



Destination: Inclusion

Global Diversity and Inclusion
2018 Annual Report



LOCKHEED MARTIN



A Word from Marillyn A. Hewson



Marillyn A. Hewson
Chairman, President and CEO

At Lockheed Martin, we believe the future is full of promise and potential.

We hold this optimistic view because of the extraordinary skills and capabilities of the 105,000 men and women who make up our company. They represent the best and brightest talent in the world – and each day they bring cutting-edge technologies to our customers to protect lives, secure nations, and advance the frontiers of science and discovery.

We recognize that talent plays the critical role in driving this innovation and performance. That's why Lockheed Martin has made a commitment to cultivating a world-class workforce. And in this effort, we see diversity and inclusion as a key enabler of our business success.

As the 21st century global economy becomes even more competitive, we know it will be increasingly important to find new ways to attract, hire, develop, and retain a diverse and talented workforce. By fostering an environment that embraces the unique skills and perspectives of every employee, we can encourage new ideas, create stronger teams, and spur sustained innovation and growth.

With our "Global Diversity & Inclusion 2018 Annual Report," you will see many of the goals we have set and the progress we are making toward meeting our diversity and inclusion goals. This year, the theme of our annual report is "Destination: Inclusion" – a reminder that we are constantly striving to advance diversity and inclusion, to evolve our culture, and to build a workplace where every person is encouraged to bring his or her best ideas forward.

We are confident that by continuing to perform with excellence and by achieving our diversity and inclusion goals, we can position our company for the future and drive opportunity and progress around the world.

A handwritten signature in black ink that reads "Marillyn A. Hewson".

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A word from Patricia L. Lewis



Patricia L. Lewis
Senior Vice President
Human Resources

We are focused on cultivating a globally inclusive work environment to maximize performance and drive innovation. Our goal is to ensure Lockheed Martin has an inclusive culture that allows our employees to maximize their contributions and achieve their full potential. To support this goal, we need to develop leaders and employees who model inclusive behaviors and leverage diversity to maintain our competitive advantage. Diversity and inclusion is a key business enabler that provides us with the opportunity to continue to attract and retain the diverse talent pipeline we need to deliver business results.

Chief Diversity Officer Insights



Rainia L. Washington
Vice President
Global Diversity & Inclusion

I am excited to welcome you to Lockheed Martin's Global Diversity & Inclusion 2018 Annual Report! In this report, we celebrate another year of commitment to diversity and inclusion and highlight our journey toward Destination: Inclusion.

In 2018, we saw great success in supporting our business and human capital strategies and achieving our own strategic imperatives. We held courageous conversations and implemented cultural initiatives across our business areas, integrated our Employee Resource Groups (ERGs) into a united community framework that strengthened and harnessed their collective impact, expanded our Allies for Inclusion initiative, educated and engaged leaders through enhanced training offerings and resources, and bolstered our diversity outreach efforts and community partnerships.

We are energized not only by the progress we have made in 2018, but by the innovative efforts we have underway to sustain this momentum and catapult both our organization and the communities in which we operate to new heights. The landscape of diversity and inclusion is changing, moving away from traditional categories of diversity to a more holistic approach that considers both visible and invisible dimensions. The future of diversity and inclusion embraces intersectionality and the multiple facets of every person's identity – focusing not on how we are different, but on how understanding our differences can promote, encourage, and empower innovation.

At Lockheed Martin, the future is now. We are honored to have the unwavering support of our most senior executives and the passionate dedication of our workforce that allow our organization to act agilely and step boldly into uncharted territory. Just as we pioneer solutions for our customers, we will continue to be pioneers of diversity and inclusion and head toward our Destination: Inclusion.



INTEGRATION

Lockheed Martin's legacy is rich, and the future is bright. Our journey continues to be emboldened by the 105,000 employees who represent the brightest talent across industries and who contribute their best daily. Inclusion is a business imperative at Lockheed Martin and a core enabler of our integrated success.

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Integration by the Numbers

105,000
total employees



7,500+
International employees

25% of our Board of Directors are women



21% of our Leaders are women



54,000

engineers, scientists and
information technology
professionals



8% of our Executive leadership have self-identified as a person with a disability

9% of Leaders are people with a disability

18%

of our Leaders are people of color



26%

of our workforce are people of color

1 in 5
employees is a veteran



24% of our Leaders are veterans

41% of our workforce are millennials

Self-ID Campaign

As part of Lockheed Martin's continuing efforts to encourage inclusion, we launched a Self-Identification Campaign, encouraging employees to voluntarily self-ID. The campaign allows us to raise awareness about the self-identifying process and benefits of participating.

It also helps us shape our culture in the following ways:

- Measure the effectiveness of outreach and recruitment initiatives
- Inform on ways to continue evolving our diversity and inclusion initiatives
- Recognize and reward employees for their efforts or accomplishments in and outside of the company
- Align or match employees with our leadership forums and programs to aid in professional development

Sloan's Story: Sloan DeMent



When asked why he chose to self-identify, J. Sloan DeMent, Systems Engineer Senior Staff, Space, shared a simple response: "I am proud of my service, my ethnicity and my experience representing the T in LGBT."

By self-identifying, Sloan both supports evolving our culture and promotes an inclusive work environment. "Being

an advocate for the transgender community means that sometimes you have to put yourself out there to answer the uncomfortable questions," says Sloan. He always assumes positive intent and makes himself available to educate people about the transgender community.

Leading by Example: Karen Bolden



When asked why she chose to self-identify, Karen Bolden, Senior Financial Analyst, Missiles & Fire Control, shared an important mantra: "As a Marine, I learned to lead by example." Being a veteran makes Karen a part of a culture that uniquely understands the importance of the products we build. "We depend on these products to work 100 percent of the time – we've risked our lives by depending on these products, and we know that if they don't work, our brothers and sisters won't make it home to their families," says Karen. By electing to self-identify, she simultaneously seeks out opportunities to connect with and support fellow veterans.



Day of Understanding

- On December 7, Lockheed Martin, along with 150 other CEO Action signatory organizations, hosted dialogues about understanding and embracing differences in order to build a more inclusive workplace.
- During the session, leaders who represented each of our seven communities shared their unique perspectives on the importance of embracing understanding in the workplace as a driver of creating familiarity with colleagues, ensuring comfortable situations exist across teams – and ultimately enabling inclusion.

Topics covered included:

- Affluent People of Color
- #MeToo
- Transgender Military Service
- Police Brutality
- Honorable Service – Then & Now
- Mental Illness
- Immigration



Cheryl Kern, Director Corporate Diversity & Inclusion:

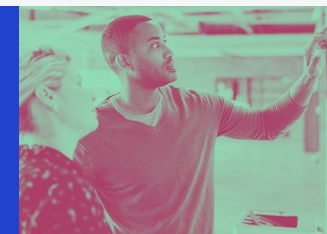
“The workplace is no longer a bubble where we can shed all of these perspectives and pretend these external events don’t exist. We must also acknowledge that as the large company that we are, we are bound to have employees on all sides of every topic, with an infinite number of different reactions and perspectives. Our challenge is not to come to a consensus on any one topic, but to create a culture where everyone feels comfortable bringing their unique perspective and having respectful dialogues.”

Join the Dialogue Day of Understanding



December 7, 2018

CEO ACTION FOR
DIVERSITY & INCLUSION



JP Dinh
Space



Kimberly Ramalho
Rotary and Mission
Systems



Chuck Hollingsworth
Enterprise Operations



M. Monica McManus
Rotary and Mission
Systems



Matt Smith
Space



Ingrid K. Sampson
Rotary and Mission
Systems



Nicolaus Rhenwick
Enterprise Operations



Jennifer K. Fugate
Aeronautics

“By embracing the unique talents and perspectives of our team members, we foster an environment where innovation can thrive and all employees can do their best work. I am proud of the efforts we’ve made in building an inclusive workplace while maintaining an environment where our people feel safe, respected and valued. Although we’ve made great progress, we have the opportunity to expand on that success as we continue to evolve our culture.”

— Marillyn Hewson
Chairman, President and CEO

International Women's Day

Lockheed Martin hosted its inaugural International Women's Day celebration on March 8. More than 800 employees joined the webcast from 51 locations across the globe.

We heard from inspiring internal speakers, including executive sponsor Patricia L. Lewis, senior vice president of Human Resources, and external speaker Irene Natividad (pictured to the right), president of the Global Summit of Women.

During the global dialogues, participants contributed to in-depth conversations about gender parity and provided input on areas of opportunity supporting the advancement of women in the workplace. The event culminated in a white paper that communicated recommendations on key focus areas.

More than
800
employees
joined the
webcast
from
51
locations
across the
globe.



**Empowered Women
Empower Lockheed Martin**

On March 8, join us in celebrating International Women's Day. Lockheed Martin is hosting a 2-hour, virtually-enabled celebration which includes external and internal speakers. Please confirm with your leader prior to registering. The webcast will also be recorded and a replay link shared after the event.

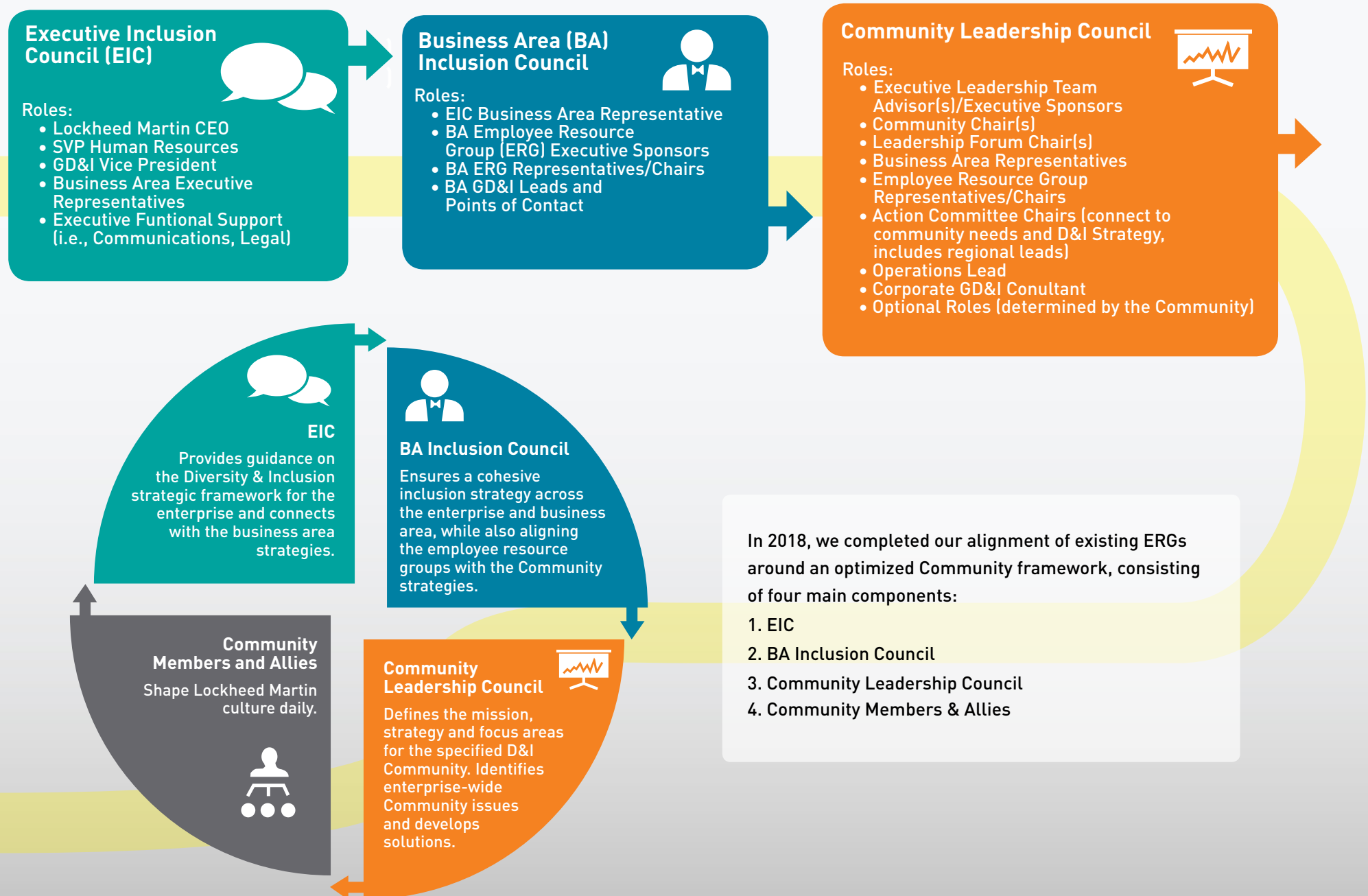
[Learn More & RSVP on insideLM.](#)

International Women's Day Webcast Event | March 8 | 10 a.m. ET

Empowered Women Empower Lockheed Martin
Women in Our Workplace White Paper

A White Paper Presented by:
Lockheed Martin Corporation-Global Diversity & Inclusion

Impacting Inclusion. Councils & Communities



Executive Inclusion Council

Lockheed Martin's Executive Inclusion Council (EIC), which is chaired by Chairman, President, and CEO Marilyn Hewson, sets the tone from the top for Diversity and Inclusion across the enterprise. Our journey towards becoming a more inclusive organization is governed by this executive level council which is comprised of our highest level of leaders from Business Areas and key functions.



*Executive
Vice President
Rick Ambrose*



*Council Chair
Marilyn Hewson*



*Diversity and
Inclusion
Vice President
Rainia Washington*

Business Area Representatives



*Aeronautics
Jeff Babione*



*Missiles and
Fire Control
Scott Arnold*



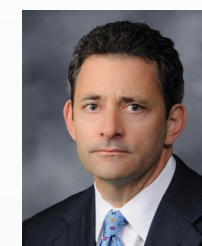
*Rotary and
Mission Systems
Amy Gowder*



*Space
Mark Pasquale*



*LM International
Joseph Rank*



*Enterprise
Operations
Rob Spencer*

Functional Support



*Human
Resources
Patricia L. Lewis*



*Vice President,
Internal
Communications
Andrea Greenan*



*Legal
Susan Dunnings*

In 2018, the council actively engaged in enabling our Diversity & Inclusion journey by:

- Endorsing cultural studies and actions resulting from studies to accelerate our results in prioritized areas, including gender and people of color diversity
- Reviewing assessments of leading external Diversity & Inclusion practices and evaluating their internal relevancy for implementation
- Meeting with ERGs to receive updates on opportunities and challenges faced by the groups, consider proposals and support plans which impacted policy decisions or informed new strategic focus areas.

Community Executive Sponsors

Executive Sponsors are named by our CEO. In 2018, their roles were further defined as Strategists, Innovators, Supporters and Mentors. A key part of crystalizing a common purpose, each executive carries out the high-level responsibilities, including:

- Partnering with their communities to articulate the group's mission, vision, and goals aligned with the company's business goals, talent and diversity and inclusion goals
- Executive Sponsors also provide meaningful leadership coaching and support



African American Council for Excellence



Rick Ambrose
Executive Vice President
Space



Stephanie Hill
Deputy Executive Vice President
Rotary & Mission Systems



Professional Asian American Network



Mark Pasquale
General Manager and Vice President
Space



Interim Sponsor
Andrea Greenan
Vice President
Internal Communications



LGBT Professional Network



Maryanne Lavan
Senior Vice President
General Counsel and Corporate
Secretary



Robert Mullins
Senior Vice President
Corporate Strategy & Business
Development



Women's Impact Network



Michele Evans
Executive Vice President
Aeronautics



Rod Makoske
Senior Vice President
Corporate Engineering, Technology,
and Operations



ABLE & ALLIES
People with Abilities



Rick Edwards
Executive Vice President
Missiles and Fire Control



Frank St. John
Executive Vice President
Missiles and Fire Control



Hispanic Organization for Leadership & Awareness



Ken Possenriede
Executive Vice President and
Chief Financial Officer



Robert Rangel
Senior Vice President
Washington Operations



MILITARY VETERANS



Dale Bennett
Executive Vice President
Mission Systems and
Training



Leo Mackay
Senior Vice President
Ethics and Enterprise
Assurance



INNOVATION

As we look ahead to the future of work, with an increasingly diverse global workforce and dynamic business conditions, there are many milestones that will mark our progress along the way. We make progress toward these milestones when we foster an environment that embraces the unique talents and perspectives of our employees, enables new ideas and innovation to thrive and embraces inclusion.



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Innovation by the Numbers

Economic Impact



Lockheed Martin **doubled** its venture capital fund to **\$200 million**, including investing in early-stage companies focused on autonomy and advanced manufacturing.

Lockheed Martin has 16,000 active suppliers, including suppliers in every U.S. state and more than 1,000 suppliers in over 50 countries outside the U.S.

Lockheed Martin invests

\$5 million

in vocational and trade scholarships and creating

8,000

new apprenticeship and other workforce development opportunities through 2023.

Lockheed Martin programs provided **\$33 billion** to suppliers in every state across the U.S. and around the globe.



Lockheed Martin committed **\$4.46 billion** to more than **8,400** small businesses.

How we are organized

We have four business areas dedicated to specific products and services. Our employees also work with Lockheed Martin International, which supports products, technologies and services to meet global customers' national security and citizen services needs, and Enterprise Operations, which is comprised of headquarters personnel, business function personnel and enterprise-wide shared services centers.

Missiles and Fire Control

\$8.5 Billion, 16%

Design and development of air and missile defense systems; tactical missiles and air-to-ground precision strike weapon systems; logistics; fire control systems; mission operations support, readiness, engineering support and integration services; manned and unmanned ground vehicles; and energy management solutions.

Rotary and Mission Systems

\$14.3 Billion, 26%

Design, manufacture, service and support for various military and commercial helicopter, ship and submarine mission and combat systems, mission systems and sensors for rotary and fixed-wing aircraft, sea- and land-based missile defense systems, radar systems, the Littoral Combat Ship (LCS), simulation and training services, and unmanned systems and technologies.

Space

\$9.8 Billion, 18%

Research and development, design, engineering and production of satellites, strategic and defensive missile systems, and space transportation systems.

Aeronautics

\$21.2 Billion, 40%

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.



Innovation Around the Globe

The Lockheed Martin supply chain is a complex network of thousands of suppliers providing parts and components from all over the world. The inclusion of counterfeit parts in our mission-critical products can present serious risks to military, government and commercial customers. To reach our goal to maintain or reduce instances of counterfeit parts in delivered systems confirmed as our responsibility, Lockheed Martin recommends suppliers take steps to eliminate this risk, including participation in the Counterfeit Avoidance Accreditation Program (CAAP).

Lockheed Martin was the first company to subscribe to CAAP, a cooperative industry effort launched in 2015. The program is intended to mitigate the risk of introducing counterfeit parts into the supply chain and reduce the cost of compliance in the aviation, space and defense industries. In 2018 and earlier, Lockheed Martin chaired the CAAP Management Council, which oversees CAAP operations, develops policies and procedures, and establishes best practices for counterfeit parts prevention.

The council is made up of representatives from industry and government, with task groups for each area of accreditation.

In July 2018, CAAP released AC7403, a new distributor's checklist to combat counterfeit parts in the aerospace and defense supply chain. The checklist was created by the CAAP Distributors Task Group, on which Lockheed Martin serves. In October 2018, CAAP approved its first accreditation of the new standard.



Through ingenuity, determination and endurance, a team of Lockheed Martin engineers went the extra mile to address a customer's needs and divert disaster. By delivering critical capability when it mattered most, the team demonstrated how we secure our core business - a key element of Lockheed Martin's strategy and journey to the future.

Innovative Individuals

Innovative Game Changers

Women of the F-35

They are engineers, mathematicians, problem-solvers and big thinkers. They are the Women of the F-35. Lockheed Martin is proud to have a team of incredible women dedicated to designing and building the next generation F-35, while paving the way and inspiring the next generation of girls and young women who will one day work in STEM-related fields.

Everyday these incredible employees bring a myriad of skills and experiences to the table that helps them tackle problems, push boundaries, make advances in technology and improve existing solutions. They play a crucial role in ensuring we deliver innovative and effective solutions to our men and women in uniform enabling them to execute their mission and come home safely. For these employees, our customer's mission is their mission.



THE LOCKHEED MARTIN

WOMEN OF THE F-35



Meet Tamara Crawford:

Associate Manager Tamara Crawford, a Lockheed Martin employee of 15 years, has supported various roles on the F-35 program, including systems engineering and manufacturing engineering.

She recognizes the importance of being conscientious about what she does and strives to perform with excellence every day, knowing that the work she does impacts the performance of the aircraft.

“What we do really matters, because there is a real person in our aircraft, and it is important to be mindful that they have a family to come home to,” said Crawford.

Inclusive Leadership Tools

Leading Diverse Teams

In 2018, videos were released as part of a four-part series to increase leaders' awareness of the diverse perspectives within their workgroups and ensure they have the tools necessary to lead inclusively. In addition to the videos, leaders were provided with a coaching manual and additional resources to further develop their capabilities. All leaders at Lockheed Martin completed this training in 2018.

The year's topics included:

- Fostering Diverse Thinking Through Idea Conflict
- Giving Feedback
- Managing in the Multigenerational Workplace
- Strengthening Trust on Diverse Teams

"Trust is a competitive advantage. One of the most essential characteristics for a high-functioning team — perhaps the single most important characteristic — is trust. It is easy to see the central role of trust. Trust is a catalyst for high performance and innovation. It serves as the foundation for an inclusive team and culture."
— Lockheed Martin Executive



2018 Continuous Learning Statistics:

5,464

employees participated in the tuition reimbursement program

475

early career leaders participated in the Leadership Development Conference

1,407

employees attended enterprise functional training programs (Finance, Capture, Corporate Strategy, Program Management)

3,921

leaders participated in enterprise leadership development programs (LDPs)

742

participants in Program Management

Inclusion Dialogues

Inclusion Dialogues are a set of workplace scenarios that address diversity- and inclusion-related matters. Leaders use Inclusion Dialogues to engage their team members in an interactive exchange and candid discussion about the scenarios. Each year, leaders conduct a minimum of four Inclusion Dialogues with their teams. Inclusion Dialogues are included as part of regular staff meetings, skip-level meetings, offsite events or other group gatherings.



In 2018, our Inclusion Dialogues addressed the following topics:

- Working on a multi-generational team
- Building trust
- Workplace accommodations
- Asking for and providing feedback
- Speaking up
- Idea conflict



Effective Leadership of Inclusive Teams (ELOIT)

ELOIT Training Gets Everyone Involved in Inclusion

Lockheed Martin's diversity and inclusion efforts involve making sure our entire workforce is engaged, and let's face it, white males make up most of the workforce. Our company's ELOIT training – Effective Leadership of Inclusive Teams – is designed to recognize that white males are an important part of Lockheed Martin's inclusion efforts.

At Missiles and Fire Control (MFC), 500 of our thousand or so leaders — male, female and minority — have completed the ELOIT experiential lab, starting with our executives, directors, senior managers and now cascading to the manager level. The training, a one-and-a-half day ELOIT

Summit, is facilitated by a firm with a name that might surprise the casual observer — “White Men as Full Diversity Partners.”

ELOIT training empowers white men to be full partners in the creation of inclusive work climates by exploring the systematic advantages white men have and shining a light on some of the barriers women, minorities and LGBTs face when fitting into a predominately white male society.

“The training opened my eyes to the fact that some people may feel they don't fit in. They have a harder time navigating a work culture they may be unfamiliar with or uncomfortable in. They find it harder or are sometimes even afraid to show their real selves at work,”

— Tom Eldredge, Program Director

Corporate-wide:

- 2100 leaders participated
- 33 summits in 2018, 15 labs



In the “fishbowl” exercise, a small group of participants in the middle of the room hold tough conversations around diversity dilemmas, while the surrounding participants observe. The take-away was that it is possible to engage in hard conversations — that might otherwise be avoided — in pursuit of an inclusive work environment where everyone feels comfortable contributing their best.



“By empowering leaders to recognize and respect these differences and help others navigate through our cultural waters, people don't have to spend their time fitting in and can more fully concentrate on the job at hand,” Tom Eldredge said. “Helping to break down barriers to inclusion is good business and good leadership.”



INTERCONNECTEDNESS

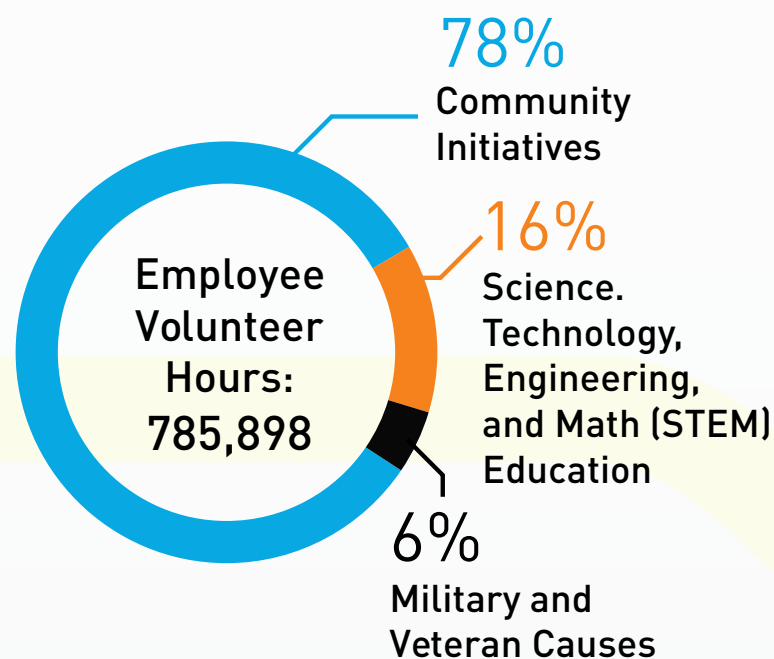
We strive to focus on the ways in which we are all interconnected – ways we can raise our collective voices to improve both our internal community and the communities in which we operate. With this focus, we are able to achieve new levels of success. Our destination is enabled by diversity and our ongoing quest to leverage inclusion across all we do.

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Interconnectedness by the Numbers



We saw an overall increase of **20%** participation in all seven Leadership Forums.

We held **1,538** ERG events across the corporation, representing an increase of **16%** as compared to 2017.

During the 2018 academic year, we hired

57%

of our former interns, exceeding our intern conversion rate goal.



Harnessing the Collective

2018 Community Summit

Lockheed Martin brought together 75 leaders from across our diverse communities for the 2018 Community Summit, a three-day conference focused on determining ways our communities could align and collaborate to have an impact on our business.

With the theme, “Impact 2020,” leaders engaged in interactive workshops, aligned to a renewed Community Framework, adopted an “Impact 2020” pledge, presented their strategies to a panel of executives, and identified insights for navigating an Inclusion Community Roadmap. A keynote presentation on “The ERG Economy – Elevating Communities & ERG’s” was given by Vu H. Pham, Ph.D.



Educate - Raise awareness about the value of being an Ally

Engage - Champion and actively support inclusion events

Embrace - Demonstrate inclusive behaviors in my daily actions



Allies for Inclusion

Allies for Inclusion is one way to show you’re “All In” for Inclusion. The goal of Allies for Inclusion (AFI) at RMS is to empower a diverse and inclusive workforce. AFI provides an opportunity for all employees who may not identify with other ERGs to engage, contribute, and pledge their support of an inclusive environment. Employees can personally take a pledge to signify they are an ally who’s ‘All In’ when it comes to supporting Diversity & Inclusion.

Employee Resource Group Spotlights



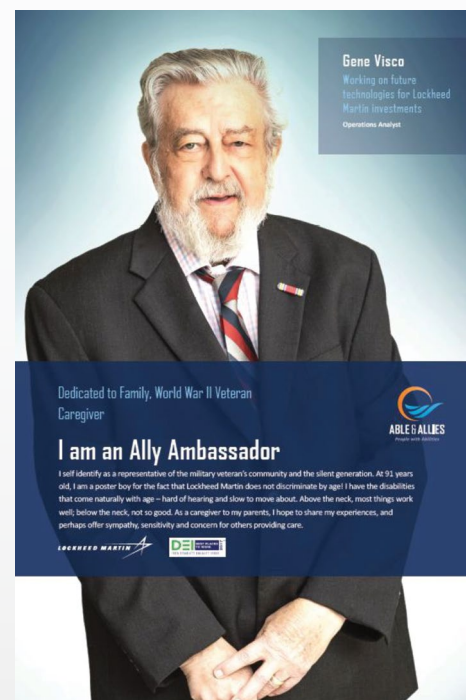
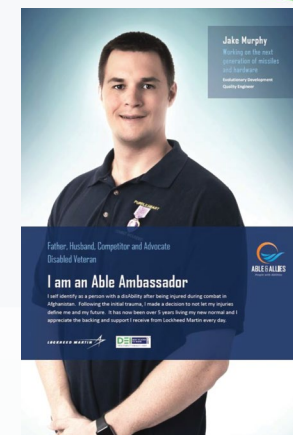
Mission

The Able & Allies' community mission is to contribute to the company's D&I success by uniting the Able & Allies community to create a positive, inclusive environment by promoting awareness and providing support and resources for employees with disabilities and employee caregivers.

The Able & Allies Ambassador program launched in 2015 to celebrate the 25th anniversary of the Americans with Disabilities Act. Across the corporation, 25 employees self-nominate to share their professional and personal stories. These Ambassadors will share their stories to raise awareness, foster inclusion and make a difference at Lockheed Martin. Here is one story:

Able, Empowered, and Making a Difference

By way of introduction, my name is Eugene P. Visco, better referred to as Gene. How and why did I become an Ambassador? Partially because the title sounded great; partially because I do not participate in any of the many Employee Resource Groups. Also, even though I served in the military, I have never learned not to volunteer for anything. Those are the whys. As for the how, I nominated myself and was thrilled to be accepted. I have no significant disability; I do have very poor hearing somewhat helped by hearing aids, and I walk exceedingly slowly. I am not, presently, a caregiver to one who is disabled. I am 91 years old, which may explain why I am an Ambassador. I represent two Lockheed Martin communities of employees: military veterans and the silent generation. I am, perhaps, the only World War II veteran among the 22.5 percent of employees who are veterans. At least, when I attend the Military Veterans leadership forum, I am the World War II guy. At 91 years old, I am a poster boy for the fact that Lockheed Martin does not discriminate by age!



Employee Resource Group Spotlights



Entering the workplace each day, I ask myself, “How can I help people?”
Being myself is always the first answer.

The phrase “Be Yourself” is one we hear from childhood onward. Despite the familiarity of this thought in our culture, the reality of executing on it doesn’t come naturally for all of us. In the workplace and in our personal lives - outside forces, opinions or comments tend to twist this simple message in opposite directions. For some, what results is the restriction of freedom to be authentic and ultimately successful.

Consider for a moment the significance of that human experience for my team. How their unwavering respect and appreciation for diversity are not a result of me being an African American leader – but by genuinely being myself.

More good news – Employee Resource Groups (ERGs) within the Diversity & Inclusion community give you all the tools to create the right “Be Yourself” environment. Consider the great resources in front of you when participating in these activities, as they can help expose you to new leaders, enhance career perspective, and teach imperative business acumen. To be a strong part of the business, you need to be yourself. Those who do this will naturally become the next generation of leaders.

Dr. Charles Johnson-Bey’s ability to bring his best self to work has earned him the 2018 Black Engineer of the Year (BEYA) Career Achievement-Industry Award.

Mission

The African American Council for Excellence (AACE) mission is to improve the performance of Lockheed Martin by building and retaining full spectrum African American/Black employees by leveraging the power of diversity, delivering value and developing personal mastery.



Employee Resource Group Spotlights



Mission

The mission of the Hispanic Organization for Leadership & Awareness (HOLA) community is to recruit, grow, and develop Hispanic talent to shape the future at Lockheed Martin.

“HOLA! The first time I recall hearing about the Hispanic Organization for Leadership & Awareness (HOLA) was in 2005, when a senior quality engineer by the name of Pedro Nieves reached out to our site to encourage us to join the HOLA employee resource group (ERG). That little push took a while, but eventually inspired a small but mighty group to stand up an HOLA ERG in Lufkin, Texas. So began a series of great experiences! HOLA is an outstanding resource that focuses on culture, leadership, organization and talent. I challenge all employees to get involved in an ERG or employee network – they are valuable resources for networking, growth, leadership opportunities and unique experiences. It

has been an amazing ride and I am energized for growth to expand HOLA’s reach.

Earlier this year, HOLA kicked off VIVA Technology with Great Minds in STEM. We spent the day educating kids about the vast array of engineering fields and had them compete in several events. Our team took first and second place among three areas of the competition. It was so rewarding to see students’ eyes light up with confidence and excitement once they realized their very own potential and accomplishments. Aside from giving back to the community, HOLA has allowed me to gain insight to professionals across the nation.”



Employee Resource Group Spotlights



Professional Asian American Network

Mission

The Professional Asian American Network's (PAAN) mission is to accelerate and enhance leadership development of Asian American employees.

Maricris Palentinos is not afraid of a challenge. In fact, she seeks them out.

She comes from a fearless family. Knowing no one and leaving a network of extended family, her parents and three siblings emigrated from the Philippines when she was 9 years old.

As an electronics engineer, Maricris knows that innovation in the STEM field requires taking risks. Approaching challenges head-on and finding ways to impact change are her forte. When Maricris joined Lockheed Martin, she attended her first Professional Asian American Network (PAAN) employee resource group meeting.

"In the first meeting I attended, I took the opportunity to become an officer, only two months after on boarding, and now serve as the Space PAAN chair and Sunnyvale site co-chair," said Maricris. Her innate strength of bringing communities together helps her leverage PAAN's mission to foster the development of employees through mentoring, networking, training and community outreach.



Employee Resource Group Spotlights



Mission

The mission of the PRIDE community is to enhance Lockheed Martin employees' understanding of Lesbian, Gay, Bisexual, and Transgender (LGBT) employees' existence, challenges, and contributions to create a more open and inclusive work environment that enables each employee to bring their full, authentic self to work every day.



At many PRIDE and LGBT-related events and conferences we hear speakers talk about the concept of authenticity – about being your authentic self, especially at work. I am privileged to have been “out” since the day I started at Lockheed Martin. But it wasn’t always that way for me – for more than five years I was in the closet because legally I had to be.

What a difference being out makes. In 2016, I went through a serious health crisis that landed me in and out of hospitals for six months. What strikes me about that time is how my own authenticity at work influenced the situation. Nearly every day while I was in the hospital, my company leaders called or texted with my husband. But they didn’t just ask how I was doing – they also asked how Jamie was, and if HE needed anything. The heartfelt concern demonstrated by my Lockheed Martin family is because we work towards a culture of inclusion that allows me to bring my entire, authentic self to work every day.

“In our competitive environment, we can’t afford to lose talent because people don’t believe they can be themselves. We should want them to be authentic and we must put our ‘Leadership in Action’ by continuing to create an environment where everyone can thrive as who they are, fully, every day.”

— Michael Sofield, Senior Manager

Employee Resource Group Spotlights



MILITARY VETERANS

Courage, bravery, and a fighting, unbreakable spirit—these are the qualities embodied by all United States military personnel serving our country. These are the qualities embodied by the warriors who make great sacrifices to protect our nation.

The Military Veterans Employee Resource Group and Lockheed Martin Leadership Association worked with the local chapter of Heroes on the Water (HOW) to allow disabled veterans to cope through their service-related injuries with water therapy. This event was the first time the local HOW chapter had been able to serve a military veteran who is paralyzed from the waist down. On Father's Day, she was able to kayak with her father and other veterans.

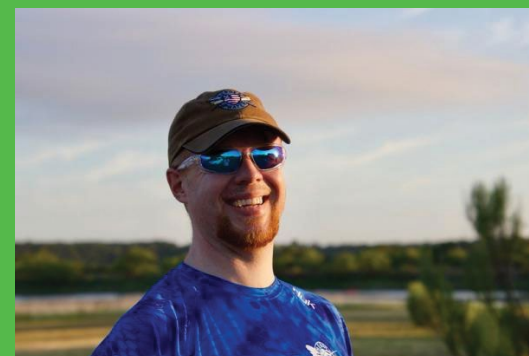
This kayaking activity took place at a private lake in Santo, Texas, owned by a family with a personal tie in veteran service after recently losing a military family member. The event gave the family an opportunity to keep his memory alive through service to the HOW organization.

This event and others like it are credited to the many service-minded individuals who work for our company.



Mission

The Military Veterans' community mission is to support military and veteran employees and community members with an employee forum that provides networking, education, and volunteer opportunities as well as personal and professional development.



Red Brown is an Aeronautics employee in Fort Worth where he serves on the leadership team with both the Military Veterans Employee Resource Group and Lockheed Martin Leadership Association as well as volunteering as the HOW volunteer coordinator. He uses resources from both employee organizations to gather volunteers to help local veteran events such as HOW.

Employee Resource Group Spotlights



The Women's Impact Network (WIN) partnered with our talent acquisition function to develop a pilot program which invites professionals who have been away from the workforce for two or more years to resume their previously successful careers.

Launched in 2018, Chapter Next is a 12-16 week paid returnship that aligns participants with a job that best complements their skills and abilities. During this returnship, participants become part of a community of similarly experienced professionals with challenging work scopes who are contributing to Lockheed Martin's culture of innovation. Selected candidates are exposed to comprehensive training, professional development opportunities, networking opportunities, and individual-based mentoring to help re-enter the workforce that much easier.

Our goal is to provide the fundamental tools needed for individuals to be successful in their career field and to prepare them for an opportunity to join Lockheed Martin full-time.

Mission

The Women's Impact Network's (WIN) mission is to help women advance in the workplace, both for themselves and the greater Lockheed Martin. WIN strives to change the culture of business from the inside out by investing in women and empowering them to cultivate leadership skills, business practices, personal contacts and career opportunities.



STEM Engagement

STEM Scholarship Program

Rainia Washington has been fascinated by math and science since day one. When she was in elementary school, she loved to disassemble and attempt to put back together electronics in her house, including flashlights, toasters and even her sister's ATARI game. Once she started high school, she actively sought out opportunities to learn more about science, technology, engineering and math. While there were not many science-based extracurriculars at her school, she joined programs like Upward Bound and Science Explorers to get additional exposure. Her mom, teachers and counselors all noticed that she not only had an innate interest, but also a strong aptitude, for all things STEM.

Being the daughter of a single mom, who raised her and her sister on a math teacher's salary, Rainia realized there was no way her mother could afford to send her to any of the six schools she was accepted into. Thankfully, she applied for two scholarships: the National Action Council for Minorities in Engineering (NACME) and the National Consortium for Graduate Degrees for Minorities in Engineering and Science (GEM). Without the support of these scholarships, she would not have been able to attend the University of Pennsylvania and study systems engineering. These scholarships made a major difference in her life as a first-generation college student.

Similar to Rainia's story, often students come from backgrounds that may look as though the odds are against them, and it would be much easier for them to simply give up. Whether they are the first in their family to attend college, a single mother juggling a demanding career while furthering her education, or the only minority in their engineering class, they are breaking boundaries.



Do you know someone who would be a great fit for the Lockheed Martin STEM Scholarship Program? Visit [LockheedMartin.com/scholarship](https://www.lockheedmartin.com/scholarship) to learn more.

MSI Engagement Strategy

The Minority Serving Institutions (MSI) strategy produced positive results in 2018, a collaborative effort with University Relations, Global Diversity & Inclusion, Employee Resource Groups, Alumni and champions of our MSI strategy resulted in a 97% increase of a talented & diverse workforce over the prior year.

The MSI Strategy focuses on 3 pillars: Branding, Engagement, and Recruiting. Lockheed Martin utilizes Executive Sponsors at the Vice President level to help champion our MSI efforts.



Did you know?

- Lockheed Martin committed 200 thousand for the next 5 years to North Carolina Agricultural & Technical University (NC A&T) for a capstone project.
- Secured 1.4 million in contribution funding for our 7 partner Hispanic serving institutions and 15 HBCU's.



In 2018 Lockheed Martin was awarded the US Black Engineer (USBE) and Information Technology top supporter for HBCUs, a position that Lockheed Martin has held for the past 5 years.

Diversity Outreach

In 2018, Lockheed Martin participated in 18 diversity and inclusion focused outreach events. These events included conferences and career fairs recognizing stellar collegiate level talent.

18 diversity and inclusion focused events attended

170% Year-Over-Year increase in Same-Day Offers

2.9 million Sponsorship dollars awarded for diversity efforts



BEYA

Over the past 32 years, Black Engineer of the Year Awards (BEYA) has become known in the industry as the premiere event that brings together hundreds of the nation's top students, educators and industry leaders from across science, technology, engineering and math (STEM) disciplines. Here, participants have the opportunity to share best practices and transfer valuable knowledge that will help ensure the African-American community maintains and strengthens its influence on the STEM fields. The year's theme "Change Makers: BEYA's World Impact," reminded attendees that STEM innovations have the potential to transform the world in fundamental and far-reaching ways.

The rich legacy of historically black colleges and universities' engineering leadership offers the perfect foundation from which to present BEYA's prestigious awards.



1,313 visits to the Lockheed Martin booth by STEM students

71 on-the-spot job offers

39 Lockheed Martin employees won awards across four categories:

- Science Spectrum Trailblazers
- Modern Day Technology
- Leaders, Dean's Award
- Career Achievement



HENAAC

Over the past three decades, Great Minds in STEM and Lockheed Martin have partnered to create a culture of inclusion in science, technology, engineering and math, especially for underserved communities. From its grassroots beginnings, HENAAC (Hispanic Engineer National Achievement Awards Conference) visionaries have paved the way for exponential growth and touched the lives of so many in the Hispanic community. We are a founding sponsor and longtime host of HENAAC, which draws professionals and students together from a wide variety of STEM-related fields to share their stories and experiences.



LEADERSHIP CORNER

Armando Castorena

Vice President of Human Resources
Space



2018 HENAAC AWARD WINNERS



Nelson Pedreiro, Ph.D.
Professional Achievement II



Lisbeth Vogelpohl
Luminary Honoree



Anthony F. Matasso, Ph.D.
Luminary Honoree

- 97 job offers made
- 70 HENAAC winners

“When I attended my first HENAAC, it was an incredible experience to meet the honorees and see the joy on their families’ faces. Each year I look forward to extending the reach of this excitement and discovery to the next generation of STEM innovators.”

— Armando Castorena, Vice President of Human Resources, Space

Corporate Employee Recognition

200+ Lockheed Martin employees were recognized externally for supporting diversity and inclusion efforts

4 Business Areas represented at over

30+ sites to include our international sites

Representing

7 ERG Communities

and **1** LOCKHEED MARTIN



MILITARY VETERANS



Corporate Awards





Lockheed Martin Corporation
6801 Rockledge Drive
Bethesda, Maryland 20817
Learn more at lockheedmartin.com/diversity