation geostationary weather satellites, the Geostationary Operational Environmental Satellite-R Series (GOES-R). GOES-R was launched in 2016 and was renamed GOES-16 once it reached geostationary orbit. GOES-S was launched in March 2018 and renamed GOES-17, and GOES-T was launched in March 2022, and was renamed GOES-18 once it reached geostationary orbit. Once operational, GOES-18 took GOES-17's place tracking atmospheric rivers, floods, wildfires, drought, and other severe weather and climate phenomena over the West Coast of the United States. GOES-U the final satellite in the GOES series completed production in 2024 and was launched in June 2024.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ The opportunity has already had a substantive effect on our organization in the reporting year

(3.6.1.12) Magnitude

Select from:

☑ Medium

(3.6.1.13) Effect of the opportunity on the financial position, financial performance and cash flows of the organization in the reporting period

The amount estimated is the contract value of the NASA/NOAA GOES satellite program, which is valued at 2 billion in total for the 4 next-generation satellites in the GOES series. This program was awarded to Lockheed Martin in 2008 and was completed in 2024. While the contract award amount is not an exact representation of the revenue generated, it does provide an estimate on a specified source of revenue which was received over multiple years.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.16) Financial effect figure in the reporting year (currency)

125000000

(3.6.1.23) Explanation of financial effect figures

The amount estimated above is the contract value of the NASA/NOAA GOES satellite program, which is valued at 2 billion in total for the 4 next-generation satellites in the GOES series. This program was awarded to Lockheed Martin in 2008 and was completed in 2024. The value represents only an annual estimate for 1 year of the contract award.

(3.6.1.24) Cost to realize opportunity

350000000

(3.6.1.25) Explanation of cost calculation

Lockheed Martin invested 350 million in the development and construction of the Gateway Center near Denver, CO that will be used as an advanced satellite manufacturing facility in support of various US Government programs.

(3.6.1.26) Strategy to realize opportunity

The GOES-R series satellites enable higher resolution images of weather patterns and severe storms five times faster than previous capabilities. These enhanced capabilities will contribute towards more accurate and reliable weather forecasts, severe weather outlooks and warnings, maritime forecasts, seasonal predictions, drought outlooks and space weather predictions. These advanced prediction capabilities will in turn, enable avoidance of adverse impacts from weather events and inform solutions for climate adaptation needs. GOES-16 and GOES-17 have already been launched. GOES-T launched in March 2022 and GOES-U will be launched in 2024. Once operational, GOES-T took GOES-17's place tracking atmospheric rivers, floods, wildfires, drought, and other severe weather and climate phenomena over the West Coast of the United States. The estimated duration of this program is 16 years based on the launch of GOES-U in 2024. In addition to our GOES-R series satellites, Lockheed Martin's Space business segment's product portfolio includes spacecraft that contribute to deep-space exploration as well as advanced

infrastructure resiliency for climate adaptation needs. These products include the Space Based Infrared System, the GPS III, and Orion. Lockheed Martin invested 350 million in the development and construction of the Gateway Center near Denver, CO, that will be used as an advanced satellite manufacturing facility in support of various US Government programs. Other spacecraft currently in production at the site include the Air Force's GPS III satellites, NASA's Lucy spacecraft which will explore Jupiter's Trojan asteroids, and other next-generation US Government satellites. Annualized investment was based on construction beginning in 2017.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp2

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

☑ Development of new products or services through R&D and innovation

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Downstream value chain

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ United States of America

(3.6.1.8) Organization specific description

In our strategic planning process, we pay close attention to shifts in U.S. national security policy and listen to feedback about how our equipment is used on a forward-operating basis. Our design process focuses on building longevity and resiliency into our technology. Climate-related products and services represent the most significant climate-related opportunity for Lockheed Martin. Growing resource constraints and changes to our climate require technologies that strengthen society's resilience and solutions for monitoring and addressing impacts. As a company driven to provide technical solutions to the most complex challenges of our customers, our portfolio will expand to meet our customer needs, including to address climate change and adaptation solutions in new markets. One such market is firefighting. Through technologies and strategic partnerships, we are venturing into new markets to strengthen climate adaptation and resiliency solutions in response

to increasingly frequent and more severe wildfires. Technologies include the Sikorsky S-70 FIREHAWK helicopter, which is specifically designed for firefighting and associated search and rescue; and strategic partnerships, such as the partnership with NVIDIA, which includes the creation of the first AI-centric lab dedicated to predicting and responding to wildfires that will include Lockheed Martin's Cognitive Mission Manager (CMM) system, an end-to-end AI-driven planning and orchestration platform.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues through access to new and emerging markets

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Very likely (90–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

In our strategic planning process, we pay close attention to shifts in U.S. national security policy and listen to feedback about how our equipment is used on a forward-operating basis. Our design process focuses on building longevity and resiliency into our technology. Climate-related products and services represent the most significant climate-related opportunity for Lockheed Martin. Growing resource constraints and changes to our climate require technologies that strengthen society's resilience and solutions for monitoring and addressing impacts. As a company driven to provide technical solutions to the most complex challenges of our customers, our portfolio will expand to meet our customer' needs, including to address climate change and adaptation solutions in new markets. One such market is firefighting. Through technologies and strategic partnerships, we are venturing into new markets to strengthen climate adaptation and resiliency solutions in response to increasingly frequent and more severe wildfires. Technologies include the Sikorsky S-70 FIREHAWK helicopter, which is specifically designed for firefighting and associated search and rescue; and strategic partnerships, such as the partnership with NVIDIA, which includes the creation of the first AI-centric lab dedicated to

predicting and responding to wildfires that will include Lockheed Martin's Cognitive Mission Manager (CMM) system, an end-to-end AI-driven planning and orchestration platform.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.17) Anticipated financial effect figure in the short-term - minimum (currency)

396000000

(3.6.1.18) Anticipated financial effect figure in the short-term – maximum (currency)

396000000

(3.6.1.23) Explanation of financial effect figures

The approach used to generate a potential financial impact figure was by evaluating publicly available information. Specifically, financial impact is measured directly based on publicly available information on orders of contracted FIREHAWK helicopters since 2018 with expected delivery continuing through 2023 multiplied by the estimated cost of the FIREHAWK helicopter to the customer.

(3.6.1.24) Cost to realize opportunity

354816000

(3.6.1.25) Explanation of cost calculation

The cost to realize the opportunity is 354,816,000, which is the average ratio of cost of goods sold to revenues for Lockheed Martin's Rotary and Mission Systems business area in 2022 applied to the sales (396 million) in the FIREHAWK portfolio. Note that this gross profit margin may not be representative of the gross profit margin for these sales and is purely illustrative as applied in this context.

(3.6.1.26) Strategy to realize opportunity

In our strategic planning process, we pay close attention to shifts in U.S. national security policy and listen to feedback about how our equipment is used on a forward-operating basis. Our customers have shaped product development based on climate-related risks and opportunities. For instance, born a Black Hawk, the Sikorsky S-70 FIREHAWK aircraft relies on its proven military design to endure the demands of aerial firefighting, search and rescue, and medical evacuations. The

FIREHAWK helicopter plays a strategic role in wildland fire suppression and is strategically used across the western U.S. to carry firefighters and water in the same mission. 13 FIREHAWK helicopters are currently fighting fires across California, operated by CALFIRE, Los Angeles County Fire Department, and San Diego Fire Rescue Department. About nine more contracted aircraft are on the way, with the first delivered to the State of Colorado in 2023. Additionally, Lockheed Martin is in conversation with international firefighting agencies in countries such as Turkey, Croatia, Greece, Korea, and Canada. Lockheed Martin and United Rotorcraft, a division of Air Methods Corporation, recently signed a marketing teaming agreement that formalizes how both companies will collaborate to meet growing global interest in the FIREHAWK helicopter. The agreement will enable the team to identify demand, and more quickly build and configure new production FIREHAWK helicopters for government agencies worldwide that require a highly effective solution to attack increasingly deadly wildland fires. In 2021, NVIDIA and Lockheed Martin joined in partnership to utilize artificial intelligence and digital-twin simulations to respond more quickly and effectively to wildfires while reducing risk to fire crews and residents. Through this partnership, Lockheed Martin and NVIDIA are working with the US Department of Agriculture Forest Service and Colorado Division of Fire Prevention and Control Funding to build the world's first artificial intelligence-centric lab dedicated to predicting and responding to wildfires.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp3

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Resource efficiency

☑ Move to more energy/resource efficient buildings

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ United States of America

(3.6.1.8) Organization specific description

We believe that we have a responsibility to operate our own facilities with efficient use of resources and to minimize environmental impacts. Our Go Green program drives operational improvements by reducing carbon emissions through energy efficiency and use of renewable energy. Investing in capital and operational projects that improve resource efficiency is key to reducing emissions. This work is overseen by our Board of Directors, which receives performance updates at least twice per year from our Senior Vice President, Ethics and Enterprise Assurance and our Vice President, Environment, Safety, Health and Sustainability. Multiple corporate policies guide our approach to green building standards, energy efficiency, strategic energy procurement and use of renewable energy. Our ISO 14001-certified enterprise Environment, Safety and Health Management System drives continuous improvement and commits all business areas to operating in a manner that protects the environment, conserves natural resources, prevents pollution and reduces and actively manages associated risks.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Reduced indirect (operating) costs

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ The opportunity has already had a substantive effect on our organization in the reporting year

(3.6.1.12) Magnitude

Select from:

☑ Medium-low

(3.6.1.13) Effect of the opportunity on the financial position, financial performance and cash flows of the organization in the reporting period

In 2023, our teams completed 64 energy efficiency projects that are estimated to avoid 25 million kilowatt-hours (kWh) of electricity, 116,000 million British thermal units (MMBTU) of natural gas and 3.2 million in utility and maintenance costs annually. Project examples include compressed air system upgrades, conversion to energy-efficient lighting, building management system upgrades and retro commissioning, focus on analytics and fault detection for heating, ventilation and air conditioning (HVAC) systems, and critical assets on the manufacturing floor. Teams also focused on efficiency opportunities associated with large cleanrooms, working with our two largest cleanroom sites to reduce airflow when the rooms are not occupied or where air change rates exceed what is required. Additionally, our site in Marietta, Georgia, is notably reducing its use of energy and natural gas on a large steam system. Crossover valves installed this year led to an estimated annual emission savings of 814 metric tons CO2e (MTCO2e). The project also revealed the possibility of converting two of the four steam mains to hot water supply and return mains. Anticipated to be completed in 2026, the project is expected to yield an estimated additional emission savings of 4,250 MTCO2e annually and a water consumption savings of more than 5 million gallons a year.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.16) Financial effect figure in the reporting year (currency)

3200000

(3.6.1.23) Explanation of financial effect figures

In 2023, our teams completed 64 energy efficiency projects that are estimated to avoid 25 million kilowatt-hours (kWh) of electricity, 116,000 million British thermal units (MMBTU) of natural gas and 3.2 million in utility and maintenance costs annually. Project examples include compressed air system upgrades, conversion to energy-efficient lighting, building management system upgrades and retro commissioning, focus on analytics and fault detection for heating, ventilation and air conditioning (HVAC) systems, and critical assets on the manufacturing floor. Teams also focused on efficiency opportunities associated with large cleanrooms, working with our two largest cleanroom sites to reduce airflow when the rooms are not occupied or where air change rates exceed what is required. Additionally, our site in Marietta, Georgia, is notably reducing its use of energy and natural gas on a large steam system. Crossover valves installed this year led to an estimated annual emission savings of 814 metric tons CO2e (MTCO2e). The project also revealed the possibility of converting two of the four steam mains to hot water supply and return mains. Anticipated to be completed in 2026, the project is expected to yield an estimated additional emission savings of 4,250 MTCO2e annually and a water consumption savings of more than 5 million gallons a year.

(3.6.1.24) Cost to realize opportunity

30000000

(3.6.1.25) Explanation of cost calculation

To achieve emissions targets, in 2023, our teams completed 64 energy efficiency projects that resulted in annual savings of 25 million kilowatt hours (kWh) of electricity and 116,000 million British thermal units (MMBtu) of natural gas, and avoided 3.2 million in utility and maintenance costs. These cost reductions are estimated based on the projected annual reduction in energy use and the associated cost by energy source and location.

(3.6.1.26) Strategy to realize opportunity

The cost to realize this opportunity is 30 million, which is the investment made in 2023 towards energy efficiency and renewable energy projects. As a result, there will be annualized savings expected over a minimum of ten years.
[Add row]

(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

Climate change

(3.6.2.1) Financial metric

Select from:

☑ Revenue

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

500000000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

☑ Less than 1%

(3.6.2.4) Explanation of financial figures

The approach used to generate a potential financial impact figure was by evaluating publicly available information. Specifically, financial impact is measured directly based on awarded amount of known contracts and the duration associated with those contracts related to a series of satellites developed to improve the monitoring and quality of climate data and inform climate adaptation solutions. The amount estimated above is the contract value of the NASA/NOAA GOES-R satellite program, which is valued at 2 billion for the 4 next-generation satellites in the GOES series. This program was awarded to Lockheed Martin in 2008 and will end in 2024.

Climate change

(3.6.2.1) Financial metric

Select from:

☑ OPEX

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

3200000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

☑ Less than 1%

(3.6.2.4) Explanation of financial figures

In 2023, our teams completed 64 energy efficiency projects that are estimated to avoid 25 million kilowatt-hours (kWh) of electricity, 116,000 million British thermal units (MMBTU) of natural gas and 3.2 million in utility and maintenance costs annually. Project examples include compressed air system upgrades, conversion to energy-efficient lighting, building management system upgrades and retro commissioning, focus on analytics and fault detection for heating, ventilation and air conditioning (HVAC) systems, and critical assets on the manufacturing floor. Teams also focused on efficiency opportunities associated with large cleanrooms, working with our two largest cleanroom sites to reduce airflow when the rooms are not occupied or where air change rates exceed what is required. Additionally, our site in Marietta, Georgia, is notably reducing its use of energy and natural gas on a large steam system. Crossover valves installed this year led to an estimated annual emission savings of 814 metric tons CO2e (MTCO2e). The project also revealed the possibility of converting two of the four steam mains to hot water supply and return mains. Anticipated to be completed in 2026, the project is expected to yield an estimated additional emission savings of 4,250 MTCO2e annually and a water consumption savings of more than 5 million gallons a year.
[Add row]

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select from:

☑ Yes

(4.1.2) Frequency with which the board or equivalent meets

Select from:

☑ More frequently than quarterly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply

☑ Executive directors or equivalent

☑ Independent non-executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select from:

☑ Yes, and it is publicly available

(4.1.5) Briefly describe what the policy covers

This policy covers the composition and diversity within Lockheed Martin's board of directors. Diversity in skills and backgrounds ensures that the widest range of options and viewpoints are expressed in the boardroom. To this end, the Board seeks to identify candidates with areas of knowledge or experience that will expand or complement the Board's existing expertise in overseeing a technologically advanced global security and aerospace company. Furthermore, in 2022, the Board amended our Governance Guidelines to expressly state the Governance Committee's commitment to actively seeking out highly qualified women and individuals from minority groups as well as candidates with diverse backgrounds, experiences and skills as part of each search the company undertakes. The Governance Committee implements these guidelines in the identification and review of Board candidates and assesses the effectiveness of these guidelines by including questions regarding the diversity of the Board membership in the Board's annual self-evaluation. The current composition of our Board and recent refreshment reflects those efforts and the importance of diversity to our Board.

(4.1.6) Attach the policy (optional)

corporate-governance-guidelines.pdf
[Fixed row]

(4.1.1) Is there board-level oversight of environmental issues within your organization?

Climate change

(4.1.1.1) Board-level oversight of this environmental issue

Select from:

☑ Yes

Biodiversity

(4.1.1.1) Board-level oversight of this environmental issue

Select from:

☑ No, and we do not plan to within the next two years

(4.1.1.2) Primary reason for no board-level oversight of this environmental issue

Select from:

☑ Not an immediate strategic priority

(4.1.1.3) Explain why your organization does not have board-level oversight of this environmental issue

Biodiversity was not identified as priority during our most recent formal materiality assessment completed in 2019. As a part of our ongoing sustainability program, we periodically assess the topic and will do so again during our next formal materiality assessment in 2024. Beyond our core sustainability strategy, we take further measures by continuing our commitment to sustainability and environmental stewardship by operating our facilities in a manner that respects the environment and protects biodiversity. We also take active steps to manage our business to mitigate environmental risk and safeguard valuable ecosystems. We comply with all applicable environmental regulations and adopt measures that foster biodiversity in the communities where we operate.
[Fixed row]

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Chief Executive Officer (CEO)

☑ Chief Sustainability Officer (CSO)

☑ Board-level committee

☑ Other, please specify **:**The Nominating and Corporate Governance Committee (Governance Committee)

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Other policy applicable to the board, please specify **:**Corporate Policy Statement CPS-803 Sustainability

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in some board meetings – at least annually

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Reviewing and guiding annual budgets

☑ Overseeing the setting of corporate targets

☑ Monitoring progress towards corporate targets

☑ Approving corporate policies and/or commitments

☑ Overseeing and guiding public policy engagement

☑ Overseeing reporting, audit, and verification processes

☑ Overseeing and guiding the development of a business strategy

☑ Overseeing and guiding acquisitions, mergers, and divestitures

☑ Monitoring supplier compliance with organizational requirements

☑ Monitoring compliance with corporate policies and/or commitments

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

☑ Overseeing and guiding public policy engagement

☑ Reviewing and guiding innovation/R&D priorities

☑ Approving and/or overseeing employee incentives

☑ Overseeing and guiding major capital expenditures

☑ Monitoring the implementation of the business strategy

(4.1.2.7) Please explain

The Chairman, President and CEO (CEO) has responsibility for climate-related issues for Lockheed Martin. In 2023, the CEO reviewed and approved the release of the annual sustainability report which includes reporting on Lockheed Martin's Sustainability Management Plan, a set of climate-related goals for carbon emissions and renewable energy. The Nominating and Corporate Governance Committee of the Board of Directors has responsibility for climate-related matters for Lockheed Martin. This committee oversees performance in corporate sustainability, environmental stewardship, and other related matters —all inextricably linked to our sustainability commitments. Annually, members of the Nominating and Corporate Governance Committee review company performance against the Sustainability Management Plan and the sustainability report. In 2023, members of the Nominating and Corporate Governance Committee reviewed company performance against the Sustainability Management Plan and the sustainability report, including progress reports as well as metrics against our climate goals and performance. The Chief Sustainability Officer (CSO) briefs this committee on progress towards achieving climate-related goals throughout the year.
[Fixed row]

(4.2) Does your organization’s board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select from:
☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply
☑ Consulting regularly with an internal, permanent, subject-expert working group
☑ Integrating knowledge of environmental issues into board nominating process
☑ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Experience
☑ Executive-level experience in a role focused on environmental issues
☑ Management-level experience in a role focused on environmental issues
☑ Staff-level experience in a role focused on environmental issues
☑ Experience in an organization that is exposed to environmental-scrutiny and is going through a sustainability transition
☑ Active member of an environmental committee or organization

[Fixed row]

(4.3) Is there management-level responsibility for environmental issues within your organization?

	Management-level responsibility for this environmental issue
Climate change	*Select from:* ☑ Yes
Biodiversity	*Select from:* ☑ Yes

[Fixed row]

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

☑ Managing engagement in landscapes and/or jurisdictions

☑ Managing public policy engagement related to environmental issues

Policies, commitments, and targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Developing a business strategy which considers environmental issues

☑ Implementing the business strategy related to environmental issues

☑ Managing acquisitions, mergers, and divestitures related to environmental issues

☑ Managing major capital and/or operational expenditures relating to environmental issues

Other

☑ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Annually

(4.3.1.6) Please explain

The Chairman, President and CEO (CEO) has responsibility for climate-related issues for Lockheed Martin. In 2023, the CEO reviewed and approved the release of the annual sustainability report which includes reporting on Lockheed Martin's Sustainability Management Plan, a set of climate-related goals for carbon emissions and renewable energy. The Nominating and Corporate Governance Committee of the Board of Directors has responsibility for climate-related matters for Lockheed Martin. This committee oversees performance in corporate sustainability, environmental stewardship, and other related matters —all inextricably linked to our sustainability commitments. Annually, members of the Nominating and Corporate Governance Committee review company performance against the Sustainability

Management Plan and the sustainability report. In 2023, members of the Nominating and Corporate Governance Committee reviewed company performance against the Sustainability Management Plan and the sustainability report, including progress reports as well as metrics against our climate goals and performance.

Biodiversity

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Sustainability Officer (CSO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

☑ Managing engagement in landscapes and/or jurisdictions

☑ Managing public policy engagement related to environmental issues

☑ Managing supplier compliance with environmental requirements

☑ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Developing a business strategy which considers environmental issues

☑ Implementing the business strategy related to environmental issues

☑ Managing acquisitions, mergers, and divestitures related to environmental issues

☑ Managing annual budgets related to environmental issues

☑ Managing major capital and/or operational expenditures relating to environmental issues

Other

☑ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

☑ Reports to the Chief Executive Officer (CEO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Not reported to the board

(4.3.1.6) Please explain

The Chief Sustainability Officer, who directly reports to the CEO, oversees Lockheed Martin's sustainability program including the management of climate and biodiversity issues. The CSO is a member of the Executive Leadership Team and further chairs the Risk and Compliance Committee and has oversight of the Sustainability Management Team and Environment, Safety and Health (ESH) Leadership Council. These teams and committees make up the governance structure of all sustainability matters, including materiality assessments, strategy and reporting.

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Sustainability Officer (CSO)

(4.3.1.2) Environmental responsibilities of this position

Policies, commitments, and targets

☑ Measuring progress towards environmental corporate targets

☑ Setting corporate environmental policies and/or commitments
☑ Setting corporate environmental targets

Strategy and financial planning
☑ Developing a business strategy which considers environmental issues
☑ Managing annual budgets related to environmental issues
☑ Managing environmental reporting, audit, and verification processes
☑ Managing major capital and/or operational expenditures relating to environmental issues
☑ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

(4.3.1.4) Reporting line

Select from:
☑ Reports to the Chief Executive Officer (CEO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:
☑ Half-yearly

(4.3.1.6) Please explain

The Chief Sustainability Officer, who directly reports to the CEO, oversees Lockheed Martin's sustainability program including the management of climate and biodiversity issues. The CSO is a member of the Executive Leadership Team (ELT) and further chairs the Risk and Compliance Committee and has oversight of the Sustainability Management Team and Environment, Safety and Health (ESH) Leadership Council. These teams and committees make up the governance structure of all sustainability matters, including materiality assessments, strategy and reporting. The CSO briefs the Board and ELT on progress towards achieving climate-related goals throughout the year.

Biodiversity

(4.3.1.1) Position of individual or committee with responsibility

Other

☑ Other, please specify **:**Environment, Safety, Health and Sustainability Vice President

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

☑ Managing public policy engagement related to environmental issues

☑ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Conducting environmental scenario analysis

☑ Developing a business strategy which considers environmental issues

☑ Implementing the business strategy related to environmental issues

☑ Managing annual budgets related to environmental issues

☑ Managing environmental reporting, audit, and verification processes

(4.3.1.4) Reporting line

Select from:

☑ Reports to the Chief Sustainability Officer (CSO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ More frequently than quarterly

(4.3.1.6) Please explain

The VP Environment, Safety, Health and Sustainability (ESHS) oversees Lockheed Martin's sustainability, environmental, and health and safety strategy (implementation), activities and progress. This includes a significant focus on the management of environmental (including biodiversity) and climate-related matters. The VP ESHS reports directly to the CSO. The Sustainability Management Team, chaired by the Director of Sustainability, who reports to the VP ESHS, convenes regularly to review Sustainability Management Plan progress, review opportunities for program enhancement and share internal and external insights and best practices. The ESH Leadership Council, chaired by the VP ESHS, convenes regularly to provide oversight of environmental, and health and safety strategy, activities and progress, including management of environmental (including biodiversity) and operational climate-related matters. The VP ESHS is a member of the Risk and Compliance Committee.
[Add row]

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Climate change

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☑ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

30

(4.5.3) Please explain

Lockheed Martin’s executive team and various business leaders who are responsible for achieving climate and environmental sustainability targets may receive financial incentives as part of their incentive compensation based on enterprise performance commitments. These commitments are measured on an annual basis. In 2023, these criteria included performance towards the goal of stewarding our climate responsibly, which includes GHG emission reductions. At its February 2023

meeting, the Compensation Committee approved enterprise-wide objectives for 2023 reflecting financial and strategic and operational goals. Strategic & Operational Assessment (30% Weight): For the 2023 performance year, a broad set of goals was established, including goals tied to ESG. See our 2023 TCFD report as well as the 2024 Proxy Statement (p. 49) for details.
[Fixed row]

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Corporate executive team

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Achievement of environmental targets

Emission reduction

☑ Reduction in absolute emissions

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

Our compensation programs are designed to provide a mix of short- and long-term compensation, fixed and variable pay and cash and equity-based compensation, as well as to reflect our philosophy of providing pay for performance. The 2023 annual incentive plan for our CEO, other Named Executive Officers (NEOs) and all other officers elected by the Board was based 70% on financial goals and 30% on strategic and operational goals. For the 2023 performance year, a broad set of goals was established for our strategic and operational commitments at the beginning of the year, including goals tied to enterprise performance, new business and growth, strategy and ESG. Strategic and operational performance goals are both quantitative and qualitative in nature and measured against pre-established criteria using a scorecard approach. ESG goals include amongst others to steward our climate responsibly by meeting or exceeding greenhouse gas reduction goals. For details please see our 2024 proxy statement p. 47-51.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

The objective to steward our climate responsibly and achieve defined greenhouse gas reduction goals as well as related incentives described above contribute directly to the implementation of Lockheed Martin's sustainability strategy and commitments, in particular to our Sustainability Management Plan (SMP) priority 'Advance resource stewardship' and climate-related goals outlined in the SMP.
[Add row]

(4.6) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	Select from: ☑ Yes

[Fixed row]

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply

☑ Climate change

(4.6.1.2) Level of coverage

Select from:

☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Portfolio

(4.6.1.4) Explain the coverage

Our Sustainability Policy (CPS-803) states that the Lockheed Martin sustainability program applies to all Lockheed Martin elements (as defined in CRX-003, Policies and Procedures), employees, the Board of Directors, and others who represent or act for us. Sustainability enhances value and provides for the long-term preservation and stewardship of environmental, social, and financial capital. Sustainability is part of our business strategy, which shapes our mission and informs our choices. As such we seek to improve global society in a way that respects and ultimately benefits people, communities, and the planet; advances technological and economic development; and fosters physical security. We will communicate honestly and openly and hold ourselves accountable to deliver consistently what we promise to our constituents - customers, stockholders, employees, partners, suppliers, and communities. We seek to go beyond compliance to minimize any negative consequences of our business activities.

(4.6.1.5) Environmental policy content

Additional references/Descriptions

☑ Description of impacts on natural resources and ecosystems

☑ Other additional reference/description, please specify **:**We will seek to minimize the negative consequences of our business activities and decisions on our stakeholders by minimizing harm to the environment and conserving natural resources, promoting workplace safety, ensuring accuracy and transparency.

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ No, and we do not plan to align in the next two years

(4.6.1.7) Public availability

Select from:

☑ Publicly available

(4.6.1.8) Attach the policy

cps-803.pdf

Row 2

(4.6.1.1) Environmental issues covered

Select all that apply

☑ Climate change

(4.6.1.2) Level of coverage

Select from:

☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Portfolio

(4.6.1.4) Explain the coverage

Our Environment, Safety and Health Policy (CPS-015) states that Lockheed Martin is committed to operating in a manner that prevents environmental, safety and health (ESH) accidents and incidents, actively manages risk, conserves natural resources, protects the environment, and ensures the safety of employees, contractors and the public. Our ESH policy applies to all Lockheed Martin operations and outlines responsibilities for its successful implementation across the corporation. Our ESH policy provides key processes and integration methods for managing the ESH aspects of our business. This policy requires the responsible executive, and the Vice President Environment, Safety, Health and Sustainability will ensure that entities controlled (but not wholly owned) by the Corporation (normally an ownership interest in excess of 50%) adopt appropriate controls and take the steps necessary to comply with the intent of our ESH policy. Details on the policy are made available through our website https://www.lockheedmartin.com/en-us/who-we-are/eesh.html

(4.6.1.5) Environmental policy content

Environmental commitments

☑ Commitment to comply with regulations and mandatory standards

☑ Commitment to take environmental action beyond regulatory compliance

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ No, and we do not plan to align in the next two years

(4.6.1.7) Public availability

Select from:

☑ Not publicly available

(4.6.1.8) Attach the policy

Environment, Safety and Health _ Lockheed Martin.pdf
[Add row]

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

(4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Select from:

☑ Yes

(4.10.2) Collaborative framework or initiative

Select all that apply

☑ Other, please specify **:** International Aerospace Environmental Group (IAEG)

(4.10.3) Describe your organization's role within each framework or initiative

Lockheed Martin collaborates with industry partners to help address global environmental challenges such as through the International Aerospace Environmental Group (IAEG). Further information can be found on their website: https://www.iaeg.com/membership/members/ Through this engagement, Lockheed Martin joins other aerospace and defense companies to discuss and foster supply chain ESG stewardship and voluntary sustainability assessments.
[Fixed row]

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

(4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Select all that apply

☑ Yes, we engaged indirectly through, and/or provided financial or in-kind support to a trade association or other intermediary organization or individual whose activities could influence policy, law, or regulation

(4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Select from:

☑ No, and we do not plan to have one in the next two years

(4.11.5) Indicate whether your organization is registered on a transparency register

Select from:

☑ No

(4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

We do not use trade associations for any climate related policies, other than ensuring that reporting requirements are actually achievable and meet the stated purpose of the requirement. We have long taken the view that any climate related activity must be driven by good business decisions, rather than by policy or regulatory mandates, that are often prescriptive. We focus on achieving goals we set for ourselves, on setting a corporate example, and on working with those than can help us achieve those goals. We are proud of the goals we set and the progress we've made over the past 20 years, and work toward constantly updating and improving our internal climate-related commitments.
[Fixed row]

(4.11.2) Provide details of your indirect engagement on policy, law, or regulation that may (positively or negatively) impact the environment through trade associations or other intermediary organizations or individuals in the reporting year.

Row 1

(4.11.2.1) Type of indirect engagement

Select from:
☑ Indirect engagement via a trade association

(4.11.2.4) Trade association

North America
☑ US Chamber of Commerce

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply
☑ Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☑ Mixed

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☑ No, we did not attempt to influence their position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

The Chamber's stated position on climate change is that the climate is changing and humans are contributing to these changes. It believes in policies that are practical, flexible, predictable, and durable and that a policy approach should acknowledge the costs of action and inaction and the competitiveness of the U.S. economy. Specifically, the Chamber believes that an effective climate policy should: 1. Leverage the power of business, 2. Maintain U.S. leadership in climate science, 3. Embrace technology and innovation, 4. Aggressively pursue greater energy efficiency, 5. Promote climate resilient infrastructure, 6. Support trade in U.S. technologies and products, 7. Encourage international cooperation. It looks to policymakers to develop an approach that leverages business leadership, expertise, and energy innovation. https://www.uschamber.com/climate-change-position. We do not use trade associations for any climate related policies, other than ensuring that reporting requirements are actually achievable and meet the stated purpose of the requirement.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

100000

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

Where Lockheed Martin pays trade association dues in excess of 25,000 or more in a single year, we report these dues in ranges of 25,000. In this case, US Chamber of Commerce received less than 100,000 in dues. Lockheed Martin contributes to public policy debates by participating in trade and industry associations, as well as engaging directly in advocacy and grassroots communications efforts. In the U.S. we advocate strong national defense, sustained space exploration, development of alternative energy technologies, corporate tax issues (including tax incentives for corporate research and development), export policy and international trade.

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

☑ No, we have not evaluated

Row 2

(4.11.2.1) Type of indirect engagement

Select from:

☑ Indirect engagement via a trade association

(4.11.2.4) Trade association

North America

☑ National Association of Manufacturers

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☑ Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☑ Mixed

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☑ No, we did not attempt to influence their position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

NAM Policy Roadmap https://www.nam.org/wp-content/uploads/2021/01/The-Promise-Ahead.pdf NAM CEO public Statement on climate change: https://www.nam.org/timmons-climate-change-is-an-issue-our-generation-must-tackle-13479/?streamseries-pressreleases. We do not use trade associations for any climate related policies, other than ensuring that reporting requirements are actually achievable and meet the stated purpose of the requirement.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

100000

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

Lockheed Martin contributes to public policy debates by participating in trade and industry associations, as well as engaging directly in advocacy and grassroots communications efforts. In the U.S. we advocate strong national defense, sustained space exploration, development of alternative energy technologies, corporate tax issues (including tax incentives for corporate research and development), export policy and international trade.

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

☑ No, we have not evaluated

Row 3

(4.11.2.1) Type of indirect engagement

Select from:

☑ Indirect engagement via a trade association

(4.11.2.4) Trade association

North America

☑ Other trade association in North America, please specify **:**Profession Services Council (PSC)

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☑ Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☑ Mixed

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☑ No, we did not attempt to influence their position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

In comments submitted on the Enhancement and Standardization of Climate-Related Disclosures for Investors proposed rule, PSC urged the Commission to research, leverage, and if necessary, build upon existing reporting requirements in any final rule rather than create duplicative ones that add to a company's compliance costs without offering novel data or information. PSC also noted that the SEC should make every effort to limit climate-related disclosure requirements to information that is material to investors' decisions. We do not use trade associations for any climate related policies, other than ensuring that reporting requirements are actually achievable and meet the stated purpose of the requirement.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

25000

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

Lockheed Martin contributes to public policy debates by participating in trade and industry associations, as well as engaging directly in advocacy and grassroots communications efforts. In the U.S. we advocate strong national defense, sustained space exploration, development of alternative energy technologies, corporate tax issues (including tax incentives for corporate research and development), export policy and international trade.

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

☑ No, we have not evaluated

[Add row]

(4.12) Have you published information about your organization's response to environmental issues for this reporting year in places other than your CDP response?

Select from:

☑ Yes

(4.12.1) Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Row 1

(4.12.1.1) Publication

Select from:

☑ In mainstream reports

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☑ Climate change

(4.12.1.4) Status of the publication

Select from:
☑ Complete

(4.12.1.5) Content elements

Select all that apply
☑ Governance
☑ Risks & Opportunities
☑ Strategy
☑ Emission targets

(4.12.1.6) Page/section reference

Pages 24-26

(4.12.1.7) Attach the relevant publication

2024-proxy-statement.pdf

(4.12.1.8) Comment

2024 Proxy Statement

Row 2

(4.12.1.1) Publication

Select from:
☑ In voluntary sustainability reports

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☑ Climate change

(4.12.1.4) Status of the publication

Select from:

☑ Complete

(4.12.1.5) Content elements

Select all that apply

☑ Governance

☑ Strategy

☑ Emissions figures

☑ Emission targets

(4.12.1.6) Page/section reference

Pages 6-8, 42

(4.12.1.7) Attach the relevant publication

Lockheed_Martin_2023_Sustainability_Performance_Report.pdf

(4.12.1.8) Comment

2023 Sustainability Performance Report and Carbon Strategy and Climate-Related Risk Website: https://sustainability.lockheedmartin.com/sustainability/other-sustainability-topics/carbon-strategy-and-climate-related-risk/

Row 3

(4.12.1.1) Publication

Select from:

☑ In voluntary sustainability reports

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☑ Climate change

(4.12.1.4) Status of the publication

Select from:

☑ Complete

(4.12.1.5) Content elements

Select all that apply

☑ Strategy

☑ Governance

☑ Emission targets

☑ Emissions figures

☑ Risks & Opportunities

☑ Other, please specify **:Impact assessment**

(4.12.1.6) Page/section reference

Full document

(4.12.1.7) Attach the relevant publication

TCFD-aligned-climate-related-risks-opportunities-report-2022.pdf

(4.12.1.8) Comment

2022 TCFD Report

Row 4

(4.12.1.1) Publication

Select from:
☑ In voluntary sustainability reports

(4.12.1.3) Environmental issues covered in publication

Select all that apply
☑ Climate change

(4.12.1.4) Status of the publication

Select from:
☑ Complete

(4.12.1.5) Content elements

Select all that apply
☑ Emissions figures
☑ Other, please specify **:**Energy metrics incl. breakdown

(4.12.1.6) Page/section reference

Full report

(4.12.1.7) Attach the relevant publication

lockheed-martin-performance-index.pdf

(4.12.1.8) Comment

2023 ESG Performance Index
[Add row]

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select from:

☑ Yes

(5.1.2) Frequency of analysis

Select from:

☑ Annually

[Fixed row]

(5.1.1) Provide details of the scenarios used in your organization’s scenario analysis.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 1.9

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP1

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Liability

☑ Reputation

☑ Technology

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.5°C or lower

(5.1.1.7) Reference year

2020

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2050

☑ 2080

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Climate change (one of five drivers of nature change)

Stakeholder and customer demands

☑ Consumer sentiment

Regulators, legal and policy regimes

☑ Global regulation

Direct interaction with climate

☑ On asset values, on the corporate

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Lockheed Martin evaluates the estimated relative likelihood and impact of climate-related risks and opportunity drivers on our facilities (any site under Lockheed Martin operational control), production operations, workforce, and supply chain. Each stakeholder category represents a unique application of adaptation or mitigation within our value chain. For each scenario there are multiple sub-strategies used to incorporate variability in key performance measures representing both physical and transition drivers and risks. These scenarios use the Shared Socioeconomic Pathways (SSP) and Integrated Assessment Model data to determine boundaries for physical and transition changes projected in 2030 (near) and 2100 (long). The SSPs provide insight into the extent that policy and socioeconomic drivers will need to shift globally, and regionally, to achieve each desired physical outcome in terms of global average temperature rise. SSP119 and SSP126 are used to set the parameters for our Below 2C scenario and align with physical climate projections under RCP 1.9 and RCP 2.6, respectively. The Above 2C scenario utilizes SSP245 and SSP585 as more extreme cases of physical change. These SSPs align with RCPs 4.5 and 8.5, respectively. More than 120 distinct climate-related risks, based on 22 distinct risk drivers, are assessed under both hypothetical scenarios. Risks are assessed based on their anticipated likelihood and the relative impact of each risk driver on our facilities, production operations, workforce and supply chain. Based on our methodology, the risk assessments identified that we may face increased physical risk from extreme weather and transition risk because of unabated emissions.

(5.1.1.11) Rationale for choice of scenario

Our qualitative scenarios are based on two hypothetical futures: global temperatures warming to no more than 2C by 2100 (aligning with Representative Concentration Pathway (RCP) 1.9 and RCP 2.6); and global temperatures rising above 2C by 2100 (aligning with RCP 4.5 and RCP 8.5). These scenarios draw on scientific data to project the potential effects of climate change and global warming, and the socioeconomic requirements projected to meet different global transition strategies.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 2.6

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP1

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Liability

☑ Reputation

☑ Technology

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.6°C - 1.9°C

(5.1.1.7) Reference year

2020

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2050

☑ 2080

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Climate change (one of five drivers of nature change)

Stakeholder and customer demands

☑ Consumer sentiment

Regulators, legal and policy regimes

☑ Global regulation

Direct interaction with climate

☑ On asset values, on the corporate

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Lockheed Martin evaluates the estimated relative likelihood and impact of climate-related risks and opportunity drivers on our facilities (any site under Lockheed Martin operational control), production operations, workforce, and supply chain. Each stakeholder category represents a unique application of adaptation or mitigation within our value chain. For each scenario there are multiple sub-strategies used to incorporate variability in key performance measures representing both physical and transition drivers and risks. These scenarios use the Shared Socioeconomic Pathways (SSP) and Integrated Assessment Model data to determine boundaries for physical and transition changes projected in 2030 (near) and 2100 (long). The SSPs provide insight into the extent that policy and socioeconomic drivers will need to shift globally, and regionally, to achieve each desired physical outcome in terms of global average temperature rise. SSP119 and SSP126 are used to set the parameters for our Below 2C scenario and align with physical climate projections under RCP 1.9 and RCP 2.6, respectively. The Above 2C scenario utilizes SSP245 and SSP585 as more extreme cases of physical change. These SSPs align with RCPs 4.5 and 8.5, respectively. More than 120 distinct climate-related risks, based on 22 distinct risk drivers, are assessed under both hypothetical scenarios. Risks are assessed based on their anticipated likelihood and the relative impact of each risk driver on our facilities, production operations, workforce and supply chain. Based on our methodology, the risk assessments identified that we may face increased physical risk from extreme weather and transition risk because of unabated emissions.

(5.1.1.11) Rationale for choice of scenario

Our qualitative scenarios are based on two hypothetical futures: global temperatures warming to no more than 2C by 2100 (aligning with Representative Concentration Pathway (RCP) 1.9 and RCP 2.6); and global temperatures rising above 2C by 2100 (aligning with RCP 4.5 and RCP 8.5). These scenarios draw on scientific data to project the potential effects of climate change and global warming, and the socioeconomic requirements projected to meet different global transition strategies.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 4.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP2

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Acute physical

☑ Chronic physical

☑ Liability
☑ Reputation
☑ Technology

(5.1.1.6) Temperature alignment of scenario

Select from:
☑ 2.5ºC - 2.9ºC

(5.1.1.7) Reference year

2020

(5.1.1.8) Timeframes covered

Select all that apply
☑ 2030
☑ 2050
☑ 2080

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts
☑ Climate change (one of five drivers of nature change)

Stakeholder and customer demands
☑ Consumer sentiment

Regulators, legal and policy regimes
☑ Global regulation

Direct interaction with climate
☑ On asset values, on the corporate

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Lockheed Martin evaluates the estimated relative likelihood and impact of climate-related risks and opportunity drivers on our facilities (any site under Lockheed Martin operational control), production operations, workforce, and supply chain. Each stakeholder category represents a unique application of adaptation or mitigation within our value chain. For each scenario there are multiple sub-strategies used to incorporate variability in key performance measures representing both physical and transition drivers and risks. These scenarios use the Shared Socioeconomic Pathways (SSP) and Integrated Assessment Model data to determine boundaries for physical and transition changes projected in 2030 (near) and 2100 (long). The SSPs provide insight into the extent that policy and socioeconomic drivers will need to shift globally, and regionally, to achieve each desired physical outcome in terms of global average temperature rise. SSP119 and SSP126 are used to set the parameters for our Below 2C scenario and align with physical climate projections under RCP 1.9 and RCP 2.6, respectively. The Above 2C scenario utilizes SSP245 and SSP585 as more extreme cases of physical change. These SSPs align with RCPs 4.5 and 8.5, respectively. More than 120 distinct climate-related risks, based on 22 distinct risk drivers, are assessed under both hypothetical scenarios. Risks are assessed based on their anticipated likelihood and the relative impact of each risk driver on our facilities, production operations, workforce and supply chain. Based on our methodology, the risk assessments identified that we may face increased physical risk from extreme weather and transition risk because of unabated emissions.

(5.1.1.11) Rationale for choice of scenario

Our qualitative scenarios are based on two hypothetical futures: global temperatures warming to no more than 2C by 2100 (aligning with Representative Concentration Pathway (RCP) 1.9 and RCP 2.6); and global temperatures rising above 2C by 2100 (aligning with RCP 4.5 and RCP 8.5). These scenarios draw on scientific data to project the potential effects of climate change and global warming, and the socioeconomic requirements projected to meet different global transition strategies.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 8.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP5

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Liability

☑ Reputation

☑ Technology

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 4.0°C and above

(5.1.1.7) Reference year

2020

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2050

☑ 2080

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Climate change (one of five drivers of nature change)

Stakeholder and customer demands

☑ Consumer sentiment

Regulators, legal and policy regimes

☑ Global regulation

Direct interaction with climate

☑ On asset values, on the corporate

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Lockheed Martin evaluates the estimated relative likelihood and impact of climate-related risks and opportunity drivers on our facilities (any site under Lockheed Martin operational control), production operations, workforce, and supply chain. Each stakeholder category represents a unique application of adaptation or mitigation within our value chain. For each scenario there are multiple sub-strategies used to incorporate variability in key performance measures representing both physical and transition drivers and risks. These scenarios use the Shared Socioeconomic Pathways (SSP) and Integrated Assessment Model data to determine boundaries for physical and transition changes projected in 2030 (near) and 2100 (long). The SSPs provide insight into the extent that policy and socioeconomic drivers will need to shift globally, and regionally, to achieve each desired physical outcome in terms of global average temperature rise. SSP119 and SSP126 are used to set the parameters for our Below 2C scenario and align with physical climate projections under RCP 1.9 and RCP 2.6, respectively. The Above 2C scenario utilizes SSP245 and SSP585 as more extreme cases of physical change. These SSPs align with RCPs 4.5 and 8.5, respectively. More than 120 distinct climate-related risks, based on 22 distinct risk drivers, are assessed under both hypothetical scenarios. Risks are assessed based on their anticipated likelihood and the relative impact of each risk driver on our facilities, production operations, workforce and supply chain. Based on our methodology, the risk assessments identified that we may face increased physical risk from extreme weather and transition risk because of unabated emissions.

(5.1.1.11) Rationale for choice of scenario

Our qualitative scenarios are based on two hypothetical futures: global temperatures warming to no more than 2C by 2100 (aligning with Representative Concentration Pathway (RCP) 1.9 and RCP 2.6); and global temperatures rising above 2C by 2100 (aligning with RCP 4.5 and RCP 8.5). These scenarios draw on scientific data to project the potential effects of climate change and global warming, and the socioeconomic requirements projected to meet different global transition strategies.
[Add row]

(5.1.2) Provide details of the outcomes of your organization's scenario analysis.

Climate change

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

☑ Risk and opportunities identification, assessment and management

☑ Target setting and transition planning

(5.1.2.2) Coverage of analysis

Select from:

☑ Organization-wide

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

The results enhanced our climate related risk assessment by allowing us to classify risk drivers by scoring quadrant: "High/High", "High/Low", "Low/High", "Low/Low". The classification is relevant to a "Below 2.0C" vs. "Above 2.0C" scenario comparison. All risk drivers, except those classified as "Low/Low", are considered for further analysis and quantification. Those classified as "High/High" are considered most probably as the risk is high regardless of scenario. From this analysis we found physical acute and chronic risks and transitional risks based on GHG emissions and the prospect of carbon pricing. Quantitative modelling and analysis was executed to determine the estimated financial impact of high risk climate-related drivers. Physical acute and chronic risks were assessed using a value at risk method for assessing the scale and probability of loss occurring at our Go Green operational sites and select suppliers in the United States by type of risk event. Additional scenario analysis was applied to understand the prospective range of impacts expected based on geolocated risks and the 2021 insurable value of assets. Transitional risks are quantitatively assessed based on the level of GHG emissions, medium term decarbonization and renewable electricity targets (i.e., 10 years for measurable impacts.
[Fixed row]

(5.2) Does your organization’s strategy include a climate transition plan?

(5.2.1) Transition plan

Select from:

☑ No and we do not plan to develop a climate transition plan within the next two years

(5.2.15) Primary reason for not having a climate transition plan that aligns with a 1.5°C world

Select from:

☑ Other, please specify **:**While Lockheed Martin does have carbon reduction goals and reports both our GHG emissions and climate related risk, we do not currently have a Climate Transition Plan.

(5.2.16) Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world

As discussed extensively in our 2024 Proxy Statement, particularly in our response to Stockholder Proposal 5 requesting a report on reducing full value chain GHG emissions, at this time it is not feasible for Lockheed Martin to state a timeline for setting a Net Zero commitment covering Scope 1, 2 and 3 emissions. Our climate targets are integrated with our overall financial and strategic planning cycles, which are set over three to five years, and we make some projections in ten-year cycles. Setting long-term climate targets detached from these planning cycles would increase risk and cost to our company because the targets would be wholly detached from our robust and sound business planning processes.
[Fixed row]

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:

☑ Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply

☑ Products and services

☑ Upstream/downstream value chain

☑ Investment in R&D

☑ Operations

[Fixed row]

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Lockheed Martin develops technologies that continuously monitor the climate from space to sea to support our customers in protecting and strengthening global infrastructure. Our business strategy related to climate change is influenced by our stakeholders including employees, academic institutions, investors, non-governmental organizations, customers, policy organizations, suppliers and analysts through our Core Issues Assessment process. Our Sustainability Management Plan includes an Advancing Resource Stewardship sustainability priority. This priority contains an Energy Management related goal to annually increase carbon removal technology, installation, investment, and support. Our customers have shaped product development and features based on climate-related risks and opportunities. Growing resource constraints and changes to our climate require technologies that strengthen society's resilience and solutions for addressing impacts. Our climate-based opportunities address the uncertainties of intermittent renewable energy. Lockheed Martin is developing the GridStar Flow, which is an innovative redox flow battery designed to be a durable, flexible, scalable, and safe long-duration energy storage solution. Firefighting Intelligence also brings advanced capabilities from the frontline to the fire line, Lockheed Martin is applying our 21st Century Security technology to help first responders stay Ahead of Ready as wildfires are growing in size, intensity, and frequency across the globe. These conditions can overwhelm existing response capabilities and pose a significant threat to our lives, property, environment and security.

Upstream/downstream value chain

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Our expectations of suppliers with respect to climate-related risks and opportunities are publicly outlined in the Supplier Code of Conduct and our Sustainable Supplier web page. They also align with Lockheed Martin's corporate-wide environmental program, known as Go Green, and are developed in consideration of climate risks and opportunities. Through our Supplier Code of Conduct, we expect our suppliers to operate in a manner that actively manages risk, conserves natural resources, prevents pollution, and protects the environment. We expect our suppliers to apply environmental management system principles in order to establish a systematic approach to the management of risks/hazards and opportunities associated with the environment, including potential risk from regulatory non-compliance, reputational loss, as well as opportunities for business growth through operational and product stewardship. We also ask each supplier to reduce packaging waste from their facilities, investigate the use of reusable packaging at sites with high volume, follow Lockheed Martin's Sustainable Packaging Guidelines, and identify and share how their company's product lines can assist with our sustainability objectives. Lockheed Martin prescribes Sustainable Packaging Guidelines to all vendors. The criteria blend broad climate objectives with business considerations and strategies that address environmental concerns related to the life cycle of packaging. Packaging was identified as a large component of Lockheed Martin's waste stream going to landfill. As part of Lockheed Martin's Go Green waste goals, we are encouraging our suppliers to use these Guidelines to improve their packaging solutions. Climate-related issues that have led to opportunities in Lockheed Martin's value chain include the reclamation of precious metals at the end of our product life cycle. For example, at our facility in Fort Worth, TX, gold-containing gap and fastener material used in the production of aircraft is transported to a certified waste vendor for precious metals reclamation. Although the magnitude of this impact is low, the gold recovery at the end of our value stream replaces waste management costs with revenues.

Investment in R&D

(5.3.1.1) Effect type

Select all that apply

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Lockheed Martin Ventures makes strategic investments in companies that are developing disruptive, cutting-edge technologies in core businesses and new markets important to Lockheed Martin. Additionally, our Sustainability Management Plan includes an Advancing Resource Stewardship sustainability priority. This priority contains an Energy Management related goal to annually increase carbon removal technology, installation, investment, and support. For example, Lockheed Martin has provided USD9.0 million in funding to TC Energy Corporation's Saddlebrook Solar Storage Project. The investment arising in part from Lockheed Martin's commitments to Canada's Industrial and Technological Benefits (ITB) policy, and in conjunction with Emissions Reduction Alberta partial funding, will enable TC Energy, a Canada-based energy infrastructure company, to construct a hybrid carbon free power plant consisting of a utility-scale solar facility and long-duration flow battery energy storage system in Alberta. This pilot project is expected to be the largest flow battery energy storage facility in Alberta and is expected to aid the region's sustainability and decarbonization efforts. The Saddlebrook Solar Storage Project consists of a solar generating facility that uses bifacial solar panels to generate power. The installation is expected to provide up to 81 megawatts (MW) of solar power, which can create enough electricity to power approximately 20,000 homes.

Operations

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

According to life-cycle-based assessments, the biggest environmental impact within our direct business operations relates to energy use and greenhouse gas (GHG) emissions. Although these emissions are small compared to the estimated emissions of our products (70% overall) in use by our customers, we believe that we have a responsibility to operate our own facilities with efficient use of resources and to minimize environmental impacts. Our Go Green program objective is to reduce environmental, operational, and cost risks in our business practices and facility processes. Each year, teams of energy and water experts across the corporation evaluate potential energy and water savings projects. Based on their findings, we invest significantly to improve our facilities' efficiency. We also partner with the U.S. Department of Energy's Better Plants Program and the U.S. Environmental Protection Agency's ENERGY STAR Program. These reductions are attributed to persistent efforts across the enterprise to improve efficiency gains from a combination of energy and water projects involving HVAC systems, controls, cooling towers, irrigation, and lighting. In 2023, we released two updated carbon-related goals that will accelerate our carbon reduction and renewable energy strategies and align with a Well Below 2C climate scenario for Scope 1 and 2 emissions. This ambitious target will help to drive lean and efficient infrastructure, processes, and operations that support our continued leadership in a changing business and regulatory environment.
[Add row]

(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

Row 1

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Direct costs

☑ Indirect costs

☑ Capital expenditures

☑ Assets

☑ Liabilities

(5.3.2.2) Effect type

Select all that apply

☑ Risks

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

The Go Green gated capital program, managed by Lockheed Martin's Environment, Safety, Health and Sustainability (ESHS) function, is a financial planning element that pairs the opportunity to implement energy efficiency projects to reduce carbon emissions while ensuring those projects meet specific return on investment criteria and deliver facility resiliency. On an annual cycle, sites from across business areas submit potential energy and water efficiency projects to ESHS for review. Technically sound projects that meet certain financial thresholds are earmarked as Go Green gated capital and are added to the respective business area's overall capital plan. Once part of the approved annual plan, progress towards Go Green project completion is briefed twice a year to the executive Facilities Strategic Governance Board to ensure progress towards energy and decarbonization goals. In 2023, our teams completed 64 energy efficiency projects that resulted in annual savings of 25 million kilowatt hours (kWh) of electricity and 116,000 million British thermal units (MMBtu) of natural gas and avoided 3.2 million in utility and

maintenance costs. Examples of projects completed across our business include LED lighting upgrades, continued steam decentralization and building management system upgrades that enable more efficient operations and maintenance. This Go Green gated capital cycle is a centerpiece of our energy reduction and renewable energy strategy whereby projects that meet certain performance and financial thresholds are added to each business area's overall capital plan. To encourage ideas and actions that reduce emissions, we educate employees about Go Green through internal and external communications, educational webinars and Earth Day and Energy Action Month celebrations. We recognize employee projects that contribute to our reduced impact on the environment through awards programs, including our Environment, Safety and Health Excellence Awards and Facilities Leadership Awards. We also seek external recognition through partner organizations, such as the U.S. Environmental Protection Agency's ENERGY STAR program and the U.S. Department of Energy's Better Plants program. Additionally, our Fort Worth site entered into an agreement to purchase power generated by a 15-megawatt solar facility in west Texas over a 15-year period.
[Add row]

(5.4) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition
	Select from: ☑ No, and we do not plan to in the next two years

[Fixed row]

(5.10) Does your organization use an internal price on environmental externalities?

(5.10.1) Use of internal pricing of environmental externalities

Select from:
☑ No, and we do not plan to in the next two years

(5.10.3) Primary reason for not pricing environmental externalities

Select from:
☑ Not an immediate strategic priority

(5.10.4) Explain why your organization does not price environmental externalities

Lockheed Martin analyzes the potential impact of externalities based on a variety of use case scenarios but does not apply this in the form of an internal price on carbon.
[Fixed row]

(5.11) Do you engage with your value chain on environmental issues?

	Engaging with this stakeholder on environmental issues	Environmental issues covered
Suppliers	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change
Customers	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change
Investors and shareholders	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change
Other value chain stakeholders	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change

[Fixed row]

(5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?

	Assessment of supplier dependencies and/or impacts on the environment
Climate change	*Select from:* ☑ No, we do not currently assess the dependencies and/or impacts of our suppliers, but we plan to do so within the next two years

[Fixed row]

(5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?

Climate change

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☑ Procurement spend

☑ Strategic status of suppliers

☑ Vulnerability of suppliers

☑ Other, please specify **:**Emissions factor, Regional/location analysis on green grid demand.

(5.11.2.4) Please explain

In 2023, we launched the RENEWAY program which provides opportunities for our aerospace and defense supply chain to learn about renewable electricity and offers opportunities to procure this power through more affordable collective agreements. Our initial focus was on small business manufacturing suppliers in ideal regions with a clean grid, allowing them to enter the market by providing free training and educational resources as well as affordable means to procure clean energy. [Fixed row]

(5.11.5) Do your suppliers have to meet environmental requirements as part of your organization’s purchasing process?

Climate change

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:

☑ Yes, environmental requirements related to this environmental issue are included in our supplier contracts

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:

☑ Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

This policy can be found in page 3 of our Supplier Code of Conduct which is embedded in every purchase order
https://www.lockheedmartin.com/content/dam/lockheed-martin/eo/documents/ethics/supplier-code.pdf
[Fixed row]

(5.11.6) Provide details of the environmental requirements that suppliers have to meet as part of your organization’s purchasing process, and the compliance measures in place.

Climate change

(5.11.6.1) Environmental requirement

Select from:

☑ Other, please specify **:**Performance Index

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

☑ Supplier scorecard or rating

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:

☑ 51-75%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:

☑ 1-25%

(5.11.6.7) % tier 1 supplier-related scope 3 emissions attributable to the suppliers required to comply with this environmental requirement

Select from:

☑ None

(5.11.6.8) % tier 1 supplier-related scope 3 emissions attributable to the suppliers in compliance with this environmental requirement

Select from:

☑ None

(5.11.6.9) Response to supplier non-compliance with this environmental requirement

Select from:

☑ Retain and engage

(5.11.6.10) % of non-compliant suppliers engaged

Select from:

☑ None

(5.11.6.11) Procedures to engage non-compliant suppliers

Select all that apply

☑ Providing information on appropriate actions that can be taken to address non-compliance

(5.11.6.12) Comment

We continue to estimate and report Scope 3 emissions across the eight categories relevant to our business in our Performance Index. To strengthen the quality of our Scope 3 emissions calculations, we will increase primary emissions data collection, setting a target to implement by 2025 a third-party validated supplier sustainability assessment program to include outreach to suppliers representing 60% of our spend.
[Add row]

(5.11.7) Provide further details of your organization's supplier engagement on environmental issues.

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ Emissions reduction

(5.11.7.3) Type and details of engagement

Capacity building

☑ Provide training, support and best practices on how to make credible renewable energy usage claims

☑ Provide training, support and best practices on how to measure GHG emissions

☑ Provide training, support and best practices on how to mitigate environmental impact

Information collection

☑ Collect GHG emissions data at least annually from suppliers

Innovation and collaboration

☑ Collaborate with suppliers on innovations to reduce environmental impacts in products and services

☑ Collaborate with suppliers on innovative business models and corporate renewable energy sourcing mechanisms

☑ Invest jointly with suppliers in R&D of relevant low-carbon technologies

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ 51-75%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

☑ None

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

We became the founding corporate sponsor of the RENEWAY program. Launched in 2023, this program provides opportunities for our aerospace and defense supply chain to learn about renewable electricity and offers opportunities to procure this power through more affordable collective agreements. Our initial focus was on small business manufacturing suppliers in ideal regions with a clean grid, allowing them to enter the market by providing free training and educational resources as well as affordable means to procure clean energy. In 2023, Lockheed Martin joined other leading aerospace and defense companies in the utilization of International Aerospace Environmental Group (IAEG) Sustainability Assessments powered by EcoVadis. This aerospace sector initiative is a voluntary program that aims to accelerate sustainability performance in the industry and the extended supply chain. The vision for the initiative is to embrace a common approach to sustainability assessments with a shared results pool for voluntary and unilateral consideration and use by IAEG members and suppliers. This better equips IAEG member companies to address Scope 3 data, supply chain human rights due diligence compliance obligations and supply chain aspects in regulated sustainability disclosures. In addition, by embracing a common approach, suppliers benefit from completing only one sector-level assessment rather than multiple assessments. In 2023, hundreds of suppliers attended supplier-focused webinars that highlighted how the sector was focused on enabling insights powered by the sustainability assessment program and empowering suppliers with information to prepare them for a meaningful inaugural assessment. The inaugural year of this sector program yielded nearly 1,000 supplier scorecards. In addition, Lockheed Martin continues to estimate and report Scope 3 emissions across the eight categories relevant to our business in

our Performance Index. To strengthen the quality of our Scope 3 emissions calculations, we will increase primary emissions data collection, setting a target to implement by 2025 a third-party validated supplier sustainability assessment program to include outreach to suppliers representing 60% of our spend.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☑ No, this engagement is unrelated to meeting an environmental requirement

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ Unknown

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ Substitution of hazardous substances with less harmful substances

(5.11.7.3) Type and details of engagement

Capacity building

☑ Other capacity building activity, please specify :Encouraging addition of non-chrome fuel tank coating capabilities (different spray guns, different techniques)

Innovation and collaboration

☑ Collaborate with suppliers on innovations to reduce environmental impacts in products and services

☑ Other innovation and collaboration activity, please specify :collaborate with suppliers on addition of non-chrome fuel tank coating capabilities (different spray guns, different techniques).

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

☑ Tier 2 suppliers

☑ Tier 3 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ 100%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

☑ 100%

(5.11.7.8) Number of tier 2+ suppliers engaged

200

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

We have engaged with numerous suppliers reviewing material substitution projects as well as future regulatory issues that they should be aware of like impending regulatory changes that could impact their ability to supply hardware. Our F-35 Lightning II manufacturing teams continue to innovate to reduce volatile organic compound (VOC) emissions and hazardous material usage during the manufacturing process. In 2023, our team successfully completed a project replacing a hexavalent chrome fuel tank coating with a non-hexavalent chrome coating for all aircraft hardware including other hardware within the fuel tanks like brackets and fasteners. The novel technology development led to a significant reduction in VOCs, 97.5 tons over the lifetime of the nine-year innovation program, and reduced the weight of the aircraft and production time. In 2023, implementation of a low-VOC moisture barrier coating began for cold air ducts to prevent fluid intrusion, resulting in an 87% reduction in VOCs and an easier application than the baseline material.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☑ Yes, please specify the environmental requirement **:**Most suppliers are facing lower occupational allowables for hexavalent chrome, especially in California, which is phasing in complete elimination of hexavalent chrome, & those suppliers in ozone control airsheds are facing lower VOC allowables.

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ Yes

[Add row]

(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Investors and shareholders

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Share information on environmental initiatives, progress and achievements

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 26-50%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ None

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

In seeking stockholder perspectives, our senior management team offered during 2023 to engage with a cross section of stockholders representing 50% of our outstanding shares calculated as of December 31, 2022, and engaged with institutions representing 61% of our institutional shares. Our consistent, active and year-round dialogue with stockholders and other stakeholders enables our Board to consider a broad range of viewpoints in boardroom discussions. Example discussions held during these engagements include our long-term strategy and shift to a low-carbon future, with a focus on environmental impacts of our products and operations, how we are addressing our Scope 3 GHG emissions, and how sustainability and workforce diversity goals are linked to our annual incentive program through our strategic and operational commitments.

(5.11.9.6) Effect of engagement and measures of success

We provide transparent disclosure on our corporate governance and sustainability practices and approach, which we continually enhance with input from our stakeholders, including investors, as we believe that accountability to our stockholders is an important component of the Lockheed Martin's success. We seek feedback through stockholder engagement to inform our practices and provide transparent disclosure through proactive, year-end engagements. We also solicit ongoing investor feedback and communicate stockholder's views to the Board throughout the year, which informs our governance, compensation and environmental and social policies and business strategy. We believe good corporate governance strengthens the board and management, enhances public trust and generates long-term stockholder value. Additionally, our independent directors participate in select meetings to provide additional board-level insight. In 2023 we had a total of 65 engagements which incorporated key topics in Board composition, climate and environmental stewardship, human rights, human capital management, executive compensation, amongst other key matters. Our outstanding shares were 47% total and 61% institutional.
[Add row]

(5.12) Indicate any mutually beneficial environmental initiatives you could collaborate on with specific CDP Supply Chain members.

Row 1

(5.12.1) Requesting member

Select from:

(5.12.2) Environmental issues the initiative relates to

Select all that apply
☑ Climate change

(5.12.4) Initiative category and type

Change to supplier operations

☑ Increase proportion of renewable energy purchased

(5.12.5) Details of initiative

The RENEWAY program, founded by Lockheed Martin, offers suppliers critical resources and expert consultation to accelerate renewable energy adoption and navigate the renewable energy market. While growing the program, it would be beneficial to integrate the. While growing the program, it would be beneficial to increase participation of our customer, peer companies and more suppliers within the aerospace and defense supply chain.

(5.12.6) Expected benefits

Select all that apply

☑ Improved resource use and efficiency

☑ Increased transparency of upstream/downstream value chain

(5.12.7) Estimated timeframe for realization of benefits

Select from:

☑ 1-3 years

(5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

Select from:

☑ No

(5.12.11) Please explain

N/A
[Add row]

(5.13) Has your organization already implemented any mutually beneficial environmental initiatives due to CDP Supply Chain member engagement?

(5.13.1) Environmental initiatives implemented due to CDP Supply Chain member engagement

Select from:

☑ No, but we plan to within the next two years

(5.13.2) Primary reason for not implementing environmental initiatives

Select from:

☑ Not an immediate strategic priority

(5.13.3) Explain why your organization has not implemented any environmental initiatives

We are implementing decarbonization programs with suppliers as part of our sustainability efforts, with a focus on reducing greenhouse gas emissions, increasing energy efficiency, and promoting renewable energy. This is a collaborative initiative in its early stages.
[Fixed row]

C6. Environmental Performance - Consolidation Approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

Climate change

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

Organizational boundaries are defined in accordance with the World Resources Institute / World Business Council for Sustainable Development (WRI / WBCSD) "Greenhouse Gas Protocol: A Corporate & Accounting Reporting Standard (Revised Edition)." Lockheed Martin calculates greenhouse gas (GHG) emissions from company-owned and/or operated facilities that fall within the operational control boundary. Emissions are reported for four (4) categories of facilities: 1. Owned facilities (based on operational control); 2. Leased facilities (leased facilities for which Lockheed Martin has operational control); 3. Government Owned Contractor Operated (GOCO) facilities operated by Lockheed Martin (but are owned by Federal agencies); and, 4. Any combination of the categories above that are necessary for jurisdictional reporting (i.e., country, state, etc.) or are in support of any jurisdictional regulatory disclosure requirement.

Plastics

(6.1.1) Consolidation approach used

Select from:

☑ Other, please specify **:**not applicable

(6.1.2) Provide the rationale for the choice of consolidation approach

A consolidation approach for plastics is not material to our business operations and therefore not considered applicable.

Biodiversity

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

Impacts on biodiversity are determined by our facilities and their operations.
[Fixed row]

C7. Environmental performance - Climate Change

(7.1) Is this your first year of reporting emissions data to CDP?

Select from:

☑ No

(7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

	Has there been a structural change?
	Select all that apply ☑ No

[Fixed row]

(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

(7.1.2.1) Change(s) in methodology, boundary, and/or reporting year definition?

Select all that apply

☑ Yes, a change in methodology

(7.1.2.2) Details of methodology, boundary, and/or reporting year definition change(s)

For our Scope 2 methodology, we updated grid emission factors for Canadian and Australian facilities, switching from national to provincial emission factors. Scope 3 methodologies also changed in 2023 to include Upstream T&D, previously reported in Purchased Goods/Services and Capital Goods. Additional updates in country-specific emission factors resulted in more precise accounting for UK assets and, beginning with a restatement of 2022 Employee Commuting emissions, we now include estimates on emissions from telecommuting.
[Fixed row]

(7.1.3) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in 7.1.1 and/or 7.1.2?

(7.1.3.1) Base year recalculation

Select from:

☑ Yes

(7.1.3.2) Scope(s) recalculated

Select all that apply

☑ Scope 1

☑ Scope 2, location-based

☑ Scope 2, market-based

☑ Scope 3

(7.1.3.3) Base year emissions recalculation policy, including significance threshold

Baseline and historical data are updated during the month of January following the completion of each Go Green Reporting Year (November through October) to reflect changes in the organizational structure which occurred during that time. Any acquisitions or divestitures trigger a baseline review and the acquired or divested companies are added to or removed from the baseline year data as appropriate, based on GHG Protocol guidance. Lockheed Martin occasionally expands or consolidates facilities (both owned and leased) to adjust to growth or decline in business; these changes are considered to be organic growth / decline and do not trigger an adjustment to baseline year emissions. In 2023, we recalculated 2020-2022 carbon and energy metrics. This includes the change in baseline year for our new carbon target. In addition to the changes in methodology listed in 7.1.2, we updated our operational control assessment. Our portfolio consists of 1,000 facilities, most of which are considered small facilities. In prior years, we made a conservative assumption that Lockheed Martin had operational control of most of these small facilities. In 2023, we re-assessed operational control of our small facilities to improve the accuracy of our estimate. We came to the conclusion that there were facilities for which Lockheed Martin did not have operational control. As a result, we removed these small facilities from the estimate within 2020-2022 carbon and energy metrics. This update was also applied to our current reporting year.

(7.1.3.4) Past years' recalculation

Select from:

☑ Yes

[Fixed row]

(7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Select all that apply

☑ Defra Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance, 2019

☑ The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

☑ The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard

☑ US EPA Mandatory Greenhouse Gas Reporting Rule

☑ US EPA Emissions & Generation Resource Integrated Database (eGRID)

(7.3) Describe your organization's approach to reporting Scope 2 emissions.

	Scope 2, location-based	Scope 2, market-based	Comment
	Select from: ☑ We are reporting a Scope 2, location-based figure	*Select from:* ☑ We are reporting a Scope 2, market-based figure	*Lockheed Martin discloses both Scope 2 location-based and market-based metrics.*

[Fixed row]

(7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Select from:
☑ No

(7.5) Provide your base year and base year emissions.

Scope 1

(7.5.1) Base year end

10/31/2020

(7.5.2) Base year emissions (metric tons CO2e)

309563

(7.5.3) Methodological details

Methodology is aligned with the World Business Council for Sustainable Development (WBSCD)/World Resources Institute (WRI) Greenhouse Gas – A Corporate Accounting Standard.

Scope 2 (location-based)

(7.5.1) Base year end

10/31/2020

(7.5.2) Base year emissions (metric tons CO2e)

604458

(7.5.3) Methodological details

Methodology is aligned with the World Business Council for Sustainable Development (WBSCD)/World Resources Institute (WRI) Greenhouse Gas – A Corporate Accounting Standard.

Scope 2 (market-based)

(7.5.1) Base year end

10/31/2020

(7.5.2) Base year emissions (metric tons CO2e)

477688

(7.5.3) Methodological details

Methodology is aligned with the World Business Council for Sustainable Development (WBSCD)/World Resources Institute (WRI) Greenhouse Gas – A Corporate Accounting Standard.

Scope 3 category 1: Purchased goods and services

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

5176708

(7.5.3) Methodological details

PO transactions multiplied by the NAICS aligned emissions factor (EPA, “Without Margins”). Emissions factors are adjusted annually by industry specific “PPI” vs. USD2021. PG&S filtered by NAICS.

Scope 3 category 2: Capital goods

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

736649

(7.5.3) Methodological details

PO transactions multiplied by the NAICS aligned emissions factor (EPA, “Without Margins”). Emissions factors are adjusted annually by industry specific “PPI” vs. USD2021. CG filtered by NAICS.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

78009

(7.5.3) Methodological details

Transmission and distribution (T&D) losses associated with electricity and natural gas calculated using the country-specific emission factors via UK DEFRA or Carbonfootprint.com. US electricity T&D losses are included in eGrid factors and are reported in our Scope 2 emissions. Emissions associated with natural gas were calculated using UK DEFRA factors for WTT-fuels.

Scope 3 category 4: Upstream transportation and distribution

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

4775

(7.5.3) Methodological details

Upstream T&D emissions are based on weight and distance by mode of transport multiplied by the geographically associated emissions factor from US EPA or UK DEFRA.

Scope 3 category 5: Waste generated in operations

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

6333

(7.5.3) Methodological details

Waste emissions are calculated in accordance with Greenhouse Gas Protocol (GHGP) Corporate guidance. For combustion and recycling the factors consider transport to an energy recovery or materials reclamation facility only.

Scope 3 category 6: Business travel

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

126972

(7.5.3) Methodological details

Airfare, personal auto, and fuel receipts are each directly measured or calculated into miles or passenger-miles traveled. The distance is applied to US EPA emission factors unless the employee is designated within the UK (UK DEFRA). Hotel stays, rail travel, and bus travel can not be isolated accurately based on spend data, and are included within Scope 3 Category 1 emissions vs. Category 7.

Scope 3 category 7: Employee commuting

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

95307

(7.5.3) Methodological details

Emissions associated with employee commuting are estimated using a zip code comparison of the distance between each Lockheed Martin employee's home and assigned work location. Data is screened out if the commute is greater than 100 miles one way to account for discrepancies in reasonable work locations. In addition, Lockheed Martin tracks employee telecommuting schedules by identifying each employee with their expected time at their assigned work location: Group 1: Full time on site, Group 2: 50%, Group 3:

Scope 3 category 11: Use of sold products

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

20328231

(7.5.3) Methodological details

Emissions from use of sold products are estimated by conducting applied lifecycle assessment calculations based on emission intensity by product or fuel use of our top revenue producing programs with tangible product deliveries and is aligned with the GHG Protocol. - Aircraft (fixed-wing and rotary) produce more than 99% of our estimated emissions for this category. - Datasets for product deliveries align with quarter financial reporting and represent a reporting year of Oct.-Sept. 2019-2022 values are restated to reflect the temporal adjustments to quarterly reporting best aligned with our GHG reporting year of Nov.-Oct."
[Fixed row]

(7.6) What were your organization’s gross global Scope 1 emissions in metric tons CO2e?

Reporting year

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

308980

(7.6.3) Methodological details

Methodology is aligned with the World Business Council for Sustainable Development (WBSCD)/World Resources Institute (WRI) Greenhouse Gas – A Corporate Accounting Standard and reflects an update to the methodology and data quality improvements.

Past year 1

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

317761

(7.6.2) End date

10/31/2022

(7.6.3) Methodological details

The restatement of 2020-2022 carbon and energy metrics reflects an update to the methodology and data quality improvements.

Past year 2

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

311043

(7.6.2) End date

10/31/2021

(7.6.3) Methodological details

The restatement of 2020-2022 carbon and energy metrics reflects an update to the methodology and data quality improvements.

Past year 3

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

309563

(7.6.2) End date

10/31/2020

(7.6.3) Methodological details

The restatement of 2020-2022 carbon and energy metrics reflects an update to the methodology and data quality improvements.
[Fixed row]

(7.7) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

Reporting year

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

525614

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

371232

(7.7.4) Methodological details

Methodology is aligned with the World Business Council for Sustainable Development (WBSCD)/World Resources Institute (WRI) Greenhouse Gas – A Corporate Accounting Standard and reflects the update to our methodology to support our new carbon target.

Past year 1

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

528539

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

381560

(7.7.3) End date

10/31/2022

(7.7.4) Methodological details

The restatement of 2020-2022 carbon and energy metrics reflects an update to the baseline and methodology to support our new carbon target.

Past year 2

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

557445

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

374830

(7.7.3) End date

10/31/2021

(7.7.4) Methodological details

The restatement of 2020-2022 carbon and energy metrics reflects an update to the baseline and methodology to support our new carbon target.

Past year 3

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

604458

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

477688

(7.7.3) End date

10/31/2020

(7.7.4) Methodological details

The restatement of 2020-2022 carbon and energy metrics reflects an update to the baseline and methodology to support our new carbon target.
[Fixed row]

(7.8) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

5872475

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

PO transactions multiplied by the NAICS aligned emissions factor (EPA, “Without Margins”). Emissions factors are adjusted annually by industry specific “PPI” vs. USD2021. PG&S filtered by NAICS.

Capital goods

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

711402

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

PO transactions multiplied by the NAICS aligned emissions factor (EPA, “Without Margins”). Emissions factors are adjusted annually by industry specific “PPI” vs. USD2021. CG filtered by NAICS.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

80098

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Transmission and distribution (T&D) losses associated with electricity and natural gas calculated using the country-specific emission factors via UK DEFRA or Carbonfootprint.com. US electricity T&D losses are included in eGrid factors and are reported in our Scope 2 emissions. Emissions associated with natural gas were calculated using UK DEFRA factors for WTT-fuels.

Upstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

4067

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Upstream T&D emissions are based on weight and distance by mode of transport multiplied by the geographically associated emissions factor from US EPA or UK DEFRA.

Waste generated in operations

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

6555

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Waste-type-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Waste emissions are calculated in accordance with Greenhouse Gas Protocol (GHGP) Corporate guidance. For combustion and recycling, the factors consider transport to an energy recovery or materials reclamation facility only.

Business travel

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

83855

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Airfare, personal auto, and fuel receipts are each directly measured or calculated into miles or passenger-miles traveled. The distance is applied to US EPA emission factors unless the employee is designated within the UK (UK DEFRA). Hotel stays, rail travel, and bus travel can not be isolated accurately based on spend data, and are included within Scope 3 Category 1 emissions vs. Category 7.

Employee commuting

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

120258

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Emissions associated with employee commuting are estimated using a zip code comparison of the distance between each Lockheed Martin employee's home and assigned work location. Data is screened out if the commute is greater than 100 miles one way to account for discrepancies in reasonable work locations. In addition, Lockheed Martin tracks employee telecommuting schedules by identifying each employee with their expected time at their assigned work location: Group 1: Full time on site, Group 2: 50%, Group 3:

Upstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Leased assets are included in Lockheed Martin's Scope 1 and 2 emissions data in accordance with the operational control boundary.

Downstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Relevant, not yet calculated

(7.8.5) Please explain

Lockheed Martin manages the delivery of products and services directly to the customer and emissions are captured as either Scope 1 or Scope 3 Purchased Goods and Services. The amount of deliveries of products handled by the customer is extremely small and is considered de minimis for Scope 3 reporting purposes. Lockheed Martin UK reporting is in direct support of the UK Carbon Reduction Plan. Future expansion to enterprise reporting is under review.

Processing of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Lockheed Martin primarily acts as the final point in the manufacturing and assembly of products before delivery to the customer, thus the majority of our products require no additional processing. Any processing of sold products are accounted for in our Scope 1 and Scope 2 emissions.

Use of sold products

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

21076687

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average product method

☑ Fuel-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Emissions from use of sold products are estimated by conducting applied lifecycle assessment calculations based on emission intensity by product or fuel use of our top revenue producing programs with tangible product deliveries and is aligned with the GHG Protocol. Aircraft (fixed-wing and rotary) produce more than 99% of our estimated emissions for this category. Datasets for product deliveries align with quarter financial reporting and represent a reporting year of Oct.-Sept. 2019-2022 values are restated to reflect the temporal adjustments to quarterly reporting best aligned with our GHG reporting year of Nov.-Oct.

End of life treatment of sold products

(7.8.1) Evaluation status

Select from:

☑ Relevant, not yet calculated

(7.8.5) Please explain

Because of sensitive technology and impact to national security, end-of-life treatment of our products are tightly controlled by the US Government as our primary customer.

Downstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Lockheed Martin maintains several owned properties with portions of the space leased to other tenants. Because of the limited percentage of area represented by such examples, Lockheed Martin does not calculate emissions data for these tenants or consider it to be a relevant Scope 3 emission category. Other leased assets (e.g., products) do not make up a measurable percentage of annual revenue at Lockheed Martin.

Franchises

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Lockheed Martin does not own or operate any franchises.

Investments

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Lockheed Martin is not a financial institution and therefore does not meet the relevancy as stated in the Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

Other (upstream)

(7.8.1) Evaluation status

Select from:
☑ Not evaluated

(7.8.5) Please explain

NA

Other (downstream)

(7.8.1) Evaluation status

Select from:
☑ Not evaluated

(7.8.5) Please explain

NA
[Fixed row]

(7.8.1) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

(7.8.1.1) End date

10/31/2022

(7.8.1.2) Scope 3: Purchased goods and services (metric tons CO2e)

4287111

(7.8.1.3) Scope 3: Capital goods (metric tons CO2e)

566736

(7.8.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

79833

(7.8.1.5) Scope 3: Upstream transportation and distribution (metric tons CO2e)

5149

(7.8.1.6) Scope 3: Waste generated in operations (metric tons CO2e)

6375

(7.8.1.7) Scope 3: Business travel (metric tons CO2e)

74050

(7.8.1.8) Scope 3: Employee commuting (metric tons CO2e)

116884

(7.8.1.9) Scope 3: Upstream leased assets (metric tons CO2e)

0

(7.8.1.10) Scope 3: Downstream transportation and distribution (metric tons CO2e)

0

(7.8.1.11) Scope 3: Processing of sold products (metric tons CO2e)

0

(7.8.1.12) Scope 3: Use of sold products (metric tons CO2e)

23406940

(7.8.1.13) Scope 3: End of life treatment of sold products (metric tons CO2e)

0

(7.8.1.14) Scope 3: Downstream leased assets (metric tons CO2e)

0

(7.8.1.15) Scope 3: Franchises (metric tons CO2e)

0

(7.8.1.16) Scope 3: Investments (metric tons CO2e)

0

(7.8.1.17) Scope 3: Other (upstream) (metric tons CO2e)

0

(7.8.1.18) Scope 3: Other (downstream) (metric tons CO2e)

0

(7.8.1.19) Comment

Methodological updates were applied to multiple Scope 3 categories in 2023. As a result theses historical values are being restated for all applicable years.

Past year 2

(7.8.1.1) End date

10/31/2021

(7.8.1.2) Scope 3: Purchased goods and services (metric tons CO2e)

5131067

(7.8.1.3) Scope 3: Capital goods (metric tons CO2e)

536837

(7.8.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

78582

(7.8.1.5) Scope 3: Upstream transportation and distribution (metric tons CO2e)

4887

(7.8.1.6) Scope 3: Waste generated in operations (metric tons CO2e)

6032

(7.8.1.7) Scope 3: Business travel (metric tons CO2e)

39732

(7.8.1.8) Scope 3: Employee commuting (metric tons CO2e)

75773

(7.8.1.9) Scope 3: Upstream leased assets (metric tons CO2e)

0

(7.8.1.10) Scope 3: Downstream transportation and distribution (metric tons CO2e)

0

(7.8.1.11) Scope 3: Processing of sold products (metric tons CO2e)

0

(7.8.1.12) Scope 3: Use of sold products (metric tons CO2e)

22279089

(7.8.1.13) Scope 3: End of life treatment of sold products (metric tons CO2e)

0

(7.8.1.14) Scope 3: Downstream leased assets (metric tons CO2e)

0

(7.8.1.15) Scope 3: Franchises (metric tons CO2e)

0

(7.8.1.16) Scope 3: Investments (metric tons CO2e)

0

(7.8.1.17) Scope 3: Other (upstream) (metric tons CO2e)

0

(7.8.1.18) Scope 3: Other (downstream) (metric tons CO2e)

0

(7.8.1.19) Comment

Methodological updates were applied to multiple Scope 3 categories in 2023. As a result theses historical values are being restated for all applicable years.

Past year 3

(7.8.1.1) End date

10/31/2020

(7.8.1.2) Scope 3: Purchased goods and services (metric tons CO2e)

4456403

(7.8.1.3) Scope 3: Capital goods (metric tons CO2e)

614408

(7.8.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

79068

(7.8.1.5) Scope 3: Upstream transportation and distribution (metric tons CO2e)

4597

(7.8.1.6) Scope 3: Waste generated in operations (metric tons CO2e)

6014

(7.8.1.7) Scope 3: Business travel (metric tons CO2e)

51446

(7.8.1.8) Scope 3: Employee commuting (metric tons CO2e)

76300

(7.8.1.9) Scope 3: Upstream leased assets (metric tons CO2e)

0

(7.8.1.10) Scope 3: Downstream transportation and distribution (metric tons CO2e)

0

(7.8.1.11) Scope 3: Processing of sold products (metric tons CO2e)

0

(7.8.1.12) Scope 3: Use of sold products (metric tons CO2e)

21374869

(7.8.1.13) Scope 3: End of life treatment of sold products (metric tons CO2e)

0

(7.8.1.14) Scope 3: Downstream leased assets (metric tons CO2e)

0

(7.8.1.15) Scope 3: Franchises (metric tons CO2e)

0

(7.8.1.16) Scope 3: Investments (metric tons CO2e)

0

(7.8.1.17) Scope 3: Other (upstream) (metric tons CO2e)

0

(7.8.1.18) Scope 3: Other (downstream) (metric tons CO2e)

0

(7.8.1.19) Comment

Methodological updates were applied to multiple Scope 3 categories in 2023. As a result theses historical values are being restated for all applicable years.

Past year 4

(7.8.1.1) End date

10/31/2019

(7.8.1.2) Scope 3: Purchased goods and services (metric tons CO2e)

5176708

(7.8.1.3) Scope 3: Capital goods (metric tons CO2e)

736649

(7.8.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

78009

(7.8.1.5) Scope 3: Upstream transportation and distribution (metric tons CO2e)

4775

(7.8.1.6) Scope 3: Waste generated in operations (metric tons CO2e)

6333

(7.8.1.7) Scope 3: Business travel (metric tons CO2e)

126972

(7.8.1.8) Scope 3: Employee commuting (metric tons CO2e)

95307

(7.8.1.9) Scope 3: Upstream leased assets (metric tons CO2e)

0

(7.8.1.10) Scope 3: Downstream transportation and distribution (metric tons CO2e)

0

(7.8.1.11) Scope 3: Processing of sold products (metric tons CO2e)

0

(7.8.1.12) Scope 3: Use of sold products (metric tons CO2e)

20328231

(7.8.1.13) Scope 3: End of life treatment of sold products (metric tons CO2e)

0

(7.8.1.14) Scope 3: Downstream leased assets (metric tons CO2e)

0

(7.8.1.15) Scope 3: Franchises (metric tons CO2e)

0

(7.8.1.16) Scope 3: Investments (metric tons CO2e)

0

(7.8.1.17) Scope 3: Other (upstream) (metric tons CO2e)

0

(7.8.1.18) Scope 3: Other (downstream) (metric tons CO2e)

0

(7.8.1.19) Comment

Methodological updates were applied to multiple Scope 3 categories in 2023. As a result theses historical values are being restated for all applicable years. [Fixed row]

(7.9) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	*Select from:* ☑ Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	*Select from:* ☑ Third-party verification or assurance process in place

	Verification/assurance status
Scope 3	*Select from:* ☑ Third-party verification or assurance process in place

[Fixed row]

(7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Row 1

(7.9.1.1) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.1.2) Status in the current reporting year

Select from:
☑ Complete

(7.9.1.3) Type of verification or assurance

Select from:
☑ Moderate assurance

(7.9.1.4) Attach the statement

2023-assurance-statement_Imco.pdf

(7.9.1.5) Page/section reference

Pages 2-4; https://sustainability.lockheedmartin.com/sustainability/media/fadfz0dr/2023-assurance-statement_lmco.pdf

(7.9.1.6) Relevant standard

Select from:
☑ AA1000AS

(7.9.1.7) Proportion of reported emissions verified (%)

100

Row 2

(7.9.1.1) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.1.2) Status in the current reporting year

Select from:
☑ Complete

(7.9.1.3) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.1.4) Attach the statement

2023-assurance-statement_lmco.pdf

(7.9.1.5) Page/section reference

Pages 2-4; https://sustainability.lockheedmartin.com/sustainability/media/fadfz0dr/2023-assurance-statement_lmco.pdf

(7.9.1.6) Relevant standard

Select from:
☑ ISAE3000

(7.9.1.7) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Row 1

(7.9.2.1) Scope 2 approach

Select from:
☑ Scope 2 location-based

(7.9.2.2) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:
☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:
☑ Moderate assurance

(7.9.2.5) Attach the statement

2023-assurance-statement_lmco.pdf

(7.9.2.6) Page/ section reference

Pages 2-4; https://sustainability.lockheedmartin.com/sustainability/media/fadfz0dr/2023-assurance-statement_lmco.pdf

(7.9.2.7) Relevant standard

Select from:
☑ AA1000AS

(7.9.2.8) Proportion of reported emissions verified (%)

100

Row 2

(7.9.2.1) Scope 2 approach

Select from:
☑ Scope 2 market-based

(7.9.2.2) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:

☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:
☑ Moderate assurance

(7.9.2.5) Attach the statement

2023-assurance-statement_lmco.pdf

(7.9.2.6) Page/ section reference

Pages 2-4; https://sustainability.lockheedmartin.com/sustainability/media/fadfz0dr/2023-assurance-statement_lmco.pdf

(7.9.2.7) Relevant standard

Select from:
☑ AA1000AS

(7.9.2.8) Proportion of reported emissions verified (%)

100

Row 3

(7.9.2.1) Scope 2 approach

Select from:
☑ Scope 2 location-based

(7.9.2.2) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:

☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:

☑ Limited assurance

(7.9.2.5) Attach the statement

2023-assurance-statement_lmco.pdf

(7.9.2.6) Page/ section reference

Pages 2-4; https://sustainability.lockheedmartin.com/sustainability/media/fadfz0dr/2023-assurance-statement_lmco.pdf

(7.9.2.7) Relevant standard

Select from:

☑ ISAE3000

(7.9.2.8) Proportion of reported emissions verified (%)

100

Row 4

(7.9.2.1) Scope 2 approach

Select from:

☑ Scope 2 market-based

(7.9.2.2) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:
☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.2.5) Attach the statement

2023-assurance-statement_lmco.pdf

(7.9.2.6) Page/ section reference

Pages 2-4; https://sustainability.lockheedmartin.com/sustainability/media/fadfz0dr/2023-assurance-statement_lmco.pdf

(7.9.2.7) Relevant standard

Select from:
☑ ISAE3000

(7.9.2.8) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.3) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Row 1

(7.9.3.1) Scope 3 category

Select all that apply

- ☑ Scope 3: Capital goods
- ☑ Scope 3: Business travel
- ☑ Scope 3: Employee commuting
- ☑ Scope 3: Use of sold products
- ☑ Scope 3: Purchased goods and services
- ☑ Scope 3: Waste generated in operations
- ☑ Scope 3: Upstream transportation and distribution
- ☑ Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

(7.9.3.2) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.3.3) Status in the current reporting year

Select from:

☑ Complete

(7.9.3.4) Type of verification or assurance

Select from:

☑ Moderate assurance

(7.9.3.5) Attach the statement

2023-assurance-statement_lmco.pdf

(7.9.3.6) Page/section reference

4

(7.9.3.7) Relevant standard

Select from:

☑ AA1000AS

(7.9.3.8) Proportion of reported emissions verified (%)

100

Row 2

(7.9.3.1) Scope 3 category

Select all that apply

☑ Scope 3: Capital goods

☑ Scope 3: Business travel

☑ Scope 3: Employee commuting

☑ Scope 3: Use of sold products

☑ Scope 3: Purchased goods and services

☑ Scope 3: Waste generated in operations

☑ Scope 3: Upstream transportation and distribution

☑ Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

(7.9.3.2) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.3.3) Status in the current reporting year

Select from:

☑ Complete

(7.9.3.4) Type of verification or assurance

Select from:

☑ Limited assurance

(7.9.3.5) Attach the statement

2023-assurance-statement_lmco.pdf

(7.9.3.6) Page/section reference

4

(7.9.3.7) Relevant standard

Select from:
☑ ISAE3000

(7.9.3.8) Proportion of reported emissions verified (%)

100
[Add row]

(7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Select from:
☑ Decreased

(7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Change in renewable energy consumption

(7.10.1.1) Change in emissions (metric tons CO2e)

7403

(7.10.1.2) Direction of change in emissions

Select from:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

1.1

(7.10.1.4) Please explain calculation

In 2023, we increased our percentage of electricity consumption from renewable sources. Including hydropower, we increased our percentage of renewable electricity from 28% in 2022 to 29%. Excluding hydropower, we increased our renewable electricity from 22% in 2022 to 24% in 2023. Changes in our renewable energy consumption are driven by our use of green tariffs and RECs as well as our onsite solar production.

Other emissions reduction activities

(7.10.1.1) Change in emissions (metric tons CO2e)

23581

(7.10.1.2) Direction of change in emissions

Select from:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

3.4

(7.10.1.4) Please explain calculation

In 2022, we implemented 80 projects with an estimated 23,581 MT of annual carbon dioxide equivalent savings. The impact from these projects were realized in 2023.

Divestment

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No divestments

Acquisitions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No acquisitions

Mergers

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No mergers

Change in output

(7.10.1.1) Change in emissions (metric tons CO2e)

20729

(7.10.1.2) Direction of change in emissions

Select from:
☑ Increased

(7.10.1.3) Emissions value (percentage)

3

(7.10.1.4) Please explain calculation

The remainder of our change in emissions is driven by changes in production.

Change in methodology

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Change in methodology was applied to 2020-2022 historical data and therefore did not result in a year-over-year change.

Change in boundary

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change in boundary

Change in physical operating conditions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No significant changes

Unidentified

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

None unidentified

Other

(7.10.1.1) Change in emissions (metric tons CO2e)

8854

(7.10.1.2) Direction of change in emissions

Select from:
☑ Decreased

(7.10.1.3) Emissions value (percentage)

1.3

(7.10.1.4) Please explain calculation

Small facility estimate updated to more accurately exclude smaller leased sites where we do not exert operational control.
[Fixed row]

(7.10.2) Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Select from:
☑ Market-based

(7.12) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Select from:
☑ Yes

(7.12.1) Provide the emissions from biogenic carbon relevant to your organization in metric tons CO2.

(7.12.1.1) CO2 emissions from biogenic carbon (metric tons CO2)

5385

(7.12.1.2) Comment

The Lockheed Martin facility in Owego, New York operates a heat steam system fueled by biomass. The metric tonnes of CO2e released was calculated based on the dry mass of wood burned.
[Fixed row]

(7.15) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Select from:
☑ Yes

(7.15.1) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used global warming potential (GWP).

Row 1

(7.15.1.1) Greenhouse gas

Select from:
☑ CO2

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

295178

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Fourth Assessment Report (AR4 - 100 year)

Row 2

(7.15.1.1) Greenhouse gas

Select from:
☑ CH4

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

187

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Fourth Assessment Report (AR4 - 100 year)

Row 3

(7.15.1.1) Greenhouse gas

Select from:
☑ N2O

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

348

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Fourth Assessment Report (AR4 - 100 year)

Row 4

(7.15.1.1) Greenhouse gas

Select from:

☑ HFCs

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

12929

(7.15.1.3) GWP Reference

Select from:

☑ IPCC Fourth Assessment Report (AR4 - 100 year)

[Add row]

(7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.

	Scope 1 emissions (metric tons CO2e)	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Australia	*5*	*415*	*415*
Canada	*3594*	*79*	*79*
Mexico	*0*	*746*	*746*
Poland	*1663*	*7011*	*7011*
United Kingdom of Great Britain and Northern Ireland	*73*	*910*	*0*
United States of America	*303645*	*516454*	*362982*

[Fixed row]

(7.17) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

Select all that apply

☑ By business division

(7.17.1) Break down your total gross global Scope 1 emissions by business division.

	Business division	Scope 1 emissions (metric ton CO2e)
Row 1	*Aeronautics*	*127227*
Row 2	*Enterprise Operations*	*15054*
Row 3	*Missiles and Fire Control*	*31502*
Row 4	*Rotary and Mission Systems*	*83883*
Row 5	*Space*	*51313*

[Add row]

(7.20) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

Select all that apply

☑ By business division

(7.20.1) Break down your total gross global Scope 2 emissions by business division.

	Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Row 1	*Aeronautics*	*166286*	*143600*
Row 2	*Enterprise Operations*	*24120*	*8429*
Row 3	*Missiles and Fire Control*	*123835*	*120725*
Row 4	*Rotary and Mission Systems*	*87694*	*77116*
Row 5	*Space*	*123679*	*21361*

[Add row]

(7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

Consolidated accounting group

(7.22.1) Scope 1 emissions (metric tons CO2e)

308980

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

525614

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

371232

(7.22.4) Please explain

Our Scope 1 and Scope 2 emissions do not include any other entities.

All other entities

(7.22.1) Scope 1 emissions (metric tons CO2e)

0

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

0

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

0

(7.22.4) Please explain

Our Scope 1 and Scope 2 emissions do not include any other entities.
[Fixed row]

(7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Select from:
☑ No

(7.27) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Row 1

(7.27.1) Allocation challenges

Select from:
☑ Doing so would require we disclose business sensitive/proprietary information

(7.27.2) Please explain what would help you overcome these challenges

This challenge can not be overcome at this time due to the sensitive and classified nature of our products.
[Add row]

(7.28) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

(7.28.1) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Select from:

☑ Yes

(7.28.2) Describe how you plan to develop your capabilities

Lockheed Martin is actively looking for approaches that would allow accurate and functional allocation of emissions to the program or product level, and aligned with our enterprise level reporting. This activity is focused on expansion and augmentation of internal applications and knowledge sharing across the values chain, but remains in a non-applied state.
[Fixed row]

(7.29) What percentage of your total operational spend in the reporting year was on energy?

Select from:

☑ More than 0% but less than or equal to 5%

(7.30) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	*Select from:* ☑ Yes
Consumption of purchased or acquired electricity	*Select from:* ☑ Yes
Consumption of purchased or acquired heat	*Select from:* ☑ No
Consumption of purchased or acquired steam	*Select from:* ☑ No
Consumption of purchased or acquired cooling	*Select from:* ☑ Yes
Generation of electricity, heat, steam, or cooling	*Select from:* ☑ Yes

[Fixed row]

(7.30.1) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

Consumption of fuel (excluding feedstock)

(7.30.1.1) Heating value

Select from:

☑ HHV (higher heating value)

(7.30.1.2) MWh from renewable sources

16824

(7.30.1.3) MWh from non-renewable sources

1548399

(7.30.1.4) Total (renewable and non-renewable) MWh

1565223

Consumption of purchased or acquired electricity

(7.30.1.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

386127

(7.30.1.3) MWh from non-renewable sources

1090226

(7.30.1.4) Total (renewable and non-renewable) MWh

1476353

Consumption of purchased or acquired cooling

(7.30.1.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

25315

(7.30.1.4) Total (renewable and non-renewable) MWh

25315

Consumption of self-generated non-fuel renewable energy

(7.30.1.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

58947

(7.30.1.4) Total (renewable and non-renewable) MWh

58947

Total energy consumption

(7.30.1.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

461898

(7.30.1.3) MWh from non-renewable sources

2663941

(7.30.1.4) Total (renewable and non-renewable) MWh

3125838
[Fixed row]

(7.30.6) Select the applications of your organization’s consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	*Select from:* ☑ No
Consumption of fuel for the generation of heat	*Select from:* ☑ Yes
Consumption of fuel for the generation of steam	*Select from:* ☑ Yes
Consumption of fuel for the generation of cooling	*Select from:* ☑ No
Consumption of fuel for co-generation or tri-generation	*Select from:* ☑ Yes

[Fixed row]

(7.30.7) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

16824

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.5) MWh fuel consumed for self-generation of steam

16824

(7.30.7.6) MWh fuel consumed for self-generation of cooling

0

(7.30.7.7) MWh fuel consumed for self- cogeneration or self-trigeneration

0

(7.30.7.8) Comment

n/a

Other biomass

(7.30.7.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.5) MWh fuel consumed for self-generation of steam

0

(7.30.7.6) MWh fuel consumed for self-generation of cooling

0

(7.30.7.7) MWh fuel consumed for self- cogeneration or self-trigeneration

0

(7.30.7.8) Comment

n/a

Other renewable fuels (e.g. renewable hydrogen)

(7.30.7.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.5) MWh fuel consumed for self-generation of steam

0

(7.30.7.6) MWh fuel consumed for self-generation of cooling

0

(7.30.7.7) MWh fuel consumed for self- cogeneration or self-trigeneration

0

(7.30.7.8) Comment

n/a

Coal

(7.30.7.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.5) MWh fuel consumed for self-generation of steam

0

(7.30.7.6) MWh fuel consumed for self-generation of cooling

0

(7.30.7.7) MWh fuel consumed for self- cogeneration or self-trigeneration

0

(7.30.7.8) Comment

n/a

Oil

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

7517

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.5) MWh fuel consumed for self-generation of steam

0

(7.30.7.6) MWh fuel consumed for self-generation of cooling

0

(7.30.7.7) MWh fuel consumed for self- cogeneration or self-trigeneration

0

(7.30.7.8) Comment

#2 Fuel Oil is primarily consumed for the self-generation of heat and steam.

Gas

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

1286330

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.5) MWh fuel consumed for self-generation of steam

0

(7.30.7.6) MWh fuel consumed for self-generation of cooling

0

(7.30.7.7) MWh fuel consumed for self- cogeneration or self-trigeneration

285746

(7.30.7.8) Comment

Natural Gas is primarily consumed for self-cogeneration and self-generation of heat and steam. The Lockheed Martin facility in Stratford, CT operates a cogeneration plant. The remaining Natural Gas consumption is for the purposes of heat and steam generation.

Other non-renewable fuels (e.g. non-renewable hydrogen)

(7.30.7.1) Heating value

Select from:

☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

254552

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.5) MWh fuel consumed for self-generation of steam

0

(7.30.7.6) MWh fuel consumed for self-generation of cooling

0

(7.30.7.7) MWh fuel consumed for self- cogeneration or self-trigeneration

0

(7.30.7.8) Comment

Includes 2023 totals for diesel, gasoline, jet fuel, propane, and kerosene

Total fuel

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

1565223

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.5) MWh fuel consumed for self-generation of steam

16824

(7.30.7.6) MWh fuel consumed for self-generation of cooling

0

(7.30.7.7) MWh fuel consumed for self- cogeneration or self-trigeneration

285746

(7.30.7.8) Comment

n/a
[Fixed row]

(7.30.9) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

Electricity

(7.30.9.1) Total Gross generation (MWh)

120248

(7.30.9.2) Generation that is consumed by the organization (MWh)

120248

(7.30.9.3) Gross generation from renewable sources (MWh)

58947

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

58947

Heat

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Steam

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Cooling

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0
[Fixed row]

(7.30.14) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in 7.7.

Row 1

(7.30.14.1) Country/area

Select from:

☑ United States of America

(7.30.14.2) Sourcing method

Select from:

☑ Physical power purchase agreement (physical PPA) with a grid-connected generator

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☑ Solar

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

54558

(7.30.14.6) Tracking instrument used

Select from:

☑ US-REC

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ United States of America

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ Yes

(7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2016

(7.30.14.10) Comment

In June 2016 Lockheed Martin became the off-taker of 30 MW from a solar power purchase agreement in North Carolina. The PPA included a "REC swap" where-by the project RECs are exchanged on a 1 for 1 basis for Green-E certified RECs.

Row 2

(7.30.14.1) Country/area

Select from:

☑ United States of America

(7.30.14.2) Sourcing method

Select from:

☑ Physical power purchase agreement (physical PPA) with a grid-connected generator

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☑ Solar

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

46560

(7.30.14.6) Tracking instrument used

Select from:

☑ US-REC

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ United States of America

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ Yes

(7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2021

(7.30.14.10) Comment

In 2021, Lockheed Martin began receiving power from the Titan Solar Field in the ERCOT region.

Row 3

(7.30.14.1) Country/area

Select from:

☑ United States of America

(7.30.14.2) Sourcing method

Select from:

☑ Retail supply contract with an electricity supplier (retail green electricity)

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☑ Renewable energy mix, please specify **:**Mix of Solar, Wind, Hydropower and Biomass

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

176387

(7.30.14.6) Tracking instrument used

Select from:

☑ US-REC

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ United States of America

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ No

(7.30.14.10) Comment

Lockheed Martin participates in six green tariff or community choice aggregation programs, delivering a mix of solar, wind, hydropower, and biomass.

Row 4

(7.30.14.1) Country/area

Select from:
☑ United Kingdom of Great Britain and Northern Ireland

(7.30.14.2) Sourcing method

Select from:
☑ Retail supply contract with an electricity supplier (retail green electricity)

(7.30.14.3) Energy carrier

Select from:
☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:
☑ Renewable energy mix, please specify **:**Mix of Solar and Hydropower

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

4395

(7.30.14.6) Tracking instrument used

Select from:

☑ REGO

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:
☑ United Kingdom of Great Britain and Northern Ireland

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:
☑ No

(7.30.14.10) Comment

Lockheed Martin participates in one green tariff program, delivering a mix of solar and hydropower.

Row 5

(7.30.14.1) Country/area

Select from:
☑ United States of America

(7.30.14.2) Sourcing method

Select from:
☑ Unbundled procurement of energy attribute certificates (EACs)

(7.30.14.3) Energy carrier

Select from:
☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:
☑ Renewable energy mix, please specify **:**Mix of Wind and Solar

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

135065

(7.30.14.6) Tracking instrument used

Select from:
☑ US-REC

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:
☑ United States of America

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:
☑ No

(7.30.14.10) Comment

n/a
[Add row]

(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

Australia

(7.30.16.1) Consumption of purchased electricity (MWh)

568

(7.30.16.2) Consumption of self-generated electricity (MWh)

115

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

683.00

Canada

(7.30.16.1) Consumption of purchased electricity (MWh)

14249

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

14249.00

Mexico

(7.30.16.1) Consumption of purchased electricity (MWh)

1729

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

1729.00

Poland

(7.30.16.1) Consumption of purchased electricity (MWh)

8778

(7.30.16.2) Consumption of self-generated electricity (MWh)

712

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

9490.00

United Kingdom of Great Britain and Northern Ireland

(7.30.16.1) Consumption of purchased electricity (MWh)

4395

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

4395.00

United States of America

(7.30.16.1) Consumption of purchased electricity (MWh)

1446635

(7.30.16.2) Consumption of self-generated electricity (MWh)

58120

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

25315

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

1530070.00
[Fixed row]

(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Row 1

(7.45.1) Intensity figure

0.000012

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

834593

(7.45.3) Metric denominator

Select from:

☑ unit total revenue

(7.45.4) Metric denominator: Unit total

67571000000

(7.45.5) Scope 2 figure used

Select from:
☑ Location-based

(7.45.6) % change from previous year

3.7

(7.45.7) Direction of change

Select from:
☑ Decreased

(7.45.8) Reasons for change

Select all that apply
☑ Change in renewable energy consumption
☑ Other emissions reduction activities
☑ Change in revenue

(7.45.9) Please explain

Our revenue increased from 2022, and we saw a decrease in Scope 1 and Scope 2 (Location-based) emissions from renewable electricity and energy efficiency improvements.
[Add row]

(7.52) Provide any additional climate-related metrics relevant to your business.

Row 1

(7.52.1) Description

Select from:

☑ Energy usage

(7.52.2) Metric value

0.24

(7.52.3) Metric numerator

370746

(7.52.4) Metric denominator (intensity metric only)

1535300

(7.52.5) % change from previous year

10

(7.52.6) Direction of change

Select from:

☑ Increased

(7.52.7) Please explain

Lockheed Martin consumed 370,746 megawatt hours (MWh) of renewable energy (excluding large hydro), comprising 37% from renewable energy certificates (RECs) and 63% from on-site energy generation/PPA/green tariffs, which accounts for approximately 24% of the company's electricity consumption. In 2022, Lockheed Martin consumed 340,558 MWh of renewable energy.

Row 2

(7.52.1) Description

Select from:

☑ Other, please specify :Green Buildings

(7.52.2) Metric value

4257646

(7.52.3) Metric numerator

4257646

(7.52.4) Metric denominator (intensity metric only)

1

(7.52.5) % change from previous year

2

(7.52.6) Direction of change

Select from:

☑ Increased

(7.52.7) Please explain

Our goal for green buildings is to increase square footage of Leadership in Energy and Environmental Design (LEED)-and/or Building Research Establishment's Environmental Assessment Method (BREEAM)-certified/ rated facilities by 2025. Prior to 2021, the goal also counted ENERGY STAR Certified buildings, therefore the metric value reported here includes LEED, BREEAM, and ENERGY STAR. In 2023, three Lockheed Martin facilities earned LEED certification, while we removed one formerly leased facility. This added over 70,000 square feet to the existing green building footprint.
[Add row]

(7.53) Did you have an emissions target that was active in the reporting year?

Select all that apply

☑ Absolute target

(7.53.1) Provide details of your absolute emissions targets and progress made against those targets.

Row 1

(7.53.1.1) Target reference number

Select from:

☑ Abs 1

(7.53.1.2) Is this a science-based target?

Select from:

☑ No, and we do not anticipate setting one in the next two years

(7.53.1.5) Date target was set

11/01/2022

(7.53.1.6) Target coverage

Select from:

☑ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Carbon dioxide (CO2)

☑ Perfluorocarbons (PFCs)

☑ Hydrofluorocarbons (HFCs)

☑ Sulphur hexafluoride (SF6)

☑ Nitrogen trifluoride (NF3)

(7.53.1.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

(7.53.1.9) Scope 2 accounting method

Select from:

☑ Market-based

(7.53.1.11) End date of base year

10/31/2020

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

309563

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

477688

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

787251.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

10/31/2030

(7.53.1.55) Targeted reduction from base year (%)

36

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

503840.640

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

308980

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

371232

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

680212.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

37.77

(7.53.1.80) Target status in reporting year

Select from:

☑ New

(7.53.1.82) Explain target coverage and identify any exclusions

The carbon target is a company-wide target meaning it covers 100% of our portfolio; our portfolio includes facilities which are within our operational control and which are operational.

(7.53.1.83) Target objective

Lockheed Martin recognizes the importance of effective strategic decarbonization programs and management of climate-related risk. We regularly explore opportunities to take more aggressive action to reduce our carbon emissions and increase our commitment to renewable energy sources. Our current goals were established following a thorough analysis of our operational footprint, technical opportunities and investment requirements. We used subject matter experts across all responsible functions, including sustainability, facilities, capital planning, energy and each of our business areas.

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

Lockheed Martin plans to achieve our 2030 goal through energy efficiency, grid greening and renewable energy (onsite renewables, offsite PPAs, green tariffs, and renewable energy certificates). In 2023, we reduced Scope 1 and 2 absolute carbon emissions, vs. 2020 baseline, by 13.6% and exceeded our annual target of 10.8%. To learn more about our progress in 2023, see our Sustainability Report. https://sustainability.lockheedmartin.com/sustainability/index.html

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☑ No

[Add row]

(7.54) Did you have any other climate-related targets that were active in the reporting year?

Select all that apply

☑ Targets to increase or maintain low-carbon energy consumption or production

☑ Net-zero targets

(7.54.1) Provide details of your targets to increase or maintain low-carbon energy consumption or production.

Row 1

(7.54.1.1) Target reference number

Select from:

☑ Low 1

(7.54.1.2) Date target was set

11/01/2022

(7.54.1.3) Target coverage

Select from:

☑ Organization-wide

(7.54.1.4) Target type: energy carrier

Select from:

☑ Electricity

(7.54.1.5) Target type: activity

Select from:

☑ Consumption

(7.54.1.6) Target type: energy source

Select from:

☑ Renewable energy source(s) only

(7.54.1.7) End date of base year

10/31/2020

(7.54.1.8) Consumption or production of selected energy carrier in base year (MWh)

382164

(7.54.1.9) % share of low-carbon or renewable energy in base year

25

(7.54.1.10) End date of target

10/31/2030

(7.54.1.11) % share of low-carbon or renewable energy at end date of target

40

(7.54.1.12) % share of low-carbon or renewable energy in reporting year

24

(7.54.1.13) % of target achieved relative to base year

-6.67

(7.54.1.14) Target status in reporting year

Select from:

☑ Revised

(7.54.1.15) Explain the reasons for the revision, replacement, or retirement of the target

This accelerated goal was updated in 2023. We increased the ambition of the goal from a 30% to a 40% match of electricity with renewable energy.

(7.54.1.16) Is this target part of an emissions target?

Yes. Our renewable energy goal supports achievement of "Abs 1" to reduce carbon emissions by 36% by 2030 from a 2020 baseline. The goal is to match 40% of electricity used across Lockheed Martin global operations with renewable energy by 2030. There is no base year comparison.

(7.54.1.17) Is this target part of an overarching initiative?

Select all that apply

☑ No, it's not part of an overarching initiative

(7.54.1.19) Explain target coverage and identify any exclusions

The renewable energy goal is a company-wide target meaning it covers 100% of our portfolio; our portfolio includes facilities which are within our operational control and which are operational.

(7.54.1.20) Target objective

Lockheed Martin recognizes the importance of effective strategic decarbonization programs and management of climate-related risk. We regularly explore opportunities to take more aggressive action to reduce our carbon emissions and increase our commitment to renewable energy sources. Our current goals were established following a thorough analysis of our operational footprint, technical opportunities and investment requirements. We used subject matter experts across all responsible functions, including sustainability, facilities, capital planning, energy and each of our business areas.

(7.54.1.21) Plan for achieving target, and progress made to the end of the reporting year

To meet our target, we continue to study and pursue additional on-site and off-site renewable generation projects and utility green tariff programs (excluding large hydropower and nuclear in alignment with the Green-e Renewable Energy Standard for Canada and the United States.) In 2023, we met expectations by using renewable energy for 24% of our total electricity across Lockheed Martin global operations. Our Troy, Alabama, site and the South Alabama Electricity Cooperative entered into a green tariff power purchase agreement whereby the site will increase its usage of electricity from renewable sources from its current 10% to 40% by 2026. Two additional Texas sites, in Fort Worth and Dallas, are in power purchase contract discussions. Several other sites are initiating on-site renewable energy projects, including construction of solar carports and ground-mounted solar array systems. To learn more about our progress in 2023, see our Sustainability Report. https://sustainability.lockheedmartin.com/sustainability/index.html

[Add row]

(7.54.3) Provide details of your net-zero target(s).

Row 1

(7.54.3.1) Target reference number

Select from:

☑ NZ1

(7.54.3.2) Date target was set

04/01/2022

(7.54.3.3) Target Coverage

Select from:

☑ Country/area/region

(7.54.3.4) Targets linked to this net zero target

Select all that apply

☑ Abs1

☑ Low1

(7.54.3.5) End date of target for achieving net zero

12/31/2050

(7.54.3.6) Is this a science-based target?

Select from:

☑ Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

(7.54.3.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

☑ Scope 3

(7.54.3.9) Greenhouse gases covered by target

Select all that apply

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Carbon dioxide (CO2)

☑ Perfluorocarbons (PFCs)

☑ Hydrofluorocarbons (HFCs)

☑ Sulphur hexafluoride (SF6)

☑ Nitrogen trifluoride (NF3)

(7.54.3.10) Explain target coverage and identify any exclusions

Lockheed Martin UK Holdings Limited (Lockheed Martin UK) and its wholly owned subsidiaries, Lockheed Martin UK Limited, Lockheed Martin UK Ampthill Limited and Lockheed Martin UK Strategic Systems Limited, are committed to achieving Net Zero emissions from UK operations by 2050. Specific elements and goals of the Lockheed Martin program extend to Lockheed Martin's facilities across the world. Through our Go Green program, we drive operational improvements by reducing carbon emissions through energy efficiency and use of renewable energy, reducing facility water use and waste generation. In order to continue our progress to achieving Net Zero for UK operations, we have adopted carbon reduction targets specifically for our Lockheed Martin UK operations. This commitment is aligned with PPN 06/21 established by the UK government which requires federal suppliers to publish and commit to achieving Net Zero by 2050 is exceeding specified contract thresholds.

(7.54.3.11) Target objective

To achieve Net Zero across Scope 1, Scope 2, and multiple Scope 3 emissions categories by 2050 for Lockheed Martin operations in the United Kingdom, and in accordance with PPN 06/21.

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:

☑ Yes

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:

☑ No, and we do not plan to within the next two years

(7.54.3.14) Do you intend to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation?

Select all that apply

☑ Yes, we plan to purchase and cancel carbon credits for neutralization at the end of the target

(7.54.3.15) Planned milestones and/or near-term investments for neutralization at the end of the target

None at this time.

(7.54.3.17) Target status in reporting year

Select from:

☑ Underway

(7.54.3.19) Process for reviewing target

Lockheed Martin, the parent company of Lockheed Martin UK, takes an integrated approach to managing corporate culture, ethics and business integrity, governance, and sustainability issues through a risk management lens. Lockheed Martin's oversight of climate-related matters follows its formal governance structure. This structure includes Lockheed Martin's Nominating and Corporate Governance Committee, the Executive Leadership Team, the Risk and Compliance Committee and the Sustainability Management Team who guide and implement Lockheed Martin's Sustainability Management Plan (SMP). The Nominating and Corporate Governance Committee is chartered by the Lockheed Martin Board of Directors to lead its oversight responsibilities relating to Lockheed Martin's ethical conduct, human rights, environmental stewardship, corporate culture, philanthropy, workforce diversity, health and safety. Managing climate-related risks is a key element in Lockheed Martin's sustainability program as well as our Go Green goals. The Go Green program encompasses Lockheed Martin's approach to championing environmental stewardship through resource efficiency. At Lockheed Martin, climate risks and opportunities impact our long-term resiliency as a leader in global security and aerospace. The Board recognizes that companies have a role in meeting the challenge of mitigating and adapting to climate change risks. We seek to understand and address climate risks while leveraging opportunities to foster a strong business model for the future. At our Board's direction, in 2022, we set and continue to progress against the following two aggressive reduction goals: 36% for scope 1 and 2 absolute emissions reduction and 40% renewable electricity, both by 2030.

[Add row]

(7.55) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Select from:
☑ Yes

(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	*19*	*`Numeric input*
To be implemented	*35*	*19272*
Implementation commenced	*22*	*18962*
Implemented	*66*	*15950*
Not to be implemented	*4*	*`Numeric input*

[Fixed row]

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings
☑ Building Energy Management Systems (BEMS)

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

5327

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

☑ Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

898138

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

3488940

(7.55.2.7) Payback period

Select from:

☑ 1-3 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 16-20 years

(7.55.2.9) Comment

In 2023, 16 Building Control System projects were completed each with an average estimated lifetime of 20 years and a collective payback period for the projects of 39 years. Projects included ones at three of Lockheed Martin's largest sites, Fort Worth, Sunnyvale and Waterton, along with additional projects across our broader portfolio. Projects included upgrades to aging building management systems to maximize energy saving capabilities associated with HVAC systems, as well as the further use of existing mature systems

Row 2

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings

☑ Other, please specify **:**Windows

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

439

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

73065

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

307857

(7.55.2.7) Payback period

Select from:

☑ 4-10 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 16-20 years

(7.55.2.9) Comment

In 2023, one Building Envelope project was completed with an average estimated lifetime of 20 years and a collective payback period for the projects of 4.2 years. The project involved the installation of new energy efficient windows in Building 37 at the Grand Prairie site.

Row 3

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in production processes

☑ Compressed air

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

778

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

422915

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

590585

(7.55.2.7) Payback period

Select from:
☑ 1-3 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:
☑ 16-20 years

(7.55.2.9) Comment

In 2023, 5 compressed air projects were completed, each with an average estimated lifetime of 20 years and a collective payback period for the projects of 1.4 years. Projects were completed in three different business areas). Typical projects include compressor replacements w/ high efficiency units, implementing solutions from sitewide usage/leakage studies, and dedicated leak detection projects

Row 4

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings
☑ Heating, Ventilation and Air Conditioning (HVAC)

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

461

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

93676

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

594500

(7.55.2.7) Payback period

Select from:

☑ 4-10 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 11-15 years

(7.55.2.9) Comment

In 2023, seven HVAC projects were completed each with an average estimated lifetime of 15 years and a collective payback period for the projects of 6.3 years. Projects include conversions of DX-based cooling to site chilled water, supply duct upgrades, three-way valve conversions to two-way exhaust fan controls and hot aisle containment at Lockheed Martin's Fort Worth facility.

Row 5

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings

☑ Lighting

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

4712

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

1332330

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

6684493

(7.55.2.7) Payback period

Select from:

☑ 4-10 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 11-15 years

(7.55.2.9) Comment

In 2023, 24 Lighting projects were completed, each with an average estimated lifetime of 15 years and a collective payback period for the projects of 5.0 years. Projects upgrade to LED lighting in both office and operational spaces and typically include enhanced lighting controls.

Row 6

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy consumption

☑ Solar PV

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

319

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

78767

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

500000

(7.55.2.7) Payback period

Select from:

☑ 4-10 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 16-20 years

(7.55.2.9) Comment

In 2023, one renewable project was completed with an average estimated lifetime of 20 years and a collective payback period for the project of 6.3 years. The project installed 500 kW onsite solar PV array at Lockheed Martin's site in Mielic, Poland.

Row 7

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings

☑ Other, please specify **:**Retro-Commissioning

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

134

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

☑ Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

12857

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

14707

(7.55.2.7) Payback period

Select from:

☑ 1-3 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 6-10 years

(7.55.2.9) Comment

In 2023, one Retro-Commissioning project was completed, with an average estimated lifetime of 10 years and a collective payback period for the project of 1.1 years. The project installed a SkySpark data analytics tool at a building at our Waterton site to be used to provide real-time commissioning to identify energy efficiency opportunities otherwise hidden within the building management system.

Row 8

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings

☑ Other, please specify :Steam

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

3780

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

433774

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

2807826

(7.55.2.7) Payback period

Select from:

☑ 4-10 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 16-20 years

(7.55.2.9) Comment

In 2023, Ten Steam projects were completed, with an average estimated lifetime of 20 years and a collective payback period for the project of 6.5 years. Multiple projects included work on phases of the Waterton site steam decentralization project and projects at Marietta to optimize steam system efficiency in advance of planned steam to hot water conversion projects, along with a steam insulation upgrade project at Owego
[Add row]

(7.55.3) What methods do you use to drive investment in emissions reduction activities?

Row 1

(7.55.3.1) Method

Select from:
☑ Dedicated budget for energy efficiency

(7.55.3.2) Comment

The Go Green gated capital program, managed by Lockheed Martin's corporate Environment, Safety, Health and Sustainability (ESHS) function, is a direct investment in emissions reduction activities. On an annual cycle, sites from across business areas submit potential energy and water efficiency projects to ESHS for review. Technically sound projects that meet certain financial thresholds are earmarked for Go Green gated capital and are added to the respective business area's overall capital plan.

Row 3

(7.55.3.1) Method

Select from:
☑ Compliance with regulatory requirements/standards

(7.55.3.2) Comment

Lockheed Martin is subject to the Federal Mandatory Greenhouse Gas (GHG) Reporting Rule, which requires our four largest facilities to report on their GHG emissions. Additionally, certain Lockheed Martin facilities are subject to state regulations, such as California's Global Warming Solutions Act of 2006 (AB32).

Additionally, Lockheed Martin's enterprise ESH management system is ISO 14001 and 45001 certified and includes policies, strategies, common systems, functional procedures, metrics, programs and performance goals for business areas/elements.

Row 4

(7.55.3.1) Method

Select from:

☑ Employee engagement

(7.55.3.2) Comment

We partner with the U.S. Department of Energy's Better Plants Program and the U.S. Environmental Protection Agency's ENERGY STAR Program and Green Power Partnership to take advantage of employee engagement and recognition opportunities, technical resources and expertise, and valuable peer networking opportunities offered through these partnerships, which help us achieve our energy and carbon reduction goals.
[Add row]

(7.73) Are you providing product level data for your organization's goods or services?

Select from:

☑ No, I am not providing data

(7.74) Do you classify any of your existing goods and/or services as low-carbon products?

Select from:

☑ No

(7.79) Has your organization canceled any project-based carbon credits within the reporting year?

Select from:

☑ No

C11. Environmental performance - Biodiversity

(11.2) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

(11.2.1) Actions taken in the reporting period to progress your biodiversity-related commitments

Select from:

☑ Yes, we are taking actions to progress our biodiversity-related commitments

(11.2.2) Type of action taken to progress biodiversity- related commitments

Select all that apply

☑ Land/water protection

☑ Land/water management

☑ Species management

[Fixed row]

(11.3) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?
	Select from: ☑ No

[Fixed row]

(11.4) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

Legally protected areas

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ Yes

UNESCO World Heritage sites

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ No

(11.4.2) Comment

Lockheed Martin does not have any activities located in or near this type of area important for biodiversity.

UNESCO Man and the Biosphere Reserves

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ No

(11.4.2) Comment

Lockheed Martin does not have any activities located in or near this type of area important for biodiversity.

Ramsar sites

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ No

(11.4.2) Comment

Lockheed Martin does not have any activities located in or near this type of area important for biodiversity.

Key Biodiversity Areas

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ No

(11.4.2) Comment

Lockheed Martin does not have any activities located in or near this type of area important for biodiversity.

Other areas important for biodiversity

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ Yes

(11.4.2) Comment

Lockheed Martin is committed to minimizing species and habitat impacts from our operations and construction projects by avoiding activities in wetland areas. Our site in Sunnyvale, CA, borders the lower part of the San Francisco Bay, including its wetlands and channels populated by threatened and endangered species. To

avoid areas of concern, we conducted a wetland delineation at the site to identify boundaries of existing wetlands. We also helped prevent impacts to surrounding wetlands by implementing a water capture and reuse process of our onsite vehicle-washing station that prevents discharge of wastewater into adjacent wetlands. Lockheed Martin is helping to advance equitable climate adaptation strategies through a three-year partnership with The Nature Conservancy (TNC). Our 2 million commitment to the alliance, which began in 2021, supports a project to protect 4,000 acres of coastal marshland along Maryland's Eastern Shore through nature-based solutions. Our funding also supports engagement with communities by fostering relationships to shape climate resilience planning and ensures that TNC's work is integrating communities' perspectives and supporting local resilience goals. The funding further enables engagement with policymakers to advance equitable climate adaption, which includes investigating the feasibility of establishing blue carbon and/or resilience credit markets in partnership with the Maryland Department of Natural Resources. The coastal preservation project is part of the U.S. Department of Defense's (DOD) Readiness and Environmental Protection Integration Challenge, which aims to strengthen the resiliency of the DOD's vital U.S. infrastructure. At our Santa Cruz, CA site, we partner with outside organizations to help protect biodiversity in the Scotts Creek Watershed. The watershed supports threatened and endangered species, including California red-legged frogs, the California newt, coho salmon and steelhead trout. Working with the Scotts Creek Watershed Council and California Polytechnic State University's (CalPoly's) Swanton Pacific Ranch complex, grant funding received from federal and California fish and wildlife agencies enabled streambed sediment studies. Inventories were compiled and mitigation strategies implemented to reduce sedimentation in the watershed caused by erosion and fire damage.
[Fixed row]

(11.4.1) Provide details of your organization's activities in the reporting year located in or near to areas important for biodiversity.

Row 1

(11.4.1.2) Types of area important for biodiversity

Select all that apply
☑ Other areas important for biodiversity

(11.4.1.4) Country/area

Select from:
☑ United States of America

(11.4.1.5) Name of the area important for biodiversity

Wetland Protection

(11.4.1.6) Proximity

Select from:

☑ Data not available

(11.4.1.8) Briefly describe your organization’s activities in the reporting year located in or near to the selected area

Impacts from operations and construction projects.

(11.4.1.9) Indicate whether any of your organization’s activities located in or near to the selected area could negatively affect biodiversity

Select from:

☑ Yes, but mitigation measures have been implemented

(11.4.1.10) Mitigation measures implemented within the selected area

Select all that apply

☑ Physical controls

☑ Restoration

(11.4.1.11) Explain how your organization’s activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

Lockheed Martin operates many facilities California that could negatively impact the ecosystem through water usage and emissions and is committed to minimizing species and habitat impacts from our operations and construction projects by avoiding activities in wetland areas. Our site in Sunnyvale, CA, borders the lower part of the San Francisco Bay, including its wetlands and channels populated by threatened and endangered species. To avoid areas of concern, we conducted a wetland delineation at the site to identify boundaries of existing wetlands. We also helped prevent impacts to surrounding wetlands by implementing a water capture and reuse process of our onsite vehicle-washing station that prevents discharge of wastewater into adjacent wetlands.

Row 2

(11.4.1.2) Types of area important for biodiversity

Select all that apply

☑ Other areas important for biodiversity

(11.4.1.4) Country/area

Select from:

☑ United States of America

(11.4.1.5) Name of the area important for biodiversity

Wetland Protection and Chesapeake Bay Watershed

(11.4.1.6) Proximity

Select from:

☑ Data not available

(11.4.1.8) Briefly describe your organization's activities in the reporting year located in or near to the selected area

Lockheed Martin committed 2 million to a three-year partnership with The Nature Conservancy to support coastal resilience

(11.4.1.9) Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity

Select from:

☑ No

(11.4.1.11) Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

Lockheed Martin operates several facilities in the Chesapeake Bay Watershed that could negatively impact the ecosystem through water usage and emissions. One way Lockheed Martin is making a positive impact on the watershed is by helping to advance equitable climate adaptation strategies through a three-year partnership with The Nature Conservancy (TNC). Our 2 million commitment to the alliance, which began in 2021, supports a project to protect 4,000 acres of coastal marshland along Maryland's Eastern Shore through nature-based solutions. Our funding also supports engagement with communities by fostering relationships to shape climate resilience planning and ensures that TNC's work is integrating communities' perspectives and supporting local resilience goals. The funding further enables engagement with policymakers to advance equitable climate adaption, which includes investigating the feasibility of establishing blue carbon and/or resilience credit markets in partnership with the Maryland Department of Natural Resources. The coastal preservation project is part of the U.S. Department of Defense's (DOD) Readiness and Environmental Protection Integration Challenge, which aims to strengthen the resiliency of the DOD's vital U.S. infrastructure. Another way we are

supporting the watershed is via annul contributions to the Chesapeake Bay Foundation for bay restoration efforts, such as education and bay restoration (including oyster reef repopulation). Our last contribution of 10,000 was made in 2022. Lockheed Martin contributed 10,000.00 to the Chesapeake Bay Foundation for bay restoration efforts, such as education and bay restoration (including oyster reef repopulation). Lockheed Martin contributed 10,000.00 to the Chesapeake Bay Foundation for bay restoration efforts, such as education and bay restoration (including oyster reef repopulation).

Row 4

(11.4.1.2) Types of area important for biodiversity

Select all that apply

☑ Other areas important for biodiversity

(11.4.1.4) Country/area

Select from:

☑ United States of America

(11.4.1.5) Name of the area important for biodiversity

Scotts Creek Watershed

(11.4.1.6) Proximity

Select from:

☑ Data not available

(11.4.1.8) Briefly describe your organization's activities in the reporting year located in or near to the selected area

Lockheed Martin partnered with outside organizations to help protect biodiversity in Scotts Creek Watershed.

(11.4.1.9) Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity

Select from:

☑ Yes, but mitigation measures have been implemented

(11.4.1.10) Mitigation measures implemented within the selected area

Select all that apply

☑ Physical controls

☑ Restoration

(11.4.1.11) Explain how your organization’s activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

Lockheed Martin operates several facilities California that could negatively impact the ecosystem through water usage and emissions. At our Santa Cruz, CA, site, we partner with outside organizations to help protect biodiversity in the Scotts Creek Watershed. The watershed supports threatened and endangered species, including California red-legged frogs, the California newt, coho salmon and steelhead trout. Working with the Scotts Creek Watershed Council and California Polytechnic State University's (CalPoly's) Swanton Pacific Ranch complex, grant funding received from federal and California fish and wildlife agencies enabled streambed sediment studies. Inventories were compiled and mitigation strategies implemented to reduce sedimentation in the watershed caused by erosion and fire damage.
[Add row]

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

	Other environmental information included in your CDP response is verified and/or assured by a third party
	Select from: ☑ Yes

[Fixed row]

(13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

Row 1

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Climate change

☑ Waste data

☑ Base year emissions

☑ Progress against targets

☑ Renewable Electricity/Steam/Heat/Cooling generation

☑ Renewable Electricity/Steam/Heat/Cooling consumption

☑ Year on year change in absolute emissions (Scope 1 and 2)

☑ Emissions breakdown by country/area
☑ Emissions reduction initiatives/activities
☑ Year on year change in emissions intensity (Scope 1 and 2)

(13.1.1.3) Verification/assurance standard

General standards
☑ AA1000AS
☑ ISAE 3000

(13.1.1.4) Further details of the third-party verification/assurance process

Our total energy consumption reported and our total renewable energy reported in C8.2 are verified to the AA1000AS standard as they are components of the reported progress on our renewable energy goal. Our progress towards our emissions reduction goals and our renewable energy target are verified to the AA1000AS standard to ensure strong and continuous performance and progress checks against these key goals. Our sustainability governance structure described in C1.1a through C1.2a is reported on our sustainability website and was part of our assurance process according to the AA1000AS standard through our third-party verifier review of our 2023 annual sustainability report. Our annual progress towards our intensity-based emissions reduction goal is verified to the AA1000AS standard to ensure strong and continuous performance and progress checks against these key goals. The majority of the emissions reductions initiatives reported on in question C4.3 are verified to the AA1000AS standard through our third-party verifier review of our annual sustainability report as these initiatives are included in the report. Sustainability risks are integrated into Lockheed Martin's multi-disciplinary company-wide risk management procedures which also includes climate-related risks. In 2022, the company transitioned oversight of our sustainability initiatives from the Sustainability Leadership Council to our established Risk and Compliance Committee, further linking the management of enterprise risk and sustainability. Sustainability risk governance and management was part of the assurance of the 2023 sustainability performance report according to the AA1000AS standards. Our Sustainability Management Plan 2025 including the priority "advancing resource stewardship" were part of the assurance of the 2023 sustainability performance report according to the AA1000AS standard.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

2023-assurance-statement_lmco.pdf

Row 2

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply
☑ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Introduction

☑ Other data point in module 1, please specify :1.4, 1.5, 1.7

(13.1.1.3) Verification/assurance standard

General standards

☑ AA1000AS

☑ ISAE 3000

(13.1.1.4) Further details of the third-party verification/assurance process

Our total energy consumption reported and our total renewable energy reported in C8.2 are verified to the AA1000AS standard as they are components of the reported progress on our renewable energy goal. Our progress towards our emissions reduction goals and our renewable energy target are verified to the AA1000AS standard to ensure strong and continuous performance and progress checks against these key goals. Our sustainability governance structure described in C1.1a through C1.2a is reported on our sustainability website and was part of our assurance process according to the AA1000AS standard through our third-party verifier review of our 2022 annual sustainability report. Our annual progress towards our intensity-based emissions reduction goal is verified to the AA1000AS standard to ensure strong and continuous performance and progress checks against these key goals. The majority of the emissions reductions initiatives reported on in question C4.3 are verified to the AA1000AS standard through our third-party verifier review of our annual sustainability report as these initiatives are included in the report. Sustainability risks are integrated into Lockheed Martin's multi-disciplinary company-wide risk management procedures which also includes climate-related risks. In 2022, the company transitioned oversight of its sustainability initiatives from the Sustainability Leadership Council to its established Risk and Compliance Committee, further linking the management of enterprise risk and sustainability. Sustainability risk governance and management was part of the assurance of the 2022 sustainability performance report according to the AA1000AS standards. Our Sustainability Management Plan 2025 incl. the priority "advancing resource stewardship" were part of the assurance of the 2022 sustainability performance report according to the AA1000AS standard.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

Lockheed Martin 2023 Assurance Statement.pdf

Row 3

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Identification, assessment, and management of dependencies, impacts, risks, and opportunities

☑ Other data point in module 2, please specify :2.1, 2.2, 2.2.1

(13.1.1.3) Verification/assurance standard

General standards

☑ AA1000AS

☑ ISAE 3000

(13.1.1.4) Further details of the third-party verification/assurance process

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(13.1.1.5) Attach verification/assurance evidence/report (optional)

Lockheed Martin 2023 Assurance Statement.pdf

Row 4

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Governance

☑ All data points in module 4

(13.1.1.3) Verification/assurance standard

General standards

☑ AA1000AS

☑ ISAE 3000

(13.1.1.4) Further details of the third-party verification/assurance process

Our total energy consumption reported and our total renewable energy reported in C8.2 are verified to the AA1000AS standard as they are components of the reported progress on our renewable energy goal. Our progress towards our emissions reduction goals and our renewable energy target are verified to the AA1000AS standard to ensure strong and continuous performance and progress checks against these key goals. Our sustainability governance structure described in C1.1a through C1.2a is reported on our sustainability website and was part of our assurance process according to the AA1000AS standard through our third-party verifier review of our 2022 annual sustainability report. Our annual progress towards our intensity-based emissions reduction goal is verified to the AA1000AS standard to ensure strong and continuous performance and progress checks against these key goals. The majority of the emissions reductions initiatives reported on in question C4.3 are verified to the AA1000AS standard through our third-party verifier review of our annual sustainability report as these initiatives are included in the report. Sustainability risks are integrated into Lockheed Martin's multi-disciplinary company-wide risk management procedures which also includes climate-related risks. In 2022, the company transitioned oversight of its sustainability initiatives from the Sustainability Leadership Council to its established Risk and Compliance Committee, further linking the management of enterprise risk and sustainability. Sustainability risk governance and management was part of the assurance of the 2022 sustainability performance report according to the AA1000AS standards. Our Sustainability Management Plan 2025 incl. the priority "advancing resource stewardship" were part of the assurance of the 2022 sustainability performance report according to the AA1000AS standard.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

Lockheed Martin 2023 Assurance Statement.pdf

Row 5

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Consolidation approach

☑ All data points in module 6

(13.1.1.3) Verification/assurance standard

General standards

☑ AA1000AS

☑ ISAE 3000

(13.1.1.4) Further details of the third-party verification/assurance process

Our total energy consumption reported and our total renewable energy reported in C8.2 are verified to the AA1000AS standard as they are components of the reported progress on our renewable energy goal. Our progress towards our emissions reduction goals and our renewable energy target are verified to the AA1000AS standard to ensure strong and continuous performance and progress checks against these key goals. Our sustainability governance structure described in C1.1a through C1.2a is reported on our sustainability website and was part of our assurance process according to the AA1000AS standard through our third-party verifier review of our 2022 annual sustainability report. Our annual progress towards our intensity-based emissions reduction goal is verified to the AA1000AS standard to ensure strong and continuous performance and progress checks against these key goals. The majority of the emissions reductions initiatives reported on in question C4.3 are verified to the AA1000AS standard through our third-party verifier review of our annual sustainability report as these initiatives are included in the report. Sustainability risks are integrated into Lockheed Martin's multi-disciplinary company-wide risk management procedures which also includes climate-related risks. In 2022, the company transitioned oversight of its sustainability initiatives from the Sustainability Leadership Council to its established Risk and Compliance Committee, further linking the management of enterprise risk and sustainability. Sustainability risk governance and management was part of the assurance of the 2022 sustainability performance report according to the AA1000AS standards. Our Sustainability Management Plan 2025 incl. the priority "advancing resource stewardship" were part of the assurance of the 2022 sustainability performance report according to the AA1000AS standard.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

Lockheed Martin 2023 Assurance Statement.pdf
[Add row]

(13.2) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

(13.2.1) Additional information

Please see our 2023 Sustainability Performance Report, Disclosure Hub https://sustainability.lockheedmartin.com/sustainability/disclosure-hub/ and Sustainability Website https://sustainability.lockheedmartin.com/sustainability/index.html for any additional information

(13.2.2) Attachment (optional)

Lockheed_Martin_2023_Sustainability_Performance_Report.pdf
[Fixed row]

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

Chairman, President and CEO

(13.3.2) Corresponding job category

Select from:
☑ Chief Executive Officer (CEO)
[Fixed row]