

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climaterelated issues through any of the following?

Direct engagement with policy makers

Trade associations

Funding research organizations

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Cap and trade	Support with minor exceptions	Lockheed Martin and/or its service providers continue to evaluate impending changes to AB32, the California Cap-and-Trade Program, and engage directly with Air Resource Board (ARB) representatives, as needed. The Cap-and-Trade Program is a key element of California's strategy to reduce greenhouse gas (GHG) emissions. Lockheed Martin has been a past participant in the program and recently exited the program due to favorable declining emissions. Lockheed Martin's interests include the evaluation of regulatory changes that potentially modify the scope and applicability of the Program.	Lockheed Martin's engagement contributed toward the California governor's action to extend the Cap and Trade program to 2030 and retain key program thresholds. Recent allowance auctions have yielded favorable program cost recovery and emission reductions.

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership? Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

American Council on Renewable Energy (ACORE)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

leadership forums and creates energy industry partnerships to communicate the economic, security, and environmental benefits of renewable energy.

How have you influenced, or are you attempting to influence their position?

Lockheed Martin serves on the Board of Directors of ACORE. We engage with ACORE on renewable energy education and speaks at various ACORE events to promote the use and development of renewable energy technology. Most recently, Lockheed Martin presented on a panel about how renewables and storage can replace inefficient peaker plants. Lockheed Martin and ACORE partnered with NASCAR Green, the sustainability arm of the National Association for Stock Car Auto Racing, Inc., to deliver educational content about the benefits of renewable energy, sustainability, and energy security to millions of fans.

Trade association

Aerospace Industries Association (AIA)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The AIA does not have a formal stated position on climate change; however, it has stated the need for a comprehensive energy policy using a central/federal framework. It also emphasizes that the debate should be based on facts and science.

How have you influenced, or are you attempting to influence their position?

Lockheed Martin is a member of the Aerospace Industries Association (AIA). While AIA does not have an official position on climate change, it is engaged in specific programs that address greenhouse gas emission from aircraft engines, including the recent EPA decision to move forward on harmonization with the ICAO recommendations for reduced emission from new engine designs. To learn more about this program as well as other AIAs and US industry activities related to Climate Change, please visit https://www.aia-aerospace.org/issue/environment/

Trade association

National Association of Manufacturers (NAM)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The NAM's stated position is a commitment to protecting the environment through greater environmental sustainability, increased energy efficiency and conservation, and reducing greenhouse gas emissions believed to be associated with global climate change. Its position is also that the establishment of federal climate change policies to reduce greenhouse gas emissions, whether legislative or regulatory, must be done in a thoughtful, deliberative and transparent process that ensures a competitive level playing field for U.S. companies in the global marketplace. It believes that carbon capture, use and storage (CCUS) is an essential element in the portfolio of solutions needed to take on the dual challenge of supplying energy while addressing the risks of climate change. NAM opposes any federal or state government actions regarding climate change that could adversely affect the international competitiveness of the U.S. marketplace economy. Any climate change policies should



pathways for the deployment of new technologies like carbon capture, utilization and storage. It also supports working collaboratively by creating public-private partnerships between government and manufacturers to help them further decarbonize. Manufacturers also continue to lead the way in investing in energy efficiency and advancing sustainability efforts that positively impact manufacturing and the industry's contributions to environmental protection, economic performance, and the social well-being of the employees, communities, customers, and consumers they serve. http://www.nam.org/lssues/Energy-and-Environment/

How have you influenced, or are you attempting to influence their position?

Our corporate focus on EPA regulations is to ensure that best available science is used to support any requirements. We publicly state our focus on renewable energy technology and support of the Federal government to meet its energy efficiency, alternative energy, and energy security objectives.

Trade association

US Chamber of Commerce

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's 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

How have you influenced, or are you attempting to influence their position?

Lockheed Martin's participation and basis for membership in trade organizations that are not unanimous consensus organizations are not limited to a single topic. We continue to actively engage with the Chamber and its foundation and openly express our corporate views on the importance of energy efficiency and technology developments. In 2016 Lockheed Martin was awarded the U.S. Chamber's Corporate Citizenship Award in the "Best Environmental Stewardship" category. This award was for our efforts to design energy efficiency programs for commercial and government customers, helping them achieve both environmental stewardship and responsible growth. Leading by example, Lockheed Martin has helped federal, state, and regional energy organizations, utilities, and its own operations implement more than \$100 million in energy efficiencies. The benefits of these initiatives were publicly highlighted by the Chamber and are available on its website. We continue to actively engage with the Chamber and openly express our corporate views on the importance of energy efficiency and technology developments. In 2013, Lockheed Martin was awarded the U.S. Chamber's Corporate Citizenship Award in the "Best Environmental Stewardship" category. This award was for our efforts to design energy efficiency programs for commercial and government customers, helping them achieve both environmental stewardship and responsible growth. Leading by example, Lockheed Martin has helped federal, state, and regional energy organizations, utilities, and its own operations implement more than



Trade association

US Sustainable Purchasing Leadership Council

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The Sustainable Purchasing Leadership Council is a non-profit organization whose mission is to support and recognize purchasing leadership that accelerates the transition to a prosperous and sustainable future. The Council's programs and community of practice will help institutional purchasers to prioritize opportunities to influence the social, environmental and economic life cycle impacts of purchased goods and services, identify existing leadership standards and approaches that address these priorities, benchmark progress toward goals, and receive recognition for advancement.

https://www.sustainablepurchasing.org/about/

How have you influenced, or are you attempting to influence their position?

Lockheed Martin plays an active role in the US Sustainable Purchasing Leadership Council (SPLC) to support our goal of becoming a US leader in sustainable procurement. The SPLC platform is one of only a few forums world-wide focused entirely on supply chain sustainability, where members bring to the table common problems and work collectively to devise solutions with global applicability. As a member of the Founders Circle, we provide financial and technical support for the Council, and advise on its pilot rating system.

Trade association

Alliance to Save Energy

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The Alliance to Save Energy promotes energy efficiency worldwide to achieve a healthier economy, a cleaner environment and energy security. To achieve this mission, the Alliance leads worldwide energy efficiency initiatives in policy advocacy, research, education, technology deployment and communications that impact all sectors of the economy; provides vision and activism which includes active and engaged members of Congress, leaders from business, the public interest sector and academia; initiates and participates in public-private partnerships, collaborative efforts, and strategic alliances to optimize resources and expand its sphere of influence; and executes its mission through a team of recognized energy efficiency experts and professionals.

How have you influenced, or are you attempting to influence their position?

Lockheed Martin served on the Board of Directors for the Alliance to Save Energy until November 2019. Its mission to promote worldwide energy efficiency directly aligns with our efforts to increase operational energy efficiency at our facilities worldwide as well as to develop and implement renewable energy technologies and efficiency services that support public-private partnerships and the advancement of collaboration in the global energy space.

Trade association

Business Roundtable

Please explain the trade association's position

Business Roundtable CEOs embrace sustainable practices across their businesses, resulting in stronger communities and a healthier environment. CEOs are leading the way through investments, innovation and strategic decisions, toward a more environmentally and economically sustainable future. For over a decade, Business Roundtable CEOs have been leading voices for the sustainability business case — demonstrating that environmental sustainability and economic growth in the U.S. can be achieved together. U.S. businesses are making a positive impact on sustainable outcomes which can be seen through major initiatives such as: Driving Efficiency, Reuse, and Recycling Growing Sustainable Investment Reducing Carbon Emissions Advancing Renewable Energy https://www.businessroundtable.org/policy-perspectives/energy-environment/sustainability

How have you influenced, or are you attempting to influence their position?

In 2019, Lockheed Martin's Chairman, President and CEO, Marillyn Hewson signed on to support the Business Roundtable's new "statement on the purpose of a corporation" indicating that corporations have a responsibility to deliver value to all of its stakeholders, including local communities, employees, and customers, a principle we demonstrate through Lockheed Martin's own sustainability management program.

C12.3d

(C12.3d) Do you publicly disclose a list of all research organizations that you fund?

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Lockheed Martin routinely engages with policy makers on matters of interest to the Corporation. Lockheed Martin engagement on specific policy issues is coordinated with internal stakeholders to ensure consistency. Our policy engagement goes through our Government Affairs organization to ensure that we are in alignment with our overall climate change strategy. The process we have in place to ensure consistency across our corporate functions, business areas and different geographies is to bring representative areas into a Cross Corporate Sustainability Working Group for a cohesive sustainability strategy. Lockheed Martin also participates in a wide array of trade associations and coalitions, often sector specific or cross-sector in nature. Membership decisions in sector trade associations are not typically driven by one singular policy issue, but by multiple factors. Lockheed Martin seeks to engage on the policy issues that drive its membership in a particular trade association. Moreover, while trade associations tend to operate on a consensus basis, few do not require unanimity to adopt formal positions. When we engage in any trade association on climate change or related issues, we represent our positions and interests as reflected in the climate change strategy outlined in this report. The funding provided to research organizations such as the MIT Energy Initiative, aligns with our overall climate change