

LOCKHEED MARTIN



UK Carbon Reduction Plan

Carbon Reduction Plan

Supplier name: **Lockheed Martin UK**

Publication date: **1 April 2022**

Revision 1: **7 June 2022**

Commitment to Achieving Net Zero

Lockheed Martin UK Holdings Limited (Lockheed Martin UK), and its wholly-owned subsidiaries Lockheed Martin UK Limited, Lockheed Martin UK Ampthill Limited and Lockheed Martin UK Strategic Systems Limited, are committed to achieving Net Zero emissions from UK operations by 2050.

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any Net Zero-specific strategies to reduce emissions in the UK. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: 2018

Additional Details relating to the Baseline Emissions calculations.

2018 was selected as Lockheed Martin UK's baseline reporting year as the most recent year of ESOS reporting, and as a pre-pandemic year with more representative levels of business activity.

Where actual data were not available for inclusion in the 2018 baseline, best estimates have been derived in accordance with associated guidance and reporting standards for Carbon Reduction Plans, including Greenhouse Gas Protocol guidance where appropriate. Assumptions and methodology for the emissions calculations can be found [here](#).

Baseline year emissions:

EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	844
Scope 2	3168
Scope 3 (Included Sources)	Business Travel: 3687 Employee Commuting: 4419 Downstream Transport & Distribution: 2.50 Upstream Transport & Distribution: 1.89 Waste: 35.99 Total Scope 3: 8146
Total Emissions	12157

Current Emissions Reporting

Reporting Year: 2021

EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	861
Scope 2	1420
Scope 3 (Included Sources)	Business Travel: 994 Employee Commuting: 1197 Downstream Transport & Distribution: 2.37 Upstream Transport & Distribution: 1.80 Waste: 15.44 Total Scope 3: 2211
Total Emissions	4492

Emissions Reduction Targets

Lockheed Martin Corporation (LMC), the parent company of Lockheed Martin UK, takes an integrated approach to managing corporate culture, ethics and business integrity, governance, and sustainability issues through a risk management lens. LMC’s oversight of Environmental, Social, and Governance (ESG) matters follows its formal governance structure. This structure includes LMC’s Nominating and Corporate Governance Committee (Governance Committee), the executive leadership team, the Sustainability Leadership Council and the Sustainability Management Team who guide and implement LMC’s Sustainability Management Plan (SMP). The Governance Committee is chartered by the LMC Board of Directors to lead its oversight responsibilities relating to LMC’s ethical conduct, human rights, environmental stewardship, corporate culture, philanthropy, workforce diversity, health and safety.

Managing climate-related risks is a key element in LMC’s corporate [sustainability programme](#) as well as our [“Go Green”](#) goals. The Go Green Programme encompasses LMC’s approach to championing environmental stewardship through resource efficiency.

In 2020, LMC set its latest, fourth generation of goals for the global enterprise (see graphic). To set its new goals LMC used a science-based methodology established by the Center for Sustainable Organizations to exceed science-based targets for its carbon emission reductions with a baseline year of 2015 in alignment with the methodology recommendation. This goal is expected to place LMC well below the model criteria for aligning with a 1.5 degrees C outcome in the long-term.

Since the inception of Go Green in 2007, LMC has reduced carbon emissions by 47%, energy consumption by 19%, and waste-to-landfill by 51%. In 2020, the Go Green program avoided \$25M in costs compared to 2016.

2030 GLOBAL GOALS

REDUCE **CARBON EMISSION** PER \$ GROSS PROFIT BY

70%

*2015 baseline



2025 GLOBAL GOALS

REDUCE **ENERGY** PER OCCUPANT BY

14%

*2016 baseline



REDUCE **WASTE** PER OCCUPANT BY

11%

*2016 baseline



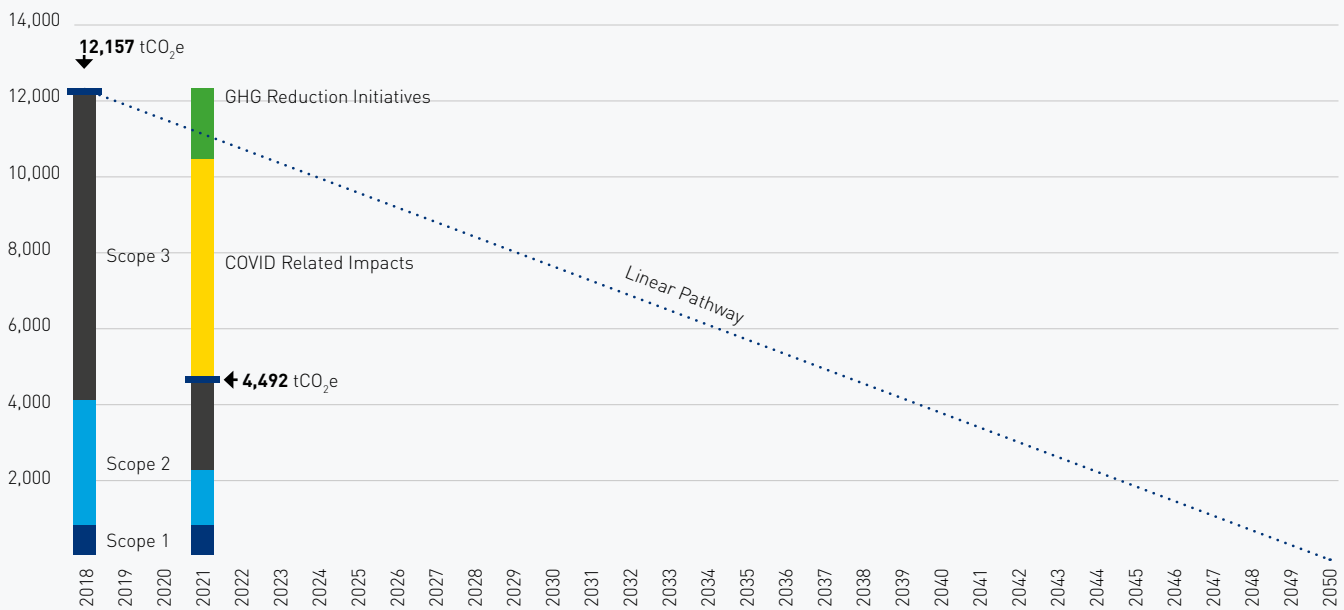
For UK Operations

Specific elements and goals of the LMC programme extend to LMC’s facilities across the world, including the Amptill site in the UK. Go Green drives operational improvements by reducing carbon emissions through energy efficiency and use of renewable energy, reducing facility water use, and reducing waste generation.

In order to continue our progress to achieving Net Zero for UK operations, and building on past successes, we have adopted the following carbon reduction targets specifically for our Lockheed Martin UK operations.

Relative to 2018 baseline emissions, we project that carbon emissions will decrease over the next five years to 8737 tCO₂e by 2027. This is a reduction of 28.1%

Progress against these targets can be seen in the graph below:



Current-year (2021) annual emissions are significantly below the 2050 Net Zero projection for 2021, due in large part to COVID restrictions having an impact on business travel. We would anticipate some recovery to pre-COVID levels of required business travel over the forthcoming period 2022-2027, with an associated increase in emissions.

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented on Lockheed Martin UK's estate since the 2018 baseline:

Environmental Standards:

- ISO 14001 certification across the Lockheed Martin UK estate.

Scope 1:

- HVAC upgrade programme including: phasing out of fuel-oil heating systems and high potential HCFCs in air-conditioning units; improved service and maintenance regime; replacement of panel heaters; optimising schedule and temperature for low-utilisation areas.
- Heating efficiency measures including roof panel insulation; automatic door closers; solar heating where feasible; temperature and timer controls on water boilers.
- Partial transition of vehicle fleet from diesel to electric.

CARBON REDUCTION PLAN

Scope 2:

- Moving to green (25% Nuclear, 75% Renewables) electricity supply contracts for some sites, where reasonably practicable.
- Partial upgrade of lighting fixtures to LED lighting; incorporation of PIR detection systems; reducing overnight external lighting.

Scope 3:

- Reducing waste to landfill through recycled waste segregation and, through 3rd party waste vendor, further improving recycling and waste-to-energy; plus water-saving devices in rest rooms.

The carbon emission reduction achieved by these schemes equate to 1731 tCO₂e, a 14.1% reduction against the 2018 baseline, and the measures will be in effect when performing contracts held by Lockheed Martin UK and its subsidiary bidding entities with the Ministry of Defence and other Government departments and agencies.

In the future we hope to implement further measures such as:

Scope 1:

- Continue to improve HVAC and water heating efficiency
- Install EV charging points outside Lockheed Martin buildings to enable switching of additional pool cars from diesel to EV, and to encourage employee adoption of EVs (also Scope 3)
- Rationalise office estate to decrease total area

Scope 2:

- Complete the transition to LED lighting throughout the Lockheed Martin UK estate including car parking, with lighting timing optimised to decrease overall lit hours
- Assess additional on-site renewable energy generation
- Move data servers offsite to enable increased energy efficiency

Scope 3:

- Segregate food waste and end plastic bottle use
- Align with our global enterprise-level commitment to offset 100% of business travel emissions by 2025.

In addition, we will explore opportunities to plant additional trees on the Lockheed Martin UK estate for carbon sequestration.

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard³.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors for Lockheed Martin UK Holdings Limited and its subsidiary bidding entities, Lockheed Martin UK Limited, Lockheed Martin Strategic Systems Limited and Lockheed Martin UK Amphill Limited. Not all completed carbon reduction initiatives will yet apply to each subsidiary but each subsidiary is able to apply the environmental measures set out herein, including the commitment to further measures.

Signed on behalf of the Supplier:



.....
Date:

Paul Livingston

Chief Executive, Lockheed Martin UK

1 <https://ghgprotocol.org/corporate-standard>

2 <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

3 <https://ghgprotocol.org/standards/scope-3-standard>

Appendix: Assumptions and Methodology

All emissions are CO₂e, assuming all Kyoto GHG gases.

Sites - Large:

GBR-Amphill

GBR-Havant

GBR-Gloucester

Small Site Estimates:

GBR-Whiteley

GBR-Westbury

GBR-London

GBR-Helensburgh

GBR-Harwell

Scope 1 Emissions:

- Scope 1 fuels data requested to mirror data currently collected at Amphill for Go Green (e.g., Natural Gas, Propane, Fuel Oil, Petrol, Diesel, Jet Fuel)
- Data collected via 2018 ESOS report for Havant/Whiteley/Westbury. Scope 1 estimates based on Carbon Trust Guide GPG286 Office Type 3 – Standard Air Conditioned due to lack of sub-meter data from landlord.
- Data collected via Enablon for Amphill.
- Havant/Whiteley/Westbury data used to establish small site estimates for remaining sites based on mmbtu/sqft. and applied to remaining facilities under scope.
- Havant/Whiteley/Westbury data used to represent office type locations.

Scope 2 Emissions:

- Data collected via invoices directly for Havant/Gloucester and via Enablon for Amphill.
- Havant/Gloucester data used to establish small site estimates for remaining sites based on kwh/sqft. and applied to remaining facilities under scope.
- Havant/Gloucester data used to represent office type locations.

Scope 3 - Employee Commuting:

- 2022 survey data for 2018 & 2021 used as sample for UK workforce.
- Survey data compiled to determine the average days per week, average roundtrip distance, and weighted emissions factor by mode of transportation.
- Days per week X 50 wks/yr. X Avg Distance X Weighted Emissions Factor (by year) = Average Commuter Emissions per Employee. Annual data is the per capita factor multiplied by the headcount by year.
- 2018 Days per week, Avg. distance, and mode of transport used for 2019. 2021 Days per week, Avg. distance, and mode of transport used for 2020. Each year uses unique emissions factors by mode of transport.

Scope 3 - Business Travel

- Airfare data provided directly from BCD Travel.
- Rail data provided from expense reporting based on accounts payable. Departure and arrival data estimated based on likely options when not directly available. Distance calculated based on locations.
- Car rental data is based on accounts payable data for fuel expense in a given year. Average UK diesel rates used by year to determine estimated fuel used. Emissions factor based on kg/litre for diesel fuel.

Scope 3 - Waste

- Amphill waste data provided via Enablon. UK Government emissions factor match by waste type.
- Havant/Gloucester waste data estimated based on volume/mass per bag when not provided in volume. Emissions factors matched by waste type (e.g., recycling, landfill, hazardous).
- Havant/Gloucester waste per sqft used to determine small site estimate for all other office type sites.

Scope 3 - Upstream T&D, Downstream T&D

- See assumptions provided by Amphill. Amphill is the only site applicable.
- Total mass of shipments converted to metric tonnes X miles travelled.
- Emissions factors (kg/tonne.miles) used by shipment type (e.g. HGV - Avg. Laden, Van - Diesel) per Amphill assumptions.
- Data provided for 2018 only. 2021 assumed at the same volume against updated annual emissions factors.