2019

ESH YEAR-END
PROGRAM SUMMARY

01. Go Green
02. Governance
03. Target Zero
04. Remediation
GO GREEN

2020 GOALS

- REDUCE WATER 30%
- REDUCE CARBON EMISSIONS 35%
- REDUCE FACILITY ENERGY 25%
- REDUCE TOTAL WASTE 7%

ENERGY AND WATER COST AVOIDANCE

$32M
*COMPARSED TO 2010

2019 PERFORMANCE

- 20%
- 39%
- 22%
- 12%

REDUCTIONS FOR WATER, CARBON EMISSIONS, AND FACILITY ENERGY ARE MEASURED AGAINST 2010 LEVELS AND WASTE IS MEASURED AGAINST 2014

ENERGY STAR PARTNER OF THE YEAR

ENERGY STAR CHALLENGE WINNER

23% ENERGY REDUCTION
(in one year) by RMS Sikorsky,
A Lockheed Martin Company,
Troy, AL Operations

2020
2019
PERFORMANCE

ENERGY AND WATER COST AVOIDANCE

$32M
*COMPA***

2020
2019
PERFORMANCE

ENERGY AND WATER COST AVOIDANCE

$32M
*COMPA***

41 energy efficiency projects implemented; reducing 45 million kilowatt hours (kWh) per year and avoiding $3.9 million annually

20% of the Corporation’s total electricity usage is associated with green power

TRIPLED our green building footprint from 2013 baseline year to 2019
**ADVOCACY AND GOVERNANCE**

**ESH MANAGEMENT SYSTEM**

Completed successful gap analysis, demonstrating readiness of ESH management system for integrated enterprise, multi-site certification to the ISO 14001 and 45001 International Management System standards.

**GLOBAL COMPLIANCE ASSURANCE AND RISK MANAGEMENT**

- **35** forums hosted to communicate existing and emerging ESH regulatory and compliance needs including 2 regionally-focused events
- **14** compliance peer assessments facilitated across all business areas (BAs), including first-ever international events at 2 UK facilities
- **5** employee electronic waste events sponsored, collecting 35,000 lbs of e-waste for recycling, and 1 household hazardous waste event with 3,000 lbs of hazardous waste collected for disposal
- **15** sites hosted ESH Week events across Lockheed Martin’s Australia and New Zealand operations, engaging leaders and employees with dedicated activities

**ESH DIGITAL TRANSFORMATION**

Implemented modernized compliance and risk based modules in the ESH Management Information System, achieving real-time access to:

- **5,429** Active Compliance Tasks
- **530** Permits
- **345** Inspections
- **214** Job/Task Hazard Assessments

- **100%** Go Green metrics tracked
- **5** new data visualization dashboards launched
- **4** sites (within 2 BAs) have ESH cognitive assistance artificial intelligence (AI) pilots underway
### TARGET ZERO

#### 2019 GOAL | PERFORMANCE
---|---
**Recordable Incident (N/A)** | 1.03 ✓
**Day Away Case (0.18)** | 0.18 ✓
**Severity (5.17)** | 3.89 ✓

- **22nd International Applied Ergonomics Conference (AAEC) Competition**
- **7th Annual Lockheed Martin ERGO Cup Competition**
- **Aeronautics Leadership is highly engaged in safety which resulted in a 34% reduction in injuries (vs 3 year average)**
- **TARGET ZERO Leader Initiative Customer Recognition**
- **PEER RECOGNITION**

- 4 Lockheed Martin teams (from all BAS) participated
- 2 teams won
- 7400+ employees visited the ERGO Cup page and 3515 employees voted
- 233% increase over competition high
- 59 innovations 55% increase over 2018
REMEDIATION

FORMER LOCKHEED SHIPBUILDING AND CONSTRUCTION COMPANY

From 1959 through 1987, Lockheed Shipbuilding and Construction Company operated a shipyard on the Elliott Bay in Seattle, WA. Lockheed Martin has worked collaboratively with the U.S. EPA, Native American Tribes, and the Port of Seattle for nearly 20 years on effective cleanup measures for sediment impacted by shipbuilding and repair activities that date back to 1898.

In 2015, Lockheed Martin and the U.S. EPA entered into a cooperative agreement to design and implement the sediment remedy. After two seasons of in-water dredging in Elliott Bay, the sediment remedy is complete, and the following accomplishments were achieved:

- **180,000 TONS OF IMPACTED SEDIMENT REMOVED**
- **1,500 TONS OF DEBRIS REMOVED**
- **100,000 TONS OF CLEAN BACKFILL PLACED**

In 2019, we continued our Remedial System Optimization initiative to reduce long-term Operations & Maintenance (O&M) across the program. Efficiency projects were implemented associated with:

- **ENERGY USAGE**
- **GROUNDWATER MONITORING / INSPECTION REQUIREMENTS**
- **TIME TO PROJECT CLOSURE**
- **REACTIVATED CARBON**

**RESULTING IN $17 MILLION REDUCTION IN LONG-TERM O&M COSTS.**