

2023

UK Gender Pay Gap
Report

LOCKHEED MARTIN 

FOREWORD BY PAUL LIVINGSTON, CHIEF EXECUTIVE, LOCKHEED MARTIN UK

At Lockheed Martin, **our Vision for Diversity and Inclusion is to be a world-class organisation that leverages the diverse talents and perspectives of all our people** to power innovative solutions for our customers, and drive business success.

Aligned with Lockheed Martin's Core Values of **Do What's Right, Respect Others and Perform with Excellence**, our UK and Global Diversity and Inclusion strategies continue to demonstrate the business case for inclusion and gender equality. We remain committed to providing an environment where everyone can reach their full potential.

Part of our work towards achieving gender equality is tackling the gender pay gap, which is the subject of this report.

I am proud to report that our overall Gender Pay Gap has closed by 12.1% since 2017, dropping to 8.3% in 2023.

While the consistent reduction of this gap is to be commended, there is further progress to be made. This progression remains at the forefront of our planning, our female demographic continues to grow through recruitment. In 2023, 24% of all new employees at Lockheed Martin UK identified as female, and we are providing starting salaries higher than ever before. As a result, we have seen a reduction in the mean pay gap.

Furthermore, positive progression of female employees through the quartiles has also led to a reduction in the median pay gap across our businesses. We are confident that continued progress of female employees through the quartiles will also address the disappointing increase we saw in the bonus gap at our Ampthill business which affect overall figures for this metric. Overall though, we are making strong progress.

Later in the report we will share with you first-hand experience from our employees, which provides evidence of the benefits our employees have gleaned from the positive policies, processes and endeavours Lockheed Martin has undertaken during its journey to becoming an employer of choice.

In addition to pay and bonus, we work tirelessly to foster constantly improving gender balance and inclusion at Lockheed Martin. By investing in our Inclusive Training Portfolio, which focuses on leading diverse teams, the neuroscience of inclusion, and other pertinent topics for effective leadership we ensure that all employees are aware of and knowledgeable about best practices for creating inclusion, including gender balance in opportunities, career development and pay.

We deliberately seek continued opportunities to reinforce gender equality across our enterprise, with our Employee Resource Groups working directly alongside our executive leadership team in each effort, further shaping our policies & culture.

The Women's Impact Network (WIN) supports the creation of a culture where women want to remain and thrive in their careers, celebrating several significant days of international importance such as Women in

Engineering Day, World Menopause Day as well as continuing Lockheed Martin's Support to the Women in Defence Awards, where in 2023 we sponsored the Inspirational Women of the Year Award.

We are also proud of our Annual Women's Impact Network (WIN) Leadership Forum that offers networking opportunities and engagement with senior leaders.

Our investment in STEM activities in our communities also helps us to focus on our future female pipeline and talent for tomorrow.

We have also championed many different voices in our business through the introduction of a new series of short inspirational videos, featuring different female employee perspectives on how to overcome barriers and be your best self. We also continue to build our team's knowledge about menopause, career-breaks, and the neuroscience of inclusion.

With initiatives like these, we encourage our colleagues to build authentic narratives about why inclusion is important, both personally and professionally, in the workplace and in their communities.

These are just a few examples of the nearly one-hundred points of engagement that our Employee Resource Groups provided in 2023. That figure grows exponentially when factored across the full breadth of the Lockheed Martin enterprise.

We believe that all employees should have a safe and inclusive work environment – one in which everyone is treated fairly, with the highest standards of professionalism, ethical conduct, and full compliance with the law. It is the collective voices of our workforce which allow us to continue innovating a vision for a better tomorrow.

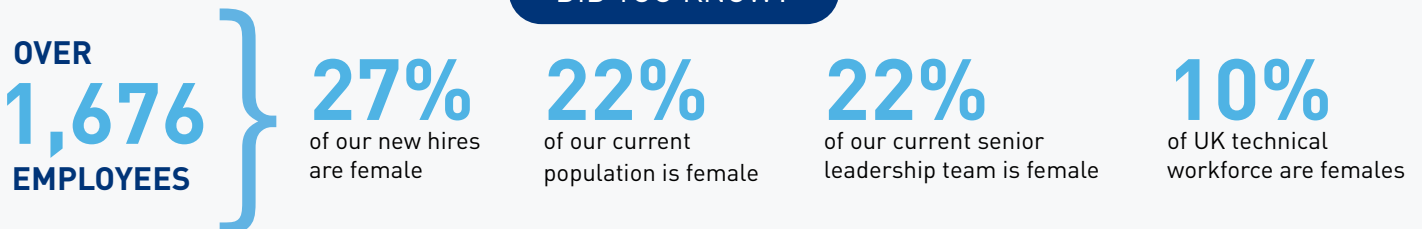
I hope you enjoy reading this report.



Paul Livingston
Chief Executive, Lockheed Martin UK

I can confirm that all the data contained in this report is accurate and calculated in accordance with the snapshot date of the 5th April 2023

DID YOU KNOW?*



*As of 5th April 2023

IN NUMBERS ...

LOCKHEED MARTIN UK LTD

Hourly Pay Gap



Mean: 8.3%
Median: 14.2%

Bonus Gap



Mean: -42.3%
Median: 18.5%

Proportions of Men and Women Receiving a Bonus



Women

88.7%

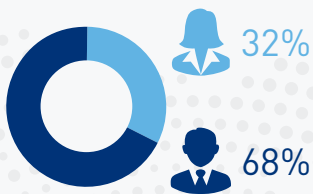


Men

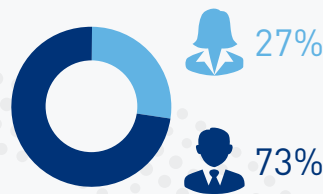
91.3%

Proportions of Men and Women by Quartiles

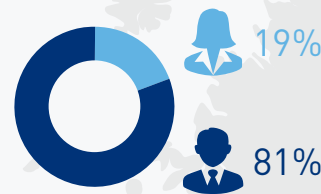
Lower



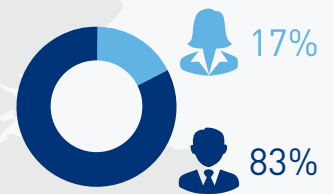
Lower Middle



Upper Middle



Top



LOCKHEED MARTIN AMPHILL LTD

Hourly Pay Gap



Mean: 7.9%
Median: 6.9%

Bonus Gap



Mean: 46.6%
Median: - 0.1%

% of Men and Women receiving bonus:



Women

88.5%

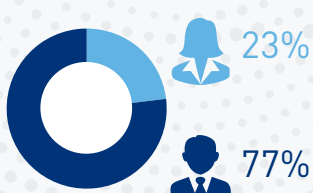


Men

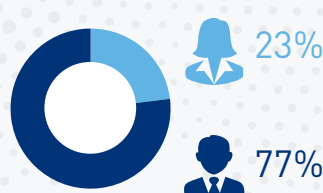
91.1%

Proportions of Men and Women by Quartiles

Lower



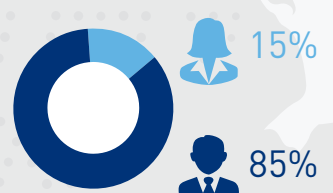
Lower Middle



Upper Middle



Top



MEET THE TEAM...



LAURA AKDENIZ, Human Resource Business Partner

“ The world of work is changing constantly, flexibility of where and when we work is now a competitive advantage, essential to attracting and retaining the right talent. Lockheed Martin introduced their LM Forward initiative, a multifaceted effort to provide long term solutions for work environments, working schedules, facilities modifications, new employee benefits and leader resources to improve team collaboration. This included new ways of determining the best physical work setting and introducing the four-day working week schedule (4xFlex), allowing the spread of work hours over 4 days rather than 5.

As a mum to three younger children, 4xFlex allows me to choose when, where, and how I work, in a way that suits both my personal and professional needs.

I believe that flexible working is key to closing the gender pay gap and creating a more equitable and productive workplace. Crucially, our managers and leaders are encouraged to be role models flexible working and to challenge any negative stereotypes or biases that may exist. I am confident that by continuing to embrace flexible working, we can foster a culture of trust, collaboration, and innovation, and achieve our vision of being a leading employer in the defence industry. ”



GARY ALLEN, Contracts Manager

“ I have worked for Lockheed Martin my whole career, starting as a Procurement Intern as part of my university degree in 2006. Since 2020, I have been managing the Procurement Team. I am fortunate to have joined a business which has a forward-thinking and inclusive mindset, creating a safe environment to grow and develop, allowing a job to become a career. The business do a great job of growing awareness and understanding through webcasts, meetings and training sessions for many diverse subjects. This has supported my role as a manager of a team predominately made up of women, as it is important to understand key topics such as the menopause and how we as managers can be supportive. This investment in people is, in no small part, why Lockheed Martin will continue to be the hugely successful company we see today. ”



JULIE BEVAN, Communication Manager

“ I joined Lockheed Martin in December 2006 which seems a lifetime ago. Since joining the business, I have had the opportunity to grow both personally and professionally. My role is broad ranging and includes responsibility for all Internal and External Communications, Education Outreach, and community engagement. The role is extremely rewarding as I get the opportunity to work across all levels within the business, and with external customers, suppliers, and community stakeholders. I support our Diversity and Inclusion Employee Resource Groups with communications which has provided me additional learning opportunities and experiences enhancing my knowledge in areas I might not have been exposed to before. Lockheed Martin has a good approach to flexible working, including family friendly policies, which allow a great work/life balance. I’m proud to work for an organisation that put people first enabling them to grow and develop skills throughout their career. ”



**SARAH-JANE METCALFE CORPORATE ENVIRONMENT,
Safety and Health Manager (ESH)**

“ I have been working with Lockheed Martin since 2017, where I am responsible for delivering a safer and greener working environment. Since joining, I have always felt supported in my role and have been given the ability to be creative and forward thinking.

As someone living with a medical condition, Lockheed Martin have been extremely supportive and very flexible. the 4Flex remote working programme has helped improve my physical well-being and the company continues to support me through my journey. The My Voice platform, where people can share their work or personal experiences, has been a game changer and I have been able to connect with people who have offered support and are a great sounding board. I consider Lockheed Martin my extended family and I enjoy working with such inspirational people. ”