

SUMMARY ANNUAL REPORT

For Northrop Grumman Corporation Retiree Welfare Benefits Plan

This is a summary of the annual report of the Northrop Grumman Corporation Retiree Welfare Benefits Plan, EIN 80-0640649, Plan No. 750, for period January 01, 2019 through December 31, 2019. The annual report has been filed with the Employee Benefits Security Administration, U.S. Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Insurance Information

The plan has contracts with Emblem Health, Kaiser Foundation Health Plan Inc., and Kaiser Foundation Health Plan of the Mid-Atlantic to pay health and life insurance claims incurred under the terms of the plan. The total premiums paid for the plan year ending December 31, 2019 were \$14,516,815.

Basic Financial Statement

The value of plan assets, after subtracting liabilities of the plan, was \$207,733,078 as of December 31, 2019, compared to \$207,933,351 as of January 01, 2019. During the plan year the plan experienced a decrease in its net assets of \$200,273. This decrease includes net unrealized appreciation, which is the difference between the value of the Plan's assets at the end of the year and the value of the assets at the beginning of the year, or the cost of assets acquired during the year net of Plan expenses. During the plan year, the plan had total income of \$109,028,946, including employer contributions of \$30,814,332, employee contributions of \$25,811,338, and net gain from investments of \$52,403,276.

Plan expenses were \$109,229,219. These expenses included \$27,999,939 in administrative expenses, and \$81,229,280 in benefits paid.

Your Rights to Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

- an accountant's report;
- financial information;
- insurance information, including sales commissions paid by insurance carriers;
- information regarding any common or collective trusts, pooled separate accounts, master trusts or 103-12 investment entities in which the plan participates.

To obtain a copy of the full annual report, or any part thereof, write or call the office of Northrop Grumman Benefit Plans Administrative Committee who is Plan Administrator at 2980 Fairview Park Drive, Falls Church, VA 22042-4511, or by telephone at (800) 894-4194.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report. These portions of the report are furnished without charge.

You also have the legally protected right to examine the annual report at the main office of the plan (Northrop Grumman Benefit Plans Administrative Committee, 2980 Fairview Park Drive, Falls Church, VA 22042-4511) and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: U.S. Department of Labor, Employee Benefits Security Administration, Public Disclosure Room, 200 Constitution Avenue, NW, Suite N-1513, Washington, D.C. 20210.