



Corporate Headquarters
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Related Person Transactions

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General Applicability Statement

1.0 Policy

1.1 It is Lockheed Martin policy that the Board of Directors, acting through the Nominating and Corporate Governance Committee (the “Committee”), shall conduct a reasonable prior review and oversight of all Related Person Transactions. The Committee may approve or ratify Related Person Transactions in its discretion if deemed fair and reasonable to the Corporation and not inconsistent with the interests of the Corporation and its stockholders. This may include situations where Lockheed Martin (i) provides products or services to Related Persons on an arm's length basis on terms comparable to those provided to unrelated third parties or on terms comparable to those provided to employees generally, or (ii) obtains products or services of a nature, quantity or quality, or on other terms, that are not readily available from alternative sources. The Committee may preapprove categories of Transactions or relationships.

1.2 Although it is the policy that all Related Person Transactions be preapproved, if a Related Person Transaction is identified after it has occurred or commenced without preapproval, the Committee may ratify the Transaction after it commences.

2.0 Basis for Policy

The Securities and Exchange Commission (SEC) has adopted rules requiring public companies to disclose whether they have a policy and procedures for the review and approval or ratification of Related Person Transactions and the New York Stock Exchange has adopted listing requirements regarding approval of Related Person Transactions. Lockheed Martin also recognizes that it is appropriate, as a matter of good corporate governance and consistent with the best interests of its stockholders, to establish a policy and procedures to ensure the review and approval or ratification of Related Person Transactions.

3.0 Definitions

Committee – The Nominating and Corporate Governance Committee of the Lockheed Martin Corporation Board of Directors.

Director – A director of Lockheed Martin Corporation.

Executive Officer – A person designated by the Board of Directors as an Executive Officer of Lockheed Martin Corporation.

Immediate Family Member – A child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law of the Director, Executive Officer, nominee, or more than 5% beneficial owner; and any person (other than a tenant or employee) sharing the household of the Director, Executive Officer, nominee, or more than 5% beneficial owner.

Material Interest – Material Interest is not defined under SEC rules and depends on the individual facts and circumstances of the Transaction or arrangement. Because potentially difficult or complex materiality determinations may arise, this policy requires that all direct or indirect interests of Directors and Executive Officers in Related Person Transactions be reported to the Senior Vice President, General Counsel & Corporate Secretary. The question of whether a Transaction or arrangement amounts to a Material Interest will be determined by the Senior Vice President, General Counsel & Corporate Secretary or the Committee. Directors and Executive Officers must not make their own materiality judgments about Transactions.

Related Person – Means (i) a person who is, or at any time since the beginning of the Corporation's last fiscal year was, a Director or Executive Officer or a nominee to become a Director, (ii) a person who is known to the Corporation to be the beneficial owner of more than 5% of any class of the Corporation's voting securities, and (iii) an Immediate Family Member of any person described above.

Related Person Transaction – A Transaction in which Lockheed Martin or any of its subsidiaries was, is, or will be a participant, where the amount involved exceeds \$120,000 and in which a Related Person had, has, or will have a direct or indirect Material Interest as determined by the Committee.

Transaction – Any transaction, including but not limited to, any financial transaction, arrangement, or relationship or any series of similar transactions, arrangements, or relationships. The term also includes indebtedness and guarantees of indebtedness and transactions involving employment, consulting, or similar relationships.

4.0 Preapproved Transactions

The Committee has determined that each of the types of Transactions listed below are deemed to be preapproved or ratified (as applicable), and do not require review or approval under this policy.

Transactions Not Requiring Disclosure under Item 404(a) of the SEC's related person transaction disclosure requirements rules:

- Transactions involving the purchase or sale of products or services in the ordinary course of business, not exceeding \$120,000.
- Transactions in which the Related Person's interest derives solely from his or her service as a director of another corporation or organization that is a party to the Transaction.
- Transactions in which the Related Person's interest derives solely from his or her ownership of less than 10% of the equity interest in another person (other than a general partnership interest) who is a party to the Transaction.
- Transactions in which the Related Person's interest derives solely from his or her ownership of a class of equity securities of the Corporation and all holders of that class of equity securities received the same benefit on a pro rata basis.
- Any employment relationship or transaction with an Executive Officer and any related compensation solely resulting from the employment relationship or transaction if (i) the compensation is required to be reported in Lockheed Martin's proxy statement under Item 402 of the SEC's compensation disclosure requirements (generally applicable to "named executive officers"); or (ii) the related compensation would be reported in Lockheed Martin's proxy statement under Item 402 of the SEC's compensation disclosure requirements if the executive officer were a "named executive officer," the Management Development and Compensation Committee of the Board of Directors approved (or recommended that the Board of Directors approve) such compensation, and the executive officer is not an Immediate Family Member of a Related Person.
- Any compensation paid to a Director if the compensation is required to be reported in Lockheed Martin's proxy statement under Item 402(k) of the SEC's compensation disclosure requirements.
- Transactions where the rates or charges involved in the transaction are determined by competitive bids or the transaction involves the rendering of services as a common or contract carrier, or public utility, at rates or charges fixed in conformity with law or governmental authority.
- Transactions involving services as a bank depository of funds, transfer agent, registrar, trustee under a trust indenture, or similar services.

Other Preapproved Transactions:

- Transactions with another company at which a Related Person's only relationship is as an employee who is not an executive officer or, in the case of an Immediate Family Member, the Related Person's only relationship is as an executive officer or other employee, if the aggregate amount involved does not exceed the greater of \$1 million, or 2% of such other company's annual consolidated gross revenues.
- Transactions with a charitable or non-profit organization at which the Related Person's only relationship is as an employee or other position that does not involve policy-making decisions such as a member, director emeritus, advisor, visiting professor, or trustee.
- Any charitable contribution, grant or endowment to or Transaction with a charitable or non-profit organization, foundation or university at which a Related Person's only relationship is as an employee or director, if the aggregate amount does not exceed the greater of \$1 million or 2% of the organization's annual consolidated gross revenues.

5.0 Identifying Related Persons

5.1 Annually, each Director and Executive Officer will complete a questionnaire for the Senior Vice President, General Counsel & Corporate Secretary designed to capture information needed to identify Related Persons.

5.2 A person who is nominated or proposed for election as a Director or Executive Officer will complete a questionnaire for the Senior Vice President, General Counsel & Corporate Secretary as soon as practical before his or her nomination as a Director or election as an Executive Officer.

5.3 Directors and Executive Officers must notify the Senior Vice President, General Counsel & Corporate Secretary of any updates to the list of Related Persons, their employment, and relationships with charitable or other organizations. This includes new business affiliations and changes to immediate family relationships (such as those resulting from marriage).

6.0 Related Person Master List

6.1 The Corporate Secretary's office will compile a master list of Related Persons based on the information provided by the Directors, Executive Officers, nominees, and 5% stockholders and update the master list as needed but at least annually. The Corporate Secretary's office will distribute the master list of Related Persons as follows:

- the complete master list to the corporate Vice President & Controller and the business area and corporate functions responsible for purchasing goods or services for Lockheed Martin or selling its goods or services;
- the part of the master list containing the names of Immediate Family Members of Directors, Executive Officers, and nominees to the Vice President Human Resources for each business area and to the Senior Vice President and Chief Human Resources Officer; and
- the part of the master list containing the names of charitable and non-profit organizations to the Senior Vice President and Chief Communications Officer, who administers Lockheed Martin's charitable contributions.

6.2 The recipients of the master list will use the information in connection with their respective business area or corporate function in the identification and approval of a proposed Transaction as set forth in Section 7.0 below.

7.0 Approval Procedure

A Related Person Transaction that is identified in advance may be entered into or continued only if the following steps are taken:

Step	Action	Responsible
1.	<p>Before entering into the Related Person Transaction, notify the Senior Vice President, General Counsel & Corporate Secretary and provide this information:</p> <ul style="list-style-type: none"> • the Related Person's relationship to Lockheed Martin and interest in the Transaction; • the approximate dollar value of the amount involved in the Transaction (which must be computed without regard to the amount of profit or loss); 	<p>Related Person; or Director, Executive Officer, nominee, or beneficial owner who is an Immediate Family Member; or the business area or corporate function</p>

- the material terms of the proposed Transaction;
 - the benefit to the Corporation of the proposed Transaction;
 - an assessment of whether the proposed Transaction is on terms that are comparable to the terms available to an unrelated third party or to employees generally; and
 - any other information regarding the proposed Transaction or the Related Person in the context of the Transaction that could be material to investors.
- responsible for the proposed Transaction
2. If notice was provided by someone other than the business area or corporate function responsible for the proposed Transaction, meet with the business area or corporate function to confirm and supplement the information provided in the original notice. SVP, General Counsel & Corporate Secretary
 3. Determine whether the proposed Transaction is a Related Person Transaction. If it is, the Senior Vice President, General Counsel & Corporate Secretary will confer with the Senior Vice President Ethics and Enterprise Assurance to determine whether the transaction raises any issues under the Code of Ethics and Business Conduct, Setting the Standard (the Code). If the transaction does not raise any concerns under the Code, submit it (with management's recommendation) to the Committee for consideration at its next meeting. If it is not practicable to wait until the next Committee meeting, the Transaction may be submitted to the Chair of the Committee (who is hereby delegated authority to act between Committee meetings). If the Chair or his or her Immediate Family Member is the subject Related Person, such Transaction may be reviewed and approved by another member of the Committee designated by the Chairman of the Board. SVP, General Counsel & Corporate Secretary; and SVP Ethics & Enterprise Assurance
 4. Review the Transaction to determine whether the Related Person has a direct or indirect Material Interest in the Transaction. No review is required under this policy if the Transaction falls into one of the preapproved exceptions listed in Section 4.0. No further review is required under this policy if the Committee (or, as applicable, the Chair or other designated Committee member) concludes, upon review of all relevant information, that the Transaction does not constitute a Related Person Transaction. If the Committee (or, as applicable, the Chair or other designated Committee member) determines that the Transaction is a Related Person Transaction, it will review the Transaction, considering all relevant facts and circumstances available to it, such as:
 - management's recommendation and opinion as to whether the Transaction is fair and reasonable to the Corporation;
 - the benefit to the Corporation and commercial reasonableness of the terms of the Transaction;
 - the significance and character of the Related Person's direct or indirect interest, and any actual, apparent, or potential conflict of interest of the Related Person;
 - the impact on the Director's or nominee's independence if the Related Person is a Director or nominee, an Immediate
- Committee

Family Member of a Director or nominee, or an entity in which a Director or nominee is a partner, shareholder, or executive officer; and

- terms available to unrelated third parties or to employees generally.

Note: No member of the Committee may participate in the review, consideration, or approval of the Related Person Transaction if the member or an Immediate Family Member is the Related Person except in the limited case where the approval is in the form of action by unanimous written consent.

The Chair of the Committee or such other designated Committee member shall report to the Committee at the next Committee meeting any approval under this policy pursuant to delegated authority.

5. Consider whether the Related Person Transaction is fair and reasonable to the Corporation and not inconsistent with the interests of the Corporation and its stockholders, if so, approve the Related Person Transaction in its discretion and communicate the decision to the Senior Vice President, General Counsel & Corporate Secretary, who will communicate the decision to the appropriate persons within the Corporation. The Committee will prohibit any Related Person Transaction that it determines to be inconsistent with the interests of the Corporation and its stockholders. Committee

8.0 Ratification Procedure

8.1 All Related Person Transactions should be approved in advance, however, if a Related Person Transaction is identified that had not been previously approved or ratified under this policy, then the Committee shall review the Related Person Transaction and may ratify it applying the same standards used for advance review and oversight.

8.2 The Vice President & Controller (with information provided by relevant corporate and business area functions and the corporate Vice President Supply Chain) will prepare quarterly reports of any amounts over \$10,000 that were paid to or received from any Related Person, excluding ordinary course Director or Executive Officer compensation arrangements approved by the Board of Directors or the Management Development and Compensation Committee. The Vice President & Controller will give the reports to the Senior Vice President, General Counsel & Corporate Secretary, who will review them to determine if there are any Related Person Transactions that were not previously approved or ratified under this policy.

8.3 Review by the Committee is required if a Related Person Transaction is identified that was not previously approved or ratified under this policy.

Step	Action	Responsible
1.	Submit the Transaction promptly to the Committee.	SVP, General Counsel & Corporate Secretary
2.	Consider all of the relevant facts and circumstances available to the Committee, such as those identified in section 7.0 step 4.	Committee
3.	If the Transaction is pending or ongoing, determine whether to ratify or refer to management for amendment or termination of the Transaction.	Committee
4.	If the Transaction is completed, refer to management to recommend whether rescission of the Transaction or other action is appropriate.	Committee
5.	Evaluate Lockheed Martin's controls and procedures to determine why the Transaction was not submitted for advance approval. Recommend changes to the controls and procedures as appropriate.	SVP, General Counsel & Corporate Secretary

9.0 Failure to Approve or Ratify

If the Committee declines to approve or ratify any Related Person Transaction, the Senior Vice President, General Counsel & Corporate Secretary, in coordination with the affected business area or corporate function, will review the Transaction, determine whether it should be terminated or amended in a manner that is acceptable to the Committee, and advise the Committee of its recommendation. The Committee will consider the recommendation at its next meeting.

10.0 Hiring Immediate Family Members

10.1 No Immediate Family Member of a Director or Executive Officer may be hired as a Lockheed Martin employee at an annual aggregate compensation rate (including base salary, bonus, and any equity compensation) of \$120,000 or higher without approval by the Committee

10.2 If a person becomes a Director or Executive Officer and an Immediate Family Member already is a Lockheed Martin employee, the relationship will be reported to and reviewed by the Committee at the next meeting at which Related Person Transactions are considered.

10.3 Annually, the Committee will review the compensation paid to Immediate Family Members of Directors or Executive Officers. The Committee will review in advance any adjustment to the compensation for Immediate Family Members of Directors or Executive Officers unless such adjustment is in accordance with the Corporation's normal employment and compensation practices applicable to employees generally.

11.0 Disclosure

11.1 All Related Person Transactions that are required to be disclosed in Lockheed Martin's filings with the SEC, as required by the Securities Act of 1933 and the Securities Exchange Act of 1934 and related rules and regulations will be disclosed in accordance with those laws, rules, and regulations.

11.2 The material features of this policy will be disclosed in Lockheed Martin's annual report on Form 10-K or in its proxy statement, as required by applicable laws, rules, and regulations.

12.0 Deviations

Any deviation from this policy requires the prior approval of the Owner listed in Lockheed Martin Command Media Central or designee.

//s//Maryanne R. Lavan
Senior Vice President, General Counsel & Corporate Secretary