

# Northrop Grumman Corporation Anti-Human Trafficking and Modern Slavery Statement 2024

## Introduction

Northrop Grumman Corporation<sup>1</sup> is deeply committed to serving as a responsible corporate citizen, consistent with our Values<sup>2</sup>, throughout our global operations. Northrop Grumman does not tolerate the use of child labour, forced labour, bonded labour, modern slavery or human trafficking of any kind throughout our operations and supply chains<sup>3</sup>.

This Statement has been prepared in accordance with the UK Modern Slavery Act 2015 (the UK Modern Slavery Act), the Australian Modern Slavery Act 2018 (the Australian Modern Slavery Act) and the California Transparency in Supply Chains Act of 2010 (the CTSCA) and covers the financial year ending December 31, 2024.

The reporting entities included in this joint statement are:

- (i) For the purposes of the UK Modern Slavery Act: Northrop Grumman UK Limited; and the UK Branch of Sperry Marine BV (a company incorporated in the Netherlands); and
- (ii) For the purposes of the Australian Modern Slavery Act: Northrop Grumman Australia Pty Limited ACN 156 458 981 (NGAPL) and its wholly owned subsidiaries: Northrop Grumman Integrated Defence Services Pty Limited ACN 090 673 466 (NGIDS); and Northrop Grumman M5 Network Security Pty Limited ACN 101 674 444 (NGM5).

Each of the UK and Australian reporting entities are ultimately owned by Northrop Grumman, which is listed on the New York Stock Exchange and, for purposes of the CTSCA, is a manufacturer doing business in the state of California.

## Northrop Grumman's Structure and Operations

Northrop Grumman is a leading global aerospace and defense technology company. We deliver a broad range of products, services and solutions to United States (U.S.) and global customers (including the UK Government and the Australian Department of Defence), and principally to the U.S Department of Defense (DoD) and intelligence community. Our broad portfolio is aligned to support national security priorities, and our solutions equip our customers with capabilities they need to connect, protect and advance humanity. The Company is a leading provider of space systems, military aircraft, missile defense, advanced weapons and long-range fires capabilities, mission systems, networking and communications, strategic deterrence systems, and breakthrough technologies, such as advanced computing, microelectronics and cyber. Our principal executive offices are located in Falls Church, Virginia, U.S. In 2024, we employed approximately 97,000 people around the globe. We are currently aligned in four operating sectors, as follows:

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<sup>1</sup> Also referred to as "Northrop Grumman," "Company," "we," "us," "our" or "enterprise".

<sup>2</sup> <https://www.northropgrumman.com/who-we-are/our-values>

<sup>3</sup> We note that there is no globally agreed definition of "modern slavery." This term is used to cover a wide range of exploitative practices including use of child labour, forced labour, bonded labour, slavery or human trafficking of any kind.

- Aeronautics Systems – Leader in the design, development, production, integration, sustainment and modernization of military aircraft systems for the U.S. Air Force, the U.S. Navy, other U.S. government agencies and international customers;
- Defense Systems – Leader in the design, engineering, development, integration and production of strategic deterrent systems, advanced tactical weapons and missile defense solutions for the U.S. military and a broad range of international customers;
- Mission Systems – Leader in advanced mission solutions and multifunction systems, primarily for the U.S. defense and intelligence community, and international customers; and
- Space Systems – Leader in delivering end-to-end mission solutions through the design, development, integration, production and operation of space, missile defense and launch systems for national security, civil government, commercial and international customers.

In the UK, the workforce totaled approximately 956 individuals, and more than 5,000 individuals were employed by our supply chain and partners. By delivering engineering data and intelligence solutions, maritime navigation and control systems, and innovative command and control systems, our advanced UK capabilities offer strategic advantages in an increasingly challenging age. In Australia, the workforce at the three reporting entities totaled approximately 745 employees. Our Australian operations report into the C2 & Weapons Integration Division in our Defense Systems sector and serve as one of Australia’s leading providers of aircraft sustainment and modernization services to the Australian Department of Defence. The vast majority of our Australia-based employees are technical or functional specialists who are involved in the delivery of Northrop Grumman’s Australian aircraft sustainment business.

### **Northrop Grumman’s Supply Chain**

We regard our suppliers as essential team members and a key part of the Company’s success. In 2024, we utilized a broad base of suppliers across the U.S. and approximately 50 other countries, resulting in a managed supplier (first-tier) spend of more than US\$22 billion. Nearly 99% of the 2024 supplier-managed spend occurred in Tier 1 countries, as ranked in the U.S. Department of State’s U.S. Trafficking Victims Protection Act of 2000 (TVPA).<sup>4</sup>

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<sup>4</sup> The U.S. Department of State ranks each of the countries or territories included in the 2024 Trafficking in Persons Report on one of four tiers, as mandated by the US Trafficking Victims Protection Act of 2000 (TVPA). Tier placement reflects an evaluation of a government’s actions to combat trafficking assessed against specific criteria outlined in the TVPA. Governments that fully comply with the TVPA’s minimum standards for the elimination of trafficking are ranked on Tier 1. Countries making significant and increasing efforts to bring themselves into compliance to meet the minimum standards, but do not meet them all, are ranked on Tier 2. See U.S. Department of State, Report to Congress on 2025 Trafficking in Persons Interim Assessment Pursuant to the Trafficking Victims Protection Act (3 February 2025).

| Country        | TVPA Tier | Percentage of Total Spend |
|----------------|-----------|---------------------------|
| USA            | 1         | 94.6%                     |
| United Kingdom | 1         | 1.5%                      |
| Australia      | 1         | 0.8%                      |
| Norway         | 2         | 0.4%                      |
| Israel         | 2         | 0.4%                      |
| Netherlands    | 1         | 0.3%                      |
| Italy          | 2         | 0.3%                      |
| Germany        | 1         | 0.3%                      |
| Canada         | 1         | 0.3%                      |
| Denmark        | 1         | 0.2%                      |

*Table 1: Global Supplier-Managed Spend (Top 10 Countries)*

We have two broad supply chain categories from which we purchase a diverse range of products and services each year:

- Products or services that are integrated into, or form part of, the products, solutions or services we sell directly to our customers; and
- Products or services, which are used to support the running of our internal operations.

The majority of the Company's business operations are comprised of programs defined by our customers that often include specific supplier and product requirements, resulting in a diverse supply chain. Our supply chain procurements range from 'off the shelf' catalogue items sourced from original equipment manufacturers, to modified 'off the shelf' items, to bespoke developmental items sourced from high-end specialist providers of often leading-edge technical products and services.

We also utilize a broad range of suppliers of various products and services for internal Company use. These categories of suppliers include reputable providers of office consumables, information technology and communications equipment and services, transport, freight and travel services, facilities and property management, security, human resources, legal and accounting services.

## **Assessment of Modern Slavery Risks**

### *Operational Risks*

We believe the risk of modern slavery and human trafficking in our global employee workforce remains low. This view is informed by the fact that we operate in an industry that is highly regulated with a complex technology focus. Moreover, our employee base, their work, and our recruiting and hiring practices are not typically characteristic of those associated with labour

exploitation and trafficking. The majority of the individuals we employ worldwide hold science-related degrees and perform engineering or highly skilled technical or professional jobs.

We work hard to comply with all applicable local labour laws and regulations (including federal and state laws in the U.S., the Australian Fair Work Act 2009, the United Kingdom's National Minimum Wage Act 1998 and Employment Rights Act 1996) and we believe that our global business is governed by well-established Company policies, practices and procedures that provide for fair working conditions, competitive wages and reasonable working hours for our employees.

### *Supply Chain Risks*

With respect to our supply chain, the diversity and complexity/layers of our direct and indirect suppliers and products, as well as the geographic locations, markets and regulatory systems in which we operate, may expose us to certain potential modern slavery and human trafficking risks. We assess these risks, among others, taking into account a number of factors, including the nature of the products and services we purchase, the location, business and reputation of our suppliers, and our practices of dealing with our suppliers.

For 2024, our overall assessment, based on a combination of these factors, is that our first-tier supply chains remain low-risk for modern slavery and human trafficking. As described above, nearly 99% of the products and services we purchase are sourced from industry partners who are based in TVPA Tier 1 countries where governments have made significant efforts to address and eliminate modern slavery practices. The regulated nature of the industry and markets in which we operate are such that many of our suppliers are subject to the same regulations, using a largely professional or technically skilled workforce, and producing high-end technology equipment or providing specialized technical services.

There may be varying levels of risk in the sub-tiers of some products we purchase, particularly where the overall supply chain is complex and runs many tiers deep to include raw materials or component parts sourced from, or manufactured in, countries and sectors with higher inherent risks related to modern slavery. As described in further detail below, while it is difficult for us to identify and manage such risks, especially where we are many tiers removed and have limited visibility, we continue to work with our direct suppliers to mitigate these risks.

### **Measures to Mitigate Modern Slavery Risks**

#### *Northrop Grumman Values*

Our Values are critical to our ability to deliver on our purpose of advancing global security and human discovery in support of our customers' missions around the world. While our purpose reflects what we do and why we do it, our Values reflect who we are and how we behave.

- **We do the right thing** – we earn trust, act with ethics, integrity and transparency, treat everyone with respect, and value diverse perspectives.
- **We do what we promise** – we own the delivery of results, focused on quality outcomes.
- **We commit to shared success** – we work together to focus on the mission and take accountability for the sustainable success of our people, customers, shareholders, suppliers and communities.

- **We pioneer** – with fierce curiosity, dedication, and innovation, we seek to solve the world’s most challenging problems.

These Values are the bedrock of our culture, enable us to deliver on our shared purpose, reaffirm what is important to us and state what we should expect from our Company and from one another. We seek to do business with those who share our Values and our commitment to integrity and performance.

#### *Northrop Grumman Policies, Procedures and Practices on Human Trafficking, Modern Slavery and Human Rights*

We maintain a robust and comprehensive corporate ethics and compliance framework that encompasses our core Values, leadership commitment, accountability, training initiatives, and regular audits. This culture, supported by our ethics and compliance framework, also ensures we partner with third parties that align with our Values and commitment to transparent and ethical business practices.

As a responsible corporate citizen, Northrop Grumman fully supports the eradication of human trafficking and modern slavery, including from the supply chain. The Company is committed to supporting and maintaining the highest standards of ethical conduct along with respect for human rights. This commitment is embedded in the Company’s culture and reflected in the Company’s Human Rights Policy, which is aligned with the principles set forth in the Universal Declaration for Human Rights and the U.N. Guiding Principles for Business and Human Rights. We have also established a Human Rights Working Group to help ensure our Human Rights Policy is implemented effectively and achieves our goals. The Human Rights Working Group considers the effectiveness of the human rights program, the nature of the risk environment, and evolving best practices. The Human Rights Working Group reviews topics such as corporate citizenship and responsibility, due diligence processes and procedures, feedback from shareholders on human rights-related matters, and other industry trends and, as appropriate, recommends changes to the Company’s human rights program. This group is led by the General Counsel (or designee) and includes senior representatives from, among others, Global Corporate Responsibility, Human Resources, the Law Department, Environmental, Health and Safety, Global Supply Chain, Investor Relations, Contracts, Global Business Development, Government Affairs, Communications, and each of our four operating sectors. The Policy Committee of the Board of Directors provides oversight of Company policies and programs with respect to human rights and receives reports from the General Counsel or her designee on the Human Rights Working Group regarding the implementation of our Human Rights Policy, as well as areas of concern or suggestions for improvement.

Our Values and culture are also embodied in our Standards of Business Conduct (SOBC) and other Company policies and procedures, which apply to our directors, officers and all employees globally. Annually, every employee is required to certify their understanding of, and commitment to, the SOBC. The SOBC explicitly prohibits human trafficking and forced labour, among other unethical practices. Together with our policies and procedures, the SOBC mandates that all employees act in alignment with our Values. Violations of these policies and procedures may result in disciplinary action, up to and including termination.

#### *Training to Combat Modern Slavery*

For many years, we have delivered targeted training to raise awareness of human trafficking and forced labour. This includes online training modules, communication campaigns, posters at

relevant work sites and information on our websites. In 2024, 7424 new employees completed training on human trafficking and forced labour as part of the onboarding process. Additionally, employees traveling outside of the U.S. are required to complete an anti-human trafficking awareness training every two years. In 2024, 2622 employees completed this awareness module. Our training is periodically reviewed by internal and external legal experts, and updated to ensure that it remains current with applicable laws and evolving requirements.

#### *Mechanisms for Reporting Modern Slavery Concerns*

We are committed to fostering a safe, inclusive and respectful workplace where employees' rights are upheld, and their human rights are actively protected. To ensure an environment where employees feel secure to speak up without fear of retaliation, we provide multiple channels for raising concerns or seeking guidance. Employees can contact their managers, Human Resources, members of the Law Department, Business Conduct Advisors (BCAs) or our global OpenLine reporting system.

Our network of over 150 BCAs, located at Company sites worldwide, is selected by their leadership and the Corporate Ethics Office for their exemplary ethical standards. These BCAs promote ethical awareness, coach colleagues through dilemmas, escalate concerns or potential risks to relevant departments and respond to employee inquiries.

The global OpenLine, a key tool for mitigating modern slavery and human trafficking risks, enables anyone, including employees, suppliers and other business partners, to ask questions, seek guidance, or report concerns about potential violations of laws, regulations or Company policies and procedures, without fear of retaliation. This toll-free, third-party service is available 24/7 in multiple languages, with web-based reporting options where permitted by local laws. All reports are investigated promptly and substantiated violations result in appropriate corrective or disciplinary action.

We analyze OpenLine metrics quarterly to identify trends and potential risks. Findings are shared with the Corporate Ethics Committee, comprised of select members of executive leadership, external auditors, and the Audit and Risk Committee of our Board of Directors. Quarterly metrics are also provided to site leaders, who use targeted communications and additional training to address identified trends.

Additional details about our global OpenLine processes are available on our [Ethics and Business Conduct](#) website.

#### *Mitigating Modern Slavery Risks in Our Supply Chain*

We partner with suppliers who share our Values and our commitment to integrity, ethical conduct and responsible corporate citizenship. Through long-term relationships and established practices, we engage with first-tier suppliers, requiring them to uphold high ethical standards and comply with our policies prohibiting human trafficking and forced labour. These expectations are reinforced through supplier agreements, due diligence processes, and ongoing monitoring to mitigate modern slavery risks across our supply chain.

**Supplier Code of Conduct to Prevent Modern Slavery.** Our *Standards of Business Conduct for Suppliers and other Trading Partners* (SSOBC), published in twelve languages, requires all suppliers and other third parties with whom we work (aka "Trading Partners") to comply with regulations prohibiting human trafficking and forced labour, as well as all applicable laws in the countries where they operate. The SSOBC also establishes requirements for ethical behavior,

fair labour and employment practices, and the protection of human rights. Additionally, we publish on our supplier webpage an Anti-Trafficking Supplier Letter reiterating these requirements.

**Contractual Safeguards Against Modern Slavery.** In addition to our SSOBC, we maintain comprehensive policies and procedures that establish contractual requirements for suppliers and Trading Partners. Our standard terms and conditions (or approved equivalent) in supplier agreements ensure compliance with our Values, policies, and applicable laws and regulations. These terms mandate that suppliers and Trading Partners adhere to the SSOBC as a condition of doing business with Northrop Grumman and include an anti-trafficking clause prohibiting activities that support or promote human trafficking and forced labour, including use of misleading or fraudulent recruitment activities, among other things. Suppliers also must represent and warrant their compliance with these requirements and are contractually obligated to incorporate equivalent modern slavery and anti-human trafficking requirements into their lower-tier subcontracts.

**Federal Acquisition Regulation Flowdowns and Certification.** As a U.S. Government contractor, we are subject to, and comply with, the Federal Acquisition Regulation (FAR), including 52.222-50, on Combating Trafficking in Persons, and FAR 52.222-56, Certification Regarding Trafficking in Persons Compliance Plan; as well as the Defense Federal Acquisition Regulation Supplement (DFARS), including 252.225-7057, Pre-award Disclosure of Employment of Individuals Who Work in the People's Republic of China and DFARS 252.225-7059, Prohibition on Certain Procurements from the Xinjiang Uyghur Autonomous Region – Certification. We flow down these FAR requirements to our covered suppliers, subcontractors and agents. We develop tailored anti-human trafficking compliance plans based on the U.S. government contract requirements, and require our suppliers to provide similar anti-human trafficking certifications and plans where required by the FAR. We believe our FAR and DFARS requirements, as well as our SSOBC, help to mitigate the risk of human trafficking in our supply chain.

**Due Diligence to Prevent Modern Slavery.** Before engaging prospective suppliers, we conduct risk-based due diligence to assess multiple factors including, but not limited to, their business model, qualifications, experience, reputation, financial health, and the location(s) where the products and services are provided. We also evaluate their management controls, quality assurance processes, and capability to meet our requirements. To prevent modern slavery risks, we screen all suppliers against more than 75 continuously updated U.S. and international denied/sanctioned parties lists, including the Uyghur Forced Labor Prevention Act Entity List, using an enterprise-wide automated system. No purchase order or supplier agreement is issued until all potential matches are reviewed and cleared, ensuring we do not conduct business with denied or sanctioned parties.

**Conflict Minerals.** We are committed to responsibly sourcing minerals in our supply chain. In accordance with our SSOBC, we require our suppliers to comply with any applicable laws and regulations regarding conflict minerals (i.e., tin, tantalum, tungsten and gold) and to assist us in meeting our obligations under applicable conflict minerals laws and regulations. We report known or potential use of conflict minerals to the U.S. Securities and Exchange Commission, consistent with applicable requirements. We also regularly review our process for opportunities to improve our conflict minerals due diligence and oversight practices.

**Supplier Training and Communications to Prevent Modern Slavery.** We provide suppliers with training, resources and information through our supplier portal (OASIS Supplier Portal), a

communication and collaboration hub designed to ensure their success while aligning with our Values and SSOBC. This portal, referenced in our standard terms and conditions and other relevant documents, facilitates compliance with applicable laws by offering access to critical information. Additionally, the OASIS Supplier Portal delivers periodic training and updates on compliance matters, including human rights issues, such as human trafficking, forced labour and conflict minerals.

**Reporting and Addressing Modern Slavery Violations.** We encourage third parties, including suppliers, to use our global OpenLine (via a link included in SSOBC) to report any concerns or potential violations of the laws, regulations, or our SSOBC, including those related to human trafficking and forced labour. Suspected breaches by suppliers are promptly escalated for investigation, and, if substantiated, may result in corrective actions, up to and including termination of the supplier relationship.

### **Evaluating Effectiveness of Our Anti-Human Trafficking and Modern Slavery Efforts**

We employ a range of tools to assess the effectiveness of our policies and efforts to mitigate human trafficking and forced labour. These include analyzing data from OpenLine reports, including the nature, number and outcomes of investigations; conducting annual employee engagement surveys and compliance interviews; and leveraging oversight from senior management (through the Human Rights Working Group), our Board of Directors, Enterprise Risk Management Council, Supplier Assessment System, and Supply Chain Leadership Council.

In 2024, there were no substantiated incidents of human trafficking or forced labour in our operations or global supply chain.

### **2024 Enhancements & Looking Ahead**

In 2024, we continued to enhance our human rights program, as well as global supply chain management and control processes, to support and maintain the highest standards of ethical conduct along with respect for human rights. In particular, we reviewed and revised our Human Rights Policy, which, among other things: (1) reinforces our commitment to ensuring employees feel safe to speak up without fear of retaliation; and (2) further specifies our requirement that suppliers and other Trading Partners comply with all applicable laws and regulations prohibiting human trafficking. We also refreshed the online training module on anti-human trafficking compliance provided to employees traveling outside of the U.S. Moreover, in 2024, our Australian operations joined the Joint Supply Chain Accreditation Register (JOSCAR) Australian Community, a subscription platform that manages supplier information and compliance in a central, accredited system that increases visibility of supplier information and assists with managing risks. The JOSCAR-AU supplier questionnaire supplements Northrop Grumman's own supplier due diligence process in Australia and includes additional targeted questions pertaining to a supplier's compliance with modern slavery, forced labour and human trafficking obligations relevant to its supply chain. The information provides improved visibility of suppliers' maturity in identifying, controlling and implementing measures to mitigate the risk of modern slavery, enhancing Northrop Grumman's ability to understand and address potential risk factors within the supply chain of our Australian operations.

In 2025, we will continue to review and strengthen our efforts to prevent human trafficking, forced labour, and other misconduct within our operations and global supply chain. These efforts reflect our ongoing commitment to ethics, integrity and responsible performance, benefiting stakeholders including employees, customers, shareholders and the communities in



which we operate. In the UK and Australia, we will further enhance employee and supplier training and awareness programs to promote compliance with our SOBC, SSOBC and applicable anti-human trafficking and modern slavery laws.

### **Consultation and Approval**

Combatting human trafficking and forced labour is a shared responsibility across our global operations. This Modern Slavery Statement was developed through enterprise-wide collaboration and consultation, incorporating input from key functions, including entities reporting under the Australian Modern Slavery Act and the UK Modern Slavery Act, as well as Global Corporate Responsibility, Human Resources, Corporate Ethics Office, the Law Department and Global Supply Chain. This includes collaboration and consultation between NGAPL and its owned and controlled entities (i.e., NGM5 and NGIDS)<sup>5</sup>.

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<sup>5</sup> NGM5 and NGIDS do not own or control any entities and therefore this criterion is not applicable to these two reporting entities.

To review our prior Anti-Human Trafficking and Slavery Statements, please follow the links below.

- [2023 anti-human trafficking and slavery statement](#)
- [2022 anti-human trafficking and slavery statement](#)
- [2021 anti-human trafficking and slavery statement](#)
- [2020 anti-human trafficking and slavery statement](#)
- [2019 anti-human trafficking and slavery statement](#)
- [2018 anti-human-trafficking-and-slavery-statement](#)
- [2017 anti-human-trafficking-and-slavery-statement](#)
- [2016 anti-human-trafficking-and-slavery-statement](#)

For additional information regarding our expectations of our suppliers and our commitment to human rights, please refer to the relevant documents below.

- [Northrop Grumman Standards of Business Conduct](#)
- [Northrop Grumman Standards of Business Conduct for Suppliers and Other Trading Partners](#)
- [2025 Anti-Trafficking Supplier Letter](#)
- [Northrop Grumman Human Rights Policy](#)
- [Supplier Anti-Human Trafficking Training](#)
- [Northrop Grumman Conflict Minerals Statement](#)

This statement was approved by the Board of Directors of Northrop Grumman UK Limited, the Board of Directors of Sperry Marine BV, and the Board of Directors of NGAPL on June 19, 2025 including on behalf of their respective wholly owned subsidiaries.

**Signed on behalf of the Board of Directors of Northrop Grumman UK Limited**

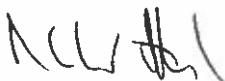
Signed,



Roger Wiltshire  
Director

**Signed on behalf of the Board of Directors of Sperry Marine BV**

Signed,



Roger Wiltshire  
Director

**Signed on behalf of the Board of Directors of NGAPL**

Signed,



Robert Denney  
Director