

NORTHROP GRUMMAN AUSTRALIA

**2026 Report to
Workplace
Gender Equality
Agency (WGEA)**

**NORTHROP
GRUMMAN**



A MESSAGE FROM ROB DENNEY, COUNTRY EXECUTIVE AUSTRALIA AND DEANNE BARNETT, MANAGING DIRECTOR AUSTRALIA



As a growing organisation in the Australian Defence Sector, being recognised as a great place to work is an important element of our success. Inspired by a clear set of values, our cultural identity is based on being an inclusive, welcoming, empowering and fair place for every employee.

We are focused on unlocking the potential of our diverse team irrespective of their background. This enables us to achieve our goals as a business, fulfill our commitments to our customer, and to our country.

Indeed, 'Everyone Matters' is a cornerstone of our Australian Employee Value Proposition – *What's Your Possible?* – and we have worked hard to bring that sentiment to life in everything we do.

Together we can achieve amazing results.

Our Employee Networks encourages sharing experiences and information foster professional development, wellbeing and encourage community involvement. We ensure that our recruitment marketing is gender neutral and free from any perceived bias. We are continually developing ways to encourage and inspire the next generation of females in STEM, while helping to remove any potential barriers.

Nearly 50% of our Australian Leadership Team are women, which represents the growing number of women in our industry. Along these lines, we know that we pay men and women equally for similar work.

However, there remains a difference in the average and median base salary and total remuneration of men and women. NGA is highly committed to closing this gender pay gap. Since our first report in 2020 – 2021, our median total remuneration pay gap has dropped from 11.6% to 4.6% in 2024 – 2025 and the median total remuneration has dropped from 17.5% to 11.2%.

This document explains the reasons for the reported gender pay gap, and how we are taking action to close it. This is a core goal of Northrop Grumman in Australia.

We are pleased to submit NGA's employer statement as evidence of the actions being taken to close our gender pay gap.

ABOUT US

Northrop Grumman Australia is partnering with our customers to solve the toughest problems in space, aeronautics, defence and cyberspace to meet the ever-evolving challenges of an increasingly contested global security environment.

We are an Australian-led company, with a national footprint of approximately 800 talented, locally engaged employees across more than eleven sites, allowing us to leverage our global reach-back to deliver superior Australian defence capability, and define possible for our customers every day.

Our investment in Australian infrastructure, research and development, communities and local partnerships facilitates greater opportunities for technology transfer, strengthens local and global supply chains and grows the skills of tomorrow in support of Australia's future.

For more than 20 years, Northrop Grumman Australia has been a proud strategic partner of the Australian Defence Force, delivering world-leading capabilities and support services to safeguard Australia's national interests, ensure mission success and respond to emerging strategic challenges.



THE GENDER PAY GAP

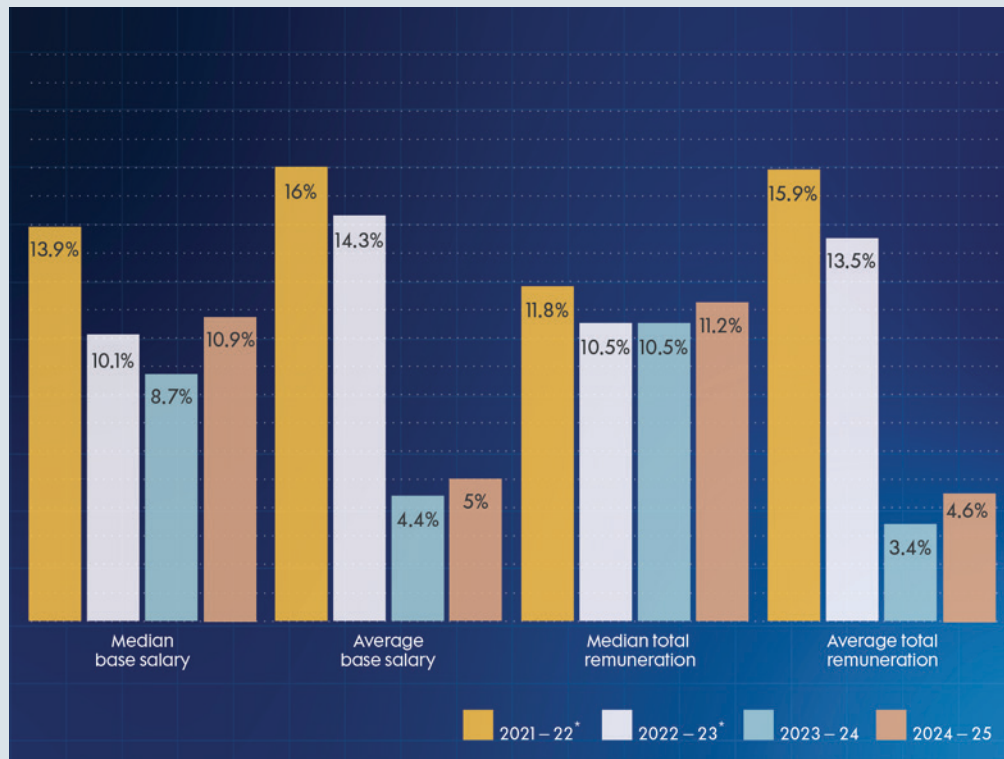
The Australia Gender Pay Gap, which we are required to report under the Workplace Gender Equality Act 2012, differs significantly from equal pay. Equal pay is about paying women and men equally for equal work. We have long been, and we remain committed to this legislated requirement.

The Gender Pay Gap addressed in this report is about measuring the difference in the average or median base salary and total remuneration of women and men across our organisation as a whole.

OUR GENDER PAY GAP RESULTS

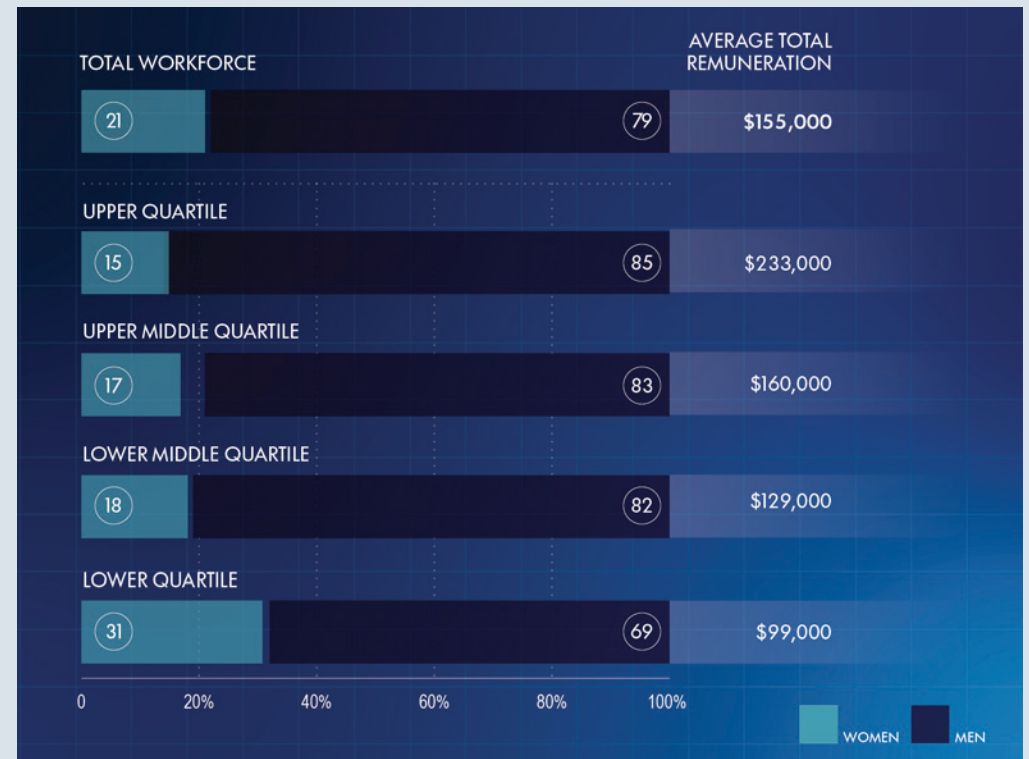
Northrop Grumman Australia has seen a positive reduction across all gender pay gap types from 2020 to 2025. Our most significant reductions have occurred in the average total remuneration and base salary results supporting our commitment to pay equity. Work continues to improve the median results for total remuneration and base salary which are impacted by the imbalance of females and males in middle management and professional positions.

NGA Gender Pay Gap 2021 – 2025



*Source: 2022 – 23 WGEA Executive Summary report Northrop Grumman Australia Pty Limited 11 November 2023.

NGA Gender Composition by Pay Quartile



WORKFORCE COMPOSITION

Northrop Grumman Australia’s action plan to reduce our gender pay gap has focused on building higher representation of women in leadership and professional roles across our enterprise. These plans have shown positive results in Key Management roles growing from 25% in 2020 – 2021 to 43% in 2023 – 2024.

| NGA | KEY MANAGEMENT PERSONNEL% | | MANAGERS | | NON-MANAGEMENT | |
|-----------|---------------------------|-----|----------|-----|----------------|-----|
| | Women | Men | Women | Men | Women | Men |
| 2021 – 22 | 20 | 80 | 22 | 78 | 23 | 77 |
| 2022 – 23 | 33 | 67 | 22 | 78 | 24 | 76 |
| 2023 – 24 | 43 | 57 | 21 | 79 | 22 | 78 |
| 2024 – 25 | 38 | 63 | 22 | 78 | 20 | 80 |

UNDERSTANDING OUR RESULTS

The average total remuneration gender pay gap for all employees is 4.6% and the median is 11.2%.

This is slightly up from 3.4% and 10.5% respectively in 2023-24 and reflects a one-off increase in roster related wages paid to a frontline team where a greater percentage of male employees are employed.

We know that our industry has historically employed significantly more men than women. We also operate in a very competitive sector in terms of the availability of talent.

Whilst we are proud that many of our employees remain with Northrop Grumman and enjoy long careers in a variety of roles, the recruitment and retention challenge within our sector means that it takes time to attract and

retain historically underrepresented female populations at NGA.

Additionally, we continue to experience significant challenges in recruiting females with STEM qualifications as there are statistically fewer women who study and build careers in these fields. As a result, our workforce has a greater proportion of male employees.

OUR STRATEGY

Our vision is to establish a workplace where diversity, equality, inclusion and belonging are valued and pivotal to promoting innovation, productivity and opportunity for all our team. Analysis of our gender pay gap results show opportunities to further develop and prepare staff for middle management and professional individual contributor roles.

We have established a Gender Equality Strategy focused on three areas:

1. AMPLIFYING OUR COMMITMENT TO GENDER EQUALITY

We remain dedicated to outreach activities to attract talented females to Northrop Grumman and our sector to build a robust pipeline of talent. Initiatives that we are involved in include:

- A partnership with the Aerospace Gateway to Industry Schools Program that attracts and enables talented QLD-based aerospace engineering students to get a head start in their STEM careers.
- Working with Aviation Australia for our apprenticeship program to support and nurture future aircraft maintenance engineers as they build their careers in this field.
- Women In Defence and Defence Connect Awards – female members of the NG team have been finalists, winners and a Hall of Fame recipient over the last two years, showcasing our talent within the organisation and externally.

To optimise our talent attraction, we monitor, analyse and report on attraction and selection processes to ensure transparent and gender-neutral practices are in place and develop stronger candidate pools.

Interviews are run through inclusive panels to identify the best qualified candidates. All internal and external advertisements are assessed for gender neutrality prior to publishing.

Interviews are structured to enable candidates to showcase their competencies. We actively market our policies to normalise the work life requirements of all candidates with caring responsibilities who may require access to flexibility, whilst still investing in their career. We also conduct annual apprentice, intern and graduate programs targeting diverse talent pools for these programs.

In 2024, NGA was granted Work180 Endorsed Employer for all women status, and we are an active corporate member of the Diversity Council of Australia, participating in the CEO Round Table events and offering Council membership to all our people.

Our Board is 50% female and Australian Leadership Team is 43% female (at time of the 2024 – 25 WGEA reporting).



2. PRACTICALLY DEMONSTRATE THAT EVERYONE MATTERS AT NGA

We have remained committed to ensuring economic equity across our range of employee benefits. NGA has increased the use of employee consultation and employee centered design methodologies, engaging NGA employees in developing policies tailored to optimise equal access.

Specifically, over 2024 we undertook employee consultation on the drivers for employee engagement resulting in embedding our flexible working arrangements and changes to our development portal, by adding broader resources for career development and coaching skill building for all leaders. Career coaching is a module in our leadership development program.

Our flexible working arrangements are now accessed by over 55% of our female employees and 36% of our male employees and we have increased internal career moves across both genders.

In 2024, NGA issued a new policy to address our obligations for Positive Duty, workplace bullying and sexual harassment, and in 2025 this will be reinforced with new training and resources for all our employees.

The actions from our consultation resulted in implementing mentoring circles, bias in decision making training for all leaders, and a review of our parental support framework.



3. APPLY AN EQUALITY LENS TO ALL PERFORMANCE, CAREER AND DEVELOPMENT PROCESSES

Our employee consultation resulted in reporting to the Australian Leadership Team on all aspects of the employee lifecycle to highlight gaps in our processes and opportunities to increase equal access to development, internal moves and compensation.

We have also implemented:

- ▶ Leadership development programs
- ▶ Auditing the annual compensation review outcomes for any gender bias
- ▶ Reviewing internal succession plans to identify opportunities for development and appointments.

Through implementing our Gender Equality Strategy we aim to further drive equal employment opportunity at all levels, which is key to closing our gender pay gap.

KEY TERMS & DEFINITIONS

Average gender pay gap

The difference in average earnings between women and men in the workforce. The average is calculated by adding up a list of employees' wages and dividing by the number of employees.

Base salary

An employee's regular salary excluding superannuation, overtime, bonuses and other additional payments.

Median gender pay gap

The difference between the median of what men are paid and the median of what women are paid, expressed as a percentage of the median men's earnings.

Total remuneration

Includes all remuneration for an employee, including superannuation, overtime, bonuses and other additional payments.