

NORTHROP GRUMMAN

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Ethics Is Everyone's Business

To My Colleagues:

At Northrop Grumman, we are committed to maintaining a strong ethical culture in everything we do on behalf of our company. To this end, I have identified integrity as one of my top priorities each year since assuming my office. As the company has transformed itself over the past two decades into a global defense and technology leader, Northrop Grumman has also kept pace with a mature, value-based ethics program characterized by standards of business conduct and training that guide every employee.

Our standards of business conduct cover key ethical workplace practices, including our relationships with customers, suppliers and competitors; conflicts of interest; the appropriate use of company resources; international issues and other regulations; as well as the concept of personal responsibility and the consequences of not abiding by the standards of ethics and integrity that we have set forth. Our ethics training applies a "campaign model" that reaches out to all employees regularly throughout the year.

The success of our ethics program also relies on our ability to keep the lines of communication open. Good news should travel fast—and bad news should travel even faster to those who can resolve any problem. I encourage you to communicate your ethical concerns or ask any questions by contacting your manager, your site or sector Business Conduct Officer, or by calling the Corporate OpenLine at 800-247-4952.

Because a single ethical lapse could damage our business and our reputation, integrity must be every employee's responsibility. As part of your personal commitment to maintaining an ethical workplace, please take advantage of training opportunities, use the OpenLine if necessary, and review the Standards of Business Conduct document, available online at <http://home.northgrum.com/ethics/standards.html> or from your manager or Business Conduct Officer.

Thank you for your efforts to ensure the continued integrity of Northrop Grumman.



Ronald D. Sugar
Chairman, CEO and President