

Resolved: Shareholders request Lockheed Martin publish a report, at reasonable cost and omitting proprietary information, with the results of a Human Rights Impact Assessment examining the actual and potential human rights impacts associated with high-risk products and services, including those in conflict-affected areas and/or or violating international law.

Whereas: Lockheed Martin (“Lockheed”) is the world’s largest defense contractor and is exposed to significant actual and potential adverse human rights impacts resulting from the use of its weapons and defense technologies. Human rights risks include the rights to life, liberty and personal security, and privacy. The UN Guiding Principles on Business and Human Rights constitute the global authoritative framework outlining the roles and responsibilities of states and companies with respect to human rights. A company’s human rights responsibility is independent of the state’s export licensing determinations, as reiterated in a recent United Nations note.¹

A 2019 Amnesty International report found that Lockheed is not meeting its human rights responsibilities despite severe, irremediable impacts² and prominent human rights organizations have recorded indiscriminate use of Lockheed products against civilians.³ Lockheed has exported military goods to over a dozen states engaged in armed conflict, have a record of human rights violations, or are at risk of corruption and fragility.⁴ Lockheed weaponry played a critical role in the May 2021 attacks on Gaza, where apparent war crimes were committed, including the deaths of at least 129 civilians, 66 of whom were children.⁵ Reports have also linked Lockheed weaponry to war crimes and other violations of international law in Yemen, including the widely condemned attack on a school bus in 2018 that killed dozens of children.⁶ Congress recently pushed President Biden to “halt all arms sales” to Saudi Arabia until civilian harm ceases, jeopardizing the Company’s recent \$1.5 billion contract.⁷ Lockheed faces increasing regulatory risk as the proposed National Defense Authorization Act limits arms sales to Saudi Arabia, bans sales to countries committing genocide or war crimes, expands congressional oversight of relevant sales, and broadens end-use human rights monitoring of transfers.⁸

Failure to respect human rights exposes the Company and its investors to financial, legal, regulatory, and reputational risks. In 2021, Lockheed sold nearly \$2.43 billion of F-16s to the Philippines, despite congressional opposition related to widespread human rights violations carried out by the Armed Forces of the Philippines.⁹ Furthermore, Lockheed has annual contracts worth \$1.9 billion in nuclear weapons,¹⁰

¹ <https://www.ohchr.org/sites/default/files/2022-08/BHR-Arms-sector-info-note.pdf>

² <https://www.amnesty.org/en/documents/act30/0893/2019/en/>

³ <https://wri-irg.org/en/lockheed>

⁴ <https://www.lockheedmartin.com/en-us/who-we-are/international.html>

⁵ <https://www.hrw.org/news/2021/07/27/gaza-apparent-war-crimes-during-may-fighting#> ;
<https://investigate.afsc.org/company/lockheed-martin>

⁶ <https://www.paxforpeace.nl/media/files/mwatana-day-of-judgement.pdf>

⁷ www.nytimes.com/2022/09/07/us/politics/biden-aid-yemen-saudi-arabia.html&sa=D&source=docs&ust=1666898790068298&usg=AOvVaw3OxcNLq1v_Sk-e7bBhs6HI

⁸ <https://www.justsecurity.org/83028/human-rights-due-diligence-a-necessity/>

⁹ <https://www.hrw.org/news/2021/07/21/its-time-us-stop-selling-weapons-human-rights-abusers#>

¹⁰ https://www.icanw.org/squandered_2021_global_nuclear_weapons_spending_report

which are now illegal under international law.¹¹ The Company may be required to disclose more about its nuclear weapons involvement to avoid prosecution or legal proceedings. Lockheed is the subject of multiple divestment campaigns related to its poor human rights track record.¹²

New guidance from the American Bar Association articulates how tools like human rights risk assessments can reduce material risks, including divestment, country-specific export bans, and civil liability.¹³

¹¹ https://treaties.un.org/doc/Treaties/2017/07/20170707%2003-42%20PM/Ch_XXVI_9.pdf

¹² <https://bdsmovement.net/tags/lockheed-martin>; <https://www.influencewatch.org/non-profit/divest-from-the-war-machine/>

¹³ https://www.americanbar.org/content/dam/aba/administrative/human_rights/justice-defenders/chr-due-diligence-guidance-2022.pdf