C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Lockheed Martin is a U.S. publicly-traded 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 2021, we employed approximately 114,000 people worldwide and generated net sales of $67.0 billion. We own or lease building space at approximately 362 locations primarily in the U.S. and manage or occupy approximately 10 government-owned facilities under lease and other arrangements.

- **Aeronautics** $26.7 billion in 2021 sales, 40% 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** $11.7 billion in 2021 sales, 17% of our total consolidated net sales: Provides air and missile defense systems; precision engagement aerospace and defense 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** $16.8 billion in 2021 sales, 25% 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** $11.8 billion in 2021 sales, 18% 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.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

<table>
<thead>
<tr>
<th>Reporting year</th>
<th>Start date</th>
<th>End date</th>
<th>Indicate if you are providing emissions data for past reporting years</th>
<th>Select the number of past reporting years you will be providing emissions data for</th>
</tr>
</thead>
<tbody>
<tr>
<td>November 1, 2020 to October 31, 2021</td>
<td>No</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

C0.3

(C0.3) Select the countries/areas in which you operate.

- Australia
- Canada
- Mexico
- Poland
- United Kingdom of Great Britain and Northern Ireland
- United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

- Operational control

C-TO0.7/C-TS0.7

(C-TO0.7/C-TS0.7) For which transport modes will you be providing data?

- Aviation
(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

<table>
<thead>
<tr>
<th>Indicate whether you are able to provide a unique identifier for your organization</th>
<th>Provide your unique identifier</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, a Ticker symbol</td>
<td>LMT</td>
</tr>
</tbody>
</table>

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

<table>
<thead>
<tr>
<th>Position of individual(s)</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Executive Officer (CEO)</td>
<td>Both the CEO and the Nominating and Corporate Governance Committee of the Board of Directors have responsibility for climate-related issues for Lockheed Martin. In 2021, the CEO reviewed and approved the release of the annual sustainability report which includes reporting on Lockheed Martin’s Sustainability Management Plan (SMP), a set of climate-related goals for carbon emissions, carbon removal technology, and renewable energy.</td>
</tr>
<tr>
<td>Board-level committee</td>
<td>Both the CEO and the Nominating and Corporate Governance Committee (Governance Committee) of the Board of Directors have responsibility for climate-related issues for Lockheed Martin. In 2021, members of the Nominating and Corporate Governance Committee reviewed company performance against the sustainability management plan and the sustainability report.</td>
</tr>
</tbody>
</table>

C1.1b

(C1.1b) Provide further details on the board’s oversight of climate-related issues.

<table>
<thead>
<tr>
<th>Frequency with which climate-related issues are a scheduled agenda item</th>
<th>Governance mechanisms into which climate-related issues are integrated</th>
<th>Scope of board-level oversight</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scheduled – some meetings</td>
<td>Reviewing and guiding strategy Monitoring and overseeing progress against goals and targets for addressing climate-related issues</td>
<td>&lt;Not Applicable&gt;</td>
<td>As described above, the Nominating and Corporate Governance Committee (Governance Committee) of the Board of Directors has responsibility for climate-related issues for Lockheed Martin. The Governance Committee oversees Lockheed Martin’s policies and procedures with respect to sustainability, including corporate responsibility, human rights, employee safety and health, environmental stewardship, ethical business practices, community outreach, philanthropy, and diversity, inclusion and equal opportunity—all inextricably linked to our sustainability commitments. At least twice per year, the members of the Governance Committee review company performance against the SMP including goals and strategy related to climate. Annually, the Governance Committee reviews the annual sustainability report.</td>
</tr>
</tbody>
</table>

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

<table>
<thead>
<tr>
<th>Board member(s) have competence on climate-related issues</th>
<th>Criteria used to assess competence of board member(s) on climate-related issues</th>
<th>Primary reason for no board-level competence on climate-related issues</th>
<th>Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>Skills, knowledge, business experience or expertise in environmental, safety and sustainability</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

C1.2
(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

<table>
<thead>
<tr>
<th>Name of the position(s) and/or committee(s)</th>
<th>Reporting line</th>
<th>Responsibility</th>
<th>Coverage of responsibility</th>
<th>Frequency of reporting to the board on climate-related issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Sustainability Officer (CSO)</td>
<td>&lt;Not Applicable&gt;</td>
<td>Both assessing and managing climate-related risks and opportunities</td>
<td>&lt;Not Applicable&gt;</td>
<td>Half-yearly</td>
</tr>
</tbody>
</table>

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

Our corporate sustainability policy establishes a standard approach to integrating sustainability across Lockheed Martin. We develop a Sustainability Management Plan (SMP) to set goals and drive progress in our priority sustainability areas. Our current 2025 SMP includes a set of climate-related goals for carbon emissions, carbon removal technology, and renewable energy. The Lockheed Martin sustainability governance structure comprises the Nominating and Corporate Governance Committee (Governance Committee) of the Board of Directors, the Executive Leadership Team (ELT), the Sustainability Leadership Council (SLC) and the Sustainability Management Team (SMT). All sustainability programs fall under the purview of the Senior Vice President (SVP). Ethics and Enterprise Assurance, who serves as Lockheed Martin’s Chief Sustainability Officer and reports directly to the Chairman, President & Chief Executive Officer (CEO) and provides updates to the Governance Committee.

- **Governance Committee:** This committee oversees Lockheed Martin’s policies and procedures with respect to sustainability, including corporate responsibility, human rights, employee safety and health, environmental stewardship, ethical business practices, community outreach, philanthropy, and diversity, inclusion and equal opportunity—all inextricably linked to our sustainability commitments. At least twice per year, the Governance Committee reviews company performance against the SMP including goals and strategy related to climate. Annually, the Governance Committee reviews the sustainability report.
- **Executive Leadership Team:** This team oversees the sustainability program, supporting the Lockheed Martin strategic plan by enabling personnel in business areas and functions to pursue and implement opportunities and practices that support the corporate sustainability policy. The Executive Leadership Team reviews sustainability management plan performance twice per year and appoints the members of the Sustainability Leadership Council.
- **Sustainability Leadership Council:** This council guides sustainability efforts and provides input for SMP execution. The council is chaired by the SVP. Ethics and Enterprise Assurance and consists of functional leaders with direct reporting relationships to the Executive Leadership Team. It convenes twice per year to review Lockheed Martin’s sustainability progress. The Sustainability Leadership Council also provides guidance during the core issues assessment and goal setting process.
- **Sustainability Management Team:** This team convenes quarterly to review SMP progress, review opportunities for program enhancement and share internal and external insights and best practices. This team also serves to identify recommendations and risks related to the implementation of SMP goals, for review and adoption by the Sustainability Leadership Council. It is chaired by the Senior Manager, Corporate Sustainability Office.

We also manage climate-related issues at the operational level through the Environment, Safety and Health (ESH) Leadership Council. Our Go Green program, including related goals for energy use and carbon, emissions is one of the ESH Leadership Council’s seven strategic objectives. The council, which is chaired by the Vice President of Corporate ESH, includes representatives from all business areas and all major corporate functions and meets quarterly to report on Go Green metrics and progress.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

<table>
<thead>
<tr>
<th>Provide incentives for the management of climate-related issues</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1: No, not currently but we plan to introduce them in the next two years</td>
<td>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 variable compensation based on performance commitments. These commitments are measured on an annual basis. In 2021, these criteria did not include climate-related issues. In 2022, these criteria include performance towards the goal of stewarding our climate responsibly, which includes GHG emissions and energy reductions. See our 2022 Proxy Statement for details.</td>
</tr>
</tbody>
</table>

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes
(C2.1a) How does your organization define short-, medium- and long-term time horizons?

<table>
<thead>
<tr>
<th>Time Horizon</th>
<th>From (years)</th>
<th>To (years)</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term</td>
<td>1</td>
<td>3</td>
<td>The short-term time horizon is associated with the long-range plan (LRP) for achieving certain sales and orders milestones over a three to four 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.</td>
</tr>
<tr>
<td>Medium-term</td>
<td>3</td>
<td>10</td>
<td>The medium-term time horizon is associated with the duration measured by metrics and goals within the Sustainability Management Plan (SMP). The SMP tracks our sustainability performance ranging from 2 years to 10 years at inception. This time horizon represents how Lockheed Martin assesses medium-term climate risks and opportunities.</td>
</tr>
<tr>
<td>Long-term</td>
<td>10</td>
<td></td>
<td>The long-term time horizon is associated with climate risks and opportunities that extend beyond the short and medium term. At Lockheed Martin there is no defined upper boundary because climate change has no such boundary.</td>
</tr>
</tbody>
</table>

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

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.

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

- **Value chain stage(s) covered**
  - Direct operations
  - Upstream
  - Downstream

- **Risk management process**
  - Integrated into multi-disciplinary company-wide risk management process

- **Frequency of assessment**
  - More than once a year

- **Time horizon(s) covered**
  - Short-term
  - Medium-term
  - Long-term

**Description of process**

Our enterprise risk assessment process includes a 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 Corporate Sustainability Office 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 carbon emissions per dollar of gross profit by 70% from a 2015 baseline by 2030. 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. Our Crisis Management program establishes a strategic framework that directs prompt mobilization of responsibilities and operational practices to protect employees and Lockheed Martin assets prior to, during, and after an emergency. As an example, the 2021 Winter Storm Uri required us to pause production at our facilities in Fort Worth, TX to protect staff and facilities as a result of the extreme cold and impacts to the electric grid. Future events of similar nature will be better mitigated based on the inclusion of actual response activities in preparation of business continuity plans at this facility, and available for use across our entire network of Lockheed Martin facilities. Additionally, Lockheed Martin’s ESH Management System (ESHMS), administered by Lockheed Martin’s Corporate Environment, Safety and Health (ESH) function, is ISO 14001 and ISO 45001 certified and provides a systematic framework to evaluate and respond to company-wide operational risks and opportunities. First, sites identify regulatory and programmatic requirements that are relevant to their specific operations and then they rank them (high, medium, low) by the potential for risk of non-compliance/adherence. Periodic self-assessments (bi-annual for high risk items and four years for all others) are used to monitor the status of the risk, and root cause identification and corrective actions mechanisms are put in place if non-compliance is identified. On top of this, our Internal Audit function periodically audits our sites and programs for conformance to our ESH-related internal standards and for compliance with legal regulations. These audits provide a check and balance approach to risk mitigation enterprise-wide. Examples of regulatory climate-related risks and opportunities that are evaluated via ESHMS include air emissions, ozone depleting substances, onsite combustion, and the U.S. GHG Mandatory Reporting Rule, for which our largest four facilities are required to report. Examples of programmatic climate-related risks and opportunities that are tracked are adherence to Go Green goals for energy use and carbon emissions. We have been managing these Go Green goals for more than a decade by facilitating a cross-functional team of engineering, facility, operations and procurement experts to identify efficiency projects across the company.

<table>
<thead>
<tr>
<th>Value chain stage(s) covered</th>
<th>Direct operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk management process</td>
<td>A specific climate-related risk management process</td>
</tr>
<tr>
<td>Frequency of assessment</td>
<td>More than once a year</td>
</tr>
<tr>
<td>Time horizon(s) covered</td>
<td>Short-term, Medium-term, Long-term</td>
</tr>
</tbody>
</table>

**Description 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 Corporate Sustainability Office 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 Corporate Sustainability Office 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 2°C 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 2°C by 2100, aligning with Representative Concentration Pathway (RCP) 2.6, and the other scenario's global temperature rise exceeds 2°C 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. At Lockheed Martin, climate strategy will be impacted by a variety of variables, including mean global temperature. The SSP data were chosen for our climate scenario analysis based on the robust nature of variables modelled and the integration of multiple RCP aligned sub-strategies. SSP1 is a pathway best aligned to achieve limited warming of 1.5°C to 2°C and incorporates strong policy applications such as carbon pricing. SSP5 offers an approach best aligned with RCP 8.5 and a "no new policy" approach. These scenarios are fundamental to how Lockheed Martin is planning for physical and transitional risks related to climate change. 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 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. We assess the potential impact of a carbon tax policy (transitional risk) by calculating the relative increase in our total cost of energy procurement by location at varying carbon tax rates. The magnitude of impact of a carbon tax is relative to other climate risks based on how much a potential carbon tax would exceed our internal threshold. The threshold for this risk is not publicly available but 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 improvements. Chronic physical risk, such as sea level rise, is evaluated at a regional level based on proximity to each of our US-based sites. Those locations that show a high level of risk by type are evaluated directly as part of climate-related business continuity/emergency management drills at an appropriate level of business. In 2020, our Enterprise Operations business conducted the first of these drills based on data and analysis provided by the Corporate Sustainability Office and in 2021 a refresher was provided to the Business Resiliency community at Lockheed Martin. From 2021 on, Lockheed Martin is continuing to assess climate-related risks and opportunities with the primary goal of quantifying the impact of such risks and opportunities.
Which risk types are considered in your organization’s climate-related risk assessments?

<table>
<thead>
<tr>
<th>Relevance inclusion</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current regulation</td>
<td>Relevant, always included</td>
</tr>
<tr>
<td></td>
<td>This risk type is considered relevant because Lockhead Martin’s climate-related risk assessment because climate-related legislative obligation could lead to an increase of operational costs. At Lockhead Martin, the geographic distribution of our facilities is on a global scale and therefore we prepare for and assess the potential impact of climate regulations across our operations. Therefore, current regulation is included in our risk identification, assessment, and management processes. The types of impact associated to this risk type in Lockhead Martin’s climate-related risk assessment are impacts resulting from failure to comply with requirements of external and internal laws/regulations and financial impacts related to compliance and reporting. For example, the likelihood of national GHG emission taxes in the United States is considered high and will only increase over time. If enacted regulations could impact operating costs. Therefore, in risk assessments Lockhead Martin considers impacts to operations from potential future emission taxes. To address this risk, we continue to expand our low carbon energy portfolio in the United States to mitigate the potential impact of a future national emissions tax.</td>
</tr>
<tr>
<td>Emerging regulation</td>
<td>Relevant, always included</td>
</tr>
<tr>
<td></td>
<td>This risk is considered relevant because climate-related legislation obligation could lead to an increase of operational costs. In 2021, the majority of Lockhead Martin’s facilities are located within the United States where the likelihood of this risk is considered high. Therefore, this risk is always considered in our risk identification, assessment, and management processes. The types of impact associated to this risk type in Lockhead Martin’s climate-related risk assessment are impacts resulting from failure to comply with requirements of external and internal laws/regulations and financial impacts related to compliance and reporting. For example, the likelihood of national GHG emission taxes in the United States is considered high and will only increase over time. If enacted regulations could impact operating costs. Therefore, in risk assessments Lockhead Martin considers impacts to operations from potential future emission taxes. To address this risk, we continue to expand our low carbon energy portfolio in the United States to mitigate the potential impact of a future national emissions tax.</td>
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<td>Technology</td>
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<td></td>
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<tr>
<td>Legal</td>
<td>Relevant, always included</td>
</tr>
<tr>
<td></td>
<td>This risk is considered relevant because climate-related legislation obligation could lead to an increase of operational costs. In 2021, the majority of Lockhead Martin’s facilities are located within the United States where the likelihood of this risk is considered high. Therefore, this risk is always considered in our risk identification, assessment, and management processes. The types of impact associated to this risk type in Lockhead Martin’s climate-related risk assessment are impacts resulting from failure to comply with requirements of external and internal laws/regulations and financial impacts related to compliance and reporting. For example, the likelihood of national GHG emission taxes in the United States is considered high and will only increase over time. If enacted regulations could impact operating costs. Therefore, in risk assessments Lockhead Martin considers impacts to operations from potential future emission taxes. To address this risk, we continue to expand our low carbon energy portfolio in the United States to mitigate the potential impact of a future national emissions tax.</td>
</tr>
<tr>
<td>Market</td>
<td>Relevant, sometimes included</td>
</tr>
<tr>
<td></td>
<td>This risk is considered relevant because climate-related legislation obligation could lead to an increase of operational costs. In 2021, the majority of Lockhead Martin’s facilities are located within the United States where the likelihood of this risk is considered high. Therefore, this risk is always considered in our risk identification, assessment, and management processes. The types of impact associated to this risk type in Lockhead Martin’s climate-related risk assessment are impacts resulting from failure to comply with requirements of external and internal laws/regulations and financial impacts related to compliance and reporting. For example, the likelihood of national GHG emission taxes in the United States is considered high and will only increase over time. If enacted regulations could impact operating costs. Therefore, in risk assessments Lockhead Martin considers impacts to operations from potential future emission taxes. To address this risk, we continue to expand our low carbon energy portfolio in the United States to mitigate the potential impact of a future national emissions tax.</td>
</tr>
<tr>
<td>Reputation</td>
<td>Relevant, always included</td>
</tr>
<tr>
<td></td>
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</tr>
<tr>
<td>Acute physical</td>
<td>Relevant, always included</td>
</tr>
<tr>
<td></td>
<td>This risk is considered relevant because climate-related legislation obligation could lead to an increase of operational costs. In 2021, the majority of Lockhead Martin’s facilities are located within the United States where the likelihood of this risk is considered high. Therefore, this risk is always considered in our risk identification, assessment, and management processes. The types of impact associated to this risk type in Lockhead Martin’s climate-related risk assessment are impacts resulting from failure to comply with requirements of external and internal laws/regulations and financial impacts related to compliance and reporting. For example, the likelihood of national GHG emission taxes in the United States is considered high and will only increase over time. If enacted regulations could impact operating costs. Therefore, in risk assessments Lockhead Martin considers impacts to operations from potential future emission taxes. To address this risk, we continue to expand our low carbon energy portfolio in the United States to mitigate the potential impact of a future national emissions tax.</td>
</tr>
<tr>
<td>Chronic physical</td>
<td>Relevant, always included</td>
</tr>
<tr>
<td></td>
<td>This risk is considered relevant because climate-related legislation obligation could lead to an increase of operational costs. In 2021, the majority of Lockhead Martin’s facilities are located within the United States where the likelihood of this risk is considered high. Therefore, this risk is always considered in our risk identification, assessment, and management processes. The types of impact associated to this risk type in Lockhead Martin’s climate-related risk assessment are impacts resulting from failure to comply with requirements of external and internal laws/regulations and financial impacts related to compliance and reporting. For example, the likelihood of national GHG emission taxes in the United States is considered high and will only increase over time. If enacted regulations could impact operating costs. Therefore, in risk assessments Lockhead Martin considers impacts to operations from potential future emission taxes. To address this risk, we continue to expand our low carbon energy portfolio in the United States to mitigate the potential impact of a future national emissions tax.</td>
</tr>
</tbody>
</table>

Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

**Identifier**

**Risk 1**

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

CDP
Increased indirect (operating) costs

Primary potential financial impact

Company-specific description

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 facilities to offset a percentage of their GHG emissions; however, the likelihood of a carbon-based tax is expected to be high as we look at our global operations in the future 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 Credit (REC) purchases, on-site renewable generation, Power Purchase Agreements, and Green Tariffs. Energy conservation efforts are aimed at process and operational efficiency improvements.

Time horizon
Long-term

Likelihood
Likely

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
8500000

Potential financial impact figure – minimum (currency)
8500000

Potential financial impact figure – maximum (currency)
8500000

Explanation of financial impact 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. $17 million is the estimated annual financial impact based on a hypothetical carbon tax of $20/MTCO2e and our 2021 Scope 1 & 2 (Location Based) energy-specific emissions. We are assuming an estimated range of $8.5 million to $85 million based on hypothetical tax rates from $10 to $100 per MT CO2e. This tax rate range and the tax rate of $20 used in the financial impact estimate is based on analyses conducted by our Corporate Sustainability Office 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 ‘2°C and less’ scenarios.

Cost of response to risk
15500000

Description of response and explanation of cost calculation

In 2021, Lockheed Martin spent approximately $15.5 million on completed projects and initiatives related to energy efficiency and conservation. These investments result in long-term reductions in GHG emissions based on project lifetimes of 10-30 years. As a result, the 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. One way we respond to this potential risk is by decarbonizing operations through renewable energy and energy efficiency, as demonstrated by our Go Green and Sustainability Management Plan goals in the Energy Management section of Lockheed Martin’s 2021 Sustainability Report. Our progress towards these decarbonization goals is also detailed in this CDP report in Section C4 Targets and Performance. We currently meet our renewable energy goals through a combination of on-site generation, Renewable Energy Certificates (RECs), Green Tariffs, and power purchase agreements. In 2021, the Environment, Safety and Health and facilities teams completed 64 energy efficiency projects that resulted in annual savings of 40.0 million kilowatt-hours of electricity and 17,200 MMBTU of natural gas, and the avoidance of $3.8 million in utility and maintenance costs. 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.

Comment

Each climate-related risk category is initially assessed by the Corporate Sustainability Office at Lockheed Martin. 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.

Identifier
Risk 2

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver

Acute physical Other, please specify (Increased severity and frequency of extreme weather events such as cyclones and floods)

Primary potential financial impact

Increased indirect (operating) costs
Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
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 Ft. 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.

Time horizon
Short-term

Likelihood
Very likely

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
Cost of response to risk
500000

Description of response and explanation of cost calculation
Acute physical risks are managed by Lockheed Martin's Business Resiliency, Business Continuity and Global Security and Crisis Management organizations. Our Crisis Management Program establishes a strategic framework that directs prompt mobilization of responsibilities and practices to protect our employees and assets prior to, during, and after an emergency. In October of 2017, the Crisis Management team utilized the LM-100J to deliver over 80,000 pounds of critical supplies to our employees and the surrounding community. The Aguadilla site received minimal damage and was prepared with hurricane shelters, a fully operational generator and potable water. The greatest impact to the Aguadilla site was the loss of telecommunications, which was critical for a site that facilitates call center help desk operations. Thus, the closure of this site for over a month increased operating costs as the decrease in capacity resulted in work that had to be redirected to several other sites. In addition to formal management action, Lockheed Martin employees aided our Puerto Rico employees and the local community through monetary donations and supplies. Many of our facilities partnered with Lockheed Martin's Hispanic Organization for Leadership and Awareness (HOLSA) employee group, collecting more than 300 pounds of supplies ranging from batteries, mosquito repellents, hygienic products, baby supplies, and canned food. Through the donation of two LM-100J flights, at least 100 employees were able to receive a variety of critical supplies, including electric generators. Based on our experience following Hurricane Maria, we estimate the cost of responding to a similar acute weather event to be approximately $500,000. This value is based on the total value exposed at our Aguadilla, Puerto Rico, facility, which includes damage to infrastructure, machinery and equipment; losses from business interruption and payroll; incurred costs from debris removal; and extra expenses from emergency items such as generators, equipment rentals, etc. The main assumption in this estimate is that future costs would be similar to historical costs of our response in 2017.

Comment
Each climate-related risk category is initially assessed by the Corporate Sustainability Office at Lockheed Martin. 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.

Identifier
Risk 3

Where in the value chain does the risk driver occur?
Upstream

Risk type & Primary climate-related risk driver
Emerging regulation | Carbon pricing mechanisms

Primary potential financial impact
Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
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.
Time horizon
Long-term

Likelihood
Likely

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
135000000

Potential financial impact figure – maximum (currency)
1350000000

Explanation of financial impact figure
Lockheed Martin’s Enterprise Risk & Sustainability team calculated the annual financial impact estimate of $270 million based on a hypothetical carbon tax of $20/MTCO2e on our 2021 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 and the tax rate of $20 used in the financial impact estimate are based on analyses conducted by our Corporate Sustainability Office 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 ‘2°C and less’ scenarios.

Cost of response to risk
0

Description of response and explanation of cost calculation
Lockheed Martin seeks to understand and manage this risk. In 2020, Lockheed Martin’s Enterprise Risk and 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".

Comment
Each climate-related risk category is initially assessed by the Corporate Sustainability Office at Lockheed Martin. 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.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?
Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier
Opp1

Where in the value chain does the opportunity occur?
Downstream

Opportunity type
Products and services

Primary climate-related opportunity driver
Development of new products or services through R&D and innovation

Primary potential financial impact
Increased revenues resulting from increased demand for products and services

Company-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. For instance, Lockheed Martin has developed the meteorological observation systems that have improved weather forecasting. Our primary customers have been federal agencies including the National Oceanic and Atmospheric Administration (NOAA), the National Aeronautics and Space Administration (NASA), the United States Air Force (USAF) and the Federal Aviation Administration (FAA). 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 will be renamed GOES-18 once it reaches geostationary orbit. Once operational, GOES-18 will take 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-R series is in production and planned for a 2024 launch.

**Time horizon**
Medium-term

**Likelihood**
Very likely

**Magnitude of impact**
Medium

**Are you able to provide a potential financial impact figure?**
Yes, a single figure estimate

**Potential financial impact figure (currency)**
2000000000

**Potential financial impact figure – minimum (currency)**
<Not Applicable>

**Potential financial impact figure – maximum (currency)**
<Not Applicable>

**Explanation of financial impact figure**
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 is scheduled to end in 2024.

**Cost to realize opportunity**

**Strategy to realize opportunity and explanation of cost calculation**
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 will take 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 scheduled 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 contributes 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.

**Comment**
Each climate-related opportunity category is initially assessed by the Corporate Sustainability Office at Lockheed Martin. The results are temporal and inclusive of supply chain impacts vs. operations. All submissions are estimations and are used to identify areas of further research.

**Identifier**
Opp2

**Where in the value chain does the opportunity occur?**
Downstream

**Opportunity type**
Products and services

**Primary climate-related opportunity driver**
Development of new products or services through R&D and innovation

**Primary potential financial impact**
Increased revenues through access to new and emerging markets

**Company-specific description**
At Lockheed Martin, we develop technologies and instruments that continuously monitor the climate from space to sea to support our customers in protecting and strengthening global infrastructure. We are principally engaged in the research, design, development, manufacture, integration, and sustainment of advanced technology systems, products and services that improve and promote long-term capabilities in national security, space exploration, and information technology. Our strategic planning process pays close attention to shifts in U.S. national security policy and listens 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’s 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, that combines real-time sensor data about the fire with other data sources on fuel vegetation, topography, wind and more to predict the fire’s spread.

**Time horizon**
Short-term

**Likelihood**
Very likely
Senior Vice President, Ethics and Enterprise Assurance and our Vice President, Environment, Safety and Health. Multiple corporate policies guide our approach to green resource efficiency is key to reducing emissions. This work is sanctioned by our Board of Directors, which receives performance updates at least twice per year from our operational improvements by reducing carbon emissions through energy efficiency and use of renewable energy. We believe that we have a responsibility to operate our own facilities with efficient use of resources and to minimize environmental impacts. 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. The cost to realize the opportunity is $353,588,400, which is the average ratio of cost of goods sold to revenues for Lockheed Martin's Rotary and Mission Systems business area in 2021 applied to the sales (~$396 million) in the FIREHAWK helicopter. 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.

**Comment**
Each climate-related opportunity category is initially assessed by the Corporate Sustainability Office at Lockheed Martin. The results are temporal and inclusive of supply chain impacts vs. operations. All submissions are estimations and are used to identify areas of further research.

**Identifier**
Opp3

**Where in the value chain does the opportunity occur?**
Direct operations

**Opportunity type**
Resource efficiency

**Primary climate-related opportunity driver**
Move to more efficient buildings

**Primary potential financial impact**
Reduced indirect (operating) costs

**Company-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 sanctioned 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 and Health. Multiple corporate policies guide our approach to green building standards, energy efficiency, strategic energy procurement and use of renewable energy. Our ISO 14001-certified 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.

**Time horizon**
Long-term

**Likelihood**
Virtually certain

**Magnitude of impact**
Medium-low

**Are you able to provide a potential financial impact figure?**
Yes, a single figure estimate

**Potential financial impact figure (currency)**
38000000

**Potential financial impact figure – minimum (currency)**
<Not Applicable>

**Potential financial impact figure – maximum (currency)**
<Not Applicable>
**Explanation of financial impact figure**

To achieve emissions targets, the Environment, Safety and Health and facilities teams conduct on-and off-site engineering assessments to identify renewable energy and efficiency projects. In 2021, the Environment, Safety and Health and facilities teams completed 64 energy efficiency projects that resulted in annual savings of 40.0 million kilowatt-hours of electricity and 17,200 MMBTU of natural gas, and the avoidance of $3.8 million in utility and maintenance costs. The financial impact figure was calculated by taking the annual cost avoidance in 2021 of $3.8 million and extrapolating this cost avoidance out to ten years, which is the minimum life of energy efficiency and renewable energy projects. Therefore, the estimated financial impact is about $38 million.

**Cost to realize opportunity**

15500000

**Strategy to realize opportunity and explanation of cost calculation**

To achieve emissions targets, the Environment, Safety and Health and facilities teams conduct on-and off-site engineering assessments to identify renewable energy and efficiency projects. Findings are used to develop annual tactical plans and an iterative strategic plan with a three-year outlook, against which actual progress is measured and compared. This is called our Go Green gated capital cycle. In 2021, the Environment, Safety and Health and facilities teams completed 64 energy efficiency projects that resulted in annual savings of 40.0 million kilowatt-hours of electricity and 17,200 MMBTU of natural gas, and the avoidance of $3.8 million in utility and maintenance costs. 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.

The cost to realize this opportunity is $15.5 million, which is the investment made in 2021 towards energy efficiency and renewable energy projects. As a result, there will be annualized savings expected over a minimum of ten years.

**Comment**

Each climate-related opportunity category is initially assessed by the Corporate Sustainability Office at Lockheed Martin. The results are temporal and inclusive of supply chain impacts vs. operations. All submissions are estimations and are used to identify areas of further research.

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**C3. Business Strategy**

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**C3.1**

(C3.1) Does your organization’s strategy include a transition plan that aligns with a 1.5°C world?

**Row 1**

Transition plan

Yes, we have a transition plan which aligns with a 1.5°C world

Publicly available transition plan

No

Mechanism by which feedback is collected from shareholders on your transition plan

We do not have a feedback mechanism in place, and we do not plan to introduce one within the next two years

Description of feedback mechanism

<Not Applicable>

Frequency of feedback collection

<Not Applicable>

Attach any relevant documents which detail your transition plan (optional)

<Not Applicable>

Explain why your organization does not have a transition plan that aligns with a 1.5°C world and any plans to develop one in the future

<Not Applicable>

Explain why climate-related risks and opportunities have not influenced your strategy

<Not Applicable>

---

**C3.2**

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

<table>
<thead>
<tr>
<th>Use of climate-related scenario analysis to inform strategy</th>
<th>Primary reason why your organization does not use climate-related scenario analysis to inform its strategy</th>
<th>Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1</td>
<td>Yes, qualitative, but we plan to add quantitative in the next two years</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

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**C3.2a**
(C3.2a) Provide details of your organization’s use of climate-related scenario analysis.

<table>
<thead>
<tr>
<th>Climate-related scenario</th>
<th>Scenario analysis coverage</th>
<th>Temperature alignment of scenario</th>
<th>Parameters, assumptions, analytical choices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physical climate scenarios</td>
<td>Company-wide</td>
<td>RCP 2.6</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Physical climate scenarios</td>
<td>Company-wide</td>
<td>RCP 8.5</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Transition scenarios</td>
<td>Bespoke transition scenario</td>
<td>1.6°C – 2°C</td>
<td>Company-wide</td>
</tr>
<tr>
<td>Transition scenarios</td>
<td>Bespoke transition scenario</td>
<td>4.1°C and above</td>
<td>Company-wide</td>
</tr>
</tbody>
</table>

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions
What is the relative risk of climate related risk drivers based on a "Below 2.0C" vs. "Above 2.0C" scenario?

Results of the climate-related scenario analysis with respect to the focal questions
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.

C3.3
(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

<table>
<thead>
<tr>
<th>Products and services</th>
<th>Description of Influence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>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 SMP 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. As an example, Lockheed Martin is developing a state-of-the-art Geostationary Carbon Observatory (GeoCarb) with the University of Oklahoma and NASA’s Jet Propulsion Laboratory, to be launched in 2022. GeoCarb aims to advance our collective understanding of the global carbon cycle by mapping key carbon gases from geostationary orbit. Over time, this technology can contribute much-needed data to support climate adaptation and resiliency efforts. GeoCarb will allow NASA to see how different weather patterns influence carbon dioxide and methane concentrations and address unanswered questions in carbon cycle science. Our climate-based opportunities also 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.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Supply chain and/or value chain</th>
<th>Yes</th>
</tr>
</thead>
<tbody>
<tr>
<td>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, which 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, following 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. This supports Lockheed Martin’s goal to reduce total annual waste per occupant by 11% by 2025 from a 2016 baseline. 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. At our facility in Fort Worth, TX, gold-containing, gap, and fastener material used in the production of airframe parts is recycled and sold as a gold-only oxidizer. Although the magnitude of this impact is low, the gold recovery at the end of our value stream replaces waste management costs with revenues.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Investment in R&amp;D</th>
<th>Yes</th>
</tr>
</thead>
<tbody>
<tr>
<td>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, in 2021 Lockheed Martin announced a $9 million investment in TC Energy’s Saddlebrook Solar + Storage Project. The investment, in conjunction with Emissions Reduction Alberta partial funding, will enable TC Energy, a Canada-based energy infrastructure company, to construct a hybrid power plant consisting of a utility-scale solar plant 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 will 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 102.5 megawatts (MW) of solar power, which can create enough electricity to fuel approximately 30,000 homes.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Operations</th>
<th>Yes</th>
</tr>
</thead>
<tbody>
<tr>
<td>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 2020, we set our new fourth generation Go Green goals. In setting these goals we used a science-based methodology established by the Center for Sustainable Organizations to exceed science-based targets for our carbon emission reductions with a baseline year of 2015 in alignment with recommendations. 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.</td>
<td></td>
</tr>
</tbody>
</table>

(3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

<table>
<thead>
<tr>
<th>Financial planning elements that have been influenced</th>
<th>Description of influence</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Go Green gated capital program, managed by Lockheed Martin’s Corporate Environment, Safety and Health (ESH) function, is a financial planning element that responds to the opportunity of implementing energy efficiency projects to reduce carbon emissions. On an annual cycle, sites from across business areas submit potential energy and water efficiency projects to Corporate ESH 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. In 2021, the Environment, Safety and Health and facilities teams completed 64 energy efficiency projects that resulted in annual savings of 40.0 million kilowatt-hours of electricity and 17,200 MMBTU of natural gas, and the avoidance of $3.8 million in utility and maintenance costs. 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.</td>
<td></td>
</tr>
</tbody>
</table>

(3.5) In your organization’s financial accounting, do you identify spending/revenue that is aligned with your organization’s transition to a 1.5°C world? No, but we plan to in the next two years

C4. Targets and performance
(C4.1) Did you have an emissions target that was active in the reporting year?
Intensity target

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number
Int 1

Year target was set
2020

Target coverage
Company-wide

Scope(s)
Scope 1
Scope 2

Scope 2 accounting method
Market-based

Scope 3 category(ies)
<Not Applicable>

Intensity metric
Metric tons CO2e per USD($) value-added

Base year
2015

Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)
0.000056

Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)
0.000118

Intensity figure in base year for Scope 3 (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)
0.000173

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure
100

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure
100

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this Scope 3 intensity figure
<Not Applicable>

% of total base year emissions in all selected Scopes covered by this intensity figure
100

Target year
2030

Targeted reduction from base year (%)
70

Intensity figure in target year for all selected Scopes (metric tons CO2e per unit of activity) [auto-calculated]
0.0000519

% change anticipated in absolute Scope 1+2 emissions
41

% change anticipated in absolute Scope 3 emissions
0

Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)
0.0000328474

Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)
0.0000431873

Intensity figure in reporting year for Scope 3 (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)
0

% of target achieved relative to base year [auto-calculated]
Target status in reporting year
Underway

Is this a science-based target?
No, and we do not anticipate setting one in the next 2 years

Target ambition
<Not Applicable>

Please explain target coverage and identify any exclusions
The target is based on a reporting year, from November 1 to October 31. Though it is not an SBTi-certified science-based target, the target outperforms the Context-based Carbon Target by the Center for Sustainable Organizations, with reduction targets rooted in the science-based SSP1-1.9 mitigation scenario (a "well-below 1.5°C" warming model with a 2015 baseline year, https://www.sustainableorganizations.org/context-based-metrics-public-domain/).

Plan for achieving target, and progress made to the end of the reporting year
In 2021, we reduced carbon emissions intensity by 47% from our 2015 baseline. To achieve our goal by 2030, we will continue to focus on both demand and supply side opportunities to include facility energy efficiency, onsite renewable energy, power purchase agreements, green tariffs, and renewable energy certificates. As part of a new decarbonization initiative that began at the end of 2021, we also plan to explore opportunities for more electrification and carbon offsets. The 2021 emissions reduction initiative that contributed the most towards our target was energy efficiency investment from our dedicated capital program, the Go Green gated capital cycle. The 2030 goal is anticipated to be achieved from 90% energy efficiency and 10% onsite and offsite renewable energy. The progress curve has been logarithmic, with greater early reductions.

List the emissions reduction initiatives which contributed most to achieving this target
<Not Applicable>

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?
Target(s) to increase low-carbon energy consumption or production
Other climate-related target(s)

C4.2a

(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.

<table>
<thead>
<tr>
<th>Target reference number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low 1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year target was set</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Target coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company-wide</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Target type: energy carrier</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Target type: activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumption</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Target type: energy source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renewable energy source(s) only</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Base year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Consumption or production of selected energy carrier in base year (MWh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>322000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>% share of low-carbon or renewable energy in base year</th>
</tr>
</thead>
<tbody>
<tr>
<td>21.37</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Target year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2030</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>% share of low-carbon or renewable energy in target year</th>
</tr>
</thead>
<tbody>
<tr>
<td>30</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>% share of low-carbon or renewable energy in reporting year</th>
</tr>
</thead>
<tbody>
<tr>
<td>21.79</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>% of target achieved relative to base year [auto-calculated]</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.86674391657008</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Target status in reporting year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Underway</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Is this target part of an emissions target?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes. Our low-carbon energy goal supports achievement of &quot;Int 1&quot; to reduce carbon emissions per/gross profit by 70% by 2030. Our low-carbon energy goal is to match 30% of electricity used across Lockheed Martin global operations with renewable energy by 2030. There is no base year comparison.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Is this target part of an overarching initiative?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>
No, it’s not part of an overarching initiative

**Please explain target coverage and identify any exclusions**
By 2030, match 30% of electricity used across Lockheed Martin global operations with electricity produced from renewable sources. We intend to meet this target via a combination of on-site or off-site generation and excluding large hydropower in alignment with the Green-e Renewable Energy Standard for Canada and the United States.

**Plan for achieving target, and progress made to the end of the reporting year**
Renewable energy strengthens the resiliency of our facilities, our relationship with our customers and our engagement with employees. In 2021, we ranked at number 28 on the U.S. Environmental Protection Agency Green Power Partnership’s list of Top 30 on-site generators and at number 51 on their National Top 100 list for total renewable energy use. Since 2008, we have installed 13 onsite solar systems and one biomass facility, for a total of 10.3 megawatts of capacity. Construction on a 20-megawatt, on-site, single-axis photovoltaic system at our Palmdale, CA, facility began in late 2021 and is expected to be completed in 2022. This project will be one of the largest privately-owned, ground-mounted, behind-the-meter solar farms in California. Additionally, the Titan Solar Project at our Fort Worth, TX, facility started in December 2021. We expect this 15-year power purchase agreement to provide approximately 22% of the facility’s annual electricity needs. Lockheed Martin also installed its third solar carport at a Missiles and Fire Control facility in Orlando, FL. This two-megawatt on-site project eliminates approximately $581,000 in utility costs annually and reduces our carbon footprint over 2,500 metric tons.

**List the actions which contributed most to achieving this target**
<Not Applicable>

<table>
<thead>
<tr>
<th>Target reference number</th>
<th>Low 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year target was set</td>
<td>2014</td>
</tr>
<tr>
<td>Target coverage</td>
<td>Company-wide</td>
</tr>
<tr>
<td>Target type: energy carrier</td>
<td>Electricity</td>
</tr>
<tr>
<td>Target type: activity</td>
<td>Production</td>
</tr>
<tr>
<td>Target type: energy source</td>
<td>Renewable energy source(s) only</td>
</tr>
<tr>
<td>Base year</td>
<td>2014</td>
</tr>
<tr>
<td>Consumption or production of selected energy carrier in base year (MWh)</td>
<td></td>
</tr>
<tr>
<td>% share of low-carbon or renewable energy in base year</td>
<td>2.2</td>
</tr>
<tr>
<td>Target year</td>
<td>2020</td>
</tr>
<tr>
<td>% share of low-carbon or renewable energy in target year</td>
<td>10</td>
</tr>
<tr>
<td>% share of low-carbon or renewable energy in reporting year</td>
<td></td>
</tr>
<tr>
<td>% of target achieved relative to base year [auto-calculated]</td>
<td>&lt;Calculated field&gt;</td>
</tr>
<tr>
<td>Target status in reporting year</td>
<td>Expired</td>
</tr>
<tr>
<td>Is this target part of an emissions target?</td>
<td>No, Lockheed Martin's voluntary commitment to EPA Green Power Partnership's On-site Renewables Challenge to quadruple our onsite renewable generation to 10 MW by 2020. This complements our internal Go Green 2030 commitments of 70% reduction in carbon emissions per dollar profit by the year 2030 from a 2015 baseline.</td>
</tr>
<tr>
<td>Is this target part of an overarching initiative?</td>
<td>Other, please specify (EPA Green Power Partnership, EPA's Green Power Partnership On-Site Renewables Challenge)</td>
</tr>
<tr>
<td>Please explain target coverage and identify any exclusions</td>
<td>EPA's Green Power Partnership program provides a framework that provides credible usage benchmarks, market information, technical assistance and public recognition to organizations that use green power. In 2010, Lockheed Martin joined EPA's Green Power Partnership, committing to use green power for a portion of our annual electricity consumption. In 2014, Lockheed Martin committed to the Green Power Partnership's On-site Renewables Challenge which aimed to double the use of onsite green power generated by partners by the end of 2020. Through this challenge, Lockheed Martin pledged to quadruple on-site renewable generation to 10 MW by the end of 2020. As of 2020, we have over 9 MW of capacity of on-site renewable generation. Since 2008, we have installed 13 on-site renewable energy systems, including 12 solar systems and one biomass facility, for a total of 9.3 MW AC of capacity.</td>
</tr>
<tr>
<td>Plan for achieving target, and progress made to the end of the reporting year</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>List the actions which contributed most to achieving this target</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

_C4.2b_ (C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

| Target reference number | Oth 1 |

_CDP_
Year target was set
2013

Target coverage
Company-wide

Target type: absolute or intensity
Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

<table>
<thead>
<tr>
<th>Low-carbon buildings</th>
<th>Other, please specify (Green building footprint - square foot)</th>
</tr>
</thead>
</table>

Target denominator (intensity targets only)
<Not Applicable>

Base year
2013

Figure or percentage in base year
1100000

Target year
2020

Figure or percentage in target year
3600000

Figure or percentage in reporting year

% of target achieved relative to base year [auto-calculated]
<Calculated field>

Target status in reporting year
Please select

Is this target part of an emissions target?
Since 2013, Lockheed Martin has committed to annually increasing the percentage of our facilities with green building certifications. As of 2020, we operated 25 Leadership in Energy and Environment Design (LEED), 1 Building Research Establishment Environmental Assessment Method (BREEAM), and 9 ENERGY STAR certified buildings, totaling 3.6 million sq. ft. of green buildings.

Is this target part of an overarching initiative?
Please select

Please explain target coverage and identify any exclusions
This target is company-wide for buildings which are operational and within our operational control.

Plan for achieving target, and progress made to the end of the reporting year
<Not Applicable>

List the actions which contributed most to achieving this target
<Not Applicable>

Target reference number
Oth 2

Year target was set
2019

Target coverage
Company-wide

Target type: absolute or intensity
Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

<table>
<thead>
<tr>
<th>Energy consumption or efficiency</th>
<th>million Btu</th>
</tr>
</thead>
</table>

Target denominator (intensity targets only)
unit FTE employee

Base year
2016

Figure or percentage in base year
136

Target year
2025

Figure or percentage in target year
117

Figure or percentage in reporting year
126

% of target achieved relative to base year [auto-calculated]
Target status in reporting year
Underway

Is this target part of an emissions target?
Yes. This energy efficiency goal supports achievement of “Int 1” to reduce carbon emissions per/gross profit by 70% by 2030. Our energy efficiency goal is to reduce energy per occupant by 14% from a 2016 baseline.

Is this target part of an overarching initiative?
No, it’s not part of an overarching initiative

Please explain target coverage and identify any exclusions
This target is company-wide for buildings that are operational and within our operational control and for which we track direct measures of energy use. The target is based on a reporting year, from November 1 to October 31.

Plan for achieving target, and progress made to the end of the reporting year
In 2021, we reduced energy use per occupant by 7% from our 2016 baseline. To achieve our goal to reduce by 14% by 2025, we will continue to pursue energy efficiency opportunities in our facilities and manufacturing processes. Energy efficiency projects are investigated and implemented via cross-functional teams that are guided by a 3-yr strategic plan and iterative tactical plans that keep multiple projects in the pipeline and moving. We have a dedicated fund for Go Green efficiency projects. In 2021, 64 projects were completed, avoiding electricity equal to powering ~5,798 homes for one year, and 39 additional projects were either under investigation or being implemented. A breakout by project type is available in section C4.3a and C4.3b

List the actions which contributed most to achieving this target
<Not Applicable>

Target reference number
Oth 3

Year target was set
2019

Target coverage
Company-wide

Target type: absolute or intensity
Intensity

Target type: category & Metric (target numerator if reporting an intensity target)
Waste management Other, please specify (Percentage reduction of total waste disposed)

Target denominator (intensity targets only)
unit FTE employee

Base year
2016

Figure or percentage in base year
375

Target year
2025

Figure or percentage in target year
336

Figure or percentage in reporting year
358

% of target achieved relative to base year [auto-calculated]
43.5897435897436

Target status in reporting year
Underway

Is this target part of an emissions target?
This target does not support our target for Scope 1 and 2 emissions, but it does support Scope 3 reductions in general.

Is this target part of an overarching initiative?
No, it’s not part of an overarching initiative

Please explain target coverage and identify any exclusions
This target is company-wide for buildings which are operational and within our operational control and that generate 50,000 lbs. or more annually of non-hazardous waste. The target is based on a reporting year, from November 1 to October 31.

Plan for achieving target, and progress made to the end of the reporting year
In 2021, we reduced waste per occupant by 5% from our 2016 baseline. To achieve our goal to reduce waste by 11% by 2025, we will continue to pursue source reduction and landfill diversion strategies. For example, each year sites initiate and complete numerous projects to reduce waste in offices, manufacturing spaces, throughout our supply chain, and during the product design process. In 2021, nineteen (19) of these projects were submitted to our first-ever Zero Waste Challenge to recognize outstanding waste reduction projects. Additionally, 10 waste reviews and evaluations were conducted to identify opportunities to reduce hazardous, construction and demolition, and other waste. A Waste Reduction Working Group comprised of staff and leaders from each business area serves as a champion of our waste goal, driving the Zero Waste Challenge, waste reviews, and other efforts to study and promote waste reduction.

List the actions which contributed most to achieving this target
<Not Applicable>
(C4.3) 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.
Yes

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

<table>
<thead>
<tr>
<th>Initiative Stage</th>
<th>Number of initiatives</th>
<th>Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under investigation</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>To be implemented*</td>
<td>29</td>
<td>10566</td>
</tr>
<tr>
<td>Implementation commenced*</td>
<td>8</td>
<td>6595</td>
</tr>
<tr>
<td>Implemented*</td>
<td>64</td>
<td>15065</td>
</tr>
<tr>
<td>Not to be implemented</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

<table>
<thead>
<tr>
<th>Initiative category &amp; Initiative type</th>
<th>Initiative category &amp; Initiative type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy efficiency in buildings</td>
<td>Heating, Ventilation and Air Conditioning (HVAC)</td>
</tr>
</tbody>
</table>

Estimated annual CO2e savings (metric tonnes CO2e)

<table>
<thead>
<tr>
<th>Initiative category &amp; Initiative type</th>
<th>Estimated annual CO2e savings (metric tonnes CO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy efficiency in buildings</td>
<td>1964</td>
</tr>
</tbody>
</table>

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

- Scope 1
- Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

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

<table>
<thead>
<tr>
<th>Initiative category &amp; Initiative type</th>
<th>Estimated annual CO2e savings (metric tonnes CO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy efficiency in buildings</td>
<td>1964</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Initiative category &amp; Initiative type</th>
<th>Estimated annual CO2e savings (metric tonnes CO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy efficiency in buildings</td>
<td>1964</td>
</tr>
</tbody>
</table>

Payback period

4-10 years

Estimated lifetime of the initiative

11-15 years

Comment

In 2021, twelve HVAC projects were completed, with an average estimated lifetime of 15 years and a collective payback period for the projects of 7.4 years. Projects include upgrades to air-handling units and cooling and heating plants serving them to improve system efficiencies.

<table>
<thead>
<tr>
<th>Initiative category &amp; Initiative type</th>
<th>Initiative category &amp; Initiative type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy efficiency in buildings</td>
<td>Heating, Ventilation and Air Conditioning (HVAC)</td>
</tr>
</tbody>
</table>

Estimated annual CO2e savings (metric tonnes CO2e)

<table>
<thead>
<tr>
<th>Initiative category &amp; Initiative type</th>
<th>Estimated annual CO2e savings (metric tonnes CO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy efficiency in buildings</td>
<td>1964</td>
</tr>
</tbody>
</table>

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

- Scope 1
- Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

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

<table>
<thead>
<tr>
<th>Initiative category &amp; Initiative type</th>
<th>Estimated annual CO2e savings (metric tonnes CO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy efficiency in buildings</td>
<td>1964</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Initiative category &amp; Initiative type</th>
<th>Estimated annual CO2e savings (metric tonnes CO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy efficiency in buildings</td>
<td>1964</td>
</tr>
</tbody>
</table>

Payback period

1-3 years

Estimated lifetime of the initiative

16-20 years
In 2021, 20 Building Control System projects were completed, with an average estimated lifetime of 20 years and a collective payback period for the projects of 1.4 years. These projects maximize energy savings associated with HVAC systems. Multiple projects in MFC, Space, Aero, and RMS. Projects upgrade building management system (BMS) to maximize energy saving capabilities associated with HVAC systems.

**Initiative category & Initiative type**

| Energy efficiency in buildings | Lighting |

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

3075

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

Scope 1

**Voluntary/Mandatory**

Voluntary

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

1164660

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

7011495

**Payback period**

4-10 years

**Estimated lifetime of the initiative**

16-20 years

**Comment**

In 2021, 21 Lighting projects were completed, each with an average estimated lifetime of 15 years and a collective payback period for the projects of 6.0 years. Projects upgrade to LED lighting in both office and operational spaces and typically include enhanced lighting controls.

**Initiative category & Initiative type**

| Energy efficiency in buildings | Other, please specify (Compressed Air) |

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

1714

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

Scope 1

**Voluntary/Mandatory**

Voluntary

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

251886

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

447688

**Payback period**

1-3 years

**Estimated lifetime of the initiative**

16-20 years

**Comment**

In 2021, five Compressed Air projects were completed, with an average estimated lifetime of 20 years and a collective payback period for the projects of 1.8 years. Typical projects include compressor replacements with high efficiency units and upgrades to plant sequencing/controls.

**Initiative category & Initiative type**

| Energy efficiency in production processes | Other, please specify (Manufacturing) |

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

119

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

Scope 1

Scope 2 (location-based)

**Voluntary/Mandatory**

Voluntary

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

36219

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

266000

**Payback period**
### Manufacturing Project

**Estimated lifetime of the initiative**
16-20 years

**Comment**
In 2021, one Manufacturing project was completed, with an estimated lifetime of 20 years and a payback period for the project of 7.3 years. The project upgraded the controls for wash and paint booths to setback outside airflow during different modes of operation.

<table>
<thead>
<tr>
<th>Initiative category &amp; Initiative type</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Low-carbon energy generation</td>
<td>Solar PV</td>
</tr>
</tbody>
</table>

**Estimated annual CO2e savings (metric tonnes CO2e)**
617

**Scope(s) or Scope 3 category(ies) where emissions savings occur**
Scope 1

**Voluntary/Mandatory**
Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**
148914

**Investment required (unit currency – as specified in C0.4)**
796000

**Payback period**
4-10 years

**Estimated lifetime of the initiative**
16-20 years

**Comment**
In 2021, two Renewable onsite solar photovoltaic projects were completed, with an average estimated lifetime of 20 years and a collective payback period for the projects of 5.3 years. Projects installed onsite solar PV arrays at two locations.

<table>
<thead>
<tr>
<th>Initiative category &amp; Initiative type</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy efficiency in buildings</td>
<td>Other, please specify (Steam)</td>
</tr>
</tbody>
</table>

**Estimated annual CO2e savings (metric tonnes CO2e)**
353

**Scope(s) or Scope 3 category(ies) where emissions savings occur**
Scope 2 (location-based)

**Voluntary/Mandatory**
Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**
50934

**Investment required (unit currency – as specified in C0.4)**
271785

**Payback period**
4-10 years

**Estimated lifetime of the initiative**
11-15 years

**Comment**
In 2021, one Steam project was completed, with an estimated lifetime of 15 years and a collective payback period for the project of 5.3 years. The project replaced existing steam vaporizers associated with a bulk liquid nitrogen tank with ambient vaporizers.

<table>
<thead>
<tr>
<th>Initiative category &amp; Initiative type</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Other, please specify</td>
<td>Other, please specify (Water)</td>
</tr>
</tbody>
</table>

**Estimated annual CO2e savings (metric tonnes CO2e)**
7

**Scope(s) or Scope 3 category(ies) where emissions savings occur**
Scope 1

**Voluntary/Mandatory**
Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**
100448

**Investment required (unit currency – as specified in C0.4)**
Payback period
1-3 years

Estimated lifetime of the initiative
16-20 years

Comment
In 2021, two Water projects were completed, each with an average estimated lifetime of 20 years and a collective payback period for the projects of 1.4 years. Note the majority of the savings noted here were associated with water savings and not energy.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

<table>
<thead>
<tr>
<th>Method</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dedicated budget for energy efficiency</td>
<td>The Go Green gated capital program, managed by Lockheed Martin’s Corporate Environment, Safety and Health (ESH) 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 Corporate ESH 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. In 2021, we implemented 64 energy efficiency projects at a cost of $15.5 million that are projected to result in $3.8 million in recurring annual cost avoidance. Combined these projects are estimated to avoid carbon emissions equal to approximately 5,798 homes’ electricity use for one year.</td>
</tr>
<tr>
<td>Partnering with governments on technology development</td>
<td>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 strengthen our Go Green program. Our investment in energy and emissions reduction activities benefit from the resources, expertise, and valuable peer networking opportunities offered through these partnerships, which help us achieve our energy and carbon reduction goals.</td>
</tr>
<tr>
<td>Compliance with regulatory requirements/standards</td>
<td>The Federal Mandatory Greenhouse Gas (GHG) Reporting Rule requires our four largest facilities to report on their GHG emissions. Additionally, state regulations such as California’s Global Warming Solutions Act of 2006 (AB32) impact our facilities. Reduction of GHG emissions at these facilities would reduce the regulatory reporting burden; therefore, we prioritize many of our energy reduction projects at these locations since achievement of them could potentially lead to less burdensome reporting requirements.</td>
</tr>
</tbody>
</table>

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

No

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) 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?

Row 1

Has there been a structural change?
Yes, a divestment

Name of organization(s) acquired, divested from, or merged with
Associated Aircraft Group in Wappingers Fall, NY was divested.

Details of structural change(s), including completion dates
The facility was transferred to the new business owner and was removed from our emissions baseline. The divestment occurred in February 2021.

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

<table>
<thead>
<tr>
<th>Change(s) in methodology, boundary, and/or reporting year definition?</th>
<th>Details of methodology, boundary, and/or reporting year definition change(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1</td>
<td>No</td>
</tr>
</tbody>
</table>
C5.1c

(C5.1c) Have your organization’s base year emissions been recalculated as result of the changes or errors reported in C5.1a and C5.1b?

<table>
<thead>
<tr>
<th>Base year recalculation</th>
<th>Base year emissions recalculation policy, including significance threshold</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>The 2021 GHG inventory was adjusted accordingly per GHG protocol due to the closure of one facility and the sale of another facility.</td>
</tr>
</tbody>
</table>

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start
November 1 2014

Base year end
October 31 2015

Base year emissions (metric tons CO2e)
306550

Comment

Scope 2 (location-based)

Base year start
November 1 2014

Base year end
October 31 2015

Base year emissions (metric tons CO2e)
858036

Comment

Scope 2 (market-based)

Base year start
November 1 2014

Base year end
October 31 2015

Base year emissions (metric tons CO2e)
647595

Comment

Scope 3 category 1: Purchased goods and services

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 2: Capital goods

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

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

Base year start

Base year end

Base year emissions (metric tons CO2e)
Scope 3 category 4: Upstream transportation and distribution
Base year start
Base year end
Base year emissions (metric tons CO2e)
Comment

Scope 3 category 5: Waste generated in operations
Base year start
Base year end
Base year emissions (metric tons CO2e)
Comment

Scope 3 category 6: Business travel
Base year start
Base year end
Base year emissions (metric tons CO2e)
Comment

Scope 3 category 7: Employee commuting
Base year start
Base year end
Base year emissions (metric tons CO2e)
Comment

Scope 3 category 8: Upstream leased assets
Base year start
Base year end
Base year emissions (metric tons CO2e)
Comment

Scope 3 category 9: Downstream transportation and distribution
Base year start
Base year end
Base year emissions (metric tons CO2e)
Comment

Scope 3 category 10: Processing of sold products
Base year start
Base year end
Base year emissions (metric tons CO2e)
Comment

Scope 3 category 11: Use of sold products
Base year start
Base year end
Base year emissions (metric tons CO2e)
Comment

Scope 3 category 12: End of life treatment of sold products
Base year start
Base year end
Base year emissions (metric tons CO2e)
Comment

Scope 3 category 13: Downstream leased assets
Base year start
Base year end
Base year emissions (metric tons CO2e)
Comment
Scope 3 category 14: Franchises
Base year start
Base year end
Base year emissions (metric tons CO2e)
Comment
Scope 3 category 15: Investments
Base year start
Base year end
Base year emissions (metric tons CO2e)
Comment
Scope 3: Other (upstream)
Base year start
Base year end
Base year emissions (metric tons CO2e)
Comment
Scope 3: Other (downstream)
Base year start
Base year end
Base year emissions (metric tons CO2e)
Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year
Gross global Scope 1 emissions (metric tons CO2e)
297630
Start date
<Not Applicable>
End date
<Not Applicable>
Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1
Scope 2, location-based
We are reporting a Scope 2, location-based figure
Scope 2, market-based
We are reporting a Scope 2, market-based figure
Comment

C6.3
(C6.3) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

Reporting year
Scope 2, location-based
554643
Scope 2, market-based (if applicable)
391320

Start date
<Not Applicable>
End date
<Not Applicable>

Comment

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?
No

(C6.5) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services
Evaluation status
Relevant, calculated
Emissions in reporting year (metric tons CO2e)
12944956
Emissions calculation methodology
Supplier-specific method
Spend-based method
Site-specific method
Methodology for indirect use phase emissions, please specify (See explanation provided below)
Percentage of emissions calculated using data obtained from suppliers or value chain partners
100
Please explain
Estimates are calculated based on amount spent with each supplier and their individually assigned NAICS code. Applied lifecycle assessment calculation based on emissions intensity by NAICS, NAICS sector, or business type and supplier spend. Purchased Goods and Services categorized by NAICS.

Capital goods
Evaluation status
Relevant, calculated
Emissions in reporting year (metric tons CO2e)
519873
Emissions calculation methodology
Supplier-specific method
Spend-based method
Site-specific method
Methodology for indirect use phase emissions, please specify (See explanation provided below)
Percentage of emissions calculated using data obtained from suppliers or value chain partners
100
Please explain
Estimates are calculated based on amount spent with each supplier and their individually assigned NAICS code. Applied lifecycle assessment calculation based on emissions intensity by NAICS, NAICS sector, or business type and supplier spend. Capital Goods categorized by NAICS.
Fuel-and-energy-related activities (not included in Scope 1 or 2)

**Evaluation status**
Relevant, calculated

**Emissions in reporting year (metric tons CO2e)**
100786.499

**Emissions calculation methodology**
Methodology for indirect use phase emissions, please specify (See explanation provided below)

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
100

**Please explain**
Lockheed Martin calculated the estimates of the transportation and distribution loss associated with the delivery of electricity and natural gas from the utility to our facilities. We calculated the transmission and distribution (T&D) losses associated with electricity using the country-specific factors provided by the World Bank, "Electric power transmission and distribution losses (% of output), 2011-2015." T&D losses associated with natural gas were calculated using the 4.7% loss factor provided by the U.S. Energy Information Administration.

Upstream transportation and distribution

**Evaluation status**
Not relevant, explanation provided

**Emissions calculation methodology**
<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
<Not Applicable>

**Please explain**
A previous analysis evaluated upstream transportation of materials to and from our facilities from 15 of our largest transportation vendors, representing approximately 62% of our total transportation by spend. Lockheed Martin directly contacted our transportation vendors to receive information about their emissions. Transportation vendors provided MTCO2e/Year or Miles Travelled/Year associated with Lockheed Martin shipments. If the transportation vendor did not directly provide emissions data, we utilized EPA's SmartWay emission rates for vendors and applied these rates to their Miles Travelled/Year. EPA's SmartWay Partners fleet emissions rates are found at: https://www3.epa.gov/smartway/forpartners/performance.htm The amount of emissions from transportation and delivery is very small and well under our Scope 3 de minimis threshold of 5% and only contributes 0.5% to that threshold.

Waste generated in operations

**Evaluation status**
Relevant, calculated

**Emissions in reporting year (metric tons CO2e)**
5600

**Emissions calculation methodology**
Waste-type-specific method

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
100

**Please explain**
Emissions associated with operational waste generation are calculated using the U.S. EPA's WARM calculator. These emissions are reported as part of Scope 3 GHG emissions. The EPA WARM calculator also estimates Lockheed Martin's avoided emissions derived from recycling initiatives, which are approximately 53,900 MTCO2e.

Business travel

**Evaluation status**
Relevant, calculated

**Emissions in reporting year (metric tons CO2e)**
124054

**Emissions calculation methodology**
Distance-based method

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
100

**Please explain**
Rental car mileage data are obtained from our corporate approved car rental agency. Airline emissions are obtained from our corporate travel provider. The emissions are calculated based on the GHG protocol. This data includes air travel for all of Lockheed Martin's business areas during 2021 plus additional services such as business relocation and recruiting.
Employee commuting

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
148775

Emissions calculation methodology
Fuel-based method
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Emissions associated with employee commuting are estimated using a zip code analysis of the distance between our employees’ home and assigned work location, for U.S. employees only. Telecommuters are not included in this estimate. The total daily distance is multiplied by an estimated (181 days, 136 days, 91 days) work days per year. We assume an average of 23.4 mpg based on U.S. Energy Information Administration “Annual Energy Review 2012, Table 2.8 Motor Vehicle Mileage, Fuel Consumption, and Fuel Economy, Selected Years, 1949-2012, Miles per Gallon for All Vehicles in 2013.” We estimate the emissions from the total miles travelled per year using the EPA Mandatory Reporting Rule gasoline emission factor for MTCO2.

Upstream leased assets

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

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

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Lockheed Martin manages the delivery of products and services directly to the customer. The amount of deliveries of products handled by the customer is extremely small and is considered de minimis for Scope 3 reporting purposes.

Processing of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Lockheed Martin primarily acts as the final point in the manufacturing and assembly of products before delivery to the customer. This category would apply to our upstream supply chain.
**Use of sold products**

**Evaluation status**
Relevant, calculated

**Emissions in reporting year (metric tons CO2e)**
23044286

**Emissions calculation methodology**
Average data method
Average product method

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
0

**Please explain**
In 2021, calculated the emissions from product use of our top revenue producing programs with tangible product deliveries. Aircraft (fixed-wing and rotary) produce more than 99% of our estimated emissions for this category and are the primary focus of our business and this estimate. Applied lifecycle assessment calculation based on emissions intensity by product or fuel used. Methods are aligned with the GHG Protocol.

**End of life treatment of sold products**

**Evaluation status**
Not relevant, explanation provided

**Emissions in reporting year (metric tons CO2e)**
<Not Applicable>

**Emissions calculation methodology**
<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
<Not Applicable>

**Please explain**
Because of sensitive technology and impact to national security, end-of-life treatment is tightly dictated by the customer. Our platforms are typically durable goods with long lifespans of decades or more.

**Downstream leased assets**

**Evaluation status**
Not relevant, explanation provided

**Emissions in reporting year (metric tons CO2e)**
<Not Applicable>

**Emissions calculation methodology**
<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
<Not Applicable>

**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**

**Evaluation status**
Not relevant, explanation provided

**Emissions in reporting year (metric tons CO2e)**
<Not Applicable>

**Emissions calculation methodology**
<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
<Not Applicable>

**Please explain**
Lockheed Martin does not own or operate any franchises.

**Investments**

**Evaluation status**
Not relevant, explanation provided

**Emissions in reporting year (metric tons CO2e)**
<Not Applicable>

**Emissions calculation methodology**
<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
<Not Applicable>

**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.
(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Yes

(C6.7a) Provide the emissions from biogenic carbon relevant to your organization in metric tons CO2.

<table>
<thead>
<tr>
<th>CO2 emissions from biogenic carbon (metric tons CO2)</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>20083</td>
<td>The Lockheed Martin facility in Owego, New York operates a combined heat and power system (back pressure turbine) fueled by biomass that provides self-generation of electric power using the existing main steam system. The metric tonnes of CO2e released in 2021 were calculated based on the volume of wood burned (19,056 tons) with an estimated moisture content of 37%. Calculations were performed according to U.S. 40 CFR 98 - Greenhouse Gas Reporting, Tables A-1 (Global Warming Potentials), Solid, gaseous, liquid and biomass fuels: Federal Register (2009) EPA; 40 CFR Parts 86, 87, 89 et al; Mandatory Reporting of Greenhouse Gases; Final Rule, 30Oct09, 261 pp. Tables C-1 and C-2 at FR pp. 56409-56410. GWP: Intergovernmental Panel on Climate Change (IPCC), Fourth Assessment Report (AR4), 2007.</td>
</tr>
</tbody>
</table>
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.

Intensity figure
7.48

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
852274

Metric denominator
full time equivalent (FTE) employee

Metric denominator: Unit total
114000

Scope 2 figure used
Location-based

% change from previous year
7.24

Direction of change
Decreased

Reason for change
Lockheed Martin’s square footage decreased by approximately 5% from 2020 to 2021 while Scope 1 and 2 carbon emissions decreased. Reduction in carbon emissions is also partially due to energy reduction initiatives and efficiency improvements within our manufacturing facilities, data centers and offices. In 2021, the Lockheed Martin Facilities teams completed 64 energy efficiency projects that resulted in estimated annual savings of 40 million kWh of electricity, 151,615 MMBTU of natural gas and avoiding an estimated $3.8 million in utility and maintenance costs. Lighting, waste heat recovery, building envelope, HVAC and compressed air projects netted significant savings across the corporation.

Intensity figure
0.0123

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
852273.58

Metric denominator
square foot

Metric denominator: Unit total
69200000

Scope 2 figure used
Location-based

% change from previous year
2.82

Direction of change
Decreased

Reason for change
Lockheed Martin’s square footage decreased by approximately 5% from 2020 to 2021 while Scope 1 and 2 carbon emissions decreased. Reduction in carbon emissions is also partially due to energy reduction initiatives and efficiency improvements within our manufacturing facilities, data centers and offices. In 2021, the Lockheed Martin Facilities teams completed 64 energy efficiency projects that resulted in estimated annual savings of 40 million kWh of electricity, 151,615 MMBTU of natural gas and avoiding an estimated $3.8 million in utility and maintenance costs. Lighting, waste heat recovery, building envelope, HVAC and compressed air projects netted significant savings across the corporation.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?
Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

<table>
<thead>
<tr>
<th>Greenhouse gas</th>
<th>Scope 1 emissions (metric tons of CO2e)</th>
<th>GWP Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>CO2</td>
<td>292790</td>
<td>IPCC Second Assessment Report (SAR - 50 year)</td>
</tr>
<tr>
<td>CH4</td>
<td>212</td>
<td>IPCC Second Assessment Report (SAR - 50 year)</td>
</tr>
<tr>
<td>N2O</td>
<td>505</td>
<td>IPCC Second Assessment Report (SAR - 50 year)</td>
</tr>
<tr>
<td>HFCs</td>
<td>4124</td>
<td>IPCC Second Assessment Report (SAR - 50 year)</td>
</tr>
</tbody>
</table>
C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

<table>
<thead>
<tr>
<th>Country/Region</th>
<th>Scope 1 emissions (metric tons CO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>0</td>
</tr>
<tr>
<td>Canada</td>
<td>4381</td>
</tr>
<tr>
<td>Mexico</td>
<td>0</td>
</tr>
<tr>
<td>Poland</td>
<td>1512</td>
</tr>
<tr>
<td>United Kingdom of Great Britain and Northern Ireland</td>
<td>255</td>
</tr>
<tr>
<td>United States of America</td>
<td>291482</td>
</tr>
</tbody>
</table>

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

<table>
<thead>
<tr>
<th>Business division</th>
<th>Scope 1 emissions (metric tons CO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aeronautics</td>
<td>123564</td>
</tr>
<tr>
<td>Enterprise Operations</td>
<td>10709</td>
</tr>
<tr>
<td>Missiles and Fire Control</td>
<td>22902</td>
</tr>
<tr>
<td>Rotary and Mission Systems</td>
<td>85297</td>
</tr>
<tr>
<td>Space</td>
<td>55158</td>
</tr>
</tbody>
</table>
Break down your organization’s total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

<table>
<thead>
<tr>
<th>Gross Scope 1 emissions, metric tons CO2e</th>
<th>Net Scope 1 emissions, metric tons CO2e</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cement production activities</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Chemicals production activities</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Coal production activities</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Electric utility activities</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Metals and mining production activities</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Oil and gas production activities (upstream)</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Oil and gas production activities (midstream)</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Oil and gas production activities (downstream)</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Steel production activities</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Transport OEM activities</td>
<td>297630</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Transport services activities</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

Primary activities at Lockheed Martin include the design, development, manufacture, integration and sustainment of advanced technology systems, products and services, primarily for the defense industry and not in support of passenger transport or logistic services. The most appropriate sector boundary is one that includes all of our diverse offerings and facilities. Therefore, the figure reported here reflects Gross Scope 1 emissions.

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

<table>
<thead>
<tr>
<th>Country/Region</th>
<th>Scope 2, location-based (metric tons CO2e)</th>
<th>Scope 2, market-based (metric tons CO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>181</td>
<td>181</td>
</tr>
<tr>
<td>Canada</td>
<td>2145</td>
<td>0</td>
</tr>
<tr>
<td>Mexico</td>
<td>804</td>
<td>804</td>
</tr>
<tr>
<td>Poland</td>
<td>7255</td>
<td>7255</td>
</tr>
<tr>
<td>United Kingdom of Great Britain and Northern Ireland</td>
<td>2114</td>
<td>2114</td>
</tr>
<tr>
<td>United States of America</td>
<td>542144</td>
<td>380966</td>
</tr>
</tbody>
</table>

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.5a) Break down your total gross global Scope 2 emissions by business division.

<table>
<thead>
<tr>
<th>Business division</th>
<th>Scope 2, location-based (metric tons CO2e)</th>
<th>Scope 2, market-based (metric tons CO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aeronautics</td>
<td>190278</td>
<td>155907</td>
</tr>
<tr>
<td>Enterprise Operations</td>
<td>25525</td>
<td>8166</td>
</tr>
<tr>
<td>Missiles and Fire Control</td>
<td>123607</td>
<td>123607</td>
</tr>
<tr>
<td>Rotary and Mission Systems</td>
<td>92882</td>
<td>77168</td>
</tr>
<tr>
<td>Space</td>
<td>122551</td>
<td>26472</td>
</tr>
</tbody>
</table>
Break down your organization’s total gross global Scope 2 emissions by sector production activity in metric tons CO2e.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Scope 2, location-based, metric tons CO2e</th>
<th>Scope 2, market-based (if applicable), metric tons CO2e</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cement production activities</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Chemicals production activities</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Coal production activities</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Metals and mining production activities</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Oil and gas production activities (upstream)</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Oil and gas production activities (midstream)</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Oil and gas production activities (downstream)</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Steel production activities</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Transport OEM activities</td>
<td>554643</td>
<td>Primary activities at Lockheed Martin include the design, development, manufacture, integration and sustainment of advanced technology systems, products and services, primarily for the defense industry and not in support of passenger transport or logistic services. The most appropriate sector boundary is one that includes all of our diverse offerings and facilities. Therefore, the figure reported here reflects Gross Scope 2 emissions.</td>
<td></td>
</tr>
<tr>
<td>Transport services activities</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
</tr>
</tbody>
</table>

Provide primary intensity metrics that are appropriate to your indirect emissions in Scope 3 Category 11: Use of sold products from transport.

**Activity**

Aviation

**Emissions intensity figure**

8.91

**Metric numerator (Scope 3 emissions: use of sold products) in Metric tons CO2e**

23042681

**Metric denominator**

Please select

**Metric denominator: Unit total**

% change from previous year

Vehicle unit sales in reporting year

274

Vehicle lifetime in years

Annual distance in km or miles (unit specified by column 4)

Load factor

Please explain the changes, and relevant standards/methodologies used

This estimate is for aircraft sold only. Our aircraft products comprise a combination of fixed wing and rotary products serving a variety of global customer missions. Due to the sensitive nature of the global security industry the values provided are an aggregation of the products measured and cannot be provided for individual product lines. Our aircraft useful life is measured in flight-hr and in 2021 the average operational life of the 274 aircraft delivered to customers was 9,443 flight-hr. The average emissions factor for these aircraft was 8.91 mt CO2e/flight-hr. Operational life in years is dependent on annual use and varies across product lines. In addition to the Scope 3, Category 11 emissions reported in this section, Lockheed Martin estimates 1,605 mt CO2e from non-transport products, which is less than 0.01% of the overall category estimate. These are not listed separately because of the Activity categories available.
C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) 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.

<table>
<thead>
<tr>
<th>Change in emissions (metric tons CO2e)</th>
<th>Direction of change</th>
<th>Emissions value (percentage)</th>
<th>Please explain calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in renewable energy consumption</td>
<td>21175</td>
<td>Increased</td>
<td>3.1</td>
</tr>
<tr>
<td>Other emissions reduction activities</td>
<td>15065</td>
<td>Decreased</td>
<td>0.0219</td>
</tr>
<tr>
<td>Diversification</td>
<td>373</td>
<td>Decreased</td>
<td>0.05</td>
</tr>
<tr>
<td>Acquisitions</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mergers</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in output</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in methodology</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in boundary</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in physical operating conditions</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unidentified</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

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

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Indicate whether your organization undertook this energy-related activity in the reporting year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumption of fuel (excluding feedstocks)</td>
<td>Yes</td>
</tr>
<tr>
<td>Consumption of purchased or acquired electricity</td>
<td>Yes</td>
</tr>
<tr>
<td>Consumption of purchased or acquired heat</td>
<td>No</td>
</tr>
<tr>
<td>Consumption of purchased or acquired steam</td>
<td>No</td>
</tr>
<tr>
<td>Consumption of purchased or acquired cooling</td>
<td>Yes</td>
</tr>
<tr>
<td>Generation of electricity, heat, steam, or cooling</td>
<td>Yes</td>
</tr>
</tbody>
</table>
(C8.2a) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

<table>
<thead>
<tr>
<th>Consumption of fuel (excluding feedstock)</th>
<th>Heating value</th>
<th>MWh from renewable sources</th>
<th>MWh from non-renewable sources</th>
<th>Total (renewable and non-renewable) MWh</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumption of purchased or acquired electricity</td>
<td>HHV (higher heating value)</td>
<td>0</td>
<td>1530550.45</td>
<td>1530550.45</td>
</tr>
<tr>
<td>Consumption of purchased or acquired heat</td>
<td>&lt;Not Applicable&gt;</td>
<td>403413</td>
<td>105864.25</td>
<td>141001.25</td>
</tr>
<tr>
<td>Consumption of purchased or acquired cool</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>12055.95</td>
<td>12055.95</td>
</tr>
<tr>
<td>Consumption of self-generated non-fuel renewable energy</td>
<td>&lt;Not Applicable&gt;</td>
<td>12943</td>
<td>&lt;Not Applicable&gt;</td>
<td>12943</td>
</tr>
<tr>
<td>Total energy consumption</td>
<td>&lt;Not Applicable&gt;</td>
<td>416356</td>
<td>2611170.65</td>
<td>3036550.65</td>
</tr>
</tbody>
</table>

(C8.2b) Select the applications of your organization’s consumption of fuel.

<table>
<thead>
<tr>
<th>Consumption of fuel for the generation of electricity</th>
<th>Indicate whether your organization undertakes this fuel application</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumption of fuel for the generation of heat</td>
<td>Yes</td>
</tr>
<tr>
<td>Consumption of fuel for the generation of steam</td>
<td>Yes</td>
</tr>
<tr>
<td>Consumption of fuel for the generation of cooling</td>
<td>No</td>
</tr>
<tr>
<td>Consumption of fuel for co-generation or tri-generation</td>
<td>Yes</td>
</tr>
</tbody>
</table>

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value
Please select

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self-co-generation or self-tri-generation

Comment

Other biomass

Heating value

Total fuel MWh consumed by the organization

0.06

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self-co-generation or self-tri-generation

Comment

unit equals megawatt hour per short ton, dry weight
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Other renewable fuels (e.g. renewable hydrogen)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coal</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Oil</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gas</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fuel Oil #2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value
HHV

Total fuel MWh consumed by the organization
242946

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

Comment
includes 2021 totals for propane, jet fuel, gasoline, and diesel

Total fuel

Heating value
HHV

Total fuel MWh consumed by the organization
1530550.06

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

Comment

---

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

<table>
<thead>
<tr>
<th></th>
<th>Total Gross generation (MWh)</th>
<th>Generation that is consumed by the organization (MWh)</th>
<th>Gross generation from renewable sources (MWh)</th>
<th>Generation from renewable sources that is consumed by the organization (MWh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity</td>
<td>69910</td>
<td>66908</td>
<td>12943</td>
<td>12943</td>
</tr>
<tr>
<td>Heat</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Steam</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cooling</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

C8.2e

(C8.2e) 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 C6.3.

Sourcing method
Direct procurement from an off-site grid- connected generator e.g. Power purchase agreement (PPA)

Energy carrier
Electricity

Low-carbon technology type
Solar

Country/area of low-carbon energy consumption
United States of America

Tracking instrument used
US-REC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
55249

Country/area of origin (generation) of the low-carbon energy or energy attribute
United States of America

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2016
Comment
In June 2016 Lockheed Martin became the off-taker of 30 MW from a solar power purchase agreement in North Carolina. The Renewable Energy Certificates (RECs) produced from this project contribute to the company’s energy mix.

<table>
<thead>
<tr>
<th>Sourcing method</th>
<th>Green electricity products from an energy supplier (e.g. green tariffs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy carrier</td>
<td>Electricity</td>
</tr>
<tr>
<td>Low-carbon technology type</td>
<td>Renewable energy mix, please specify (Large Hydro, Solar, Wind)</td>
</tr>
<tr>
<td>Country/area of low-carbon energy consumption</td>
<td>United States of America</td>
</tr>
<tr>
<td>Tracking instrument used</td>
<td>US-REC</td>
</tr>
<tr>
<td>Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)</td>
<td>154207</td>
</tr>
<tr>
<td>Country/area of origin (generation) of the low-carbon energy or energy attribute</td>
<td>United States of America</td>
</tr>
<tr>
<td>Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)</td>
<td>2015</td>
</tr>
<tr>
<td>Comment</td>
<td>These figures represent green tariff programs at four different facilities.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sourcing method</th>
<th>Unbundled energy attribute certificates (EACs) purchase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy carrier</td>
<td>Electricity</td>
</tr>
<tr>
<td>Low-carbon technology type</td>
<td>Wind</td>
</tr>
<tr>
<td>Country/area of low-carbon energy consumption</td>
<td>United States of America</td>
</tr>
<tr>
<td>Tracking instrument used</td>
<td>US-REC</td>
</tr>
<tr>
<td>Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)</td>
<td>197438</td>
</tr>
<tr>
<td>Country/area of origin (generation) of the low-carbon energy or energy attribute</td>
<td>United States of America</td>
</tr>
<tr>
<td>Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)</td>
<td>2014</td>
</tr>
<tr>
<td>Comment</td>
<td>Energy generation facility was commissioned in 2014 and 2015</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sourcing method</th>
<th>Unbundled energy attribute certificates (EACs) purchase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy carrier</td>
<td>Electricity</td>
</tr>
<tr>
<td>Low-carbon technology type</td>
<td>Wind</td>
</tr>
<tr>
<td>Country/area of low-carbon energy consumption</td>
<td>Canada</td>
</tr>
<tr>
<td>Tracking instrument used</td>
<td>Other, please specify (Green-e)</td>
</tr>
<tr>
<td>Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)</td>
<td>14300</td>
</tr>
<tr>
<td>Country/area of origin (generation) of the low-carbon energy or energy attribute</td>
<td>Canada</td>
</tr>
<tr>
<td>Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)</td>
<td>2011</td>
</tr>
<tr>
<td>Comment</td>
<td></td>
</tr>
</tbody>
</table>
(C8.2g) Provide a breakdown of your non-fuel energy consumption by country.

<table>
<thead>
<tr>
<th>Country/area</th>
<th>Consumption of electricity (MWh)</th>
<th>Consumption of heat, steam, and cooling (MWh)</th>
<th>Total non-fuel energy consumption (MWh) [Auto-calculated]</th>
<th>Is this consumption excluded from your RE100 commitment?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td>14258</td>
<td></td>
<td>&lt;Calculated field&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>United States of America</td>
<td>1475148</td>
<td>12055</td>
<td>1487203</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Mexico</td>
<td>1587</td>
<td></td>
<td>&lt;Calculated field&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Australia</td>
<td>229</td>
<td></td>
<td>&lt;Calculated field&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Poland</td>
<td>10221</td>
<td></td>
<td>&lt;Calculated field&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>United Kingdom of Great Britain and Northern Ireland</td>
<td>5132</td>
<td></td>
<td>&lt;Calculated field&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>
C-TO8.5

(C-TO8.5) Provide any efficiency metrics that are appropriate for your organization's transport products and/or services.

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

<table>
<thead>
<tr>
<th>Description</th>
<th>Metric value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy usage</td>
<td>0.22</td>
</tr>
</tbody>
</table>

| Metric numerator     | 322735       |
| Metric denominator (intensity metric only) | 1481001 |

<table>
<thead>
<tr>
<th>% change from previous year</th>
<th>Direction of change</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.96</td>
<td>Increased</td>
</tr>
</tbody>
</table>

**Please explain**

We consumed 322,735 megawatt hours (MWh) of renewable energy (excluding large hydro), comprising 61.2% from renewable energy certificates (RECs) and 38.8% from on-site energy generation/PPA/green tariffs, which accounts for approximately 22% of the company's annual domestic electricity consumption. In 2020, we consumed 322,000 MWh of renewable energy.

<table>
<thead>
<tr>
<th>Description</th>
<th>Metric value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other, please specify (Green Buildings)</td>
<td>3746344</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Metric denominator (intensity metric only)</th>
<th>% change from previous year</th>
<th>Direction of change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.04</td>
<td>Increased</td>
</tr>
</tbody>
</table>

**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 2021, we operated 26 Leadership in Energy and Environmental Design (LEED), 1 Building Research Establishment Environmental Assessment Methodology (BREEAM) and 9 ENERGY STAR certified buildings.

C-TO9.3/C-TS9.3

(C-TO9.3/C-TS9.3) Provide tracking metrics for the implementation of low-carbon transport technology over the reporting year.

<table>
<thead>
<tr>
<th>Investment in low-carbon R&amp;D</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Please select</td>
<td></td>
</tr>
</tbody>
</table>


C10. Verification
C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

<table>
<thead>
<tr>
<th>Scope</th>
<th>Verification/assurance status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 1</td>
<td>Third-party verification or assurance process in place</td>
</tr>
<tr>
<td>Scope 2 (location-based or market-based)</td>
<td>Third-party verification or assurance process in place</td>
</tr>
<tr>
<td>Scope 3</td>
<td>Third-party verification or assurance process in place</td>
</tr>
</tbody>
</table>

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

- **Verification or assurance cycle in place**: Annual process
- **Status in the current reporting year**: Complete
- **Type of verification or assurance**: Moderate assurance
- **Attach the statement**: Lockheed Martin Assurance Statement 2021.pdf
- **Page/section reference**: 3
- **Relevant standard**: AA1000AS
- **Proportion of reported emissions verified (%)**: 100

C10.1b
(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach
Scope 2 location-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Moderate assurance

Attach the statement
Lockheed Martin Assurance Statement 2021.pdf

Page/section reference
3

Relevant standard
AA1000AS

Proportion of reported emissions verified (%)
100

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

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

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Moderate assurance

Attach the statement
Lockheed Martin Assurance Statement 2021.pdf

Page/section reference
3

Relevant standard
AA1000AS

Proportion of reported emissions verified (%)
100
(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?
Yes

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

<table>
<thead>
<tr>
<th>Disclosure module verification relates to</th>
<th>Data verified</th>
<th>Verification standard</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>C8. Energy</td>
<td>Energy consumption</td>
<td>AA1000AS</td>
<td>Our total energy consumption and our total renewable energy reported in C8.2 are verified to the AA1000AS standard because they are components of the reported progress on our renewable energy goal.</td>
</tr>
<tr>
<td>C4. Targets and performance</td>
<td>Progress against emissions reduction target</td>
<td>AA1000AS</td>
<td>Our progress towards our emissions reduction goals and our renewable energy target are verified to the AA1000AS standard to ensure strong checks and balances on these key goals.</td>
</tr>
<tr>
<td>C1. Governance</td>
<td>Other, please specify (Sustainability governance structure)</td>
<td>AA1000AS</td>
<td>Our sustainability governance structure described in C1.1a through C1.2a are reported in our 2021 Sustainability Report and thus verified to the AA1000AS standard through our third-party verifier review of our annual sustainability report.</td>
</tr>
<tr>
<td>C4. Targets and performance</td>
<td>Year on year emissions intensity figure</td>
<td>AA1000AS</td>
<td>Our annual progress towards our intensity-based emissions reduction goal is verified to the AA1000AS standard to ensure strong checks and balances on this key goal.</td>
</tr>
<tr>
<td>C6. Emissions data</td>
<td>Other, please specify (Scope 1, Scope 2 and Scope 3 emissions data)</td>
<td>AA1000AS</td>
<td>Our emissions data for Scope 1, Scope 2 and Scope 3 is verified to the AA1000AS standard to ensure strong oversight of this key data.</td>
</tr>
<tr>
<td>C4. Targets and performance</td>
<td>Emissions reduction activities</td>
<td>AA1000AS</td>
<td>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 where these initiatives are also reported.</td>
</tr>
</tbody>
</table>

C11. Carbon pricing

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?
No, and we do not anticipate being regulated in the next three years

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?
No

(C11.3) Does your organization use an internal price on carbon?
No, and we do not currently anticipate doing so in the next two years

C12. Engagement

(C12.1) Do you engage with your value chain on climate-related issues?
Yes, our suppliers
   Yes, other partners in the value chain

(C12.1a) Provide details of your climate-related supplier engagement strategy.

**Type of engagement**
Information collection (understanding supplier behavior)

**Details of engagement**
Collect climate change and carbon information at least annually from suppliers

**% of suppliers by number**
% total procurement spend (direct and indirect) 100
% of supplier-related Scope 3 emissions as reported in C6.5 100

Rationale for the coverage of your engagement
Annually, we conduct the DoD Sustainability Lifecycle Analysis which correlates our spend with the North American Industry Classification System (NAICS) code(s) [a six-digit number based on the primary type of work the business performs] to indicate emission-related insights. For example, suppliers coded as manufacturing are likely to have a higher emissions rate. We also leverage this activity to identify top environmentally impactful suppliers (large and small) which influences the suppliers we will include in 2022 supplier sustainability assessment.

Impact of engagement, including measures of success
The data gained through this engagement is used to estimate our Scope 3 emissions for Purchased Goods and Services and Capital Goods. For these categories, emissions rose in 2021 as a result of higher supplier spend vs. 2020. This does account for the estimated impact of grid greening year over year but the best available data from EPA is for 2020 so there is no measurable change across the years. Emissions in 2021 were still lower than 2019 based on the amount of supplier spend in 2019 vs. 2021. Capital Goods (as identified by NAICS code and consistent year over year) did decline as a percentage of the two categories (3.9% from 6.9%). In fact, that is about half of what the proportion of Capital Goods to Purchased Goods and Services has been each year since 2016. Supplier emissions rates, based on a weighted aggregate, do continue to go down each year for both categories. This illustrates changes in which type of NAICS codes are most embedded in our supplier base each year. From this information we can takeaway that as the average supplier emissions rate goes down, we are more GHG efficient even as spend goes up.

Comment
Type of engagement
Innovation & collaboration (changing markets)
Details of engagement
Run a campaign to encourage innovation to reduce climate impacts on products and services
Collaborate with suppliers on innovative business models to source renewable energy

% of suppliers by number 24
% total procurement spend (direct and indirect) 56
% of supplier-related Scope 3 emissions as reported in C6.5 56

Rationale for the coverage of your engagement
In 2021, Lockheed Martin joined other defense primes through our membership in the International Aerospace Environmental Group (IAEG) and made a case for establishing a new work group to deploy and maintain an enduring aerospace industry voluntary standard, with the support of a proven third-party solution, for assessing Environment, Social and Governance (ESG) practices that enable informed business decisions, duty of care compliance obligations, sustainability reporting, and positive change in environmental and social topics. In addition, Lockheed Martin is leading the Communications & Supplier Engagement sub-group to address industry-wide sustainability messaging and stewardship activities to launch a Supply Chain Sustainability Forum in 2022 to upskill the supply chain with topics spanning ESG, including climate change and emission-reducing pathways. Out of our suppliers, approximately 24% are IAEG members - representing 56% of our total procurement spend in 2021.

Impact of engagement, including measures of success
The IAEG work group was established and an RFI was conducted to assess third-party solution providers.

Comment
This is one of the largest steps forward taken by our industry to collect data, conduct due diligence, and collectively lift the supply chain through the establishment of a Supply Chain Sustainability Forum.

Type of engagement
Engagement & incentivization (changing supplier behavior)
Details of engagement
Run an engagement campaign to educate suppliers about climate change
Provide training, support, and best practices on how to make credible renewable energy usage claims
Directly work with suppliers on exploring corporate renewable energy sourcing mechanisms

% of suppliers by number 100
% total procurement spend (direct and indirect) 100
% of supplier-related Scope 3 emissions as reported in C6.5 100

Rationale for the coverage of your engagement
In 2021, we executed a campaign series on emission reduction to all of our 13,700 suppliers covering topics such as: Setting Meaningful Energy Reduction Goals and Finding Energy Efficiency Gold with ENERGY STAR® Treasure Hunts.

Impact of engagement, including measures of success
Through this education campaign we were able to further sustainability within our supply chain and encourage our suppliers to make greater carbon reduction and sustainability efforts.

Comment

C12.1d
Give details of your climate-related engagement strategy with other partners in the value chain.

In 2021, Lockheed Martin engaged with NGOs in our value chain on causes of mutual interest to address climate-related issues. Some specific examples are presented below.

In 2021, Lockheed Martin committed $2 million to a three-year partnership with The Nature Conservancy in support of a project that will protect 4,000 acres of land along Maryland’s Eastern Shore. The area contains the restricted airspace of the Atlantic Testing Range and the Naval Air Station at Patuxent River. It also includes more than 75% of Maryland’s remaining tidal wetlands, which provide defense against coastal hazards stemming from climate impacts. The project is part of the Department of Defense’s Readiness and Environmental Protection Integration Challenge, which aims to strengthen the resiliency of the Department of Defense’s vital U.S. infrastructure.

Lockheed Martin is a member of the International Aerospace Environmental Group (IAEG), a non-profit organization of global aerospace companies created to collaborate on and share innovative environmental solutions for the industry. IAEG membership represents 70% of the Global Aerospace & Defense Industry covering ~500B in revenue. The group works to promote the development of voluntary consensus standards and provide accessible solutions for key environmental issues. Key subject matter experts at Lockheed Martin take part in IAEG’s working groups to address such issues as greenhouse gas reporting and management and supply chain sustainability survey harmonization. Learnings from these working groups are used to improve internal processes at Lockheed Martin as well as disseminated in IAEG’s wider education efforts via meetings and bespoke seminars.

For example, the IAEG GHG Management & Reporting Working Group, which was established to address the issue of GHG accounting and reporting by aerospace companies and promote industry wide consistency in GHG emissions accounting and reporting, published the GHG Reporting Guidance for the Aerospace Industry – A Supplement to the GHG Protocol Corporate Accounting and Reporting Standard. This guidance provides a common framework of rules, methodologies, vocabulary, and relevant recommendations for GHG accounting and reporting to promote consistent, complete and accurate reporting across the Aerospace industry.

Do your suppliers have to meet climate-related requirements as part of your organization’s purchasing process?

No, and we do not plan to introduce climate-related requirements within the next two years

Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate
Yes, we engage directly with policy makers
Yes, we engage indirectly through trade associations
Yes, we engage indirectly by funding other organizations whose activities may influence policy, law, or regulation that may significantly impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?
No, and we do not plan to have one in the next two years

Attach commitment or position statement(s)
<Not Applicable>

Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy
We are currently in the process of conducting an expanded assessment of the trade associations of which we are members. This expanded assessment will include an evaluation of the lobbying activities and climate positions of our significant trade organization memberships. We plan to develop and publish a report summarizing the results of this evaluation in 2022. This report will include a consolidated reporting of our commitment, our evaluation scope and methodology, summary results, and description of our associated governance structure and will be used to expand our CDP reporting in future years.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate
<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate
<Not Applicable>
(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?

Focus of policy, law, or regulation that may impact the climate
Adaptation and/or resilience to climate change
Carbon tax
Electricity grid access for renewables
Mandatory climate-related reporting
Renewable energy generation
Transparency requirements

Specify the policy, law, or regulation on which your organization is engaging with policy makers
Lockheed Martin engages on policies or regulations to ensure our ability to comply and effectively operate under those conditions.

Policy, law, or regulation geographic coverage
National

Country/region the policy, law, or regulation applies to
United States of America

Your organization’s position on the policy, law, or regulation
Neutral

Description of engagement with policy makers
When required.

Details of exceptions (if applicable) and your organization’s proposed alternative approach to the policy, law or regulation
<Not Applicable>

Have you evaluated whether your organization’s engagement is aligned with the goals of the Paris Agreement?
No, we have not evaluated

(C12.3b) Provide details of the trade associations your organization engages with which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association
Other, please specify (American Council on Renewable Energy (ACORE))

Is your organization’s position on climate change consistent with theirs?
Consistent

Has your organization influenced, or is your organization attempting to influence their position?
We publicly promote their current position

State the trade association’s position on climate change, explain where your organization’s position differs, and how you are attempting to influence their position (if applicable)
American Council on Renewable Energy (ACORE) is a non-profit organization dedicated to building a secure and prosperous America with clean, renewable energy. ACORE provides a common educational platform for a wide range of interests in the renewable energy community, focusing on technology, finance, policy, and market development. ACORE convenes thought leadership forums and creates energy industry partnerships to communicate the economic, security, and environmental benefits of renewable energy.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)
<Not Applicable>

Describe the aim of your organization’s funding
<Not Applicable>

Have you evaluated whether your organization’s engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Trade association
Other, please specify (Aerospace Industries Association (AIA))

Is your organization’s position on climate change consistent with theirs?
Consistent

Has your organization influenced, or is your organization attempting to influence their position?
We are not attempting to influence their position

State the trade association’s position on climate change, explain where your organization’s position differs, and how you are attempting to influence their position (if applicable)
Aerospace Industries Association (AIA) does not have a formal stated position on climate change; however, it has stated the need for a comprehensive energy policy using a central/federal framework. It also emphasizes that the debate should be based on facts and science.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)
100000

Describe the aim of your organization’s funding
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, AIA 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.

Have you evaluated whether your organization’s engagement with this trade association is aligned with the goals of the Paris Agreement?
No, we have not evaluated
Trade association
US Chamber of Commerce

Is your organization’s position on climate change consistent with theirs?
Consistent

Has your organization influenced, or is your organization attempting to influence their position?
We publicly promote their current position

State the trade association’s position on climate change, explain where your organization’s position differs, and how you are attempting to influence their position (if applicable)
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

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)
10000

Describe the aim of your organization’s funding
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.

Have you evaluated whether your organization’s engagement with this trade association is aligned with the goals of the Paris Agreement?
No, we have not evaluated

Trade association
Business Roundtable

Is your organization’s position on climate change consistent with theirs?
Consistent

Has your organization influenced, or is your organization attempting to influence their position?
We publicly promote their current position

State the trade association’s position on climate change, explain where your organization’s position differs, and how you are attempting to influence their position (if applicable)
Business Roundtable CEOs embrace sustainable practices across their businesses, resulting in stronger communities and a healthier environment. CEOs are leading the way through investments, innovation and strategic decisions, toward a more environmentally and economically sustainable future. For over a decade, Business Roundtable CEOs have been leading voices for the sustainability business case – demonstrating that environmental sustainability and economic growth in the U.S. can be achieved together. U.S. businesses are making a positive impact on sustainable outcomes which can be seen through major initiatives such as: Driving Efficiency, Reuse, and Recycling Growing Sustainable Investment Reducing Carbon Emissions Advancing Renewable Energy https://www.businessroundtable.org/policy-perspectives/energyenvironment/sustainability

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)
125000

Describe the aim of your organization’s funding
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, Business Roundtable received less than $125,000 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.

Have you evaluated whether your organization’s engagement with this trade association is aligned with the goals of the Paris Agreement?
No, we have not evaluated

C12.3c

(C12.3c) Provide details of the funding you provided to other organizations in the reporting year whose activities could influence policy, law, or regulation that may impact the climate.

C12.4
(C12.4) Have you published information about your organization’s response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

**Publication**
In mainstream reports

**Status**
Complete

**Attach the document**
Lockheed Martin 2022-proxy-statement.pdf

**Page/Section reference**
6, 31-32

**Content elements**
Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

**Comment**

---

**Publication**
In voluntary communications

**Status**
Complete

**Attach the document**
Lockheed_Martin_2021_Sustainability_Report.pdf

**Page/Section reference**
8-12, 16-21, 47

**Content elements**
Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

**Comment**

---

**Publication**
Other, please specify (Data)

**Status**
Complete

**Attach the document**
Lockheed-Martin-2021-ESG-Performance-Index.pdf

**Page/Section reference**
16-19

**Content elements**
Risks & opportunities
Emissions figures
Other metrics

**Comment**

---

**C15. Biodiversity**

---

**C15.1**

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

<table>
<thead>
<tr>
<th>Board-level oversight and/or executive management-level responsibility for biodiversity-related issues</th>
<th>Description of oversight and objectives relating to biodiversity</th>
<th>Scope of board-level oversight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Please select</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

---

**C15.2**
(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

<table>
<thead>
<tr>
<th>Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity</th>
<th>Biodiversity-related public commitments</th>
<th>Initiatives endorsed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1</td>
<td>Please select</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

C15.3

(C15.3) Does your organization assess the impact of its value chain on biodiversity?

<table>
<thead>
<tr>
<th>Does your organization assess the impact of its value chain on biodiversity?</th>
<th>Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1</td>
<td>Please select</td>
</tr>
</tbody>
</table>

C15.4

(C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

<table>
<thead>
<tr>
<th>Have you taken any actions in the reporting period to progress your biodiversity-related commitments?</th>
<th>Type of action taken to progress biodiversity-related commitments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1</td>
<td>Please select</td>
</tr>
</tbody>
</table>

C15.5

(C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?

<table>
<thead>
<tr>
<th>Does your organization use indicators to monitor biodiversity performance?</th>
<th>Indicators used to monitor biodiversity performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1</td>
<td>Please select</td>
</tr>
</tbody>
</table>

C15.6

(C15.6) Have you published information about your organization’s response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

<table>
<thead>
<tr>
<th>Report type</th>
<th>Content elements</th>
<th>Attach the document and indicate where in the document the relevant biodiversity information is located</th>
</tr>
</thead>
<tbody>
<tr>
<td>In voluntary sustainability report or other voluntary communications</td>
<td>Impacts on biodiversity Details on biodiversity indicators Other, please specify (Partnerships with NGOs to support biodiversity)</td>
<td>Pages 21 and 52 Lockheed_Martin_2021_Sustainability_Report.pdf</td>
</tr>
</tbody>
</table>

C16. Signoff

C-FI

(C-FI) 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.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

<table>
<thead>
<tr>
<th>Job title</th>
<th>Corresponding job category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1</td>
<td>Chairman, President and CEO</td>
</tr>
</tbody>
</table>

SC. Supply chain module
SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

Lockheed Martin has established sustainable supply chain programs that drive affordability and innovation across our value chain. In 2021, we focused on creating long-lasting, leading opportunities to enhance environmental stewardship and social responsibility. We understand that what we do today shapes what the world will become tomorrow. Lockheed Martin’s supply chain sustainability strategy includes efforts that align with environmental, social and governance topics. We continuously evaluate and expand upon our efforts to strengthen our strategy while addressing emerging areas of concern to our stakeholders.

SC0.1

(SC0.1) What is your company’s annual revenue for the stated reporting period?

<table>
<thead>
<tr>
<th>Annual Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>07044000000</td>
</tr>
</tbody>
</table>

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

<table>
<thead>
<tr>
<th>Allocation challenges</th>
<th>Please explain what would help you overcome these challenges</th>
</tr>
</thead>
</table>

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Please select

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

No

SC4.1

(SC4.1) Are you providing product level data for your organization’s goods or services?

No, I am not providing data

Submit your response

In which language are you submitting your response?

English
Please confirm how your response should be handled by CDP

<table>
<thead>
<tr>
<th>Please select your submission options</th>
<th>I understand that my response will be shared with all requesting stakeholders</th>
<th>Response permission</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td></td>
<td>Public</td>
</tr>
</tbody>
</table>

Please confirm below
I have read and accept the applicable Terms