



Corporate Headquarters
Corporate Policy Statement CPS-745
Revision: 3
Effective: August 1, 2016
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Related Person Transactions

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1.0 Policy

1.1 It is Lockheed Martin policy that all Related Person Transactions will be reviewed by the Board of Directors, acting through the Nominating and Corporate Governance Committee (the “Committee”). The Committee may approve or ratify Related Person Transactions in its discretion if deemed fair and reasonable to the Corporation. 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.

1.2 Because it may not be possible or practical to preapprove all Related Person Transactions, the Committee may ratify Transactions after they commence or preapprove categories of Transactions or relationships.

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. 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.
- Transaction 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 Transactions Predetermined Not To Create or Involve a Material Interest on the Part of the Related Person:

- Transactions with another company at which a Related Person's only relationship is as an employee or an Immediate Family Member is an executive officer, 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 organizations. This includes new business affiliations and changes to immediate family relationships (such as those resulting from marriage).

6.0 Related Person Master List

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 Human Resources; and
- the part of the master list containing the names of charitable and non-profit organizations to the Senior Vice President Communications, who administers Lockheed Martin's charitable contributions.

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 data-bbox="272 359 1133 464">Before entering into the Related Person Transaction, notify the Senior Vice President, General Counsel & Corporate Secretary and provide this information:</p> <ul data-bbox="326 506 1133 974" style="list-style-type: none"> <li data-bbox="326 506 1133 569">• the Related Person's relationship to Lockheed Martin and interest in the Transaction; <li data-bbox="326 579 1133 684">• the approximate dollar value of the amount involved in the Transaction (which must be computed without regard to the amount of profit or loss); <li data-bbox="326 695 1133 726">• the material terms of the proposed Transaction; <li data-bbox="326 737 1133 768">• the benefit to the Corporation of the proposed Transaction; <li data-bbox="326 779 1133 863">• 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 <li data-bbox="326 873 1133 974">• any other information regarding the proposed Transaction or the Related Person in the context of the Transaction that could be material to investors. 	<p data-bbox="1154 359 1406 789">Related Person; or Director, Executive Officer, nominee, or beneficial owner who is an Immediate Family Member; or the business area or corporate function responsible for the proposed Transaction</p>
2.	<p data-bbox="272 999 1133 1136">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.</p>	<p data-bbox="1154 999 1325 1136">SVP, General Counsel & Corporate Secretary</p>
3.	<p data-bbox="272 1161 1133 1738">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 Internal Audit, Ethics & Sustainability 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 for Transactions involving less than \$1 million). 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.</p>	<p data-bbox="1154 1161 1406 1409">SVP, General Counsel & Corporate Secretary; and SVP Internal Audit, Ethics & Sustainability</p>
4.	<p data-bbox="272 1801 1224 1869">Review the Transaction to determine whether the Related Person has a direct or indirect Material Interest in the Transaction. No review is required under</p>	<p data-bbox="1268 1801 1406 1829">Committee</p>

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 or apparent 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 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.

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, 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. Committee

8.0 Ratification Procedure

8.1 The Vice President & Controller, with information provided by the Vice President Operations for each business area and the Global Supply Chain Operations Chair, 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.

8.2 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 and bonus) of \$120,000 or higher without approval or ratification 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.

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