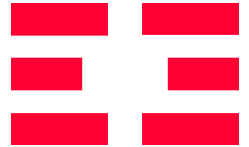




Northrop Grumman

Locations: Virginia (HQ)
Industries: Capital Goods

RISK LEVEL:



High Risk

DESCRIPTION:

Northrop Grumman is High Risk. The company yields to political activism in shaping corporate governance, potentially alienating consumers, dividing employees, and harming shareholders. The company implements race and identity-based policies that replace merit, excellence, and integrity with preferential treatment and outcomes. Northrop Grumman embraces corporate initiatives that redirect its central focus from business goals to partisan policies and divisive issues. This approach fails to safeguard free exercise, free speech, and free enterprise.

Corporate Weaponization

Has canceled customers, suppliers, or vendors due to their political views or religious beliefs OR corporately boycotts, divests, or sanctions regions, people groups, or industries. Medium Risk

Northrop Grumman received a score of 100 on the 2025 Corporate Equality Index (CEI) from the Human Rights Campaign (HRC), a political stakeholder group. The company recruits employees based on sexual identity issues. The company discriminates against vendors that do not promote divisive sex and gender policies, indicating it prioritizes sexual issues over merit (1)(2). The company promotes divisive sex and gender policies. Its Standards of Business Conduct requires international vendors to include sexual orientation and gender identity in their nondiscrimination policy (3). However, the company has not publicly canceled customers, suppliers, or vendors based on political views or religious beliefs (4).

Charitable giving (including employee matching programs) policies or practices discriminate against charitable organizations based on views or religious beliefs. High Risk

Northrop Grumman's HRC 2025 CEI rating indicates the company will not donate to non-religious charities unless they embrace controversial sexual identity policies (1)(2). The company's grant restrictions guidelines require that non-religious organizations abide by its nondiscrimination policy, including on the basis of sexual orientation and gender identity, thereby excluding some religious charities (3).

Employment policies fail to protect against viewpoint or other discrimination and/or are ideological in nature. High Risk

Northrop Grumman's HRC 2025 CEI rating indicates the company forces employees to attend multiple, controversial trainings on gender identity, sexual orientation, transgender issues, and divisive racial ideology. The company provides gender transition guidelines for its employees and a specific benefits guide with a comprehensive explanation of transgender services funded by the company (1)(2). The company's Chairman, CEO and President Kathy J. Warden signed Catalyst's Champions for Change pledge, indicating its support of DEI in its leadership composition through the establishment of gender and racial targets (3)(4). The company is a signatory of the Gender & Diversity KPI Alliance, appearing to prioritize diversity over merit in its business structure through the

establishment of gender and racial targets for its leadership composition and its support of DEI in its hiring and promotions (5)(6). In 2021, 99% of all the company's current employees completed required DE&I training, which included content on "understanding and remediating unconscious bias" (7). It does not provide viewpoint protections for its employees (8).

Corporate Governance and Public Policy

Uses corporate reputation to support causes, organizations, or policies hostile to freedom of expression.

High Risk

Northrop Grumman's HRC 2025 CEI rating indicates the company agrees to allow a controversial stakeholder group focused on sexual identity issues to dictate marketing or advertising strategy. By doing so, the company risks dividing employees, alienating customers and harming shareholders (1)(2). The company signed an open letter endorsing the Equality Act, a contentious proposal to amend the 1964 Civil Rights Act by adding sexual orientation and so-called gender identity as protected categories. The legislation would, among other implications, grant biological men access to women-only spaces such as sports teams and public restrooms, and compel healthcare providers to deliver sex-denying healthcare (3). CEO Kathy Warden is a member of the Business Roundtable and signed its 2019 Statement on the Purpose of a Corporation, which promotes stakeholder capitalism over traditional obligations to shareholders (4)(5). The company's CEO, Kathy Warden, signed the CEO Action for Diversity & Inclusion pledge, which includes a commitment to promote DEI through bias education training in the workplace (6)(7). The company is committed to net zero carbon emissions by 2035 (8). The company supports DEI within its business practices. From its 2024 Sustainability Report: "Our commitment to workplace inclusion is demonstrated through our comprehensive accommodations program, managed by our dedicated Accessibility & Disability Accommodations (ADA) team" (9). The company scored a 100 out of 100 on the 2023-2024 Corporate Equality Index (CEI) from the Human Rights Campaign (HRC), a political stakeholder group (10)(11). The company hosts a Belonging at Northrop Grumman page, which states: "Our goal is to continually support and nurture the large number of Northrop Grumman employees whose backgrounds, characteristics and perspectives are as diverse as the global communities in which we reside" (12).

Uses corporate funds to advance ideological causes, organizations, or policies hostile to freedom of expression.

High Risk

Northrop Grumman's HRC 2025 CEI rating indicates the company covers transgender related costs for its employees and their children, including paid short-term leave, puberty blockers, cross-sex hormones, chest surgeries, genital surgeries, medical visits and lab monitoring, travel and lodging. Additionally, the company has pledged philanthropic support of at least one organization or event that promotes sex and gender ideology. By allowing a political stakeholder group to dictate operations, the company increases health care costs and risks dividing employees, alienating customers and harming shareholders (1)(2). The company is a Platinum corporate sponsor of the HRC, a Silver sponsor of Out & Equal, and a corporate partner of the NGLCC (3)(4)(5). The company pledged \$2 million to the Black Lives Matter organization and related causes (6)(7). It was a member of the MCCA, indicating its focus on recruiting, retaining, and promoting employees based on race (8)(9). The company is a coalition member of OneTen, appearing to prioritize diversity over merit in its hiring (10)(11)(12). Otherwise, there are no publicly known cases of the company using corporate funds to advance ideological causes, organizations, or policies (13).

Uses corporate political actions and/or financial contributions for ideological, non-business purposes.

High Risk

Northrop Grumman's HRC 2025 CEI rating indicates the company publicly advocated for controversial sex and gender ideology through local, state or federal legislation or initiatives. By allowing a political stakeholder group to dictate operations, the company risks dividing employees, alienating customers and harming shareholders (1)(2). The company has not used its PAC donations or

lobbying for ideological purposes (3)(4)(5).

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