

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended March 31, 2026

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number 1-16411

NORTHROP GRUMMAN CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

80-0640649

(I.R.S. Employer
Identification No.)

**2980 Fairview Park Drive
Falls Church, Virginia**

(Address of principal executive offices)

22042

(Zip Code)

(703) 280-2900

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	NOC	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act:

Large Accelerated Filer Accelerated Filer

Non-accelerated Filer Smaller Reporting Company

Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.
As of April 16, 2026, 142,033,476 shares of common stock were outstanding.

NORTHROP GRUMMAN CORPORATION

TABLE OF CONTENTS

	<u>Page</u>	
<u>PART I – FINANCIAL INFORMATION</u>		
Item 1.	Financial Statements (Unaudited)	
	Condensed Consolidated Statements of Earnings and Comprehensive Income	1
	Condensed Consolidated Statements of Financial Position	2
	Condensed Consolidated Statements of Cash Flows	3
	Condensed Consolidated Statements of Changes in Shareholders' Equity	4
	Notes to Condensed Consolidated Financial Statements	
	1. Summary of Significant Accounting Policies	5
	2. Earnings Per Share, Share Repurchases and Dividends on Common Stock	8
	3. Inventoried Costs, Net	8
	4. Income Taxes	9
	5. Fair Value of Financial Instruments	9
	6. Investigations, Claims and Litigation	11
	7. Commitments and Contingencies	11
	8. Retirement Benefits	13
	9. Stock Compensation Plans and Other Compensation Arrangements	13
	10. Segment Information	15
	Report of Independent Registered Public Accounting Firm	21
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	
	Overview	22
	Consolidated Operating Results	25
	Segment Operating Results	27
	Product and Service Analysis	30
	Backlog	31
	Liquidity and Capital Resources	31
	Critical Accounting Policies, Estimates and Judgments	32
	Accounting Standards Updates	32
	Forward-Looking Statements and Projections	32
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	34
Item 4.	Controls and Procedures	34
<u>PART II – OTHER INFORMATION</u>		
Item 1.	Legal Proceedings	35
Item 1A.	Risk Factors	35
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	35
Item 5.	Other Information	36
Item 6.	Exhibits	37
	Signatures	38

NORTHROP GRUMMAN CORPORATION

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS AND COMPREHENSIVE INCOME (Unaudited)

<i>\$ in millions, except per share amounts</i>	Three Months Ended March 31	
	2026	2025
Sales		
Product	\$ 7,958	\$ 7,521
Service	1,923	1,947
Total sales	9,881	9,468
Operating costs and expenses		
Product	6,433	6,366
Service	1,488	1,522
General and administrative expenses	971	1,007
Total operating costs and expenses	8,892	8,895
Operating income	989	573
Other (expense) income		
Interest expense	(162)	(156)
Non-operating FAS pension benefit	166	130
Other, net	37	31
Earnings before income taxes	1,030	578
Federal and foreign income tax expense	155	97
Net earnings	\$ 875	\$ 481
Basic earnings per share	\$ 6.16	\$ 3.33
Weighted-average common shares outstanding, in millions	142.1	144.6
Diluted earnings per share	\$ 6.14	\$ 3.32
Weighted-average diluted shares outstanding, in millions	142.5	144.9
Net earnings (from above)	\$ 875	\$ 481
Other comprehensive (loss) income, net of tax		
Change in cumulative translation adjustment	(2)	2
Change in other, net	(3)	8
Other comprehensive (loss) income, net of tax	(5)	10
Comprehensive income	\$ 870	\$ 491

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

NORTHROP GRUMMAN CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Unaudited)

<i>\$ in millions, except par value</i>	March 31, 2026	December 31, 2025
Assets		
Cash and cash equivalents	\$ 2,090	\$ 4,403
Accounts receivable, net	1,806	1,375
Unbilled receivables, net	7,556	6,544
Inventoried costs, net	1,450	1,309
Prepaid expenses and other current assets	1,868	1,656
Total current assets	14,770	15,287
Property, plant and equipment, net of accumulated depreciation of \$9,854 for 2026 and \$9,648 for 2025	10,243	10,972
Operating lease right-of-use assets	1,925	1,859
Goodwill	17,439	17,437
Deferred tax assets	743	1,051
Pension and other postretirement benefit plan assets	3,307	3,167
Other non-current assets	1,580	1,604
Total assets	\$ 50,007	\$ 51,377
Liabilities		
Trade accounts payable	\$ 2,681	\$ 3,240
Accrued employee compensation	1,732	2,309
Advance payments and billings in excess of costs incurred	3,697	4,086
Other current liabilities	4,711	4,247
Total current liabilities	12,821	13,882
Long-term debt, net of current portion of \$758 for 2026 and \$534 for 2025	14,411	15,162
Pension and other postretirement benefit plan liabilities	1,095	1,110
Operating lease liabilities	1,905	1,857
Other non-current liabilities	2,660	2,692
Total liabilities	32,892	34,703
Commitments and contingencies (Note 7)		
Shareholders' equity		
Preferred stock, \$1 par value; 10,000,000 shares authorized; no shares issued and outstanding	—	—
Common stock, \$1 par value; 800,000,000 shares authorized; issued and outstanding: 2026—142,033,476 and 2025—141,997,194	142	142
Paid-in capital	8	—
Retained earnings	17,096	16,658
Accumulated other comprehensive loss	(131)	(126)
Total shareholders' equity	17,115	16,674
Total liabilities and shareholders' equity	\$ 50,007	\$ 51,377

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

NORTHROP GRUMMAN CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

<i>\$ in millions</i>	Three Months Ended March 31	
	2026	2025
Operating activities		
Net earnings	\$ 875	\$ 481
Adjustments to reconcile to net cash used in operating activities:		
Depreciation and amortization	372	337
Stock-based compensation	20	20
Deferred income taxes	308	(34)
B-21 loss provision	—	477
Net periodic pension and OPB income	(120)	(81)
Pension and OPB contributions	(33)	(28)
Changes in assets and liabilities:		
Accounts receivable, net	(431)	(542)
Unbilled receivables, net	(551)	(1,069)
Inventoried costs, net	(144)	(125)
Prepaid expenses and other assets	(37)	(42)
Trade accounts payable	(559)	(93)
Advance payments and billings in excess of costs incurred	(389)	(358)
Other liabilities	(802)	(563)
Income taxes payable, net	(164)	58
Other operating activities	(1)	(3)
Net cash used in operating activities	(1,656)	(1,565)
Investing activities		
Capital expenditures	(167)	(256)
Other investing activities	(1)	4
Net cash used in investing activities	(168)	(252)
Financing activities		
Payments of long-term debt	(527)	(1,500)
Net borrowings on commercial paper	498	1,474
Common stock repurchases	(68)	(480)
Cash dividends paid	(333)	(302)
Payments of employee taxes withheld from share-based awards	(57)	(38)
Other financing activities	(2)	(5)
Net cash used in financing activities	(489)	(851)
Decrease in cash and cash equivalents	(2,313)	(2,668)
Cash and cash equivalents, beginning of year	4,403	4,353
Cash and cash equivalents, end of period	\$ 2,090	\$ 1,685

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

NORTHROP GRUMMAN CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Unaudited)

<i>\$ in millions, except per share amounts</i>	Three Months Ended March 31	
	2026	2025
Common stock		
Beginning of period	\$ 142	\$ 145
Common stock repurchased	—	(1)
End of period	142	144
Paid-in capital		
Beginning of period	—	—
Stock compensation	8	—
End of period	8	—
Retained earnings		
Beginning of period	16,658	15,297
Common stock repurchased	(63)	(481)
Net earnings	875	481
Dividends declared	(330)	(299)
Stock compensation	(44)	(16)
End of period	17,096	14,982
Accumulated other comprehensive loss		
Beginning of period	(126)	(152)
Other comprehensive (loss) income, net of tax	(5)	10
End of period	(131)	(142)
Total shareholders' equity	\$ 17,115	\$ 14,984
Cash dividends declared per share	\$ 2.31	\$ 2.06

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

NORTHROP GRUMMAN CORPORATION**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)****1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****Principles of Consolidation and Reporting**

These unaudited condensed consolidated financial statements (the “financial statements”) include the accounts of Northrop Grumman Corporation and its subsidiaries and joint ventures or other investments for which we consolidate the financial results (herein referred to as “Northrop Grumman,” the “company,” “we,” “us,” or “our”). Intercompany accounts, transactions and profits are eliminated in consolidation. Investments in equity securities and joint ventures where the company has significant influence, but not control, are accounted for using the equity method.

On May 24, 2025 (the “Divestiture date”), the company completed its previously announced sale of substantially all of the Immersive Mission Solutions (IMS) operating unit of Defense Systems (the “training services” business or “divestiture”) for \$333 million in cash and recorded a pre-tax gain on sale of \$231 million. IMS is a provider of mission training and satellite ground network communications software for U.S. government customers. 2025 operating results include sales and operating income for the training services business prior to the Divestiture date.

The financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP” or “FAS”) and in accordance with the rules of the Securities and Exchange Commission (SEC) for interim reporting. The financial statements include adjustments of a normal recurring nature considered necessary by management for a fair presentation of the company’s unaudited condensed consolidated financial position, results of operations and cash flows. For classification of certain current assets and liabilities, we consider the duration of our customer contracts when defining our operating cycle, which is generally longer than one year.

During the fourth quarter of 2025, we modified our presentation of the changes in liabilities in the operating cash flow section of the consolidated statement of cash flows by disaggregating Accounts payable and other liabilities into three separate line items: Accounts payable, Advance payments and billings in excess of costs incurred, and Other liabilities. Prior period amounts have been conformed to the current period presentation. The modified presentation does not impact previously reported cash provided by operating activities.

Results reported in the financial statements are not necessarily indicative of results that may be expected for the entire year. The financial statements should be read in conjunction with the information contained in the company’s 2025 Annual Report on Form 10-K.

Quarterly information is labeled using a calendar convention; that is, first quarter is consistently labeled as ending on March 31, second quarter as ending on June 30 and third quarter as ending on September 30. It is the company’s long-standing practice to establish actual interim closing dates using a “fiscal” calendar, in which we close our books on a Friday near these quarter-end dates in order to normalize the potentially disruptive effects of quarterly closings on business processes. This practice is only used at interim periods within a reporting year.

Accounting Estimates

Preparation of the financial statements requires management to make estimates and judgments that affect the reported amounts of assets and liabilities and the disclosure of contingencies at the date of the financial statements, as well as the reported amounts of sales and expenses during the reporting period. Estimates have been prepared using the most current and best available information; however, actual results could differ materially from those estimates.

Revenue Recognition*Contract Estimates*

Contract sales may include estimates of variable consideration, including cost or performance incentives (such as award and incentive fees), un-priced change orders, requests for equitable adjustment (REAs) and contract claims. Variable consideration is included in total estimated sales to the extent it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved. We estimate variable consideration as the most likely amount to which we expect to be entitled.

We recognize changes in estimated contract sales or costs and the resulting changes in contract profit on a cumulative basis. Net estimate-at-completion (EAC) adjustments represent the cumulative effect of the changes on current and prior periods; sales and operating margins in future periods are recognized as if the revised estimates had been used since contract inception. If it is determined that a loss is expected to result on an individual performance

NORTHROP GRUMMAN CORPORATION

obligation, the entire amount of the estimable future loss, including an allocation of general and administrative (G&A) cost, is charged against income in the period the loss is identified.

B-21 Program

During the fourth quarter of 2023, we recognized a projected loss of \$1.56 billion across the five low-rate initial production (LRIP) options of the B-21 program. During the first quarter of 2025, we recognized an additional \$477 million loss across the five LRIP options. As of March 31, 2026, the remaining loss accrual on the B-21 program totaled \$1.0 billion, which is included in Other current liabilities.

Net EAC Adjustments

The following table presents the effect of aggregate net EAC adjustments:

<i>\$ in millions, except per share data</i>	Three Months Ended March 31	
	2026	2025
Revenue	\$ (8)	\$ 38
Operating income	(80)	(100)
Net earnings ⁽¹⁾	(63)	(79)
Diluted earnings per share ⁽¹⁾	(0.44)	(0.55)

⁽¹⁾ Based on a 21 percent federal statutory tax rate.

EAC adjustments can have a significant effect on the company's financial statements. When such adjustments occur, we generally disclose the nature, underlying conditions and financial impact of the adjustments. In most cases, EAC adjustments have an equal impact on both revenue and operating income. However, for contracts in a forward loss position, the impact of EAC adjustments on revenue is different than the impact on operating income because changes in reach forward losses also impact cost of sales.

2026 – During the first quarter of 2026, the company reached an agreement with the U.S. Air Force to expand production capacity and increase the aircraft production rate for the B-21 program at Aeronautics Systems. We made no significant changes to the previously recognized loss on the program; however, impacts from the agreement and higher estimated production costs resulted in a \$157 million net unfavorable EAC adjustment on the first four LRIP lots, which was offset by a net reduction in the loss contingency accrual on the remainder of the program. The company also recorded a \$71 million unfavorable EAC adjustment on the Graphite Epoxy Motor (GEM) 63XL program at Space Systems associated with the evaluation and implementation of corrective actions for a solid rocket motor anomaly that occurred during a Q1 2026 launch.

2025 – During the first quarter of 2025, the company recorded a \$226 million unfavorable EAC adjustment on the first and second LRIP lots of the B-21 program at Aeronautics Systems.

Backlog

Backlog represents the future sales we expect to recognize on firm orders received by the company and is equivalent to the company's remaining performance obligations at the end of each period. It comprises both funded backlog (firm orders for which funding is authorized and appropriated) and unfunded backlog. Unexercised contract options and indefinite delivery indefinite quantity (IDIQ) contracts are not included in backlog until the time an option or IDIQ task order is exercised or awarded. Backlog is converted into sales as costs are incurred or deliveries are made.

Company backlog as of March 31, 2026 was \$95.6 billion. Of our March 31, 2026 backlog, we expect to recognize approximately 35 percent as revenue over the next 12 months and 60 percent as revenue over the next 24 months, with the remainder to be recognized thereafter.

Contract Assets and Liabilities

For each of the company's contracts, the timing of revenue recognition, customer billings, and cash collections results in a net contract asset or liability at the end of each reporting period. Contract assets are equivalent to and reflected as Unbilled receivables in the unaudited condensed consolidated statements of financial position and are primarily related to long-term contracts where revenue recognized under the cost-to-cost method exceeds amounts billed to customers. Contract liabilities are equivalent to and reflected as Advance payments and billings in excess of costs incurred in the unaudited condensed consolidated statements of financial position. The amount of revenue recognized for the three months ended March 31, 2026 that was included in the December 31, 2025 contract liability balance was \$1.8 billion. The amount of revenue recognized for the three months ended March 31, 2025 that was included in the December 31, 2024 contract liability balance was \$1.9 billion.

NORTHROP GRUMMAN CORPORATION*Disaggregation of Revenue*

See Note 10 for information regarding the company's sales by customer type, contract type and geographic region for each of our segments. We believe those categories best depict how the nature, amount, timing and uncertainty of our revenue and cash flows are affected by economic factors.

Property, Plant, and Equipment

In connection with the company's first quarter 2026 agreement with the U.S. Air Force to expand production capacity and increase the aircraft production rate for the B-21 program, we agreed to sell an aircraft to the U.S. Air Force that we had previously planned to utilize as a company-owned test asset. While the sale of this asset accelerates the LRIP aircraft delivery schedule, it does not change the number of aircraft we expect to deliver under the LRIP phase of the program. The test asset was under construction at the time of sale, and our construction costs prior to the agreement were recognized as capital expenditures and included in property, plant and equipment. The agreement to sell the asset resulted in a reduction of PP&E during the first quarter of 2026; we had no material cash inflows related to the sale during the quarter.

Non-cash investing activities for the three months ended March 31, 2026 and 2025 include capital expenditures incurred but not yet paid of \$42 million and \$44 million, respectively.

Accumulated Other Comprehensive Loss

The components of accumulated other comprehensive loss, net of tax, are as follows:

<i>\$ in millions</i>	March 31, 2026		December 31, 2025	
Cumulative translation adjustment	\$	(133)	\$	(131)
Other, net		2		5
Total accumulated other comprehensive loss	\$	(131)	\$	(126)

Related Party Transactions

For all periods presented, the company had no material related party transactions.

Accounting Standards Updates

On November 4, 2024, the FASB issued ASU No. 2024-03 *Disaggregation of Income Statement Expenses (Subtopic 220-40)*. ASU 2024-03 requires disaggregation of certain expense captions into specified categories in disclosures within the footnotes to the financial statements. ASU 2024-03 will be effective for annual periods beginning January 1, 2027 and interim periods beginning January 1, 2028 and will be applied on a prospective basis with the option to apply the standard retrospectively. We are evaluating the disclosure impact of ASU 2024-03; however, the standard will not have an impact on the company's consolidated financial position, results of operations or cash flows.

On September 18, 2025, the FASB issued ASU No. 2025-06 *Targeted Improvements to the Accounting for Internal-Use Software (Subtopic 350-40)*. ASU 2025-06 removes references to prescriptive and sequential software development stages, requiring companies to capitalize internal-use software costs when management commits to funding the software project and it is probable the project will be completed. ASU 2025-06 will be effective for annual and interim periods beginning January 1, 2028, and can be applied on a prospective, modified prospective, or retrospective basis. We do not currently expect the standard will have a material impact on the company's consolidated financial position, results of operations or cash flows.

On December 8, 2025, the FASB issued ASU No. 2025-11 *Interim Reporting (Topic 270): Narrow-Scope Improvements*. ASU 2025-11 clarifies the applicability of Topic 270 and the form and content of interim financial statements. In addition, ASU 2025-11 requires entities to disclose material events occurring since the last annual reporting period. ASU 2025-11 will be effective for interim periods beginning January 1, 2028, and can be applied on a prospective or retrospective basis. We are evaluating the disclosure impact of ASU 2025-11; however, the standard will not have an impact on the company's consolidated financial position, results of operations or cash flows.

Other accounting standards updates adopted and/or issued, but not effective until after March 31, 2026, are not expected to have a material effect on the company's consolidated financial position, results of operations and/or cash flows.

NORTHROP GRUMMAN CORPORATION
2. EARNINGS PER SHARE, SHARE REPURCHASES AND DIVIDENDS ON COMMON STOCK
Basic Earnings Per Share

We calculate basic earnings per share by dividing net earnings by the weighted-average number of shares of common stock outstanding during each period.

Diluted Earnings Per Share

Diluted earnings per share include the dilutive effect of awards granted to employees under stock-based compensation plans. The dilutive effect of these securities totaled 0.4 million shares and 0.3 million shares for the three months ended March 31, 2026 and 2025, respectively.

Share Repurchases
Share Repurchase Programs

On December 6, 2023, the company's board of directors authorized a share repurchase program of up to \$2.5 billion in share repurchases of the company's common stock (the "2023 Repurchase Program"). Repurchases under the 2023 Repurchase Program commenced in February 2024 and were completed in September 2025.

On December 11, 2024, the company's board of directors authorized a new share repurchase program of up to an additional \$3.0 billion in share repurchases of the company's common stock (the "2024 Repurchase Program"). Repurchases under the 2024 Repurchase Program commenced in September 2025 upon completion of the 2023 Repurchase Program. As of March 31, 2026, repurchases under the 2024 Repurchase Program totaled \$0.5 billion; \$2.5 billion remained under this share repurchase authorization.

Share repurchases take place from time to time, subject to market and regulatory conditions and management's discretion, in the open market or in privately negotiated transactions. The company retires its common stock upon repurchase and, in the periods presented, has not made any purchases of common stock other than in connection with these publicly announced repurchase programs.

The table below summarizes the company's share repurchases to date under the authorizations described above:

Repurchase Program Authorization Date	Amount Authorized (in millions)	Total Shares Retired (in millions)	Average Price Per Share ⁽¹⁾	Date Completed	Shares Repurchased (in millions)	
					Three Months Ended March 31	
					2026	2025
December 6, 2023	\$ 2,500	5.2	\$ 482.41	September 2025	—	1.0
December 11, 2024	\$ 3,000	0.9	\$ 581.87		0.1	—
					0.1	1.0

⁽¹⁾ Excludes brokerage commissions and other costs of execution, including taxes.

Dividends on Common Stock

In May 2025, the company increased the quarterly common stock dividend 12 percent to \$2.31 per share from the previous amount of \$2.06 per share.

3. INVENTORIED COSTS, NET

Inventoried costs, net consisted of the following:

<i>\$ in millions</i>	March 31, 2026	December 31, 2025
Raw materials	\$ 318	\$ 306
Work in process	1,062	945
Finished goods	70	58
Inventoried costs, net	\$ 1,450	\$ 1,309

NORTHROP GRUMMAN CORPORATION

4. INCOME TAXES

In July 2025, the One Big Beautiful Bill Act (OBBBA) was enacted. Key income tax-related provisions of the OBBBA include the repeal of mandatory capitalization of research and development expenditures under Internal Revenue Code (IRC) Section 174 (reinstating full expensing beginning in 2025), extension of bonus depreciation, and revisions to international tax regimes. As part of the enactment of the OBBBA, the company became subject to the corporate alternative minimum tax (CAMT) and recorded CAMT credit carryforwards of \$187 million during 2025. In February 2026, the Internal Revenue Service (IRS) issued Notice 2026-7, providing interim relief for the CAMT through a favorable adjustment related to the amortization of research and development expenditures under IRC Section 174. The company recognized the impacts of Notice 2026-7 during the first quarter of 2026, resulting in a \$187 million decrease in CAMT credit carryforwards and a corresponding increase in Taxes receivable, as well as a \$19 million reduction to federal income tax expense.

<i>\$ in millions</i>	Three Months Ended March 31	
	2026	2025
Federal and foreign income tax expense	\$ 155	\$ 97
<i>Effective income tax rate</i>	15.0 %	16.8 %

First quarter 2026 income tax expense increased \$58 million, or 60 percent, due to \$452 million of higher earnings before income taxes, partially offset by a lower effective tax rate (ETR). The first quarter 2026 ETR decreased to 15.0 percent from 16.8 percent primarily due to higher research credits, including a \$19 million benefit related to the CAMT guidance discussed above. The first quarter 2026 ETR includes benefits of \$68 million for research credits and \$9 million for foreign-derived deduction-eligible income (FDDEI), partially offset by \$19 million of interest expense on unrecognized tax benefits. The first quarter 2025 ETR included benefits of \$34 million for research credits and \$6 million for foreign derived intangible income (FDII), partially offset by \$16 million of interest expense on unrecognized tax benefits.

Taxes receivable, which are included in Prepaid expenses and other current assets in the unaudited condensed consolidated statements of financial position, were \$1.1 billion as of March 31, 2026 and \$924 million as of December 31, 2025. Non-current unrecognized tax benefits, which are included in Other non-current liabilities, were \$1.7 billion and \$1.6 billion as of March 31, 2026 and December 31, 2025, respectively, with the remainder of our unrecognized tax benefits included within Other current liabilities.

We file income tax returns in the U.S. federal jurisdiction and in various state and foreign jurisdictions. Certain matters related to the company's 2018-2024 federal income tax returns are currently under IRS examination. Certain matters related to the company's 2014-2017 federal income tax returns and refund claims related to its 2007-2016 federal tax returns are currently under review by the IRS Appeals Office.

5. FAIR VALUE OF FINANCIAL INSTRUMENTS

The company holds a portfolio of marketable securities including investments to partially fund non-qualified employee benefit plans as well as investments in companies that are advancing or developing technologies applicable to our business. A portion of these securities are held in common/collective trust funds and are measured at fair value using net asset value (NAV) per share as a practical expedient; therefore, they are not categorized in the fair value hierarchy table below. Marketable securities are included in Other non-current assets in the unaudited condensed consolidated statements of financial position.

The company's derivative portfolio consists primarily of foreign currency forward contracts. Where model-derived valuations are appropriate, the company utilizes the income approach to determine the fair value using internal models based on observable market inputs.

NORTHROP GRUMMAN CORPORATION

The following table presents the financial assets and liabilities the company records at fair value identified by the level of inputs used to determine fair value:

<i>\$ in millions</i>	March 31, 2026				December 31, 2025			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Marketable securities	\$ 463	\$ —	\$ 24	\$ 487	\$ 454	\$ —	\$ 24	\$ 478
Marketable securities valued using NAV				5				5
Total marketable securities	463	—	24	492	454	—	24	483
Derivatives	—	—	—	—	—	2	—	2

There were no transfers of financial instruments into or out of Level 3 of the fair value hierarchy during the three months ended March 31, 2026.

Unrealized gains and losses from marketable securities, which are reflected in Other, net on the unaudited condensed consolidated statement of earnings and comprehensive income, were not material for the three months ended March 31, 2026 and 2025.

The notional value of the company's foreign currency forward contracts at March 31, 2026 and December 31, 2025 was \$318 million and \$308 million, respectively. The portion of notional value designated as a cash flow hedge at March 31, 2026 and December 31, 2025 was \$149 million and \$167 million, respectively.

The derivative fair values and related unrealized gains/losses at March 31, 2026 and December 31, 2025 were not material.

The carrying value of cash and cash equivalents and commercial paper approximates fair value.

Long-term Debt

The estimated fair value of the company's long-term debt was \$14.2 billion and \$15.1 billion as of March 31, 2026 and December 31, 2025, respectively. We calculated the fair value of long-term debt using Level 2 inputs, based on interest rates available for debt with terms and maturities similar to the company's existing debt arrangements. The current portion of long-term debt is recorded in Other current liabilities in the unaudited condensed consolidated statements of financial position.

Issuance of Senior Notes

In May 2025, the company issued \$1.0 billion of unsecured senior notes for general corporate purposes, including debt repayment, share repurchases, and working capital, as follows:

- \$500 million of 4.65% senior notes due 2030 (the "2030 Notes") and
- \$500 million of 5.25% senior notes due 2035 (the "2035 Notes").

We refer to the 2030 Notes and 2035 Notes together, as the "notes." Interest on the notes is payable semi-annually in arrears. The notes are generally subject to redemption, in whole or in part, at the company's discretion at any time, or from time to time, prior to maturity at a redemption price equal to the greater of 100% of the principal amount of the notes to be redeemed or an applicable "make-whole" amount, plus accrued and unpaid interest.

Repayment of Senior Notes

In March 2026, the company repaid \$270 million of 7.875% unsecured senior notes and \$257 million of 7.75% unsecured senior notes upon maturity.

In January 2025, the company repaid \$1.5 billion of 2.93% unsecured senior notes upon maturity.

NORTHROP GRUMMAN CORPORATION**6. INVESTIGATIONS, CLAIMS AND LITIGATION**

For over 25 years, the company has worked closely with the United States Navy, the United States Environmental Protection Agency, the New York State Department of Environmental Conservation, the New York State Department of Health and other federal, state and local governmental authorities, to address environmental conditions allegedly resulting from historic operations at the former United States Navy and Grumman facilities in Bethpage, New York. We have incurred, and expect to continue to incur, as included in Note 7, substantial remediation costs related to these Bethpage environmental conditions, including potential costs relating to unanticipated developments such as new discoveries of potential contaminants. It is also possible that applicable remediation standards and other requirements to which we are subject may continue to change, and that our costs may increase materially. In 2022, we resolved several disputes and regulatory proceedings concerning the scope and allocation of remediation responsibilities and costs related to this site and we continue remediation consistent with agreements through which those disputes were resolved. The company continues to be involved in other remediation-related disputes, none of which are material individually or in the aggregate. We are also a party to various individual lawsuits and a putative class action in the Eastern District of New York alleging personal injury and property damage related to the legacy Bethpage environmental conditions (the "Bethpage EDNY cases"). The court had previously stayed the filed individual lawsuits and recently set an April 24 hearing on plaintiffs' motion to lift that stay as to a subset of plaintiffs. Although the court has ordered, and the parties have submitted, supplemental briefing on pending class certification and expert motions in the putative class action, the parties remain engaged in a mediation. We are also a party, and may become a party, to other lawsuits brought by or against insurance carriers, and by other individual plaintiffs and/or putative classes, as well as other parties. We cannot at this time predict or reasonably estimate the potential outcomes or ranges of possible liability of the Bethpage EDNY cases.

The company received from the U.S. Department of Justice (DOJ) a criminal subpoena on December 9, 2022, and a civil investigative demand (CID) on February 2, 2023, both seeking information regarding financial and cost accounting and controls focused on the interest rate assumptions the company used to determine our U.S. Government Cost Accounting Standards (CAS) pension expense, which we discuss in Note 7 below. The company has responded to requests and expects to continue to engage with the government as these matters progress. We cannot at this point predict the outcome of these matters.

The company is a party to various other investigations, lawsuits, arbitration, claims, enforcement actions and other legal proceedings, including government investigations and claims, that arise in the ordinary course of our business. The nature of legal proceedings is such that we cannot assure the outcome of any particular matter. However, based on information available to the company to date, the company does not believe that the outcome of any of these other matters pending against the company is likely to have a material adverse effect on the company's unaudited condensed consolidated financial position as of March 31, 2026, or its annual results of operations and/or cash flows.

7. COMMITMENTS AND CONTINGENCIES**U.S. Government Cost Claims and Contingencies**

From time to time, the company is advised of claims by the U.S. government concerning certain potential disallowed costs, plus, at times, penalties and interest. When such findings are presented, the company and U.S. government representatives engage in discussions to enable the company to evaluate the merits of these claims, as well as to assess the amounts being claimed. Where appropriate, provisions are made to reflect the company's estimated exposure for such potential disallowed costs. Such provisions are reviewed periodically using the most recent information available. The company believes it has adequately reserved for disputed amounts that are probable and reasonably estimable, and that the outcome of any such matters would not have a material adverse effect on its unaudited condensed consolidated financial position as of March 31, 2026, or its annual results of operations and/or cash flows.

In 2019, the Defense Contract Management Agency (DCMA) raised questions about an interest rate assumption used by the company to determine our CAS pension expense. On June 1, 2020, DCMA provided written notice that the assumptions the company used during the period 2013-2019 were potentially noncompliant with CAS. We submitted a formal response on July 31, 2020, which we believed demonstrates the appropriateness of the assumptions used. On November 24, 2020, DCMA replied to the company's response, disagreeing with our position and requesting additional input, which we provided on February 22, 2021. We subsequently continued to exchange correspondence and engage with DCMA on this matter, including responding to requests for and providing additional information. On February 15, 2024, DCMA sent to the company a Contracting Officer's determination of noncompliance with CAS, which is an interim, non-final determination, and the parties engaged in discussions. In

NORTHROP GRUMMAN CORPORATION

addition, as noted in Note 6 above, the company received from the DOJ a criminal subpoena on December 9, 2022 and a CID on February 2, 2023, both seeking information related to the interest rate assumptions at issue in our discussions with DCMA. The company has responded to requests and expects to continue to engage with the government as these matters progress. We cannot at this point predict the outcome of these matters. The sensitivity to changes in interest rate assumptions makes it reasonably possible the outcome of these matters could have a material adverse effect on our financial position, results of operations and/or cash flows, although we are not currently able to estimate a range of any potential loss.

Environmental Matters

The table below summarizes the amount of accrued and deferred costs associated with the company's environmental remediation liabilities as of March 31, 2026 and December 31, 2025:

<i>\$ in millions</i>	March 31, 2026	December 31, 2025
Accrued costs ⁽¹⁾	\$ 561	\$ 547
Deferred costs ⁽²⁾	514	502

⁽¹⁾ As of March 31, 2026, \$213 million is recorded in Other current liabilities and \$348 million is recorded in Other non-current liabilities in the unaudited condensed consolidated statements of financial position. Estimated remediation costs are not discounted to present value.

⁽²⁾ The company defers the portion of environmental remediation costs we expect to be recoverable through overhead charges on U.S. government contracts. As of March 31, 2026, \$197 million is deferred in Prepaid expenses and other current assets and \$317 million is deferred in Other non-current assets in the unaudited condensed consolidated statements of financial position. These amounts are routinely evaluated for recoverability.

Reasonably possible future costs in excess of accrued costs were \$402 million and \$380 million as of March 31, 2026 and December 31, 2025, respectively. We currently expect any such future costs would be recoverable through overhead charges on our U.S. government contracts in a similar proportion as the amounts deferred in the table above.

Although we cannot predict whether (i) new information gained as our environmental remediation projects progress, (ii) changes in remediation standards or other requirements to which we are subject, or (iii) other changes in facts and circumstances will materially affect the estimated liability accrued, we do not anticipate that future remediation expenditures associated with our currently identified projects will have a material adverse effect on the company's unaudited condensed consolidated financial position as of March 31, 2026, or its annual results of operations and/or cash flows.

Financial Arrangements

In the ordinary course of business, the company uses standby letters of credit and guarantees issued by commercial banks and surety bonds issued principally by insurance companies to guarantee the performance on certain obligations. At March 31, 2026, there were \$597 million of stand-by letters of credit and guarantees and \$271 million of surety bonds outstanding.

Commercial Paper

The company maintains a commercial paper program that serves as a source of short-term financing with capacity to issue unsecured commercial paper notes up to \$3.0 billion. At March 31, 2026, the company had \$500 million of outstanding commercial paper borrowings at a weighted-average interest rate of 3.96%, with original maturities of three months or less from the date of issuance. The outstanding balance of commercial paper borrowings is recorded in Other current liabilities in the unaudited condensed consolidated statements of financial position.

Credit Facilities

The company maintains a five-year senior unsecured revolving credit facility in an aggregate principal amount of \$3.0 billion (the "2025 Credit Agreement") that matures in September 2030 and is intended to support the company's commercial paper program and other general corporate purposes. Commercial paper borrowings reduce the amount available for borrowing under the 2025 Credit Agreement. At March 31, 2026, there were no borrowings outstanding under this facility; however, the amount available for borrowing was reduced by the \$500 million of commercial paper borrowings described above.

The 2025 Credit Agreement contains generally customary terms and conditions, including covenants restricting the company's ability to sell all or substantially all of its assets, merge or consolidate with another entity or undertake other fundamental changes and incur liens. The company also cannot permit the ratio of its debt to capitalization (as set forth in the credit agreement) to exceed 65 percent.

NORTHROP GRUMMAN CORPORATION

At March 31, 2026, the company was in compliance with all covenants under its credit agreements.

8. RETIREMENT BENEFITS

The cost to the company of its pension and other postretirement benefit (OPB) plans is shown in the following table:

<i>\$ in millions</i>	Three Months Ended March 31			
	Pension Benefits		OPB	
	2026	2025	2026	2025
Components of net periodic benefit cost (benefit)				
Service cost	\$ 53	\$ 54	\$ 1	\$ 1
Interest cost	399	403	15	16
Expected return on plan assets	(565)	(540)	(22)	(21)
Amortization of prior service credit	—	—	(1)	(1)
Other	—	7	—	—
Net periodic benefit cost (benefit)	\$ (113)	\$ (76)	\$ (7)	\$ (5)

Employer Contributions

The company sponsors defined benefit pension and OPB plans, as well as defined contribution plans. We fund our defined benefit pension plans annually in a manner consistent with the Employee Retirement Income Security Act of 1974, as amended by the Pension Protection Act of 2006.

Contributions made by the company to its retirement plans are as follows:

<i>\$ in millions</i>	Three Months Ended March 31	
	2026	2025
Defined benefit pension plans	\$ 22	\$ 18
OPB plans	11	10
Defined contribution plans	229	229

9. STOCK COMPENSATION PLANS AND OTHER COMPENSATION ARRANGEMENTS
Stock Awards

The following table presents the number of restricted stock rights (RSRs) and restricted performance stock rights (RPSRs) granted to employees under the company's long-term incentive stock plan and the grant date aggregate fair value of those stock awards for the periods presented:

<i>in millions</i>	Three Months Ended March 31	
	2026	2025
RSRs granted	0.1	0.1
RPSRs granted	0.1	0.1
Grant date aggregate fair value	\$ 139	\$ 100

RSRs typically vest on the third anniversary of the grant date, while RPSRs generally vest and pay out based on the achievement of certain performance metrics and market conditions over a three-year period.

NORTHROP GRUMMAN CORPORATION**Cash Awards**

The following table presents the minimum and maximum aggregate payout amounts related to cash units (CUs) and cash performance units (CPUs) granted to employees in the periods presented:

<i>\$ in millions</i>	Three Months Ended March 31	
	2026	2025
Minimum aggregate payout amount	\$ —	\$ 35
Maximum aggregate payout amount	163	198

CUs typically vest and settle in cash on the third anniversary of the grant date, while CPUs generally vest and pay out in cash based on the achievement of certain performance metrics over a three-year period. During the three months ended March 31, 2026, there were no CUs granted to employees.

NORTHROP GRUMMAN CORPORATION
10. SEGMENT INFORMATION

The following table presents sales, operating costs and expenses, and operating income by segment:

<i>\$ in millions</i>	Three Months Ended March 31	
	2026	2025
Aeronautics Systems		
Sales	\$ 3,283	\$ 2,814
Operating costs and expenses:		
Product	2,294	2,358
Service	653	601
Intersegment	31	38
Aeronautics Systems operating income (loss)	305	(183)
Defense Systems		
Sales	1,899	1,805
Operating costs and expenses:		
Product	1,375	1,262
Service	294	324
Intersegment	46	40
Defense Systems operating income	184	179
Mission Systems		
Sales	2,861	2,807
Operating costs and expenses:		
Product	1,682	1,730
Service	419	434
Intersegment	327	282
Mission Systems operating income	433	361
Space Systems		
Sales	2,480	2,568
Operating costs and expenses:		
Product	1,811	1,829
Service	281	362
Intersegment	153	94
Space Systems operating income	235	283
Intersegment profit eliminations	(85)	(72)
Total segment operating income	1,072	568
FAS/CAS operating adjustment	7	63
Unallocated corporate expense	(90)	(58)
Total operating income	\$ 989	\$ 573
Other (expense) income		
Interest expense	(162)	(156)
Non-operating FAS pension benefit	166	130
Other, net	37	31
Earnings before income taxes	\$ 1,030	\$ 578

NORTHROP GRUMMAN CORPORATION

FAS/CAS Operating Adjustment

For financial statement purposes, we account for our employee pension plans in accordance with FAS. However, the cost of these plans is charged to our contracts in accordance with applicable Federal Acquisition Regulation (FAR) and CAS requirements. The FAS/CAS operating adjustment reflects the difference between CAS pension expense included as cost in segment operating income and the service cost component of FAS expense included in total operating income.

Unallocated Corporate Expense

Unallocated corporate expense includes the portion of corporate costs not considered allowable or allocable under applicable FAR and CAS requirements, and therefore not allocated to the segments, such as changes in deferred state income taxes and a portion of management and administration, legal, environmental, compensation, retiree benefits, advertising and other corporate unallowable costs. Unallocated corporate expense also includes costs not considered part of management's evaluation of segment operating performance, such as amortization of purchased intangible assets and the additional depreciation expense related to the step-up in fair value of property, plant and equipment acquired through business combinations, as well as certain compensation and other costs.

NORTHROP GRUMMAN CORPORATION
Disaggregation of Revenue
Sales by Customer Type

<i>\$ in millions</i>	Three Months Ended March 31			
	2026		2025	
	\$	% ⁽³⁾	\$	% ⁽³⁾
Aeronautics Systems				
U.S. government ⁽¹⁾	\$ 2,694	83 %	\$ 2,290	83 %
International ⁽²⁾	540	17 %	478	17 %
Other customers	15	— %	5	— %
Intersegment sales	34		41	
Aeronautics Systems sales	3,283		2,814	
Defense Systems				
U.S. government ⁽¹⁾	1,591	86 %	1,451	83 %
International ⁽²⁾	235	13 %	289	16 %
Other customers	21	1 %	20	1 %
Intersegment sales	52		45	
Defense Systems sales	1,899		1,805	
Mission Systems				
U.S. government ⁽¹⁾	1,979	80 %	1,973	80 %
International ⁽²⁾	464	19 %	475	19 %
Other customers	33	1 %	24	1 %
Intersegment sales	385		335	
Mission Systems sales	2,861		2,807	
Space Systems				
U.S. government ⁽¹⁾	2,200	95 %	2,309	94 %
International ⁽²⁾	42	2 %	44	2 %
Other customers	67	3 %	110	4 %
Intersegment sales	171		105	
Space Systems sales	2,480		2,568	
Total				
U.S. government ⁽¹⁾	8,464	86 %	8,023	84 %
International ⁽²⁾	1,281	13 %	1,286	14 %
Other customers	136	1 %	159	2 %
Total Sales	\$ 9,881		\$ 9,468	

⁽¹⁾ Sales to the U.S. government include sales from contracts for which we are the prime contractor, as well as those for which we are a subcontractor and the ultimate customer is the U.S. government. Each of the company's segments derives a substantial percentage of its revenue from the U.S. government.

⁽²⁾ International sales include sales from contracts for which we are the prime contractor, as well as those for which we are a subcontractor and the ultimate customer is an international customer to the extent that information is available to us or can be reasonably estimated. These sales include foreign military sales contracted through the U.S. government.

⁽³⁾ Percentages calculated based on external customer sales.

NORTHROP GRUMMAN CORPORATION
Sales by Contract Type

<i>\$ in millions</i>	Three Months Ended March 31			
	2026		2025	
	\$	% ⁽¹⁾	\$	% ⁽¹⁾
Aeronautics Systems				
Cost-type	\$ 1,359	42 %	\$ 1,339	48 %
Fixed-price	1,890	58 %	1,434	52 %
Intersegment sales	34		41	
Aeronautics Systems sales	3,283		2,814	
Defense Systems				
Cost-type	1,066	58 %	965	55 %
Fixed-price	781	42 %	795	45 %
Intersegment sales	52		45	
Defense Systems sales	1,899		1,805	
Mission Systems				
Cost-type	1,181	48 %	1,163	47 %
Fixed-price	1,295	52 %	1,309	53 %
Intersegment sales	385		335	
Mission Systems sales	2,861		2,807	
Space Systems				
Cost-type	1,330	58 %	1,540	63 %
Fixed-price	979	42 %	923	37 %
Intersegment sales	171		105	
Space Systems sales	2,480		2,568	
Total				
Cost-type	4,936	50 %	5,007	53 %
Fixed-price	4,945	50 %	4,461	47 %
Total Sales	\$ 9,881		\$ 9,468	

⁽¹⁾ Percentages calculated based on external customer sales.

NORTHROP GRUMMAN CORPORATION
Sales by Geographic Region⁽¹⁾

<i>\$ in millions</i>	Three Months Ended March 31			
	2026		2025	
	\$	% ⁽³⁾	\$	% ⁽³⁾
Aeronautics Systems				
United States	\$ 2,709	83 %	\$ 2,295	83 %
Asia/Pacific	229	7 %	200	7 %
Europe	289	9 %	269	10 %
Other geographic regions	22	1 %	9	— %
Intersegment sales	34		41	
Aeronautics Systems sales	3,283		2,814	
Defense Systems				
United States	1,612	87 %	1,471	84 %
Asia/Pacific	81	4 %	81	5 %
Europe	125	7 %	170	9 %
Other geographic regions	29	2 %	38	2 %
Intersegment sales	52		45	
Defense Systems sales	1,899		1,805	
Mission Systems				
United States	2,012	81 %	1,997	81 %
Asia/Pacific	114	5 %	128	5 %
Europe	252	10 %	239	10 %
Other geographic regions	98	4 %	108	4 %
Intersegment sales	385		335	
Mission Systems sales	2,861		2,807	
Space Systems				
United States	2,267	98 %	2,419	98 %
Asia/Pacific	18	1 %	8	— %
Europe	20	1 %	26	2 %
Other geographic regions	4	— %	10	— %
Intersegment sales	171		105	
Space Systems sales	2,480		2,568	
Total				
United States	8,600	87 %	8,182	86 %
Asia/Pacific	442	4 %	417	4 %
Europe	686	7 %	704	8 %
Other geographic regions ⁽²⁾	153	2 %	165	2 %
Total Sales	\$ 9,881		\$ 9,468	

⁽¹⁾ Sales are attributed to countries based on the ultimate customer's location to the extent that information is available to us or can be reasonably estimated. No country other than the United States represents greater than 10 percent of total company sales.

⁽²⁾ Other geographic regions are principally comprised of the Middle East.

⁽³⁾ Percentages calculated based on external customer sales.

NORTHROP GRUMMAN CORPORATION

Capital Expenditures and Depreciation and Amortization

The following table presents capital expenditures and depreciation and amortization for each of our reportable segments and for Corporate:

<i>\$ in millions</i>	Three Months Ended March 31	
	2026	2025
Capital Expenditures		
Aeronautics Systems	\$ 34	\$ 79
Defense Systems	16	12
Mission Systems	45	39
Space Systems	43	110
Corporate ⁽¹⁾	29	16
Total capital expenditures	\$ 167	\$ 256
Depreciation and Amortization		
Aeronautics Systems	\$ 91	\$ 89
Defense Systems	44	43
Mission Systems	69	67
Space Systems	96	79
Corporate ⁽¹⁾	72	59
Total depreciation and amortization	\$ 372	\$ 337

⁽¹⁾ Corporate amounts include the amortization of purchased intangible assets and the additional depreciation expense related to the step-up in fair value of PP&E acquired through business combinations as they are not considered part of management's evaluation of segment operating performance.

Assets

Our chief operating decision maker ("CODM") does not use assets by segment to evaluate segment performance or allocate resources. Therefore, we do not disclose assets by segment.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of
Northrop Grumman Corporation
Falls Church, Virginia

Results of Review of Interim Financial Information

We have reviewed the accompanying condensed consolidated statement of financial position of Northrop Grumman Corporation and subsidiaries (the “Company”) as of March 31, 2026, and the related condensed consolidated statements of earnings and comprehensive income, cash flows, and changes in shareholders’ equity for the three-month periods ended March 31, 2026 and 2025, and the related notes (collectively referred to as the “interim financial information”). Based on our reviews, we are not aware of any material modifications that should be made to the accompanying interim financial information for it to be in conformity with accounting principles generally accepted in the United States of America.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated statement of financial position of Northrop Grumman Corporation and subsidiaries as of December 31, 2025, and the related consolidated statements of earnings and comprehensive income, changes in shareholders’ equity, and cash flows for the year then ended (not presented herein); and in our report dated January 26, 2026, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated statement of financial position as of December 31, 2025, is fairly stated, in all material respects, in relation to the audited consolidated statement of financial position from which it has been derived.

Basis for Review Results

This interim financial information is the responsibility of the Company’s management. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our reviews in accordance with the standards of the PCAOB. A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the PCAOB, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

/s/ Deloitte & Touche LLP
McLean, Virginia
April 20, 2026

NORTHROP GRUMMAN CORPORATION**Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations****OVERVIEW**

Northrop Grumman Corporation (herein referred to as “Northrop Grumman,” the “company,” “we,” “us,” or “our”) is a leading global aerospace and defense technology company. We deliver a broad range of products, services and solutions to U.S. and international customers, and principally to the U.S. Department of War (“DoW”) 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. We are focused on competing and winning programs that enable continued growth, performing on our commitments and affordably delivering capability our customers need. With the investments we’ve made in advanced technologies, combined with our talented workforce and digital transformation capabilities, Northrop Grumman is well positioned to meet our customers’ needs today and in the future.

The following discussion should be read along with the financial statements included in this Form 10-Q, as well as “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” “Liquidity and Capital Resources,” “Quantitative and Qualitative Disclosures About Market Risks” and “Risk Factors” in our 2025 Annual Report on Form 10-K, which provides additional information on our business, the environment in which we operate and our operating results.

Divestiture of Training Services Business

On May 24, 2025 (the “Divestiture date”), the company completed its previously announced sale of substantially all of the Immersive Mission Solutions (IMS) operating unit of Defense Systems (the “training services” business or “divestiture”) for \$333 million in cash and recorded a pre-tax gain on sale of \$231 million. IMS is a provider of mission training and satellite ground network communications software for U.S. government customers. 2025 operating results include sales and operating income for the training services business prior to the Divestiture date.

Global Security Environment

The U.S. and its allies continue to face a dynamic global security environment of heightened tensions and instability, threats from state and non-state actors, including in particular major global powers, as well as terrorist organizations, increasing nuclear tensions, diverse regional security concerns, political instability and uncertainty concerning global strategic alliances. The market for defense products, services and solutions globally is driven by these complex and rapidly evolving security challenges, considered in the broader context of political and socioeconomic circumstances and priorities. Our operations and financial performance, as well as demand for our products and services, are impacted by these events, including global unrest. The same is true for our suppliers and other business partners.

The ongoing conflicts in Ukraine and Iran and threats elsewhere, particularly in the Middle East and the Western Pacific region, have increased global tensions and instability and highlighted security requirements globally. These conflicts have resulted in and may continue to result in increased demand for defense products and services from allies and partner nations, particularly in those regions. We continue to monitor developments in these regions, but have not experienced, and do not anticipate experiencing, significant adverse financial impacts directly from these conflicts.

We believe the current global security environment, characterized by significant national security threats to the U.S. and its allies, continues to highlight the need for strong deterrence and robust defense capabilities. We are actively evaluating both opportunities and risks associated with this environment and are moving with speed and at scale to deliver innovative solutions to our customers. We believe our capabilities, particularly in space, C4ISR, air and missile defense, battle management, solid rocket motors, advanced weapons, strategic deterrence, survivable aircraft, autonomous aircraft systems and mission systems should help our customers in the U.S. and globally defend against current and future threats and, as a result, continue to position us for long-term profitable business growth.

Global Economic Environment

Over the past several years, the global economic environment has experienced challenges, including inflationary pressures; widespread delays and disruptions in supply chains; constraints on the availability of critical materials, including rare earth minerals and metals; business slowdowns or shutdowns; workforce challenges and labor shortfalls; and market volatility. These macroeconomic factors have contributed, and could continue to contribute, to increased costs, delays, disruptions and other performance challenges, as well as increased competing demands for

NORTHROP GRUMMAN CORPORATION

limited resources to address such increased costs and other challenges, for our company, our suppliers and partners, and our customers. We continue to work to address challenges to our business caused by the macroeconomic environment. We have seen progress in the supply chain as on-time deliveries and quality continue to improve. In remaining areas of pressure, we are proactively working with our suppliers to help meet our contract commitments.

In addition, if interest rates increase or otherwise fluctuate, it could impact government spending priorities (in the U.S. and allied countries, in particular), including the demand for defense products. Economic tensions and changes in international trade policies, including, for example, widespread tariffs announced since last year by the U.S. on its major trading partners, higher tariffs on imported goods and materials and actions taken in response (such as retaliatory tariffs or other trade protectionist measures or the renegotiation of free trade agreements), could also further impact the global market for defense products, services and solutions. In addition, following the recent U.S. Supreme Court decision that invalidated tariffs imposed pursuant to the International Emergency Economic Powers Act (“IEEPA”), the U.S. announced tariffs under different statutory authorities, including a 10% global tariff. The full impact of these governmental actions on macroeconomic conditions and on our business is uncertain, difficult to predict and depends on a number of factors, including the extent and duration of tariffs, the availability of exemptions, changes in the amount and scope of tariffs, any reversal or temporary suspension of announced tariffs, the availability of refunds for tariffs paid under IEEPA, the imposition of new tariffs and other measures that target countries may take in response to U.S. trade policies, and possible resulting general inflationary pressures in the global economy. We are continuing to monitor the impact on our business, suppliers and customers, but do not believe that the tariffs, including the IEEPA tariffs, have had or will have a material adverse effect on our business.

U.S. Political, Budget and Regulatory Environment

The U.S. continues to face an uncertain and evolving political, budget and regulatory environment. In particular, it is difficult to predict the specific course of future defense budgets. Current and future requirements related to the conflicts in Ukraine and Iran and threats in the Middle East, the Western Pacific and Latin America and other security priorities, as well as the macroeconomic environment, the national debt, and other domestic priorities, among other things, in the U.S. and globally, will continue to impact our customers’ budgets, spending and priorities, and our industry. The U.S. political environment may also impact defense budgets and priorities, issues related to the national debt, and government spending more broadly. We anticipate that issues related to budgetary priorities, defense spending levels and the debt ceiling will continue to be subjects of considerable debate, with a potentially significant impact on our programs and the company.

On July 4, 2025, the FY 2025 reconciliation bill titled the One Big Beautiful Bill Act (the “OBBBA”) was enacted. The OBBBA allocates approximately \$150 billion in mandatory defense funding, including funding for air and missile defense, munitions, strategic deterrence, shipbuilding and supply chains and other military capabilities, and the appropriated funds will remain available to be obligated until September 30, 2029 and expended through FY 2034. The OBBBA is expected to result in increased investments by the DoW in defense modernization projects and Pacific region deterrence, among other programs. See Note 4 to the financial statements for additional information on key income tax provisions of the OBBBA.

On February 3, 2026, annual appropriations to fund a vast majority of the federal government for FY 2026 were enacted. The legislation finalized 11 of the 12 regular appropriations bills for FY 2026 and includes approximately \$859 billion for defense. The legislation did not fund the Department of Homeland Security (“DHS”), which was instead funded under a continuing resolution through February 13, 2026. After the DHS continuing resolution expired, the federal government entered a partial shutdown, which remains in effect. We do not believe that the ongoing partial shutdown will have a material adverse effect on our business.

The Presidential Administration (the “Administration”) has issued numerous executive orders, including orders to undertake a comprehensive overhaul of the Federal Acquisition Regulation, to reform the DoW defense acquisition process and, more recently, to address underperformance and insufficient prioritization of government contracts, insufficient investment in production and production speed and incentive compensation metrics applicable to defense contractors. See “Risk factors” for further discussion regarding risks associated with executive orders and regulatory changes. Some of the Administration’s executive orders are subject to ongoing court challenges. Implementation of certain of these executive orders could adversely affect our business or create a more challenging or costly regulatory, operating and economic environment.

In light of the ongoing conflicts and heightened global instability as well as political tensions and related legal challenges, we expect continued uncertainty in the global security, U.S. political, budget and regulatory environment. Initiatives to reduce governmental spending, federal budget and debt ceiling action, and further

NORTHROP GRUMMAN CORPORATION

changes in U.S. government policy positions, including trade and foreign policy, tax policy and DoW policies or priorities, could materially impact defense spending broadly and the company's programs in particular.

B-21 Program

In 2015, the U.S. Air Force awarded Northrop Grumman the B-21 contract, which includes a base contract for engineering and manufacturing development (EMD) and five low-rate initial production (LRIP) options for a baseline total of 21 aircraft. The EMD phase of the program is largely cost type and began at contract award. The LRIP options are largely fixed price and are expected to continue to be awarded and executed through approximately the end of the decade. Northrop Grumman and the U.S. Air Force have also established not to exceed (NTE) pricing for two additional lots. The average value for these NTE lots is above the average unit price of the five LRIP lots, and the NTE lots include an economic price adjustment clause to help protect against certain inflationary pressures. Final terms, quantity, and pricing for the NTE lots are not fully negotiated.

During the first quarter of 2026, we reached an agreement with the U.S. Air Force to expand production capacity for the B-21 program and increase the aircraft production rate. We currently expect to invest approximately \$2.5 billion over a multi-year period to expand production capacity; in return, we have the opportunity to earn improved returns on the LRIP and NTE phases of the program.

During the fourth quarter of 2023, we recognized a projected loss of \$1.56 billion across the five LRIP options. During the first quarter of 2025, we recognized an additional \$477 million loss across the five LRIP options. During the first quarter of 2026, we again reviewed our estimated profitability on the LRIP phase of the program and made no significant changes to the previously recognized loss. However, impacts from the recent agreement with the U.S. Air Force and higher estimated production costs resulted in a \$157 million net unfavorable EAC adjustment on the first four LRIP lots, which was offset by a net reduction in the loss contingency accrual on the remainder of the program.

The company's first quarter 2026 results reflect our current best estimate of cost to complete the LRIP and NTE aircraft, as well as the outcome of ongoing discussions with our suppliers. If our estimated cost to complete the aircraft changes, or if our assumptions regarding contract performance, quantities, or supplier negotiations are resolved more or less favorably than what we have estimated, our financial position, results of operations and/or cash flows could be materially affected.

Sentinel Program

In 2020, the U.S. Air Force awarded Northrop Grumman a \$13.3 billion contract for the EMD phase of the Sentinel program. In January 2024, the U.S. Air Force provided congressional notification that the Sentinel program was under a Nunn-McCurdy breach review, which is required when total program cost estimates exceed certain defined thresholds. This notification, which had been driven primarily by increases in cost estimates for the Production and Deployment phases, commenced the process to achieve certification for continuance of the program and update its baseline cost estimates. We are currently executing under a cost-type contract for the EMD phase, and the Production and Deployment phases are yet to be priced and negotiated.

In July 2024, the Sentinel program was certified for continuation by the DoW upon completion of the Nunn-McCurdy breach review. In connection with the certification, the DoW directed that the program be restructured, including plans for infrastructure related to the command and launch segment, which was the main driver of the increased cost estimates for the Production and Deployment phases.

During the second quarter of 2025, we partnered with the U.S. Air Force in defining the preliminary execution framework necessary for successful restructure of the program. The program restructure will include a revision to the acquisition strategy, joint establishment of a new program baseline, and other critical preparation activities necessary to re-accomplish Milestone B approval.

During the first quarter of 2026, we reviewed our estimated profitability on the Sentinel program and made no significant changes. If our estimated cost to complete the restructured EMD effort or our expectations for achieving contract incentives are more or less favorable than what we have estimated, our financial position, results of operations and/or cash flows could be materially affected.

NORTHROP GRUMMAN CORPORATION

Operating Performance Assessment and Reporting

In evaluating our operating performance, we primarily focus on changes in sales and operating margin rates. Where applicable, significant fluctuations in operating performance attributable to individual contracts or programs, or changes in a specific cost element across multiple contracts, are described in our analysis. Based on this approach and the nature of our operations, the discussion of results of operations below first focuses on our four segments before distinguishing between products and services. Changes in sales are generally described in terms of volume, while changes in operating margin rates are generally described in terms of performance and/or contract mix. For purposes of this discussion, volume generally refers to increases or decreases in sales or cost from production/service activity levels and performance generally refers to non-volume-related changes in profitability, which are typically described in terms of changes in net EAC adjustments. Contract mix generally refers to changes in the ratio of contract type and/or life cycle (e.g., cost-type, fixed-price, development, production, and/or sustainment). Contract mix can also refer to differences in the profitability of the programs that drive changes in sales (e.g., sales growth or decreases on programs with accretive or dilutive margin rates).

CONSOLIDATED OPERATING RESULTS

For purposes of the operating results discussion below, we assess our performance using certain financial measures that are not calculated in accordance with GAAP. Organic sales is defined as total sales excluding sales attributable to the company's former training services business. This measure may be useful to investors and other users of our financial statements as a supplemental measure in evaluating the company's underlying sales growth as well as in understanding our ongoing business and future sales trends by presenting the company's sales adjusted for the impact of the divestiture.

We reconcile this non-GAAP financial measure to its most directly comparable GAAP financial measure below. This non-GAAP measure may not be defined and calculated by other companies in the same manner and should not be considered in isolation or as an alternative to operating results presented in accordance with GAAP.

Selected financial highlights are presented in the table below:

<i>\$ in millions, except per share amounts</i>	Three Months Ended March 31		% Change
	2026	2025	
Sales	\$ 9,881	\$ 9,468	4 %
Operating costs and expenses	8,892	8,895	— %
<i>Operating costs and expenses as a % of sales</i>	<i>90.0%</i>	<i>93.9%</i>	
Operating income	989	573	73 %
<i>Operating margin rate</i>	<i>10.0%</i>	<i>6.1%</i>	
Federal and foreign income tax expense	155	97	60 %
<i>Effective income tax rate</i>	<i>15.0%</i>	<i>16.8%</i>	
Net earnings	875	481	82 %
Diluted earnings per share	\$ 6.14	\$ 3.32	85 %

NORTHROP GRUMMAN CORPORATION**Sales**

The table below reconciles sales to organic sales:

<i>\$ in millions</i>	Three Months Ended March 31		% Change
	2026	2025	
Sales	\$ 9,881	\$ 9,468	4 %
Less: Training services sales	—	(72)	
Organic sales	\$ 9,881	\$ 9,396	5 %

First quarter 2026 sales increased \$413 million, or 4 percent, due to higher sales of \$469 million at Aeronautics Systems, as well as higher sales at Defense Systems and Mission Systems. These increases were partially offset by \$116 million of higher intercompany eliminations and lower sales at Space Systems due to the wind-down of work on the Next Generation Interceptor (NGI) program.

See “Segment Operating Results” below for further information by segment and “Product and Service Analysis” for product and service detail. See Note 10 to the financial statements for information regarding the company’s sales by customer type, contract type and geographic region for each of our segments.

Operating Income and Margin Rate

First quarter 2026 operating income increased \$416 million, or 73 percent, largely driven by the prior year \$477 million B-21 loss provision at Aeronautics Systems, partially offset by a \$56 million decrease in the FAS/CAS operating adjustment. Operating margin rate increased to 10.0 percent from 6.1 percent reflecting the items above.

First quarter 2026 G&A costs as a percentage of sales decreased to 9.8 percent from 10.6 percent in the prior year period primarily due to higher sales and cost management.

See “Segment Operating Results” below for further information by segment. For information regarding product and service operating costs and expenses, see “Product and Service Analysis” below.

Federal and Foreign Income Taxes

First quarter 2026 income tax expense increased \$58 million, or 60 percent, due to \$452 million of higher earnings before income taxes, partially offset by a lower effective tax rate (ETR). The first quarter 2026 ETR decreased to 15.0 percent from 16.8 percent primarily due to higher research credits, including a benefit related to CAMT guidance recently issued by the IRS.

See Note 4 to the financial statements for additional information.

Net Earnings

First quarter 2026 net earnings increased \$394 million, or 82 percent, primarily due to the \$416 million increase in operating income described above and a \$36 million increase in the non-operating FAS pension benefit, partially offset by a \$58 million increase in income tax expense.

Diluted Earnings Per Share

First quarter 2026 diluted earnings per share increased \$2.82, or 85 percent, reflecting an 82 percent increase in net earnings and a 2 percent reduction in weighted-average diluted shares outstanding.

NORTHROP GRUMMAN CORPORATION
SEGMENT OPERATING RESULTS
Basis of Presentation

The company is aligned in four operating sectors, which also comprise our reportable segments: Aeronautics Systems, Defense Systems, Mission Systems and Space Systems.

Segment Operating Income and Margin Rate

Segment operating income, as reconciled in the table below, and segment operating margin rate (segment operating income divided by sales) are non-GAAP measures that reflect the combined operating income of our four segments less the operating income associated with intersegment sales. Segment operating income includes pension expense allocated to our sectors under FAR and CAS and excludes FAS pension service expense and unallocated corporate items (certain corporate-level expenses, which are not considered allowable or allocable under applicable FAR and CAS requirements, and costs not considered part of management's evaluation of segment operating performance). These non-GAAP measures may be useful to investors and other users of our financial statements as supplemental measures in evaluating the financial performance and operational trends of our sectors. These measures may not be defined and calculated by other companies in the same manner and should not be considered in isolation or as alternatives to operating results presented in accordance with GAAP.

<i>\$ in millions</i>	Three Months Ended March 31		% Change
	2026	2025	
Operating income	\$ 989	\$ 573	73 %
Operating margin rate	10.0 %	6.1 %	
Reconciliation to segment operating income:			
CAS pension expense	(60)	(117)	(49) %
FAS pension service expense	53	54	(2) %
FAS/CAS operating adjustment	(7)	(63)	(89) %
Intangible asset amortization and PP&E step-up depreciation	21	21	— %
Other unallocated corporate expense	69	37	86 %
Unallocated corporate expense	90	58	55 %
Segment operating income	\$ 1,072	\$ 568	89 %
Segment operating margin rate	10.8 %	6.0 %	

First quarter 2026 segment operating income increased \$504 million, or 89 percent, primarily due to \$488 million of higher operating income at Aeronautics Systems and \$72 million of higher operating income at Mission Systems, partially offset by \$48 million of lower operating income at Space Systems. Segment operating margin rate increased to 10.8 percent from 6.0 percent primarily due to a higher operating margin rate at Aeronautics Systems and Mission Systems, partially offset by a lower operating margin rate at Space Systems.

FAS/CAS Operating Adjustment

The first quarter 2026 FAS/CAS operating adjustment reflects lower CAS pension expense largely driven by favorable plan asset returns in prior years.

Unallocated Corporate Expense

The increase in first quarter 2026 unallocated corporate expense is primarily due to the resolution of a litigation matter as well as higher deferred state tax expense largely related to the repeal of mandatory capitalization of research and development expenditures under IRC Section 174.

Net EAC Adjustments - We record changes in estimated contract earnings at completion (net EAC adjustments) using the cumulative catch-up method of accounting. Net EAC adjustments can have a significant effect on segment operating income and margin rate.

NORTHROP GRUMMAN CORPORATION

The aggregate favorable and unfavorable EAC adjustments are presented in the table below:

<i>\$ in millions</i>	Three Months Ended March 31	
	2026	2025
Favorable EAC adjustments	\$ 660	\$ 324
Unfavorable EAC adjustments	(740)	(424)
Net EAC adjustments	\$ (80)	\$ (100)

Net EAC adjustments by segment are presented in the table below:

<i>\$ in millions</i>	Three Months Ended March 31	
	2026	2025
Aeronautics Systems	\$ (107)	\$ (189)
Defense Systems	15	23
Mission Systems	51	37
Space Systems	(38)	29
Eliminations	(1)	—
Net EAC adjustments	\$ (80)	\$ (100)

AERONAUTICS SYSTEMS

<i>\$ in millions</i>	Three Months Ended March 31		% Change
	2026	2025	
Sales	\$ 3,283	\$ 2,814	17 %
Operating income (loss)	305	(183)	NM
Operating margin rate	9.3 %	(6.5)%	

Sales

First quarter 2026 sales increased \$469 million, or 17 percent, primarily due to higher sales on B-21 and other restricted programs as well as increased volume on the E-130J TACAMO program as it ramps up. The higher B-21 sales reflect the company's first quarter 2026 agreement with the U.S. Air Force to expand production capacity and increase the aircraft production rate, including the sale of a company-owned test asset. The sales increases were partially offset by a decrease on F/A-18 as final production deliveries have completed.

Operating Income

First quarter 2026 operating income increased \$488 million and operating margin rate increased to 9.3 percent primarily due to the absence of the prior year B-21 loss provision.

DEFENSE SYSTEMS

<i>\$ in millions</i>	Three Months Ended March 31		% Change
	2026	2025	
Sales	\$ 1,899	\$ 1,805	5 %
Less: Training services sales	—	(72)	
Organic sales	\$ 1,899	\$ 1,733	10 %
Operating income	\$ 184	\$ 179	3 %
Operating margin rate	9.7 %	9.9 %	

Sales

First quarter 2026 sales increased \$94 million, or 5 percent, primarily due to higher volume on Sentinel as that program continues to ramp, as well as higher volume on tactical solid rocket motor programs and across the Integrated Battle Command System (IBCS) portfolio. These increases were partially offset by a \$72 million reduction in sales related to the divested training services business.

NORTHROP GRUMMAN CORPORATION**Operating Income**

First quarter 2026 operating income increased \$5 million, or 3 percent, primarily due to higher sales, partially offset by a lower operating margin rate. Operating margin rate decreased to 9.7 percent from 9.9 percent principally due to lower net EAC adjustments.

MISSION SYSTEMS

<i>\$ in millions</i>	Three Months Ended March 31		% Change
	2026	2025	
Sales	\$ 2,861	\$ 2,807	2 %
Operating income	433	361	20 %
<i>Operating margin rate</i>	15.1 %	12.9 %	

Sales

First quarter 2026 sales increased \$54 million, or 2 percent, primarily due to ramp-up on restricted airborne radar programs and higher volume on marine systems programs, partially offset by lower volume on the Scalable Agile Beam Radar program and airborne electronic warfare programs.

Operating Income

First quarter 2026 operating income increased \$72 million, or 20 percent, primarily due to a higher operating margin rate and higher sales. Operating margin rate increased to 15.1 percent from 12.9 percent, primarily due to prior year investments made by the sector in connection with restricted business opportunities, as well as higher net EAC adjustments in the current year.

SPACE SYSTEMS

<i>\$ in millions</i>	Three Months Ended March 31		% Change
	2026	2025	
Sales	\$ 2,480	\$ 2,568	(3) %
Operating income	235	283	(17) %
<i>Operating margin rate</i>	9.5 %	11.0 %	

Sales

First quarter 2026 sales decreased \$88 million, or 3 percent, primarily due to wind-down of work on the NGI program, which reduced sales by \$98 million, as well as lower sales on the GEM 63XL program related to the unfavorable EAC adjustment described below. These decreases were partially offset by higher volume on Space Development Agency satellite programs driven by ramp-up on the Tranche 3 tracking layer award.

Operating Income

First quarter 2026 operating income decreased \$48 million, or 17 percent, due to a lower operating margin rate and lower sales. Operating margin rate decreased to 9.5 percent from 11.0 percent, largely due to lower net EAC adjustments, including a \$71 million unfavorable adjustment on GEM 63XL associated with a launch anomaly that occurred during the first quarter.

NORTHROP GRUMMAN CORPORATION
PRODUCT AND SERVICE ANALYSIS

The following table presents product and service sales and operating costs and expenses by segment:

<i>\$ in millions</i>	Three Months Ended March 31			
	2026		2025	
Segment Information:	Sales	Operating Costs and Expenses	Sales	Operating Costs and Expenses
Aeronautics Systems				
Product	\$ 2,494	\$ 2,294	\$ 2,091	\$ 2,358
Service	755	653	682	601
Intersegment eliminations	34	31	41	38
Total Aeronautics Systems	3,283	2,978	2,814	2,997
Defense Systems				
Product	1,517	1,375	1,405	1,262
Service	330	294	355	324
Intersegment eliminations	52	46	45	40
Total Defense Systems	1,899	1,715	1,805	1,626
Mission Systems				
Product	1,966	1,682	1,961	1,730
Service	510	419	511	434
Intersegment eliminations	385	327	335	282
Total Mission Systems	2,861	2,428	2,807	2,446
Space Systems				
Product	1,981	1,811	2,064	1,829
Service	328	281	399	362
Intersegment eliminations	171	153	105	94
Total Space Systems	2,480	2,245	2,568	2,285
Segment Totals				
Total Product	\$ 7,958	\$ 7,162	\$ 7,521	\$ 7,179
Total Service	1,923	1,647	1,947	1,721
Total Segment⁽¹⁾	\$ 9,881	\$ 8,809	\$ 9,468	\$ 8,900

⁽¹⁾ A reconciliation of segment operating income to total operating income is included in "Segment Operating Results."

Product Sales and Costs

First quarter 2026 product sales increased \$437 million, or 6 percent, primarily due to higher sales on B-21 at Aeronautics Systems, as well as higher volume on Sentinel, tactical solid rocket motor programs and across the IBCS portfolio at Defense Systems. These increases were partially offset by the wind-down of work on the NGI program and lower sales on GEM 63XL at Space Systems.

First quarter 2026 product costs were comparable to the prior year, reflecting a higher operating margin rate principally due to the absence of the prior year B-21 loss provision at Aeronautics Systems and investments made in connection with restricted business opportunities at Mission Systems.

Service Sales and Costs

First quarter 2026 service sales decreased \$24 million, or 1 percent, primarily due to lower restricted sales at Space Systems and lower service volume at Defense Systems due to the training services divestiture, partially offset by higher restricted sales at Aeronautics Systems.

First quarter 2026 service costs decreased \$74 million, or 4 percent, reflecting a higher operating margin rate principally driven by higher net EAC adjustments on service programs across each of the sectors.

NORTHROP GRUMMAN CORPORATION
BACKLOG

Backlog consisted of the following as of March 31, 2026 and December 31, 2025:

<i>\$ in millions</i>	March 31, 2026			December 31, 2025		% Change in 2026
	Funded	Unfunded	Total Backlog	Total Backlog		
Aeronautics Systems	\$ 12,996	\$ 11,275	\$ 24,271	\$ 23,052		5 %
Defense Systems	7,759	19,970	27,729	27,796		— %
Mission Systems	12,887	4,916	17,803	18,632		(4)%
Space Systems	10,426	15,379	25,805	26,201		(2)%
Total backlog	\$ 44,068	\$ 51,540	\$ 95,608	\$ 95,681		— %

First quarter 2026 net awards totaled \$9.8 billion and backlog totaled \$95.6 billion. Significant first quarter new awards include \$4.9 billion for restricted programs (primarily at Aeronautics Systems, Space Systems, and Mission Systems), \$0.5 billion for F-35 (primarily at Aeronautics Systems), \$0.5 billion for infrared countermeasures programs, and \$0.4 billion for Triton.

LIQUIDITY AND CAPITAL RESOURCES

We are focused on the efficient conversion of operating income into cash to provide for the company's material cash requirements, including working capital needs, satisfaction of contractual commitments, funding of our pension and OPB plans, investment in our business through capital expenditures, and shareholder returns.

At March 31, 2026, we had \$2.1 billion in cash and cash equivalents. We expect cash and cash equivalents and cash generated from operating activities, supplemented by borrowings under credit facilities, commercial paper and/or in the capital markets, if needed, to be sufficient to provide liquidity to the company in the short-term and long-term. The company has a five-year senior unsecured revolving credit facility in an aggregate principal amount of \$3.0 billion, and in April 2026, we renewed our one-year \$500 million uncommitted credit facility. At March 31, 2026, there were no borrowings outstanding under these credit facilities; however, as of March 31, 2026, we had \$500 million in commercial paper outstanding, which reduced the amount available for borrowing under our unsecured revolving credit facility by that amount.

Cash Flow Measures

In addition to our cash position, we consider various cash flow measures in capital deployment decision-making, including cash provided by operating activities and free cash flow, a non-GAAP measure described in more detail below.

Operating Cash Flow

The table below summarizes key components of cash used in operating activities:

<i>\$ in millions</i>	Three Months Ended March 31		% Change
	2026	2025	
Net earnings	\$ 875	\$ 481	82 %
Changes in trade working capital ⁽¹⁾	(2,074)	(2,187)	(5)%
Other, net	(457)	141	NM
Net cash used in operating activities	\$ (1,656)	\$ (1,565)	(6)%

⁽¹⁾ Beginning in the fourth quarter of 2025, the company redefined trade working capital presented in this table to include accounts receivable, unbilled receivables, inventoried costs, trade accounts payable and advance payments and billings in excess of costs incurred. Prior period amounts and disclosures have been recast to conform to the current period presentation.

First quarter 2026 net cash used in operating activities was comparable with the same period in 2025. Net cash used in operating activities reflects increases in trade working capital, consistent with the company's historical timing of operating cash flows, which are generally more heavily weighted towards the second half of the year.

Free Cash Flow

Free cash flow, as reconciled in the table below, is a non-GAAP measure defined as net cash provided by or used in operating activities less capital expenditures, and may not be defined and calculated by other companies in the same

NORTHROP GRUMMAN CORPORATION

manner. We use free cash flow as a key factor in our planning for, and consideration of, acquisitions, the payment of dividends and stock repurchases. This non-GAAP measure may be useful to investors and other users of our financial statements as a supplemental measure of our cash performance, but should not be considered in isolation, as a measure of residual cash flow available for discretionary purposes, or as an alternative to operating cash flows presented in accordance with GAAP.

The table below reconciles net cash used in operating activities to free cash flow:

<i>\$ in millions</i>	Three Months Ended March 31		% Change
	2026	2025	
Net cash used in operating activities	\$ (1,656)	\$ (1,565)	(6)%
Capital expenditures	(167)	(256)	(35)%
Free cash flow	\$ (1,823)	\$ (1,821)	—%

First quarter 2026 free cash flow was comparable with the prior year period and reflects a \$91 million increase in net cash used in operating activities and an \$89 million reduction in capital expenditures.

Investing Cash Flow

First quarter 2026 net cash used in investing activities decreased \$84 million, or 33 percent, as compared with the same period in 2025 principally due to lower capital expenditures.

Financing Cash Flow

First quarter 2026 net cash used in financing activities decreased \$362 million, or 43 percent, as compared with the same period in 2025, primarily due to a \$412 million decrease in share repurchases.

Credit Facilities, Commercial Paper and Financial Arrangements - See Note 7 to the financial statements for further information on our credit facilities, commercial paper and our use of standby letters of credit and guarantees.

Share Repurchases - See Note 2 to the financial statements for further information on our share repurchase programs.

Long-term Debt - See Note 5 to the financial statements for further information.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

There have been no material changes to our critical accounting policies and estimates from those discussed in our 2025 Annual Report on Form 10-K.

ACCOUNTING STANDARDS UPDATES

See Note 1 to our financial statements for further information on accounting standards updates.

FORWARD-LOOKING STATEMENTS AND PROJECTIONS

This Form 10-Q and the information we are incorporating by reference contain statements that constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as “will,” “expect,” “anticipate,” “intend,” “may,” “could,” “should,” “plan,” “project,” “forecast,” “believe,” “estimate,” “guidance,” “outlook,” “trends,” “goals” and similar expressions generally identify these forward-looking statements. Forward-looking statements include, among other things, statements relating to our future financial condition, results of operations and/or cash flows. Forward-looking statements are based upon assumptions, expectations, plans and projections that we believe to be reasonable when made, but which may change over time. These statements are not guarantees of future performance and inherently involve a wide range of risks and uncertainties that are difficult to predict. Specific risks that could cause actual results to differ materially from those expressed or implied in these forward-looking statements include, but are not limited to, those identified and discussed more fully in the section entitled “Risk Factors” in our 2025 Annual Report on Form 10-K and from time to time in our other filings with the SEC. They include:

Industry and Economic Risks

- our dependence on the U.S. government for a substantial portion of our business
- significant delays or reductions in appropriations and/or for our programs, and U.S. government funding and program support more broadly, including as a result of a prolonged continuing resolution and/or government shutdown, and/or related to the global security environment or other global events

NORTHROP GRUMMAN CORPORATION

- significant delays or reductions in payments as a result of or related to a breach of the debt ceiling or a prolonged government shutdown
- the use of estimates when accounting for our contracts and the effect of contract cost growth and our efforts to recover or offset such costs and/or changes in estimated contract costs and revenues, including as a result of inflationary pressures, labor shortages, supply chain challenges, changes in trade policies and/or other macroeconomic factors, and risks related to management's judgments and assumptions in estimating and/or projecting contract revenue and performance which may be inaccurate
- increased competition within our markets and bid protests
- continued pressures from macroeconomic trends, including on costs, schedules, performance and ability to meet expectations

Legal and Regulatory Risks

- investigations, claims, disputes, enforcement actions, litigation (including criminal, civil and administrative) and/or other legal proceedings
- changes in procurement and other laws, SEC, DoW and other rules and regulations, including changes through executive orders, contract terms and practices applicable to our industry, findings by the U.S. government as to our compliance with such requirements, more aggressive enforcement of such requirements and changes in our customers' business practices and preferences globally
- the improper conduct of employees, agents, subcontractors, suppliers, business partners or joint ventures in which we participate, including the impact on our reputation and our ability to do business
- environmental matters, unforeseen environmental costs and government and third-party claims
- unanticipated changes in our tax provisions or exposure to additional tax liabilities

Business and Operational Risks

- cyber and other security threats or disruptions faced by us, our customers or our suppliers and other partners, and changes in related regulations
- the performance and viability of our subcontractors and suppliers and the availability and pricing of raw materials, critical minerals and metals, chemicals, parts and components, particularly with inflationary pressures, increased costs, pricing changes, shortages in labor and financial resources, supply chain disruptions, and extended material lead times
- our ability to attract and retain a qualified and talented workforce with the necessary security clearances to meet our performance obligations
- our exposure to additional risks as a result of our international business, including risks related to global security and strategic alliances, geopolitical and economic factors, misconduct, suppliers, laws and regulations
- our ability to innovate, develop new products and technologies, progress and benefit from digital transformation and maintain technologies to meet the needs of our customers
- natural disasters, epidemics, pandemics and similar outbreaks and other significant disruptions
- products and services we provide related to hazardous and high risk operations, including the production and use of such products, which subject us to various environmental, regulatory, financial, reputational and other risks
- our ability appropriately to protect and exploit intellectual property rights

General and Other Risk Factors

- the adequacy and availability of, and ability to obtain, insurance coverage, customer indemnifications or other liability protections
- the future investment performance of plan assets, gains or losses associated with changes in valuation of marketable securities related to our non-qualified benefit plans, changes in actuarial assumptions associated with our pension and other postretirement benefit plans and legislative or other regulatory actions impacting our pension and postretirement benefit obligations
- changes in business conditions that could impact business investments and/or recorded goodwill or the value of other long-lived assets, and other potential future liabilities

NORTHROP GRUMMAN CORPORATION

You are urged to consider the limitations on, and risks associated with, forward-looking statements and not unduly rely on the accuracy of forward-looking statements. These forward-looking statements speak only as of the date this report is first filed or, in the case of any document incorporated by reference, the date of that document. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

There have been no material changes to our market risks from those discussed in our 2025 Annual Report on Form 10-K.

Item 4. Controls and Procedures

DISCLOSURE CONTROLS AND PROCEDURES

Our principal executive officer (Chair, Chief Executive Officer and President) and principal financial officer (Corporate Vice President and Chief Financial Officer) have evaluated the company's disclosure controls and procedures (as defined in Rule 13a-15(e) and Rule 15d-15(e) of the Securities Exchange Act of 1934 (the Exchange Act)) as of March 31, 2026, and have concluded that these controls and procedures are effective to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. These disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in the reports that we file or submit is accumulated and communicated to management, including the principal executive officer and the principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

During the three months ended March 31, 2026, no changes occurred in our internal control over financial reporting that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

NORTHROP GRUMMAN CORPORATION

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

We have provided information about certain legal proceedings in which we are involved in Notes 6 and 7 to the financial statements.

We are a party to various investigations, lawsuits, arbitration, claims, enforcement actions and other legal proceedings, including government investigations and claims, that arise in the ordinary course of our business. These types of matters could result in administrative, civil or criminal fines, penalties or other sanctions (which terms include judgments or convictions and consent or other voluntary decrees or agreements); compensatory, treble or other damages; non-monetary relief; or other liabilities. Government regulations provide that certain allegations against a contractor may lead to suspension or debarment from future government contracts or suspension of export privileges for the company or one or more of its components. The nature of legal proceedings is such that we cannot assure the outcome of any particular matter. For additional information on pending matters, please see Notes 6 and 7 to the financial statements, and for further information on the risks we face from existing and future investigations, lawsuits, arbitration, claims, enforcement actions and other legal proceedings, please see “Risk Factors” in our 2025 Annual Report on Form 10-K.

Consistent with SEC Regulation S-K Item 103, we have elected to disclose those environmental proceedings with a governmental entity as a party where the company reasonably believes such proceeding would result in monetary sanctions, exclusive of interest and costs, of \$1.0 million or more.

Item 1A. Risk Factors

For a discussion of our risk factors please see the section entitled “Risk Factors” in our 2025 Annual Report on Form 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The table below summarizes our repurchases of common stock during the three months ended March 31, 2026.

Period	Total Number of Shares Purchased	Average Price Paid per Share ⁽¹⁾	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs ⁽²⁾	Approximate Dollar Value of Shares that May Yet Be Purchased under the Plans or Programs (\$ in millions) ⁽²⁾
January 1, 2026 - January 23, 2026	80,801	\$ 626.37	80,801	\$ 2,484
January 24, 2026 - February 20, 2026	17,981	677.44	17,981	2,472
February 21, 2026 - March 27, 2026	—	—	—	2,472
Total	98,782	\$ 635.67	98,782	\$ 2,472

⁽¹⁾ Excludes commissions paid and other costs of execution, including taxes.

⁽²⁾ On December 11, 2024, the company’s board of directors authorized a new share repurchase program of up to an additional \$3.0 billion in share repurchases of the company’s common stock. Repurchases under the program commenced in September 2025. All repurchases of common stock during the three months ended March 31, 2026 were made pursuant to this program. By its terms, the program will expire when the company has used all authorized funds for repurchases.

Share repurchases take place from time to time, subject to market and regulatory conditions and management’s discretion, in the open market or in privately negotiated transactions. The company retires its common stock upon repurchase and, in the periods presented, has not made any purchases of common stock other than in connection with these publicly announced repurchase programs.

See Note 2 to the financial statements for further information on our share repurchase programs.

NORTHROP GRUMMAN CORPORATION**Item 5. Other Information**

Consistent with Item 408 of Regulation S-K, the following table reflects Rule 10b5-1 trading arrangements and non-Rule 10b5-1 trading arrangements (as defined in Item 408) entered into by any director or officer (as defined in Rule 16a-1(f) of the Exchange Act) during the quarter ended March 31, 2026.

Name (Title)	Type of Trading Arrangement	Date of Adoption	Expiration Date of Trading Arrangement	Aggregate Number of Securities to Be Purchased or Sold
Kathy J. Warden (Chair, Chief Executive Officer and President)	Rule 10b5-1 Trading Arrangement	February 13, 2026	January 29, 2027 or such earlier date upon the completion of all trades under the plan or the occurrence of such other termination events as specified in the plan.	Sale of 25,000 shares of common stock
Michael A. Hardesty (Corporate Vice President, Controller, and Chief Accounting Officer)	Rule 10b5-1 Trading Arrangement	February 20, 2026	March 12, 2027 or such earlier date upon the completion of all trades under the plan or the occurrence of such other termination events as specified in the plan.	Sale of 1,036 shares of common stock Sale of shares to be received upon payout of 2024 RSRs and RPSRs ⁽¹⁾
Thomas H. Jones (Corporate Vice President and President, Aeronautics Systems Sector)	Rule 10b5-1 Trading Arrangement	February 25, 2026	February 5, 2027 or such earlier date upon the completion of all trades under the plan or the occurrence of such other termination events as specified in the plan.	Gift of 526 shares Sale of shares received upon payout of 2023 RSRs and RPSRs

⁽¹⁾The aggregate number of shares to be sold will depend, in part, on future company performance.

NORTHROP GRUMMAN CORPORATION

Item 6. Exhibits

- *+10.1 [2026 Restricted Stock Rights Grant Agreement Specifying Terms and Conditions Applicable to 2026 Restricted Stock Rights Granted under the 2024 Long-Term Incentive Stock Plan](#)
- *+10.2 [2026 Restricted Performance Stock Rights Grant Agreement Specifying Terms and Conditions Applicable to 2026 Restricted Performance Stock Rights Granted Under the 2024 Long-Term Incentive Stock Plan](#)
- *+10.3 [2026 Restricted Stock Rights Grant Agreement Specifying Terms and Conditions Applicable to 2026 Restricted Stock Rights Granted to Kathy J. Warden under the 2024 Long-Term Incentive Stock Plan](#)
- *+10.4 [2026 Restricted Performance Stock Rights Grant Agreement Specifying Terms and Conditions Applicable to 2026 Restricted Performance Stock Rights Granted to Kathy J. Warden under the 2024 Long-Term Incentive Stock Plan](#)
- *+10.5 [Special 2026 Restricted Stock Rights Grant Agreement Specifying Terms and Conditions Applicable to 2026 Restricted Stock Rights Granted to John T. Greene Under the 2024 Long-Term Incentive Stock Plan](#)
- *+10.6 [Group Personal Excess Liability Policy, effective as of January 1, 2026](#)
- *+10.7 [Form of Indemnification Agreement between Northrop Grumman Corporation and its directors and executive officers](#)
 - *15 [Letter from Independent Registered Public Accounting Firm](#)
- *31.1 [Certification of Kathy J. Warden pursuant to Section 302 of the Sarbanes-Oxley Act of 2002](#)
- *31.2 [Certification of John T. Greene pursuant to Section 302 of the Sarbanes-Oxley Act of 2002](#)
- **32.1 [Certification of Kathy J. Warden pursuant to Section 906 of the Sarbanes-Oxley Act of 2002](#)
- **32.2 [Certification of John T. Greene pursuant to Section 906 of the Sarbanes-Oxley Act of 2002](#)
- *101 Northrop Grumman Corporation Quarterly Report on Form 10-Q for the quarter ended March 31, 2026, formatted as inline XBRL (Extensible Business Reporting Language): (i) the Cover Page, (ii) Condensed Consolidated Statements of Earnings and Comprehensive Income, (iii) Condensed Consolidated Statements of Financial Position, (iv) Condensed Consolidated Statements of Cash Flows, (v) Condensed Consolidated Statements of Changes in Shareholders' Equity, (vi) Notes to Condensed Consolidated Financial Statements, and (vii) Other Information. The instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
- *104 Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

- + Management contract or compensatory plan or arrangement
- * Filed with this report
- ** Furnished with this report

NORTHROP GRUMMAN CORPORATION

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

NORTHROP GRUMMAN CORPORATION
(Registrant)

By:

/s/ Michael A. Hardesty

Michael A. Hardesty
Corporate Vice President, Controller and
Chief Accounting Officer
(Principal Accounting Officer)

Date: April 20, 2026

NORTHROP GRUMMAN CORPORATION

2026 RESTRICTED STOCK RIGHTS GRANT AGREEMENT

This 2026 Restricted Stock Rights Grant Agreement (“Agreement”) applies to certain “Restricted Stock Rights” (“RSRs”) granted by Northrop Grumman Corporation (the “Company”) in 2026 under its 2024 Long-Term Incentive Stock Plan. If you were granted an RSR award by the Company in 2026, the date of grant of your RSR award (the “Grant Date”) and the number of RSRs applicable to your award are set forth in the letter from the Company announcing your RSR award (your “Grant Letter”) and are also reflected in the electronic stock plan award recordkeeping system (“Stock Plan System”) maintained by the Company or its designee. This Agreement applies only with respect to the 2026 RSR award under the Plan, and you are subject to this Agreement upon accepting your grant. If you were granted an RSR award, you are referred to as the “Grantee” with respect to your award. Capitalized terms are generally defined in Section 12 below if not otherwise defined herein.

Each RSR represents a right to receive one share of the Company’s Common Stock, or cash of equivalent value as provided herein, subject to vesting as provided herein. The number of RSRs subject to your award is subject to adjustment as provided herein. The RSR award is subject to all of the terms and conditions set forth in this Agreement, and is further subject to all of the terms and conditions of the Plan and any rules adopted by the Committee, as such rules are in effect from time to time. If you do not formally accept your RSR award by entering into this Agreement in accordance with the instructions and time limit set forth in your Grant Letter, you will be deemed to have forfeited your RSR award.

1. Vesting; Issuance of Shares.

Subject to Sections 2, 3, 4 and 6 below, one hundred percent (100%) of the number of RSRs (and any Dividend Equivalents (as defined below)) subject to your award (subject to adjustment as provided in Section 6.1) shall vest upon the third anniversary of the Grant Date, provided that if the third anniversary of the Grant Date falls on a weekend or holiday, then the award shall vest on the next business day.

1.1 Payment of RSRs. Except as otherwise provided below, the Company shall pay an RSR subject to the award that vests (“Vested RSR”) (and related Dividend Equivalents) within 60 days following the vesting of the RSR on the third anniversary of the Grant Date. The Company shall pay such Vested RSRs in either an equivalent number of shares of Common Stock, or, in the discretion of the Committee, in cash or in a combination of shares of Common Stock and cash. In the event of a cash payment, the amount of the payment for each Vested RSR to be paid in cash will equal the Fair Market Value (as defined below) of a share of Common Stock as of the date that such RSR became vested.

1.2 Dividend Equivalents. The Grantee shall be entitled to payment for Dividend Equivalents (if any) with respect to any Vested RSRs. For purposes of this Agreement, “Dividend Equivalents” means the aggregate amount of dividends paid by the Company on a number of shares of Common Stock equivalent to the number of Vested RSRs during the period from the Grant date until the date the Vested RSRs are paid (without interest or

other adjustments to reflect the time value of money). Dividend Equivalents (if any) will be paid at the same time as the Vested RSRs to which they relate are paid. Dividend Equivalents will be paid in cash.

2. Early Termination of Award; Termination of Employment.

2.1 General. The RSRs (and related Dividend Equivalents) subject to the award, to the extent not previously vested, shall terminate and become null and void if and when (a) the award terminates in connection with a Change in Control pursuant to Section 6 below, or (b) except as provided in Sections 2.6 and 2.7, and in Section 6, the Grantee ceases for any reason to be an employee of the Company or one of its subsidiaries.

2.2 Leave of Absence. Unless the Committee otherwise provides (at the time of the leave or otherwise), if the Grantee is granted a leave of absence by the Company, the Grantee (a) shall not be deemed to have incurred a termination of employment at the time such leave commences for purposes of the award, and (b) shall be deemed to be employed by the Company for the duration of such approved leave of absence for purposes of the award. A termination of employment shall be deemed to have occurred if the Grantee does not timely return to active employment upon the expiration of such approved leave or if the Grantee commences a leave that is not approved by the Company.

2.3 Salary Continuation. Subject to Section 2.2 above, the term “employment” as used herein means active employment by the Company or one of its

subsidiaries and salary continuation without active employment (other than a leave of absence approved by the Company that is covered by Section 2.2) will not, in and of itself, constitute “employment” for purposes hereof (in the case of salary continuation without active employment, the Grantee’s cessation of active employee status shall, subject to Section 2.2, be deemed to be a termination of “employment” for purposes hereof). Furthermore, salary continuation will not, in and of itself, constitute a leave of absence approved by the Company for purposes of the award.

2.4 Sale or Spinoff of Subsidiary or Business Unit. For purposes of the RSRs (and related Dividend Equivalents) subject to the award, a termination of employment of the Grantee shall be deemed to have occurred if the Grantee is employed by a subsidiary or business unit and that subsidiary or business unit is sold, spun off, or otherwise divested, the Grantee does not otherwise continue to be employed by the Company or one of its subsidiaries after such event, and the divested entity or business (or its successor or a parent company) does not assume the award in connection with such transaction. In the event of such a termination of employment, the termination shall be deemed to be an Early Retirement unless the Grantee was otherwise eligible at the time of termination for Normal Retirement (in which case, the termination shall be considered a Normal Retirement) treated as provided for in Section 2.7 (subject to Section 6).

2.5 Continuance of Employment Required. Except as expressly provided in Section 2.6, Section 2.7 and in Section 6, the vesting of the RSRs (and related Dividend Equivalents) subject to the award requires continued employment through the third anniversary of the Grant Date as a condition to the vesting of any portion of the award. Employment for only a portion of the vesting period, even if a substantial portion, will not entitle the Grantee to any proportionate vesting or avoid or mitigate a termination of rights and benefits upon or following a termination of employment. Nothing contained in this Agreement, the Stock Plan System, or the Plan constitutes an employment commitment by the Company or any subsidiary, affects the Grantee’s status (if the Grantee is otherwise an at-will employee) as an employee at will who is subject to termination without cause, confers upon the Grantee any right to continue in the employ of the Company or any subsidiary, or interferes in any way with the right of the Company or of any subsidiary to terminate such employment at any time.

2.6 Death or Disability. If the Grantee dies or incurs a Disability while employed by the Company or a subsidiary and such death or Disability occurs more than six months after the Grant Date, the outstanding and

previously unvested RSRs (and related Dividend Equivalents) subject to the award shall vest as of the date of the Grantee’s death or Disability, as applicable. RSRs (and related Dividend Equivalents) vesting under this Section shall be paid within 60 days following the earlier of (a) Grantee’s death or (b) Grantee’s Disability. In the event of the Grantee’s death prior to the delivery of shares or other payment with respect to any vested RSRs (and related Dividend Equivalents), the Grantee’s Successor shall be entitled to any payments to which the Grantee would have been entitled under this Agreement with respect to such vested and unpaid RSRs (and related Dividend Equivalents).

2.7 Termination of Employment Due to Retirement. If the Grantee ceases to be employed by the Company or one of its subsidiaries due to the Grantee’s Early Retirement and such Early Retirement occurs more than six months after the Grant Date, the RSRs (and related Dividend Equivalents) subject to the award shall vest on a prorated basis. Such prorating of RSRs (and related Dividend Equivalents) shall be determined based on the number of days the Grantee was employed by the Company or a subsidiary in the period commencing with the Grant Date through and including the date on which the Grantee is last employed by the Company or a subsidiary, over the number of calendar days in the period commencing with the Grant Date through and including the third anniversary of the Grant Date. Any remaining unvested RSRs (and related Dividend Equivalents), after giving effect to the foregoing acceleration of vesting, shall terminate immediately upon the Grantee’s Early Retirement. If the Grantee ceases to be employed by the Company or one of its subsidiaries due to the Grantee’s Normal Retirement and such Normal Retirement occurs more than six months after the Grant Date, the RSRs (and related Dividend Equivalents) subject to the award shall vest in full.

Subject to the following provisions of this paragraph, RSRs (and related Dividend Equivalents) vesting under this Section shall be paid within 60 days following the Grantee’s Separation from Service. However, in the case of a Governmental Service Retirement by the Grantee, payment of the vested RSRs (and related Dividend Equivalents) will be made within 10 days after the Grantee’s Early or Normal Retirement. If the Grantee is a Key Employee as of the date of the Grantee’s Separation from Service, the Grantee shall not be entitled to payment of his or her vested RSRs (and related Dividend Equivalents) pursuant to this Section until the earlier of (and payment shall be made upon or promptly after, and in all events within thirty (30) days after, the first to occur of) (a) the date which is six (6) months and one day after the Grantee’s Separation from Service, or (b) the date of the Grantee’s death. The

provisions of the preceding sentence shall only apply if, and to the extent, required to avoid the imputation of any tax, penalty or interest pursuant to Section 409A of the Code.

In determining the Grantee's eligibility for Early or Normal Retirement, service is measured by dividing (a) the number of days the Grantee was employed by the Company or a subsidiary in the period commencing with his or her last date of hire by the Company or a subsidiary through and including the date on which the Grantee is last employed by the Company or a subsidiary, by (b) 365. Notwithstanding the foregoing, if the Grantee ceased to be employed by the Company or a subsidiary and was later rehired by the Company or a subsidiary, the Grantee's service prior to the break in service shall be disregarded in determining service for such purposes; provided that, if the Grantee's previous employment with the Company or a subsidiary had terminated due to the Grantee's Early Retirement, Normal Retirement, or by the Company or a subsidiary as part of a reduction in force as determined at the Company's sole discretion (in each case, other than a termination by the Company or a subsidiary for Cause) and, within the two-year period following such termination of employment (the "break in service") the Grantee was subsequently rehired by the Company or a subsidiary, then the Grantee's period of service with the Company or a subsidiary prior to and ending with the break in service will be included in determining service for such purposes. In the event the Grantee is employed by a business that is acquired by the Company or a subsidiary, the Company shall have discretion to determine whether the Grantee's service prior to the acquisition will be included in determining service for such purposes.

3. Non-Transferability and Other Restrictions.

3.1 Non-Transferability. The award, as well as the RSRs (and related Dividend Equivalents) subject to the award, are non-transferable and shall not be subject in any manner to sale, transfer, anticipation, alienation, assignment, pledge, encumbrance or charge. The foregoing transfer restrictions shall not apply to: (a) transfers to the Company; (b) transfers to a Successor upon death; or (c) if the Grantee has suffered a disability, permitted transfers to or exercises on behalf of the holder by his or her legal representative. Notwithstanding the foregoing, the Company may honor any transfer required pursuant to the terms of a court order in a divorce or similar domestic relations matter to the extent that such transfer does not adversely affect the Company's ability to register the offer and sale of the underlying shares on a Form S-8 Registration Statement and such transfer is otherwise in compliance with all applicable legal, regulatory and listing requirements.

3.2 Forfeiture or Recoupment of Awards. If, prior to payment or issuance of shares with respect to the award, Grantee's employment is terminated for Cause (or Grantee has engaged in misconduct that could have resulted in Grantee's termination of employment for Cause if Grantee had remained an employee), the Company may reduce or eliminate any payments or issuances of shares with respect to the award. You agree to be bound by and fully comply with the Company's Policy regarding the Recoupment of Certain Incentive Compensation Payments filed as Exhibit 97 to the Company's 10-K for the year ended December 31, 2025 and as in effect from time to time ("Recoupment Policy."). Any payments or issuances of shares with respect to the award are subject to the Recoupment Policy, as well as any recoupment or similar provisions of applicable law, and the Grantee shall promptly make any reimbursement requested by the Board or Committee pursuant to such policy or applicable law with respect to the award. The Grantee agrees, by accepting the award, that the Company and its affiliates may deduct from any amounts it may owe the Grantee from time to time (such as wages or other compensation) any amounts the Grantee is required to reimburse the Company pursuant to such policy or applicable law with respect to the award.

4. Post-Employment Conduct.

4.1 Executive Leadership Team Contribution. You acknowledge and agree that as a member of the Executive Leadership Team ("ELT"), you are involved in managing the global operations of the Company, incorporated in Delaware and headquartered in Virginia. You are involved in the most sensitive and proprietary matters affecting the Company, its subsidiaries, predecessors, and/or affiliates (collectively, "Northrop Grumman"), including from a technical, strategic and financial perspective, and are widely exposed to confidential, sensitive and proprietary information concerning Northrop Grumman's global operations, at the headquarters and each of the operating sectors, including in the areas of space systems, military aircraft, missile defense, advanced weapons and long-range fires capabilities, mission systems, networking and communications, strategic deterrence systems, advanced computing, microelectronics and cyber, directly or indirectly for U.S. and international government customers. Your job responsibilities require that you have a primary office location in Virginia and/or you spend substantial time at the corporate headquarters in Virginia, among other things, attending ELT and other leadership meetings, and managing operations and employees in Virginia. You occupy one of the most senior executive positions in the Company and have far-reaching access to highly confidential, valuable and

sensitive information, customer, vendor and employee relationships, intellectual property, strategic and tactical plans, and financial information and plans. The Company has a legitimate business interest in restricting your ability to compete in the specific manner set forth below. The Company has provided you this grant, subject to this Agreement and as consideration for the restrictive covenants set forth in this Section 4; provided that the provisions of Sections 4.2 and 4.3 in this Agreement shall not apply where not permitted by applicable law.

4.2 Non-Competition. For a period of twelve (12) months from the date of the termination of Grantee's employment for any reason (other than a reduction-in-force as determined at the Company's sole discretion) ("Termination"), you will not, directly or indirectly, oversee, control, participate in, or support the design, operation, research, manufacture, marketing, sale, or distribution of "Competitive Products and Services". For the purpose of this section, "Competitive Products and Services" shall mean products or services that compete for resources with, or are an alternative or potential alternative to, the products sold or services provided by Northrop Grumman, including without limitation products and services in the areas of space systems, military aircraft, missile defense, advanced weapons and long-range fires capabilities, mission systems, networking and communications, strategic deterrence systems, advanced computing, microelectronics and cyber, directly or indirectly for U.S. and international government customers.

4.3 Non-Solicitation of Customers. For a period of eighteen (18) months from your Termination, you shall not, directly or indirectly, solicit any customer, supplier, or teammate of Northrop Grumman with whom you engaged, or about whom you received confidential, sensitive, or proprietary information, in the course of your employment with Northrop Grumman, for purposes of providing products or services in competition with Northrop Grumman. In the case of a governmental, regulatory or administrative agency, commission, department or other governmental authority, the customer is determined by reference to the specific program offices or activities for which Northrop Grumman provides goods or services.

4.4 Non-Solicitation of Employees. For a period of twenty-four (24) months from your Termination, you shall not, directly or indirectly, solicit or offer to hire, any person who was, within a period of six months prior to your Termination, employed by Northrop Grumman, with whom you worked or about whom you received information in the course of your employment with Northrop Grumman.

4.5 Non-Disparagement. You will not issue or communicate any statement, whether verbal or written, or take any other action that disparages or may be interpreted to disparage the Company, its products, services, officers, directors, or employees; provided that the foregoing shall not apply to any truthful statements made in connection with a legal process, including government investigation, or as otherwise provided by law. For the avoidance of doubt, nothing prohibits you from making any disclosures that are protected under the whistleblower provisions of any applicable law, rule, or regulation.

4.6 Exceptions. You may request an exception to the covenants in Sections 4.2, 4.3, or 4.4 by making a written request to the Company's Chief Human Resources Officer, with such exceptions being considered at the sole discretion of the Company and communicated in writing to you.

4.7 Reasonableness. You agree that the restrictions set forth in Sections 4.2, 4.3, and 4.4 are (i) reasonable and necessary in all respects, including duration, territory and scope of activity, in order to protect the Company's legitimate business interests, (ii) that the parties have attempted to limit your right to compete only to the extent necessary to protect the Company's legitimate business interests, and (iii) that you will be able to earn a livelihood without violating the restrictions in this section. It is the intent of the parties that the provisions of this section shall be enforced to the fullest extent permissible under applicable law. However, if any portion of Sections 4.2, 4.3, or 4.4 is deemed unenforceable, the parties agree that a court or arbitrator may revise the portion deemed unenforceable to the maximum extent possible to achieve the objective of the parties, and the remainder of the section shall remain in full force and affect.

4.8 Remedies. If you violate any provision in Section 4.2, 4.3, 4.4 and/or 4.5 of this section, the Company shall have the right to terminate without payment to you any unvested and/or unpaid RSRs (and associated Dividend Equivalents) and require that you immediately deliver to the Company an amount in cash equal to the aggregate Fair Market Value, determined as of the vesting and/or payment date of all RSRs already received, including any Dividend Equivalents, within one year prior to the breach. Further, you acknowledge and agree that a breach of any of the provisions of this section will result in immediate, irreparable, and continuing damage to the Company for which there is no adequate remedy at law, and the Company will be entitled to injunctive relief, a decree of specific performance, and other relief as may be proper, including

monetary damages, to the maximum extent available and without any requirement to post bond.

5. Compliance with Laws; No Stockholder Rights Prior to Issuance.

The Company's obligation to make any payments or issue any shares with respect to the award is subject to full compliance with all then applicable requirements of law, the Securities and Exchange Commission, or other regulatory agencies having jurisdiction over the Company and its shares, and of any exchange upon which stock of the Company may be listed. The Grantee shall not have the rights and privileges of a stockholder, including without limitation the right to vote or receive dividends (except as expressly provided in this Agreement with respect to Dividend Equivalents), with respect to any shares which may be issued in respect of the RSRs until the date appearing on the certificate(s) for such shares (or, in the case of shares entered in book entry form, the date that the shares are actually recorded in such form for the benefit of the Grantee), if such shares become deliverable.

6. Adjustments; Change in Control.

6.1. *Adjustments.* The RSRs, Dividend Equivalents, and the shares subject to the award are subject to adjustment upon the occurrence of events such as stock splits, stock dividends and other changes in capitalization in accordance with Section 6(a) of the Plan.

6.2. *Possible Acceleration on Change in Control.* Notwithstanding the provisions of Section 2 hereof, and further subject to the Company's ability to terminate the award as provided in Section 6.3 below, the outstanding and previously unvested RSRs (and related Dividend Equivalents) subject to the award shall become fully vested as of the date of the Grantee's termination of employment if the termination occurs either within the Protected Period corresponding to a Change in Control of the Company or within twenty-four (24) calendar months following the date of a Change in Control of the Company, the Grantee's employment by the Company and its subsidiaries is involuntarily terminated by the Company and its subsidiaries for reasons other than Cause or by the Grantee for Good Reason.

Notwithstanding anything else contained herein to the contrary, the termination of the Grantee's employment (or other events giving rise to Good Reason) shall not entitle the Grantee to any accelerated vesting pursuant to this Section 6.2 if there is objective evidence that, as of the commencement of the Protected Period, the Grantee had specifically been identified by the Company as an employee whose employment would be terminated as part of a corporate restructuring or

downsizing program that commenced prior to the Protected Period and such termination of employment was expected at that time to occur within six (6) months.

Payment of any RSRs (and related Dividend Equivalents) that vest under this Section will be made at the time provided for in Section 2.7 as though the termination of the Grantee's employment was due to a Normal Retirement.

6.3. *Automatic Acceleration; Early Termination.* If the Company undergoes a Change in Control triggered by clause (iii) or (iv) of the definition thereof and the Company is not the surviving entity and the successor to the Company (if any) (or a Parent thereof) does not agree in writing prior to the occurrence of the Change in Control to continue and assume the award following the Change in Control, or if for any other reason the award would not continue after the Change in Control, then upon the Change in Control the outstanding and previously unvested RSRs (and related Dividend Equivalents) subject to the award shall vest fully and completely. Unless the Committee expressly provides otherwise in the circumstances, no acceleration of vesting of the award shall occur pursuant to this Section 6.3 in connection with a Change in Control if either (a) the Company is the surviving entity, or (b) the successor to the Company (if any) (or a Parent thereof) agrees in writing prior to the Change in Control to assume the award. The Committee may make adjustments pursuant to Section 6(a) of the Plan and/or deem an acceleration of vesting of the award pursuant to this Section 6.3 to occur sufficiently prior to an event if necessary or deemed appropriate to permit the Grantee to realize the benefits intended to be conveyed with respect to the shares underlying the RSRs (and related Dividend Equivalents); provided, however, that, the Committee may reinstate the original terms of the award if the related event does not actually occur.

Payment of any RSRs (and related Dividend Equivalents) that vest under this Section 6.3 will be made within 60 days of the third anniversary of the Grant Date unless, prior to such date: (i) the Grantee dies or has a Disability, in which case such payment will be made within 60 days of the Grantee's death or Disability, as the case may be, or (ii) the Grantee has a Separation from Service, in which case such payment will be made at the time provided for in Section 2.7 as though the termination of the Grantee's employment was due to a Normal Retirement.

7. Tax Matters.

7.1. *Tax Withholding.* The Company or the subsidiary which employs the Grantee shall be entitled to require, as a condition of making any payments or

issuing any shares upon vesting of the RSRs (and related Dividend Equivalents), that the Grantee or other person entitled to such shares or other payment pay the minimum sums required to be withheld by federal, state, local or other applicable tax law with respect to such vesting or payment. Alternatively, the Company or such subsidiary, in its discretion, may make such provisions for the withholding of taxes as it deems appropriate (including, without limitation, withholding the taxes due from compensation otherwise payable to the Grantee or reducing the number of shares otherwise deliverable with respect to the award (valued at their then Fair Market Value) by the amount necessary to satisfy such statutory minimum withholding obligations).

7.2. Transfer Taxes. The Company will pay all federal and state transfer taxes, if any, and other fees and expenses in connection with the issuance of shares in connection with the vesting of the RSRs.

7.3. Compliance with Code. The Committee shall administer and construe the award in a manner designed to comply with the Code and to avoid adverse tax consequences under Code Section 409A.

7.4. Unfunded Arrangement. The right of the Grantee to receive payment under the award shall be an unsecured contractual claim against the Company. As such, neither the Grantee nor any Successor shall have any rights in or against any specific assets of the Company based on the award. Awards shall at all times be considered entirely unfunded for tax purposes.

1.5 Code Section 280G. Notwithstanding any other provision of this Agreement to the contrary, in the event that any amounts payable to you under this Agreement, either alone or together with amounts payable pursuant to any other plan, program or arrangement (a) constitute “parachute payments” within the meaning of Section 280G of the Code, and (b) but for this Section 7.5 would be subject to the excise tax imposed by Section 4999 of the Code or any comparable successor provisions (the “Excise Tax”), then the vesting acceleration provided under this Agreement, shall be either (a) provided to you in full, or (b) provided to you to such lesser extent that would result in no portion of the payments so accelerated being subject to the Excise Tax, whichever of the foregoing amounts, when taking into account applicable federal, state, local and foreign income and employment taxes, the Excise Tax, and any other applicable taxes, results in the receipt by you, on an after-tax basis, of the greatest amount of benefits, notwithstanding that all or some portion of such benefits may be subject to the Excise Tax. All determinations required to be made under this Section 7.5 shall be made by a registered public accounting firm selected by the Company, which shall provide supporting calculations both to the

Company and you no later than the date of the applicable Change in Control. In the event that any payments or benefits to the Grantee are to be reduced pursuant to this Section 7.5, such payments and benefits shall be reduced such that the reduction of compensation to be provided to the Grantee as a result of this Section 7.5 is minimized. In applying this principle, the reduction shall be made in a manner consistent with the requirements of Section 409A and where two economically equivalent amounts are subject to reduction but payable at different times, such amounts shall be reduced on a pro rata basis but not below zero.

8. Choice of Law; Venue; Arbitration.

This Agreement shall be governed by the laws of the State of Delaware. You agree to be bound by and fully comply with Northrop Grumman Manual USHR 2-32, Arbitration and Mediation (“USHR 2-32”). Any cause of action or claim arising out of or related to the terms and conditions applicable to this grant will be determined through final and binding arbitration, in accordance with USHR 2-32, provided that the prevailing party in the arbitration shall be entitled to receive from the losing party reasonably incurred attorneys’ fees and costs. You and the Company agree that any arbitration hearing and related proceedings shall be convened and conducted in Falls Church, VA. If you or the Company believes they require immediate relief to enforce or challenge this Agreement, before arbitration is commenced or concluded, either party may seek injunctive or other provisional equitable relief from a state or federal court in the Commonwealth of Virginia. All court actions or proceedings arising under this Agreement shall be heard in a state or federal court in the Commonwealth of Virginia. The Company and you hereby agree to the jurisdiction of the state and federal courts in the Commonwealth of Virginia and waive any right to object to such actions on grounds of venue, jurisdiction or convenience.

9. Committee Authority.

The Committee has the discretionary authority to determine any questions as to the date when the Grantee’s employment terminated and the cause of such termination and to interpret any provision of this Agreement, the Grant Letter, the Stock Plan System, the Plan, and any other applicable rules. Any action taken by, or inaction of, the Committee relating to or pursuant to this Agreement, the Grant Letter, the Stock Plan System, the Plan, or any other applicable rules shall be within the absolute discretion of the Committee and shall be conclusive and binding on all persons.

10. Plan; Amendment.

The RSRs (and related Dividend Equivalents) subject to the award are governed by, and the Grantee's rights are subject to, all of the terms and conditions of the Plan and any other rules adopted by the Committee, as the foregoing may be amended from time to time. The Grantee shall have no rights with respect to any amendment of this Agreement or the Plan unless such amendment is in writing and signed by a duly authorized officer of the Company. In the event of a conflict between the provisions of the Grant Letter and/or the Stock Plan System and the provisions of this Agreement and/or the Plan, the provisions of this Agreement and/or the Plan, as applicable, shall control.

11. Required Holding Period.

The holding requirements of this Section 11 shall apply to any Grantee who is an elected or appointed officer of the Company on the date Vested RSRs are paid (or, if earlier, on the date the Grantee's employment by the Company and its subsidiaries terminates for any reason). Any Grantee subject to this Section 11 shall not be permitted to sell, transfer, anticipate, alienate, assign, pledge, encumber or charge the number of shares equal to 50% of the total payout of Vested RSRs (net of taxes withheld) until the earlier of (A) the third anniversary of the date such shares of Common Stock are paid to the Grantee, (B) the date the Grantee's employment by the Company and its subsidiaries terminates due to the Grantee's death or Disability, (C) the occurrence of a Change in Control that results in termination and payment under Section 6.2 or 6.3 above, or (D) with respect to Grantee's entering a U.S. federal government position only, the latest of (i) the date the Grantee's employment with the Company terminates, or (ii) the date the Grantee formally accepts the government position in writing, or (iii) the date the government confirms the Grantee (for positions requiring nomination and confirmation). For purposes of this Section 11, the total payout of Vested RSRs shall be determined on a net basis after taking into account any shares otherwise deliverable with respect to the award that the Company withholds to satisfy tax obligations pursuant to Section 7.1. If Grantee is paid less than 50% of the total payout of Vested RSRs (net of taxes) in shares, then all of the shares received will be subject to the holding period requirements in this Section 11. Any shares of Common Stock received in respect of shares that are covered by the holding period requirements of this Section 11 (such as shares received in respect of a stock split or stock dividend) shall be subject to the same holding period requirements as the shares to which they relate.

12. Definitions.

Whenever used in this Agreement, the following terms shall have the meanings set forth below and, when the meaning is intended, the initial letter of the word is capitalized:

“**Board**” means the Board of Directors of the Company.

“**Cause**” means the occurrence of either or both of the following:

- (i) The Grantee's conviction for committing an act of fraud, embezzlement, theft, or other act constituting a felony (other than traffic related offenses, as a result of vicarious liability, or as a result of good faith actions as an officer of the Company); or
- (ii) Willful misconduct by the Grantee that causes financial or reputational harm to the Company. However, no act, or failure to act, on the Grantee's part shall be considered “willful” unless done, or omitted to be done, by the Grantee not in good faith and without reasonable belief that his or her action or omission was in the best interest of the Company.

“**Change in Control**” is used as defined in the Plan.

“**Code**” means the United States Internal Revenue Code of 1986, as amended.

“**Committee**” means the Company's Compensation and Human Capital Committee or any successor committee appointed by the Board to administer the Plan.

“**Common Stock**” means the Company's common stock.

“**Disability**” means, with respect to a Grantee, that the Grantee: (i) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve months; or (ii) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve months, receiving income replacement benefits for a period of not less than three months under an accident and health plan covering employees of the Grantee's employer; all construed and interpreted consistent with the definition of “Disability” set forth in Code Section 409A(a)(2)(C).

“**Early Retirement**” means that the Grantee’s employment terminates in any of the following circumstances, and other than a termination of employment that constitutes a Normal Retirement or occurs in connection with a termination by the Company or a subsidiary for Cause:

- (i) a termination of employment after the Grantee has attained age 55 with at least 10 years of service.
- (ii) a termination of employment by the Company or a subsidiary as part of a reduction in force and, at the time of such termination, the Grantee has attained age 53 with at least 10 years of service.
- (iii) a termination of employment by the Company or a subsidiary as part of a reduction in force and, at the time of such termination, the sum of the Grantee’s age and years of service is at least 75.

“**Fair Market Value**” is used as defined in the Plan; provided, however, the Committee in determining such Fair Market Value for purposes of the award may utilize such other exchange, market, or listing as it deems appropriate.

“**Good Reason**” means, without the Grantee’s express written consent, the occurrence of any one or more of the following:

- (i) A material and substantial reduction in the nature or status of the Grantee’s authorities or responsibilities (when such authorities and/or responsibilities are viewed in the aggregate) from their level in effect on the day immediately prior to the start of the Protected Period, other than (A) an inadvertent act that is remedied by the Company promptly after receipt of notice thereof given by the Grantee, and/or (B) changes in the nature or status of the Grantee’s authorities or responsibilities that, in the aggregate, would generally be viewed by a nationally-recognized executive placement firm as resulting in the Grantee having not materially and substantially fewer authorities and responsibilities (taking into consideration the Company’s industry) when compared to the authorities and responsibilities applicable to the position held by the Grantee immediately prior to the start of the Protected Period. The Company may retain a nationally-recognized executive placement firm for purposes of making the determination required by the preceding sentence and the written opinion of the firm thus selected shall be conclusive as to this issue.

In addition, if the Grantee is a vice president, the Grantee’s loss of vice-president status will constitute “Good Reason”; provided that the loss of the title of “vice president” will not, in and of itself, constitute Good Reason if the Grantee’s lack of a vice president title is generally consistent with the manner in which the title of vice president is used within the Grantee’s business unit or if the loss of the title is the result of a promotion to a higher level office. For the purposes of the preceding sentence, the Grantee’s lack of a vice-president title will only be considered generally consistent with the manner in which such title is used if most persons in the business unit with authorities, duties, and responsibilities comparable to those of the Grantee immediately prior to the commencement of the Protected Period do not have the title of vice-president.

- (ii) A material reduction by the Company in the Grantee’s annualized rate of base salary as in effect at the start of the Protected Period, or as the same shall be increased from time to time.
- (iii) A material reduction in the aggregate value of the Grantee’s level of participation in any of the Company’s short and/or long-term incentive compensation plans (excluding stock-based incentive compensation plans), employee benefit or retirement plans, or policies, practices, or arrangements in which the Grantee participates immediately prior to the start of the Protected Period; provided, however, that a reduction in the aggregate value shall not be deemed to be “Good Reason” if the reduced value remains substantially consistent with the average level of other employees who have positions commensurate with the position held by the Grantee immediately prior to the start of the Protected Period.
- (iv) A material reduction in the Grantee’s aggregate level of participation in the Company’s stock-based incentive compensation plans from the level in effect immediately prior to the start of the Protected Period; provided, however, that a reduction in the aggregate level of participation shall not be deemed to be “Good Reason” if the reduced level of participation remains substantially consistent with the average level of participation of other employees who have positions commensurate with the position held by the Grantee immediately prior to the start of the Protected Period.

- (v) The Grantee is informed by the Company that his or her principal place of employment for the Company will be relocated to a location that is greater than fifty (50) miles away from the Grantee's principal place of employment for the Company at the start of the corresponding Protected Period; provided that, if the Company communicates an intended effective date for such relocation, in no event shall Good Reason exist pursuant to this clause (v) more than ninety (90) days before such intended effective date.

The Grantee's right to terminate employment for Good Reason shall not be affected by the Grantee's incapacity due to physical or mental illness. The Grantee's continued employment shall not constitute a consent to, or a waiver of rights with respect to, any circumstances constituting Good Reason herein.

"Governmental Service Retirement" means an Early or Normal Retirement by the Grantee where the Grantee accepts a position in the federal government or a state or local government and an accelerated distribution under the award is permitted under Code Section 409A based on such government employment and related ethics rules.

"Key Employee" means an employee treated as a "specified employee" under Code section 409A(a)(2)(B)(i) of the Company or an Affiliated Company (i.e., a key employee (as defined in Code section 416(i) without regard to paragraph (5) thereof)) if the Company's or an Affiliated Company's stock is publicly traded on an established securities market or otherwise. The Company shall determine in accordance with a uniform Company policy which participants are Key Employees as of each December 31 in accordance with IRS regulations or other guidance under Section 409A. Such determination shall be effective for the twelve (12) month period commencing on April 1 of the following year.

"Normal Retirement" means that the Grantee terminates employment after attaining age 65 with at least 10 years of service (other than in connection with a termination by the Company or a subsidiary for Cause). In the case of a Grantee who is an officer of the Company subject to the Company's mandatory retirement at age 65 policy and who, at the applicable time, is not otherwise eligible for Normal Retirement as defined in the preceding sentence, "Normal Retirement" as to that Grantee means that the Grantee's employment is terminated pursuant to such mandatory retirement policy (regardless of the Grantee's years of service and other than in connection with a termination by the Company or a subsidiary for Cause).

"Parent" is used as defined in the Plan.

"Plan" means the Northrop Grumman 2024 Long-Term Incentive Stock Plan, as it may be amended from time to time.

The **"Protected Period"** corresponding to a Change in Control of the Company shall be a period of time determined in accordance with the following:

- (i) If the Change in Control is triggered by a tender offer for shares of the Company's stock or by the offeror's acquisition of shares pursuant to such a tender offer, the Protected Period shall commence on the date of the initial tender offer and shall continue through and including the date of the Change in Control; provided that in no case will the Protected Period commence earlier than the date that is six (6) months prior to the Change in Control.
- (ii) If the Change in Control is triggered by a merger, consolidation, or reorganization of the Company with or involving any other corporation, the Protected Period shall commence on the date that serious and substantial discussions first take place to effect the merger, consolidation, or reorganization and shall continue through and including the date of the Change in Control; provided that in no case will the Protected Period commence earlier than the date that is six (6) months prior to the Change in Control.
- (iii) In the case of any Change in Control not described in clause (i) or (ii) above, the Protected Period shall commence on the date that is six (6) months prior to the Change in Control and shall continue through and including the date of the Change in Control.

"Separation from Service" means when the Grantee dies, retires, or otherwise has a termination of employment with the Company and its subsidiaries that constitutes a "separation from service" within the meaning of United States Treasury Regulation Section 1.409A-1(h)(1), without regard to the optional alternative definitions available thereunder.

"Successor" means the person acquiring a Grantee's rights to a grant under the Plan as a beneficiary designated in the Stock Plan System, or if none, the Grantee's estate.

NORTHROP GRUMMAN CORPORATION

2026 RESTRICTED PERFORMANCE STOCK RIGHTS GRANT AGREEMENT

This 2026 Restricted Performance Stock Rights Grant Agreement (“Agreement”) applies to certain “Restricted Performance Stock Rights” (“RPSRs”) granted by Northrop Grumman Corporation (the “Company”) in 2026 under its 2024 Long-Term Incentive Stock Plan. If you were granted an RPSR award by the Company in 2026, the date of grant of your RPSR award and the target number of RPSRs applicable to your award are set forth in the letter from the Company announcing your RPSR award (your “Grant Letter”) and are also reflected in the electronic stock plan award recordkeeping system (“Stock Plan System”) maintained by the Company or its designee. This Agreement applies only with respect to the 2026 RPSR award under the Plan, and you are subject to this Agreement upon accepting your grant. If you were granted an RPSR award, you are referred to as the “Grantee” with respect to your award. Capitalized terms are generally defined in Section 12 below if not otherwise defined herein.

Each RPSR represents a right to receive one share of the Company’s Common Stock, or cash of equivalent value as provided herein subject to vesting as provided herein. The performance period applicable to your award is January 1, 2026 to December 31, 2028 (the “Performance Period”). The target number of RPSRs subject to your award is subject to adjustment as provided herein. The RPSR award is subject to all of the terms and conditions set forth in this Agreement, and is further subject to all of the terms and conditions of the Plan and any rules adopted by the Committee, as such rules are in effect from time to time. If you do not formally accept your RPSR award, by entering into this Agreement in accordance with the instructions and time limit set forth in your Grant Letter, you will be deemed to have forfeited your RPSR award.

1. Vesting; Payment of RPSRs.

The RPSRs are subject to the vesting and payment provisions established by the Committee with respect to the Performance Period. RPSRs (and any Dividend Equivalents (as defined below)) that vest based on such provisions will be paid as provided below.

1.1. Performance-Based Vesting of RPSRs. Subject to Sections 2, 3, 4 and 6 below, the RPSRs subject to the award shall vest and become nonforfeitable based on the performance methodology and goals established by the Committee for the Performance Period. At the conclusion of the Performance Period, the Committee shall determine whether and the extent to which the performance goals have been achieved. The percentage of target RPSRs subject to the award (if any) that have vested for the Performance Period (the “Earnout Percentage”) shall be determined by the Committee based on the methodology and goals as established by the Committee, and its determination of the Earnout Percentage shall be conclusive and binding. Any RPSRs (and related Dividend Equivalents) subject to the award that are not vested as of the conclusion of the Performance Period after giving effect to the Committee’s determinations under this Section 1.1 shall terminate and become null and void as of the last day of the Performance Period.

1.2. Payment of RPSRs. The number of RPSRs payable at the conclusion of the Performance Period

(“Vested RPSRs”) shall be determined by multiplying the Earnout Percentage by the target number of RPSRs subject to the award. The Vested RPSRs and any RPSRs that vest and become payable pursuant to Section 2 or 6 may be paid out in either an equivalent number of shares of Common Stock, or, in the discretion of the Committee, in cash or in a combination of shares of Common Stock and cash. In the event of a cash payment, the amount of payment for each Vested RPSR to be paid in cash will equal the Fair Market Value (as defined below) of a share of Common Stock as of the date the Committee determines the extent to which the applicable RPSR performance criteria have been achieved. Vested RPSRs will be paid within 60 days of the vesting date, but in no event later than March 15 of the year following the last day of the Performance Period.

1.3. Dividend Equivalents. The Grantee shall be entitled to payment for Dividend Equivalents (if any) with respect to any Vested RPSRs and any RPSRs that vest and become payable pursuant to Section 2 or 6. For purposes of this Agreement, “Dividend Equivalents” means the aggregate amount of dividends paid by the Company on a number of shares of Common Stock equivalent to the number of Vested RPSRs (or the number of RPSRs that vest and become payable pursuant to Section 2 or 6) during the period from the beginning of the Performance Period until the date the Vested RPSRs (or the RPSRs that vest and become payable pursuant to Section 2 or 6) are paid, without interest or

other adjustments to reflect the time value of money. For these purposes, any Vested RPSRs or RPSRs that vest and become payable pursuant to Section 2 or 6 in excess of the target number of RPSRs subject to the award shall be considered to have been granted at the beginning of the Performance Period. Dividend Equivalents (if any) will be paid at the same time as the Vested RPSRs (or the RPSRs that vest and become payable pursuant to Section 2 or 6) to which they relate are paid. Dividend Equivalents will be paid in cash.

2. **Early Termination of Award; Termination of Employment.**

2.1 General. The RPSRs (and related Dividend Equivalents) subject to the award shall terminate and become null and void prior to the conclusion of the Performance Period if and when (a) the award terminates in connection with a Change in Control pursuant to Section 6 below, or (b) except as provided below in this Section 2 and in Section 6, the Grantee ceases for any reason to be an employee of the Company or one of its subsidiaries.

2.2 Termination of Employment Due to Retirement, Death or Disability. The number of RPSRs (and related Dividend Equivalents) subject to the award shall vest on a prorated basis as provided herein if the Grantee's employment by the Company and its subsidiaries terminates due to the Grantee's Early Retirement, death, or Disability and, in each case, only if the Grantee has completed at least six (6) consecutive calendar months of employment with the Company or a subsidiary during the three-year Performance Period. Such prorating of RPSRs (and related Dividend Equivalents) shall be based on the number of calendar days the Grantee was actually employed by the Company or one of its subsidiaries over the number of calendar days in the Performance Period (the number of prorated RPSRs, the "Prorated RPSRs"). If the Grantee ceases to be employed by the Company or one of its subsidiaries due to the Grantee's Normal Retirement and such Normal Retirement occurs more than six (6) months after the Grant Date, the RPSRs will vest as if the employee had remained an employee for the full Performance Period. Any RPSRs (and related Dividend Equivalents) subject to the award that do not vest in accordance with this Section 2.2 upon a termination of the Grantee's employment due to Early Retirement or Normal Retirement (collectively "Retirement"), death or Disability shall terminate immediately upon such termination of employment.

Death or Disability. In the case of death or Disability (a) the Earnout Percentage of the Grantee's Prorated RPSRs (and related Dividend Equivalents) will be deemed to be 100% (target), regardless of actual

performance, and (b) payment of the Prorated RPSRs (and related Dividend Equivalents) that vest pursuant to this Section 2.2 will be made within 60 days of the Grantee's death or Disability, but in no event later than March 15 of the year following the date of the death or Disability.

Retirement in General. Subject to the following provisions of this Section 2.2, in the case of Retirement, the Earnout Percentage will be used to calculate the Grantee's Vested RPSRs, and payment of the Vested RPSRs (and related Dividend Equivalents) will be made in accordance with Section 1.2 above.

In determining the Grantee's eligibility for Retirement, service is measured by dividing (a) the number of days the Grantee was employed by the Company or a subsidiary in the period commencing with his or her last date of hire by the Company or a subsidiary through and including the date on which the Grantee is last employed by the Company or a subsidiary, by (b) 365. Notwithstanding the foregoing, if the Grantee ceased to be employed by the Company or a subsidiary and was later rehired by the Company or a subsidiary, the Grantee's service prior to the break in service shall be disregarded in determining service for such purposes; provided that, if the Grantee's previous employment with the Company or a subsidiary had terminated due to the Grantee's Retirement, or by the Company or a subsidiary as part of a reduction in force as determined at the Company's sole discretion (in each case, other than a termination by the Company or a subsidiary for Cause) and, within the two-year period following such termination of employment (the "break in service") the Grantee was subsequently rehired by the Company or a subsidiary, then the Grantee's period of service with the Company or a subsidiary prior to and ending with the break in service will be included in determining service for such purposes. In the event the Grantee is employed by a business that is acquired by the Company or a subsidiary, the Company shall have discretion to determine whether the Grantee's service prior to the acquisition will be included in determining service for such purposes.

Retirement Due to Government Service. In the case of a Governmental Service Retirement by the Grantee (a) the Performance Period used to calculate the Grantee's Vested RPSRs will be deemed to have ended as of the most recent date that performance has been measured by the Company with respect to the RPSRs prior to the Grantee's Retirement (but in no event shall such date be more than one year before the Grantee's Retirement), (b) the Earnout Percentage of the Grantee's Prorated RPSRs (and related Dividend Equivalents) will be determined based on actual performance for that short Performance

Period, and (c) payment of the Prorated RPSRs that become Vested RPSRs (and Dividend Equivalents thereon) will be made within 20 days after Retirement.

2.3 Other Terminations of Employment. Subject to Section 6.2, all RPSRs (and related Dividend Equivalents) subject to the award shall terminate immediately upon a termination of the Grantee's employment: (a) for any reason other than due to the Grantee's Retirement, death or Disability; or (b) for Retirement, death or Disability, if the six-month employment requirement under Section 2.2 above is not satisfied.

2.4 Leave of Absence. Unless the Committee otherwise provides (at the time of the leave or otherwise), if the Grantee is granted a leave of absence by the Company, the Grantee (a) shall not be deemed to have incurred a termination of employment at the time such leave commences for purposes of the award, and (b) shall be deemed to be employed by the Company for the duration of such approved leave of absence for purposes of the award. A termination of employment shall be deemed to have occurred if the Grantee does not timely return to active employment upon the expiration of such approved leave or if the Grantee commences a leave that is not approved by the Company.

2.5 Salary Continuation. Subject to Section 2.4 above, the term "employment" as used herein means active employment by the Company or one of its subsidiaries and salary continuation without active employment (other than a leave of absence approved by the Company that is covered by Section 2.4) will not, in and of itself, constitute "employment" for purposes hereof (in the case of salary continuation without active employment, the Grantee's cessation of active employee status shall, subject to Section 2.4, be deemed to be a termination of "employment" for purposes hereof). Furthermore, salary continuation will not, in and of itself, constitute a leave of absence approved by the Company for purposes of the award.

2.6 Sale or Spinoff of Subsidiary or Business Unit. For purposes of the RPSRs (and related Dividend Equivalents) subject to the award, a termination of employment of the Grantee shall be deemed to have occurred if the Grantee is employed by a subsidiary or business unit and that subsidiary or business unit is sold, spun off, or otherwise divested, the Grantee does not otherwise continue to be employed by the Company or one of its subsidiaries after such event, and the divested entity or business (or its successor or a parent company) does not assume the award in connection with such transaction. In the event of such a termination of employment, the termination shall be deemed to be a

Retirement treated as provided for in Section 2.2 (subject to Section 6).

2.7 Continuance of Employment Required. Except as expressly provided in Section 2.2, Section 2.4 and in Section 6, the vesting of the RPSRs (and related Dividend Equivalents) subject to the award requires continued employment through the last day of the Performance Period as a condition to the vesting of any portion of the award. Employment for only a portion of the Performance Period, even if a substantial portion, will not entitle the Grantee to any proportionate vesting or avoid or mitigate a termination of rights and benefits upon or following a termination of employment. Nothing contained in this Agreement, the Grant Letter, the Stock Plan System, or the Plan constitutes an employment commitment by the Company or any subsidiary, affects the Grantee's status (if the Grantee is otherwise an at-will employee) as an employee at will who is subject to termination without cause, confers upon the Grantee any right to continue in the employ of the Company or any subsidiary, or interferes in any way with the right of the Company or of any subsidiary to terminate such employment at any time.

2.8 Death. In the event of the Grantee's death subsequent to the vesting of RPSRs but prior to the delivery of shares or other payment with respect to such RPSRs (and related Dividend Equivalents), the Grantee's Successor shall be entitled to any payments to which the Grantee would have been entitled under this Agreement with respect to such RPSRs.

3. Non-Transferability and Other Restrictions.

3.1 Non-Transferability. The award, as well as the RPSRs (and related Dividend Equivalents) subject to the award, are non-transferable and shall not be subject in any manner to sale, transfer, anticipation, alienation, assignment, pledge, encumbrance or charge. The foregoing transfer restrictions shall not apply to: (a) transfers to the Company; (b) transfers to a Successor upon death; or (c) if the Grantee has suffered a disability, permitted transfers to or exercises on behalf of the holder by his or her legal representative. Notwithstanding the foregoing, the Company may honor any transfer required pursuant to the terms of a court order in a divorce or similar domestic relations matter to the extent that such transfer does not adversely affect the Company's ability to register the offer and sale of the underlying shares on a Form S-8 Registration Statement and such transfer is otherwise in compliance with all applicable legal, regulatory and listing requirements.

3.2 Forfeiture or Recoupment of Awards. If, prior to payment or issuance of shares with respect to the award, Grantee's employment is terminated for Cause (or

Grantee has engaged in misconduct that could have resulted in Grantee's termination of employment for Cause if Grantee had remained an employee), the Company may reduce or eliminate any payments or issuances of shares with respect to the award. You agree to be bound by and fully comply with the Company's Policy Regarding the Recoupment of Certain Incentive Compensation Payments filed as Exhibit 97 to the Company's 10-K for the year ended December 31, 2025 and as in effect from time to time ("Recoupment Policy"). Any payments or issuances of shares with respect to the award are subject to the Recoupment Policy, as well as any recoupment or similar provisions of applicable law, and the Grantee shall promptly make any reimbursement requested by the Board or Committee pursuant to such policy or applicable law with respect to the award. The Grantee agrees, by accepting the award, that the Company and its affiliates may deduct from any amounts it may owe the Grantee from time to time (such as wages or other compensation) any amounts the Grantee is required to reimburse the Company pursuant to such policy or applicable law with respect to the award.

4. Post-Employment Conduct.

4.1 *Executive Leadership Team Contribution.* You acknowledge and agree that as a member of the Executive Leadership Team ("ELT"), you are involved in managing the global operations of the Company, incorporated in Delaware and headquartered in Virginia. You are involved in the most sensitive and proprietary matters affecting the Company, its subsidiaries, predecessors, and/or affiliates (collectively, "Northrop Grumman"), including from a technical, strategic and financial perspective, and are widely exposed to confidential, sensitive and proprietary information concerning Northrop Grumman's global operations, at the headquarters and each of the operating sectors, including in the areas of space systems, military aircraft, missile defense, advanced weapons and long-range fires capabilities, mission systems, networking and communications, strategic deterrence systems, advanced computing, microelectronics and cyber, directly or indirectly for U.S. and international government customers. Your job responsibilities require that you have a primary office location in Virginia and/or you spend substantial time at the corporate headquarters in Virginia, among other things, attending ELT and other leadership meetings, and managing operations and employees in Virginia. You occupy one of the most senior executive positions in the Company and have far-reaching access to highly confidential, valuable and sensitive information, customer, vendor and employee relationships, intellectual property, strategic and tactical plans, and financial information and plans. The

Company has a legitimate business interest in restricting your ability to compete in the specific manner set forth below. The Company has provided you this grant, subject to this Agreement and as consideration for the restrictive covenants set forth in this Section 4; provided that the provisions of Sections 4.2 and 4.3 in this Agreement shall not apply where not permitted by applicable law.

4.2 *Non-Competition.* For a period of twelve (12) months from the date of the termination of Grantee's employment for any reason (other than a reduction-in-force as determined at the Company's sole discretion) ("Termination"), you will not, directly or indirectly, oversee, control, participate in, or support the design, operation, research, manufacture, marketing, sale, or distribution of "Competitive Products and Services". For the purpose of this section, "Competitive Products and Services" shall mean products or services that compete for resources with or are an alternative or potential alternative to, the products sold or services provided by Northrop Grumman, including without limitation products and services in the areas of space systems, military aircraft, missile defense, advanced weapons and long-range fires capabilities, mission systems, networking and communications, strategic deterrence systems, advanced computing, microelectronics and cyber, directly or indirectly for U.S. and international government customers.

4.3 *Non-Solicitation of Customers.* For a period of eighteen (18) months from your Termination, you shall not, directly or indirectly, solicit any customer, supplier, or teammate of Northrop Grumman with whom you engaged, or about whom you received confidential, sensitive, or proprietary information, in the course of your employment with Northrop Grumman, for purposes of providing products or services in competition with Northrop Grumman. In the case of a governmental, regulatory or administrative agency, commission, department or other governmental authority, the customer is determined by reference to the specific program offices or activities for which Northrop Grumman provides goods or services.

4.4 *Non-Solicitation of Employees.* For a period of twenty-four (24) months from your Termination, you shall not, directly or indirectly, solicit or offer to hire, any person who was, within a period of six months prior to your Termination, employed by Northrop Grumman, with whom you worked or about whom you received information in the course of your employment with Northrop Grumman.

4.5 *Non-Disparagement.* You will not issue or communicate any statement, whether verbal or written,

or take any other action that disparages or may be interpreted to disparage the Company, its products, services, officers, directors, or employees; provided that the foregoing shall not apply to any truthful statements made in connection with a legal process, including government investigation, or as otherwise provided by law. For the avoidance of doubt, nothing prohibits you from making any disclosures that are protected under the whistleblower provisions of any applicable law, rule, or regulation.

4.6 Exceptions. You may request an exception to the covenants in Sections 4.2, 4.3, or 4.4 by making a written request to the Company's Chief Human Resources Officer, with such exceptions being considered at the sole discretion of the Company and communicated in writing to you.

4.7 Reasonableness. You agree that the restrictions set forth in Sections 4.2, 4.3, and 4.4 are (i) reasonable and necessary in all respects, including duration, territory and scope of activity, in order to protect the Company's legitimate business interests, (ii) that the parties have attempted to limit your right to compete only to the extent necessary to protect the Company's legitimate business interests, and (iii) that you will be able to earn a livelihood without violating the restrictions in this section. It is the intent of the parties that the provisions of this section shall be enforced to the fullest extent permissible under applicable law. However, if any portion of Section 4.2, 4.3, or 4.4 is deemed unenforceable, the parties agree that a court or arbitrator may revise the portion deemed unenforceable to the maximum extent possible to achieve the objective of the parties, and the remainder of the section shall remain in full force and effect.

4.8 Remedies. If you violate any provision in Section 4.2, 4.3, 4.4, and/or 4.5 of this section, the Company shall have the right to terminate without payment to you any unvested and/or unpaid RPSRs (and associated Dividend Equivalents) and require that you immediately deliver to the Company an amount in cash equal to the aggregate Fair Market Value, determined as of the vesting and/or payment date of all RPSRs already received, including any Dividend Equivalents, within one year prior to the breach. Further, you acknowledge and agree that a breach of any of the provisions of this section will result in immediate, irreparable, and continuing damage to the Company for which there is no adequate remedy at law, and the Company will be entitled to injunctive relief, a decree of specific performance, and other relief as may be proper, including monetary damages, to the maximum extent available and without any requirement to post bond.

5. Compliance with Laws; No Stockholder Rights Prior to Issuance.

The Company's obligation to make any payments or issue any shares with respect to the award is subject to full compliance with all then applicable requirements of law, the Securities and Exchange Commission, or other regulatory agencies having jurisdiction over the Company and its shares, and of any exchange upon which stock of the Company may be listed. The Grantee shall not have the rights and privileges of a stockholder, including without limitation the right to vote or receive dividends (except as expressly provided in this Agreement with respect to Dividend Equivalents), with respect to any shares which may be issued in respect of the RPSRs until the date appearing on the certificate(s) for such shares (or, in the case of shares entered in book entry form, the date that the shares are actually recorded in such form for the benefit of the Grantee), if such shares become deliverable.

6. Adjustments; Change in Control.

6.1 Adjustments. The RPSRs, Dividend Equivalents, and the shares subject to the award are subject to adjustment upon the occurrence of events such as stock splits, stock dividends and other changes in capitalization in accordance with Section 6(a) of the Plan. In addition, for RPSRs that do not use a relative total shareholder return metric as the applicable performance criterion, the applicable performance criteria and goals are subject to adjustment pursuant to Section 8 of the Plan. Any such adjustment or determination not to make any adjustment shall be conclusive and binding.

6.2 Possible Acceleration on Change in Control. Notwithstanding the provisions of Section 2 hereof, and further subject to the Company's ability to terminate the award as provided in Section 6.3 below, the Grantee shall be entitled to vesting of the award as provided below in the event of the Grantee's termination of employment if at the time of the termination, the termination occurs either within the Protected Period corresponding to a Change in Control of the Company or within twenty-four (24) calendar months following the date of a Change in Control of the Company, and the Grantee's employment by the Company and its subsidiaries is involuntarily terminated by the Company and its subsidiaries for reasons other than Cause or by the Grantee for Good Reason.

Notwithstanding anything else contained herein to the contrary, the termination of the Grantee's employment (or other events giving rise to Good Reason) shall not entitle the Grantee to any accelerated vesting pursuant to this Section 6.2 if there is objective evidence

that, as of the commencement of the Protected Period, the Grantee had specifically been identified by the Company as an employee whose employment would be terminated as part of a corporate restructuring or downsizing program that commenced prior to the Protected Period and such termination of employment was expected at that time to occur within six (6) months.

In the event the Grantee is entitled to payment in accordance with the foregoing provisions of this Section 6.2, then the Grantee will be eligible for payment of a number of RPSRs (and related Dividend Equivalents) determined in accordance with the following formula: (a) the Earnout Percentage determined in accordance with Section 1 but calculated based on performance for the portion of the three-year Performance Period ending on the last day of the month coinciding with or immediately preceding the date of the termination of the Grantee's employment, multiplied by (b) the target number of RPSRs subject to the award. Payment of any amount due under this Section 6.2 will be made within 60 days of the date of the termination of Grantee's employment, but in no event later than March 15th of the year following the Grantee's termination of employment.

6.3 Automatic Acceleration; Early Termination. If the Company undergoes a Change in Control triggered by clause (iii) or (iv) of the definition thereof and the Company is not the surviving entity and the successor to the Company (if any) (or a Parent thereof) does not agree in writing prior to the occurrence of the Change in Control to continue and assume the award following the Change in Control, or if for any other reason the award would not continue after the Change in Control, then upon the Change in Control the Grantee shall be entitled to a payment of the RPSRs (and related Dividend Equivalents) as provided below and the award shall terminate. Unless the Committee expressly provides otherwise in the circumstances, no acceleration of vesting of the award shall occur pursuant to this Section 6.3 in connection with a Change in Control if either (a) the Company is the surviving entity, or (b) the successor to the Company (if any) (or a Parent thereof) agrees in writing prior to the Change in Control to assume the award. The Committee may make adjustments pursuant to Section 6(a) of the Plan and/or deem an acceleration of vesting of the award pursuant to this Section 6.3 to occur sufficiently prior to an event if necessary or deemed appropriate to permit the Grantee to realize the benefits intended to be conveyed with respect to the shares underlying the award; provided, however, that, the Committee may reinstate the original terms of the award if the related event does not actually occur.

In the event the Grantee is entitled to a payment in accordance with the foregoing provisions of this Section 6.3, then the Grantee will be eligible for payment of a

number of RPSRs (and related Dividend Equivalents) determined in accordance with the following formula: (a) the Earnout Percentage determined in accordance with Section 1 but calculated based on performance for the portion of the three-year Performance Period ending on the date of the Change in Control of the Company, multiplied by (b) the target number of RPSRs subject to the award. Payment of any amount due under this Section 6.3 will be made within 60 days of the Change of Control, but in no event later than March 15 of the year following the Change in Control. In the event the Grantee is employed by the Company or a subsidiary immediately prior to the Change in Control and is entitled to payment in accordance with the foregoing provisions of this Section 6.3, then this Section 6.3 shall control as to the amount and timing of the payment of the award notwithstanding anything in Section 2.2 or 6.2 to the contrary. In the event of the Grantee's Retirement pursuant to Section 2.2 prior to a Change in Control described in the first paragraph of this Section 6.3 in which the award is to be terminated, the Earnout Percentage shall no longer be based on the portion of the Performance Period otherwise considered for purposes of Section 2.2 but shall instead be calculated based on performance for the portion of the three-year Performance Period ending on the date of the Change in Control of the Company.

7. **Tax Matters.**

7.1 Tax Withholding. The Company or the subsidiary which employs the Grantee shall be entitled to require, as a condition of making any payments or issuing any shares upon vesting of the RPSRs and related Dividend Equivalents, that the Grantee or other person entitled to such shares or other payment pay the minimum sums required to be withheld by federal, state, local or other applicable tax law with respect to such vesting or payment. Alternatively, the Company or such subsidiary, in its discretion, may make such provisions for the withholding of taxes as it deems appropriate (including, without limitation, withholding the taxes due from compensation otherwise payable to the Grantee or reducing the number of shares otherwise deliverable with respect to the award (valued at their then Fair Market Value) by the amount necessary to satisfy such statutory minimum withholding obligations).

7.2 Transfer Taxes. The Company will pay all federal and state transfer taxes, if any, and other fees and expenses in connection with the issuance of shares in connection with the vesting of the RPSRs.

7.3 Compliance. This Agreement is designed to be exempt from Code Section 409A, and the Committee shall administer and construe the award in such a way as

to be exempt from and to avoid adverse tax consequences under Code Section 409A.

7.4 Unfunded Arrangement. The right of the Grantee to receive payment under the award shall be an unsecured contractual claim against the Company. As such, neither the Grantee nor any Successor shall have any rights in or against any specific assets of the Company based on the award. Awards shall at all times be considered entirely unfunded for tax purposes.

7.5 Code Section 280G. Notwithstanding any other provision of this Agreement to the contrary, in the event that any amounts payable to you under this Agreement, either alone or together with amounts payable pursuant to any other plan, program or arrangement (a) constitute “parachute payments” within the meaning of Section 280G of the Code, and (b) but for this Section 7.5 would be subject to the excise tax imposed by Section 4999 of the Code or any comparable successor provisions (the “Excise Tax”), then the vesting acceleration provided under this Agreement, shall be either (a) provided to you in full, or (b) provided to you to such lesser extent that would result in no portion of the payments so accelerated being subject to the Excise Tax, whichever of the foregoing amounts, when taking into account applicable federal, state, local and foreign income and employment taxes, the Excise Tax, and any other applicable taxes, results in the receipt by you, on an after-tax basis, of the greatest amount of benefits, notwithstanding that all or some portion of such benefits may be subject to the Excise Tax. All determinations required to be made under this Section 7.5 shall be made by a registered public accounting firm selected by the Company, which shall provide supporting calculations both to the Company and you no later than the date of the applicable Change in Control. In the event that any payments or benefits to the Grantee are to be reduced pursuant to this Section 7.5, such payments and benefits shall be reduced such that the reduction of compensation to be provided to the Grantee as a result of this Section 7.5 is minimized. In applying this principle, the reduction shall be made in a manner consistent with the requirements of Section 409A and where two economically equivalent amounts are subject to reduction but payable at different times, such amounts shall be reduced on a pro rata basis but not below zero.

8. Choice of Law; Venue; Arbitration.

This Agreement shall be governed by the laws of the State of Delaware. You agree to be bound by and fully comply with Northrop Grumman Manual USHR 2-32, Arbitration and Mediation (“USHR 2-32”). Any cause of action or claim arising out of or related to the terms and conditions applicable to this grant will be determined through final and binding arbitration, in

accordance with USHR 2-32, provided that the prevailing party in the arbitration shall be entitled to receive from the losing party reasonably incurred attorneys’ fees and costs. You and the Company agree that any arbitration hearing and related proceedings shall be convened and conducted in Falls Church, VA. If you or the Company believes they require immediate relief to enforce or challenge this Agreement, before arbitration is commenced or concluded, either party may seek injunctive or other provisional equitable relief from a state or federal court in the Commonwealth of Virginia. All court actions or proceedings arising under this Agreement shall be heard in a state or federal court in the Commonwealth of Virginia. The Company and you hereby agree to the jurisdiction of the state and federal courts in the Commonwealth of Virginia and waive any right to object to such actions on grounds of venue, jurisdiction or convenience.

9. Committee Authority.

The Committee has the discretionary authority to determine any questions as to the date when the Grantee’s employment terminated and the cause of such termination and to interpret any provision of this Agreement, the Grant Letter, the Stock Plan System, the Plan, and any other applicable rules. Any action taken by, or inaction of, the Committee relating to or pursuant to this Agreement, the Grant Letter, the Stock Plan System, the Plan, or any other applicable rules shall be within the absolute discretion of the Committee and shall be conclusive and binding on all persons.

10. Plan; Amendment.

The RPSRs (and related Dividend Equivalents) subject to the award are governed by, and the Grantee’s rights are subject to, all of the terms and conditions of the Plan and any other rules adopted by the Committee, as the foregoing may be amended from time to time. The Grantee shall have no rights with respect to any amendment of this Agreement or the Plan unless such amendment is in writing and signed by a duly authorized officer of the Company. In the event of a conflict between the provisions of the Grant Letter and/or the Stock Plan System and the provisions of this Agreement and/or the Plan, the provisions of this Agreement and/or the Plan, as applicable, shall control.

11. Required Holding Period.

The holding requirements of this Section 11 shall apply to any Grantee who is an elected or appointed officer of the Company on the date any RPSRs are paid (or, if earlier, on the date the Grantee’s employment by the Company and its subsidiaries terminates for any reason). Any Grantee subject to this Section 11 shall not

be permitted to sell, transfer, anticipate, alienate, assign, pledge, encumber or charge the number of shares equal to 50% of the total payout of Vested RPSRs (net of taxes withheld) until the earlier of (A) the third anniversary of the date such shares of Common Stock are paid to the Grantee, (B) the date the Grantee's employment by the Company and its subsidiaries terminates due to the Grantee's death or Disability, (C) the occurrence of a Change in Control that results in termination and payment under Section 6.2 or 6.3 above, or (D) with respect to Grantee's entering a U.S. federal government position only, the latest of (i) the date the Grantee's employment with the Company terminates, or (ii) the date the Grantee formally accepts the government position in writing, or (iii) the date the government confirms the Grantee (for positions requiring nomination and confirmation). Should the Grantee's employment by the Company and its subsidiaries terminate (regardless of the reason for such termination, but other than due to the Grantee's death or Disability or a Change in Control related termination under Section 6.2 or entering a U.S. federal government position), such holding period requirement shall not apply as to any shares acquired upon payment of RPSRs to the extent such payment is made more than one year after such termination of employment. (For purposes of clarity, in such circumstances the holding period requirement will apply as to any shares acquired upon payment of RPSRs within one year after such a termination of employment.) For purposes of this Section 11, the total payout of Vested RPSRs shall be determined on a net basis after taking into account any shares otherwise deliverable with respect to the award that the Company withholds to satisfy tax obligations pursuant to Section 7.1. If Grantee is paid less than 50% of the total payout of Vested RPSRs (net of taxes) in shares, then all of the shares received will be subject to the holding period requirements in this Section 11. Any shares of Common Stock received in respect of shares that are covered by the holding period requirements of this Section 11 (such as shares received in respect of a stock split or stock dividend) shall be subject to the same holding period requirements as the shares to which they relate.

12. Definitions.

Whenever used in this Agreement, the following terms shall have the meanings set forth below and, when the meaning is intended, the initial letter of the word is capitalized:

“**Board**” means the Board of Directors of the Company.

“**Cause**” means the occurrence of either or both of the following:

- (i) The Grantee's conviction for committing an act of fraud, embezzlement, theft, or other act constituting a felony (other than traffic related offenses, as a result of vicarious liability, or as a result of good faith actions as an officer of the Company); or
- (ii) Willful misconduct by the Grantee that causes financial or reputational harm to the Company. However, no act, or failure to act, on the Grantee's part shall be considered “willful” unless done, or omitted to be done, by the Grantee not in good faith and without reasonable belief that his or her action or omission was in the best interest of the Company.

“**Change in Control**” is used as defined in the Plan.

“**Code**” means the United States Internal Revenue Code of 1986, as amended.

“**Committee**” means the Company's Compensation and Human Capital Committee or any successor committee appointed by the Board to administer the Plan.

“**Common Stock**” means the Company's common stock.

“**Disability**” means, with respect to a Grantee, that the Grantee: (i) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve months; or (ii) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve months, receiving income replacement benefits for a period of not less than three months under an accident and health plan covering employees of the Grantee's employer.

“**Early Retirement**” means that the Grantee's employment terminates in any of the following circumstances, and other than a termination of employment that constitutes a Normal Retirement or occurs in connection with a termination by the Company or a subsidiary for Cause:

- (i) a termination of employment after the Grantee has attained age 55 with at least 10 years of service.
- (ii) a termination of employment by the Company or a subsidiary as part of a reduction in force and, at the time of such termination, the Grantee has attained age 53 with at least 10 years of service.

(iii) a termination of employment by the Company or a subsidiary as part of a reduction in force and, at the time of such termination, the sum of the Grantee's age and years of service is at least 75.

"**Fair Market Value**" is used as defined in the Plan; provided, however, the Committee in determining such Fair Market Value for purposes of the award may utilize such other exchange, market, or listing as it deems appropriate.

"**Good Reason**" means, without the Grantee's express written consent, the occurrence of any one or more of the following:

- (i) A material and substantial reduction in the nature or status of the Grantee's authorities or responsibilities (when such authorities and/or responsibilities are viewed in the aggregate) from their level in effect on the day immediately prior to the start of the Protected Period, other than (A) an inadvertent act that is remedied by the Company promptly after receipt of notice thereof given by the Grantee, and/or (B) changes in the nature or status of the Grantee's authorities or responsibilities that, in the aggregate, would generally be viewed by a nationally-recognized executive placement firm as resulting in the Grantee having not materially and substantially fewer authorities and responsibilities (taking into consideration the Company's industry) when compared to the authorities and responsibilities applicable to the position held by the Grantee immediately prior to the start of the Protected Period. The Company may retain a nationally-recognized executive placement firm for purposes of making the determination required by the preceding sentence and the written opinion of the firm thus selected shall be conclusive as to this issue.

In addition, if the Grantee is a vice president, the Grantee's loss of vice-president status will constitute "Good Reason"; provided that the loss of the title of "vice president" will not, in and of itself, constitute Good Reason if the Grantee's lack of a vice president title is generally consistent with the manner in which the title of vice president is used within the Grantee's business unit or if the loss of the title is the result of a promotion to a higher level office. For the purposes of the preceding sentence, the Grantee's lack of a vice-president title will only be considered generally consistent with the manner in which such title is used if most persons in the business unit with authorities, duties, and responsibilities comparable to those of the

Grantee immediately prior to the commencement of the Protected Period do not have the title of vice-president.

- (ii) A material reduction by the Company in the Grantee's annualized rate of base salary as in effect on the first to occur of the start of the Performance Period or the start of the Protected Period, or as the same shall be increased from time to time.
- (iii) A material reduction in the aggregate value of the Grantee's level of participation in any of the Company's short and/or long-term incentive compensation plans (excluding stock-based incentive compensation plans), employee benefit or retirement plans, or policies, practices, or arrangements in which the Grantee participates immediately prior to the start of the Protected Period provided; however, that a reduction in the aggregate value shall not be deemed to be "Good Reason" if the reduced value remains substantially consistent with the average level of other employees who have positions commensurate with the position held by the Grantee immediately prior to the start of the Protected Period.
- (iv) A material reduction in the Grantee's aggregate level of participation in the Company's stock-based incentive compensation plans from the level in effect immediately prior to the start of the Protected Period; provided, however, that a reduction in the aggregate level of participation shall not be deemed to be "Good Reason" if the reduced level of participation remains substantially consistent with the average level of participation of other employees who have positions commensurate with the position held by the Grantee immediately prior to the start of the Protected Period.
- (v) The Grantee is informed by the Company that his or her principal place of employment for the Company will be relocated to a location that is greater than fifty (50) miles away from the Grantee's principal place of employment for the Company at the start of the corresponding Protected Period; provided that, if the Company communicates an intended effective date for such relocation, in no event shall Good Reason exist pursuant to this clause (v) more than ninety (90) days before such intended effective date.

The Grantee's right to terminate employment for Good Reason shall not be affected by the Grantee's incapacity due to physical or mental illness. The

Grantee's continued employment shall not constitute a consent to, or a waiver of rights with respect to, any circumstances constituting Good Reason herein.

"Governmental Service Retirement" means a Retirement by the Grantee where the Grantee accepts a position in the federal government or a state or local government and an accelerated distribution under the award is permitted under Code Section 409A based on such government employment and related ethics rules.

"Normal Retirement" means that the Grantee terminates employment after attaining age 65 with at least 10 years of service (other than in connection with a termination by the Company or a subsidiary for Cause). In the case of a Grantee who is an officer of the Company subject to the Company's mandatory retirement at age 65 policy and who, at the applicable time, is not otherwise eligible for Normal Retirement as defined in the preceding sentence, "Normal Retirement" as to that Grantee means that the Grantee's employment is terminated pursuant to such mandatory retirement policy (regardless of the Grantee's years of service and other than in connection with a termination by the Company or a subsidiary for Cause).

"Parent" is used as defined in the Plan.

"Plan" means the Northrop Grumman 2024 Long-Term Incentive Stock Plan, as it may be amended from time to time.

The **"Protected Period"** corresponding to a Change in Control of the Company shall be a period of time determined in accordance with the following:

- (i) If the Change in Control is triggered by a tender offer for shares of the Company's stock or by the offeror's acquisition of shares pursuant to such a tender offer, the Protected Period shall commence on the date of the initial tender offer and shall continue through and including the date of the Change in Control; provided that in no case will the Protected Period commence earlier than the date that is six (6) months prior to the Change in Control.
- (ii) If the Change in Control is triggered by a merger, consolidation, or reorganization of the Company with or involving any other corporation, the Protected Period shall commence on the date that serious and substantial discussions first take place to effect the merger, consolidation, or reorganization and shall continue through and including the date of the Change in Control; provided that in no case will the Protected Period

commence earlier than the date that is six (6) months prior to the Change in Control.

- (iii) In the case of any Change in Control not described in clause (i) or (ii) above, the Protected Period shall commence on the date that is six (6) months prior to the Change in Control and shall continue through and include the date of the Change in Control.

"Successor" means the person acquiring a Grantee's rights to a grant under the Plan as a beneficiary designated in the Stock Plan System, or if none, the Grantee's estate.

NORTHROP GRUMMAN CORPORATION

2026 RESTRICTED STOCK RIGHTS GRANT AGREEMENT

This 2026 Restricted Stock Rights Grant Agreement (“Agreement”) applies to certain “Restricted Stock Rights” (“RSRs”) granted by Northrop Grumman Corporation (the “Company”) in 2026 under its 2024 Long-Term Incentive Stock Plan. If you were granted an RSR award by the Company in 2026, the date of grant of your RSR award (the “Grant Date”) and the number of RSRs applicable to your award are set forth in the letter from the Company announcing your RSR award (your “Grant Letter”) and are also reflected in the electronic stock plan award recordkeeping system (“Stock Plan System”) maintained by the Company or its designee. This Agreement applies only with respect to the 2026 RSR award under the Plan, and you are subject to this Agreement upon accepting your grant. If you were granted an RSR award, you are referred to as the “Grantee” with respect to your award. Capitalized terms are generally defined in Section 12 below if not otherwise defined herein.

Each RSR represents a right to receive one share of the Company’s Common Stock, or cash of equivalent value as provided herein, subject to vesting as provided herein. The number of RSRs subject to your award is subject to adjustment as provided herein. The RSR award is subject to all of the terms and conditions set forth in this Agreement, and is further subject to all of the terms and conditions of the Plan and any rules adopted by the Committee, as such rules are in effect from time to time. If you do not formally accept your RSR award by entering into this Agreement in accordance with the instructions and time limit set forth in your Grant Letter, you will be deemed to have forfeited your RSR award.

1. Vesting; Issuance of Shares.

Subject to Sections 2, 3, 4 and 6 below, one hundred percent (100%) of the number of RSRs (and any Dividend Equivalents (as defined below)) subject to your award (subject to adjustment as provided in Section 6.1) shall vest upon the third anniversary of the Grant Date, provided that if the third anniversary of the Grant Date falls on a weekend or holiday, then the award shall vest on the next business day.

1.1 Payment of RSRs. Except as otherwise provided below, the Company shall pay an RSR subject to the award that vests (“Vested RSR”) (and related Dividend Equivalents) within 60 days following the vesting of the RSR on the third anniversary of the Grant Date. The Company shall pay such Vested RSRs in either an equivalent number of shares of Common Stock, or, in the discretion of the Committee, in cash or in a combination of shares of Common Stock and cash. In the event of a cash payment, the amount of the payment for each Vested RSR to be paid in cash will equal the Fair Market Value (as defined below) of a share of Common Stock as of the date that such RSR became vested.

1.2 Dividend Equivalents. The Grantee shall be entitled to payment for Dividend Equivalents (if any) with respect to any Vested RSRs. For purposes of this Agreement, “Dividend Equivalents” means the aggregate amount of dividends paid by the Company on a number of shares of Common Stock equivalent to the number of Vested RSRs during the period from the Grant date until the date the Vested RSRs are paid (without interest or

other adjustments to reflect the time value of money). Dividend Equivalents (if any) will be paid at the same time as the Vested RSRs to which they relate are paid. Dividend Equivalents will be paid in cash.

2. Early Termination of Award; Termination of Employment.

2.1 General. The RSRs (and related Dividend Equivalents) subject to the award, to the extent not previously vested, shall terminate and become null and void if and when (a) the award terminates in connection with a Change in Control pursuant to Section 6 below, or (b) except as provided in Sections 2.6 and 2.7, and in Section 6, the Grantee ceases for any reason to be an employee of the Company or one of its subsidiaries.

2.2 Leave of Absence. Unless the Committee otherwise provides (at the time of the leave or otherwise), if the Grantee is granted a leave of absence by the Company, the Grantee (a) shall not be deemed to have incurred a termination of employment at the time such leave commences for purposes of the award, and (b) shall be deemed to be employed by the Company for the duration of such approved leave of absence for purposes of the award. A termination of employment shall be deemed to have occurred if the Grantee does not timely return to active employment upon the expiration of such approved leave or if the Grantee commences a leave that is not approved by the Company.

2.3 Salary Continuation. Subject to Section 2.2 above, the term “employment” as used herein means active employment by the Company or one of its

subsidiaries and salary continuation without active employment (other than a leave of absence approved by the Company that is covered by Section 2.2) will not, in and of itself, constitute “employment” for purposes hereof (in the case of salary continuation without active employment, the Grantee’s cessation of active employee status shall, subject to Section 2.2, be deemed to be a termination of “employment” for purposes hereof). Furthermore, salary continuation will not, in and of itself, constitute a leave of absence approved by the Company for purposes of the award.

2.4 Sale or Spinoff of Subsidiary or Business Unit. For purposes of the RSRs (and related Dividend Equivalents) subject to the award, a termination of employment of the Grantee shall be deemed to have occurred if the Grantee is employed by a subsidiary or business unit and that subsidiary or business unit is sold, spun off, or otherwise divested, the Grantee does not otherwise continue to be employed by the Company or one of its subsidiaries after such event, and the divested entity or business (or its successor or a parent company) does not assume the award in connection with such transaction. In the event of such a termination of employment, the termination shall be deemed to be an Early Retirement unless the Grantee was otherwise eligible at the time of termination for Normal Retirement (in which case, the termination shall be considered a Normal Retirement) treated as provided for in Section 2.7 (subject to Section 6).

2.5 Continuance of Employment Required. Except as expressly provided in Section 2.6, Section 2.7 and in Section 6, the vesting of the RSRs (and related Dividend Equivalents) subject to the award requires continued employment through the third anniversary of the Grant Date as a condition to the vesting of any portion of the award. Employment for only a portion of the vesting period, even if a substantial portion, will not entitle the Grantee to any proportionate vesting or avoid or mitigate a termination of rights and benefits upon or following a termination of employment. Nothing contained in this Agreement, the Stock Plan System, or the Plan constitutes an employment commitment by the Company or any subsidiary, affects the Grantee’s status (if the Grantee is otherwise an at-will employee) as an employee at will who is subject to termination without cause, confers upon the Grantee any right to continue in the employ of the Company or any subsidiary, or interferes in any way with the right of the Company or of any subsidiary to terminate such employment at any time.

2.6 Death or Disability. If the Grantee dies or incurs a Disability while employed by the Company or a subsidiary and such death or Disability occurs more than six months after the Grant Date, the outstanding and

previously unvested RSRs (and related Dividend Equivalents) subject to the award shall vest as of the date of the Grantee’s death or Disability, as applicable. RSRs (and related Dividend Equivalents) vesting under this Section shall be paid within 60 days following the earlier of (a) Grantee’s death or (b) Grantee’s Disability. In the event of the Grantee’s death prior to the delivery of shares or other payment with respect to any vested RSRs (and related Dividend Equivalents), the Grantee’s Successor shall be entitled to any payments to which the Grantee would have been entitled under this Agreement with respect to such vested and unpaid RSRs (and related Dividend Equivalents).

2.7 Termination of Employment Due to Retirement. If the Grantee ceases to be employed by the Company or one of its subsidiaries due to the Grantee’s Early Retirement and such Early Retirement occurs more than six months after the Grant Date, the RSRs (and related Dividend Equivalents) subject to the award shall vest on a prorated basis. Such prorating of RSRs (and related Dividend Equivalents) shall be determined based on the number of days the Grantee was employed by the Company or a subsidiary in the period commencing with the Grant Date through and including the date on which the Grantee is last employed by the Company or a subsidiary, over the number of calendar days in the period commencing with the Grant Date through and including the third anniversary of the Grant Date. Any remaining unvested RSRs (and related Dividend Equivalents), after giving effect to the foregoing acceleration of vesting, shall terminate immediately upon the Grantee’s Early Retirement. If the Grantee ceases to be employed by the Company or one of its subsidiaries due to the Grantee’s Normal Retirement and such Normal Retirement occurs more than six months after the Grant Date, the RSRs (and related Dividend Equivalents) subject to the award shall vest in full.

Subject to the following provisions of this paragraph, RSRs (and related Dividend Equivalents) vesting under this Section shall be paid within 60 days following the Grantee’s Separation from Service. However, in the case of a Governmental Service Retirement by the Grantee, payment of the vested RSRs (and related Dividend Equivalents) will be made within 10 days after the Grantee’s Early or Normal Retirement. If the Grantee is a Key Employee as of the date of the Grantee’s Separation from Service, the Grantee shall not be entitled to payment of his or her vested RSRs (and related Dividend Equivalents) pursuant to this Section until the earlier of (and payment shall be made upon or promptly after, and in all events within thirty (30) days after, the first to occur of) (a) the date which is six (6) months and one day after the Grantee’s Separation from Service, or (b) the date of the Grantee’s death. The

provisions of the preceding sentence shall only apply if, and to the extent, required to avoid the imputation of any tax, penalty or interest pursuant to Section 409A of the Code.

In determining the Grantee's eligibility for Early or Normal Retirement, service is measured by dividing (a) the number of days the Grantee was employed by the Company or a subsidiary in the period commencing with his or her last date of hire by the Company or a subsidiary through and including the date on which the Grantee is last employed by the Company or a subsidiary, by (b) 365. Notwithstanding the foregoing, if the Grantee ceased to be employed by the Company or a subsidiary and was later rehired by the Company or a subsidiary, the Grantee's service prior to the break in service shall be disregarded in determining service for such purposes; provided that, if the Grantee's previous employment with the Company or a subsidiary had terminated due to the Grantee's Early Retirement, Normal Retirement, or by the Company or a subsidiary as part of a reduction in force as determined at the Company's sole discretion (in each case, other than a termination by the Company or a subsidiary for Cause) and, within the two-year period following such termination of employment (the "break in service") the Grantee was subsequently rehired by the Company or a subsidiary, then the Grantee's period of service with the Company or a subsidiary prior to and ending with the break in service will be included in determining service for such purposes. In the event the Grantee is employed by a business that is acquired by the Company or a subsidiary, the Company shall have discretion to determine whether the Grantee's service prior to the acquisition will be included in determining service for such purposes.

3. Non-Transferability and Other Restrictions.

3.1 Non-Transferability. The award, as well as the RSRs (and related Dividend Equivalents) subject to the award, are non-transferable and shall not be subject in any manner to sale, transfer, anticipation, alienation, assignment, pledge, encumbrance or charge. The foregoing transfer restrictions shall not apply to: (a) transfers to the Company; (b) transfers to a Successor upon death; or (c) if the Grantee has suffered a disability, permitted transfers to or exercises on behalf of the holder by his or her legal representative. Notwithstanding the foregoing, the Company may honor any transfer required pursuant to the terms of a court order in a divorce or similar domestic relations matter to the extent that such transfer does not adversely affect the Company's ability to register the offer and sale of the underlying shares on a Form S-8 Registration Statement and such transfer is otherwise in compliance with all applicable legal, regulatory and listing requirements.

3.2 Forfeiture or Recoupment of Awards. If, prior to payment or issuance of shares with respect to the award, Grantee's employment is terminated for Cause (or Grantee has engaged in misconduct that could have resulted in Grantee's termination of employment for Cause if Grantee had remained an employee), the Company may reduce or eliminate any payments or issuances of shares with respect to the award. You agree to be bound by and fully comply with the Company's Policy regarding the Recoupment of Certain Incentive Compensation Payments filed as Exhibit 97 to the Company's 10-K for the year ended December 31, 2025 and as in effect from time to time ("Recoupment Policy."). Any payments or issuances of shares with respect to the award are subject to the Recoupment Policy, as well as any recoupment or similar provisions of applicable law, and the Grantee shall promptly make any reimbursement requested by the Board or Committee pursuant to such policy or applicable law with respect to the award. The Grantee agrees, by accepting the award, that the Company and its affiliates may deduct from any amounts it may owe the Grantee from time to time (such as wages or other compensation) any amounts the Grantee is required to reimburse the Company pursuant to such policy or applicable law with respect to the award.

4. Post-Employment Conduct.

4.1 Executive Leadership Team Contribution. You acknowledge and agree that as a member of the Executive Leadership Team ("ELT"), you are involved in managing the global operations of the Company, incorporated in Delaware and headquartered in Virginia. You are involved in the most sensitive and proprietary matters affecting the Company, its subsidiaries, predecessors, and/or affiliates (collectively, "Northrop Grumman"), including from a technical, strategic and financial perspective, and are widely exposed to confidential, sensitive and proprietary information concerning Northrop Grumman's global operations, at the headquarters and each of the operating sectors, including in the areas of space systems, military aircraft, missile defense, advanced weapons and long-range fires capabilities, mission systems, networking and communications, strategic deterrence systems, advanced computing, microelectronics and cyber, directly or indirectly for U.S. and international government customers. Your job responsibilities require that you have a primary office location in Virginia and/or you spend substantial time at the corporate headquarters in Virginia, among other things, attending ELT and other leadership meetings, and managing operations and employees in Virginia. You occupy one of the most senior executive positions in the Company and have far-reaching access to highly confidential, valuable and

sensitive information, customer, vendor and employee relationships, intellectual property, strategic and tactical plans, and financial information and plans. The Company has a legitimate business interest in restricting your ability to compete in the specific manner set forth below. The Company has provided you this grant, subject to this Agreement and as consideration for the restrictive covenants set forth in this Section 4; provided that the provisions of Sections 4.2 and 4.3 in this Agreement shall not apply where not permitted by applicable law.

4.2 Non-Competition. For a period of twelve (12) months from the date of the termination of Grantee's employment for any reason (other than a reduction-in-force as determined at the Company's sole discretion) ("Termination"), you will not, directly or indirectly, oversee, control, participate in, or support the design, operation, research, manufacture, marketing, sale, or distribution of "Competitive Products and Services". For the purpose of this section, "Competitive Products and Services" shall mean products or services that compete for resources with, or are an alternative or potential alternative to, the products sold or services provided by Northrop Grumman, including without limitation products and services in the areas of space systems, military aircraft, missile defense, advanced weapons and long-range fires capabilities, mission systems, networking and communications, strategic deterrence systems, advanced computing, microelectronics and cyber, directly or indirectly for U.S. and international government customers.

4.3 Non-Solicitation of Customers. For a period of eighteen (18) months from your Termination, you shall not, directly or indirectly, solicit any customer, supplier, or teammate of Northrop Grumman with whom you engaged, or about whom you received confidential, sensitive, or proprietary information, in the course of your employment with Northrop Grumman, for purposes of providing products or services in competition with Northrop Grumman. In the case of a governmental, regulatory or administrative agency, commission, department or other governmental authority, the customer is determined by reference to the specific program offices or activities for which Northrop Grumman provides goods or services.

4.4 Non-Solicitation of Employees. For a period of twenty-four (24) months from your Termination, you shall not, directly or indirectly, solicit or offer to hire, any person who was, within a period of six months prior to your Termination, employed by Northrop Grumman, with whom you worked or about whom you received information in the course of your employment with Northrop Grumman.

4.5 Non-Disparagement. You will not issue or communicate any statement, whether verbal or written, or take any other action that disparages or may be interpreted to disparage the Company, its products, services, officers, directors, or employees; provided that the foregoing shall not apply to any truthful statements made in connection with a legal process, including government investigation, or as otherwise provided by law. For the avoidance of doubt, nothing prohibits you from making any disclosures that are protected under the whistleblower provisions of any applicable law, rule, or regulation.

4.6 Exceptions. You may request an exception to the covenants in Sections 4.2, 4.3, or 4.4 by making a written request to the Company's Chief Human Resources Officer, with such exceptions being considered at the sole discretion of the Company and communicated in writing to you.

4.7 Reasonableness. You agree that the restrictions set forth in Sections 4.2, 4.3, and 4.4 are (i) reasonable and necessary in all respects, including duration, territory and scope of activity, in order to protect the Company's legitimate business interests, (ii) that the parties have attempted to limit your right to compete only to the extent necessary to protect the Company's legitimate business interests, and (iii) that you will be able to earn a livelihood without violating the restrictions in this section. It is the intent of the parties that the provisions of this section shall be enforced to the fullest extent permissible under applicable law. However, if any portion of Sections 4.2, 4.3, or 4.4 is deemed unenforceable, the parties agree that a court or arbitrator may revise the portion deemed unenforceable to the maximum extent possible to achieve the objective of the parties, and the remainder of the section shall remain in full force and affect.

4.8 Remedies. If you violate any provision in Section 4.2, 4.3, 4.4 and/or 4.5 of this section, the Company shall have the right to terminate without payment to you any unvested and/or unpaid RSRs (and associated Dividend Equivalents) and require that you immediately deliver to the Company an amount in cash equal to the aggregate Fair Market Value, determined as of the vesting and/or payment date of all RSRs already received, including any Dividend Equivalents, within one year prior to the breach. Further, you acknowledge and agree that a breach of any of the provisions of this section will result in immediate, irreparable, and continuing damage to the Company for which there is no adequate remedy at law, and the Company will be entitled to injunctive relief, a decree of specific performance, and other relief as may be proper, including

monetary damages, to the maximum extent available and without any requirement to post bond.

5. Compliance with Laws; No Stockholder Rights Prior to Issuance.

The Company's obligation to make any payments or issue any shares with respect to the award is subject to full compliance with all then applicable requirements of law, the Securities and Exchange Commission, or other regulatory agencies having jurisdiction over the Company and its shares, and of any exchange upon which stock of the Company may be listed. The Grantee shall not have the rights and privileges of a stockholder, including without limitation the right to vote or receive dividends (except as expressly provided in this Agreement with respect to Dividend Equivalents), with respect to any shares which may be issued in respect of the RSRs until the date appearing on the certificate(s) for such shares (or, in the case of shares entered in book entry form, the date that the shares are actually recorded in such form for the benefit of the Grantee), if such shares become deliverable.

6. Adjustments; Change in Control.

6.1. *Adjustments.* The RSRs, Dividend Equivalents, and the shares subject to the award are subject to adjustment upon the occurrence of events such as stock splits, stock dividends and other changes in capitalization in accordance with Section 6(a) of the Plan.

6.2. *Possible Acceleration on Change in Control.* Notwithstanding the provisions of Section 2 hereof, and further subject to the Company's ability to terminate the award as provided in Section 6.3 below, the outstanding and previously unvested RSRs (and related Dividend Equivalents) subject to the award shall become fully vested as of the date of the Grantee's termination of employment if the termination occurs either within the Protected Period corresponding to a Change in Control of the Company or within twenty-four (24) calendar months following the date of a Change in Control of the Company, the Grantee's employment by the Company and its subsidiaries is involuntarily terminated by the Company and its subsidiaries for reasons other than Cause or by the Grantee for Good Reason.

Notwithstanding anything else contained herein to the contrary, the termination of the Grantee's employment (or other events giving rise to Good Reason) shall not entitle the Grantee to any accelerated vesting pursuant to this Section 6.2 if there is objective evidence that, as of the commencement of the Protected Period, the Grantee had specifically been identified by the Company as an employee whose employment would be terminated as part of a corporate restructuring or

downsizing program that commenced prior to the Protected Period and such termination of employment was expected at that time to occur within six (6) months.

Payment of any RSRs (and related Dividend Equivalents) that vest under this Section will be made at the time provided for in Section 2.7 as though the termination of the Grantee's employment was due to a Normal Retirement.

6.3. *Automatic Acceleration; Early Termination.* If the Company undergoes a Change in Control triggered by clause (iii) or (iv) of the definition thereof and the Company is not the surviving entity and the successor to the Company (if any) (or a Parent thereof) does not agree in writing prior to the occurrence of the Change in Control to continue and assume the award following the Change in Control, or if for any other reason the award would not continue after the Change in Control, then upon the Change in Control the outstanding and previously unvested RSRs (and related Dividend Equivalents) subject to the award shall vest fully and completely. Unless the Committee expressly provides otherwise in the circumstances, no acceleration of vesting of the award shall occur pursuant to this Section 6.3 in connection with a Change in Control if either (a) the Company is the surviving entity, or (b) the successor to the Company (if any) (or a Parent thereof) agrees in writing prior to the Change in Control to assume the award. The Committee may make adjustments pursuant to Section 6(a) of the Plan and/or deem an acceleration of vesting of the award pursuant to this Section 6.3 to occur sufficiently prior to an event if necessary or deemed appropriate to permit the Grantee to realize the benefits intended to be conveyed with respect to the shares underlying the RSRs (and related Dividend Equivalents); provided, however, that, the Committee may reinstate the original terms of the award if the related event does not actually occur.

Payment of any RSRs (and related Dividend Equivalents) that vest under this Section 6.3 will be made within 60 days of the third anniversary of the Grant Date unless, prior to such date: (i) the Grantee dies or has a Disability, in which case such payment will be made within 60 days of the Grantee's death or Disability, as the case may be, or (ii) the Grantee has a Separation from Service, in which case such payment will be made at the time provided for in Section 2.7 as though the termination of the Grantee's employment was due to a Normal Retirement.

7. Tax Matters.

7.1. *Tax Withholding.* The Company or the subsidiary which employs the Grantee shall be entitled to require, as a condition of making any payments or

issuing any shares upon vesting of the RSRs (and related Dividend Equivalents), that the Grantee or other person entitled to such shares or other payment pay the minimum sums required to be withheld by federal, state, local or other applicable tax law with respect to such vesting or payment. Alternatively, the Company or such subsidiary, in its discretion, may make such provisions for the withholding of taxes as it deems appropriate (including, without limitation, withholding the taxes due from compensation otherwise payable to the Grantee or reducing the number of shares otherwise deliverable with respect to the award (valued at their then Fair Market Value) by the amount necessary to satisfy such statutory minimum withholding obligations).

7.2. Transfer Taxes. The Company will pay all federal and state transfer taxes, if any, and other fees and expenses in connection with the issuance of shares in connection with the vesting of the RSRs.

7.3. Compliance with Code. The Committee shall administer and construe the award in a manner designed to comply with the Code and to avoid adverse tax consequences under Code Section 409A.

7.4. Unfunded Arrangement. The right of the Grantee to receive payment under the award shall be an unsecured contractual claim against the Company. As such, neither the Grantee nor any Successor shall have any rights in or against any specific assets of the Company based on the award. Awards shall at all times be considered entirely unfunded for tax purposes.

1.5 Code Section 280G. Notwithstanding any other provision of this Agreement to the contrary, in the event that any amounts payable to you under this Agreement, either alone or together with amounts payable pursuant to any other plan, program or arrangement (a) constitute “parachute payments” within the meaning of Section 280G of the Code, and (b) but for this Section 7.5 would be subject to the excise tax imposed by Section 4999 of the Code or any comparable successor provisions (the “Excise Tax”), then the vesting acceleration provided under this Agreement, shall be either (a) provided to you in full, or (b) provided to you to such lesser extent that would result in no portion of the payments so accelerated being subject to the Excise Tax, whichever of the foregoing amounts, when taking into account applicable federal, state, local and foreign income and employment taxes, the Excise Tax, and any other applicable taxes, results in the receipt by you, on an after-tax basis, of the greatest amount of benefits, notwithstanding that all or some portion of such benefits may be subject to the Excise Tax. All determinations required to be made under this Section 7.5 shall be made by a registered public accounting firm selected by the Company, which shall provide supporting calculations both to the

Company and you no later than the date of the applicable Change in Control. In the event that any payments or benefits to the Grantee are to be reduced pursuant to this Section 7.5, such payments and benefits shall be reduced such that the reduction of compensation to be provided to the Grantee as a result of this Section 7.5 is minimized. In applying this principle, the reduction shall be made in a manner consistent with the requirements of Section 409A and where two economically equivalent amounts are subject to reduction but payable at different times, such amounts shall be reduced on a pro rata basis but not below zero.

8. Choice of Law; Venue; Arbitration.

This Agreement shall be governed by the laws of the State of Delaware. You agree to be bound by and fully comply with Northrop Grumman Manual USHR 2-32, Arbitration and Mediation (“USHR 2-32”). Any cause of action or claim arising out of or related to the terms and conditions applicable to this grant will be determined through final and binding arbitration, in accordance with USHR 2-32, provided that the prevailing party in the arbitration shall be entitled to receive from the losing party reasonably incurred attorneys’ fees and costs. You and the Company agree that any arbitration hearing and related proceedings shall be convened and conducted in Falls Church, VA. If you or the Company believes they require immediate relief to enforce or challenge this Agreement, before arbitration is commenced or concluded, either party may seek injunctive or other provisional equitable relief from a state or federal court in the Commonwealth of Virginia. All court actions or proceedings arising under this Agreement shall be heard in a state or federal court in the Commonwealth of Virginia. The Company and you hereby agree to the jurisdiction of the state and federal courts in the Commonwealth of Virginia and waive any right to object to such actions on grounds of venue, jurisdiction or convenience.

9. Committee Authority.

The Committee has the discretionary authority to determine any questions as to the date when the Grantee’s employment terminated and the cause of such termination and to interpret any provision of this Agreement, the Grant Letter, the Stock Plan System, the Plan, and any other applicable rules. Any action taken by, or inaction of, the Committee relating to or pursuant to this Agreement, the Grant Letter, the Stock Plan System, the Plan, or any other applicable rules shall be within the absolute discretion of the Committee and shall be conclusive and binding on all persons.

10. Plan; Amendment.

The RSRs (and related Dividend Equivalents) subject to the award are governed by, and the Grantee's rights are subject to, all of the terms and conditions of the Plan and any other rules adopted by the Committee, as the foregoing may be amended from time to time. The Grantee shall have no rights with respect to any amendment of this Agreement or the Plan unless such amendment is in writing and signed by a duly authorized officer of the Company. In the event of a conflict between the provisions of the Grant Letter and/or the Stock Plan System and the provisions of this Agreement and/or the Plan, the provisions of this Agreement and/or the Plan, as applicable, shall control.

11. Required Holding Period.

The holding requirements of this Section 11 shall apply to any Grantee who is an elected or appointed officer of the Company on the date Vested RSRs are paid (or, if earlier, on the date the Grantee's employment by the Company and its subsidiaries terminates for any reason). Any Grantee subject to this Section 11 shall not be permitted to sell, transfer, anticipate, alienate, assign, pledge, encumber or charge the number of shares equal to 50% of the total payout of Vested RSRs (net of taxes withheld) until the earlier of (A) the third anniversary of the date such shares of Common Stock are paid to the Grantee, (B) the date the Grantee's employment by the Company and its subsidiaries terminates due to the Grantee's death or Disability, (C) the occurrence of a Change in Control that results in termination and payment under Section 6.2 or 6.3 above, or (D) with respect to Grantee's entering a U.S. federal government position only, the latest of (i) the date the Grantee's employment with the Company terminates, or (ii) the date the Grantee formally accepts the government position in writing, or (iii) the date the government confirms the Grantee (for positions requiring nomination and confirmation). For purposes of this Section 11, the total payout of Vested RSRs shall be determined on a net basis after taking into account any shares otherwise deliverable with respect to the award that the Company withholds to satisfy tax obligations pursuant to Section 7.1. If Grantee is paid less than 50% of the total payout of Vested RSRs (net of taxes) in shares, then all of the shares received will be subject to the holding period requirements in this Section 11. Any shares of Common Stock received in respect of shares that are covered by the holding period requirements of this Section 11 (such as shares received in respect of a stock split or stock dividend) shall be subject to the same holding period requirements as the shares to which they relate.

12. Definitions.

Whenever used in this Agreement, the following terms shall have the meanings set forth below and, when the meaning is intended, the initial letter of the word is capitalized:

“**Board**” means the Board of Directors of the Company.

“**Cause**” means the occurrence of either or both of the following:

- (i) The Grantee's conviction for committing an act of fraud, embezzlement, theft, or other act constituting a felony (other than traffic related offenses, as a result of vicarious liability, or as a result of good faith actions as an officer of the Company); or
- (ii) Willful misconduct by the Grantee that causes financial or reputational harm to the Company. However, no act, or failure to act, on the Grantee's part shall be considered “willful” unless done, or omitted to be done, by the Grantee not in good faith and without reasonable belief that his or her action or omission was in the best interest of the Company.

“**Change in Control**” is used as defined in the Plan.

“**Code**” means the United States Internal Revenue Code of 1986, as amended.

“**Committee**” means the Company's Compensation and Human Capital Committee or any successor committee appointed by the Board to administer the Plan.

“**Common Stock**” means the Company's common stock.

“**Disability**” means, with respect to a Grantee, that the Grantee: (i) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve months; or (ii) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve months, receiving income replacement benefits for a period of not less than three months under an accident and health plan covering employees of the Grantee's employer; all construed and interpreted consistent with the definition of “Disability” set forth in Code Section 409A(a)(2)(C).

“**Early Retirement**” means that the Grantee’s employment terminates in any of the following circumstances, and other than a termination of employment that constitutes a Normal Retirement or occurs in connection with a termination by the Company or a subsidiary for Cause:

- (i) a termination of employment after the Grantee has attained age 55 with at least 10 years of service.
- (ii) a termination of employment by the Company or a subsidiary as part of a reduction in force and, at the time of such termination, the Grantee has attained age 53 with at least 10 years of service.
- (iii) a termination of employment by the Company or a subsidiary as part of a reduction in force and, at the time of such termination, the sum of the Grantee’s age and years of service is at least 75.

“**Fair Market Value**” is used as defined in the Plan; provided, however, the Committee in determining such Fair Market Value for purposes of the award may utilize such other exchange, market, or listing as it deems appropriate.

“**Good Reason**” means, without the Grantee’s express written consent, the occurrence of any one or more of the following:

- (i) A material and substantial reduction in the nature or status of the Grantee’s authorities or responsibilities (when such authorities and/or responsibilities are viewed in the aggregate) from their level in effect on the day immediately prior to the start of the Protected Period, other than (A) an inadvertent act that is remedied by the Company promptly after receipt of notice thereof given by the Grantee, and/or (B) changes in the nature or status of the Grantee’s authorities or responsibilities that, in the aggregate, would generally be viewed by a nationally-recognized executive placement firm as resulting in the Grantee having not materially and substantially fewer authorities and responsibilities (taking into consideration the Company’s industry) when compared to the authorities and responsibilities applicable to the position held by the Grantee immediately prior to the start of the Protected Period. The Company may retain a nationally-recognized executive placement firm for purposes of making the determination required by the preceding sentence and the written opinion of the firm thus selected shall be conclusive as to this issue.

In addition, if the Grantee is a vice president, the Grantee’s loss of vice-president status will constitute “Good Reason”; provided that the loss of the title of “vice president” will not, in and of itself, constitute Good Reason if the Grantee’s lack of a vice president title is generally consistent with the manner in which the title of vice president is used within the Grantee’s business unit or if the loss of the title is the result of a promotion to a higher level office. For the purposes of the preceding sentence, the Grantee’s lack of a vice-president title will only be considered generally consistent with the manner in which such title is used if most persons in the business unit with authorities, duties, and responsibilities comparable to those of the Grantee immediately prior to the commencement of the Protected Period do not have the title of vice-president.

- (ii) A material reduction by the Company in the Grantee’s annualized rate of base salary as in effect at the start of the Protected Period, or as the same shall be increased from time to time.
- (iii) A material reduction in the aggregate value of the Grantee’s level of participation in any of the Company’s short and/or long-term incentive compensation plans (excluding stock-based incentive compensation plans), employee benefit or retirement plans, or policies, practices, or arrangements in which the Grantee participates immediately prior to the start of the Protected Period; provided, however, that a reduction in the aggregate value shall not be deemed to be “Good Reason” if the reduced value remains substantially consistent with the average level of other employees who have positions commensurate with the position held by the Grantee immediately prior to the start of the Protected Period.
- (iv) A material reduction in the Grantee’s aggregate level of participation in the Company’s stock-based incentive compensation plans from the level in effect immediately prior to the start of the Protected Period; provided, however, that a reduction in the aggregate level of participation shall not be deemed to be “Good Reason” if the reduced level of participation remains substantially consistent with the average level of participation of other employees who have positions commensurate with the position held by the Grantee immediately prior to the start of the Protected Period.

- (v) The Grantee is informed by the Company that his or her principal place of employment for the Company will be relocated to a location that is greater than fifty (50) miles away from the Grantee's principal place of employment for the Company at the start of the corresponding Protected Period; provided that, if the Company communicates an intended effective date for such relocation, in no event shall Good Reason exist pursuant to this clause (v) more than ninety (90) days before such intended effective date.

The Grantee's right to terminate employment for Good Reason shall not be affected by the Grantee's incapacity due to physical or mental illness. The Grantee's continued employment shall not constitute a consent to, or a waiver of rights with respect to, any circumstances constituting Good Reason herein.

"Governmental Service Retirement" means an Early or Normal Retirement by the Grantee where the Grantee accepts a position in the federal government or a state or local government and an accelerated distribution under the award is permitted under Code Section 409A based on such government employment and related ethics rules.

"Key Employee" means an employee treated as a "specified employee" under Code section 409A(a)(2)(B)(i) of the Company or an Affiliated Company (i.e., a key employee (as defined in Code section 416(i) without regard to paragraph (5) thereof)) if the Company's or an Affiliated Company's stock is publicly traded on an established securities market or otherwise. The Company shall determine in accordance with a uniform Company policy which participants are Key Employees as of each December 31 in accordance with IRS regulations or other guidance under Section 409A. Such determination shall be effective for the twelve (12) month period commencing on April 1 of the following year.

"Normal Retirement" means that the Grantee terminates employment after (i) attaining age 65 with at least 10 years of service (other than in connection with a termination by the Company or a subsidiary for Cause); or (ii) assisting the Board with the transition of Grantee's executive officer position to the satisfaction of the Board. In the case of a Grantee who is an officer of the Company subject to the Company's mandatory retirement at age 65 policy and who, at the applicable time, is not otherwise eligible for Normal Retirement as defined in the preceding sentence, "Normal Retirement" as to that Grantee means that the Grantee's employment is terminated pursuant to such mandatory retirement policy (regardless of the Grantee's years of service and

other than in connection with a termination by the Company or a subsidiary for Cause).

"Parent" is used as defined in the Plan.

"Plan" means the Northrop Grumman 2024 Long-Term Incentive Stock Plan, as it may be amended from time to time.

The **"Protected Period"** corresponding to a Change in Control of the Company shall be a period of time determined in accordance with the following:

- (i) If the Change in Control is triggered by a tender offer for shares of the Company's stock or by the offeror's acquisition of shares pursuant to such a tender offer, the Protected Period shall commence on the date of the initial tender offer and shall continue through and including the date of the Change in Control; provided that in no case will the Protected Period commence earlier than the date that is six (6) months prior to the Change in Control.
- (ii) If the Change in Control is triggered by a merger, consolidation, or reorganization of the Company with or involving any other corporation, the Protected Period shall commence on the date that serious and substantial discussions first take place to effect the merger, consolidation, or reorganization and shall continue through and including the date of the Change in Control; provided that in no case will the Protected Period commence earlier than the date that is six (6) months prior to the Change in Control.
- (iii) In the case of any Change in Control not described in clause (i) or (ii) above, the Protected Period shall commence on the date that is six (6) months prior to the Change in Control and shall continue through and including the date of the Change in Control.

"Separation from Service" means when the Grantee dies, retires, or otherwise has a termination of employment with the Company and its subsidiaries that constitutes a "separation from service" within the meaning of United States Treasury Regulation Section 1.409A-1(h)(1), without regard to the optional alternative definitions available thereunder.

"Successor" means the person acquiring a Grantee's rights to a grant under the Plan as a beneficiary designated in the Stock Plan System, or if none, the Grantee's estate.

NORTHROP GRUMMAN CORPORATION

2026 RESTRICTED PERFORMANCE STOCK RIGHTS GRANT AGREEMENT

This 2026 Restricted Performance Stock Rights Grant Agreement (“Agreement”) applies to certain “Restricted Performance Stock Rights” (“RPSRs”) granted by Northrop Grumman Corporation (the “Company”) in 2026 under its 2024 Long-Term Incentive Stock Plan. If you were granted an RPSR award by the Company in 2026, the date of grant of your RPSR award and the target number of RPSRs applicable to your award are set forth in the letter from the Company announcing your RPSR award (your “Grant Letter”) and are also reflected in the electronic stock plan award recordkeeping system (“Stock Plan System”) maintained by the Company or its designee. This Agreement applies only with respect to the 2026 RPSR award under the Plan, and you are subject to this Agreement upon accepting your grant. If you were granted an RPSR award, you are referred to as the “Grantee” with respect to your award. Capitalized terms are generally defined in Section 12 below if not otherwise defined herein.

Each RPSR represents a right to receive one share of the Company’s Common Stock, or cash of equivalent value as provided herein subject to vesting as provided herein. The performance period applicable to your award is January 1, 2026 to December 31, 2028 (the “Performance Period”). The target number of RPSRs subject to your award is subject to adjustment as provided herein. The RPSR award is subject to all of the terms and conditions set forth in this Agreement, and is further subject to all of the terms and conditions of the Plan and any rules adopted by the Committee, as such rules are in effect from time to time. If you do not formally accept your RPSR award, by entering into this Agreement in accordance with the instructions and time limit set forth in your Grant Letter, you will be deemed to have forfeited your RPSR award.

1. Vesting; Payment of RPSRs.

The RPSRs are subject to the vesting and payment provisions established by the Committee with respect to the Performance Period. RPSRs (and any Dividend Equivalents (as defined below)) that vest based on such provisions will be paid as provided below.

1.1. Performance-Based Vesting of RPSRs. Subject to Sections 2, 3, 4 and 6 below, the RPSRs subject to the award shall vest and become nonforfeitable based on the performance methodology and goals established by the Committee for the Performance Period. At the conclusion of the Performance Period, the Committee shall determine whether and the extent to which the performance goals have been achieved. The percentage of target RPSRs subject to the award (if any) that have vested for the Performance Period (the “Earnout Percentage”) shall be determined by the Committee based on the methodology and goals as established by the Committee, and its determination of the Earnout Percentage shall be conclusive and binding. Any RPSRs (and related Dividend Equivalents) subject to the award that are not vested as of the conclusion of the Performance Period after giving effect to the Committee’s determinations under this Section 1.1 shall terminate and become null and void as of the last day of the Performance Period.

1.2. Payment of RPSRs. The number of RPSRs payable at the conclusion of the Performance Period

(“Vested RPSRs”) shall be determined by multiplying the Earnout Percentage by the target number of RPSRs subject to the award. The Vested RPSRs and any RPSRs that vest and become payable pursuant to Section 2 or 6 may be paid out in either an equivalent number of shares of Common Stock, or, in the discretion of the Committee, in cash or in a combination of shares of Common Stock and cash. In the event of a cash payment, the amount of payment for each Vested RPSR to be paid in cash will equal the Fair Market Value (as defined below) of a share of Common Stock as of the date the Committee determines the extent to which the applicable RPSR performance criteria have been achieved. Vested RPSRs will be paid within 60 days of the vesting date, but in no event later than March 15 of the year following the last day of the Performance Period.

1.3. Dividend Equivalents. The Grantee shall be entitled to payment for Dividend Equivalents (if any) with respect to any Vested RPSRs and any RPSRs that vest and become payable pursuant to Section 2 or 6. For purposes of this Agreement, “Dividend Equivalents” means the aggregate amount of dividends paid by the Company on a number of shares of Common Stock equivalent to the number of Vested RPSRs (or the number of RPSRs that vest and become payable pursuant to Section 2 or 6) during the period from the beginning of the Performance Period until the date the Vested RPSRs (or the RPSRs that vest and become payable pursuant to Section 2 or 6) are paid, without interest or

other adjustments to reflect the time value of money. For these purposes, any Vested RPSRs or RPSRs that vest and become payable pursuant to Section 2 or 6 in excess of the target number of RPSRs subject to the award shall be considered to have been granted at the beginning of the Performance Period. Dividend Equivalents (if any) will be paid at the same time as the Vested RPSRs (or the RPSRs that vest and become payable pursuant to Section 2 or 6) to which they relate are paid. Dividend Equivalents will be paid in cash.

2. **Early Termination of Award; Termination of Employment.**

2.1 General. The RPSRs (and related Dividend Equivalents) subject to the award shall terminate and become null and void prior to the conclusion of the Performance Period if and when (a) the award terminates in connection with a Change in Control pursuant to Section 6 below, or (b) except as provided below in this Section 2 and in Section 6, the Grantee ceases for any reason to be an employee of the Company or one of its subsidiaries.

2.2 Termination of Employment Due to Retirement, Death or Disability. The number of RPSRs (and related Dividend Equivalents) subject to the award shall vest on a prorated basis as provided herein if the Grantee's employment by the Company and its subsidiaries terminates due to the Grantee's Early Retirement, death, or Disability and, in each case, only if the Grantee has completed at least six (6) consecutive calendar months of employment with the Company or a subsidiary during the three-year Performance Period. Such prorating of RPSRs (and related Dividend Equivalents) shall be based on the number of calendar days the Grantee was actually employed by the Company or one of its subsidiaries over the number of calendar days in the Performance Period (the number of prorated RPSRs, the "Prorated RPSRs"). If the Grantee ceases to be employed by the Company or one of its subsidiaries due to the Grantee's Normal Retirement and such Normal Retirement occurs more than six (6) months after the Grant Date, the RPSRs will vest as if the employee had remained an employee for the full Performance Period. Any RPSRs (and related Dividend Equivalents) subject to the award that do not vest in accordance with this Section 2.2 upon a termination of the Grantee's employment due to Early Retirement or Normal Retirement (collectively "Retirement"), death or Disability shall terminate immediately upon such termination of employment.

Death or Disability. In the case of death or Disability (a) the Earnout Percentage of the Grantee's Prorated RPSRs (and related Dividend Equivalents) will be deemed to be 100% (target), regardless of actual

performance, and (b) payment of the Prorated RPSRs (and related Dividend Equivalents) that vest pursuant to this Section 2.2 will be made within 60 days of the Grantee's death or Disability, but in no event later than March 15 of the year following the date of the death or Disability.

Retirement in General. Subject to the following provisions of this Section 2.2, in the case of Retirement, the Earnout Percentage will be used to calculate the Grantee's Vested RPSRs, and payment of the Vested RPSRs (and related Dividend Equivalents) will be made in accordance with Section 1.2 above.

In determining the Grantee's eligibility for Retirement, service is measured by dividing (a) the number of days the Grantee was employed by the Company or a subsidiary in the period commencing with his or her last date of hire by the Company or a subsidiary through and including the date on which the Grantee is last employed by the Company or a subsidiary, by (b) 365. Notwithstanding the foregoing, if the Grantee ceased to be employed by the Company or a subsidiary and was later rehired by the Company or a subsidiary, the Grantee's service prior to the break in service shall be disregarded in determining service for such purposes; provided that, if the Grantee's previous employment with the Company or a subsidiary had terminated due to the Grantee's Retirement, or by the Company or a subsidiary as part of a reduction in force as determined at the Company's sole discretion (in each case, other than a termination by the Company or a subsidiary for Cause) and, within the two-year period following such termination of employment (the "break in service") the Grantee was subsequently rehired by the Company or a subsidiary, then the Grantee's period of service with the Company or a subsidiary prior to and ending with the break in service will be included in determining service for such purposes. In the event the Grantee is employed by a business that is acquired by the Company or a subsidiary, the Company shall have discretion to determine whether the Grantee's service prior to the acquisition will be included in determining service for such purposes.

Retirement Due to Government Service. In the case of a Governmental Service Retirement by the Grantee (a) the Performance Period used to calculate the Grantee's Vested RPSRs will be deemed to have ended as of the most recent date that performance has been measured by the Company with respect to the RPSRs prior to the Grantee's Retirement (but in no event shall such date be more than one year before the Grantee's Retirement), (b) the Earnout Percentage of the Grantee's Prorated RPSRs (and related Dividend Equivalents) will be determined based on actual performance for that short Performance

Period, and (c) payment of the Prorated RPSRs that become Vested RPSRs (and Dividend Equivalents thereon) will be made within 20 days after Retirement.

2.3 Other Terminations of Employment. Subject to Section 6.2, all RPSRs (and related Dividend Equivalents) subject to the award shall terminate immediately upon a termination of the Grantee's employment: (a) for any reason other than due to the Grantee's Retirement, death or Disability; or (b) for Retirement, death or Disability, if the six-month employment requirement under Section 2.2 above is not satisfied.

2.4 Leave of Absence. Unless the Committee otherwise provides (at the time of the leave or otherwise), if the Grantee is granted a leave of absence by the Company, the Grantee (a) shall not be deemed to have incurred a termination of employment at the time such leave commences for purposes of the award, and (b) shall be deemed to be employed by the Company for the duration of such approved leave of absence for purposes of the award. A termination of employment shall be deemed to have occurred if the Grantee does not timely return to active employment upon the expiration of such approved leave or if the Grantee commences a leave that is not approved by the Company.

2.5 Salary Continuation. Subject to Section 2.4 above, the term "employment" as used herein means active employment by the Company or one of its subsidiaries and salary continuation without active employment (other than a leave of absence approved by the Company that is covered by Section 2.4) will not, in and of itself, constitute "employment" for purposes hereof (in the case of salary continuation without active employment, the Grantee's cessation of active employee status shall, subject to Section 2.4, be deemed to be a termination of "employment" for purposes hereof). Furthermore, salary continuation will not, in and of itself, constitute a leave of absence approved by the Company for purposes of the award.

2.6 Sale or Spinoff of Subsidiary or Business Unit. For purposes of the RPSRs (and related Dividend Equivalents) subject to the award, a termination of employment of the Grantee shall be deemed to have occurred if the Grantee is employed by a subsidiary or business unit and that subsidiary or business unit is sold, spun off, or otherwise divested, the Grantee does not otherwise continue to be employed by the Company or one of its subsidiaries after such event, and the divested entity or business (or its successor or a parent company) does not assume the award in connection with such transaction. In the event of such a termination of employment, the termination shall be deemed to be a

Retirement treated as provided for in Section 2.2 (subject to Section 6).

2.7 Continuance of Employment Required. Except as expressly provided in Section 2.2, Section 2.4 and in Section 6, the vesting of the RPSRs (and related Dividend Equivalents) subject to the award requires continued employment through the last day of the Performance Period as a condition to the vesting of any portion of the award. Employment for only a portion of the Performance Period, even if a substantial portion, will not entitle the Grantee to any proportionate vesting or avoid or mitigate a termination of rights and benefits upon or following a termination of employment. Nothing contained in this Agreement, the Grant Letter, the Stock Plan System, or the Plan constitutes an employment commitment by the Company or any subsidiary, affects the Grantee's status (if the Grantee is otherwise an at-will employee) as an employee at will who is subject to termination without cause, confers upon the Grantee any right to continue in the employ of the Company or any subsidiary, or interferes in any way with the right of the Company or of any subsidiary to terminate such employment at any time.

2.8 Death. In the event of the Grantee's death subsequent to the vesting of RPSRs but prior to the delivery of shares or other payment with respect to such RPSRs (and related Dividend Equivalents), the Grantee's Successor shall be entitled to any payments to which the Grantee would have been entitled under this Agreement with respect to such RPSRs.

3. Non-Transferability and Other Restrictions.

3.1 Non-Transferability. The award, as well as the RPSRs (and related Dividend Equivalents) subject to the award, are non-transferable and shall not be subject in any manner to sale, transfer, anticipation, alienation, assignment, pledge, encumbrance or charge. The foregoing transfer restrictions shall not apply to: (a) transfers to the Company; (b) transfers to a Successor upon death; or (c) if the Grantee has suffered a disability, permitted transfers to or exercises on behalf of the holder by his or her legal representative. Notwithstanding the foregoing, the Company may honor any transfer required pursuant to the terms of a court order in a divorce or similar domestic relations matter to the extent that such transfer does not adversely affect the Company's ability to register the offer and sale of the underlying shares on a Form S-8 Registration Statement and such transfer is otherwise in compliance with all applicable legal, regulatory and listing requirements.

3.2 Forfeiture or Recoupment of Awards. If, prior to payment or issuance of shares with respect to the award, Grantee's employment is terminated for Cause (or

Grantee has engaged in misconduct that could have resulted in Grantee's termination of employment for Cause if Grantee had remained an employee), the Company may reduce or eliminate any payments or issuances of shares with respect to the award. You agree to be bound by and fully comply with the Company's Policy Regarding the Recoupment of Certain Incentive Compensation Payments filed as Exhibit 97 to the Company's 10-K for the year ended December 31, 2025 and as in effect from time to time ("Recoupment Policy"). Any payments or issuances of shares with respect to the award are subject to the Recoupment Policy, as well as any recoupment or similar provisions of applicable law, and the Grantee shall promptly make any reimbursement requested by the Board or Committee pursuant to such policy or applicable law with respect to the award. The Grantee agrees, by accepting the award, that the Company and its affiliates may deduct from any amounts it may owe the Grantee from time to time (such as wages or other compensation) any amounts the Grantee is required to reimburse the Company pursuant to such policy or applicable law with respect to the award.

4. Post-Employment Conduct.

4.1 *Executive Leadership Team Contribution.* You acknowledge and agree that as a member of the Executive Leadership Team ("ELT"), you are involved in managing the global operations of the Company, incorporated in Delaware and headquartered in Virginia. You are involved in the most sensitive and proprietary matters affecting the Company, its subsidiaries, predecessors, and/or affiliates (collectively, "Northrop Grumman"), including from a technical, strategic and financial perspective, and are widely exposed to confidential, sensitive and proprietary information concerning Northrop Grumman's global operations, at the headquarters and each of the operating sectors, including in the areas of space systems, military aircraft, missile defense, advanced weapons and long-range fires capabilities, mission systems, networking and communications, strategic deterrence systems, advanced computing, microelectronics and cyber, directly or indirectly for U.S. and international government customers. Your job responsibilities require that you have a primary office location in Virginia and/or you spend substantial time at the corporate headquarters in Virginia, among other things, attending ELT and other leadership meetings, and managing operations and employees in Virginia. You occupy one of the most senior executive positions in the Company and have far-reaching access to highly confidential, valuable and sensitive information, customer, vendor and employee relationships, intellectual property, strategic and tactical plans, and financial information and plans. The

Company has a legitimate business interest in restricting your ability to compete in the specific manner set forth below. The Company has provided you this grant, subject to this Agreement and as consideration for the restrictive covenants set forth in this Section 4; provided that the provisions of Sections 4.2 and 4.3 in this Agreement shall not apply where not permitted by applicable law.

4.2 *Non-Competition.* For a period of twelve (12) months from the date of the termination of Grantee's employment for any reason (other than a reduction-in-force as determined at the Company's sole discretion) ("Termination"), you will not, directly or indirectly, oversee, control, participate in, or support the design, operation, research, manufacture, marketing, sale, or distribution of "Competitive Products and Services". For the purpose of this section, "Competitive Products and Services" shall mean products or services that compete for resources with or are an alternative or potential alternative to, the products sold or services provided by Northrop Grumman, including without limitation products and services in the areas of space systems, military aircraft, missile defense, advanced weapons and long-range fires capabilities, mission systems, networking and communications, strategic deterrence systems, advanced computing, microelectronics and cyber, directly or indirectly for U.S. and international government customers.

4.3 *Non-Solicitation of Customers.* For a period of eighteen (18) months from your Termination, you shall not, directly or indirectly, solicit any customer, supplier, or teammate of Northrop Grumman with whom you engaged, or about whom you received confidential, sensitive, or proprietary information, in the course of your employment with Northrop Grumman, for purposes of providing products or services in competition with Northrop Grumman. In the case of a governmental, regulatory or administrative agency, commission, department or other governmental authority, the customer is determined by reference to the specific program offices or activities for which Northrop Grumman provides goods or services.

4.4 *Non-Solicitation of Employees.* For a period of twenty-four (24) months from your Termination, you shall not, directly or indirectly, solicit or offer to hire, any person who was, within a period of six months prior to your Termination, employed by Northrop Grumman, with whom you worked or about whom you received information in the course of your employment with Northrop Grumman.

4.5 *Non-Disparagement.* You will not issue or communicate any statement, whether verbal or written,

or take any other action that disparages or may be interpreted to disparage the Company, its products, services, officers, directors, or employees; provided that the foregoing shall not apply to any truthful statements made in connection with a legal process, including government investigation, or as otherwise provided by law. For the avoidance of doubt, nothing prohibits you from making any disclosures that are protected under the whistleblower provisions of any applicable law, rule, or regulation.

4.6 Exceptions. You may request an exception to the covenants in Sections 4.2, 4.3, or 4.4 by making a written request to the Company's Chief Human Resources Officer, with such exceptions being considered at the sole discretion of the Company and communicated in writing to you.

4.7 Reasonableness. You agree that the restrictions set forth in Sections 4.2, 4.3, and 4.4 are (i) reasonable and necessary in all respects, including duration, territory and scope of activity, in order to protect the Company's legitimate business interests, (ii) that the parties have attempted to limit your right to compete only to the extent necessary to protect the Company's legitimate business interests, and (iii) that you will be able to earn a livelihood without violating the restrictions in this section. It is the intent of the parties that the provisions of this section shall be enforced to the fullest extent permissible under applicable law. However, if any portion of Section 4.2, 4.3, or 4.4 is deemed unenforceable, the parties agree that a court or arbitrator may revise the portion deemed unenforceable to the maximum extent possible to achieve the objective of the parties, and the remainder of the section shall remain in full force and effect.

4.8 Remedies. If you violate any provision in Section 4.2, 4.3, 4.4, and/or 4.5 of this section, the Company shall have the right to terminate without payment to you any unvested and/or unpaid RPSRs (and associated Dividend Equivalents) and require that you immediately deliver to the Company an amount in cash equal to the aggregate Fair Market Value, determined as of the vesting and/or payment date of all RPSRs already received, including any Dividend Equivalents, within one year prior to the breach. Further, you acknowledge and agree that a breach of any of the provisions of this section will result in immediate, irreparable, and continuing damage to the Company for which there is no adequate remedy at law, and the Company will be entitled to injunctive relief, a decree of specific performance, and other relief as may be proper, including monetary damages, to the maximum extent available and without any requirement to post bond.

5. Compliance with Laws; No Stockholder Rights Prior to Issuance.

The Company's obligation to make any payments or issue any shares with respect to the award is subject to full compliance with all then applicable requirements of law, the Securities and Exchange Commission, or other regulatory agencies having jurisdiction over the Company and its shares, and of any exchange upon which stock of the Company may be listed. The Grantee shall not have the rights and privileges of a stockholder, including without limitation the right to vote or receive dividends (except as expressly provided in this Agreement with respect to Dividend Equivalents), with respect to any shares which may be issued in respect of the RPSRs until the date appearing on the certificate(s) for such shares (or, in the case of shares entered in book entry form, the date that the shares are actually recorded in such form for the benefit of the Grantee), if such shares become deliverable.

6. Adjustments; Change in Control.

6.1 Adjustments. The RPSRs, Dividend Equivalents, and the shares subject to the award are subject to adjustment upon the occurrence of events such as stock splits, stock dividends and other changes in capitalization in accordance with Section 6(a) of the Plan. In addition, for RPSRs that do not use a relative total shareholder return metric as the applicable performance criterion, the applicable performance criteria and goals are subject to adjustment pursuant to Section 8 of the Plan. Any such adjustment or determination not to make any adjustment shall be conclusive and binding.

6.2 Possible Acceleration on Change in Control. Notwithstanding the provisions of Section 2 hereof, and further subject to the Company's ability to terminate the award as provided in Section 6.3 below, the Grantee shall be entitled to vesting of the award as provided below in the event of the Grantee's termination of employment if at the time of the termination, the termination occurs either within the Protected Period corresponding to a Change in Control of the Company or within twenty-four (24) calendar months following the date of a Change in Control of the Company, and the Grantee's employment by the Company and its subsidiaries is involuntarily terminated by the Company and its subsidiaries for reasons other than Cause or by the Grantee for Good Reason.

Notwithstanding anything else contained herein to the contrary, the termination of the Grantee's employment (or other events giving rise to Good Reason) shall not entitle the Grantee to any accelerated vesting pursuant to this Section 6.2 if there is objective evidence

that, as of the commencement of the Protected Period, the Grantee had specifically been identified by the Company as an employee whose employment would be terminated as part of a corporate restructuring or downsizing program that commenced prior to the Protected Period and such termination of employment was expected at that time to occur within six (6) months.

In the event the Grantee is entitled to payment in accordance with the foregoing provisions of this Section 6.2, then the Grantee will be eligible for payment of a number of RPSRs (and related Dividend Equivalents) determined in accordance with the following formula: (a) the Earnout Percentage determined in accordance with Section 1 but calculated based on performance for the portion of the three-year Performance Period ending on the last day of the month coinciding with or immediately preceding the date of the termination of the Grantee's employment, multiplied by (b) the target number of RPSRs subject to the award. Payment of any amount due under this Section 6.2 will be made within 60 days of the date of the termination of Grantee's employment, but in no event later than March 15th of the year following the Grantee's termination of employment.

6.3 Automatic Acceleration; Early Termination. If the Company undergoes a Change in Control triggered by clause (iii) or (iv) of the definition thereof and the Company is not the surviving entity and the successor to the Company (if any) (or a Parent thereof) does not agree in writing prior to the occurrence of the Change in Control to continue and assume the award following the Change in Control, or if for any other reason the award would not continue after the Change in Control, then upon the Change in Control the Grantee shall be entitled to a payment of the RPSRs (and related Dividend Equivalents) as provided below and the award shall terminate. Unless the Committee expressly provides otherwise in the circumstances, no acceleration of vesting of the award shall occur pursuant to this Section 6.3 in connection with a Change in Control if either (a) the Company is the surviving entity, or (b) the successor to the Company (if any) (or a Parent thereof) agrees in writing prior to the Change in Control to assume the award. The Committee may make adjustments pursuant to Section 6(a) of the Plan and/or deem an acceleration of vesting of the award pursuant to this Section 6.3 to occur sufficiently prior to an event if necessary or deemed appropriate to permit the Grantee to realize the benefits intended to be conveyed with respect to the shares underlying the award; provided, however, that, the Committee may reinstate the original terms of the award if the related event does not actually occur.

In the event the Grantee is entitled to a payment in accordance with the foregoing provisions of this Section 6.3, then the Grantee will be eligible for payment of a

number of RPSRs (and related Dividend Equivalents) determined in accordance with the following formula: (a) the Earnout Percentage determined in accordance with Section 1 but calculated based on performance for the portion of the three-year Performance Period ending on the date of the Change in Control of the Company, multiplied by (b) the target number of RPSRs subject to the award. Payment of any amount due under this Section 6.3 will be made within 60 days of the Change of Control, but in no event later than March 15 of the year following the Change in Control. In the event the Grantee is employed by the Company or a subsidiary immediately prior to the Change in Control and is entitled to payment in accordance with the foregoing provisions of this Section 6.3, then this Section 6.3 shall control as to the amount and timing of the payment of the award notwithstanding anything in Section 2.2 or 6.2 to the contrary. In the event of the Grantee's Retirement pursuant to Section 2.2 prior to a Change in Control described in the first paragraph of this Section 6.3 in which the award is to be terminated, the Earnout Percentage shall no longer be based on the portion of the Performance Period otherwise considered for purposes of Section 2.2 but shall instead be calculated based on performance for the portion of the three-year Performance Period ending on the date of the Change in Control of the Company.

7. **Tax Matters.**

7.1 Tax Withholding. The Company or the subsidiary which employs the Grantee shall be entitled to require, as a condition of making any payments or issuing any shares upon vesting of the RPSRs and related Dividend Equivalents, that the Grantee or other person entitled to such shares or other payment pay the minimum sums required to be withheld by federal, state, local or other applicable tax law with respect to such vesting or payment. Alternatively, the Company or such subsidiary, in its discretion, may make such provisions for the withholding of taxes as it deems appropriate (including, without limitation, withholding the taxes due from compensation otherwise payable to the Grantee or reducing the number of shares otherwise deliverable with respect to the award (valued at their then Fair Market Value) by the amount necessary to satisfy such statutory minimum withholding obligations).

7.2 Transfer Taxes. The Company will pay all federal and state transfer taxes, if any, and other fees and expenses in connection with the issuance of shares in connection with the vesting of the RPSRs.

7.3 Compliance. This Agreement is designed to be exempt from Code Section 409A, and the Committee shall administer and construe the award in such a way as

to be exempt from and to avoid adverse tax consequences under Code Section 409A.

7.4 Unfunded Arrangement. The right of the Grantee to receive payment under the award shall be an unsecured contractual claim against the Company. As such, neither the Grantee nor any Successor shall have any rights in or against any specific assets of the Company based on the award. Awards shall at all times be considered entirely unfunded for tax purposes.

7.5 Code Section 280G. Notwithstanding any other provision of this Agreement to the contrary, in the event that any amounts payable to you under this Agreement, either alone or together with amounts payable pursuant to any other plan, program or arrangement (a) constitute “parachute payments” within the meaning of Section 280G of the Code, and (b) but for this Section 7.5 would be subject to the excise tax imposed by Section 4999 of the Code or any comparable successor provisions (the “Excise Tax”), then the vesting acceleration provided under this Agreement, shall be either (a) provided to you in full, or (b) provided to you to such lesser extent that would result in no portion of the payments so accelerated being subject to the Excise Tax, whichever of the foregoing amounts, when taking into account applicable federal, state, local and foreign income and employment taxes, the Excise Tax, and any other applicable taxes, results in the receipt by you, on an after-tax basis, of the greatest amount of benefits, notwithstanding that all or some portion of such benefits may be subject to the Excise Tax. All determinations required to be made under this Section 7.5 shall be made by a registered public accounting firm selected by the Company, which shall provide supporting calculations both to the Company and you no later than the date of the applicable Change in Control. In the event that any payments or benefits to the Grantee are to be reduced pursuant to this Section 7.5, such payments and benefits shall be reduced such that the reduction of compensation to be provided to the Grantee as a result of this Section 7.5 is minimized. In applying this principle, the reduction shall be made in a manner consistent with the requirements of Section 409A and where two economically equivalent amounts are subject to reduction but payable at different times, such amounts shall be reduced on a pro rata basis but not below zero.

8. Choice of Law; Venue; Arbitration.

This Agreement shall be governed by the laws of the State of Delaware. You agree to be bound by and fully comply with Northrop Grumman Manual USHR 2-32, Arbitration and Mediation (“USHR 2-32”). Any cause of action or claim arising out of or related to the terms and conditions applicable to this grant will be determined through final and binding arbitration, in

accordance with USHR 2-32, provided that the prevailing party in the arbitration shall be entitled to receive from the losing party reasonably incurred attorneys’ fees and costs. You and the Company agree that any arbitration hearing and related proceedings shall be convened and conducted in Falls Church, VA. If you or the Company believes they require immediate relief to enforce or challenge this Agreement, before arbitration is commenced or concluded, either party may seek injunctive or other provisional equitable relief from a state or federal court in the Commonwealth of Virginia. All court actions or proceedings arising under this Agreement shall be heard in a state or federal court in the Commonwealth of Virginia. The Company and you hereby agree to the jurisdiction of the state and federal courts in the Commonwealth of Virginia and waive any right to object to such actions on grounds of venue, jurisdiction or convenience.

9. Committee Authority.

The Committee has the discretionary authority to determine any questions as to the date when the Grantee’s employment terminated and the cause of such termination and to interpret any provision of this Agreement, the Grant Letter, the Stock Plan System, the Plan, and any other applicable rules. Any action taken by, or inaction of, the Committee relating to or pursuant to this Agreement, the Grant Letter, the Stock Plan System, the Plan, or any other applicable rules shall be within the absolute discretion of the Committee and shall be conclusive and binding on all persons.

10. Plan; Amendment.

The RPSRs (and related Dividend Equivalents) subject to the award are governed by, and the Grantee’s rights are subject to, all of the terms and conditions of the Plan and any other rules adopted by the Committee, as the foregoing may be amended from time to time. The Grantee shall have no rights with respect to any amendment of this Agreement or the Plan unless such amendment is in writing and signed by a duly authorized officer of the Company. In the event of a conflict between the provisions of the Grant Letter and/or the Stock Plan System and the provisions of this Agreement and/or the Plan, the provisions of this Agreement and/or the Plan, as applicable, shall control.

11. Required Holding Period.

The holding requirements of this Section 11 shall apply to any Grantee who is an elected or appointed officer of the Company on the date any RPSRs are paid (or, if earlier, on the date the Grantee’s employment by the Company and its subsidiaries terminates for any reason). Any Grantee subject to this Section 11 shall not

be permitted to sell, transfer, anticipate, alienate, assign, pledge, encumber or charge the number of shares equal to 50% of the total payout of Vested RPSRs (net of taxes withheld) until the earlier of (A) the third anniversary of the date such shares of Common Stock are paid to the Grantee, (B) the date the Grantee's employment by the Company and its subsidiaries terminates due to the Grantee's death or Disability, (C) the occurrence of a Change in Control that results in termination and payment under Section 6.2 or 6.3 above, or (D) with respect to Grantee's entering a U.S. federal government position only, the latest of (i) the date the Grantee's employment with the Company terminates, or (ii) the date the Grantee formally accepts the government position in writing, or (iii) the date the government confirms the Grantee (for positions requiring nomination and confirmation). Should the Grantee's employment by the Company and its subsidiaries terminate (regardless of the reason for such termination, but other than due to the Grantee's death or Disability or a Change in Control related termination under Section 6.2 or entering a U.S. federal government position), such holding period requirement shall not apply as to any shares acquired upon payment of RPSRs to the extent such payment is made more than one year after such termination of employment. (For purposes of clarity, in such circumstances the holding period requirement will apply as to any shares acquired upon payment of RPSRs within one year after such a termination of employment.) For purposes of this Section 11, the total payout of Vested RPSRs shall be determined on a net basis after taking into account any shares otherwise deliverable with respect to the award that the Company withholds to satisfy tax obligations pursuant to Section 7.1. If Grantee is paid less than 50% of the total payout of Vested RPSRs (net of taxes) in shares, then all of the shares received will be subject to the holding period requirements in this Section 11. Any shares of Common Stock received in respect of shares that are covered by the holding period requirements of this Section 11 (such as shares received in respect of a stock split or stock dividend) shall be subject to the same holding period requirements as the shares to which they relate.

12. Definitions.

Whenever used in this Agreement, the following terms shall have the meanings set forth below and, when the meaning is intended, the initial letter of the word is capitalized:

“**Board**” means the Board of Directors of the Company.

“**Cause**” means the occurrence of either or both of the following:

- (i) The Grantee's conviction for committing an act of fraud, embezzlement, theft, or other act constituting a felony (other than traffic related offenses, as a result of vicarious liability, or as a result of good faith actions as an officer of the Company); or
- (ii) Willful misconduct by the Grantee that causes financial or reputational harm to the Company. However, no act, or failure to act, on the Grantee's part shall be considered “willful” unless done, or omitted to be done, by the Grantee not in good faith and without reasonable belief that his or her action or omission was in the best interest of the Company.

“**Change in Control**” is used as defined in the Plan.

“**Code**” means the United States Internal Revenue Code of 1986, as amended.

“**Committee**” means the Company's Compensation and Human Capital Committee or any successor committee appointed by the Board to administer the Plan.

“**Common Stock**” means the Company's common stock.

“**Disability**” means, with respect to a Grantee, that the Grantee: (i) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve months; or (ii) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve months, receiving income replacement benefits for a period of not less than three months under an accident and health plan covering employees of the Grantee's employer.

“**Early Retirement**” means that the Grantee's employment terminates in any of the following circumstances, and other than a termination of employment that constitutes a Normal Retirement or occurs in connection with a termination by the Company or a subsidiary for Cause:

- (i) a termination of employment after the Grantee has attained age 55 with at least 10 years of service.
- (ii) a termination of employment by the Company or a subsidiary as part of a reduction in force and, at the time of such termination, the Grantee has attained age 53 with at least 10 years of service.

(iii) a termination of employment by the Company or a subsidiary as part of a reduction in force and, at the time of such termination, the sum of the Grantee's age and years of service is at least 75.

"**Fair Market Value**" is used as defined in the Plan; provided, however, the Committee in determining such Fair Market Value for purposes of the award may utilize such other exchange, market, or listing as it deems appropriate.

"**Good Reason**" means, without the Grantee's express written consent, the occurrence of any one or more of the following:

- (i) A material and substantial reduction in the nature or status of the Grantee's authorities or responsibilities (when such authorities and/or responsibilities are viewed in the aggregate) from their level in effect on the day immediately prior to the start of the Protected Period, other than (A) an inadvertent act that is remedied by the Company promptly after receipt of notice thereof given by the Grantee, and/or (B) changes in the nature or status of the Grantee's authorities or responsibilities that, in the aggregate, would generally be viewed by a nationally-recognized executive placement firm as resulting in the Grantee having not materially and substantially fewer authorities and responsibilities (taking into consideration the Company's industry) when compared to the authorities and responsibilities applicable to the position held by the Grantee immediately prior to the start of the Protected Period. The Company may retain a nationally-recognized executive placement firm for purposes of making the determination required by the preceding sentence and the written opinion of the firm thus selected shall be conclusive as to this issue.

In addition, if the Grantee is a vice president, the Grantee's loss of vice-president status will constitute "Good Reason"; provided that the loss of the title of "vice president" will not, in and of itself, constitute Good Reason if the Grantee's lack of a vice president title is generally consistent with the manner in which the title of vice president is used within the Grantee's business unit or if the loss of the title is the result of a promotion to a higher level office. For the purposes of the preceding sentence, the Grantee's lack of a vice-president title will only be considered generally consistent with the manner in which such title is used if most persons in the business unit with authorities, duties, and responsibilities comparable to those of the

Grantee immediately prior to the commencement of the Protected Period do not have the title of vice-president.

- (ii) A material reduction by the Company in the Grantee's annualized rate of base salary as in effect on the first to occur of the start of the Performance Period or the start of the Protected Period, or as the same shall be increased from time to time.
- (iii) A material reduction in the aggregate value of the Grantee's level of participation in any of the Company's short and/or long-term incentive compensation plans (excluding stock-based incentive compensation plans), employee benefit or retirement plans, or policies, practices, or arrangements in which the Grantee participates immediately prior to the start of the Protected Period provided; however, that a reduction in the aggregate value shall not be deemed to be "Good Reason" if the reduced value remains substantially consistent with the average level of other employees who have positions commensurate with the position held by the Grantee immediately prior to the start of the Protected Period.
- (iv) A material reduction in the Grantee's aggregate level of participation in the Company's stock-based incentive compensation plans from the level in effect immediately prior to the start of the Protected Period; provided, however, that a reduction in the aggregate level of participation shall not be deemed to be "Good Reason" if the reduced level of participation remains substantially consistent with the average level of participation of other employees who have positions commensurate with the position held by the Grantee immediately prior to the start of the Protected Period.
- (v) The Grantee is informed by the Company that his or her principal place of employment for the Company will be relocated to a location that is greater than fifty (50) miles away from the Grantee's principal place of employment for the Company at the start of the corresponding Protected Period; provided that, if the Company communicates an intended effective date for such relocation, in no event shall Good Reason exist pursuant to this clause (v) more than ninety (90) days before such intended effective date.

The Grantee's right to terminate employment for Good Reason shall not be affected by the Grantee's incapacity due to physical or mental illness. The

Grantee's continued employment shall not constitute a consent to, or a waiver of rights with respect to, any circumstances constituting Good Reason herein.

"Governmental Service Retirement" means a Retirement by the Grantee where the Grantee accepts a position in the federal government or a state or local government and an accelerated distribution under the award is permitted under Code Section 409A based on such government employment and related ethics rules.

"Normal Retirement" means that the Grantee terminates employment after (i) attaining age 65 with at least 10 years of service (other than in connection with a termination by the Company or a subsidiary for Cause); or (ii) assisting the Board with the transition of Grantee's executive officer position to the satisfaction of the Board. In the case of a Grantee who is an officer of the Company subject to the Company's mandatory retirement at age 65 policy and who, at the applicable time, is not otherwise eligible for Normal Retirement as defined in the preceding sentence, "Normal Retirement" as to that Grantee means that the Grantee's employment is terminated pursuant to such mandatory retirement policy (regardless of the Grantee's years of service and other than in connection with a termination by the Company or a subsidiary for Cause).

"Parent" is used as defined in the Plan.

"Plan" means the Northrop Grumman 2024 Long-Term Incentive Stock Plan, as it may be amended from time to time.

The **"Protected Period"** corresponding to a Change in Control of the Company shall be a period of time determined in accordance with the following:

- (i) If the Change in Control is triggered by a tender offer for shares of the Company's stock or by the offeror's acquisition of shares pursuant to such a tender offer, the Protected Period shall commence on the date of the initial tender offer and shall continue through and including the date of the Change in Control; provided that in no case will the Protected Period commence earlier than the date that is six (6) months prior to the Change in Control.
- (ii) If the Change in Control is triggered by a merger, consolidation, or reorganization of the Company with or involving any other corporation, the Protected Period shall commence on the date that serious and substantial discussions first take place to effect the merger, consolidation, or reorganization and shall continue through and including the date of the Change in Control;

provided that in no case will the Protected Period commence earlier than the date that is six (6) months prior to the Change in Control.

- (iii) In the case of any Change in Control not described in clause (i) or (ii) above, the Protected Period shall commence on the date that is six (6) months prior to the Change in Control and shall continue through and include the date of the Change in Control.

"Successor" means the person acquiring a Grantee's rights to a grant under the Plan as a beneficiary designated in the Stock Plan System, or if none, the Grantee's estate.

NORTHROP GRUMMAN CORPORATION

2026 RESTRICTED STOCK RIGHTS GRANT AGREEMENT

This 2026 Restricted Stock Rights Grant Agreement (“Agreement”) applies to certain “Restricted Stock Rights” (“RSRs”) granted by Northrop Grumman Corporation (the “Company”) in 2026 under its 2024 Long-Term Incentive Stock Plan. The date of grant of your Special RSR award (the “Grant Date”) and the number of RSRs applicable to your award are set forth in the letter from the Company announcing your RSR award (your “Grant Letter”) and are also reflected in the electronic stock plan award recordkeeping system (“Stock Plan System”) maintained by the Company or its designee. This Agreement applies only with respect to the 2026 RSR award under the Plan, and you are subject to this Agreement upon accepting your grant. If you were granted an RSR award, you are referred to as the “Grantee” with respect to your award. Capitalized terms are generally defined in Section 12 below if not otherwise defined herein.

Each RSR represents a right to receive one share of the Company’s Common Stock, or cash of equivalent value as provided herein, subject to vesting as provided herein. The number of RSRs subject to your award is subject to adjustment as provided herein. The RSR award is subject to all of the terms and conditions set forth in this Agreement, and is further subject to all of the terms and conditions of the Plan and any rules adopted by the Committee, as such rules are in effect from time to time. If you do not formally accept your RSR award by entering into this Agreement in accordance with the instructions and time limit set forth in your Grant Letter, you will be deemed to have forfeited your RSR award.

1. Vesting; Issuance of Shares.

Subject to Sections 2, 3, 4 and 6 below, fifty percent (50%) of the number of RSRs (and any Dividend Equivalents (as defined below)) subject to your award (subject to adjustment as provided in Section 6.1) shall vest upon the first anniversary of the Grant Date and the remaining fifty percent (50%) of the number of RSRs (and any Dividend Equivalents (as defined below)) subject to your award (subject to adjustment as provided in Section 6.1) shall vest upon the second anniversary of the Grant Date, provided that if either anniversary of the Grant Date falls on a weekend or holiday, then the award shall vest on the next business day.

1.1 Payment of RSRs. Except as otherwise provided below, the Company shall pay an RSR subject to the award that vests (“Vested RSR”) (and related Dividend Equivalents) (i) within 60 days following the vesting of the RSR on the first anniversary of the Grant Date with respect to the first 50% of the award, and (ii) within 60 days following the vesting of the RSR on the second anniversary of the Grant Date with respect to the remaining 50% of the award. The Company shall pay such Vested RSRs in either an equivalent number of shares of Common Stock, or, in the discretion of the Committee, in cash or in a combination of shares of Common Stock and cash. In the event of a cash payment, the amount of the payment for each Vested RSR to be paid in cash will equal the Fair Market Value (as defined below) of a share of Common Stock as of the date that such RSR became vested.

1.2 Dividend Equivalents. The Grantee shall be entitled to payment for Dividend Equivalents (if any)

with respect to any Vested RSRs. For purposes of this Agreement, “Dividend Equivalents” means the aggregate amount of dividends paid by the Company on a number of shares of Common Stock equivalent to the number of Vested RSRs during the period from the Grant date until the date the Vested RSRs are paid (without interest or other adjustments to reflect the time value of money). Dividend Equivalents (if any) will be paid at the same time as the Vested RSRs to which they relate are paid. Dividend Equivalents will be paid in cash.

2. Early Termination of Award; Termination of Employment.

2.1 General. The RSRs (and related Dividend Equivalents) subject to the award, to the extent not previously vested, shall terminate and become null and void if and when (a) the award terminates in connection with a Change in Control pursuant to Section 6 below, or (b) except as provided in Section 2.6, and in Section 6, the Grantee ceases for any reason to be an employee of the Company or one of its subsidiaries.

2.2 Leave of Absence. Unless the Committee otherwise provides (at the time of the leave or otherwise), if the Grantee is granted a leave of absence by the Company, the Grantee (a) shall not be deemed to have incurred a termination of employment at the time such leave commences for purposes of the award, and (b) shall be deemed to be employed by the Company for the duration of such approved leave of absence for purposes of the award. A termination of employment shall be deemed to have occurred if the Grantee does not timely return to active employment upon the expiration of such

approved leave or if the Grantee commences a leave that is not approved by the Company.

2.3 Salary Continuation. Subject to Section 2.2 above, the term “employment” as used herein means active employment by the Company or one of its subsidiaries and salary continuation without active employment (other than a leave of absence approved by the Company that is covered by Section 2.2) will not, in and of itself, constitute “employment” for purposes hereof (in the case of salary continuation without active employment, the Grantee’s cessation of active employee status shall, subject to Section 2.2, be deemed to be a termination of “employment” for purposes hereof). Furthermore, salary continuation will not, in and of itself, constitute a leave of absence approved by the Company for purposes of the award.

2.4 Sale or Spinoff of Subsidiary or Business Unit. For purposes of the RSRs (and related Dividend Equivalents) subject to the award, a termination of employment of the Grantee shall be deemed to have occurred if the Grantee is employed by a subsidiary or business unit and that subsidiary or business unit is sold, spun off, or otherwise divested, the Grantee does not otherwise continue to be employed by the Company or one of its subsidiaries after such event, and the divested entity or business (or its successor or a parent company) does not assume the award in connection with such transaction.

2.5 Continuance of Employment Required. Except as expressly provided in Section 2.6 and in Section 6, the vesting of the RSRs (and related Dividend Equivalents) subject to the award requires continued employment through the first anniversary of the Grant Date with respect to the first 50% of the award and through the second anniversary of the Grant Date with respect to the remaining 50% of the award, as a condition to the vesting of any portion of the award, provided that if Grantee’s employment is involuntarily terminated due to inability to timely obtain Company-required security clearances and program accesses, only the first 50% will vest at termination (if not already vested) and will be paid within 60 days of the first anniversary of the Grant Date, and the remaining 50% is forfeited. Employment for only a portion of the vesting period, even if a substantial portion, will not entitle the Grantee to any proportionate vesting or avoid or mitigate a termination of rights and benefits upon or following a termination of employment. Nothing contained in this Agreement, the Stock Plan System, or the Plan constitutes an employment commitment by the Company or any subsidiary, affects the Grantee’s status (if the Grantee is otherwise an at-will employee) as an employee at will who is subject to termination without cause, confers upon the Grantee any right to continue in the employ of

the Company or any subsidiary, or interferes in any way with the right of the Company or of any subsidiary to terminate such employment at any time.

2.6 Death or Disability. If the Grantee dies or incurs a Disability while employed by the Company or a subsidiary and such death or Disability occurs more than six months after the Grant Date, the outstanding and previously unvested RSRs (and related Dividend Equivalents) subject to the award shall vest as of the date of the Grantee’s death or Disability, as applicable. RSRs (and related Dividend Equivalents) vesting under this Section shall be paid within 60 days following the earlier of (a) Grantee’s death or (b) Grantee’s Disability. In the event of the Grantee’s death prior to the delivery of shares or other payment with respect to any vested RSRs (and related Dividend Equivalents), the Grantee’s Successor shall be entitled to any payments to which the Grantee would have been entitled under this Agreement with respect to such vested and unpaid RSRs (and related Dividend Equivalents).

3. Non-Transferability and Other Restrictions.

3.1 Non-Transferability. The award, as well as the RSRs (and related Dividend Equivalents) subject to the award, are non-transferable and shall not be subject in any manner to sale, transfer, anticipation, alienation, assignment, pledge, encumbrance or charge. The foregoing transfer restrictions shall not apply to: (a) transfers to the Company; (b) transfers to a Successor upon death; or (c) if the Grantee has suffered a disability, permitted transfers to or exercises on behalf of the holder by his or her legal representative. Notwithstanding the foregoing, the Company may honor any transfer required pursuant to the terms of a court order in a divorce or similar domestic relations matter to the extent that such transfer does not adversely affect the Company’s ability to register the offer and sale of the underlying shares on a Form S-8 Registration Statement and such transfer is otherwise in compliance with all applicable legal, regulatory and listing requirements.

3.2 Forfeiture or Recoupment of Awards. If, prior to payment or issuance of shares with respect to the award, Grantee’s employment is terminated for Cause (or Grantee has engaged in misconduct that could have resulted in Grantee’s termination of employment for Cause if Grantee had remained an employee), the Company may reduce or eliminate any payments or issuances of shares with respect to the award. You agree to be bound by and fully comply with the Company’s Policy regarding the Recoupment of Certain Incentive Compensation Payments filed as Exhibit 97 to the Company’s 10-K for the year ended December 31, 2025 and as in effect from time to time (“Recoupment Policy”). Any payments or issuances of shares with

respect to the award are subject to the Recoupment Policy, as well as any recoupment or similar provisions of applicable law, and the Grantee shall promptly make any reimbursement requested by the Board or Committee pursuant to such policy or applicable law with respect to the award. The Grantee agrees, by accepting the award, that the Company and its affiliates may deduct from any amounts it may owe the Grantee from time to time (such as wages or other compensation) any amounts the Grantee is required to reimburse the Company pursuant to such policy or applicable law with respect to the award.

4. Post-Employment Conduct.

4.1 Executive Leadership Team Contribution. You acknowledge and agree that as a member of the Executive Leadership Team (“ELT”), you are involved in managing the global operations of the Company, incorporated in Delaware and headquartered in Virginia. You are involved in the most sensitive and proprietary matters affecting the Company, its subsidiaries, predecessors, and/or affiliates (collectively, “Northrop Grumman”), including from a technical, strategic and financial perspective, and are widely exposed to confidential, sensitive and proprietary information concerning Northrop Grumman’s global operations, at the headquarters and each of the operating sectors, including in the areas of space systems, military aircraft, missile defense, advanced weapons and long-range fires capabilities, mission systems, networking and communications, strategic deterrence systems, advanced computing, microelectronics and cyber, directly or indirectly for U.S. and international government customers. Your job responsibilities require that you have a primary office location in Virginia and/or you spend substantial time at the corporate headquarters in Virginia, among other things, attending ELT and other leadership meetings, and managing operations and employees in Virginia. You occupy one of the most senior executive positions in the Company and have far-reaching access to highly confidential, valuable and sensitive information, customer, vendor and employee relationships, intellectual property, strategic and tactical plans, and financial information and plans. The Company has a legitimate business interest in restricting your ability to compete in the specific manner set forth below. The Company has provided you this grant, subject to this Agreement and as consideration for the restrictive covenants set forth in this Section 4; provided that the provisions of Sections 4.2 and 4.3 in this Agreement shall not apply where not permitted by applicable law.

4.2 Non-Competition. For a period of twelve (12) months from the date of the termination of Grantee’s

employment for any reason (other than a reduction-in-force as determined at the Company’s sole discretion) (“Termination”), you will not, directly or indirectly, oversee, control, participate in, or support the design, operation, research, manufacture, marketing, sale, or distribution of “Competitive Products and Services”. For the purpose of this section, “Competitive Products and Services” shall mean products or services that compete for resources with, or are an alternative or potential alternative to, the products sold or services provided by Northrop Grumman, including without limitation products and services in the areas of space systems, military aircraft, missile defense, advanced weapons and long-range fires capabilities, mission systems, networking and communications, strategic deterrence systems, advanced computing, microelectronics and cyber, directly or indirectly for U.S. and international government customers.

4.3 Non-Solicitation of Customers. For a period of eighteen (18) months from your Termination, you shall not, directly or indirectly, solicit any customer, supplier, or teammate of Northrop Grumman with whom you engaged, or about whom you received confidential, sensitive, or proprietary information, in the course of your employment with Northrop Grumman, for purposes of providing products or services in competition with Northrop Grumman. In the case of a governmental, regulatory or administrative agency, commission, department or other governmental authority, the customer is determined by reference to the specific program offices or activities for which Northrop Grumman provides goods or services.

4.4 Non-Solicitation of Employees. For a period of twenty-four (24) months from your Termination, you shall not, directly or indirectly, solicit or offer to hire, any person who was, within a period of six months prior to your Termination, employed by Northrop Grumman, with whom you worked or about whom you received information in the course of your employment with Northrop Grumman.

4.5 Non-Disparagement. You will not issue or communicate any statement, whether verbal or written, or take any other action that disparages or may be interpreted to disparage the Company, its products, services, officers, directors, or employees; provided that the foregoing shall not apply to any truthful statements made in connection with a legal process, including government investigation, or as otherwise provided by law. For the avoidance of doubt, nothing prohibits you from making any disclosures that are protected under the whistleblower provisions of any applicable law, rule, or regulation.

4.6 Exceptions. You may request an exception to the covenants in Sections 4.2, 4.3, or 4.4 by making a written request to the Company's Chief Human Resources Officer, with such exceptions being considered at the sole discretion of the Company and communicated in writing to you.

4.7 Reasonableness. You agree that the restrictions set forth in Sections 4.2, 4.3, and 4.4 are (i) reasonable and necessary in all respects, including duration, territory and scope of activity, in order to protect the Company's legitimate business interests, (ii) that the parties have attempted to limit your right to compete only to the extent necessary to protect the Company's legitimate business interests, and (iii) that you will be able to earn a livelihood without violating the restrictions in this section. It is the intent of the parties that the provisions of this section shall be enforced to the fullest extent permissible under applicable law. However, if any portion of Sections 4.2, 4.3, or 4.4 is deemed unenforceable, the parties agree that a court or arbitrator may revise the portion deemed unenforceable to the maximum extent possible to achieve the objective of the parties, and the remainder of the section shall remain in full force and effect.

4.8 Remedies. If you violate any provision in Section 4.2, 4.3, 4.4 and/or 4.5 of this section, the Company shall have the right to terminate without payment to you any unvested and/or unpaid RSRs (and associated Dividend Equivalents) and require that you immediately deliver to the Company an amount in cash equal to the aggregate Fair Market Value, determined as of the vesting and/or payment date of all RSRs already received, including any Dividend Equivalents, within one year prior to the breach. Further, you acknowledge and agree that a breach of any of the provisions of this section will result in immediate, irreparable, and continuing damage to the Company for which there is no adequate remedy at law, and the Company will be entitled to injunctive relief, a decree of specific performance, and other relief as may be proper, including monetary damages, to the maximum extent available and without any requirement to post bond.

5. Compliance with Laws; No Stockholder Rights Prior to Issuance.

The Company's obligation to make any payments or issue any shares with respect to the award is subject to full compliance with all then applicable requirements of law, the Securities and Exchange Commission, or other regulatory agencies having jurisdiction over the Company and its shares, and of any exchange upon which stock of the Company may be listed. The Grantee shall not have the rights and privileges of a stockholder,

including without limitation the right to vote or receive dividends (except as expressly provided in this Agreement with respect to Dividend Equivalents), with respect to any shares which may be issued in respect of the RSRs until the date appearing on the certificate(s) for such shares (or, in the case of shares entered in book entry form, the date that the shares are actually recorded in such form for the benefit of the Grantee), if such shares become deliverable.

6. Adjustments; Change in Control.

6.1. Adjustments. The RSRs, Dividend Equivalents, and the shares subject to the award are subject to adjustment upon the occurrence of events such as stock splits, stock dividends and other changes in capitalization in accordance with Section 6(a) of the Plan.

6.2. Possible Acceleration on Change in Control. Notwithstanding the provisions of Section 2 hereof, and further subject to the Company's ability to terminate the award as provided in Section 6.3 below, the outstanding and previously unvested RSRs (and related Dividend Equivalents) subject to the award shall become fully vested as of the date of the Grantee's termination of employment if the termination occurs either within the Protected Period corresponding to a Change in Control of the Company or within twenty-four (24) calendar months following the date of a Change in Control of the Company, the Grantee's employment by the Company and its subsidiaries is involuntarily terminated by the Company and its subsidiaries for reasons other than Cause or by the Grantee for Good Reason.

Notwithstanding anything else contained herein to the contrary, the termination of the Grantee's employment (or other events giving rise to Good Reason) shall not entitle the Grantee to any accelerated vesting pursuant to this Section 6.2 if there is objective evidence that, as of the commencement of the Protected Period, the Grantee had specifically been identified by the Company as an employee whose employment would be terminated as part of a corporate restructuring or downsizing program that commenced prior to the Protected Period and such termination of employment was expected at that time to occur within six (6) months.

Payment of any RSRs (and related Dividend Equivalents) that vest under this Section will be made within 60 days of the termination of Grantee's employment.

6.3. Automatic Acceleration; Early Termination. If the Company undergoes a Change in Control triggered by clause (iii) or (iv) of the definition thereof and the Company is not the surviving entity and the successor to the Company (if any) (or a Parent thereof) does not agree

in writing prior to the occurrence of the Change in Control to continue and assume the award following the Change in Control, or if for any other reason the award would not continue after the Change in Control, then upon the Change in Control the outstanding and previously unvested RSRs (and related Dividend Equivalents) subject to the award shall vest fully and completely. Unless the Committee expressly provides otherwise in the circumstances, no acceleration of vesting of the award shall occur pursuant to this Section 6.3 in connection with a Change in Control if either (a) the Company is the surviving entity, or (b) the successor to the Company (if any) (or a Parent thereof) agrees in writing prior to the Change in Control to assume the award. The Committee may make adjustments pursuant to Section 6(a) of the Plan and/or deem an acceleration of vesting of the award pursuant to this Section 6.3 to occur sufficiently prior to an event if necessary or deemed appropriate to permit the Grantee to realize the benefits intended to be conveyed with respect to the shares underlying the RSRs (and related Dividend Equivalents); provided, however, that, the Committee may reinstate the original terms of the award if the related event does not actually occur. Payment of any RSRs (and related Dividend Equivalents) that vest under this Section 6.3 will be made within 60 days of the Change in Control.

7. Tax Matters

7.1. Tax Withholding. The Company or the subsidiary which employs the Grantee shall be entitled to require, as a condition of making any payments or issuing any shares upon vesting of the RSRs (and related Dividend Equivalents), that the Grantee or other person entitled to such shares or other payment pay the minimum sums required to be withheld by federal, state, local or other applicable tax law with respect to such vesting or payment. Alternatively, the Company or such subsidiary, in its discretion, may make such provisions for the withholding of taxes as it deems appropriate (including, without limitation, withholding the taxes due from compensation otherwise payable to the Grantee or reducing the number of shares otherwise deliverable with respect to the award (valued at their then Fair Market Value) by the amount necessary to satisfy such statutory minimum withholding obligations).

7.2. Transfer Taxes. The Company will pay all federal and state transfer taxes, if any, and other fees and expenses in connection with the issuance of shares in connection with the vesting of the RSRs.

7.3. Compliance with Code. The Agreement is designed to be exempt from Code Section 409A, and the Committee shall administer and construe the award in such a way as to be exempt from and to avoid adverse tax consequences under Code Section 409A.

7.4. Unfunded Arrangement. The right of the Grantee to receive payment under the award shall be an unsecured contractual claim against the Company. As such, neither the Grantee nor any Successor shall have any rights in or against any specific assets of the Company based on the award. Awards shall at all times be considered entirely unfunded for tax purposes.

1.5 Code Section 280G. Notwithstanding any other provision of this Agreement to the contrary, in the event that any amounts payable to you under this Agreement, either alone or together with amounts payable pursuant to any other plan, program or arrangement (a) constitute “parachute payments” within the meaning of Section 280G of the Code, and (b) but for this Section 7.5 would be subject to the excise tax imposed by Section 4999 of the Code or any comparable successor provisions (the “Excise Tax”), then the vesting acceleration provided under this Agreement, shall be either (a) provided to you in full, or (b) provided to you to such lesser extent that would result in no portion of the payments so accelerated being subject to the Excise Tax, whichever of the foregoing amounts, when taking into account applicable federal, state, local and foreign income and employment taxes, the Excise Tax, and any other applicable taxes, results in the receipt by you, on an after-tax basis, of the greatest amount of benefits, notwithstanding that all or some portion of such benefits may be subject to the Excise Tax. All determinations required to be made under this Section 7.5 shall be made by a registered public accounting firm selected by the Company, which shall provide supporting calculations both to the Company and you no later than the date of the applicable Change in Control. In the event that any payments or benefits to the Grantee are to be reduced pursuant to this Section 7.5, such payments and benefits shall be reduced such that the reduction of compensation to be provided to the Grantee as a result of this Section 7.5 is minimized. In applying this principle, the reduction shall be made in a manner consistent with the requirements of Section 409A and where two economically equivalent amounts are subject to reduction but payable at different times, such amounts shall be reduced on a pro rata basis but not below zero.

8. Choice of Law; Venue; Arbitration.

This Agreement shall be governed by the laws of the State of Delaware. You agree to be bound by and fully comply with Northrop Grumman Manual USHR 2-32, Arbitration and Mediation (“USHR 2-32”). Any cause of action or claim arising out of or related to the terms and conditions applicable to this grant will be determined through final and binding arbitration, in accordance with USHR 2-32, provided that the prevailing party in the arbitration shall be entitled to receive from the losing party reasonably incurred

attorneys' fees and costs. You and the Company agree that any arbitration hearing and related proceedings shall be convened and conducted in Falls Church, VA. If you or the Company believes they require immediate relief to enforce or challenge this Agreement, before arbitration is commenced or concluded, either party may seek injunctive or other provisional equitable relief from a state or federal court in the Commonwealth of Virginia. All court actions or proceedings arising under this Agreement shall be heard in a state or federal court in the Commonwealth of Virginia. The Company and you hereby agree to the jurisdiction of the state and federal courts in the Commonwealth of Virginia and waive any right to object to such actions on grounds of venue, jurisdiction or convenience.

9. Committee Authority.

The Committee has the discretionary authority to determine any questions as to the date when the Grantee's employment terminated and the cause of such termination and to interpret any provision of this Agreement, the Grant Letter, the Stock Plan System, the Plan, and any other applicable rules. Any action taken by, or inaction of, the Committee relating to or pursuant to this Agreement, the Grant Letter, the Stock Plan System, the Plan, or any other applicable rules shall be within the absolute discretion of the Committee and shall be conclusive and binding on all persons.

10. Plan; Amendment.

The RSRs (and related Dividend Equivalents) subject to the award are governed by, and the Grantee's rights are subject to, all of the terms and conditions of the Plan and any other rules adopted by the Committee, as the foregoing may be amended from time to time. The Grantee shall have no rights with respect to any amendment of this Agreement or the Plan unless such amendment is in writing and signed by a duly authorized officer of the Company. In the event of a conflict between the provisions of the Grant Letter and/or the Stock Plan System and the provisions of this Agreement and/or the Plan, the provisions of this Agreement and/or the Plan, as applicable, shall control.

11. Required Holding Period.

The holding requirements of this Section 11 shall apply to any Grantee who is an elected or appointed officer of the Company on the date Vested RSRs are paid (or, if earlier, on the date the Grantee's employment by the Company and its subsidiaries terminates for any reason). Any Grantee subject to this Section 11 shall not be permitted to sell, transfer, anticipate, alienate, assign, pledge, encumber or charge the number of shares equal to 50% of the total payout of Vested RSRs (net of taxes

withheld) until the earlier of (A) the third anniversary of the date such shares of Common Stock are paid to the Grantee, (B) the date the Grantee's employment by the Company and its subsidiaries terminates due to the Grantee's death or Disability, (C) the occurrence of a Change in Control that results in termination and payment under Section 6.2 or 6.3 above, or (D) with respect to Grantee's entering a U.S. federal government position only, the latest of (i) the date the Grantee's employment with the Company terminates, or (ii) the date the Grantee formally accepts the government position in writing, or (iii) the date the government confirms the Grantee (for positions requiring nomination and confirmation). For purposes of this Section 11, the total payout of Vested RSRs shall be determined on a net basis after taking into account any shares otherwise deliverable with respect to the award that the Company withholds to satisfy tax obligations pursuant to Section 7.1. If Grantee is paid less than 50% of the total payout of Vested RSRs (net of taxes) in shares, then all of the shares received will be subject to the holding period requirements in this Section 11. Any shares of Common Stock received in respect of shares that are covered by the holding period requirements of this Section 11 (such as shares received in respect of a stock split or stock dividend) shall be subject to the same holding period requirements as the shares to which they relate.

12. Definitions.

Whenever used in this Agreement, the following terms shall have the meanings set forth below and, when the meaning is intended, the initial letter of the word is capitalized:

“**Board**” means the Board of Directors of the Company.

“**Cause**” means the occurrence of either or both of the following:

- (i) The Grantee's conviction for committing an act of fraud, embezzlement, theft, or other act constituting a felony (other than traffic related offenses, as a result of vicarious liability, or as a result of good faith actions as an officer of the Company); or
- (ii) Willful misconduct by the Grantee that causes financial or reputational harm to the Company. However, no act, or failure to act, on the Grantee's part shall be considered “willful” unless done, or omitted to be done, by the Grantee not in good faith and without reasonable belief that his or her action or omission was in the best interest of the Company.

“**Change in Control**” is used as defined in the Plan.

“**Code**” means the United States Internal Revenue Code of 1986, as amended.

“**Committee**” means the Company’s Compensation and Human Capital Committee or any successor committee appointed by the Board to administer the Plan.

“**Common Stock**” means the Company’s common stock.

“**Disability**” means, with respect to a Grantee, that the Grantee: (i) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve months; or (ii) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve months, receiving income replacement benefits for a period of not less than three months under an accident and health plan covering employees of the Grantee’s employer.

“**Fair Market Value**” is used as defined in the Plan; provided, however, the Committee in determining such Fair Market Value for purposes of the award may utilize such other exchange, market, or listing as it deems appropriate.

“**Good Reason**” means, without the Grantee’s express written consent, the occurrence of any one or more of the following:

- (i) A material and substantial reduction in the nature or status of the Grantee’s authorities or responsibilities (when such authorities and/or responsibilities are viewed in the aggregate) from their level in effect on the day immediately prior to the start of the Protected Period, other than (A) an inadvertent act that is remedied by the Company promptly after receipt of notice thereof given by the Grantee, and/or (B) changes in the nature or status of the Grantee’s authorities or responsibilities that, in the aggregate, would generally be viewed by a nationally-recognized executive placement firm as resulting in the Grantee having not materially and substantially fewer authorities and responsibilities (taking into consideration the Company’s industry) when compared to the authorities and responsibilities applicable to the position held by the Grantee immediately prior to the start of the Protected

Period. The Company may retain a nationally-recognized executive placement firm for purposes of making the determination required by the preceding sentence and the written opinion of the firm thus selected shall be conclusive as to this issue.

In addition, if the Grantee is a vice president, the Grantee’s loss of vice-president status will constitute “Good Reason”; provided that the loss of the title of “vice president” will not, in and of itself, constitute Good Reason if the Grantee’s lack of a vice president title is generally consistent with the manner in which the title of vice president is used within the Grantee’s business unit or if the loss of the title is the result of a promotion to a higher level office. For the purposes of the preceding sentence, the Grantee’s lack of a vice-president title will only be considered generally consistent with the manner in which such title is used if most persons in the business unit with authorities, duties, and responsibilities comparable to those of the Grantee immediately prior to the commencement of the Protected Period do not have the title of vice-president.

- (ii) A material reduction by the Company in the Grantee’s annualized rate of base salary as in effect at the start of the Protected Period, or as the same shall be increased from time to time.
- (iii) A material reduction in the aggregate value of the Grantee’s level of participation in any of the Company’s short and/or long-term incentive compensation plans (excluding stock-based incentive compensation plans), employee benefit or retirement plans, or policies, practices, or arrangements in which the Grantee participates immediately prior to the start of the Protected Period; provided, however, that a reduction in the aggregate value shall not be deemed to be “Good Reason” if the reduced value remains substantially consistent with the average level of other employees who have positions commensurate with the position held by the Grantee immediately prior to the start of the Protected Period.
- (iv) A material reduction in the Grantee’s aggregate level of participation in the Company’s stock-based incentive compensation plans from the level in effect immediately prior to the start of the Protected Period; provided, however, that a reduction in the aggregate level of participation shall not be deemed to be “Good Reason” if the reduced level of participation remains

substantially consistent with the average level of participation of other employees who have positions commensurate with the position held by the Grantee immediately prior to the start of the Protected Period.

- (v) The Grantee is informed by the Company that his or her principal place of employment for the Company will be relocated to a location that is greater than fifty (50) miles away from the Grantee's principal place of employment for the Company at the start of the corresponding Protected Period; provided that, if the Company communicates an intended effective date for such relocation, in no event shall Good Reason exist pursuant to this clause (v) more than ninety (90) days before such intended effective date.

The Grantee's right to terminate employment for Good Reason shall not be affected by the Grantee's incapacity due to physical or mental illness. The Grantee's continued employment shall not constitute a consent to, or a waiver of rights with respect to, any circumstances constituting Good Reason herein.

"**Parent**" is used as defined in the Plan.

"**Plan**" means the Northrop Grumman 2024 Long-Term Incentive Stock Plan, as it may be amended from time to time.

The "**Protected Period**" corresponding to a Change in Control of the Company shall be a period of time determined in accordance with the following:

- (i) If the Change in Control is triggered by a tender offer for shares of the Company's stock or by the offeror's acquisition of shares pursuant to such a tender offer, the Protected Period shall commence on the date of the initial tender offer and shall continue through and including the date of the Change in Control; provided that in no case will the Protected Period commence earlier than the date that is six (6) months prior to the Change in Control.
- (ii) If the Change in Control is triggered by a merger, consolidation, or reorganization of the Company with or involving any other corporation, the Protected Period shall commence on the date that serious and substantial discussions first take place to effect the merger, consolidation, or reorganization and shall continue through and including the date of the Change in Control; provided that in no case will the Protected Period commence earlier than the date that is six (6) months prior to the Change in Control.

- (iii) In the case of any Change in Control not described in clause (i) or (ii) above, the Protected Period shall commence on the date that is six (6) months prior to the Change in Control and shall continue through and including the date of the Change in Control.

"**Successor**" means the person acquiring a Grantee's rights to a grant under the Plan as a beneficiary designated in the Stock Plan System, or if none, the Grantee's estate.

GROUP PERSONAL EXCESS LIABILITY POLICY

INTRODUCTION

This is your Chubb Group Personal Excess Liability Policy. Together with your Coverage Summary Certificate, it explains your coverages and other conditions of your insurance in detail.

This policy is a contract between you and us. **READ YOUR POLICY CAREFULLY** and keep it in a safe place.

Agreement

We agree to provide the insurance described in this policy in return for the premium paid by you or the Sponsoring Organization and your compliance with the policy conditions.

Definitions

In this policy, we use words in their plain English meaning. Words with special meanings are defined in the part of the policy where they are used. The few defined terms used throughout the policy are defined here:

You means the individual who is a member of the Defined Group shown as the Insured named in the Coverage Summary Certificate.

Spouse means a partner in marriage or a partner in a civil union recognized under state law and who lives with you.

We and **us** mean the insurance company named in the Coverage Summary Certificate.

Family member means your spouse or domestic partner or other relative who lives with you, or any other person under 25 in your care or your relative's care who lives with you or a student under 25 in your care temporarily away at school who is a resident of your household.

Domestic partner means a person in a legal or personal relationship with you, who lives with you and shares a common domestic life with you, and meeting all of the benefits eligibility criteria as defined by the Sponsoring Organization.

Sponsoring Organization means the entity, corporation, partnership or sole proprietorship sponsoring and defining the criteria for qualification as an Insured.

Policy means your entire Group Personal Excess Liability Policy, including the Coverage Summary Certificate.

Coverage Summary Certificate means the most recent Coverage Summary Certificate we issued to you, including any endorsements.

Occurrence means:

- an accident which begins within the policy period resulting in bodily injury, mental anguish, mental injury, or property damage; or
- an offense first committed within the policy period resulting in:
 - false arrest, false imprisonment, or wrongful detention;
 - wrongful entry into, wrongful eviction of a person from or other violation of a person's right of private occupancy of a residence premises or room that such person occupies, if committed by or on behalf of its landlord, lessor or owner;
 - malicious prosecution; or
 - libel, slander, defamation of character, or invasion of privacy,

to which this insurance applies. Continuous or repeated exposure to substantially the same general conditions unless excluded is considered to be one occurrence.

Business means any employment, trade, occupation, profession, or farm operation including the raising or care of animals or any activities intended to realize a benefit or financial gain engaged in on a full-time, part-time or occasional basis.

Defined Group means those individuals meeting the criteria for qualification as an Insured as defined by the Sponsoring Organization and accepted by us.

Follow form means we cover damages to the extent they are both covered under the Required Primary Underlying Insurance and, not excluded under this policy. Also, the amount of coverage, defense coverages, cancellation and "other insurance" provisions of this policy supersede and replace the similar provisions contained in such other policies. When this policy is called upon to pay losses in excess of required primary underlying policies exhausted by payment of claims, we do not provide broader coverage than provided by such policies. When no primary underlying coverage exists, the extent of coverage provided on a follow form basis will be determined as if the required primary underlying insurance had been purchased from us.

Covered person means:

- you or a family member;
- any person using a vehicle or watercraft covered under this policy with permission from you or a family member with respect to their legal responsibility arising out of its use;
- any person or organization with respect to their legal responsibility for covered acts or omissions of you or a family member; or
- any combination of the above.

Damages mean the sum that is paid or is payable to satisfy a claim settled by us or resolved by judicial procedure or by a compromise we agree to in writing.

Personal injury means the following injuries, and resulting death:

- bodily injury;
- mental anguish, or mental injury;
- false arrest, false imprisonment, or wrongful detention;
- wrongful entry into, wrongful eviction of a person from or other violation of a person's right of private occupancy of a residence premises or room that such person occupies, if committed by or on behalf of its landlord, lessor or owner;
- malicious prosecution; and
- libel, slander, defamation of character, or invasion of privacy.

Bodily injury means physical bodily harm, including sickness or disease that results from it, and required care, loss of services and resulting death.

Property damage means physical injury to or destruction of tangible property and the resulting loss of its use. Tangible property includes the cost of recreating or replacing stocks, bonds, deeds, mortgages, bank deposits, and similar instruments, but does not include the value represented by such instruments.

Registered vehicle means any motorized land vehicle not described in "unregistered vehicle."

Unregistered vehicle means:

- any motorized land vehicle not designed for or required to be registered for use on public roads;
- any motorized land vehicle which is in dead storage at your residence;
- any motorized land vehicle used to service a residence premises or other grounds;
- any motorized land vehicle used to assist the handicapped that is not designed for or required to be registered for use on public roads;
- or
- golf carts.

Employment discrimination means a violation of applicable employment discrimination law protecting any residential staff based on his or her race, color, religion, creed, age, sex, disability, national origin or other status according to any federal, state, or local statute, regulation, ordinance, or common law of the United States of America, its territories or possessions, or Puerto Rico.

Reputation management firm means:

- a professional public relations consulting firm;
- a professional security consulting firm; or
- a professional media management consulting firm.

Residential staff means your or a family member's employee who is:

- employed by you or a family member, or through a firm under an agreement with you or a family member, to perform duties related only to a covered person's domestic, personal, or business pursuits covered under this part of your policy;
- compensated for labor or services directed by you or a family member; and
- employed regularly to work 15 or more hours per week.

Residential staff includes a temporary worker. Residential staff does not include an independent contractor or any covered person.

Temporary worker means your or a family member's employee who is:

- employed by you or a family member, or through a firm under an agreement with you or a family member, to perform duties related only to a covered person's domestic, personal, or business pursuits covered under this part of your policy;
- compensated for labor or services directed by you or a family member; and
- employed to work 15 or more hours per week to substitute for any residential staff on leave or to meet seasonal or short-term workload demands for 30 consecutive days or longer during a 6 month period.

Temporary worker does not include an independent contractor or any covered person.

Wrongful employment act means any employment discrimination, sexual harassment, or wrongful termination of any residential staff actually or allegedly committed or attempted by you or a family member, while acting in the capacity as an employer, that violates applicable employment law of any federal, state, or local statute, regulation, ordinance, or common law of the United States of America, its territories or possessions, or Puerto Rico.

Wrongful termination means:

- the actual or constructive termination of employment of any residential staff by you or a family member in violation of applicable employment law; or
- breach of duty and care when you or a family member terminates an employment relationship with any residential staff.

Sexual harassment as it relates solely to a wrongful employment act means unwelcome sexual advances, requests for sexual favors, or other conduct of a sexual nature that:

- is made a condition of employment of any residential staff;
- is used as a basis for employment decisions;
- interferes with performance of any residential staff's duties; or
- creates an intimidating, hostile, or offensive working environment.

GROUP PERSONAL EXCESS COVERAGE

This part of your Group Personal Excess Liability Policy provides you or a family member with liability coverage in excess of your underlying insurance anywhere in the world unless stated otherwise or an exclusion applies.

Payment for a Loss

Amount of coverage

The amount of coverage for liability is shown in the Coverage Summary Certificate. We will pay on your behalf up to that amount for covered damages from any one occurrence, regardless of how many claims, homes, vehicles, watercraft, or people are involved in the occurrence.

Any costs we pay for legal expenses (see **Defense coverages**) are in addition to the amount of coverage.

Underlying Insurance

We will pay only for covered damages in excess of all underlying insurance covering those damages, even if the underlying coverage is for more than the minimum amount.

"Underlying insurance" includes all liability coverage that applies to the covered damages, except for other insurance purchased in excess of this policy.

Required primary underlying insurance

Regardless of whatever other primary underlying insurance may be available in the event of a claim or loss, it is a condition of your policy that you and your family members must maintain in full effect primary underlying liability insurance of the types and in at least the amounts set forth below unless a different amount is shown in your Coverage Summary Certificate, covering your personal liability and to the extent you or a family member has such liability exposures, all vehicles and watercraft less than 43 feet or with 300 engine rated horsepower or less you or your family members own, or rent for longer than 60 consecutive days, or have furnished for longer than 60 consecutive days, as follows:

Personal liability (homeowners) for personal injury and property damage in the minimum amount of \$300,000 each occurrence.

Registered vehicles in the minimum amount of:

- \$250,000/\$500,000 bodily injury and \$100,000 property damage;
- \$300,000/\$300,000 bodily injury and \$100,000 property damage; or
- \$300,000 single limit each occurrence.

Unregistered vehicles in the minimum amount of \$300,000 bodily injury and property damage each occurrence. Registered vehicles with less than four wheels and motor homes in the minimum amount of:

- \$250,000/\$500,000 bodily injury and \$100,000 property damage;

- \$300,000/\$300,000 bodily injury and \$100,000 property damage; or
- \$300,000 single limit each occurrence.

Watercraft less than 26 feet and 50 engine rated horsepower or less for bodily injury and property damage in the minimum amount of \$300,000 each occurrence.

Watercraft 26 feet or longer up to 42 feet or watercraft more than 50 engine rated horsepower up to 300 engine rated horsepower for bodily injury and property damage in the minimum amount of \$500,000 each occurrence (Coverage is excluded for watercraft longer than 42 feet or with more than 300 engine rated horsepower).

Uninsured motorists/underinsured motorists protection in the minimum amounts of:

- \$250,000/\$500,000 bodily injury;
- \$300,000/\$300,000 bodily injury; or
- \$300,000 single limit each occurrence.

With respect to you and your family members residing outside of the United States, the required primary underlying insurance limits of liability shall be the same limits of liability as shown above, unless you and your family members reside in a country where the minimum required primary underlying insurance limits of liability are not available. In these countries, you and your family members must maintain in full effect primary underlying liability insurance limits equal to the maximum limits of liability available in that country for all coverages up to the minimum required primary underlying limits shown in the Coverage Summary Certificate under Required Primary Underlying Insurance.

Failure by you or your family members to comply with this condition, or failure of any of your primary underlying insurers due to insolvency or bankruptcy, shall not invalidate this policy. In the event of any such failure, we shall only be liable in excess of the foregoing minimum amounts and to no greater extent with respect to coverages, amounts and defense costs than we would have been had this failure not occurred.

You must also give notice of losses and otherwise cooperate and comply with the terms and conditions of such primary underlying insurance.

Group Personal Excess Liability Coverage

We cover damages a covered person is legally obligated to pay for personal injury or property damage, caused by an occurrence:

- in excess of damages covered by the underlying insurance; or
- from the first dollar of damage where no underlying insurance is required under this policy and no underlying insurance exists; or
- from the first dollar of damage where underlying insurance is required under this policy but no coverage is provided by the underlying insurance for a particular occurrence;

unless stated otherwise or an exclusion applies. Exclusions to this coverage are described in

Exclusions.

Excess uninsured motorists/underinsured motorists protection

This coverage is in effect only if excess uninsured motorists/underinsured motorists protection is shown in the Coverage Summary Certificate. If it is in effect, this coverage will be on a follow form basis.

We cover damages for bodily injury a covered person is legally entitled to receive from the owner or operator of an uninsured or underinsured motorized land vehicle in excess of damages covered by:

- the underlying uninsured motorists protection or the Required primary underlying insurance for uninsured motorists protection, whichever is greater; and
- the underlying underinsured motorists protection or the Required primary underlying insurance for underinsured motorists protection, whichever is greater.

Amount of coverage. The maximum amount of excess uninsured motorists/underinsured motorists protection available for any one occurrence is the excess uninsured motorists/underinsured motorists protection amount shown in the Coverage Summary Certificate regardless of the number of vehicles covered by the Required Primary Underlying Insurance. We will not pay more than this amount in any one occurrence for covered damages regardless of how many claims, vehicles or people are involved in the occurrence.

Uninsured motorists/underinsured motorists protection arbitration

If we and a covered person disagree whether that person is legally entitled to recover damages from the owner or operator of an uninsured motor vehicle/underinsured motor vehicle, or do not agree as to the amount of damages, either party may make a written demand for arbitration. In this event, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree on a third arbitrator within 45 days, either may request that the arbitration be submitted to the American Arbitration Association. When the covered person's recovery exceeds the minimum limit specified in the applicable jurisdiction's financial responsibility law, each party will pay the expenses it incurs, and bear the expenses of the third arbitrator equally. Otherwise, we will bear all the expenses of the arbitration.

Unless both parties agree otherwise, arbitration will take place in the county and state in which the covered person lives. Local rules of law as to procedure and evidence will apply. A decision agreed to by two arbitrators will be binding unless the recovery amount for bodily injury exceeds the minimum limit specified by the applicable jurisdiction's financial responsibility law. If the amount exceeds that limit, either party may demand the right to a trial. This demand must be made within 60 days of the arbitrator's decision. If this demand is not made, the amount of damages agreed to by the arbitrators will be binding.

Uninsured/underinsured liability coverage

This coverage is in effect only if excess uninsured motorists/underinsured motorists protection is shown in the Coverage Summary Certificate.

We cover up to a maximum of \$1 million for bodily injury and personal injury you or a family member are legally entitled to receive from an uninsured or underinsured negligent person caused by an occurrence, unless stated otherwise or an exclusion applies. We will not pay more than this amount for covered damages from any one occurrence, regardless of how many claims or people are involved in the occurrence. This coverage is excess over the total of any other collectible insurance that covers damages from the occurrence.

All the exclusions under the Group Personal Excess Liability Coverage are applicable to this Uninsured/underinsured liability coverage, and where used, the definition of you or a family member is extended to include negligent person. This coverage also does not apply to damages from an occurrence arising out of any business activities; any activities involving business property or the sale or transfer of property; or the ownership, maintenance, use, loading, unloading, or towing of any motor vehicle, watercraft, or aircraft. In addition, this coverage does not apply to damages from an occurrence arising from any employment related harassment, termination, demotion, breach of an oral or written employment contract or agreement or violation of any state or federal wrongful employment practices act or similar law.

We also do not cover any fines, penalties, taxes, punitive, exemplary or multiplied damages, or any claim or suit seeking non-monetary relief, including but not limited to, injunctive relief, declaratory relief or other equitable remedies.

"Negligent person" means an identifiable natural person by legal name who is not a family member, and who is legally responsible for damages sustained by you or a family member caused by an occurrence.

Duplication of coverage. We will not make a duplicate payment for any portion of damages for which payment has been made by or on behalf of persons who may be legally responsible, or otherwise covered by any other collectible insurance. Nor will we pay for any portion of damages if you or a family member is entitled to receive payment for the same portion of damages under any workers' compensation law, disability benefits law or similar law.

Defense coverages

We have the right to defend a covered person against any suit seeking covered damages for personal injury or property damage that is either:

- not covered by any underlying insurance; or
- covered by an underlying policy as each Defense Coverage has been exhausted by payment of claims.

We provide this defense at our expense, with counsel of our choice, even if the suit is groundless, false, or fraudulent. We may investigate, negotiate, and settle any such claim or suit at our discretion.

As part of our investigation, defense, negotiation, or settlement, we will pay:

- all premiums on appeal bonds required in any suit we defend;
- all premiums on bonds to release attachments for any amount up to the amount of coverage (but we are not obligated to apply for or furnish any bond);
- all expenses incurred by us;
- all costs taxed against a covered person;

- all interest accruing after a judgment is entered in a suit we defend on only that part of the judgment we are responsible for paying. **We will not pay interest accruing after we have paid the judgment up to the amount of coverage;**
- all prejudgment interest awarded against a covered person on that part of the judgment we pay or offer to pay.

We will not pay any prejudgment interest based on that period of time after we make an offer to pay the amount of coverage;

- all earnings lost by each covered person at our request, up to \$25,000;
- other reasonable expenses incurred by a covered person at our request; and
- the cost of bail bonds required of a covered person because of a covered loss.

In jurisdictions where we may be prevented by local law from carrying out these Defense Coverages, we will pay only those defense expenses that we agree in writing to pay and that are incurred by you.

Extra Coverages

In addition to covering damages and defense costs, we also provide other related coverages. These coverages are in addition to the amount of coverage for damages and defense costs unless stated otherwise. Exclusions to this coverage are described in **Exclusions**.

Shadow defense coverage

If we are defending you or a family member in a suit seeking covered damages, we will pay reasonable expenses you or a family member incur up to \$10,000 or the amount shown in the Coverage Summary Certificate for a law firm of your choice to review and monitor the defense. However any recommendation by your personal attorney is not binding on us. We will pay these costs provided that you obtain prior approval from us before incurring any fees or expenses.

Identity fraud

We will pay for your or a family member's identity fraud expenses, up to a maximum of \$25,000, for each identity fraud occurrence.

"Identity fraud" means the act of knowingly transferring or using, without lawful authority, your or a family member's means of identity which constitutes a violation of federal law or a crime under any applicable state or local law.

"Identity fraud occurrence" means any act or series of acts of identity fraud by a person or group commencing in the policy period. "Identity fraud expenses" means:

- the costs for notarizing affidavits or similar documents for law enforcement agencies, financial institutions or similar credit grantors, and credit agencies;
- the costs for sending certified mail to law enforcement agencies, financial institutions or similar credit grantors, and credit agencies;
- the loan application fees for reapplying for loan(s) due to the rejection of the original application because the lender received incorrect credit information;
- the telephone expenses for calls to businesses, law enforcement agencies, financial institutions or similar credit grantors, and credit agencies;
- earnings lost by you or a family member as a result of time off from work to complete fraud affidavits, meet with law enforcement agencies, credit agencies, merchants, or legal counsel;
- the reasonable attorney fees incurred with prior notice to us for:
- the defense of you or a family member against any suit(s) by businesses or their collection agencies;
- the removal of any criminal or civil judgements wrongly entered against you or a family member;
- any challenge to the information in your or a family member's consumer credit report; and
- the reasonable fees incurred with prior notice to us by an identity fraud mitigation entity to:
- provide services for the activities described above;
- restore accounts or credit standing with financial institutions or similar credit grantors and credit agencies; and
- monitor for up to one year the effectiveness of the fraud mitigation and to detect additional identity fraud activity after the first identify fraud occurrence.

However, such monitoring must begin no later than one year after you or a family member first report an identity fraud occurrence to us.

However, "identity fraud expenses" does not include expenses incurred due to any fraudulent, dishonest or criminal act by a covered person or any person acting with a covered person, or by any authorized representative of a covered person, whether acting alone or in collusion with others.

"Identity fraud mitigation entity" means a company that principally provides professional, specialized services to counter identity fraud for individuals or groups of individuals, or a financial institution that provides similar services.

In addition to the duties described in Policy Terms, Liability Conditions, Your duties after a loss, you shall notify an applicable law enforcement agency.

Kidnap expenses

We will pay up to a maximum of \$100,000 for kidnap expenses you or a family member incurs solely and directly as a result of a kidnap and ransom occurrence. In addition, we also will pay up to \$25,000 to any person for information not otherwise available leading to the arrest and conviction of any person(s) who kidnaps you, a family member or a covered relative. The following are not eligible to receive this reward payment:

- you or a family member; or
- a covered relative who witnessed the occurrence.

"Kidnap and ransom occurrence" means the actual or alleged wrongful taking of:

- you;
- one or more family members; or
- one or more covered relatives while visiting or legally traveling with you or a family member;

from anywhere in the world except those places listed on the United States State Department Bureau of Consular Affairs Travel Warnings list at the time of the occurrence. The occurrence must include a demand for ransom payment which would be paid by you or a family member in exchange for the release of the kidnapped person(s).

"Kidnap expenses" means the reasonable costs for:

- a professional negotiator;
- a professional security consultant;
- professional security guard services;
- a professional public relations consultant;
- travel, meals, lodging and phone expenses incurred by you or a family member;
- advertising, communications and recording equipment;
- related medical, cosmetic, psychiatric and dental expenses incurred by a kidnapped person within 12 months from that person's release;
- attorneys fees;
- a professional forensic analyst;
- earnings lost by you or a family member, up to \$25,000.

However, "kidnap expenses" does not include expenses incurred due to any kidnap and ransom occurrence caused by:

- you or a family member;
- a covered relative;
- any guardian, or former guardian of you, a family member or covered relative;
- any estranged spouse or domestic partner, or former spouse or domestic partner of you or a family member;
- any person unrelated to you or a family member who lives with you or a family member or has ever lived with you or a family member for 6 or more months, other than a domestic employee, residential staff, or a person employed by you or a family member for farm work;
- or
- a civil authority,

or any person acting on behalf of any of the above, whether acting alone or in collusion with others.

"Covered relative" means the following relatives of you, or any family member:

- children, their children or other descendants of theirs;
- parents, grandparents or other ancestors of theirs; or
- siblings, their children or other descendants of theirs;

who do not live with you, including spouses or domestic partners of all of the above. Parents, grandparents and other ancestors include adoptive parents, stepparents and step grandparents.

Reputational injury. If we are defending you or a family member in a suit seeking covered damages, we will pay reasonable and necessary fees or expenses that you or a family member incur for services provided by a reputation management firm to minimize potential injury to the reputation of you or a family member solely as a result of personal injury or property damage, caused by an occurrence if:

- the reputational injury is reported to us as soon as reasonably possible but not later than 30 days after the personal injury or property damage occurrence; and
- you obtain approval of the reputation management firm from us before incurring any fees or expenses, unless stated otherwise or an exclusion applies. There is no deductible for this coverage.

The maximum amount of coverage for Reputational injury available for any one occurrence is \$25,000 or the amount shown in the Coverage Summary Certificate. **We will** not pay more than this amount in any one occurrence for covered damages regardless of how many claims or people are involved in the occurrence.

The maximum annual amount of coverage for Reputational injury shown in the Coverage Summary Certificate is the most we will pay for the sum of all covered damages you or a family member incur during the policy period regardless of the number of claims, people, or occurrences.

This coverage does not apply to loss caused by a wrongful employment act covered by Employment Practices Liability Insurance.

Exclusions

These exclusions apply to your Group Personal Excess Liability Coverage, unless stated otherwise.

Motor vehicles with less than four wheels and motor homes. We do not cover any damages arising out of the ownership, maintenance, use, loading or unloading of any motor vehicle with less than four wheels or motor home:

- owned by you or a family member; or
- furnished to, made available or rented to you or a family member for longer than 30 consecutive days

unless the motor vehicle with less than four wheels or the motor home is covered under the Required Primary Underlying Insurance. The coverage for motor vehicles with less than four wheels and motor homes is on a follow form basis.

Aircraft. We do not cover any damages arising out of the ownership, maintenance, use, loading, unloading, or towing of any aircraft, except a non-owned aircraft chartered with a professional crew by you or on your behalf. "Aircraft" means any device used or designed for flight, except drones or similar unmanned device not used or designed to carry people or cargo.

However, with respect to the ownership, maintenance or use of any drones or similar unmanned device, we do not cover any damages:

while such drone or similar unmanned device is being operated in a restricted airspace as determined by the Federal Aviation Administration or other governmental agency, whether on a local, state or federal level, including any temporary flight restrictions; or to any aircraft, including any resulting damages.

This exclusion applies whether such drone or similar unmanned device makes contact with the aircraft or not.

Personal watercraft. We do not cover any damages arising out of the operation of any personal watercraft:

- from sunset to sunrise;
- while towing any person; or
- by any person who does not have a valid motor vehicle driver's license, other than you or a family member age 16 or older.

"Personal watercraft" means a vessel powered by internal water jet propulsion designed to be operated by a person sitting, standing, or kneeling on it rather than within the confines of a hull.

Large watercraft. We do not cover any damages arising out of the ownership, maintenance, use, loading, unloading or towing of any watercraft 26 feet or longer or with more than 50 engine rated horsepower which is:

- owned, directly or indirectly, by a covered person; or
- rented by, furnished to, or made available to a covered person for longer than 60 consecutive days.

However, coverage is provided on a follow form basis for watercraft 26 feet or longer up to 42 feet or with more than 50 engine rated horsepower up to 300 engine rated horsepower if such watercraft is covered under the Required Primary Underlying Insurance, unless another exclusion applies.

We also cover watercraft being stored, even if not covered under the Required Primary Underlying Insurance, unless another exclusion applies.

Hovercraft. We do not cover any damages arising out of the ownership, maintenance, use, loading, unloading or towing of any hovercraft. We do not cover any property damages to hovercraft rented to, owned by, or in the care, custody or control of a covered person.

Owned, rented or furnished registered motorized land vehicle. We do not cover any damages arising out of the ownership, maintenance, use, loading or unloading of any registered motorized land vehicle owned or controlled directly or indirectly by a covered person, or rented to, furnished to or made available to a covered person for longer than 60 consecutive days. But we do provide coverage if at least one registered motorized land vehicle is covered under the Required Primary Underlying Insurance.

Vehicles used for a fee. We do not cover any person for damages arising out of the ownership, maintenance or use of a vehicle while it is being used as a public or livery conveyance for a fee, including while the vehicle is being used for:

- ride sharing in connection with a ride sharing program; or
- delivery services, including courier services, whether or not the food, goods, items or products to be delivered are in the vehicle, in connection with a delivery network program.

This exclusion does not apply to a shared-expenses carpool, unless another exclusion applies.

"Delivery network platform" means an online enabled application or digital network used to connect customers with drivers or local vendors using drivers for the purpose of providing prearranged delivery services, including courier services, for compensation. A "delivery network platform" does not include a "Ride sharing program".

"Ride sharing" means the use of the any vehicle in connection with a ride sharing program during any time period when the driver is logged in to an online-enabled ride sharing application or digital network as a driver, when the driver accepts a requested ride, is en route to pick up a passenger, or is transporting a passenger until the passenger departs the vehicle.

"Ride sharing program" means a transportation network, service, or any arrangement in which drivers and passengers arrange transportation services, including through an online-enabled ride sharing application or digital network.

Personal vehicle sharing. We do not cover any person for damages arising out of the ownership, maintenance, or use of any motorized land vehicle:

- while it is being used in connection with a personal vehicle sharing program for a fee; or
- you or a family member privately rents to another person, and the vehicle is being used by anyone other than you or a family member.

"Personal vehicles sharing program" means a network, service, or any arrangement to facilitate the sharing of private passenger motor vehicles for use by individuals other than the vehicle's registered owner.

Motorized land vehicle racing or track usage. We do not cover any damages arising out of the ownership, maintenance or use of any motorized land vehicle:

- during any instruction, practice, preparation for, or participation in, any competitive, prearranged or organized racing, speed contest, rally, gymkhana, sports event, stunting activity, or timed event of any kind;
- on a race track, test track or other course of any kind; or
- street racing of any kind

However, this exclusion does not apply to a rally on a public road where the legal speed limit remains in effect for the duration of the rally.

Watercraft and aircraft racing or track usage. We do not cover any damages arising out of the ownership, maintenance or use of any watercraft or aircraft during any instruction, practice, preparation for, or participation in, any competitive, prearranged or organized racing, speed contest, rally, sports event, stunting activity or timed event of any kind. This exclusion does not apply to you or a family member for sailboat racing even if the sailboat is equipped with an auxiliary motor.

Motorized land vehicle-related jobs. We do not cover any damages arising out of the ownership, maintenance, or use of a motorized land vehicle by any person who is employed or otherwise engaged in the business of selling, repairing, servicing, storing, parking, testing, or delivering motorized land vehicles. This exclusion does not apply to you, a family member, or your employee or an employee of a family member for damages arising out of the ownership, maintenance or use of a motorized land vehicle owned by, rented to, or furnished to you or a family member.

Watercraft related jobs. We do not cover any damages arising out of the ownership, maintenance, or use of a watercraft by any person who is engaged by or employed by, or is operating a marina, boat repair yard, shipyard, yacht club, boat sales agency, boat service station, or other similar organization. This exclusion does not apply to damages arising out of the ownership, maintenance, or use of a watercraft by you, a family member, or your or a family member's captain or full time paid crew member maintaining or using this watercraft with permission from you or a family member.

Motorized land vehicle and watercraft loading. We do not cover any person or organization, other than you or a family member or your or a family member's employees, with respect to the loading or unloading of motorized land vehicles or watercraft.

Workers' compensation or disability. We do not cover any damages a covered person is legally:

- required to provide; or
- voluntarily provides under any:

- worker's compensation;
- disability benefits;
- unemployment compensation; or
- other similar laws.

But we do provide coverage in excess over any other insurance for damages you or a family member is legally required to pay for bodily injury to a domestic employee of a residence covered under the Required Primary Underlying Insurance which are not compensable under workers' compensation, unless another exclusion applies.

Director's liability. We do not cover any damages for any covered person's actions or failure to act as an officer or member of a board of directors of any corporation or organization. However, we do cover such damages if you are or a family member is an officer or member of a board of directors of a:

- homeowner, condominium or cooperative association; or
- not for profit corporation or organization for which he or she is not compensated; unless another exclusion applies.

Damage to covered person's property. We do not cover any person for property damage to property owned by any covered person.

Damage to property in your care. We do not cover any person for property damage to property of others rented to, occupied by, used by, or in the care of any covered person, to the extent that the covered person is required by contract to provide insurance. But we do cover such damages for loss caused by fire, smoke, or explosion unless another exclusion applies. This exclusion does not apply to property damage to a motorized land vehicle rented to a covered person if no underlying insurance is required under this policy and no underlying insurance exists.

Electronic software or data. We do not cover any damages for the cost of recreating or replacing any software, data or other information that is in electronic form.

Wrongful employment act. We do not cover any damages arising out of a wrongful employment act.

Discrimination. We do not cover any damages arising out of discrimination due to age, race, color, sex, creed, national origin, or any other discrimination.

Intentional acts. We do not cover any damages arising out of a willful, malicious, criminal, fraudulent or dishonest act or any act intended by any covered person to cause personal injury or property damage, even if the injury or damage is of a different degree or type than actually intended or expected. But we do cover such damages if the act was intended to protect people or property unless another exclusion applies. An intentional act is one whose consequences could have been foreseen by a reasonable person.

Punitive damages. We do not cover any punitive damages, including but not limited to, fines, penalties, punitive damages, exemplary damages, or multiplied damages.

Molestation, misconduct or abuse. We do not cover any damages arising out of any actual, alleged or threatened:

- sexual molestation;
- sexual misconduct or harassment; or
- abuse.

Further, this exclusion applies to the entirety of all allegations in any claim or suit, if such claim or suit includes an allegation of or reference to any actual, alleged or threatened, sexual molestation, sexual misconduct or harassment, or abuse, even if this insurance would otherwise apply to any part of the allegations in the claim or suit.

Nonpermissive use. We do not cover any person who uses a motorized land vehicle or watercraft without expressed permission from you or a family member.

Business pursuits. We do not cover any damages arising out of business activities or business property in which a covered person has ownership or other interest or is conducted by or on behalf of a covered person or others, except on a follow form basis.

But we do cover damages arising out of volunteer work for an organized charitable, religious or community group, an incidental business away from home, incidental business at home, incidental business property, incidental farming, or residence premises conditional business liability, unless another exclusion applies. We also cover damages arising out of your or a family members ownership, maintenance, or use of a private passenger motor vehicle in business activities other than selling, repairing, servicing, storing, parking, testing, or delivering motorized land vehicles.

"Incidental business away from home" is a self-employed sales activity, or a self-employed business activity normally undertaken by persons under the age of 18 or if a full-time student, under the age of 21, such as newspaper delivery, babysitting, caddying, and lawn care. Either of these activities must:

- not yield gross revenues in excess of \$15,000 in any year;
- have no employees subject to any worker's compensation, disability benefits, unemployment compensation or other similar laws; and
- conform to local, state, and federal laws.

"Incidental business at home" is a business activity, other than farming, conducted by you in whole or in part on your residence premises which must:

- not yield gross revenues in excess of \$15,000, in any year, except for the business activity of managing one's own personal investments;
- have no employees subject to worker's compensation, disability benefits, unemployment compensation or other similar laws;
- conform to local, state, and federal laws.

"Incidental business at home" does not include business related to the use, sale, manufacturing, growing, delivering, transferring or processing of cannabis or any good or product that consists of or contains any amount of Tetrahydrocannabinol (THC) or any other cannabinoid, whether natural or synthetic.

"Incidental business property" is limited to the rental or holding for rental, to be used as a residence, of a condominium or cooperative unit owned by a covered person, an apartment unit rented by a covered person, a one or two family dwelling owned by a covered person, or a three or four family dwelling owned by a covered person and occupied by you. **We** provide this coverage only for premises covered under the Required Primary Underlying Insurance or if the rental or holding for rental is for:

- a residence of yours that is occasionally rented and that is used exclusively as a residence; or
- part of a residence of yours by one or two roomers or boarders; or
- part of a residence of yours as an office, school, studio, or private garage.

"Incidental farming" is a farming activity which meets all of the following requirements:

- is incidental to your use of the premises as your residence;
- does not involve employment of others for more than 1,500 hours of farm work during the policy period;
- does not produce more than \$25,000 in gross annual revenue from agricultural operations; and with respect to the raising or care of animals:
 - does not produce more than \$50,000 in gross annual revenues;
 - does not involve more than 25 sales transactions during the policy period;
 - does not involve the sale of more than 50 animals during the policy period.

"Incidental farming" does not include farming related to the use, sale, manufacturing, growing, delivering, transferring or processing of cannabis or any good or product that consists of or contains any amount of Tetrahydrocannabinol (THC) or any other cannabinoid, whether natural or synthetic.

"Residence premises conditional business liability" is limited to business or professional activities when legally conducted by you or a family member at your residence. If there is no other valid and collectible insurance, we provide coverage only for personal injury or property damage arising out of the physical condition of that residence if:

- you do not have any employees involved in your business or professional activities who are subject to any workers' compensation, disability benefits, unemployment compensation, or other similar laws; or, if you are a doctor or dentist, you do not have more than two employees subject to such laws; or
- you are a home day care provider whose annual gross revenues from this activity do not exceed \$5,000.

We do not cover damages or consequences resulting from business or professional care or services performed or not performed.

The following additional exclusion applies only to "incidental farming" as described under the exclusion, Business pursuits.

Contamination. We do not cover any actual or alleged damages arising out of the discharge, dispersal, seepage, migration or release or escape of pollutants. Nor do we cover any cost or expense arising out of any request, demand or order to:

- extract pollutants from land or water;
- remove, restore or replace polluted or contaminated land or water; or
- test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants, or in any way respond to or assess the effects of pollutants.

However, this exclusion does not apply if the discharge, dispersal, seepage, migration, release or escape is sudden and accidental. A "pollutant" is any solid, liquid, gaseous or thermal irritant or contaminant, including smoke (except smoke from a hostile fire), vapor, soot, fumes, acids, alkalis, chemicals and waste. A "contaminant" is an impurity resulting from the mixture of or contact of a substance with a foreign substance. "Waste" includes materials to be disposed of, recycled, reconditioned or reclaimed.

Communicable disease. We do not cover any actual or alleged damages arising out of any virus, bacteria, or other microorganism(s) that induce(s) or is capable of inducing physical distress, illness, or disease, or the fear or threat (whether actual or perceived) of any such virus, bacteria, or microorganism, including any and all damage, liability, or expenses directly or indirectly caused by any action or inaction of a covered person or any action or order of a government undertaken in response to, or intended to detect, control, prevent, suppress, mitigate or remediate, the actual, suspected, or anticipated presence of any virus, bacteria or other microorganism that induces, or is capable of inducing physical distress, illness, or disease.

This exclusion does not apply to damage arising out of or caused by fungi or mold, or any mycotoxins, spores, scents, or other by products of fungi or mold.

Controlled Substance. We do not cover any damages arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812.

Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the lawful orders of a licensed healthcare professional.

Pursuit or holding of public office. We do not cover any damages arising out of a covered person's pursuit or holding of an elected public office. But we do cover such damages for you or a family member if:

- the annual compensation of the office, whether accepted or not, does not exceed \$20,000; and
- the hours required to perform the duties of the office do not exceed an annual average of 20 hours of work per week during the policy period.

Financial guarantees. We do not cover any damages for any covered person's financial guarantee of the financial performance of any covered person, other individual or organization.

Cyber disruption. We do not cover any damages arising out of a cyber attack.

"Cyber attack" means the following malicious or fraudulent acts: unauthorized access to or use of electronic data processing property; alteration, corruption, damage, reduction in functionality, manipulation, misappropriation, theft, deletion, or destruction of electronic data processing property; transmission or introduction of a computer virus or harmful code, including ransomware, into electronic data processing property; or restriction or inhibition of access targeted at or directed against electronic data processing property.

"Cyber attack" does not mean the following non-malicious acts: human operating error or omission, including the choice of the program used, an error in setting parameters or any inappropriate single intervention by you, a family member, or a third party providing services to you; mistakes in legitimate electronic code or damage from code installed on your electronic data processing property during the manufacturing process, upgrade process, or normal maintenance; or power failure, surge or diminution of electronic systems.

"Electronic data" means information, concepts, knowledge, facts, or instructions which are stored digitally. "Electronic data" does not mean tangible property, nor is tangible property electronic data.

"Electronic contents" means non-recoverable purchased eBooks, software, application software (apps), and photo, video, music, and movie files.

"Electronic data processing property" means:

- electronic data processing equipment, and their accessories;
- portable electronic devices such as smartphones, electronic reading devices, tablets, handheld or wearable computers, or similar devices;
- software;
- electronic contents; or
- electronic data, including the capacity of electronic data to be stored, processed, or transmitted over the Internet.

Professional services. We do not cover any damages for any covered person's performing or failure to perform professional services, or for professional services for which any covered person is legally responsible or licensed.

Acts of war. We do not cover any damages caused directly or indirectly by war, undeclared war, civil war, insurrection, rebellion, revolution, warlike acts by military forces or personnel, the destruction or seizure of property for a military purpose, or the consequences of any of these actions.

Contractual liability. We do not cover any damages arising from contracts or agreements made in connection with any covered person's business. Nor do we cover any liability for unwritten contracts, or contracts in which the liability of others is assumed after a covered loss.

Assessments. We do not cover any assessments charged against a covered person as a member of a homeowners, condominium or cooperative association.

Covered person's or dependent's personal injury. We do not cover any damages for personal injury for any covered person or their dependents where the ultimate beneficiary is you, the offending party or defendant. **We** also do not cover any damages for personal injury for which you or a family member can be held legally liable, in any way, to a family member a person who lives with you, or a person named in the Coverage Summary Certificate. **We** also do not cover any damages for personal injury for which a family member a person who lives with you, or a person named in the Coverage Summary Certificate can be held legally liable, in any way, to you or a family member.

However, we do cover damages for bodily injury arising out of the use of a motorized land vehicle for which you or a family member can be held legally liable to a family member or a person named in the Coverage Summary Certificate, or for which a family member or a person named in the Coverage Summary Certificate can be held legally liable to you or a family member to the extent that coverage is provided under this policy. This coverage applies only to the extent such damages are covered by primary underlying insurance and exceed the limits of insurance required for that motorized land vehicle under the Required Primary Underlying Insurance provisions of this policy.

Liability for dependent care. We do not cover any damages for personal injury for which a covered person's only legal liability is by virtue of a contract or other responsibility for a dependent's care.

Illness. We do not cover personal injury or property damage resulting from any illness, sickness or disease transmitted intentionally or unintentionally by a covered person to anyone, or any consequence resulting from that illness, sickness or disease. We also do not cover any damages for personal injury resulting from the fear of contracting any illness, sickness or disease, or any consequence resulting from the fear of contracting any illness, sickness or disease.

Fungi and mold. We do not cover any actual or alleged damages arising out of mold, the fear of mold, or any consequences resulting from mold or the fear of mold. "Mold" means fungi, mold, mold spores, mycotoxins, and the scents and other byproducts of any of these.

Liability for the acts of others. We do not cover any person for damages arising from:

- any entrustment of property;
- the failure to supervise or the negligent supervision of any person; or
- any parental or ownership liability.

This exclusion applies only to damages arising out of the ownership, maintenance or use of any motorized land vehicle, watercraft 26 feet or longer or with more than 50 engine rated horsepower, aircraft or hovercraft. But we do cover these damages on a follow form basis for the type of motorized land vehicle involved, unless another exclusion applies. This exclusion does not apply to any other coverage provided under an exclusion in this policy.

Nuclear or radiation hazard. We do not cover any damages caused directly or indirectly by nuclear reaction, radiation, or radioactive contamination, regardless of how it was caused.

POLICY TERMS

This part of your Group Personal Excess Liability Policy explains the conditions that apply to your policy.

General Conditions

These conditions apply to your policy in general, and to each coverage provided in the policy.

Policy period

The effective dates of your policy are shown in the Coverage Summary Certificate. Those dates begin at 12:01 a.m. standard time at the mailing address shown.

All coverages on this policy apply only to occurrences that take place while this policy is in effect

Transfer of rights

If we make a payment under this policy, we will assume any recovery rights a covered person has in connection with that loss, to the extent we have paid for the loss.

All of your rights of recovery will become our rights to the extent of any payment we make under this policy. A covered person will do everything necessary to secure such rights; and do nothing after a loss to prejudice such rights. However, you may waive any rights of recovery from another person or organization for a covered loss in writing before the loss occurs.

Concealment or fraud

We do not provide coverage if you or any covered person has intentionally concealed or misrepresented any material fact relating to this policy before or after a loss.

Application of coverage

Coverage applies separately to each covered person. However, this provision does not increase the amount of coverage for any one occurrence.

Assignment

You cannot transfer your interest in this policy to anyone else unless we agree in writing to the transfer.

Policy changes

This policy can be changed only by a written amendment we issue.

Bankruptcy or insolvency

We will meet all our obligations under this policy regardless of whether you, your estate, or anyone else or their estate becomes bankrupt or insolvent.

In case of death

In the event of your death, we cover your legal representative or any person having proper temporary custody of your property until a legal representative is appointed and qualified, but only with respect to your premises and other property covered under the policy at the time of death. We will also cover any member of your household who is a covered person at the time of death.

Liberalization

We may extend or broaden the coverage provided by this policy. If we do this during the policy period or within 60 days before it begins, without increasing the premium, then the extended or broadened coverage will apply to occurrences after the effective date of the extended or broadened coverage.

Conforming to state law

If any provision of this policy conflicts with any applicable laws of the state you live in, this policy is amended to conform to those laws.

Conforming to trade sanction laws

This policy does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from providing insurance.

Liability Conditions

These conditions apply to all liability coverages in this policy.

Other Insurance

This insurance is excess over any other insurance, and we shall not have any obligation to defend or indemnify if other insurance, whether primary, excess, umbrella, contingent, or on any other policy, covers the loss except for those policies that

- are written specifically to cover excess over the amount of coverage that applies in this policy; and
- schedule this policy as underlying insurance.

Your duties after a loss

In case of an accident or occurrence, you must perform these duties:

Notification. You must notify us or your agent or broker as soon as possible.

Assistance. You must provide us with all available information. This includes any suit papers or other documents which help us in the event that we defend you.

Cooperation. You must cooperate with us fully in any legal defense. This may include any association by us with the covered person in defense of a claim reasonably likely to involve us.

Examination. A person making a claim under this policy must submit as often as we reasonably require:

- to physical exams by physicians we select which we will pay for; and
- to examination under oath and subscribe the same; and authorize us to obtain:
- medical reports; and
- other pertinent records.

Appeals

If a covered person, or any primary insurer, does not appeal a judgment for covered damages, we may choose to do so. We will then become responsible for all expenses, taxable costs, and interest arising out of the appeal. However, the amount of coverage for damages will not be increased.

Special Conditions

In the event of conflict with any other conditions of your policy, these conditions supersede.

Legal action against us

You agree not to bring action against us unless you have first complied with all conditions of this policy.

You also agree not to bring any action against us until the amount of damages you are legally obligated to pay has been finally determined after an actual trial or appeal, if any, or by a written agreement between you, us and the claimant. No person or organization has any right under this policy to bring us into any action to determine the liability of a covered person.

Notice of cancellation and coverage termination conditions

The Sponsoring Organization may cancel this policy by returning it to us or notifying us in writing at any time subject to the following:

- the Sponsoring Organization must notify us in advance of the requested cancellation date; and
- the Sponsoring Organization must provide proof of notification to each member of the Defined Group covered under this policy.

We may cancel this policy or any part of it subject to the following conditions. Our right to cancel applies to each coverage or limit in this policy. In the event we cancel this policy, we are under no obligation to provide you with an opportunity to purchase equivalent coverage.

Within 60 days. When this policy or any part of it has been in effect for less than 60 days, we may cancel with 30 days notice for any reason.

Non payment of premium. We may cancel this policy or any part of it with 10 days notice if the Sponsoring Organization or you fail to pay the premium by the due date, regardless of whether the premium is payable to us, to our agent, or under any financial credit.

Misrepresentation. We may cancel this policy or any part of it with 30 days notice if the coverage was obtained through misrepresentation, fraudulent statements, or omissions or concealment of a fact that is relevant to the acceptance of the risk or to the hazard we assumed.

Increase in hazard. We may cancel this policy or any part of it with 30 days notice if there has been a substantial change in the risk which increases the chance of loss after insurance coverage has been issued or renewed, including but not limited to an increase in exposure due to rules, legislation, or court decision.

Ineligible for coverage. We may cancel this policy or any part of it with 30 days notice if you no longer qualify as a member of the Defined Group.

Procedure. To cancel this policy or any part of it, we must notify you in writing. This notice will be mailed to the Sponsoring Organization at the mailing address shown in the Coverage Summary Certificate and we will obtain a certificate of mailing. This notice will include the date the cancellation is to take effect.

Termination. Should an individual for any reason no longer qualify as a member of the Defined Group, coverage will cease sixty (60) days from the date that individual no longer qualifies as a member of the Defined Group, the policy expiration or cancellation date, or the effective date of termination shown for the individual on the Sponsoring Organization's Defined Group Member Participant Change Endorsement, whichever comes first.

Refund. In the event of cancellation by the Sponsoring Organization or us, we will refund any unearned premium on the effective date of cancellation, or as soon as possible afterwards to the Sponsoring Organization. The unearned premium will be computed pro rata for the unexpired term of the policy.

FORM OF

[AMENDED AND RESTATED] INDEMNIFICATION AGREEMENT

This Agreement, dated as of the ____ day of _____, 20__ between Northrop Grumman Corporation, a Delaware corporation (the “Corporation”), and _____ (“Indemnitee”).

WHEREAS, it has come to the attention of the Board of Directors of the Corporation (the “Board”) that in certain circumstances highly competent persons have become more reluctant to serve publicly-held corporations as directors, officers or in other capacities unless they are provided with adequate protection from the risk of liability due to claims and actions against them arising out of their service to and activities on behalf of such corporations; and

WHEREAS, it has also come to the attention of the Board that, in this regard, the difficulty of maintaining adequate liability insurance and the uncertainties related to indemnification for directors and officers have increased the difficulty of attracting and retaining such highly competent persons; and

WHEREAS, the Board has determined that an increased difficulty in attracting and retaining such highly competent persons is detrimental to the best interests of the Corporation and its stockholders and that persons serving the Corporation should be assured they will have adequate protection from certain liabilities; and

WHEREAS, it is reasonable, prudent and necessary for the Corporation to obligate itself contractually to indemnify such persons to the fullest extent permitted by applicable law (but subject to the express limitations in this Agreement), so that such persons will serve or continue to serve the Corporation, free from undue concern that they will not be adequately indemnified; and

WHEREAS, this Agreement is a supplement to and in furtherance of any rights granted under the Restated Certificate of Incorporation of the Corporation, or Article V of the Restated Bylaws of the Corporation, and any resolutions adopted pursuant thereto, and shall not be deemed to be a substitute therefor nor to diminish or abrogate any rights of Indemnitee thereunder; and

[WHEREAS, Indemnitee and the Corporation are parties to that certain Indemnification Agreement dated _____ (the “Existing Indemnification Agreement”) and Indemnitee and the Corporation wish to amend and restate the Existing Indemnification Agreement to clarify the Corporation’s obligations under the Existing Indemnification Agreement and to provide for certain additional rights granted or to be granted to new directors and officers of the Corporation]; and

WHEREAS, Indemnitee is willing to serve the Corporation in the capacity or capacities in which he or she serves, continue so to serve and, if appropriate, to take on additional service

for or on behalf of the Corporation on the condition that Indemnitee be indemnified according to the terms of this Agreement.

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, the Corporation and Indemnitee do hereby covenant and agree as follows:

Section 1. Definitions. For purposes of this Agreement:

(a) The term “Change in Control” means a change in control of the Corporation, occurring after the Effective Date, which would be required to be reported in response to Item 6(e) of Schedule 14A under Regulation 14A (or in response to any similar item on any similar schedule or form) promulgated under the Securities Exchange Act of 1934, as amended (the “Act”), whether or not the Corporation is then subject to such reporting requirement. Without limiting the generality of the foregoing, a Change in Control shall be deemed to have occurred if, after the Effective Date: (i) any “person” (as such term is used in Sections 13(d) and 14(d) of the Act) is or becomes the “beneficial owner” (as defined in Rule 13d-3 under the Act), directly or indirectly, of securities of the Corporation representing 20% or more of the combined voting power of the Corporation’s then outstanding securities without the prior approval of at least two-thirds of the members of the Board in office immediately prior to such person attaining such percentage interest; (ii) the Corporation is a party to a merger, consolidation, sale of assets or other reorganization, or a proxy contest, as a consequence of which (A) members of the Board in office immediately prior to such transaction or event constitute less than a majority of the Board thereafter or (B) the voting securities of the Corporation outstanding immediately prior to such transaction do not continue to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity, or any direct or indirect parent entity thereof) more than 51% of the combined voting power of the voting securities of the surviving entity, or any direct or indirect parent entity thereof, outstanding immediately after such transaction with the power to elect at least a majority of the board of directors or other governing body of such entity; (iii) an involuntary case or other proceeding shall be commenced against the Corporation seeking liquidation, reorganization or other relief with respect to its debts under any federal, state or foreign bankruptcy, insolvency, or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, and, such involuntary case or other proceeding shall remain undismissed and unstayed for a period of 90 days, or an order for relief shall be entered against the Corporation under any such bankruptcy laws as now or hereafter in effect; or (iv) during any period of two consecutive years, individuals who at the beginning of such period constituted the Board (including for this purpose any new director whose election or nomination for election by the Corporation’s stockholders was approved by a vote of at least two-thirds of the directors then still office who were directors at the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason to constitute at least a majority of the Board.

(b) The term “Corporate Status” means the status of Indemnitee as a current or former director, officer, employee, agent or fiduciary of the Corporation or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise which such person is or was serving at the request of the Corporation, including as a deemed fiduciary. For the avoidance of doubt, an Indemnitee’s Corporate Status shall not provide him or her any rights under this Agreement with respect to the acts or omissions addressed by the first sentence of Section 17(c) of this Agreement.

(c) The term “Disinterested Director” means a director of the Corporation who is not and was not a party to the Proceeding in respect of which indemnification is sought by Indemnitee.

(d) The term “Effective Date” means as of _____, 20____.

(e) The term “Expenses” shall be broadly construed and shall include all reasonable attorneys’ fees, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, communication charges, postage, delivery service fees, and all other customary direct or indirect disbursements or expenses in connection with prosecuting, defending, preparing to prosecute or defend, investigating, or being or preparing to be a witness in a Proceeding or a proceeding to enforce Indemnitee’s rights under this Agreement. The term “Expenses” shall also include Expenses incurred in connection with any appeal resulting from any Proceeding, including without limitation, the premium, security for, and other costs relating to any cost bond, supersedeas bond or other appeal bond or its equivalent and any federal, state, local or foreign taxes imposed on Indemnitee as a result of the actual or deemed receipt of payments under this Agreement. The parties agree that, to the fullest extent permitted by law, for the purposes of any advancement of Expenses for which Indemnitee has made written demand to the Corporation in accordance with this Agreement, all Expenses included in such demand that are certified by affidavit of Indemnitee’s counsel as being prudent and appropriate in the good faith judgment of such counsel shall be presumed conclusively to be reasonable Expenses. To the fullest extent permitted by law, the Corporation agrees that, in any proceeding for an advancement of Expenses, it will not assert or make any claim that any Expenses (including without limitation attorneys’ fees and expert witness or consultant fees) incurred by or on behalf of Indemnitee are not reasonable if counsel for Indemnitee certifies by affidavit his or her belief that such Expenses were prudent and appropriate in the good faith judgment of such counsel; provided that, following the final disposition of the Proceeding for which Expenses are advanced, the Corporation may seek to recover any Expenses that it establishes are not reasonable in an action brought to enforce the undertaking granted by Indemnitee pursuant to Section 9. The term “Expenses” shall not include the amount of judgments, fines or penalties against Indemnitee or amounts paid in settlement in connection with such matters.

(f) The term “Independent Counsel” means an attorney, a law firm, or a member of a law firm, who (or which) is experienced in matters of corporation law and neither presently is, nor in the past five years has been, retained to represent: (i) the Corporation, any entity or enterprise controlled by the Corporation, or Indemnitee or any entity controlled by Indemnitee, in any other matter material to either such party; or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term “Independent Counsel” shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Corporation or Indemnitee in an action to determine Indemnitee’s rights under this Agreement.

(g) The term “Proceeding” means any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative or investigative, and whether formal or informal, except one initiated by an Indemnitee pursuant to Section 12 of this Agreement to enforce Indemnitee’s rights under this Agreement. Without limiting the foregoing, the term “Proceeding” shall include any arbitration, alternate dispute resolution mechanism, investigation, administrative hearing, subpoena or other response to process served, request for information from government agencies or other third parties, internal investigation, any other proceeding or other process that Indemnitee in good faith believes might lead to the institution of a Proceeding.

(h) The term “Rating Event” means the Corporation’s “issuer credit rating” from Standard & Poor’s Financial Services LLC is or is lowered to BBB or lower on any day within the five-year period after the occurrence of a Change in Control; provided, that if Standard & Poor’s Financial Services LLC ceases to provide an issuer credit rating for the Corporation, the Corporation shall select a comparable statistical rating organization and rating level as a replacement for purposes of this definition.

(i) References to “fines” shall include any excise tax assessed with respect to any employee benefit plan; references to “serving at the request of the Corporation” shall include services by such director, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner such person reasonably believed to be in the best interests of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner “not opposed to the best interests of the Corporation” as referred to in this Agreement.

Section 2. Services by Indemnitee. Indemnitee agrees to serve as a _____ of the Corporation (the “Office”). Indemnitee may at any time and for any reason resign from any such position (subject to any other contractual obligation or any obligation imposed by operation of law) in which event the Corporation shall have no obligations under this Agreement to continue Indemnitee in such position. This Agreement shall not be deemed an employment contract between the Corporation (or any of its subsidiaries or any other entity or enterprise) and Indemnitee.

Section 3. Indemnification. The Corporation shall indemnify Indemnitee to the fullest extent permitted by applicable law if Indemnitee is a party to, or is threatened to be made a party to, or is otherwise involved in, any Proceeding (including a Proceeding by or in the right of the Corporation to procure a judgment in its favor) by reason of Indemnitee’s Corporate Status against all Expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred by Indemnitee in connection with such Proceeding. For purposes of this Section 3, the meaning of the phrase “to the fullest extent permitted by applicable law” shall include, but not be limited to the fullest extent authorized or permitted by any amendments to or replacements of the Delaware General Corporation Law (the “DGCL”) that increase the extent to which a corporation may indemnify its officers and directors (including amendments to or replacements of any provisions that authorize or contemplate additional indemnification by agreement). For the avoidance of doubt, if Indemnitee becomes a party to, or is otherwise involved in, any Proceeding initiated by the Corporation or any governmental or regulatory body to require Indemnitee to repay an advancement of expenses from the Corporation or to obtain a determination from a judicial or regulatory body that indemnification is prohibited by applicable law, the Corporation shall, to the fullest extent permitted by law, indemnify Indemnitee for the Expenses Indemnitee incurs in such suit and advance Expenses to Indemnitee prior to the final disposition of such suit.

Section 4. Proceedings Other Than Proceedings by or in the Right of the Corporation. Without limiting the scope of Section 3, Indemnitee shall be entitled to the rights of indemnification provided in this Section if, by reason of Indemnitee’s Corporate Status, Indemnitee is, or is threatened to be made, a party to any Proceeding, other than a Proceeding by or in the right of the Corporation. Pursuant to this Section, Indemnitee shall be indemnified against all Expenses, judgments, penalties, fines, other monetary remedies and amounts paid in settlement incurred by Indemnitee or on Indemnitee’s behalf in connection with any such Proceeding or any claim, issue or matter therein, if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal Proceeding, had no reasonable cause to believe Indemnitee’s conduct was unlawful.

Section 5. Proceedings by or in the Right of the Corporation. Without limiting the scope of Section 3, Indemnitee shall be entitled to the rights of indemnification provided in this Section if, by reason of Indemnitee’s Corporate Status, Indemnitee is, or is threatened to be made, a party to any Proceeding brought by or in the right of the Corporation to procure a judgment in its favor. Pursuant to this Section, Indemnitee shall be indemnified against Expenses incurred by Indemnitee or on Indemnitee’s behalf in connection with any such Proceeding if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to

be in or not opposed to the best interests of the Corporation. Notwithstanding the foregoing, no indemnification against such Expenses shall be made in respect of any claim, issue or matter in any such Proceeding as to which Indemnatee shall have been adjudged to be liable to the Corporation if applicable law prohibits such indemnification; provided, however, that if applicable law so permits, indemnification against Expenses shall nevertheless be made by the Corporation in such event if, and only to the extent that, the Court of Chancery of the State of Delaware (the "Delaware Court"), or the court in which such Proceeding shall have been brought or is pending, shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, Indemnatee is fairly and reasonably entitled to indemnification for such Expenses as the Delaware Court or such other court shall deem proper.

Section 6. Contribution. To the fullest extent permitted by applicable law, if the indemnification provided for in this Agreement is unavailable to Indemnatee for any reason whatsoever, the Corporation, in lieu of indemnifying Indemnatee, shall contribute to the amount incurred by Indemnatee, whether for Expenses, judgments, fines, penalties, other monetary remedies, amounts paid or to be paid in settlement in connection with any claim relating to a Proceeding, in such proportion as is deemed fair and reasonable in light of all of the circumstances of such Proceeding in order to reflect (i) the relative benefits received by the Corporation and Indemnatee as a result of the events or transactions giving rise to such Proceeding; and/or (ii) the relative fault of the Corporation (and its directors, officers, employees and agents) and Indemnatee in connection with such events or transactions.

Section 7. Indemnification for Expenses of a Party Who is Wholly or Partly Successful. Notwithstanding any other provision of this Agreement (other than Section 17), to the extent that Indemnatee is successful, on the merits or otherwise, in defense of any Proceeding, or in defense of any Claim, issue or matter therein, Indemnatee shall be indemnified by the Corporation against all Expenses incurred by Indemnatee or on Indemnatee's behalf in connection therewith. If Indemnatee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Corporation shall indemnify Indemnatee against all Expenses incurred by Indemnatee or on Indemnatee's behalf in connection with each successfully resolved claim, issue or matter. For the purposes of this Section and without limiting the foregoing, to the fullest extent permitted by law, the termination of any claim, issue or matter in any such Proceeding by dismissal, with or without prejudice, or, in the case of a government or other third-party inquiry, conclusion of such inquiry without formal action, shall be deemed to be a successful result as to such claim, issue or matter.

Section 8. Indemnification for Expenses of a Witness. Notwithstanding any other provision of this Agreement, to the extent that Indemnatee is, by reason of Indemnatee's Corporate Status, a witness in any Proceeding (and is not a party or threatened to be made a party to such Proceeding), Indemnatee shall be indemnified against all Expenses incurred by Indemnatee or on Indemnatee's behalf in connection therewith.

Section 9. Advancement of Expenses. The Corporation shall advance, to the extent not prohibited by applicable law, all Expenses incurred by or on behalf of Indemnatee in connection with any Proceeding within ten days after the receipt by the Corporation of a statement or statements from Indemnatee requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by Indemnatee. Execution of this Agreement shall constitute an undertaking by Indemnatee that Indemnatee undertakes to repay any Expenses advanced if it shall ultimately be determined (by a court of competent jurisdiction in a final judgment not subject to appeal) that Indemnatee is not entitled to be indemnified by the Corporation against such Expenses. Advances shall be unsecured and interest free. Advances shall be made without regard to Indemnatee's ability to repay the Expenses and without regard to

Indemnitee's ultimate entitlement to indemnification under the other provisions of this Agreement. The right to advancement under this Agreement shall include (a) advancement for any and all Expenses incurred pursuing an action to enforce the rights of advancement, indemnification or other rights set forth in this Agreement, and (b) Expenses incurred in preparing and forwarding statements to the Corporation to support any claims for advancement under this Agreement. Indemnitee may, in Indemnitee's written request for advancement described below in Section 10, specify whether the Corporation shall (i) pay such Expenses on behalf of Indemnitee, (ii) advance to Indemnitee funds in an amount sufficient to pay such Expenses, or (iii) reimburse Indemnitee for such Expenses, and any advancement of Expenses by the Corporation shall be in accordance with such specification by Indemnitee.

Section 10. Procedure for Determination of Entitlement to Indemnification or Contribution.

(a) To obtain indemnification or contribution under this Agreement in connection with any Proceeding, and for the duration thereof, Indemnitee shall submit to the Corporation a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification or contribution. Without limiting the foregoing sentence, Indemnitee must provide the Corporation with a copy of any summons, citation, subpoena, complaint, indictment, information or other similar document relating to such Proceeding with which Indemnitee is served or otherwise received and which is reasonably requested by the Corporation. The Corporation will be entitled to participate in any Proceeding at its own expense. Indemnitee shall have the right to engage Indemnitee's own counsel in connection with any Proceeding. Indemnitee's counsel shall cooperate reasonably with the Corporation's counsel to minimize the cost of defending claims against the Corporation and Indemnitee. The Secretary of the Corporation shall, promptly upon receipt of any such request for indemnification or contribution, advise the Board in writing that Indemnitee has requested indemnification or contribution.

(b) Upon written request by Indemnitee for indemnification or contribution pursuant to Section 10(a), a determination, if required by applicable law, with respect to Indemnitee's entitlement thereto shall be made in such case: (i) if a Change in Control shall have occurred, by Independent Counsel (unless Indemnitee shall request that such determination be made by the Corporation, in which case in the manner provided for in clause (ii) or (iii) of this Section 10(b)) in a written opinion to the Board, a copy of which shall be delivered to Indemnitee; (ii) if a Change in Control shall not have occurred, (A) by a majority vote of the Disinterested Directors, even though less than a quorum, or (B) by a committee of Disinterested Directors designated by majority vote of the Disinterested Directors even though less than a quorum, or (C) if there are no Disinterested Directors or the Disinterested Directors so direct, by Independent Counsel in a written opinion to the Board, a copy of which shall be delivered to Indemnitee, as determined by the Board, or (iii) if necessary, as provided in Section 11(b). If it is so determined that Indemnitee is entitled to indemnification or contribution, payment to Indemnitee shall be made within ten days after such determination. Indemnitee shall cooperate with the person, persons or entity making such determination with respect to Indemnitee's entitlement to indemnification or contribution, including without limitation providing to such person, persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination. Any costs or expenses (including attorneys' fees and disbursements) incurred by Indemnitee in so cooperating with the person, persons or entity making such determination shall be borne by the Corporation (irrespective of the determination as to Indemnitee's entitlement to indemnification or contribution) and the Corporation hereby agrees to indemnify and hold Indemnitee harmless therefrom.

(c) If required, Independent Counsel shall be selected as follows: (i) if a Change in Control shall not have occurred, Independent Counsel shall be selected by the Corporation, and the Corporation shall give written notice to Indemnitee advising Indemnitee of the identity of Independent Counsel so selected; or (ii) if a Change in Control shall have occurred, Independent Counsel shall be selected by Indemnitee (unless Indemnitee shall request that such selection be made by the Corporation, in which event (i) shall apply), and Indemnitee shall give written notice to the Corporation advising it of the identity of Independent Counsel so selected. In either event, Indemnitee or the Corporation, as the case may be, may, within ten days after such written notice of selection shall have been given, deliver to the Corporation or to Indemnitee, as the case may be, a written objection to such selection. Such objection may be asserted only on the ground that Independent Counsel so selected does not meet the requirements of "Independent Counsel" as defined in Section 1, and the objection shall set forth with particularity the factual basis of such assertion. If such written objection is made, Independent Counsel so selected may not serve as Independent Counsel unless and until a court has determined that such objection is without merit. If, within ten days after submission by Indemnitee of a written request for indemnification or contribution pursuant to Section 10(a), no Independent Counsel shall have been selected without objection, either the Corporation or Indemnitee may petition the Delaware Court, for resolution of any objection which shall have been made to the selection of Independent Counsel and/or for appointment as Independent Counsel of a person selected by such court or by such other person as such court shall designate, and the person with respect to whom an objection is so resolved or the person so appointed shall act as Independent Counsel under Section 10(b). The Corporation shall pay any and all reasonable fees and expenses of Independent Counsel incurred by such Independent Counsel in connection with its actions pursuant to this Agreement, and the Corporation shall pay all reasonable fees and expenses incident to the procedures of this Section 10(c), regardless of the manner in which such Independent Counsel was selected or appointed. The Corporation shall indemnify Independent Counsel against any and all expenses, claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto. Upon the due commencement date of any judicial proceeding pursuant to Section 12(a), Independent Counsel shall be discharged and relieved of any further responsibility in such capacity (subject to the applicable standards of professional conduct then prevailing).

Section 11. Presumptions and Effects of Certain Proceedings.

(a) To the fullest extent permitted by applicable law, in making a determination with respect to entitlement to indemnification hereunder, the person, persons or entity making such determination shall presume that Indemnitee is entitled to indemnification under this Agreement if Indemnitee has submitted a request for indemnification in accordance with Section 10(a), and the Corporation shall have the burden of proof to overcome that presumption in connection with the making by any person, persons or entity of any determination contrary to the presumption. Neither (i) the failure of the Corporation, any one or more Disinterested Directors (or committees thereof) or of Independent Counsel to have made a determination prior to the commencement of any action pursuant to this Agreement that indemnification is proper in the circumstances because Indemnitee has met the applicable standard of conduct, nor (ii) an actual determination by the Corporation, any one or more Disinterested Directors (or committees thereof) or by Independent Counsel that Indemnitee has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that Indemnitee has not met the applicable standard of conduct.

(b) If the person, persons or entity empowered or selected under Section 10 to determine whether Indemnitee is entitled to indemnification shall not have made a determination within 60 days after receipt by the Corporation of the request therefor, the requisite determination of entitlement to indemnification shall, to the fullest extent permitted by applicable law, be deemed to have been made and Indemnitee shall be entitled to such indemnification, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact

necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) prohibition of such indemnification under applicable law; provided, however, that such 60-day period may be extended for a reasonable time, not to exceed an additional 30 days, if the person, persons or entity making the determination with respect to entitlement to indemnification in good faith require(s) such additional time for the obtaining or evaluating of documentation and/or information relating thereto if the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 10(b).

(c) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not (except as otherwise expressly provided in this Agreement) of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith and in a manner which Indemnitee reasonably believed to be in or not opposed to the best interests of the Corporation or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that Indemnitee's conduct was unlawful.

(d) The knowledge and/or actions, or failure to act, of any director, officer, agent or employee of the Corporation or any entity or enterprise that Indemnitee is serving at the request of the Corporation shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement.

Section 12. Remedies of Indemnitee.

(a) Subject to Section 12(f), in the event that (i) a determination is made pursuant to Section 10 that Indemnitee is not entitled to indemnification under this Agreement, (ii) advancement of Expenses is not timely made pursuant to Section 9, (iii) the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 10(b) and such determination shall not have been made and delivered in a written opinion within 90 days after receipt by the Corporation of the request for indemnification, (iv) payment of indemnification is not made pursuant to Section 7, Section 8 or the last sentence of Section 10(b) within ten days after receipt by the Corporation of a written request therefor, (v) payment of indemnification is not made within ten days after a determination has been made that Indemnitee is entitled to indemnification or such determination is deemed to have been made pursuant to Section 10 or 11, or (vi) payment to Indemnitee pursuant to any contribution rights under this Agreement is not made within the later of ten days after receipt by the Corporation of a written request therefor and the date that Indemnitee is entitled to seek an adjudication by the Delaware Court in accordance with this paragraph for a claim for indemnification with respect to any Proceeding giving rise to a right to contribution, Indemnitee shall be entitled to an adjudication in the Delaware Court of Indemnitee's entitlement to such contribution, indemnification or advancement of Expenses. The Corporation shall not oppose Indemnitee's right to seek any such adjudication.

(b) In the event that a determination shall have been made pursuant to Section 10 that Indemnitee is not entitled to indemnification, any judicial proceeding commenced pursuant to this Section shall be conducted in all respects as a de novo trial on the merits and Indemnitee shall not be prejudiced by reason of that adverse determination and the Corporation may not refer to or introduce into evidence any determination pursuant to Section 10 of this Agreement adverse to Indemnitee. In any judicial proceeding commenced pursuant to this Section, the Corporation shall have the burden of proving that Indemnitee is not entitled to indemnification or advancement of Expenses, as the case may be.

(c) If a determination shall have been made or deemed to have been made pursuant to Section 10 or 11 that Indemnitee is entitled to indemnification, the Corporation shall be bound by such determination in any judicial proceeding commenced pursuant to this Section, absent (i) a

misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) prohibition of such indemnification under applicable law.

(d) The Corporation shall be precluded from asserting in any judicial proceeding commenced pursuant to this Section that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court or before any such arbitrator that the Corporation is bound by all the provisions of this Agreement.

(e) In the event that Indemnitee, pursuant to this Section, seeks a judicial adjudication of Indemnitee's rights under, or to recover damages for breach of, this Agreement, Indemnitee shall, to the fullest extent permitted by law, be entitled to recover from the Corporation, and be indemnified by the Corporation against, any and all Expenses incurred by Indemnitee in such judicial adjudication regardless of whether Indemnitee ultimately is determined to be entitled to such indemnification, advancement of Expenses or insurance recovery, as the case may be.

(f) Notwithstanding anything in this Agreement to the contrary, no determination as to entitlement to indemnification under this Agreement shall be required to be made prior to the final disposition of the Proceeding, including any appeal therein.

Section 13. Non-Exclusivity; Survival of Rights; Insurance; Subrogation.

(a) The rights of indemnification and to receive advancement of Expenses as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the Restated Certificate of Incorporation or Restated Bylaws of the Corporation, any agreement, a vote of stockholders or a resolution of directors, or otherwise. No amendment, alteration or repeal of this Agreement or any provision hereof shall be effective as to Indemnitee with respect to any action taken or omitted by such Indemnitee in such Indemnitee's Corporate Status prior to such amendment, alteration or repeal.

(b) The Corporation hereby acknowledges that Indemnitee has, or may from time to time have, certain rights to indemnification, advancement of Expenses and/or insurance that is either (1) provided by a fund or other entity with which Indemnitee is associated or affiliated ("Fund Indemnitors") or (2) pursuant to insurance obtained on Indemnitee's own behalf ("Individual Insurance," and together with the obligations of Fund Indemnitors, the "Other Arrangements"). The Corporation hereby agrees (i) that the Corporation will not assert in any litigation between the Corporation and Indemnitee that the Corporation's obligations under this Agreement are not primary relative to the Other Arrangements, or that any obligation of the providers of the Other Arrangements to advance Expenses or to provide indemnification for the same Expenses, judgments, penalties, fines, other monetary remedies, amounts paid in settlement, incurred by Indemnitee or on Indemnitee's behalf are not secondary, (ii) that the Corporation shall be required to advance the full amount of Expenses (subject to the provisions concerning advancement of Expenses set forth in this Agreement) incurred by Indemnitee and shall be liable for the full amount of all Expenses, judgments, penalties, fines, other monetary remedies, amounts paid in settlement, relative to the Other Arrangements, or as may be required by the terms of this Agreement, the Restated Certificate of Incorporation or Restated Bylaws of the Corporation (or any other agreement between the Corporation and Indemnitee), without regard to any rights Indemnitee may have under the Other Arrangements, and (iii) that with respect to the Corporation's obligations to advance Expenses and indemnify Indemnitee by reason of Indemnitee's service as an officer or director of the Corporation, the Corporation irrevocably waives, relinquishes and releases the providers of the Other Arrangements from any and all claims for contribution, subrogation or any other recovery of any kind in respect thereof. The Corporation further agrees that no advancement or payment by the providers of the Other

Arrangements on behalf of Indemnitee with respect to any claim for which Indemnitee has sought indemnification from the Corporation shall affect the foregoing and to the extent consistent with the terms of the Other Arrangements the providers of the Other Arrangements shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of Indemnitee against the Corporation. Nothing in this Agreement shall be deemed to prevent the Corporation from taking any action necessary to require its own insurer(s) to provide coverage to the Corporation or its officers or directors (including Indemnitee), including causing any person (including a provider of Other Arrangements to be named as a party to a declaratory judgment action brought to obtain such relief).

(c) Indemnitee's rights under this Agreement to receive payment of amounts as indemnification or advancement of Expenses shall not be subject to offset, set-off or reduction on account of, and shall be separate from, any obligation or liability that Indemnitee may have to the Corporation or any subsidiary and shall be paid without regard thereto.

(d) Except as provided in Section 13(b), the Corporation shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable hereunder if and to the extent that Indemnitee has otherwise actually received such payment under any insurance policy, contract, agreement or otherwise.

(e) Except as provided in Section 13(b), in the event of any payment under this Agreement, the Corporation shall be subrogated to the extent of such payment to all the rights of recovery of Indemnitee, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Corporation to bring suit to enforce such rights.

Section 14. Insurance. Nothing in this Agreement shall be deemed to prohibit the Corporation from purchasing and maintaining insurance, at its expense, to protect itself or Indemnitee against any Expenses, judgments, penalties, fines, other monetary remedies and amounts paid in settlement incurred by Indemnitee in any such capacity, or arising out of Indemnitee's status as such, whether or not Indemnitee would be indemnified against such expense, liability or loss under this Agreement. To the extent that the Corporation maintains an insurance policy or policies providing liability insurance for directors, officers, employees, agents of fiduciaries of the Corporation or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise of which Indemnitee serves or served at the request of the Corporation, Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available under such policy or policies for any person then serving as a director, officer, employee, agent or fiduciary. Until the termination of this Agreement in accordance with Section 15, the Corporation shall use commercially reasonable efforts (taking into account the scope and amount of coverage available relative to the cost thereof) to cause to be maintained in effect a policy or policies of directors' and officers' liability insurance providing coverage for directors, officers, employees, agents and fiduciaries of the Corporation that is reasonable in scope and amount, as determined by the Corporation in its reasonable discretion considering applicable facts and circumstances, including, but not limited to, industry standards. In the event of a Change in Control occurring prior to the termination of this Agreement pursuant to Section 15, the Corporation shall maintain (or cause to be maintained) for the benefit of Indemnitee, the same policy or policies of liability insurance for directors, officers, employees, agents or fiduciaries of the Corporation or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise which such person serves at the request of the Corporation that is reasonable in scope and amount, as determined by the Corporation in its reasonable discretion considering applicable facts and circumstances, including, but not limited to, industry standards for a period of ten years thereafter or the termination of this Agreement in accordance with Section 15, whichever is later.

The minimum AM Best rating for the insurance carrier of such insurance shall not be less than **A-VI**. If, at the time of the receipt of a notice of a claim pursuant to the terms of this Agreement, the Corporation has directors' and officers' liability insurance in effect, the Corporation shall give prompt notice of the commencement of such Proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Corporation shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of Indemnitee, all amounts payable as a result of such Proceeding in accordance with the terms of such policies.

Section 15. Duration of Agreement. This Agreement shall continue until and terminate upon the later of: (a) ten years after the date that Indemnitee shall have ceased to serve as a director, officer, employee, agent or fiduciary of the Corporation or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise which Indemnitee served at the request of the Corporation; or (b) the final termination of all pending Proceedings in respect of which Indemnitee is granted rights of indemnification or advancement of Expenses hereunder and of any proceeding commenced by Indemnitee pursuant to Section 12. This Agreement shall be binding upon the Corporation and its successors and assigns and shall inure to the benefit of Indemnitee and Indemnitee's heirs, executors and administrators. The Corporation shall use its reasonable best efforts to require and cause any successor, and any direct or indirect parent of any successor, whether direct or indirect by purchase, merger, consolidation or otherwise, to all, substantially all or a substantial part, of the business and/or assets of the Corporation, by written agreement in form and substance satisfactory to Indemnitee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Corporation would be required to perform if no such succession has taken place.

Section 16. Severability. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (a) the validity, legality and enforceability of the remaining provisions of this Agreement (including without limitation each portion of any Section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself held invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby; (b) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (c) to the fullest extent possible, the provisions of this Agreement (including without limitation each portion of any Section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself held invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable.

Section 17. Exception to Right of Indemnification or Advancement of Expenses.

(a) Notwithstanding anything in this Agreement to the contrary, but subject to the penultimate sentence of Section 9 and subject to Section 12(e), Indemnitee shall not be entitled to indemnification or advancement of Expenses under this Agreement with respect to any Proceeding, or any claim therein, brought or made by Indemnitee voluntarily and not by way of defense against the Corporation or any other person or entity unless the initiation thereof was expressly approved by the Board. For the avoidance of doubt, (1) Indemnitee shall not be deemed, for purposes of this paragraph, to have initiated or brought any claim by reason of (a) having asserted any affirmative defenses in connection with a claim not initiated by Indemnitee or (b) having made any counterclaim (whether permissive or mandatory) in connection with any claim not initiated by Indemnitee and (2) Indemnitee shall be entitled to indemnification and advancement for any suit initiated by Indemnitee to enforce the rights provided for in this Agreement, as contemplated by the penultimate sentence of Section 9 and Section 12(e).

(b) Notwithstanding anything in this Agreement to the contrary, Indemnitee shall not be entitled to indemnification for an accounting of profits made from the purchase and sale (or

sale and purchase) by Indemnitee of securities of the Corporation within the meaning of Section 16(b) of the Securities Exchange Act of 1934, as amended, or similar provisions of state statutory law or common law.

(c) Notwithstanding anything in this Agreement to the contrary, such Indemnitee shall have no rights (whether for indemnification, advancement, contribution, insurance or otherwise) under this Agreement with respect to acts or omissions by Indemnitee occurring (i) before the Indemnitee was first appointed to the Office or (ii) after the Indemnitee ceases to serve in the Office. For the avoidance of doubt, the preceding sentence shall not apply to any rights provided to the Indemnitee under Section 12 to enforce Indemnitee's rights under this Agreement with respect to acts or omissions by the Indemnitee that occur while he or she is serving in the Office.

Section 18. Settlement. The Corporation shall have no obligation to indemnify Indemnitee hereunder for any amounts paid in settlement of any Proceeding effected without the Corporation's prior written consent, which shall not be unreasonably withheld.

Section 19. Trust Fund. Upon the occurrence of a Rating Event, the Corporation shall create a trust fund (the "Trust") for the benefit of the Indemnitee under this Agreement and from time to time shall fund additional amounts to the Trust in an amount sufficient to satisfy any and all Expenses reasonably anticipated to be incurred following such Rating Event in connection with investigating, preparing for, participating in, and/or defending any Proceeding and any judgments, fines or other amounts reasonably anticipated to be paid related thereto for which Indemnitee is entitled to indemnification and/or advancement of Expenses pursuant to this Agreement. The amount or amounts to be deposited in the Trust pursuant to the foregoing funding obligation shall be determined by the trustee of the Trust (the "Trustee") taking into account directors' and officers' liability insurance maintained by the Corporation. The terms of the Trust shall provide that (i) the Trust shall not be revoked or the principal thereof invaded without the written consent of Indemnitee, (ii) the Trustee shall advance, within 30 days of a request by Indemnitee, any and all Expenses to Indemnitee (and Indemnitee hereby agrees to reimburse the Trust under the same circumstances for which Indemnitee would be required to reimburse the Corporation under Section 9 of this Agreement), (iii) the Trust shall continue to be funded by the Corporation in accordance with the funding obligation set forth above, (iv) the Trustee shall promptly pay to Indemnitee all amounts for which Indemnitee shall be entitled to indemnification pursuant to this Agreement or otherwise no later than 30 days after notice to the Corporation in accordance with Section 25 and (v) all unexpended funds in the Trust shall revert to the Corporation upon a final determination by the Trustee or a court of competent jurisdiction, as the case may be, that Indemnitee has been fully indemnified under the terms of this Agreement. The Trustee shall be chosen by the Corporation in good faith and must be acceptable to the Indemnitee (provided that the Indemnitee's consent to the selection of a Trustee shall not be unreasonably withheld). All income earned on the assets held in the Trust shall be reported as income by the Corporation for federal, state, local and foreign tax purposes. The Corporation shall pay all costs of establishing and maintaining the Trust and shall indemnify the Trustee against any and all expenses (including attorney's fees), claims, liabilities, loss and damages arising out of or relating to this Agreement or the establishment and maintenance of the Trust. The establishment of the Trust shall not, in any way, diminish the Corporation's obligation to indemnify an Indemnitee to the full extent required by this Agreement.

Section 20. Access to Information. The Corporation shall provide Indemnitee with such information as the Corporation determines is reasonable under the circumstances to enable Indemnitee to enforce Indemnitee's rights under this Agreement; provided that the Corporation shall not be required to deliver any information pursuant to this Section 20 if the provision of such information would, in the Corporation's judgment, prejudice the Corporation's rights or obligations in any Proceeding. The foregoing shall not prejudice the rights of Indemnitee to

discovery or otherwise in a Proceeding commenced in the Delaware Court to enforce this Agreement. Indemnitee agrees that any information provided to Indemnitee pursuant to this section is material non-public information that Indemnitee is obligated to hold in confidence and may not disclose publicly or trade on the basis of; provided, however, that Indemnitee is permitted to use such information and to disclose such information to Indemnitee's legal counsel solely in connection with defending Indemnitee from legal liability.

Section 21. Identical Counterparts. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Agreement. Only one such counterpart, signed by the party against whom enforceability is sought, may constitute evidence of the existence of this Agreement.

Section 22. Headings. The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

Section 23. Modification and Waiver. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

Section 24. Notice by Indemnitee. Indemnitee agrees to notify the Corporation promptly in writing upon being served with any summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding or matter which may be subject to indemnification or advancement of Expenses covered hereunder.

Section 25. Notices. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given if (i) delivered by hand and receipted for by the party to whom such notice or other communication shall have been directed, or (ii) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed:

(a) If to Indemnitee, to:

[Insert Address]

(b) If to the Corporation, to:

Northrop Grumman Corporation
2980 Fairview Park Drive
Falls Church, Virginia 22042

Attention: Corporate Secretary

or to such other address as may have been furnished to Indemnitee by the Corporation or to the Corporation by Indemnitee, as the case may be.

Section 26. Governing Law and Consent to Jurisdiction. This Agreement shall be governed by, and construed and enforced in accordance with, the laws in effect in the State of Delaware, without regard to its conflict of laws rules. The Corporation and Indemnitee hereby

irrevocably and unconditionally (i) agree that any action or proceeding arising out of or in connection with this Agreement shall be brought only in the Delaware Court, and not in any other state or federal court in the United States of America or any court in any other country, (ii) consent to submit to the exclusive jurisdiction of the Delaware Court for purposes of any action or proceeding arising out of or in connection with this Agreement, (iii) consent to service of process at the address set forth in Section 25 of this Agreement with the same legal force and validity as if served upon such party personally within the State of Delaware, (iv) waive any objection to the laying of venue of any such action or proceeding in the Delaware Court and (v) waive, and agree not to plead or to make, any claim that any such action or proceeding brought in the Delaware Court has been brought in an improper or inconvenient forum.

Section 27. Enforcement; Specific Performance. The Corporation expressly confirms and agrees that it has entered into this Agreement in order to induce Indemnitee to serve or to continue to serve as a director or officer of the Corporation, and acknowledges that Indemnitee is relying upon this Agreement in continuing in such capacity. The parties hereto agree that a delayed monetary remedy for breach of this Agreement shall cause Indemnitee irreparable harm. Accordingly, the parties hereto agree that Indemnitee may enforce the Corporation's obligations to advance Expenses provided under this Agreement by seeking injunctive relief and/or specific performance hereof, without further showing actual damage or irreparable harm. The parties hereto further agree that Indemnitee shall be entitled to any such specific performance and injunctive relief, including temporary restraining orders, preliminary injunctions and permanent injunctions, without the necessity of posting bonds or other undertaking in connection therewith. The Corporation acknowledges that in the absence of a waiver, a bond or undertaking may be required of Indemnitee by the court, and the Corporation hereby waives any such requirement of a bond or undertaking. Nothing herein shall prevent Indemnitee from seeking or obtaining any other relief to which Indemnitee may be entitled.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the day and year first above written.

NORTHROP GRUMMAN CORPORATION

[Name]
[Title]

INDEMNITEE

[Name]

NORTHROP GRUMMAN CORPORATION

EXHIBIT 15

LETTER FROM INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

April 20, 2026

The Board of Directors and Shareholders of Northrop Grumman Corporation

Northrop Grumman Corporation
2980 Fairview Park Drive
Falls Church, Virginia 22042

We are aware that our report dated April 20, 2026, on our review of the interim financial information of Northrop Grumman Corporation and subsidiaries appearing in this Quarterly Report on Form 10-Q for the quarter ended March 31, 2026, is incorporated by reference in Registration Statement Nos. 033-59815, 033-59853, 333-67266, 333-100179, 333-107734, 333-121104, 333-125120, 333-127317, 333-175798, 333-273482, and 333-281008 on Form S-8, and 333-264549 on Form S-4.

/s/ Deloitte & Touche LLP
McLean, Virginia

**CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Kathy J. Warden, certify that:

1. I have reviewed this report on Form 10-Q of Northrop Grumman Corporation (“company”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
4. The company’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the company’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the company’s internal control over financial reporting that occurred during the company’s most recent fiscal quarter (the company’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the company’s internal control over financial reporting; and
5. The company’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company’s auditors and the audit committee of the company’s board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company’s ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company’s internal control over financial reporting.

Date: April 20, 2026

/s/ Kathy J. Warden

Kathy J. Warden
Chair, Chief Executive Officer and President

**CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, John T. Greene, certify that:

1. I have reviewed this report on Form 10-Q of Northrop Grumman Corporation (“company”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
4. The company’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the company’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the company’s internal control over financial reporting that occurred during the company’s most recent fiscal quarter (the company’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the company’s internal control over financial reporting; and
5. The company’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company’s auditors and the audit committee of the company’s board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company’s ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company’s internal control over financial reporting.

Date: April 20, 2026

/s/ **John T. Greene**

John T. Greene

Corporate Vice President and Chief Financial Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Northrop Grumman Corporation (the “company”) on Form 10-Q for the period ended March 31, 2026, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Kathy J. Warden, Chair, Chief Executive Officer and President of the company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the company.

Date: April 20, 2026

/s/ Kathy J. Warden

Kathy J. Warden
Chair, Chief Executive Officer and President

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Northrop Grumman Corporation (the “company”) on Form 10-Q for the period ended March 31, 2026, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, John T. Greene, Corporate Vice President and Chief Financial Officer of the company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the company.

Date: April 20, 2026

/s/ John T. Greene

John T. Greene

Corporate Vice President and Chief Financial Officer