

Inclusion and Violence in the Workplace

Resolved: The shareholders request our company to prepare a report addressing certain equal employment matters, at reasonable cost and omitting confidential information, within four months of the annual meeting. We suggest posting the report on Lockheed Martin's website and believe the report should include:

1. A chart identifying employees according to sex and race in each of the nine major EEOC defined job categories for 2003, 2004 and 2005 listing either numbers or percentages in each category.
2. A summary of any Affirmative Action policies and programs to improve performances, including job categories where women and minorities are underutilized.
3. A description of any policies and programs oriented specifically toward increasing the number of managers who are qualified females and/or belong to ethnic minorities.
4. A general description of how our company's Affirmative Action policies and programs are publicized to merchandise suppliers and services providers.
5. A description of any policies and programs supporting purchase of goods and services from minority- and/or female- business enterprises.

Statement of Support

Equal employment opportunity (EEO) is a fundamental matter for corporate shareholders, employees and management. The bipartisan 1995 Glass Ceiling Commission looked at advancement of women and minorities into upper management and the Board of Directors. It confirms that a positive diversity record has a positive impact on the financial bottom line. It recognizes that "public disclosure of diversity data" motivates companies "to develop and maintain innovative, effective programs to break the glass ceiling barriers."

Resolution proponents agree with your *Commitment to Diversity* that, "There's a difference between stating our commitment to diversity and living it." We commend you for being "dedicated to a process that listens to the voices of our employees and partners to help shape our course."

Workplace discrimination creates a significant burden for shareholders due to the high cost of litigation. Litigation damages corporate image. Furthermore, discrimination may escalate into a hostile and violent workplace. E.g., on July 8, 2003 at LM's plant in Meridian, MS, 14 employees were shot by a fellow worker. (MS Crime Lab Case: 03-009178) On May 12, 2005, ABC News investigation, "Primetime Live," examined our company's internal documents and numerous accounts of black and white workers at that DOD aircraft plant that told a story of open racism and violent threats for over a year prior to the killing spree. We believe the requested report should describe policies and programs, which implement Lockheed Martin's strategy of "institutionalized inclusion" and correct and prevent allegations of discrimination and repeated incidents of violence in LM workplaces.

More than 200 major U.S. corporations disclose EEO-1 reports. Among these are Citigroup and General Motors and others, which have encountered large racial and gender discrimination lawsuits (e.g. Chevron-Texaco, Denny's, Smith Barney and Coca-Cola). We believe the requested report will affirm your desire to "set goals and develop a strategy that will hold us accountable for making Lockheed Martin a place of 'institutionalized inclusion.'"

The faith-based proponents of this resolution urge Lockheed Martin to report the requested information.

