

C0. Introduction

C0.1

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

Lockheed Martin is a U.S. publicly-held global security and aerospace company headquartered in Bethesda, MD, that is principally engaged in the research, design, development, manufacture, integration and sustainment of advanced technology systems, products and services. Our mission is to solve complex challenges, advance scientific discovery and deliver innovative solutions to help our customers keep people safe. Our primary customers are U.S. and allied government agencies. In 2022, we employed approximately 116,000 people worldwide and generated net sales of \$66.0 billion. We own or lease building space at 339 locations primarily in the U.S. and manage or occupy 10 government-owned facilities under lease and other arrangements.

- Aeronautics \$27.0 billion in 2022 sales, 41% of our total consolidated net sales: Engages in the research, design, development, manufacture, integration, sustainment, support and upgrade of advanced military aircraft including combat and air mobility aircraft, unmanned air vehicles and related technologies.
- Missiles and Fire Control \$11.3 billion in 2022 sales, 17% of our total consolidated net sales: Provides air and missile defense systems; tactical missiles and air-to-ground precision strike weapon systems; logistics; fire control systems; mission operations support, readiness, engineering support and integration services; manned and unmanned ground vehicles; and energy management solutions.
- Rotary and Mission Systems \$16.1 billion in 2022 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 \$11.5 billion in 2022 sales, 17% 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 and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date

November 1 2021

End date

October 31 2022

Indicate if you are providing emissions data for past reporting years

Yes

Select the number of past reporting years you will be providing Scope 1 emissions data for

Not providing past emissions data for Scope 1

Select the number of past reporting years you will be providing Scope 2 emissions data for

Not providing past emissions data for Scope 2

Select the number of past reporting years you will be providing Scope 3 emissions data for

3 years

C0.3

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

Australia
Canada
Mexico
New Zealand
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-T00.7/C-TS0.7

(C-T00.7/C-TS0.7) For which transport modes will you be providing data?

Please select

C0.8

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

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, a Ticker symbol	LMT

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.

Position of individual or committee	Responsibilities for climate-related issues
Chief Executive Officer (CEO)	The CEO has responsibility for climate-related issues for Lockheed Martin. In 2022, 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.
Board-level committee	The Nominating and Corporate Governance Committee (Governance Committee) of the Board of Directors has responsibility for climate-related matters for Lockheed Martin. This committee oversees performance in corporate sustainability, environmental stewardship, and other related matters—all inextricably linked to our sustainability commitments. Annually, members of the Nominating and Corporate Governance Committee review company performance against the sustainability management plan and the sustainability report. In 2022, members of the Nominating and Corporate Governance Committee reviewed company performance against the sustainability management plan and the sustainability report, incl. progress reports as well as metrics against our climate goals and performance. This Committee is also briefed on progress towards achieving climate-related goals throughout the year.
Other, please specify	The Executive Leadership Team is chaired by the Chairman, President and CEO and consists of the Chief Operating Officer, SVP Business Functions, Chief Financial Officer as well as the Executive VP Business Areas. This team oversees the sustainability program, incl. climate-related issues, 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.
Other, please specify	The Risk and Compliance Committee is chaired by the Senior Vice President, Ethics and Enterprise Assurance and consists of Vice Presidents of business areas and corporate functions. This committee oversees enterprise risk management activities to inform senior executives and the Board on strategic, operational and compliance risk management efforts, incl. sustainability- and climate-related risks. The RCC also provides a forum for business area and corporate functional representatives to review and guide enterprise sustainability initiatives and provide input to SMP execution.

C1.1b

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

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	Overseeing major capital expenditures Reviewing and guiding strategy Overseeing the setting of corporate targets Monitoring progress towards corporate targets	<Not Applicable>	The Executive Leadership Team is briefed quarterly on major capital expenditures including progress towards the completion of energy-related capital projects in support of carbon reduction targets. As described above, the CEO has responsibility for climate-related issues for Lockheed Martin. In 2022, the CEO reviewed and approved the release of the annual sustainability report which includes reporting on Lockheed Martin's Sustainability Management Plan (SMP) which entails a set of climate-related goals for carbon emissions, carbon removal technology, and renewable energy.
Scheduled – some meetings	Overseeing and guiding employee incentives Reviewing and guiding strategy Overseeing the setting of corporate targets Monitoring progress towards corporate targets	<Not Applicable>	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.
Scheduled – some meetings	Reviewing and guiding annual budgets Reviewing and guiding strategy Overseeing the setting of corporate targets Monitoring progress towards corporate targets	<Not Applicable>	The Executive Leadership team which is chaired by the Chairman, President and CEO, oversees the sustainability program, incl. climate-related issues, 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 the sustainability management plan (SMP) performance incl. climate-related metrics twice per year.
Scheduled – some meetings	Reviewing and guiding strategy Overseeing the setting of corporate targets Monitoring progress towards corporate targets Reviewing and guiding the risk management process	<Not Applicable>	The Risk and Compliance Committee oversees enterprise risk management activities to inform senior executives and the Board on strategic, operational and compliance risk management efforts, incl. sustainability- and climate-related risks. The RCC also provides a forum for business area and corporate functional representatives to review and guide enterprise sustainability initiatives and provide input to SMP execution.

C1.1d

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

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	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
Row 1	Yes	The criteria used to assess the competence of board members on climate-related issues is subject-matter skills, knowledge, business experience or expertise in environmental, safety and sustainability matters by the respective board member.	<Not Applicable>	<Not Applicable>

C1.2

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

Position or committee

Chief Sustainability Officer (CSO)

Climate-related responsibilities of this position

Monitoring progress against climate-related corporate targets
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities

<Not Applicable>

Reporting line

CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

Half-yearly

Please explain

The Senior Vice President, Ethics and Enterprise Assurance (EEA), who directly reports to the CEO, oversees Lockheed Martin's sustainability program incl. the management of climate-related issues. The SVP Ethics and Enterprise Assurance further chairs the Risk and Compliance Committee. Reporting occurs at least twice a year.

Position or committee

Other, please specify (Vice President Environment, Safety, Health & Sustainability)

Climate-related responsibilities of this position

Managing annual budgets for climate mitigation activities
Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)
Developing a climate transition plan
Implementing a climate transition plan
Integrating climate-related issues into the strategy
Conducting climate-related scenario analysis
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets
Managing public policy engagement that may impact the climate
Managing value chain engagement on climate-related issues
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities

<Not Applicable>

Reporting line

Corporate Sustainability/CSR reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

The VP Environment, Safety, Health and Sustainability (ESHS) oversees Lockheed Martin's sustainability, environment as well as health and safety strategy (implementation), activities and progress. This includes a high focus on the management of environmental and climate-related matters. The VP ESHS reports directly to the SVP EEA (Ethics and Enterprise Assurance). The Sustainability Management team, chaired by the Director of Sustainability who reports to the VP Environment, Safety, Health & Sustainability, convenes regularly to review SMP progress, review opportunities for program enhancement and share internal and external insights and best practices.

Position or committee

Sustainability committee

Climate-related responsibilities of this position

Managing annual budgets for climate mitigation activities
Integrating climate-related issues into the strategy
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets

Coverage of responsibilities

<Not Applicable>

Reporting line

Corporate Sustainability/CSR reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

The Sustainability Management team, chaired by the Director of Sustainability who reports to the VP Environment, Safety, Health & Sustainability, convenes regularly to review SMP progress, review opportunities for program enhancement and share internal and external insights and best practices. The Director reports regularly to the VP Environment, Safety, Health and Sustainability who reports directly to the SVP EEA (Ethics and Enterprise Assurance). Furthermore, the Energy and Decarbonization Integrated Program Team (IPT) is chaired by the Director of Sustainability who reports to the VP Environment, Safety, Health and Sustainability and has members from Energy and Facilities teams from each business area as well as key functions including Treasury, Finance, ESHSS and Facilities. This team meets monthly and leads the development of the energy and decarbonization strategy, tactical plan and execution. Progress is briefed regularly to the VP ESHSS.

C1.3

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

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	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 2022, these criteria included performance towards the goal of stewarding our climate responsibly, which includes GHG emissions and energy reductions. At its February 2022 meeting, the Compensation Committee approved enterprise-wide objectives for 2022 reflecting financial and strategic and operational goals. Strategic & Operational Assessment (30% Weight): For the 2022 performance year, a broad set of goals was established including goals tied to ESG. See our 2022 TCFD report as well as the 2023 Proxy Statement (p. 49) for details.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive

Chief Executive Officer (CEO)

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

- Progress towards a climate-related target
- Achievement of a climate-related target
- Implementation of an emissions reduction initiative
- Reduction in emissions intensity

Incentive plan(s) this incentive is linked to

Short-Term Incentive Plan

Further details of incentive(s)

Our compensation programs are designed to provide a mix of short- and long-term compensation, fixed and variable pay and cash and equity-based compensation, as well as to reflect our philosophy of providing pay for performance. The 2022 annual incentive plan for our CEO, other Named Executive Officers (NEOs) and all other officers elected by the Board was based 70% on financial goals and 30% on strategic and operational goals. For the 2022 performance year, a broad set of goals was established for our strategic and operational commitments at the beginning of the year, including goals tied to enterprise performance, new business and growth, strategy and ESG. Strategic and operational performance goals are both quantitative and qualitative in nature and measured against pre-established criteria using a scorecard approach. ESG goals include amongst others to steward our climate responsibly by exceeding greenhouse gas reduction goals. For details please see our 2023 proxy statement p. 47-50.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

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

Entitled to incentive

Corporate executive team

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

- Progress towards a climate-related target
- Achievement of a climate-related target
- Implementation of an emissions reduction initiative
- Reduction in emissions intensity

Incentive plan(s) this incentive is linked to

Short-Term Incentive Plan

Further details of incentive(s)

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Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

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

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

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

	From (years)	To (years)	Comment
Short-term	1	3	The short-term time horizon is associated with the long-range plan (LRP) for achieving certain sales and orders milestones over a three year time period. The LRP is updated annually to reflect changes in the assumptions and business environment. This time horizon represents how Lockheed Martin assesses short-term climate risks and opportunities.
Medium-term	4	10	The medium-term time horizon is associated with the duration measured by climate-related metrics and goals within the Sustainability Management Plan (SMP). The SMP tracks our sustainability performance goals up to 10 years at inception. This time horizon represents how Lockheed Martin assesses medium-term climate risks and opportunities.
Long-term	11		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.

C2.1b

(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

(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 an annual senior leadership survey, a subject-matter expert survey, internal audit risk evaluation, global benchmark data and strategic planning assumptions, and interviews with the Executive Leadership Team.

Risk Identification & Prioritization

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.

Risk Assessment

Climate-related risks identified using global benchmark data and strategic planning assumptions are monitored by the Lockheed Martin Sustainability Team and provide direct input to the risk assessment process. Our assessment includes assumptions about business, industry, and economic risk factors associated with physical and transitional climate-related risks. At the upstream, operational, and downstream levels, climate-related risks and opportunities are identified, tracked and managed through our Sustainability Management Plan.

Examples that consider physical risk beyond 10 years include Lockheed Martin's gated capital project funding, which is invested towards long-term infrastructure aimed at reducing energy use and carbon, as well as our renewable energy procurement such as through power purchase agreements. Looking into the future, we are addressing long-term physical and transitional risks by undertaking an ambitious carbon emission reduction goal aligned with a science-based target methodology to reduce Scope 1 and 2 absolute carbon emissions by 36% by 2030 from a 2020 baseline. This ambitious target will help to drive lean and efficient infrastructure, processes, and operations that support our continued leadership in a changing business and regulatory environment.

Through our corporate insurance purchasing program, we study risk evaluations and assessments offered by insurance carriers, related to operational climate-related weather hazards. Such risk

data affects capacity, availability and pricing of certain insurance classes for business operations.

Risk Management

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 can 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.

Continuous Monitoring and Certifications

Additionally, Lockheed Martin's ESH Management System (ESHMS), administered by Lockheed Martin's Environment, Safety, Health and Sustainability (ESHS) 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/or programs for conformance to our ESHS-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.

Value chain stage(s) covered

Direct operations

Upstream

Risk management process

A specific climate-related risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term

Medium-term

Long-term

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 geospatially. Current physical risks are based on FEMA National Risk Index (NRI) and evaluated with location specific risk rating provided by partnered insurers and our Risk Management function. A "value at risk" (VAR) is estimated for each climate-related physical risk category based on the insurable value and specific contract metrics for select suppliers. In 2020, our Enterprise Operations business conducted the first of these drills based on data and analysis provided by Corporate Sustainability and in 2021 a refresher was provided to the Business Resiliency community at Lockheed Martin.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & Inclusion	Please explain
Current regulation	Relevant, always included	This risk type is considered relevant in Lockheed Martin's climate related-risk assessment because climate-related legislative obligation could lead to an increase of operational costs. At Lockheed 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 Lockheed 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, reporting, or loss of business. For example, the United Kingdom Government issued a new procurement policy, Procurement Policy Note (PPN) 06/21, which requires that all UK based suppliers to the UK Government must commit to achieving Net Zero (as defined in the PPN) by 2050. Failure to make this commitment will bar the bidding entity from consideration on contracts beginning in 2022 and for Lockheed Martin would directly impact a strategic customer in our international operations. To mitigate this risk Lockheed Martin published our initial Carbon Reduction Plan (CRP) in early 2022. Our CRP requires us to maintain the commitment through decarbonization of our UK assets and continual monitoring and reporting of our progress.
Emerging regulation	Relevant, always included	This risk is considered relevant because climate-related legislative obligation could lead to an increase of operational costs. In 2022, the majority of Lockheed 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 Lockheed 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 relatively high, in the long term, and will only increase over time. If enacted regulations could impact operating costs. Therefore, in risk assessments Lockheed Martin considers impacts to operations from potential future emissions 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.
Technology	Relevant, always included	This risk is considered relevant because Lockheed Martin could experience a reduction in demand from customers and potential loss of revenue, as a result of earlier than expected drawdown of customer contracts or significantly higher demand for low carbon technologies as compared to our current product portfolio. Lockheed Martin's primary customer is the United States Government, specifically the Department of Defense (DoD), which has long considered climate change a threat multiplier in its operations. Thus, resource efficiency is considered a part of mission critical performance and our ability to provide competitive solutions for low carbon alternatives will determine our ability to secure future contracts. Therefore, this risk is always considered in our risk identification, assessment, and management processes. The types of impact associated to this risk type in Lockheed Martin's climate-related risk assessment are strategic impacts related to competitive market position, R&D investments and financial impacts on revenue. An example of a technology risk could be the programmatic decline of a Lockheed Martin program/product in favor of a low carbon alternative provided by a competitor. To mitigate this risk Lockheed Martin has developed a Technology Roadmap Initiative that aims to identify alternative products that will be needed in a long-term climate change scenario.
Legal	Relevant, always included	This risk is considered relevant in Lockheed Martin's climate-related risk assessment because climate change-related litigation and investigations against corporations have increased globally in recent years. Due to the relevance of this risk, it is always considered in our risk identification, assessment, and management processes. The types of impact associated to this risk type in Lockheed Martin's climate-related risk assessment are financial impacts due to litigation and fines, compliance impacts due to failure to comply with regulations, and reputational impacts resulting from loss of stakeholder trust. For example, we could face litigation that tries to influence our future conduct by demanding greater transparency over climate-related risks and changes in strategic direction around things like GHG emissions. To mitigate this risk, we have a strong sustainability policy, a robust sustainability governance structure, and an organized Sustainability Management Plan to address sustainability risks and drive progress.
Market	Relevant, sometimes included	This risk is considered relevant in Lockheed Martin's climate-related risk assessment because climate-related requirements by customers for the carbon efficiency of products could have an impact on demand for our products and services. Two key areas of Lockheed Martin's business are sales of aircraft and development of space exploration technology which are both associated with significant carbon emissions. However, due to the nature of Lockheed Martin's business supporting the United States Government, this risk is considered less likely because mission success criteria are more robust than solely resource efficiency. Therefore, this risk is only sometimes considered in our risk identification, assessment, and management processes. The types of impact associated with this risk type in Lockheed Martin's climate-related risk assessment are strategic impacts related to competitive market position and financial impacts on revenue. For example, the United Kingdom Government issued a new procurement policy, Procurement Policy Note (PPN) 06/21, which requires that all UK based suppliers to the UK Government must commit to achieving Net Zero (as defined in the PPN) by 2050. Failure to make this commitment will bar the bidding entity from consideration on contracts beginning in 2022 and for Lockheed Martin would directly impact a strategic customer in our international operations. To mitigate this risk Lockheed Martin published our Carbon Reduction Plan (CRP) in early 2022. Our CRP requires us to maintain the commitment through decarbonization of our UK assets and continual monitoring and reporting of our progress.
Reputation	Relevant, always included	This risk is considered relevant in Lockheed Martin's climate-related risk assessment because poor management of climate change risks, such as inefficient resource use at facilities, non-compliance with climate regulations, or lack of climate mitigation and adaptation efforts could lead Lockheed Martin to experience negative reputational impacts due to negative stakeholder opinion, standing in the local community and potential loss of trust with current or prospective employees. Due to the relevance of this risk, it is always considered in our risk identification, assessment, and management processes. The types of impact associated with this risk type in Lockheed Martin's climate-related risk assessment are reputational impacts due to negative stakeholder opinion and operationally due to potential loss of access to talent. An example of a reputation risk is loss of access to a broad-based talent pool if certain prospective employees for whom climate-related impacts are important perceive us to be ineffective on climate-related action. This, in turn, could potentially impact our operations if we are unable to attract as highly qualified a workforce as we otherwise would.
Acute physical	Relevant, always included	This risk is considered relevant in Lockheed Martin's climate-related risk assessment because more severe weather events due to climate change could cause damage to our facilities and interrupt our supply chain. Due to the relevance of this risk, it is always considered in our risk identification, assessment, and management processes. In 2018, our initial climate-related risk assessment concluded that acute physical risks, in the form of extreme weather events, were a key priority. In early 2020, we updated this assessment to distinguish different types of extreme weather events to better appreciate the geographic variation that occurs across our sites. The types of impact associated with this risk type in Lockheed Martin's climate-related risk assessment are operational impacts due to disruptions in facility operations and supply chain, and financial impacts on revenue due to decreased production or increased repair costs. As an example, the 2020 CZU Lightning Complex wildfire in California impacted our Santa Cruz facility. However, the extent of impact was measurably less due to preventative vegetation management with CALFIRE. To better mitigate future events of similar nature at other Lockheed Martin facilities, we have implemented learnings from this incident into our Business Resiliency, Business Continuity, and Global Security and Crisis Management functions.
Chronic physical	Relevant, always included	This risk is considered relevant in Lockheed Martin's climate-related risk assessment because shifts in climate patterns due to climate change could negatively impact our facilities. Due to the relevance of this risk, it is always considered in our risk identification, assessment, and management processes. In 2018, our initial climate-related risk assessment concluded that chronic physical risks, such as sea level rise and chronic drought were a key priority. In early 2020, we updated this assessment to better appreciate the geographic variation that occurs across our sites. The types of impact associated to this risk type in Lockheed Martin's climate-related risk assessment are operational impacts due to disruptions in facility operations and financial impacts on revenue due to decreased production or increased repair and maintenance costs. Lockheed Martin's Corporate ESHS function collaborates across all business segments to identify opportunities to mitigate chronic physical risks. In 2019, we conducted a water supply risk analysis to identify our facilities in the highest water stressed regions and those predicted to be in stressed regions out to 2040. In 2021, we used this analysis, along with a ranking of our highest water using facilities, to prioritize and execute water balances and associated water conservation activities. We've completed five water balance analyses at facilities in Fort Worth, TX, Waterton, CO, Palmdale, CA, Sunnyvale, CA, and Marietta, GA. In addition to mapping where water sources originate, how it is used in these facilities and how it is discharged, the analyses identify opportunities for efficiency. These opportunities will receive additional scrutiny, with an emphasis towards calculating water efficiency projections based on the true cost of water. This means considering not just the cost of the water, but also the cost associated with pre-treating, pumping, heating and disposing of the water.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) 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

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

<Not Applicable>

Potential financial impact figure – minimum (currency)

6850000

Potential financial impact figure – maximum (currency)

68500000

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. \$13.7 million is the estimated annual financial impact based on a hypothetical carbon tax target of \$20/MTCO₂e and our 2022 Scope 1 & 2 (Location Based) energy-specific emissions. We are assuming an estimated range of \$6,850,000 to \$68,500,000 based on hypothetical tax rates from \$10 to \$100 per MTCO₂e. This tax rate range and the tax rate of \$20/MTCO₂e used in the financial impact estimate is based on analyses conducted by our Lockheed Martin Sustainability Team on recommended science-based CO₂ tax rates in 2020 and 2030, integrating various sources including the World Bank, High-Level Commission on Carbon Price, Shared Socio-Economic Pathways, and Carbon Pricing Corridors Initiative, that evaluate '1.5 °C and less' and '2°C and less' scenarios.

Cost of response to risk

21770000

Description of response and explanation of cost calculation

In 2022, Lockheed Martin spent approximately \$21.8 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 2022 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 2022, our teams completed 78 energy efficiency projects that resulted in annual savings of 26 million kilowatthours (kWh) of electricity and 28,000 million British thermal units (MMBtu) of natural gas, and avoided \$3.1 million in utility and maintenance costs. Examples of projects completed across our business include LED lighting upgrades, continued steam decentralization and building management system upgrades that enable more efficient operations and maintenance. This Go Green gated capital cycle is a centerpiece of our energy reduction and renewable energy strategy whereby projects that meet certain performance and financial thresholds are added to each business area's overall capital plan. To encourage ideas and actions that reduce emissions, we educate employees about Go Green through internal and external communications, educational webinars, and Earth Day and Energy Action Month events. 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 Corporate Sustainability 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)
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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?

Yes, a single figure estimate

Potential financial impact figure (currency)

19800000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

To assess physical risk, we utilized FEMA's National Risk Index (NRI), a dataset and online tool to help illustrate the United States communities most at risk for 18 natural hazards. Of the 18 hazards, 9 are directly related to climate change: Coastal Flooding, Cold Wave, Drought, Heat Wave, Hurricane, Riverine Flooding, Strong Wind, Wildfire, and Winter Weather. The NRI provides risk hazard ratings and annual likelihood estimates by US Census Tract but does not include Puerto Rico. Global resources are also not publicly available to provide the same risk assessments, however 94% of LM's workforce is based in the United States.

Using FEMA's methodology for Expected Annual Loss, we have modified the formula to calculate an annual Value at Risk (VaR) value based on annual insurable value for Lockheed Martin assets or contract commitments for a sampling of suppliers. The value estimated (\$19.8M as reported above in 'Potential financial impact figure') is based on 2021 values.

Cost of response to risk

0

Description of response and explanation of cost calculation

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

Comment

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

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)

49879650

Potential financial impact figure – maximum (currency)

498796500

Explanation of financial impact figure

Lockheed Martin calculated the annual financial impact estimate of \$100 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 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 Lockheed Martin's sustainability team. All submissions are estimations and are used to identify areas of further research. The magnitude of impact of each climate-related risk is a qualitative assessment made in relation to other climate-related physical and transitional risks to the Corporation and is not a measure of magnitude to the Corporation as a whole. In addition, the risks described in this section are not necessarily the greatest potential climate-related risks to Lockheed Martin; they are risks for which we are able to provide quantitative and qualitative estimates.

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

Virtually certain

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

350000000

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 Lockheed Martin Sustainability Team 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

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

396000000

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 publicly available information on orders of contracted FIREHAWK helicopters since 2018 with expected delivery continuing through 2023 multiplied by the estimated cost of the FIREHAWK helicopter to the customer.

Cost to realize opportunity

354816000

Strategy to realize opportunity and explanation of cost calculation

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 customers have shaped product development based on climate-related risks and opportunities. For instance, born a Black Hawk, the Sikorsky S-70™ FIREHAWK® aircraft relies on its proven military design to endure the demands of aerial firefighting, search and rescue, and medical evacuations. The FIREHAWK helicopter plays a strategic role in wildland fire suppression and is strategically used across the western U.S. to carry firefighters and water in the same mission. 13 FIREHAWK helicopters are currently fighting fires across California, operated by CALFIRE, Los Angeles County Fire Department, and San Diego Fire Rescue Department. About nine more contracted aircraft are on the way, with the first to be delivered to Colorado state in 2023. Additionally, Lockheed Martin is in conversation with international firefighting agencies in countries such as Turkey, Croatia, Greece, Korea, and Canada. Lockheed Martin and United Rotorcraft, a division of Air Methods Corporation, recently signed a marketing teaming agreement that formalizes how both companies will collaborate to meet growing global interest in the FIREHAWK helicopter. The agreement will enable the team to identify demand, and more quickly build and configure new production FIREHAWK helicopters for government agencies worldwide that require a highly effective solution to attack increasingly deadly wildland fires. In 2021, NVIDIA and Lockheed Martin joined in partnership to utilize artificial intelligence and digital-twin simulations to respond more quickly and effectively to wildfires while reducing risk to fire crews and residents. Through this partnership, Lockheed Martin and NVIDIA are working with the US Department of Agriculture Forest Service and Colorado Division of Fire Prevention and Control Funding to build the world's first artificial intelligence-centric lab dedicated to predicting and responding to wildfires. The cost to realize the opportunity is \$354,816,000, which is the average ratio of cost of goods sold to revenues for Lockheed Martin's Rotary and Mission Systems business area in 2022 applied to the sales (~\$396 million) in the FIREHAWK portfolio. Note that this gross profit margin may not be representative of the gross profit margin for these sales and is purely illustrative as applied in this context.

Comment

Each climate-related opportunity category is initially assessed by the Lockheed Martin Sustainability Team. 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, Health and Sustainability. Multiple corporate policies guide our approach to green building standards, energy efficiency, strategic energy procurement and use of renewable energy.

Our ISO 14001-certified 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)

31000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

In 2022, our teams completed 78 energy efficiency projects that resulted in annual savings of 26 million kilowatthours (kWh) of electricity and 28,000 million British thermal units (MMBtu) of natural gas, and avoided \$3.1 million in utility and maintenance costs. Examples of projects completed across our business include LED lighting upgrades, continued steam decentralization and building management system upgrades that enable more efficient operations and maintenance.

Thanks to these energy efficiency projects, we earned ENERGY STAR® certification for six buildings in 2022, making us an official member of Certification Nation, a one-time recognition to celebrate ENERGY STAR's 30th anniversary. To earn the ENERGY STAR certification, buildings must be independently verified to operate more efficiently than 75% of similar properties nationwide. ENERGY STAR certified buildings use an average of 35% less energy and are responsible for 35% less carbon dioxide emissions than typical buildings. Lockheed Martin was also awarded ENERGY STAR Top Project for an occupancy sensor project at our Grand Prairie, TX, facility that will avoid approximately \$193,000 in electricity costs annually and reduce electricity usage by 3.2 million kWh, enough electricity to power approximately 440 homes for one year, according to the ENERGY STAR equivalency calculator. This award-winning project is just one example of the dozens of energy efficiency projects completed in 2022.

The financial impact figure was calculated by taking the annual cost avoidance in 2022 of \$3.1 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 \$31 million.

Cost to realize opportunity

21400000

Strategy to realize opportunity and explanation of cost calculation

To achieve emissions targets, in 2022, our teams completed 78 energy efficiency projects that resulted in annual savings of 26 million kilowatthours (kWh) of electricity and 28,000 million British thermal units (MMBtu) of natural gas, and avoided \$3.1 million in utility and maintenance costs. Examples of projects completed across our business include LED lighting

upgrades, continued steam decentralization and building management system upgrades that enable more efficient operations and maintenance. This Go Green gated capital cycle is a centerpiece of our energy reduction and renewable energy strategy whereby projects that meet certain performance and financial thresholds are added to each business area's overall capital plan. To encourage ideas and actions that reduce emissions, we educate employees about Go Green through internal and external communications, educational webinars and Earth Day and Energy Action Month celebrations. We recognize employee projects that contribute to our reduced impact on the environment through awards programs, including our Environment, Safety and Health Excellence Awards and Facilities Leadership Awards. We also seek external recognition through partner organizations, such as the U.S. Environmental Protection Agency's ENERGY STAR program and the U.S. Department of Energy's Better Plants program.

The cost to realize this opportunity is \$21.4 million, which is the investment made in 2022 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 Lockheed Martin Sustainability Team. 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.

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a climate transition plan that aligns with a 1.5°C world?**Row 1****Climate transition plan**

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

Publicly available climate transition plan

No

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

We have a different feedback mechanism in place

Description of feedback mechanism

Through the Audit Council, which conducts a periodic, rigorous examination of the intersection between our Enterprise Risk Matrix and our internal audit plan, we respond to risks related to several ESG factors, and we track, measure and report our performance for greater transparency. The Audit Council reports directly to the SVP of Ethics and Enterprise Assurance, whom then reports to the Board of Directors Audit Committee and Board of Directors at large. This process also informs how we evaluate the effectiveness of controls for risk elements identified through our enterprise risk assessments, ethics and business conduct process and internal audits.

Frequency of feedback collection

More frequently than annually

Attach any relevant documents which detail your climate transition plan (optional)**Explain why your organization does not have a climate 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?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	Yes, qualitative and quantitative	<Not Applicable>	<Not Applicable>

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

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Physical climate scenarios	RCP 2.6	Company-wide	<Not Applicable>
Physical climate scenarios	RCP 8.5	Company-wide	<Not Applicable>
Transition scenarios	Customized publicly available transition scenario	Company-wide	1.6°C – 2°C
Transition scenarios	Customized publicly available transition scenario	Company-wide	4.1°C and above

C3.2b**(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. From this analysis we found physical acute and chronic risks and transitional risks based on GHG emissions and the prospect of carbon pricing.

Quantitative modelling and analysis was executed to determine the estimated financial impact of high risk climate-related drivers. Physical acute and chronic risks were assessed using a value at risk method for assessing the scale and probability of loss occurring at our Go Green operational sites and select suppliers in the United States by type of risk event. Additional scenario analysis was applied to understand the prospective range of impacts expected based on geolocated risks and the 2021 insurable value of assets.

Transitional risks are quantitatively assessed based on the level of GHG emissions, medium term decarbonization and renewable electricity targets (i.e., < 10yrs), and projected pricing of carbon pricing mechanisms. Climate scenarios were applied at the 1.9C, 2.4C, and 4.5C projected futures according to the Shared Socio-economic Pathways (SSP). In 2022, Lockheed Martin decided to increase capital funding as of the following year (2023) for energy efficiency and renewable energy projects in order to reduce Scope 1 and 2 GHG emissions in the long term. These investments reduce the long term risks posed by the prospect of future costs as a result of a regulatory price on carbon. The timeframe is 1 year for initialization and >10 years for measurable impacts.

C3.3

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

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	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. Our climate-based opportunities address the uncertainties of intermittent renewable energy. Lockheed Martin is developing the GridStar Flow, which is an innovative redox flow battery designed to be a durable, flexible, scalable, and safe long-duration energy storage solution. Firefighting Intelligence also brings advanced capabilities from the frontline to the fireline, Lockheed Martin is applying its 21st Century Security technology to help first responders stay Ahead of Ready. As wildfires are growing in size, intensity, and frequency across the globe. These conditions can overwhelm existing response capabilities and pose a significant threat to our lives, property, environment and security.
Supply chain and/or value chain	Yes	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, follow Lockheed Martin's Sustainable Packaging Guidelines, and identify and share how their company's product lines can assist with our sustainability objectives. Lockheed Martin prescribes Sustainable Packaging Guidelines to all vendors. The criteria blend broad climate objectives with business considerations and strategies that address environmental concerns related to the life cycle of packaging. Packaging was identified as a large component of Lockheed Martin's waste stream going to landfill. As part of Lockheed Martin's Go Green waste goals, we are encouraging our suppliers to use these Guidelines to improve their packaging solutions. Climate-related issues that have led to opportunities in Lockheed Martin's value chain include the reclamation of precious metals at the end of our product life cycle. At our facility in Fort Worth, TX, gold-containing gap and fastener material used in the production of aircraft is transported to a certified waste vendor for precious metals reclamation. Although the magnitude of this impact is low, the gold recovery at the end of our value stream replaces waste management costs with revenues.
Investment in R&D	Yes	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 facility and long-duration flow battery energy storage system in Alberta. This pilot project is expected to be the largest flow battery energy storage facility in Alberta and 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.
Operations	Yes	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. In 2023, we released two updated carbon-related goals that will accelerate our carbon reduction and renewable energy strategies.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Direct costs Indirect costs Capital expenditures Assets Liabilities	The Go Green gated capital program, managed by Lockheed Martin's Environment, Safety, Health and Sustainability (ESHS) 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 ESHS for review. Technically sound projects that meet certain financial thresholds are earmarked as Go Green gated capital and are added to the respective business area's overall capital plan. Once part of the approved annual plan, progress towards Go Green project completion is briefed annually to the executive Facilities Strategic Governance Board (FSGB) to ensure progress towards energy and decarbonization goals. In 2022, our teams completed 78 energy efficiency projects that resulted in annual savings of 26 million kilowatthours (kWh) of electricity and 28,000 million British thermal units (MMBtu) of natural gas, and avoided \$3.1 million in utility and maintenance costs. Examples of projects completed across our business include LED lighting upgrades, continued steam decentralization and building management system upgrades that enable more efficient operations and maintenance. This Go Green gated capital cycle is a centerpiece of our energy reduction and renewable energy strategy whereby projects that meet certain performance and financial thresholds are added to each business area's overall capital plan. To encourage ideas and actions that reduce emissions, we educate employees about Go Green through internal and external communications, educational webinars and Earth Day and Energy Action Month celebrations. We recognize employee projects that contribute to our reduced impact on the environment through awards programs, including our Environment, Safety and Health Excellence Awards and Facilities Leadership Awards. We also seek external recognition through partner organizations, such as the U.S. Environmental Protection Agency's ENERGY STAR program and the U.S. Department of Energy's Better Plants program. Additionally, our Fort Worth site entered into an agreement to purchase power generated by a 15-megawatt solar facility in west Texas over a 15-year period.

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row 1	No, and we do not plan to in the next two years	<Not Applicable>

C4. Targets and performance

C4.1

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

Intensity target

C4.1b

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

Target reference number

Int 1

Is this a science-based target?

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

Target ambition

<Not Applicable>

Year target was set

2019

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, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for total 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)

0.000174

% 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, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 8: Upstream leased assets covered by this Scope 3, Category 8: Upstream leased assets intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3, Category 9: Downstream transportation and distribution intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 10: Processing of sold products covered by this Scope 3, Category 10: Processing of sold products intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of sold products intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products covered by this Scope 3, Category 12: End-of-life treatment of sold products intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 13: Downstream leased assets covered by this Scope 3, Category 13: Downstream leased assets intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 14: Franchises covered by this Scope 3, Category 14: Franchises intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 15: Investments covered by this Scope 3, Category 15: Investments intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Other (upstream) covered by this Scope 3, Other (upstream) intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Other (downstream) covered by this Scope 3, Other (downstream) intensity figure

<Not Applicable>

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total 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]

0.0000522

% change anticipated in absolute Scope 1+2 emissions

47.08

% 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, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for total 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)

0.0000760347

Does this target cover any land-related emissions?

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

% of target achieved relative to base year [auto-calculated]
80.4312807881773

Target status in reporting year
Underway

Please explain target coverage and identify any exclusions
This is a company-wide target that covers 100% of our portfolio which is comprised of all facilities for which we have operational control and which are operational. The target outperforms the Center for Sustainable Organization's SSP1-1.9 mitigation scenario (a "well-below 1.5°C science-based and context-based 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
The 2030 goal is anticipated to be achieved from energy efficiency, profit increase, grid greening and renewable energy (onsite renewables, offsite PPAs, green tariffs, and renewable energy certificates). In 2022, we reduced scope 1 and 2 carbon emissions intensity by 53% from our 2015 baseline.

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

C4.2a

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

Target reference number

Low 1

Year target was set

2020

Target coverage

Company-wide

Target type: energy carrier

Electricity

Target type: activity

Consumption

Target type: energy source

Renewable energy source(s) only

Base year

2020

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

382164

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

21

Target year

2030

% share of low-carbon or renewable energy in target year

30

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

23

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

22.222222222222

Target status in reporting year

Underway

Is this target part of an emissions target?

Yes. Our renewable energy goal supports achievement of "Int 1" to reduce carbon emissions per/gross profit by 70% by 2030. The goal is to match 30% of electricity used across Lockheed Martin global operations with renewable energy by 2030. There is no base year comparison.

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

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

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

To meet our target, we continue to study and pursue additional on-site and off-site renewable generation projects and utility green tariff programs (excluding large hydropower and nuclear in alignment with the Green-e Renewable Energy Standard for Canada and the United States.) In 2022, we ranked at number 9 on the U.S. Environmental Protection Agency Green Power Partnership's list of Top 30 on-site generators and at number 60 on their National Top 100 list for total renewable energy use. Since 2008, we have installed 15 on-site solar systems, for a total of 31.5 megawatts (MW) of capacity.

List the actions which contributed most to achieving this target

<Not Applicable>

C4.3

(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

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

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	35	0
To be implemented*	39	17442
Implementation commenced*	13	6065
Implemented*	80	23581
Not to be implemented	1	0

C4.3b

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

Initiative category & Initiative type

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

Estimated annual CO2e savings (metric tonnes CO2e)

1764

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)

545246

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

2803883

Payback period

4-10 years

Estimated lifetime of the initiative

16-20 years

Comment

In 2022, 15 Building Control System projects were completed, each with an average estimated lifetime of 20 years and a collective payback period for the projects of 5.1 years. Multiple projects in Enterprise Operations (EO), Missiles and Fire Control (MFC), Aero, Rotary and Mission Systems (RMS). Projects upgrade building management systems (BMS) to maximize energy saving capabilities associated with HVAC systems such as time of day scheduling and variable speed control.

Initiative category & Initiative type

Energy efficiency in production processes	Compressed air
---	----------------

Estimated annual CO2e savings (metric tonnes CO2e)

1373

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)

327897

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

700368

Payback period

1-3 years

Estimated lifetime of the initiative

16-20 years

Comment

In 2022, 8 compressed air projects were completed, each with an average estimated lifetime of 20 years and a collective payback period for the projects of 2.1 years. Typical projects include compressor replacements w/ high efficiency units, upgrades to plant sequencing/controls, and dedicated leak detection projects.

Initiative category & Initiative type

Energy efficiency in buildings	Heating, Ventilation and Air Conditioning (HVAC)
--------------------------------	--

Estimated annual CO2e savings (metric tonnes CO2e)

2838

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)

931479

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

6969274

Payback period

4-10 years

Estimated lifetime of the initiative

11-15 years

Comment

In 2022, 11 HVAC projects were completed, each with an average estimated lifetime of 15 years and a collective payback period for the projects of 7.5 years. Projects include upgrades to air-handling units and cooling and heating plants serving them to improve system efficiencies. Projects also include HVAC system consolidations and conversion to variable air volume HVAC systems.

Initiative category & Initiative type

Energy efficiency in buildings	Lighting
--------------------------------	----------

Estimated annual CO2e savings (metric tonnes CO2e)

2469

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)

727431

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

6019040

Payback period

4-10 years

Estimated lifetime of the initiative

11-15 years

Comment

In 2022, 37 Lighting projects were completed, each with an average estimated lifetime of 15 years and a collective payback period for the projects of 8.3 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 production processes	Other, please specify (Manufacturing)
---	--

Estimated annual CO2e savings (metric tonnes CO2e)

142

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)

137592

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

1219888

Payback period

4-10 years

Estimated lifetime of the initiative

16-20 years

Comment

In 2022, 3 Manufacturing projects were completed, with an average estimated lifetime of 20 years and a collective payback period for the project of 8.9 years. The projects lowered energy use associated with a specific manufacturing operation at three different sites.

Initiative category & Initiative type

Low-carbon energy generation	Other, please specify (Renewables)
------------------------------	------------------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

14333

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)

4777697

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

43251000

Payback period

4-10 years

Estimated lifetime of the initiative

16-20 years

Comment

In 2022, 2 renewable projects were completed, each with an average estimated lifetime of 20 years and a collective payback period for the projects of 9.1 years. Projects installed onsite solar PV arrays at two locations (20 MW at Palmdale and 2 MW at MFC Orlando).

Initiative category & Initiative type

Energy efficiency in buildings	Other, please specify (Steam)
--------------------------------	-------------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

661

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)

394960

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

4539500

Payback period

11-15 years

Estimated lifetime of the initiative

11-15 years

Comment

In 2022, 3 Steam projects were completed, with an average estimated lifetime of 15 years and a collective payback period for the project of 11.5 years. Two projects completed work on two different phases of the Waterton site steam decentralization project and an additional project modified level and blowdown controls for steam condensate tanks.

C4.3c

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

Method	Comment
Dedicated budget for energy efficiency	The Go Green gated capital program, managed by Lockheed Martin's corporate Environment, Safety, Health and Sustainability (ESHS) function, is a direct investment in emissions reduction activities. On an annual cycle, sites from across business areas submit potential energy and water efficiency projects to ESHS for review. Technically sound projects that meet certain financial thresholds are earmarked for Go Green gated capital and are added to the respective business area's overall capital plan.
Employee engagement	We partner with the U.S. Department of Energy's Better Plants Program and the U.S. Environmental Protection Agency's ENERGY STAR Program and Green Power Partnership to take advantage of employee engagement and recognition opportunities, technical resources and expertise, and valuable peer networking opportunities offered through these partnerships, which help us achieve our energy and carbon reduction goals.
Compliance with regulatory requirements/standards	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. Additionally, Lockheed Martin's ESH management system is ISO-14001 and 45001 certified and includes policies, strategies, common systems, functional procedures, metrics, programs and performance goals for business areas/elements.

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?

No

Name of organization(s) acquired, divested from, or merged with

<Not Applicable>

Details of structural change(s), including completion dates

<Not Applicable>

C5.1b

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

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	Yes, a change in methodology	All reported Scope 3 categories were evaluated in 2022 based on data resources and methodologies. Purchased Goods and Services, Capital Goods, Waste, Business Travel, Employee Commuting and Energy Related Activities were adjusted to our Go Green reporting year, which runs from November to October. Additionally, the emissions factors for Purchased Goods and Services, Capital Goods, Waste, and Business Travel were updated to reflect the latest factors provided by the US EPA and UK DEFRA vs. those previously used from the US DoD and EPA's WARM Tool.

C5.1c

(C5.1c) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in C5.1a and/or C5.1b?

	Base year recalculation	Scope(s) recalculated	Base year emissions recalculation policy, including significance threshold	Past years' recalculation
Row 1	No, because the impact does not meet our significance threshold	<Not Applicable>	All reported Scope 3 categories were evaluated in 2022 based on data resources and methodologies. Purchased Goods and Services, Capital Goods, Waste, Business Travel, Employee Commuting and Energy Related Activities were adjusted to our Go Green reporting year, which runs from November to October. Additionally, the emissions factors for Purchased Goods and Services, Capital Goods, Waste, and Business Travel were updated to reflect the latest factors provided by the US EPA and UK DEFRA vs. those previously used from the US DoD and EPA's WARM Tool. The significance threshold was not quantitative but based on methodological change.	Yes

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

November 1 2018

Base year end

October 31 2019

Base year emissions (metric tons CO2e)

6070890

Comment

Estimates are calculated based on amount spent with each supplier by purchase order and their individually assigned NAICS code and location. Purchased goods and services and Capital Goods are distinguished by NAICS code. Aligns with GHG Protocol, EPA EEIO, DoD Guidance for Sustainability Analysis, and ISO 14040:2006.

Scope 3 category 2: Capital goods

Base year start

November 1 2018

Base year end

October 31 2019

Base year emissions (metric tons CO2e)

1040055

Comment

Estimates are calculated based on amount spent with each supplier by purchase order and their individually assigned NAICS code and location. Purchased goods and services and Capital Goods are distinguished by NAICS code. Aligns with GHG Protocol, EPA EEIO, DoD Guidance for Sustainability Analysis, and ISO 14040:2006.

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

Base year start

November 1 2018

Base year end

October 31 2019

Base year emissions (metric tons CO2e)

68357

Comment

We calculated the transmission and distribution (T&D) losses associated with electricity using the country-specific factors provided by the World Bank and DEFRA, but do not calculate US based emissions, which are included in our Scope 2 emissions via the use of EPA eGrid emission factors.

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

November 1 2018

Base year end

October 31 2019

Base year emissions (metric tons CO2e)

6897

Comment

EPA Emissions Hub and DEFRA factors used across multiple waste streams.

Scope 3 category 6: Business travel

Base year start

November 1 2018

Base year end

October 31 2019

Base year emissions (metric tons CO2e)

169693

Comment

Global airfare emissions by segment and invoice based fuel use and personal auto mileage derived emissions. Emissions factors are based on EPA and DEFRA. Lodging and rail travel are included in Scope 3 Purchased Goods and Services and are expense-based only.

Scope 3 category 7: Employee commuting

Base year start

November 1 2018

Base year end

October 31 2019

Base year emissions (metric tons CO2e)

86535

Comment

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 (FT) are not included in this estimate.

We estimate the emissions from the total miles travelled per year using the EPA Mandatory Reporting gasoline emission factor for MTCO2.

UK based commuter emissions are based on an employee survey of commuting distance, mode, and frequency. UK estimates support our Carbon Reduction Plan for all UK operations.

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

November 1 2018

Base year end

October 31 2019

Base year emissions (metric tons CO2e)

23054209

Comment

We estimated the product use emissions of our top revenue producing programs, with tangible product deliveries. Applied lifecycle assessment calculation based on emissions intensity by product or fuel used. Methods are aligned with the GHG Protocol.

Aircraft (fixed-wing and rotary) produce more than 99% of our estimated emissions for this category due to long operational lives and use of combustible fuels. Munitions type products are also included based on revenue but are considered single use platforms with significantly lower per unit emissions.

Space products are limited in number and are included on an individual basis based on emissions resulting from initial launch.

Products assessed account for >40% of 2022 revenue. Revenues include other products and sustainment contracts, which would not be applicable to this category.

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.

- Defra Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance, 2019
- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
- The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard
- US EPA Mandatory Greenhouse Gas Reporting Rule
- US EPA Emissions & Generation Resource Integrated Database (eGRID)

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)

317143

Start date

November 1 2021

End date

October 31 2022

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

508459

Scope 2, market-based (if applicable)

361479

Start date

November 1 2021

End date

October 31 2022

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(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)

4387643

Emissions calculation methodology

Supplier-specific method

Average data method

Spend-based method

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

0

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)

600322

Emissions calculation methodology

Supplier-specific method

Average data method

Spend-based method

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

0

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)

67871

Emissions calculation methodology

Average data method

Fuel-based method

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

100

Please explain

We calculated the transmission and distribution (T&D) losses associated with electricity using the country-specific factors provided by the World Bank and DEFRA, but do not calculate US based emissions, which are included in our Scope 2 emissions via the use of EPA eGrid emission factors.

Upstream 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

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.html>

The emissions within this category are considered de minimis compared to emissions within the other reported scope 3 categories.

We plan to re-assess upstream transportation and distribution emissions in the upcoming year.

Waste generated in operations

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

6938

Emissions calculation methodology

Average data method

Waste-type-specific method

Site-specific method

Methodology for indirect use phase emissions, please specify

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

100

Please explain

Emissions are calculated by waste type and use the US EPA and DEFRA emissions factors.

Business travel

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

99237

Emissions calculation methodology

Supplier-specific method

Average data method

Spend-based method

Fuel-based method

Distance-based method

Methodology for direct use phase emissions, please specify

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

100

Please explain

Global airfare emissions by segment and invoice based fuel use and personal auto mileage derived emissions. Emissions factors are based on EPA and DEFRA. Lodging and rail travel are included in Scope 3 Purchased Goods and Services and are expense-based only.

Employee commuting

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

78323

Emissions calculation methodology

Fuel-based method

Distance-based method

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

0

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 (FT) are not included in this estimate.

We estimate the emissions from the total miles travelled per year using the EPA Mandatory Reporting gasoline emission factor for MTCO2.

UK based commuter emissions are based on an employee survey of commuting distance, mode, and frequency. UK estimates support our Carbon Reduction Plan for all UK operations.

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 and emissions are captured as either Scope 1 or Scope 3 Purchased Goods and Services. The amount of deliveries of products handled by the customer is extremely small and is considered de minimis for Scope 3 reporting purposes.

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, thus the majority of our products require no additional processing. Any processing of sold products are accounted for in our Scope 1 and Scope 2 emissions.

Use of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

23191253

Emissions calculation methodology

Average product method

Average spend-based method

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

0

Please explain

We estimated the product use emissions of our top revenue producing programs, with tangible product deliveries. Applied lifecycle assessment calculation based on emissions intensity by product or fuel used. Methods are aligned with the GHG Protocol.

Aircraft (fixed-wing and rotary) produce more than 99% of our estimated emissions for this category due to long operational lives and use of combustible fuels. Munitions type products are also included based on revenue but are considered single use platforms with significantly lower per unit emissions.

Space products are limited in number and are included on an individual basis based on emissions resulting from initial launch.

Products assessed account for >40% of 2022 revenue. Revenues include other products and sustainment contracts, which would not be applicable to this category.

End of life treatment of sold products

Evaluation status

Relevant, not yet calculated

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 of our products are tightly controlled by the US Government as our primary customer.

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 (2.3% of all asset sqft), 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.

Other (upstream)

Evaluation status

Please select

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

Other (downstream)

Evaluation status

Please select

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

C6.5a

(C6.5a) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

Start date

November 1 2020

End date

October 31 2020

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

5284180

Scope 3: Capital goods (metric tons CO2e)

727142

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

68745

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

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

6580

Scope 3: Business travel (metric tons CO2e)

54035

Scope 3: Employee commuting (metric tons CO2e)

80506

Scope 3: Upstream leased assets (metric tons CO2e)

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

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

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

23044286

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

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Investments (metric tons CO2e)

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

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

Comment

In 2022, we updated our Scope 3 emissions methodologies for all categories. We applied these updated methodologies to historic data for 2019-2021. Data necessary to apply the new methodologies was not available for 2018.

Past year 2

Start date

November 1 2019

End date

October 31 2019

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

5341218

Scope 3: Capital goods (metric tons CO2e)

900407

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

69393

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

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

6566

Scope 3: Business travel (metric tons CO2e)

64810

Scope 3: Employee commuting (metric tons CO2e)

79595

Scope 3: Upstream leased assets (metric tons CO2e)

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

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

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

20115663

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

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Investments (metric tons CO2e)

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

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

Comment

In 2022, we updated our Scope 3 emissions methodologies for all categories. We applied these updated methodologies to historic data for 2019-2021. Data necessary to apply the new methodologies was not available for 2018.

Past year 3

Start date

November 1 2018

End date

October 31 2018

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

6070890

Scope 3: Capital goods (metric tons CO2e)

1040055

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

68357

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

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

6897

Scope 3: Business travel (metric tons CO2e)

169693

Scope 3: Employee commuting (metric tons CO2e)

86535

Scope 3: Upstream leased assets (metric tons CO2e)

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

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

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

23054209

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

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Investments (metric tons CO2e)

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

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

Comment

In 2022, we updated our Scope 3 emissions methodologies for all categories. We applied these updated methodologies to historic data for 2019-2021. Data necessary to apply the new methodologies was not available for 2018.

C6.7

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

Yes

C6.7a

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

	CO2 emissions from biogenic carbon (metric tons CO2)	Comment
Row 1	19151	The Lockheed Martin facility in Owego, New York operates a heat steam system fueled by biomass. The metric tonnes of CO2e released was calculated based on the dry mass of wood burned.

C6.10

(C6.10) 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

0.000013

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

825602

Metric denominator

unit total revenue

Metric denominator: Unit total

65984000000

Scope 2 figure used

Location-based

% change from previous year

3.58

Direction of change

Decreased

Reason(s) for change

Other emissions reduction activities

Change in revenue

Please explain

This was a net decrease from the previous year. Despite revenue falling, energy efficiency and renewable electricity improvements were greater.

Intensity figure

7.12

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

825602

Metric denominator

full time equivalent (FTE) employee

Metric denominator: Unit total

116000

Scope 2 figure used

Location-based

% change from previous year

6.74

Direction of change

Decreased

Reason(s) for change

Change in renewable energy consumption

Please explain

Carbon decreased while occupancy increased, for an overall intensity decrease of 6.7%.

Intensity figure

0.0121

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

825602

Metric denominator

Other, please specify (Square feet)

Metric denominator: Unit total

68300000

Scope 2 figure used

Location-based

% change from previous year

3.85

Direction of change

Decreased

Reason(s) for change

Change in physical operating conditions

Please explain

Carbon and building area decreased for a total intensity decrease of 3.9%

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).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	303466	Other, please specify (IPCC 2006)
CH4	222	Other, please specify (IPCC 2006)
N2O	525	Other, please specify (IPCC 2006)
HFCs	12929	Other, please specify (IPCC 2006)

C7.2

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

Country/area/region	Scope 1 emissions (metric tons CO2e)
Australia	0
Canada	4177
Mexico	0
Poland	1652
United Kingdom of Great Britain and Northern Ireland	189
United States of America	311126

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.

Business division	Scope 1 emissions (metric ton CO2e)
Aeronautics	131092
Enterprise Operations	16874
Missiles and Fire Control	30279
Rotary and Mission Systems	87328
Space	51569

C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4

(C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4) Break down your organization's total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

	Gross Scope 1 emissions, metric tons CO2e	Net Scope 1 emissions , metric tons CO2e	Comment
Cement production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Chemicals production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Coal production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Electric utility activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Metals and mining production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (upstream)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (midstream)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (downstream)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Steel production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport OEM activities		<Not Applicable>	
Transport services activities	<Not Applicable>	<Not Applicable>	<Not Applicable>

C7.5

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

Country/area/region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Australia	173	173
Canada	1691	1691
Mexico	729	729
Poland	7372	7372
United Kingdom of Great Britain and Northern Ireland	1523	0
United States of America	496972	351515

C7.6

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

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Aeronautics	153622	125853
Enterprise Operations	21394	6818
Missiles and Fire Control	120594	119071
Rotary and Mission Systems	90789	79740
Space	122038	29997

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

No

C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7

(C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7) Break down your organization's total gross global Scope 2 emissions by sector production activity in metric tons CO2e.

	Scope 2, location-based, metric tons CO2e	Scope 2, market-based (if applicable), metric tons CO2e	Comment
Cement production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Chemicals production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Coal production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Metals and mining production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (upstream)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (midstream)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (downstream)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Steel production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport OEM activities			
Transport services activities	<Not Applicable>	<Not Applicable>	<Not Applicable>

C-TO7.8

(C-TO7.8) Provide primary intensity metrics that are appropriate to your indirect emissions in Scope 3 Category 11: Use of sold products from transport.

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.

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	15475	Increased	2.19	Fewer unbundled RECs used due to efficiency measures and reduced emissions reductions per REC due to improvements in emission factors.
Other emissions reduction activities	50383	Decreased	7.12	Reduced emissions from electricity due to efficiency investments and improved grid emission factors over time
Divestment		<Not Applicable>		
Acquisitions		<Not Applicable>		
Mergers		<Not Applicable>		
Change in output	5320	Increased	0.75	Increased production
Change in methodology		<Not Applicable>		
Change in boundary		<Not Applicable>		
Change in physical operating conditions		<Not Applicable>		
Unidentified		<Not Applicable>		
Other		<Not Applicable>		

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.

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

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	59837	1580174.72	1640011.72
Consumption of purchased or acquired electricity	<Not Applicable>	380724.18	1076423.82	1457148
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	0	25622	25622
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	43585	<Not Applicable>	43585
Total energy consumption	<Not Applicable>	484146.18	2682220.54	3166366.72

C8.2b

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

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

C8.2c

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

Sustainable biomass

Heating value
HHV

Total fuel MWh consumed by the organization
59837

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

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
0

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

MWh fuel consumed for self- cogeneration or self-trigeneration
0

Comment

Other biomass

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment

Other renewable fuels (e.g. renewable hydrogen)

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment

Coal

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment

Oil

Heating value	HHV
Total fuel MWh consumed by the organization	7692
MWh fuel consumed for self-generation of electricity	<Not Applicable>
MWh fuel consumed for self-generation of heat	0
MWh fuel consumed for self-generation of steam	7692
MWh fuel consumed for self-generation of cooling	<Not Applicable>
MWh fuel consumed for self- cogeneration or self-trigeneration	0
Comment	Fuel Oil #2

Gas

Heating value	HHV
Total fuel MWh consumed by the organization	1285503
MWh fuel consumed for self-generation of electricity	<Not Applicable>
MWh fuel consumed for self-generation of heat	0
MWh fuel consumed for self-generation of steam	0
MWh fuel consumed for self-generation of cooling	<Not Applicable>
MWh fuel consumed for self- cogeneration or self-trigeneration	0
Comment	Primary use is for heating and humidification

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

Heating value	HHV
Total fuel MWh consumed by the organization	286979.31
MWh fuel consumed for self-generation of electricity	<Not Applicable>
MWh fuel consumed for self-generation of heat	0
MWh fuel consumed for self-generation of steam	0
MWh fuel consumed for self-generation of cooling	<Not Applicable>
MWh fuel consumed for self- cogeneration or self-trigeneration	0
Comment	includes 2022 totals for propane, jet fuel, gasoline, and diesel

Total fuel**Heating value**

HHV

Total fuel MWh consumed by the organization

1640012

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

0

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

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	114207	114207	43587	43587
Heat	0	0	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

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.****Country/area of low-carbon energy consumption**

United States of America

Sourcing method

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

Energy carrier

Electricity

Low-carbon technology type

Solar

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

62175.6

Tracking instrument used

US-REC

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

United States of America

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

Yes

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 PPA included a "REC swap" where-by the project RECs are exchanged on a 1 for 1 basis for Green-E certified RECs.

Country/area of low-carbon energy consumption

United States of America

Sourcing method

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

Energy carrier

Electricity

Low-carbon technology type

Renewable energy mix, please specify

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

174319.24

Tracking instrument used

US-REC

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

United States of America

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

No

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

<Not Applicable>

Comment

Lockheed Martin participates in four green tariff or community choice aggregation programs, delivering a mix of solar and wind (37%), hydro (48%), and nuclear (15%) generated electricity.

Country/area of low-carbon energy consumption

United States of America

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Wind

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

123002.13

Tracking instrument used

US-REC

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

United States of America

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

Yes

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

2014

Comment

Energy generation facility was commissioned in 2021 and 2022

Country/area of low-carbon energy consumption

United Kingdom of Great Britain and Northern Ireland

Sourcing method

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

Energy carrier

Electricity

Low-carbon technology type

Low-carbon energy mix, please specify

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

4818.58

Tracking instrument used

REGO

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

United Kingdom of Great Britain and Northern Ireland

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

No

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

<Not Applicable>

Comment

Lockheed Martin participates in one green tariff program, delivering a mix of solar, wind, and biomass (79%), hydro (1%), and nuclear (20%) generated electricity.

Country/area of low-carbon energy consumption

United States of America

Sourcing method

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

Energy carrier

Electricity

Low-carbon technology type

Solar

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

43530

Tracking instrument used

US-REC

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

United States of America

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

Yes

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

2021

Comment

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

C8.2g**(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.****Country/area**

Canada

Consumption of purchased electricity (MWh)

14091

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

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

0

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

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

14091

Country/area

Mexico

Consumption of purchased electricity (MWh)

1691

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

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

0

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

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

1691

Country/area

Australia

Consumption of purchased electricity (MWh)

227

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

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

0

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

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

227

Country/area Poland
Consumption of purchased electricity (MWh) 9230
Consumption of self-generated electricity (MWh) 0
Is this electricity consumption excluded from your RE100 commitment? <Not Applicable>
Consumption of purchased heat, steam, and cooling (MWh) 0
Consumption of self-generated heat, steam, and cooling (MWh) 0
Total non-fuel energy consumption (MWh) [Auto-calculated] 9230
Country/area United Kingdom of Great Britain and Northern Ireland
Consumption of purchased electricity (MWh) 4819
Consumption of self-generated electricity (MWh) 0
Is this electricity consumption excluded from your RE100 commitment? <Not Applicable>
Consumption of purchased heat, steam, and cooling (MWh) 0
Consumption of self-generated heat, steam, and cooling (MWh) 0
Total non-fuel energy consumption (MWh) [Auto-calculated] 4819
Country/area United States of America
Consumption of purchased electricity (MWh) 1457148
Consumption of self-generated electricity (MWh) 0
Is this electricity consumption excluded from your RE100 commitment? <Not Applicable>
Consumption of purchased heat, steam, and cooling (MWh) 25622
Consumption of self-generated heat, steam, and cooling (MWh) 0
Total non-fuel energy consumption (MWh) [Auto-calculated] 1482770

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.

Description

Energy usage

Metric value

0.23

Metric numerator

340558

Metric denominator (intensity metric only)

1500733

% change from previous year

8

Direction of change

Increased

Please explain

We consumed 340,558 megawatt hours (MWh) of renewable energy (excluding large hydro), comprising 34% from renewable energy certificates (RECs) and 66% from on-site energy generation/PPA/green tariffs, which accounts for approximately 22% of the company's annual domestic electricity consumption. In 2021, we consumed 362,576 MWh of renewable energy.

Description

Other, please specify (Green Buildings)

Metric value

4173068

Metric numerator

4173068

Metric denominator (intensity metric only)

1

% change from previous year

1

Direction of change

Increased

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. Expansions of two Lockheed Martin facilities earned LEED certification and LEED Silver, respectively, in 2022. This added over 53,000 square feet to the existing green building footprint.

C-T09.3/C-TS9.3

(C-T09.3/C-TS9.3) Provide tracking metrics for the implementation of low-carbon transport technology over the reporting year.

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-T09.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-T09.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
Row 1	Please select	

C10. Verification

C10.1

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

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

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

LM 2022 Assurance Statement_FINAL_04.03.2023_v3 (1).pdf

Page/ section reference

p. 3; Link: <https://sustainability.lockheedmartin.com/sustainability/media/zmqfijnd/assurance2022.pdf>

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

LM 2022 Assurance Statement_FINAL_04.03.2023_v3 (1).pdf

Page/ section reference

p. 3; Link: <https://sustainability.lockheedmartin.com/sustainability/media/zmqfijnd/assurance2022.pdf>

Relevant standard

AA1000AS

Proportion of reported emissions verified (%)

100

Scope 2 approach

Scope 2 market-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

LM 2022 Assurance Statement_FINAL_04.03.2023_v3 (1).pdf

Page/ section reference

p. 3; Link: <https://sustainability.lockheedmartin.com/sustainability/media/zmqfijnd/assurance2022.pdf>

Relevant standard

AA1000AS

Proportion of reported emissions verified (%)

100

C10.1c

(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

LM 2022 Assurance Statement_FINAL_04.03.2023_v3 (1).pdf

Page/section reference

p. 3; Link: <https://sustainability.lockheedmartin.com/sustainability/media/zmqfjnd/assurance2022.pdf>

Relevant standard

AA1000AS

Proportion of reported emissions verified (%)

100

C10.2

(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

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

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C8. Energy	Energy consumption	AA1000AS	Our total energy consumption reported and our total renewable energy reported in C8.2 are verified to the AA1000AS standard as they are components of the reported progress on our renewable energy goal.
C4. Targets and performance	Progress against emissions reduction target	AA1000AS	Our progress towards our emissions reduction goals and our renewable energy target are verified to the AA1000AS standard to ensure strong and continuous performance and progress checks against these key goals.
C1. Governance	Other, please specify (Governance structure)	AA1000AS	Our sustainability governance structure described in C1.1a through C1.2a is reported on our sustainability website and was part of our assurance process according to the AA1000AS standard through our third-party verifier review of our 2022 annual sustainability report.
C4. Targets and performance	Year on year emissions intensity figure	AA1000AS	Our annual progress towards our intensity-based emissions reduction goal is verified to the AA1000AS standard to ensure strong and continuous performance and progress checks against these key goals.
C4. Targets and performance	Emissions reduction activities	AA1000AS	The majority of the emissions reductions initiatives reported on in question C4.3 are verified to the AA1000AS standard through our third-party verifier review of our annual sustainability report as these initiatives are included in the report.
C2. Risks and opportunities	Other, please specify (Sustainability risk management)	AA1000AS	Sustainability risks are integrated into Lockheed Martin's multi-disciplinary company-wide risk management procedures which also includes climate-related risks. In 2022, the company transitioned oversight of its sustainability initiatives from the Sustainability Leadership Council to its established Risk and Compliance Committee, further linking the management of enterprise risk and sustainability. Sustainability risk governance and management was part of the assurance of the 2022 sustainability performance report according to the AA1000AS standards.
C3. Business strategy	Other, please specify (Sustainability strategy)	AA1000AS	Our Sustainability Management Plan 2025 incl. the priority "advancing resource stewardship" were part of the assurance of the 2022 sustainability performance report according to the AA1000AS standard.

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, but we anticipate being regulated in the next three years

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

Lockheed Martin's Corporate Energy, Environment, Safety and Health (ESHS) function has developed and implemented the Environment, Safety and Health (ESH) Management System (ESHMS) which goes beyond compliance by providing a risk-based, systematic framework to evaluate the management and performance of ESH processes, programs, and tasks against established standards. Through the ESH risk and self-assessment process, sites are first profiled to define ESH program categories or requirements applicable to their operations. The applicable ESH categories are then assigned a relative risk assessment of high, medium or low. Based on these risk assessments, sites are required to conduct self-assessments, provided with checklists to evaluate compliance, and given mechanisms to track corrective actions. The ESHMS directs sites to complete corrective actions within a specified timeframe depending on the nature and severity of incidents and provides internal documentation tools that serve as the record of authority. Self-assessments are typically conducted annually for high risks, biannually for medium risks and at least every four years for low risks. The Corporate ESHS function also implements a process to report incidents, ensure timely communication, assure that appropriate response processes are initiated, and prevent further incidents. If non-compliance is identified, systematic interim control, root cause, corrective and preventive action processes must be applied and monitored to prevent future occurrence. Our Corporate Internal Audit function periodically audits our sites and/or programs for conformance to our ESH-related internal standards and for compliance with legal regulations, which provides a check-and-balance approach to risk mitigation across the enterprise.

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, but we anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers/clients

Yes, other partners in the value chain

C12.1a

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

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Other, please specify (Sustainability Lifecycle Analysis)

% of suppliers by number

100

% total procurement spend (direct and indirect)

100

% of supplier-related Scope 3 emissions as reported in C6.5

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 sixdigit 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. Beginning in 2022, we revised our methodology to utilize EPA emissions factors and updated historical data going back to reporting year 2019.

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 declined in 2022 as a result of lower supplier spend vs. 2021. Additionally, the fidelity of the data is now being tracked at the purchase order level versus prior year allocation at the supplier id. NAICS codes are assigned by purchase order providing greater insight to each transaction. EPA emissions factors are applied via our updated methodology and also provide greater insight with year to year adjustments for relative producer prices. 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

Engagement & incentivization (changing supplier behavior)

Details of engagement

Run an engagement campaign to educate suppliers about climate change

% of suppliers by number

1.5

% total procurement spend (direct and indirect)

12

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

In 2022, Lockheed Martin continued our collaboration at the sector-level through the International Aerospace Environmental Group (IAEG) on ESG initiatives, including climate change and emission-reducing pathways. In February a new work group was formed to deploy and maintain an enduring aerospace industry voluntary standard and program, with the support of a proven third-party solution, for assessing Environment, Social and Governance (ESG) practices. As part of the newest focus area, Lockheed Martin contributed to the search and selection of a third-party rating/assessment solution that would span across ESG. The reusable sustainability assessment will be a recognized voluntary standard approach to sustainability assessments for participating members and their suppliers that aims to build a more transparent and sustainable supply chain. In the 1Q23, a press release was issued announcing the contract with EcoVadis and the Aerospace & Defense industry. In addition, Lockheed Martin participated in a leadership forum where ESG took center stage for the industry in May 2022 (https://www.iaeg.com/binaries/content/assets/iaeg/iaeg-wg11_esg-takes-center-stage.pdf) - signaling ambitions for accelerating ESG for our industry.

In parallel, Lockheed Martin led the Supplier Engagement sub-team launched a Supply Chain Sustainability Forum in 2022 to upskill the supply chain. Our inaugural webinar was attended by hundreds of suppliers across the sector and focused on the Why of ESG and the importance of stakeholder engagement, followed by a second webinar on What is Driving us to act that touched on the complex landscape of regulations and obligations.

As we approach the 2Q, we are unlocking an inaugural sectorial view of ESG insights that will influence future supply chain engagements.

Impact of engagement, including measures of success

As of 1Q 2023, IAEG announced exceeding the initial goal of securing 3 member companies as early adopters with signed EcoVadis contracts. This now unlocks a sector view that will enable ESG insights for the industry and inform our supply chain upskilling. EcoVadis has experienced 30% more supplier engagement from its sector initiatives compared to individual company initiatives.

For the Take Off Supply Chain Sustainability Forum, the initial webinars had a turnout of 300+ suppliers and since the work group began communicating externally, the number of followers have tripled.

Comment

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect other climate related information at least annually from suppliers

Other, please specify (Sustainability Lifecycle Analysis)

% of suppliers by number

0.5

% total procurement spend (direct and indirect)

4.4

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

Managing global supply chains is one of the largest sustainability challenges for the Aerospace and Defense industry. Stakeholders are expecting increased transparency of where and how products are made. This requires due diligence and strong partnerships across the value chain. Lockheed Martin continues to involve our suppliers in our efforts to apply sustainable business practices and better understand our supplier's governance, environmental, and social practices. In 2022, Lockheed Martin for the 8th year, conducted a Supply Chain Sustainability Assessment which solicited inputs from over 68% of our spend.

Impact of engagement, including measures of success

- More than 75% of respondents have an Environmental, Safety, and Health (ESH) management system
- 76% of respondents have emergency response management processes and capabilities to handle environmental incidents
- More than half of respondents said that their companies have a system to manage risk related to chemical and material obsolescence
- ~50% of respondents have Safety Data Sheets as their source of their product chemical composition data
- 43% of respondents are undertaking efforts to identify less hazardous chemicals and materials for use in products and/or processes

Comment

The 61 suppliers who responded reflect \$1.5B in PO Commitments based on 2021 data.

Type of engagement

Innovation & collaboration (changing markets)

Details of engagement

Other, please specify (Talent attraction & retention, engagement and fostering of projects on supply chain sustainability)

% of suppliers by number

53

% total procurement spend (direct and indirect)

25

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

Lockheed Martin conducts annually a Supply Chain Summer Intern Challenge where cross-functional organizations sponsor teams to accelerate progress towards ESG initiatives. In 2022, focus areas included small business RFP inclusion, cyber metrics, sustainable materials database and a sector-level pilot on social responsibility/duty of

care obligations.

Impact of engagement, including measures of success

Engaging early career talent on sustainability has contributed to a 96% retention rate among Lockheed Martin interns. The sector level pilot was out-briefed to the International Aerospace Environmental Group Board of Directors and voted to make an on-going program to ensure new talent has exposure to sector-level ESG efforts.

Comment

Reflection of small business given the challenges span different supplier segments, including small businesses

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Education/information sharing	Run an engagement campaign to education customers about your climate change performance and strategy
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% of customers by number

% of customer - related Scope 3 emissions as reported in C6.5

Please explain the rationale for selecting this group of customers and scope of engagement

In 2022, Lockheed Martin met with the White House Council on Environmental Quality to discuss Department of Defense climate-related priorities and share Lockheed Martin's sustainability objectives, climate reporting and climate-related risks and opportunities.

Impact of engagement, including measures of success

Engagement resulted in successful sharing of Department of Defense, White House and Lockheed Martin climate priorities, risks and opportunities and paved the way for future collaboration sessions.

Type of engagement & Details of engagement

Collaboration & innovation	Other, please specify (Collaboration to reduce impacts of climate change)
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% of customers by number

% of customer - related Scope 3 emissions as reported in C6.5

Please explain the rationale for selecting this group of customers and scope of engagement

In 2022, Lockheed Martin awarded \$2 million to The Nature Conservancy Maryland/DC chapter's work around climate adaptation for vulnerable coastal communities and ecosystems. Among other things, Lockheed Martin's grant will support staff working with the Department of Defense Readiness and Environmental Protection Integration Program to protect up to 4,000 acres of habitat in the Middle Chesapeake Sentinel Landscape - home to one of the Navy's premier aircraft testing locations and also identified by scientists as one of the most climate-resilient and biodiverse landscapes in the region.

Impact of engagement, including measures of success

Engagement impacts of the project are measured and tracked according to the following resilience focus areas: land protection; land management; Resilient Protection Frameworks (RPF); community resilience; climate justice; environmental resilience; and climate impact monitoring. First year accomplishments include completion of the first draft of the Coastal Resilience Easement (CRE) with support of a 5-organization workgroup and 19 member advisory committee; formation of a 20-member Coastal Resilience Management Plan (SRMP) advisory committee with contractor support; completed contract to engage private and public thought leaders to provide input and create an Incentivizing Action Plan (IAP), initiated community interviews to incorporate landowner goals into the RPF, and hosted numerous meetings and interviews to inform NOAA Adaptation Sciences work across the community and stakeholders. Year one of the project resulted in permanent protection of 2,268 acres of priority marsh migration corridors, over half of the total 4,000 acre project commitment.

C12.1d

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

Lockheed Martin engages on policies or regulations to ensure our ability to comply and effectively operate under those conditions. For further information on our engagement with other partners please refer to section 12.3

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

No, but we plan to introduce climate-related requirements within the next two years

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may 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 external engagement activities are consistent with your climate commitments and/or climate transition plan

We do not use trade associations for any climate related policies, other than ensuring that reporting requirements are actually achievable and meet the stated purpose of the requirement.

We have long taken the view that any climate and related activity must be driven by good business decisions, rather than by policy or regulatory mandates, that are often prescriptive. We focus on achieving goals we set for ourselves, on setting a corporate example, and on working with those than can help us achieve those goals. We are proud of the goals we set and the progress we've made over the past 20 years, and work toward constantly updating and improving our climate-related commitments.

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>

C12.3b

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

Trade association

US Chamber of Commerce

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

No, we did not attempt to influence their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

The Chamber's stated position on climate change is that the climate is changing and humans are contributing to these changes. It believes in policies that are practical, flexible, predictable, and durable and that a policy approach should acknowledge the costs of action and inaction and the competitiveness of the U.S. economy. Specifically, the Chamber believes that an effective climate policy should:

1. Leverage the power of business,
2. Maintain U.S. leadership in climate science,
3. Embrace technology and innovation,
4. Aggressively pursue greater energy efficiency,
5. Promote climate resilient infrastructure,
6. Support trade in U.S. technologies and products,
7. Encourage international cooperation.

It looks to policymakers to develop an approach that leverages business leadership, expertise, and energy innovation.

<https://www.uschamber.com/climate-change-position>

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

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, 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

National Association of Manufacturers

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

No, we did not attempt to influence their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

NAM Policy Roadmap <https://www.nam.org/wp-content/uploads/2021/01/The-Promise-Ahead.pdf>

NAM CEO public Statement on climate change: <https://www.nam.org/timmons-climate-change-is-an-issue-our-generation-must-tackle-13479/?stream=series-press-releases>

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

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?

No, we have not evaluated

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

2023-proxy-statement.pdf

Page/Section reference

p. 32-34; Link: <https://www.lockheedmartin.com/content/dam/lockheed-martin/eo/documents/annual-reports/2023-proxy-statement.pdf>

Content elements

Governance
Strategy
Risks & opportunities
Emission targets

Comment

Publication

In voluntary sustainability report

Status

Complete

Attach the document

Lockheed_Martin_2022_Sustainability_Performance_Report.pdf

Page/Section reference

pp. 6, 8, 42; Link: https://sustainability.lockheedmartin.com/sustainability/content/Lockheed_Martin_2022_Sustainability_Performance_Report.pdf

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets

Comment

Publication

In mainstream reports, incorporating the TCFD recommendations

Status

Complete

Attach the document

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

Page/Section reference

Full document; Link: <https://www.lockheedmartin.com/content/dam/lockheed-martin/eo/documents/sustainability/2023/TCFD-aligned-climate-related-risks-opportunities-report-2022.pdf>

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

Impact Assessment

Publication

In voluntary communications

Status

Complete

Attach the document

lockheed_martin_2022_esg_performance_index.pdf

Page/Section reference

Full report; Link: https://sustainability.lockheedmartin.com/sustainability/media/nlbo3g2b/lockheed_martin_2022_esg_performance_index.pdf

Content elements

Emissions figures
Other, please specify

Comment

Energy metrics incl. breakdown

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization's role within each framework, initiative and/or commitment
Row 1	Other, please specify (IAEG)	Lockheed Martin collaborates with industry partners to help address global environmental challenges such as through the International Aerospace Environmental Group (IAEG). Further information can be found on their website: https://www.iaeg.com/membership/members/ In addition, Lockheed Martin joined other members of the IAEG to discuss and foster Supply Chain ESG Stewardship & Voluntary Assessment Standard.

C15. Biodiversity

C15.1

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

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	Yes, both board-level oversight and executive management-level responsibility	Our commitment to sustainability includes environmental stewardship. We have a responsibility to operate our facilities in a manner that respects the environment and protects biodiversity. We also take active steps to manage our business to mitigate environmental risk and safeguard valuable ecosystems. As part of our holistic sustainability governance and management plan, biodiversity (among other sustainability matters) is overseen by the SVP Ethics and Enterprise Assurance who reports directly to the CEO. The sustainability management plan is presented to the Board on a bi-annual basis.	<Not Applicable>

C15.2

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

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have made public commitments and publicly endorsed initiatives related to biodiversity	Commitment to respect legally designated protected areas Other, please specify (Commitment to protect biodiversity and safeguard valuable ecosystems, incl. fostering of biodiversity in communities we operate)	SDG

C15.3

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

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment

No and we don't plan to within the next two years

Value chain stage(s) covered

<Not Applicable>

Portfolio activity

<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity

<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

<Not Applicable>

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment

No and we don't plan to within the next two years

Value chain stage(s) covered

<Not Applicable>

Portfolio activity

<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity

<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

<Not Applicable>

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity- sensitive areas in the reporting year?

Yes

C15.4a

(C15.4a) Provide details of your organization's activities in the reporting year located in or near to biodiversity -sensitive areas.

Classification of biodiversity -sensitive area

Other biodiversity sensitive area, please specify

Country/area

United States of America

Name of the biodiversity-sensitive area

Wetland Protection

Proximity

Please select

Briefly describe your organization's activities in the reporting year located in or near to the selected area

Lockheed Martin is committed to minimizing species and habitat impacts from our operations and construction projects by avoiding activities in wetland areas. Our site in Sunnyvale, CA, borders the lower part of the San Francisco Bay, including its wetlands and channels populated by threatened and endangered species. To avoid areas of concern, we conducted a wetland delineation at the site to identify boundaries of existing wetlands. We also helped prevent impacts to surrounding wetlands by implementing a water capture and reuse process of our onsite vehicle-washing station that prevents discharge of wastewater into adjacent wetlands.

Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity

Yes, but mitigation measures have been implemented

Mitigation measures implemented within the selected area

Physical controls

Restoration

Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

Classification of biodiversity -sensitive area

Other biodiversity sensitive area, please specify

Country/area

United States of America

Name of the biodiversity-sensitive area

Wetland Protection

Proximity

Please select

Briefly describe your organization’s activities in the reporting year located in or near to the selected area

Lockheed Martin committed \$2 million to a three-year partnership with The Nature Conservancy in support of a project that will protect 4,000 acres of land along Maryland’s Eastern Shore. The project is part of the Department of Defense’s (DOD) Readiness and Environmental Protection Integration Challenge, which aims to strengthen the resiliency of the DOD’s vital U.S. infrastructure. In 2022, Lockheed Martin’s funding supported The Nature Conservancy’s coastal resiliency efforts and helped establish a pilot Coastal Resilience Easement program. These easements aid in the healthy landward migration of tidal marshes to protect coastal areas while simultaneously preserving landowner cultural and financial interests. Please see our 2022 Sustainability Performance Report or our news website: <https://lockheedmartin.com/en-us/news/features/2022/how-we-are-building-a-more-sustainable-future.html#:~:text=Through%20a%20new%20%242%20million%20partnership%20with%20The,over%204%2C000%20acres%20of%20critical%20wetlands%20by%202025>.

Indicate whether any of your organization’s activities located in or near to the selected area could negatively affect biodiversity

No

Mitigation measures implemented within the selected area

<Not Applicable>

Explain how your organization’s activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

Classification of biodiversity -sensitive area

Other biodiversity sensitive area, please specify

Country/area

United States of America

Name of the biodiversity-sensitive area

Chesapeake Bay

Proximity

Please select

Briefly describe your organization’s activities in the reporting year located in or near to the selected area

In 2022, Lockheed Martin contributed \$10,000.00 to Chesapeake Bay Foundation for bay restoration efforts, such as education and bay restoration (including oyster reef repopulation).

Indicate whether any of your organization’s activities located in or near to the selected area could negatively affect biodiversity

No

Mitigation measures implemented within the selected area

<Not Applicable>

Explain how your organization’s activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

Classification of biodiversity -sensitive area

Other biodiversity sensitive area, please specify

Country/area

United States of America

Name of the biodiversity-sensitive area

Watershed Restoration

Proximity

Please select

Briefly describe your organization’s activities in the reporting year located in or near to the selected area

At our Santa Cruz, CA site, we partner with outside organizations to help protect biodiversity in the Scotts Creek Watershed. The watershed supports threatened and endangered species, including California red-legged frogs, the California newt, coho salmon and steelhead trout. Working with the Scotts Creek Watershed Council and California Polytechnic State University’s (CalPoly’s) Swanton Pacific Ranch complex, grant funding received from federal and California fish and wildlife agencies enabled streambed sediment studies. Inventories were compiled and mitigation strategies implemented to reduce sedimentation in the watershed caused by erosion and fire damage.

Indicate whether any of your organization’s activities located in or near to the selected area could negatively affect biodiversity

Yes, but mitigation measures have been implemented

Mitigation measures implemented within the selected area

Physical controls

Restoration

Explain how your organization’s activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Land/water protection Land/water management Species management

C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No	Please select

C15.7

(C15.7) 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).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
Other, please specify	Content of biodiversity-related policies or commitments Governance Impacts on biodiversity Other, please specify (Measures undertaken and initiatives launched to reduce negative impacts on biodiversity and foster protection of natural habitats and restoration)	
In voluntary sustainability report or other voluntary communications	Other, please specify (Number of reportable spills and management of hazardous waste)	Sustainability Performance Report p.46; Link: https://sustainability.lockheedmartin.com/sustainability/content/Lockheed_Martin_2022_Sustainability_Performance_Report.pdf

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.

	Job title	Corresponding job category
Row 1	Chairman, President and CEO	Chief Executive Officer (CEO)

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 2022, 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?

	Annual Revenue
Row 1	

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?

Allocation challenges	Please explain what would help you overcome these challenges
-----------------------	--

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?

Please select

SC4.1

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

Please select

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms