

2024 Sustainability Report

Mission. Values. Purpose.



ABOUT THIS REPORT

Huntington Ingalls Industries, Inc.'s ("HII", "we", "our", and the "Company") 2024 Sustainability Report (the "Report") details HII's objectives and progress in the areas of environmental responsibility, social and organizational management, and governance performance. Data about financial performance are not included in this Report but may be found on [HII.com](https://www.hii.com), under the "Investors" tab, and in HII's public filings with the U.S. Securities and Exchange Commission (SEC).

Unless otherwise specified, the quantitative and qualitative information contained in this document reflects HII's activities from January 1, 2023, to December 31, 2023, in line with HII's financial reporting period. HII intends to issue updated sustainability reports annually.

This Report has been prepared with reference to the Global Reporting Initiative's (GRI) latest standards released in October 2021. We additionally disclose in line with the Sustainability Accounting Standards Board (SASB) and the Task Force on Climate-Related Financial Disclosures (TCFD). As our reporting becomes more robust, we will seek to expand the details of our disclosures. More information on our alignments with GRI, SASB and TCFD is available on [pg. 54](#).

This Report was published online on April 15, 2024. It has been optimized for digital viewing. In the interest of minimizing paper use, please consider reading this Report electronically rather than printing a hard copy.

For questions about this Report, please contact sustainability@hii-co.com.

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Message from our President and CEO



OUR VALUES IN ACTION

At HII, we work continuously to meet the evolving needs of our customers and stakeholders.

This ability to adapt while staying true to our mission and values has been central to our creation of long-term shareholder value, and will be critical to our continued success in the years to come. Our Sustainability Strategy at HII is our commitment to hold ourselves accountable for our impact, and to take concerted steps to ensure our values are upheld in all we do. Our Sustainability focus areas, therefore, are both aligned with our stakeholders' interests and measurably advance them.

Living up to HII's values of respect and performance while fulfilling our mission, for example, requires attracting and retaining a world-class workforce and cultivating an inclusive environment where different

backgrounds, experiences, ideas and perspectives are recognized and valued. Engaging the best and brightest people who bring passion and excitement for solving complex problems is a competitive advantage that leads to better business outcomes. That is why we've elevated Diversity & Inclusion (D&I) as an enterprise priority, and hold ourselves accountable to achieving D&I goals as part of our Sustainability Strategy.

Another differentiator for us in the manufacturing sector is our unique capabilities with respect to nuclear power. While we recognize the energy intensive realities of our shipbuilding mission, we are also immensely proud that our rigorous culture of safety allows for the harnessing of this clean nuclear energy to power our ships with zero carbon emissions for decades. This reflects our respect for science, as well as our prioritization of safety and responsibility.

Over time, HII's Sustainability Strategy advances our long-term business health by requiring an honest self-appraisal of where we are and how we can do better. I believe such assessments will reinforce stakeholders' trust in us, and ultimately safeguard both our legacy and aspiration in service of the nation.

Chris Kastner

HII President and CEO

Message from our Chief Sustainability and Compliance Officer



In March 2022, we formally launched our Sustainability Program and Strategy, building on our company's long history of environmental, social and governance commitments and practices. As we set out on our sustainability journey, one thing became crystal clear; at HII, we have a great story to tell.

HII's mission to serve the national defense dates back more than 135 years. Regardless of circumstance—whether through periods of low demand or times of urgent need—our success is propelled by an unflinching commitment to the mission, values and purpose (MVP) of our work. The corporate MVP—mission, values and purpose—approach is central to our

Sustainability Strategy. These core, guiding principles connect our history to our future.

Our MVP provides the framework to support the long-term health of the planet, to strengthen relationships with our employees and communities, and to generate policies that reflect responsible corporate governance. It provides the mechanism to set goals, and measure and report our progress toward them. Our aspiration must be followed and matched by action if we are to advance our Sustainability Strategy and create opportunities for our stakeholders.

Thank you for supporting our commitment to approach sustainability with calmness

and clarity, relying on our MVP for guidance. Let us continue to be reasonable, responsible and conscientious as we work together to improve the condition of our planet—a solemn duty we all have—and the wellbeing of our coworkers and neighbors, while at the same time doing our part to grow our company and keep our nation strong.

Paul C. Harris

Executive Vice President and Chief Sustainability and Compliance Officer

About HII

HII is America's largest shipbuilder and a global, all-domain defense provider. With a more than 135-year history of advancing U.S. national defense, we are united by our mission in service of the nation, creating the advantage for our customers to protect peace and freedom around the world.



Our dedicated and skilled workforce of over 44,000 employees, buoyed by our deliberate business strategy, is deeply committed to making a positive impact across all fronts. In our Virginia headquarters and across our three divisions worldwide, we supply the world's most powerful, survivable naval ships, and technologies to safeguard our seas, sky, land, space, and cyber.

However, that is only one aspect of our influence. HII is an active corporate partner in the communities where we do business and is dedicated to being a workplace of choice, recognized by *Forbes* as one of America's best large employers for three years in a row. Every day, we make a commitment to and hold ourselves accountable for doing the right thing and meeting the highest standards of ethics, compliance and integrity.

Vision

Our vision is to be the global leader in advancing national security and driving sustained value and opportunity for our customers, employees, shareholders, communities, and suppliers in accordance with our values.

Mission

Our mission is to deliver the world's most powerful ships and all-domain solutions in service of the nation, creating the advantage for our customers to protect peace and freedom around the world.

Values

Our values of integrity, safety, respect, engagement, responsibility, and performance are the foundation of our work, guiding our actions and decisions to demonstrate the highest standards of professional and ethical behavior. Together, we are united by our mission in service of the success of our people, the security of our nation and the future of freedom around the world.

MAKING A DIFFERENCE ACROSS THREE DIVISIONS



HII's Newport News Shipbuilding division is the largest industrial employer in Virginia, with more than 25,000 employees that include third-, fourth-, fifth-, and sixth-generation shipbuilders. Founded on the motto "Always Good Ships," Newport News Shipbuilding has designed, built, overhauled, and repaired more than 800 ships for the U.S. Navy and commercial customers. It is the sole designer, builder and refueler of U.S. Navy nuclear-powered aircraft carriers and one of only two shipyards capable of designing and building nuclear-powered submarines.



HII's Ingalls Shipbuilding division is the largest manufacturing employer in Mississippi and a major contributor to Alabama's economic growth. For 85 years, Ingalls Shipbuilding has designed, built, and maintained amphibious ships, destroyers, and cutters for the U.S. Navy and the U.S. Coast Guard. As the largest supplier of U.S. Navy surface combatants, Ingalls Shipbuilding simultaneously builds four classes of ships and has pioneered the development and production of technologically advanced, highly capable ships for the surface U.S. Navy fleet for decades.



HII's Mission Technologies division delivers domain expertise and advanced technologies in the service of our mission partners around the globe. With a focus on the future, this team develops integrated solutions that enable today's connected, all-domain force. Its capabilities include Command, Control, Communications, Computers, Cyber, Intelligence, Surveillance and Reconnaissance (C5ISR) systems and operations; the application of artificial intelligence (AI) and machine learning (ML) to battlefield decisions; defensive and offensive cyberspace strategies and electronic warfare; unmanned, autonomous systems; live virtual constructive training solutions; platform modernization; and critical nuclear operations.

HII at a Glance

\$11.5B

Annual Revenue
in 2023

\$48.1B

Backlog at the
End of 2023

44,000+

Employees

6,700+

Veterans Employed

Our Approach to Impact

Guided by our vision, mission and values, every aspect of our business is purposeful and designed for action and results, from the ways we engage our stakeholders to how we approach our sustainability priorities.

INTENTIONALITY AT EVERY STEP
 Grounded in our MVP ethos, our intentional MVP approach to sustainability guides our strategy, structural policies and programming, and brings our culture of service and ethics to life. Our Sustainability Strategy is optimized to yield long-term competitive advantages, create shareholder value, and generate positive impacts for our people, communities, environment and facilities. To earn the trust of our stakeholders, we apply these principles in our formal frameworks, processes, company culture and daily actions.



COMMITMENT TO STAKEHOLDERS

Our values—integrity, safety, respect, engagement, responsibility, and performance—are our compass. Deeply ingrained within our organizational fabric, upheld by our corporate governance and brought to life in our operations, this ethos ensures the positive impacts of our vision and mission. In particular, we commit to the following to have a positive impact on our customers, shareholders, suppliers, communities, and employees:

Our customers

In service of our national defense, we create and deliver the advantage for our customers to protect peace and freedom around the world. We prioritize our valued customers by anticipating and innovating to meet their needs, delivering platforms, technologies and services that achieve the highest standards of quality and safety.

Our shareholders

Ensuring enduring value and growth within our company is our unwavering commitment to our shareholders. We relentlessly focus on enhancing our performance and delivering exceptional outcomes to sustain long-term value for our shareholders.

Our suppliers, contractors, and subcontractors

Our engagement with our contractors, subcontractors, and suppliers is built on transparency and respect. These partners are an integral part of our team and are essential to our ability to achieve our business objectives and positively impact communities and customers.

Our communities

The communities surrounding our operations are where our employees and neighbors live and raise their families. As a good corporate citizen, we take responsibility to do our part to ensure these communities thrive above and beyond our economic impact. We engage and support neighbors, partners, and employees in our communities via philanthropy, employee volunteerism and civic engagement.

Our employees

Our employees are our most valued assets. Across all disciplines, our professionals are dedicated to delivering the highest quality products and services. And we, in turn, put their safety and wellbeing first. We provide avenues for training and career growth and amplify the voices of every individual, ensuring a secure and respectful environment for all.



OUR SUSTAINABILITY PRIORITIES AND COMMITMENTS

Sustainability has long been embedded in our business and daily work. In 2022 we completed our first comprehensive sustainability assessment, examining our risks and opportunities with input from our employees, customers, shareholders, communities and suppliers. This served as the foundation of our formalized sustainability priorities, on which our work in 2023 to articulate our sustainability commitments was based.

Our Sustainability Priorities:

- **Ethical conduct**

Ensuring a solid foundation of ethical conduct across all aspects of our business

- **Product quality and safety**

Supporting high-quality and safe products through robust due diligence measures and audit checks

- **Supply chain management**

Integrating sustainability into supply chain management, including defining environmental and social expectations and standards for suppliers, assessing supply chain risks, and improving supplier engagement and transparency

- **Cybersecurity and data protection**

Managing and securing the digital landscape of our products, services and operations

- **Diversity and inclusion**

Advancing progress in HII's Board and leadership diversity, diversity and inclusion training, and the disclosure of diversity data, goals and targets

- **Community relations**

Making our philanthropy and employee volunteer programs more impactful in addressing the most pressing needs of our communities

- **Employee engagement**

Addressing how HII gauges and responds to employee sentiments relating to company culture, retention and overall satisfaction

- **Health and safety**

Integrating a health and safety mindset within our company culture through robust training measures, conversations and policies

- **Energy and greenhouse gas (GHG) management**

Measuring our energy usage and GHG emissions, including reductions, improvements and activities impacting these areas

- **Environmental compliance**

Ensuring compliance to regulations, laws and policies through due diligence processes, external and internal audit reviews, and fostering a culture of ethics and compliance



Sustainability is values-driven and mission-focused.

SUSTAINABILITY FOCUS AREAS

- Ethical Conduct
- Product Quality & Safety
- Supply Chain Management
- Cyber
- Diversity & Inclusion
- Community Relations
- Employee Engagement
- Health & Safety
- Energy & GHG Management
- Environmental Compliance



HII Sustainability Strategy

MISSION. VALUES. PURPOSE.

HII's Sustainability Strategy grows out of our six core values and incorporates stakeholder input and impacts into commitments and actions.



- INTEGRITY
- RESPECT
- RESPONSIBILITY
- SAFETY
- PERFORMANCE
- ENGAGEMENT

HII CORE VALUES

OUR SUSTAINABILITY COMMITMENTS

Grounded in our sustainability priorities, in 2023, we set ten sustainability commitments to guide our Sustainability Strategy. These commitments were developed by four teams of subject matter experts from across our three divisions. The teams were charged with developing specific sustainability objectives suited to HII's business and sustainability strategies. In doing so, the teams considered the impact on HII's stakeholders, business strategy, operations, customers, and regulatory requirements.



TO SECURE OUR BUSINESS

Supply Chain Management Supplier Engagement Plan & Code of Conduct:

By the end of 2025, (a) we will develop sustainability criteria and incorporate them into the Supplier Engagement Plan, and (b) in parallel, update the Supplier Code of Conduct to include a cross-reference to the Supplier Engagement Plan for sustainability.

Supply Chain Roadmap: We will conduct a current state analysis of supply chain risks, capabilities, and processes in 2024. We will develop a roadmap by the end of 2025 that will ultimately increase tracing of supply chain risks (e.g., countries of concern, conflict minerals, counterfeit parts, potential environmental/climate-risk disruptions, human capital, and cybersecurity) by 2030 through improved supplier engagement and data tracking.

TO BUILD OUR COMMUNITIES

Employee Engagement

Increase Engagement: We will continue to drive increased employee engagement as measured by annual surveys to create value for the Company.

Diversity and Inclusion

Increase Representation of Women and People of Color: We commit to good faith efforts to increase total representation of women and people of color across all levels of leadership in accordance with our annual affirmative action plan.

Increase Veteran Workforce: We commit to increasing the hiring of Veterans such that Veterans make up 20% of HII's overall workforce by 2030.

Increase Recruiting from HBCUs: We commit to increasing the percentage of interns and graduates recruited from Historical Black Colleges and Universities (HBCUs) by 10% annually through 2030.

Community Relations

Increase Education Giving: We will target 40% of our total giving to Education by 2030 while also prioritizing the core areas of Community and Veterans & Military.

Increase Employee Volunteerism: We will make good faith efforts to increase the number of employee volunteers by 10% annually through 2030.

Meals to Address Health and Hunger: Focusing on the crisis of health and hunger, HII and our employees will provide 100,000 meals annually to those in our communities facing food and nutrition insecurity.

TO PROTECT OUR RESOURCES

Energy and GHG Management

Roadmap to Reduce GHG Emissions: By the end of 2024, we will develop a roadmap to exceed a 30% reduction in Scope 1 and 2 GHG emissions based on the 2022 baseline. We have estimated our 2022 baseline of Scope 1 and 2 GHG emissions to be 323 thousand metric tons of CO₂eq.

2023 Sustainability Highlights



ENVIRONMENT

- Our key facilities were ISO 14001 certified, validating our environmental management system.
- Informed by our 60-year legacy of building nuclear-powered vessels, we recognize the important role of carbon-free nuclear power in achieving a reduced-carbon future.
- Our divisions have received recognition for their adherence to regulatory standards and even going beyond them.
- We are exploring alternative energy sources at key sites and facilities.



SOCIAL

- We have made charitable donations amounting to over \$7.2 million* to our local communities.
- HII was recognized by *Forbes* as one of America's Best Large Employers in 2023.
- HII received the 2023 Honoring Investments in Recruiting and Employing (HIRE) Vets Medallion Award from the U.S. Department of Labor.
- More than 44,000 employees make up the HII team.
- Over 20 employee resource groups are active across all three divisions of HII.



GOVERNANCE

- HII received America's Most Innovative Companies Award in 2023 from *Fortune*.
- We delivered anti-corruption training to approximately 90% of our employees.
- We provided approximately 90% of our business partners with information on ethical procedures and policies.
- 249 "On-the-Spot" Ethics Awards were presented to employees.
- More than 8,000 suppliers and partners, including many small and disadvantaged businesses, help us meet our customers' needs.

*Including contributions from Mission Technologies LLCs.

SECURING OUR BUSINESS



Business Impact at a Glance

We assessed **90% of operating locations** for corruption-related risks.

We provided **90% of our business partners** with information on ethical procedures and policies.

There were **zero incidents** of corruption identified, contracts terminated, or nonrenewed or monetary losses due to corruption in 2023.

249 “On-the-Spot” Ethics Awards were presented to employees.

"At HII we're all teammates. We treat people with integrity and respect. We always start with our Mission and our Values. We have a culture of winning and we're going to win the right way."



Chris Kastner

HII President and CEO

Corporate Governance

Our workplace culture, the high quality of our products and services and our stakeholders' trust and confidence in our work all reflect our strong corporate governance.

Corporate governance is how we put our values of integrity, engagement, respect, and performance into action. It integrates the notion of "doing the right thing every day" into our everyday operations.

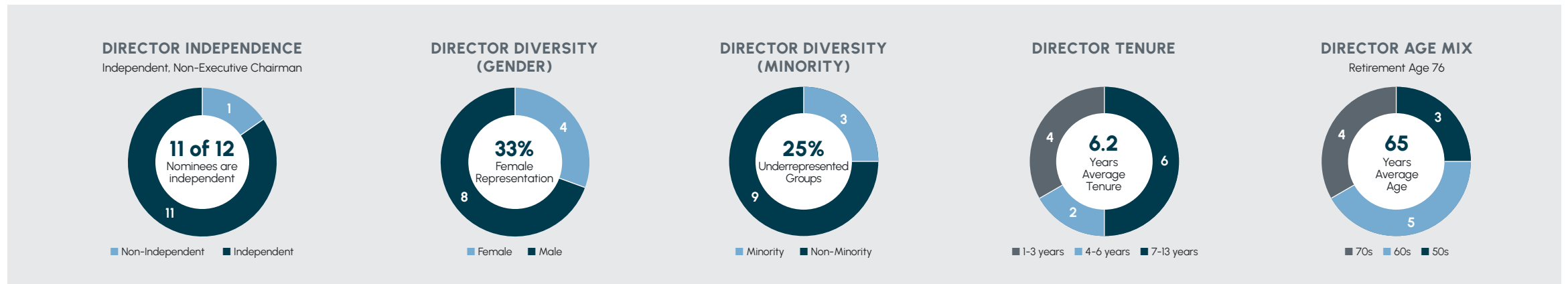
It reinforces personal responsibility and accountability and ensures that our actions align with our values, from our data and cybersecurity policies to our supply chain practices.

We designed our governance structures to optimize the relationships among our Board of Directors, management, and shareholders, and to bring our people, programs, policies and actions together to

strengthen our governance foundation. Our approach ensures that at every level across all aspects of our operations, we are not only operating in compliance with applicable legal and regulatory requirements but also strengthening our accountability, improving our performance, promoting our stakeholders interests, meeting stakeholder high standards, and working together toward the Company's long-term success.

OUR BOARD OF DIRECTORS

At the top of HII's corporate governance structure is the Board of Directors. Throughout the year, the Board provides leadership and regular reviews, evaluations, and oversight of our efforts to meet our stakeholders' interests, with directors exercising their business judgment and ensuring that shareholder interests are advanced through engagement with our employees, customers, suppliers, government officials, and the public.



Our Board of Directors brings a wide range of skills, experience and perspectives to the oversight of HII. Directors regularly participate in external director education programs to broaden their expertise and deepen their understanding of diverse subjects, such as sustainability. This blend of varied experiences and skills ensures the Board is well prepared to oversee the efficacy of HII's overall strategy and operations, including our sustainability commitments.

Each year the Board of Directors performs a self-evaluation to assess its overall effectiveness and the effectiveness of its standing committees' oversight of the matters for which they are responsible, including sustainability.

HII BOARD COMMITTEES

In addition to monitoring and assessing advancements toward goals and objectives, providing guidance, and enforcing accountability within Company management, the Board has five standing oversight committees. Each committee

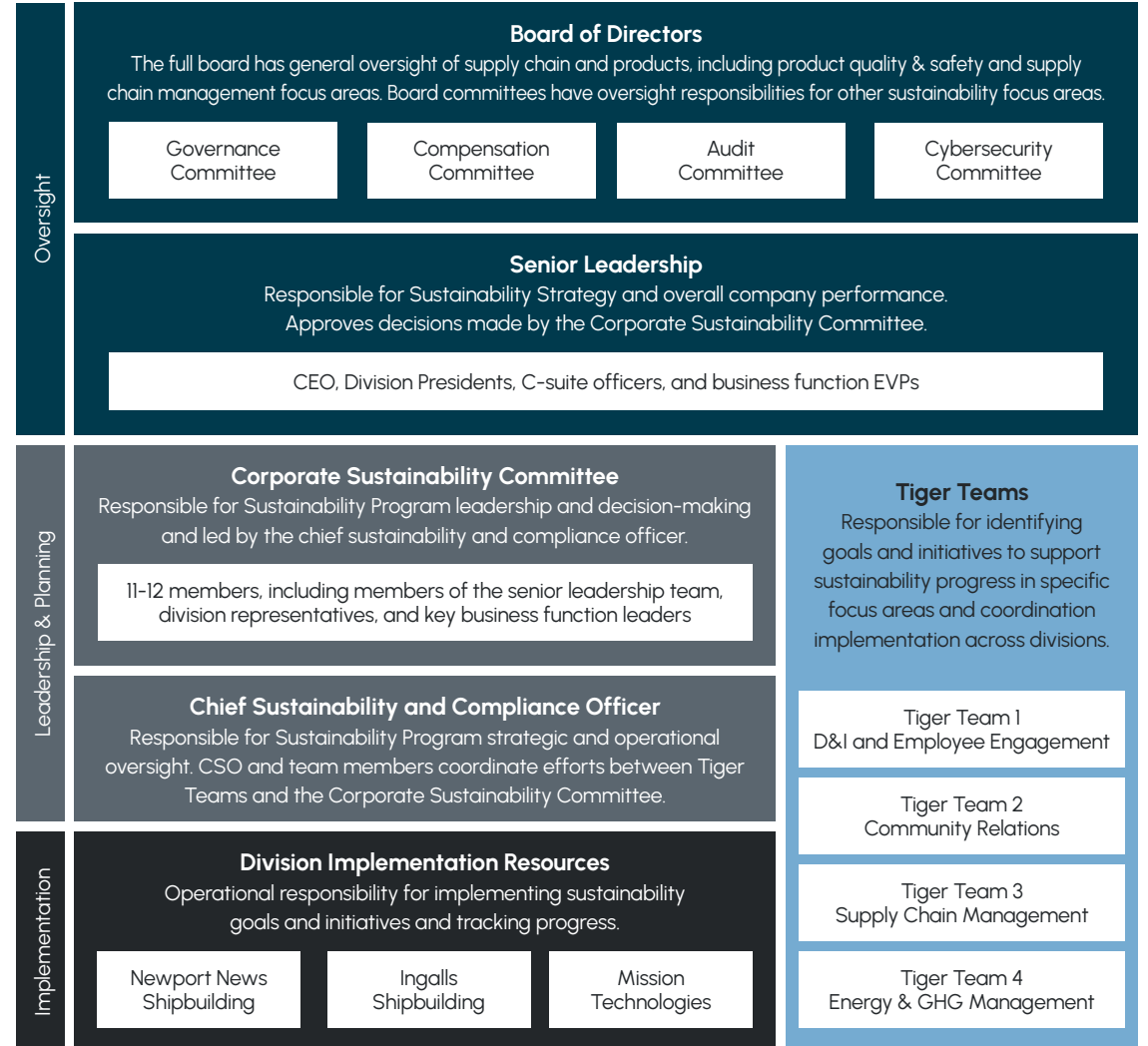
functions based on an individual charter, which promotes clarity on the committees' respective roles and ensures cohesive operations in alignment with each other and the entire Board. The committee charters are published on our [website](#).

MANAGING AND OVERSEEING SUSTAINABILITY WORK

To support our sustainability commitments, in 2023, we expanded our sustainability office, led by our chief sustainability and compliance officer, by hiring a sustainability manager to support project management and strategy implementation. Additionally, HII has a robust sustainability governance structure, whereby the Board and Board committees have oversight of HII's sustainability program.

Over the past year, HII's chief sustainability and compliance officer has briefed the Board on HII's Sustainability Program. Additionally, either the full Board or a Board committee is assigned oversight responsibility for and briefed on individual sustainability priority areas.

HII SUSTAINABILITY GOVERNANCE STRUCTURE



BOARD LEVEL RESPONSIBILITIES

FULL BOARD

Oversight of supply chain and products, including:

- Product quality and safety
- Supply chain management

GOVERNANCE COMMITTEE

General oversight of sustainability program and four priority areas:

- Ethical conduct
- Community relations
- Employee health and safety
- Environmental compliance

COMPENSATION COMMITTEE

Oversight of human capital management, including:

- Diversity and inclusion
- Employee engagement

AUDIT COMMITTEE

Oversight of sustainability assurance and two priority areas:

- Energy and greenhouse gas emissions management

CYBERSECURITY COMMITTEE

Oversight of all things related to cybersecurity

FINANCE COMMITTEE

Oversight of financial capital management, including:

- Policies and strategies, capital structure and financial condition
- Employee benefits plan
- Enterprise risk management

POLICIES AND GUIDELINES

Our policies and practices are where our corporate governance comes to life, giving structure to our actions, expectations and behaviors.

Our [corporate governance guidelines](#) detail the Board, Chair and Director responsibilities, requirements for Board and committee membership, and rules related to director independence and conflicts of interest. They also prioritize director onboarding and education and provide guidance for Board communications with senior leadership and outside advisors. These guidelines inform our shareholders regarding what to expect from us and keep us connected to their long-term interests, while strengthening our accountability and building public trust in our Company.

Ethical Conduct

At HII, results matter, but a performance goal never justifies unethical behavior. As a respected contractor, a responsible community member, and a company with a strong ethical culture, we strive to do the right thing even when it may be difficult to do so, guided by our values.

MANAGING COMPLIANCE

HII has an Ethics and Compliance Program, headed by a corporate business conduct officer who reports to the chief human resources officer and a chief compliance officer who reports directly to the chief legal officer. Our Ethics and Compliance Program focuses on both ethical conduct and compliance with the law. The Program officers coordinate with each other to integrate compliance and ethics into the Company's day-to-day operations and cultural behaviors. The Ethics and Compliance Program, including the respective key performance indicators (KPIs), is regularly reviewed by the Board

of Directors and audited annually by our Internal Audit Team.

At the core of HII's compliance efforts lies the principle of "Creating Incentives and Enforcing Discipline." We strongly advocate for the creation of incentives that promote ethical conduct and active engagement in our Ethics and Compliance Program. To encourage a sense of responsibility and commitment, HII has integrated various performance-driven measures to incentivize both business operations and leadership involvement in the Program. For instance, within HII's Annual Incentive Plan to reward senior leadership based on company performance, meeting specified compliance targets is a crucial factor. Any compliance shortfall could impact the incentive compensation for senior leadership. Incentives help ensure that business leaders own and are accountable for compliance as part of what it means to perform at HII.

Our foundational [Code of Ethics and Business Conduct](#) and policies, charters, and guidelines ensure our shared company values make an impact on every aspect of our work.

The Code of Ethics and Business Conduct defines expectations for everyone who does business with HII, and we operationalize it across our three divisions. Each division has business conduct officers who serve as employee resources to address questions and foster employee accountability and open communication. The divisions also have business conduct representatives embedded within their organizations who help raise employee concerns and collaborate on ethics awareness, communication and training. Additionally, cross-functional ethics committees provide guidance and oversight.



SETTING EXPECTATIONS FOR EVERYDAY WORK

We expect all our employees to treat others with dignity and respect and abide by the laws, regulations, policies, and procedures that apply to our business wherever we operate. Our policies and practices reinforce our values of integrity, respect, engagement, and performance and guide the implementation of these values in daily work.

We actively engage our employees in our Code of Ethics and Business Conduct at every stage of their tenure, including through onboarding and annual performance reviews. From the time they join us, every employee must complete all ethics and compliance training requirements on topics including workplace harassment, cybersecurity, retaliation in the workplace, and anti-corruption practices, in a timely manner.

Supervisors and managers are expected to serve as ethical models for others and to conduct themselves in accordance with our values. This includes encouraging open and honest dialogue and maintaining an open-door policy for employee questions about business conduct, ethics and compliance. Employees and suppliers can report a suspected violation through our 24/7 OpenLine or online via the web reporting site. Our non-retaliation policy reinforces our long-standing commitment to a safe reporting environment. The volume of cases received is a metric we track regularly.

ANTI-CORRUPTION

Our Anti-Corruption Compliance Program, a cornerstone of our Ethics and Compliance Program, reinforces compliance across our day-to-day operations. Our Board is briefed regularly, and each of our divisions develops an annual plan to detect, prevent and remediate misconduct in HII's business.

IN 2023, WE:

- Assessed approximately 90% of our operating locations for corruption-related risks
- Delivered anti-corruption training to approximately 90% of our employees
- Provided approximately 90% of our business partners with information on ethical procedures and policies
- Discovered no incidents of corruption, contracts terminated or non-renewed or monetary losses in 2023 due to corruption

ON-THE SPOT ETHICS RECOGNITION PROGRAM

We actively engage everyone at HII to bring our Code of Ethics and Business Conduct to their daily work. Our "On-the-Spot" Ethics recognition program gives employees the opportunity to recognize their peers whose ethical behavior and actions in their everyday work demonstrate HII's values. In 2023, 249 "On-the-Spot" Ethics Awards were presented to employees.



Upon joining HII and annually thereafter, employees are trained in anti-corruption practices, including topics such as Federal Acquisition Regulation (FAR) mandatory disclosures, gifts, hospitality, and entertainment and conflicts of interest. This training is reinforced by regular reminders from our CEO regarding compliance obligations and responsibilities, including the obligation to report known or suspected misconduct.

HUMAN RIGHTS

We train our employees on the fundamental human rights tenets of respect, civility and fairness that apply to all human beings, regardless of gender, nationality, place of residence, sex, ethnicity, religion, color or any other categorization defined by federal law. HII participates annually in the [Human Rights Campaign's Corporate Equality Index](#).

LOBBYING AND POLITICAL ACTIVITIES

As a leading company in the aerospace and defense sector and a significant employer in multiple states, HII remains actively involved in the public policy process at the federal, state and local levels on behalf of our shareholders and employees. Our political engagement is undertaken with a strong commitment to HII's mission, purpose and values.

This involvement includes advocacy efforts at the federal, state and local levels, in accordance with our robust internal policies and disclosed by the Company through public filings in compliance with all applicable laws and regulations. Most of our lobbying expenses are considered unallowable costs under our government contracts and non-deductible expenses for tax purposes under the Internal Revenue Code. For additional information on our political engagement, review our [Political Engagement Disclosure](#).



Data and Cybersecurity

Our data privacy and cybersecurity policies enable us to achieve the highest levels of operational performance and deliver the products and services that keep our world safe. Compliance with our policies is the responsibility of every HII employee.



DATA PRIVACY AND SECURITY

Our commitment to cybersecurity and data privacy starts with how we collect, use, share, disclose, and dispose of customer, employee and supplier data. We collect only the information needed for business purposes and proactively protect it from theft, alteration, compromise, and destruction wherever it resides on our networks, including through a well-documented and exercised insider threat detection program. We safeguard data in compliance with—and in some cases even exceeding—applicable federal, state and international laws, contract requirements and industry best practices.

Our Privacy Advisory Board provides leadership across our three divisions on privacy issues. It helps develop, review, recommend and implement privacy

policies, procedures and training activities, which are operationalized across our three divisions by an on-the-ground privacy team. Through a risk-based, enterprise-wide Privacy Program, we invest resources into identifying, assessing and appropriately managing vulnerabilities and threats to personal information and the individuals it belongs to.

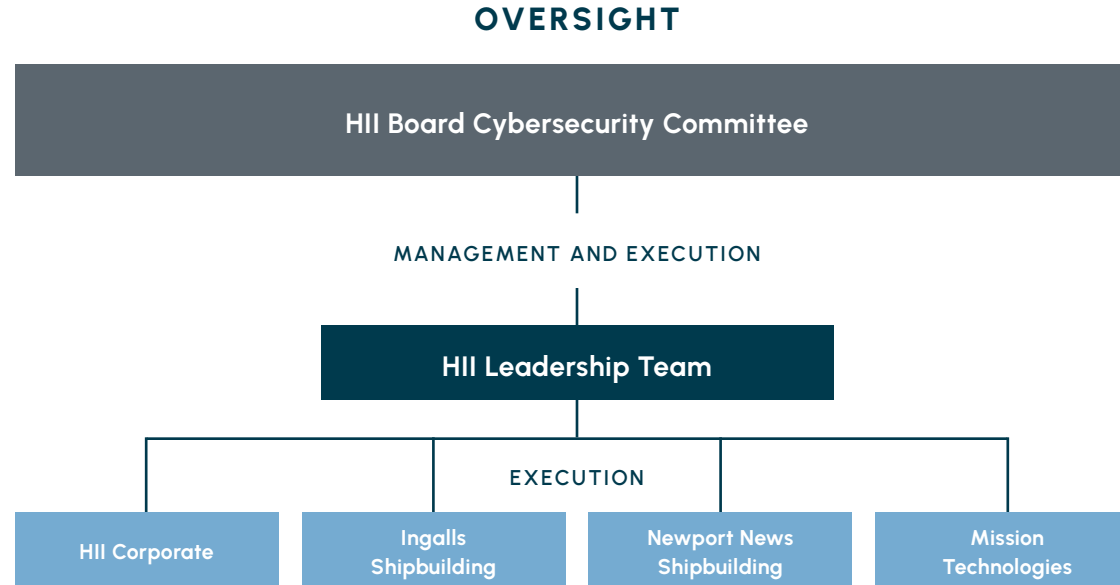
We continue to mature our Privacy Program, controls and training according to contract requirements, industry best practices, and state, federal and international laws. Our employee privacy statement is consistent with the privacy principles of notice and transparency. We deliver employee training on new and developing state privacy laws and audit our privacy controls and practices on an ongoing basis to ensure their effectiveness.

CYBERSECURITY

At HII, protecting cybersecurity is a continuous cycle that is infused into every aspect of our operations.

A dedicated Board-level Cybersecurity Committee supervises our strategic use of people, processes and technology, from overseeing policies and procedures to participating with management in “tabletop” exercises to test HII’s cybersecurity incident response plan.

We diligently collaborate with our government and industry peers and partners to stay ahead of threats and known attacks, and our ongoing security awareness and training program helps us disseminate relevant knowledge through our workforce. Employees learn how to recognize potential cyber threats, safely access HII information technology (IT) systems and data and report suspicious activity thanks to their training in phishing, social engineering and other advanced cyber tactics. Internal and external cybersecurity audits, annual penetration



tests and certified regulatory compliance assessments are actions we take to pre-emptively reduce the chances of security incidents.

If a cyberattack manages to get through our defenses, we strive to make every moment count. This includes shortening the time between threat detection and protection through continuous monitoring,

minimizing impact and ensuring business continuity. Our recovery processes enable us to restore critical data and IT systems and activities such as our annual, enterprise-wide tabletop exercises ensure we’re ready to put these processes into practice quickly and effectively.



Beyond HII’s operations, HII works with our nation’s intelligence and cyber operations communities to defend our interests in cyberspace and anticipate emerging threats. Our capabilities in cybersecurity, network architecture, reverse engineering, and software and hardware development enable us to support sensitive missions for the U.S. military and federal agency partners. Our Mission Technologies division supported the development of federal cybersecurity standards, and our experts assisted the National Institute of Standards and Technology in developing security protocols and frameworks and applying practices to help mitigate cyberattacks.

Supply Chain Management

More than 8,000 suppliers and partners, including many small and disadvantaged businesses, help us meet our customers' needs. We engage with an array of suppliers, ranging from substantial, nationally recognized entities to small-scale "mom-and-pop" businesses. We prioritize tailored support and collaboration with each partner.

Our emphasis on maintaining top-tier product quality and security entails close cooperation with our partners. We understand the pivotal role played by our supply chain relationships in the success of our business, and we remain acutely aware of the need to foster and safeguard these relationships. Our supply chain management ensures that we and our suppliers and partners are all working together to maximize our collective success and impact.

To this end, we have set two supply chain management sustainability commitments:

- 1. Supplier Engagement & Code of Conduct:** By the end of 2025, (a) we will develop sustainability criteria and incorporate them into the Supplier Engagement Plan, and (b) in parallel, update the Supplier Code of Conduct to include a cross-reference to the Supplier Engagement Plan for sustainability.
- 2. Supply Chain Roadmap:** We will conduct a current state analysis of supply chain risks, capabilities and processes in 2024. We will develop a roadmap by the end of 2025 that will ultimately increase tracing of supply chain risks (e.g., countries of concern, conflict minerals, counterfeit parts, potential environmental/climate-risk disruptions, human capital, and cybersecurity) by 2030 through improved supplier engagement and data tracking.

OVERSIGHT AND ACCOUNTABILITY

Our supply chain management due diligence process uses external resources and robust internal processes to assess the full spectrum of risks associated with our supply chain.

In areas ranging from quality to cybersecurity and intellectual property protection, we hold our suppliers to our own high standards. The supplier information we collect and verify through our extensive supplier data certification process and ongoing supplier education through resources such as our website ensure that our suppliers meet expectations throughout the business relationship. Our requirements cover record-keeping, employment practices, anti-corruption controls and compliance, adherence to all anti-trust laws and regulations, and avoidance of insider trading and conflicts of interest.

To ensure maximum practicable opportunities and good faith efforts in diversifying Newport News Shipbuilding's supply base, Newport News Shipbuilding attends events hosted by nationally known organizations that support small businesses and minority-owned businesses. In 2023, Newport News Shipbuilding alone supported approximately 900 small businesses, including 100 women-owned small businesses and 70 Veteran-owned small businesses.



Because we are aware of the impact of HII's supply chain on the world, we require our suppliers to protect the health, safety and welfare of all those affected by their activities and to comply with all applicable environmental, health and safety laws, regulations, and directives. These include laws related to conflict minerals, human trafficking, human rights and forced

labor, such as California's Transparency in Supply Chains Act (SB657), the U.K. Modern Slavery Act of 2015, the Australian Commonwealth Modern Slavery Act of 2018 and the U.S. government's 48 CFR § 52.222-50 for Combating Trafficking in Persons. We also expect our suppliers to handle sensitive confidential, proprietary and personal information properly and

not use it for any purpose beyond what was intended without prior authorization.

Responsible sourcing, also referred to as supply chain responsibility, is a voluntary commitment by HII to account for social and environmental considerations when managing its relationships with suppliers. Ethical conduct is part of our contracting discussions, and business responsibility and sustainability are part of the onboarding process.

Auditing is critical to supplier oversight and accountability. Our policies undergo annual review to ensure that they are current, complete and accurate. HII may periodically review a subset of suppliers to ensure that they are following the guidelines reflected in the terms and conditions of their purchase orders. Technical investments and supplier risk mitigations are regularly assessed, and scores for quality and risk are routinely evaluated and guide our procurement decisions.



HOLDING OUR SUPPLIERS TO OUR HIGH STANDARDS

To ensure that all parties across our value chain will do the right thing at all times, we have expanded our Company's Code of Ethics and Business Conduct into a comprehensive Supplier Code of Conduct and provide our suppliers with the training, oversight and governance necessary to protect our collective good standing.

SUPPLIER SECURITY AND INFORMATION PROTECTION

All the pieces of our cybersecurity and data information protection plan work together to have a positive impact throughout our operations. Across our supply chain, information security and cybersecurity professionals engage key suppliers to safeguard sensitive data and mission-critical operations. Across our operations, our privacy and cybersecurity programs feed into compliance and risk management.

With annual self-attestations from our suppliers, we conduct reviews to gauge the likelihood and severity of risk. These reviews provide an assessment of our plans, which we modify on an ongoing basis in accordance with changes in laws and regulations, detected misconduct and opportunities for improvement.

SUPPLIER ENVIRONMENT, HEALTH AND SAFETY

Suppliers are required to operate in a manner that actively mitigates risks. We expect our applicable suppliers to adopt environmental management system principles to systematically manage risks, hazards and opportunities relating to the environment. This includes addressing potential risks, such as regulatory non-compliance and reputational loss, while also exploring opportunities for business growth through responsible operations and product stewardship. Suppliers are expected to adhere to all relevant environmental, health and safety laws, ensuring the wellbeing of their employees, visitors and all other individuals impacted by their operations.

CONFLICT MINERALS AND OTHER SOCIAL ISSUES

Aerospace and defense work involves critical minerals that are or may become scarce or more costly in time due to limited supply, political sanctions, or other government actions, or increased demand. These minerals include tin, tantalum, tungsten and gold (3TGs), commonly known as "conflict minerals," for which the SEC has established annual disclosure requirements through the filing of Form SD.

HII aims to source conflict minerals responsibly, consistent with our contractual commitments and regulatory requirements, from suppliers that share our ethical values and support compliance with the SEC regulations on conflict minerals. Our participation in industry organizations focused on compliance with the SEC regulations on conflict minerals keeps

us abreast of the latest issues, and we share this knowledge with our employees and suppliers and with any other interested parties through our publicly available website. We not only perform due diligence on the sourcing of conflict minerals in our supply chain, but we have also implemented procedures to detect and mitigate the risk of using counterfeit electronic parts in the items we procure, as well as to invoke the expectation that human trafficking is not supported by any of our suppliers or their subcontractors. These activities provide a solid foundation for our responsible sourcing efforts. We also include conflict minerals as a core element in our compliance program.

For more information regarding conflict minerals, please visit our [website](#).

Product Quality and Safety

Ensuring high quality and safety in our products is mission critical. As a leading provider of ships and technology to the U.S. Armed Forces, our products and services play a direct role in protecting peace and freedom in the U.S. and around the world. To this end, we leverage strong programs, policies and systems to ensure product quality and safety for our customers.

QUALITY MANAGEMENT SYSTEM

Comprehensive and consistent management, across multiple layers, governs our quality and safety initiatives. Our internal Quality Policy guides our Quality Management System (QMS) to provide products and services that meet both customer and safety requirements. Our QMS at our two shipyards and key Mission Technologies facilities, aligned with ISO 9001, governs the quality of our policies and procedures. Our QMS aligns with the seven ISO 9001 quality management principles: customer focus, leadership, engagement, process approach, improvements, evidence-based decision making, and a focus on external relationships. Our Enterprise Risk Management (ERM) process enables us to identify opportunities for improvement.

We use data to strengthen and sharpen our efforts and improve our products. This year, Newport News Shipbuilding

created a database of all service and inspection information. It currently contains over 32,000 pieces of inspection data and captures 95% of product-related information. Our Mission Technologies division has developed a database with KPIs that extracts common data across several client groups, to help the team manage improvement efforts. At Ingalls Shipbuilding, we have enhanced our quality metrics to provide a more forward-looking and risk-based view of quality performance. Ingalls Shipbuilding also established over 140 quality objectives for its shipyard organizations and expanded the reach of its QMS in 2023.

We use internal and external audits to determine how well our quality and safety initiatives are working. Our audit plans are informed by performance assessment from prior years, so we are always building upon prior knowledge.

At Mission Technologies, internal audits numbering in the thousands ensure quality and safety across 800 programs—quality advocates continuously share lessons learned guided by their QMS. This division has also been identifying best practices across its operations, documenting them within a manual for knowledge sharing and developing consistent metrics to gauge improvement over time.

Ingalls Shipbuilding has been ISO 9001 certified since 1992 and was one of the first U.S. shipyards to be certified to this standard.



OUR DEDICATION TO MEETING QUALITY AND SAFETY EXPECTATIONS EXTENDS TO OUR SUPPLY CHAIN

Our dedication to quality and safety extends to the thousands of suppliers we do business with worldwide.

We have engaged quality and safety teams in selected contracts to get ahead of inefficiencies, unexpected delays, and poor quality and performance across the supply chain.

We have increased our presence offsite with quality inspectors who visit our suppliers' facilities. Our quality inspectors watch parts being produced, to catch defects before the parts arrive at our facilities.

We have also increased our use of vendor correction notices and expanded their purview. Now, when we ask a vendor to correct a defect, they fix not only the immediate problem but also its root cause, to prevent similar issues in the future.

Because people are integral to the quality of our products and the safety of our operations across our value chain, we help our critical suppliers with skilled labor and manage turnover using metrics and feedback mechanisms to guide improvements.

QUALITY IMPROVEMENT

To work smarter and spot problems sooner, we have been gathering and consolidating feedback across our operations so that we can leverage lessons learned for future impact.

We know from experience that preventative action and continuous improvement work. Our Quality Improvement Teams have made measurable advances in supplier quality, equipment care and protection, material loss and damage mitigation, and craft workmanship and compartment completion. Inspectors are also being equipped with tablets for drawings, data

collection and more; putting vital research and documents at their fingertips, saving time, and maximizing efficiency and impact.

In 2023, we hosted a cross-sector quality summit to share customer stories, challenges, upcoming requirements, best practices and more. This collaboration has been going strong all year. Ingalls Shipbuilding is also collaborating with Newport News Shipbuilding on artificial intelligence, machine learning and data analytics to advance preventative action and continuous improvement.



BUILDING OUR COMMUNITY



Our Social Impact at a Glance

More than **44,000 employees** make up the HII team.

We have donated **\$7.2 million*** to charitable organizations in our communities.

In 2023, *Forbes* named HII one of America's **Best Employers for Women** and HII received the **2023 Gold HIRE Vets Medallion Award** from the U.S. Department of Labor.

Over **20 employee resource groups** are active across all three divisions of HII.

*Including contributions from Mission Technologies LLCs.

"Sustainability performance is tied to the wellbeing and priorities of our key stakeholders. We identify opportunities to make our business more sustainable and responsible in operations, while contributing to our long-term strategy."



Paul C. Harris

Executive Vice President and Chief Sustainability and Compliance Officer

Providing Jobs and Opportunity

As America's largest shipbuilder and a major community employer, HII has the resources and influence to make a difference on multiple levels, and we take this responsibility seriously. Inside our operations, we create a workplace of choice, where employees from diverse backgrounds can thrive, grow and feel appreciated. We deliver sustainable career opportunities in high-value fields that keep talent in town, join forces with local organizations, and empower our employees to give back to the causes that matter to them. In the regions where we do business, we also positively impact the local economy and build stronger communities through our giving and engagement efforts.

TALENT MANAGEMENT AND ENGAGEMENT

Our more than 44,000 employees are at the heart of our mission, and we are committed to making a positive impact on their lives. Every aspect of HII's talent management, including our culture, is designed to help our team members thrive both personally and professionally.

We view our workforce development process as critical to our success and have developed a robust and effective succession planning process that ensures continuity in our leadership ranks. We have filled 82% of open vice president positions with internal hires.

In 2023, HII's Mission Technologies and Newport News Shipbuilding divisions honored over 440 employees and the impact of their work across several strategic priorities in the Model of Excellence and Impact Awards, respectively.



RECRUITMENT AND ONBOARDING

We create meaningful engagement at every step of our team members' careers. An engaged workforce, committed to HII's MVP, drives better performance. Putting our values into practice creates long-term benefits for our employees, customers, shareholders, and suppliers and for the communities we serve. Because of this, we strive to engage our employees by fostering two-way dialogue with them and providing them with growth opportunities through training and development programs.

Our Newport News Shipbuilding division leverages job fairs and university and community college partnerships for recruitment. Newport News Shipbuilding also partners with the Hampton Roads Workforce Council, which connects residents with maritime careers to support them in finding full-time employment.

Approximately 9,500 new team members joined our three divisions in 2023. Once on board, we intentionally and strategically help new team members integrate into the HII culture. Our Navigator and Buddy programs at our shipyard facilities pair new hires with experienced teammates. Regular formal and informal check-ins with these teammates provide an avenue for our new team members to ask questions, receive resources and be introduced to other employees. The purpose of the program is to ensure there is a culture of belonging felt by all team members from the beginning of their tenure at HII. This program is only one of the many ways we support our new hires, and in a recent survey at Newport News Shipbuilding, 89% of the new hires surveyed reported a positive onboarding experience.

Ingall's Shipbuilding's Culture Connectors are another way we support our workforce and cultivate a culture of belonging

and purpose. Culture Connectors are employees responsible for engaging with our deskless workforce to ensure awareness of key events, opportunities and important announcements. The program was implemented in 2023 and over 155 Culture Connectors have supported the program and kept our shipyard workforce up-to-date on key communications.

As part of our [ten 2023 sustainability commitments](#), we will continue to drive increased employee engagement, as measured by annual surveys to create value for our Company. As such, we collect feedback throughout the employee experience, including through assessment surveys 90 days after a new hire, organizational health surveys, enterprise ethics surveys, pulse surveys and annual Gallup surveys. We use the results of each survey to inform our future initiatives and actions.

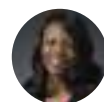


BUILDING OUR TALENT PIPELINE

To help us meet our large demand for talent, we have worked to create, develop and maintain multiple talent pipelines. Our nationally renowned **Newport News Shipbuilding Apprentice School** boasts a long-standing reputation, having produced over 14,000 graduates since its establishment in 1919. It became a school of higher education in 2020, and this year, we awarded our first Associate in Applied Science degrees. The school offers four-, five- and eight-year apprenticeships in 19 shipbuilding disciplines and eight advanced programs of study. Recognized by the State Council of Higher Education, it functions as a post-secondary institution and holds accreditation as an associate degree-granting entity. In 2019, the school introduced the Youth Builders and Apprentice X Program, a pre-apprenticeship initiative that aims to give students interested in enrolling in the Apprentice School the tools that they need to be able to do so. Additionally, it runs a night school program catering to shipbuilders seeking continued education.



"Our Ray Bagley Innovation Lab allows students to experience the various trades used to build ships in a safe, controlled environment. The unique experience also helps break down preconceived notions about construction trades. We don't just build ships here; we build careers."



Dr. Latitia McCane

Director of Education, Newport News Shipbuilding Apprentice School

This institution plays a pivotal role in training our skilled trade and technical workforce while developing future leaders within our Company. We employ all our apprentices, with over 90% remaining at HII one year after graduation and over 75% remaining beyond 10 years.

In 2023, the Apprentice School's Innovation Lab was dedicated in honor of Ray Bagley, retired vice president of trades operations at Newport News Shipbuilding. Bagley retired in 2018 after a 43-year long career with Newport News Shipbuilding, which began as an apprentice painter. The Ray Bagley Innovation Lab harnesses the power of technology, allowing students to experience various shipbuilding trades in a safe and controlled environment. The lab has state-of-the-art augmented and virtual reality training equipment, which has received national attention for training the next generation of shipbuilders. Workstations in the lab are mobile, allowing them to be moved into the adjacent gymnasium, used at high school and hiring events.

We have also developed long-standing relationships with local community colleges. The [Ingalls Shipbuilding Apprentice School](#), opened in 1952, has partnered with Mississippi Gulf Coast Community College to permit the latter's apprentices to earn credits toward an associate degree. In 2023, there were over 830 applications to join the program. Through these types of initiatives, HII is able to give back to the community and recruit talented individuals.

In 2023, over 1,400 apprentices are enrolled in more than 27 crafts and advanced programs at our two shipbuilding segments. From nuclear pipe welders to senior executives, we employ approximately 4,100 apprentice school alumni at Newport News and Ingalls.



TALENT DEVELOPMENT

At HII we build skills and careers. We are committed to employee training at all levels of the organization. Mentoring, coaching, executive leadership programs and peer rotation ensure HII continues to be a place where employees at all levels can grow, and where knowledge is shared. Our division employees receive an average of 59 hours of training per year.

In 2023, HII focused on talent development as part of its talent pipeline strategy. For example, supporting meaningful internship programs across all divisions has resulted in a seamless integration of former interns into the company as valuable contributors. Thanks to these internship programs, Newport News Shipbuilding and the HII corporate office received the [2023 Top Virginia Employers for Interns Award](#).

In addition to operating our own apprentice schools, we maintain effective partnerships with colleges and universities, military bases for transitioning Veterans, and regional community colleges to enable us to recruit and hire engineering, IT, and other technical talent. Working closely with state and local government leaders, we have successfully facilitated local, regional, and state-wide workforce

development and education initiatives that include pre-K programs, high school trades programs/talent development labs, pre-hire trades/technical community college programs, interns/co-ops with colleges and universities, adult trades programs, Veterans and military spouses training programs, and unemployed/underemployed training programs.



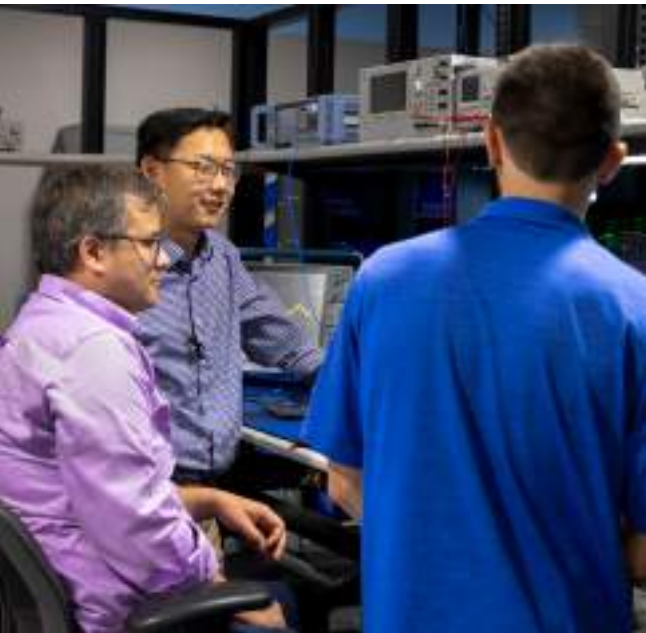
In 2023, *Forbes* named HII among America's Best Large Employers and America's Best Employers for Women.

HII received the Gold HIRE Vets Medallion Award from the U.S. Department of Labor in November 2023.



Diversity and Inclusion

Fairness, respect and inclusion define who we are at HII. This is reflected in our Company's values of integrity, safety, respect, engagement, responsibility, and performance.



To further uphold these values, we have set three diversity and inclusion sustainability commitments:

- 1. Increase Representation of Women and People of Color:** We commit to good faith efforts to increase the total representation of women and people of color across all levels of leadership in accordance with our annual affirmative action plan.
- 2. Increase Veteran Workforce:** We commit to increasing the hiring of Veterans such that Veterans make up 20% of HII's overall workforce by 2030.
- 3. Increase Recruiting from HBCUs:** We commit to increasing the percentage of interns and graduates recruited from HBCUs by 10% annually through 2030.

Our Code of Ethics and Business Conduct, coupled with our dedicated diversity and inclusion discussions, training and

education, act as guiding principles for all those working with and for HII. At HII, we expect everyone to treat others with dignity and compassion. Each team member has the responsibility to contribute to a sense of belonging and inclusivity in the workplace. We recognize the competitive edge of a community that embraces diverse skills, experience as well as diverse backgrounds in terms of gender, nationality, place of residence, sex, ethnicity, religion, or any other factor or any other categorization defined by federal law. Our leaders harness these differences and similarities within their teams, perpetually fostering a culture of collaboration and inclusion.

INCLUSIVE HIRING PRACTICES

To support our diversity and inclusion commitment, we continue to build our diverse talent pipeline. We actively partner with HBCUs, science, technology, engineering, and mathematics (STEM)

diversity programs, Veterans' organizations and organizations that support the hiring of individuals with disabilities. We are proud of our long heritage of hiring Veterans, as well as our continued sponsorship in several STEM diversity conferences, including Black Engineer of the Year Awards (BEYA), Women of Color, Society of Hispanic Professional Engineers (SHPE), and Society of Asian Scientists and Engineers (SASE).

DIVERSITY AND INCLUSION LEADERSHIP

We shape our culture of diversity and inclusion from the top down and the bottom up. We are a signatory of the CEO Action for Diversity and Inclusion, the largest CEO-driven business commitment to advancing diversity and inclusion in the workplace. Our three divisions offer leadership courses on diversity and inclusion topics, which creates awareness of diversity and inclusion in the workplace.

CREATING AN INCLUSIVE WORKPLACE

Part of our efforts to create an inclusive work environment is our unconscious bias training program which helps our employees become aware of their unconscious personal biases.

At HII, we strive to build a workplace where employees feel they belong, can bring their whole selves to work and can do their best work every day. While diversity and inclusion are important, it is the sense of belonging and value that truly gives HII a competitive edge in the marketplace. A sense of belonging creates an engaged workforce.

EMPLOYEE RESOURCE GROUPS

Led by executive sponsors and open to all HII employees, employee resource groups (“ERGs”) provide opportunities for personal and professional development, leadership, mentoring, volunteerism, networking, and cultural enrichment at each of our divisions. Even more importantly, ERGs give employees a voice—an essential part of our diversity, equity and inclusion strategy.

Recently, an ERG cross-functional team helped to shape our inclusive benefits and healthcare options. This team collected data and information to help identify gaps in the Company’s current benefits and healthcare plans. This goes beyond the healthcare service options. The analysis also considers provider diversity, location of services, opening hours for services, and more. The goal is to align our benefits and healthcare options with our employees’ needs.

Because diverse teams can have a positive and powerful effect on innovation, business and communities, we purposefully create spaces where many perspectives can thrive, such as book clubs, heritage month events and diversity, equity and inclusion panels. We also have Diversity and Inclusion Councils that guide our diversity and inclusion efforts.

In February 2023, seven employees from Newport News Shipbuilding, Ingalls Shipbuilding and Mission Technologies were recognized for their achievements in STEM fields during the 37th annual BEYA STEM Conference. [Read more.](#)



EMPLOYEE RESOURCE GROUPS

INGALLS SHIPBUILDING

African American Shipbuilders Association (AASA)

Asian & Pacific Islander Shipbuilding Association (APSA)

Generational Integration Focus Team (GIFT)

Hispanic Outreach and Leadership Alliance (HOLA)

Ingalls Shipbuilding Equality Alliance (ISEA)

Ingalls Shipbuilding Health Is a Priority (ISHIP)

Shipbuilding Women Engineers (SWE)

Veterans Employee Resource Team (VERT)

Women in Shipbuilding Enterprise (WISE)

MISSION TECHNOLOGIES

Women in Business (WiB)

Veteran Alliance Network (VAN)

Visibility through Opportunity Inclusion Community and Empowerment (VOICE)

NEWPORT NEWS SHIPBUILDING

African American Shipbuilders Association (AASA)

Asian Shipbuilders Including All Nationalities (ASIAN)

Advancing New Careers Helping Our Resources Succeed (ANCHORS)

FitNNS

Generational Integration Focus Team (GIFT)

Hispanic Outreach and Leadership Alliance (HOLA)

Learning Expanding Achieving Results Networking (LEARN)

Shipbuilders of Huntington Ingalls Professionals Network (SHIPS Network)

Shipbuilders Together Realizing Inclusion, Diversity and Equality (STRIDE)

Veteran Employee Resource Group (VERG)

Women in Shipbuilding Enterprise (WISE)



Supporting Employee Wellbeing

Our workforce wellbeing impacts our business success. We take pride in our workforce and ensure that we offer competitive benefits, a culture of inclusion, job stability, and training and development programs. We aim to provide a safe work environment and tools to help foster wellbeing. We recognize that without a safe and healthy team, we cannot achieve peak performance and meet our customers' needs.

All employees are eligible for health insurance, paid and unpaid leave, 401(k) plans, and life and disability/accident insurance coverage. We also offer a variety of benefits that allow our employees to select the options that meet their needs, including annual leave/paid time off, paid holidays, flexible work arrangements, telemedicine, parental leave and a wellness program that includes physical, mental, and financial wellness components. We also fund the operation of Family

Health Centers near our two shipyards, which provide a full range of medical, lab, pharmacy, dental, physical therapy, and vision services to our team members and their families.

To provide our employees and their families with the care and support they need when they need it, we made our online benefits information more user-friendly based on focus group feedback, and we offer concierge services for cancer and gender transition. These services provide our employees with a place to go to receive step-by-step guidance, instead of having to sift through plans for hard-to-find details. Additional communications through our [Be Well](#) portal keep our workforce informed about benefits and healthy practices.

We recognize that part of wellbeing is financial security and family. The [HII Scholarship Fund](#) helps fund a post-secondary college or technical/vocational degree or a pre-kindergarten school readiness program for the dependent children of HII employees. As of February 15, 2023, the fund has awarded 1,171 scholarships totaling over \$3,000,000.



Health and Safety

Our commitment to health and safety extends throughout our organization. Team members hold the responsibility to ensure their safety and that of their colleagues, bolstered by worker health and safety task teams, production supervisors and designated project personnel. While safety remains a collective responsibility, our team collaborates with insurance companies and trade organizations to mitigate injuries and establish injury reduction objectives for specific business units.

HEALTH AND SAFETY MANAGEMENT SYSTEMS

Safety is paramount in our line of work, and at HII, it is everyone's responsibility—and factored into incentives and bonuses.

Each division implements distinct health and safety management systems, tailored plans and protocols targeting specific risks inherent to their division or

work-related environments. At Newport News Shipbuilding and Ingalls Shipbuilding, a key component of our health and safety program is the utilization of health and safety task teams, which are comprised of production and maintenance employees and front-line managers whose goal is to educate, engage, and empower our workforce toward a culture that strives to reduce injury, illness, and environmental impacts. Our shipyard safety management system is continuously assessed for compliance and those assessments are used for continuous improvement.

All division safety protocols encompass all individuals including employees and contractors, irrespective of their physical work, location, trade, craft, employment type, or support function. Our corporate policies are available to HII employees. In addition, our [Supplier Code of Conduct](#) reinforces health and safety.



In addition to comprehensive work-related safety procedures, policies and protocols, our employees receive training emphasizing the importance of avoiding exposure to hazardous situations. Before workers enter a job, work areas are reviewed to ensure that they are free from recognized hazards, or all required hazard controls are in place—foremen and craft employees document this occurrence. Our team members have the responsibility and power to remove themselves from hazardous situations and report hazards immediately. Teams are required to address health and safety risks and hazards on the spot, and if necessary, elevate issues that go past a specified period of time to management.

HEALTH AND SAFETY TRAINING

Safety training plays an integral role in fostering HII's overarching safety culture, prompting every division to offer a range of training programs and educational materials. Each division conducts safety training sessions tailored to both general safety practices and job-specific requirements. For example, at Newport News Shipbuilding new hires undergo a comprehensive eight hour safety training and then additional safety training touchpoints at their 30 and 90 day marks. Comprehensive records of each employee's training are maintained for auditing purposes and to ensure the proper scheduling and completion of the necessary refresher courses.

Frequent education and two-way communication are critical to our health and safety programs and management. As such, HII deploys a variety of communication tools to keep its employees up to date on the latest health and safety information. Employees can also connect with health and safety professionals through a variety of channels to discuss their concerns or ask questions. Job safety analyses give employees an opportunity to share the tasks, steps, hazards, and hazard controls in their work and read what others have shared.

We are proud of our Mission Technologies division, which has maintained historically low injury rates as compared to our industry's averages, as reported by the Bureau of Labor Statistics. The Company is proactive and targets continuous improvement initiatives such as material handling injury reduction.

Community Engagement

The communities surrounding our operations are the places where our teams live, raise families and actively participate. The relationship between our Company and communities dates back to our founding days and extends beyond economic impact; it influences the social fabric and culture. We strengthen our company by investing not only in the wellbeing of our employees but also in the most pressing needs of our communities. We are committed to being good stewards and citizens and growing talent in the regions where we do business.

To these ends, we have made three community engagement commitments:

- 1. Increase Education Giving:**
We will target 40% of our total giving to Education by 2030 while also prioritizing the core areas of Community and Veterans & Military.

- 2. Increase Employee Volunteerism:**
We will make good faith efforts to increase the number of employee volunteers by 10% annually through 2030.
- 3. Meals to Address Health and Hunger:**
Focusing on the crisis of health and hunger, HII and our employees will provide 100,000 meals annually to those in our communities facing food and nutrition insecurity.

SUPPORTING EDUCATION IN OUR COMMUNITIES AND SUPPORTING OUR VETERANS

Our business thrives when our communities thrive. Recognizing that our employees reside here, HII has taken measures to actively involve employees in fostering meaningful community support initiatives. For example, at Ingalls Shipbuilding, a Community Partner Workshop was held

convening 50-plus partner agencies to discuss community activities and impact. Ingalls Shipbuilding also launched a “What do you care about?” campaign where shipbuilders were asked about community initiatives that are important to them. The information obtained from this campaign informed Ingalls Shipbuilding’s giving strategy and employee volunteering initiatives.

Across our divisions, we sponsor scholarships and competitions, visit classrooms and partner with local organizations to engage K-12 students in STEM. In 2023, Ingalls Shipbuilding supported 26 STEM-related initiatives in schools and educational organizations located in Mississippi and Alabama, including the Moss Point Career and Technical Education Center. This support continued into 2024, whereby \$100,000 in grants was awarded to 24-STEM related initiatives.



Ingalls Shipbuilding also partnered with AccelerateMS and the Jackson County Economic Development Foundation to facilitate the participation of students from local career and technical training programs in a welding competition.

Newport News Shipbuilding partnered with the Hampton Roads Workforce Council (HRWC) to create the Hampton Roads Regional Workforce Training System (HRRWTS). This initiative strives to create intentionality and uniformity among training providers within a 100-mile radius of Newport News Shipbuilding. This effort is being supported by an \$11M EDA Good Jobs Challenge Grant and more than \$20M in investments by the Navy's Submarine Industrial Base office to grow and fill the training pipelines in the community. Newport News Shipbuilding also supports SEEKnns, which offers unique experiences for middle school students participating in the Young Men Engineers and Girls with Engineering Minds in Shipbuilding programs. Newport News Shipbuilding also engages educators through a Summer

Teacher Internship program facilitated by SEEKnns. Shipbuilders mentor the students through STEM activities, supporting shipbuilding and repair careers, as well as partaking in local career and technical educational programs.

We also help numerous organizations in our communities make a difference in the military community, including SEALKIDS, the Bob Feller Act of Valor Foundation, the Naval Academy Foundation, the Pacific Fleet Submarine Museum, and the U.S. Foundation for the Commemoration of the WWs-WWI Memorial.



As the U.S. Armed Forces' largest shipbuilder, we are committed to have a workforce made up of 20% Veterans by 2030. We are working to continue to build that pipeline through a partnership with American Corporate Partners, an organization that helps Veterans transition to the civilian workforce.



PARTNERSHIPS THAT MAKE GIVING PERSONAL

Guided by our workforce, we are proud to support organizations such as the United Way, Special Olympics and Salvation Army, as well as environmental clean-ups. We focus on organizations and philanthropic activities that address food and nutrition insecurity through our partnerships with food banks and food drives. All our divisions support a variety of charities, philanthropic organizations and community and environmental organizations, initiatives and partnerships.

Below are a handful of examples of what we have supported in the past year:

- In 2023, **Newport News Shipbuilding** shipbuilders used an online platform to make donations, discover opportunities to volunteer, and see the causes that their colleagues are supporting. This includes Newport News Shipbuilding's Holiday Food Drive, which resulted in over 48,000 meals for the Virginia Peninsula Foodbank. We also partnered with Serve

the City in Newport News to conduct a series of neighborhood clean-ups in the surrounding community.

- For eight hours each year, **Hill corporate** employees similarly give back to causes in the Hampton Roads community, from packing food at the [Virginia Peninsula Foodbank](#) to preparing garden beds for [Versability](#).
- **Ingalls Shipbuilding** shipbuilders got creative, donating kitchen supplies from a retired ship galley to George County Schools' culinary education program. Meanwhile, the Ingalls Resource Recovery initiative has increased its community efforts to donate scrap materials to local welding programs, nonprofit organizations, and schools. Additionally, Ingalls Shipbuilding donated eight pallets of lockers and cabinets to Magnolia Springs Assembly of God, and 55 laptops for students at Jefferson Davis County School District and CLIMB Community Development Corporation.

- **Mission Technologies'** fourth annual Global Day of Caring saw more than 400 employees and their family members uniting to participate in 34 community service projects across 14 states. Employees prepared care packages for families in need in New Jersey, built beds for foster care at the Agape Ranch in Texas, and helped heal the land at the Loko i'a Paaiau fishpond in Hawaii. Other examples include supporting

the American Heart Association, American Cancer Society, Boys and Girls Club, local food drives, local shelter support, and much more.

On Mission Technologies' Global Day of Caring, 400 employees and their family members participated in 34 community service projects across 14 states.





PROTECTING OUR RESOURCES

Our Environmental Impact at A Glance

Our key facilities are **ISO 14001 certified**, which formally acknowledges our robust team and environmental strategy.

Currently building nuclear-powered naval vessels in the United States, we recognize the important role of **carbon-free nuclear power** in achieving a reduced-carbon future.

We are exploring **alternative energy sources** at key sites and facilities.

Enhanced our environmental **data and information disclosures**.

"We strive to intentionally and deliberately sustain a culture and an environment where shipbuilders are actively involved in these efforts and embrace their important role in protecting our natural resources for future generations."



Eric Crooker

Vice President, Infrastructure and Sustainability, Ingalls Shipbuilding

Our Environmental Management System

As the nation's largest military shipbuilder, the consideration of potential environmental impacts is no small matter. Heavy construction and heavy resource and electricity use are inherent in our business.

We take responsibility for the environmental impact of our operations and make environmental management a priority, including how we design and deliver our products and services, how we operate our facilities and how we work with our employees, suppliers and communities. We consistently see the impacts of our efforts, from energy consumption to our carbon footprint, and we are constantly striving for better. To this end, we have made the following commitment to environmental sustainability:

- 1. Roadmap to reduce GHG Emissions:** By the end of 2024, we will develop a roadmap to exceed a 30% reduction in Scope 1 and 2 GHG emissions based on the 2022 baseline. We have estimated our 2022 baseline of Scope 1 and 2 GHG emissions to be 323 thousand metric tons of CO₂eq.

High performance starts with a system consisting of processes for working together, measuring impact and constantly striving to get better. This approach guides all aspects of our business at HII, and we consider it the core of our environmental management. Underlying these systems and structures is a commitment to earning the confidence and trust of regulators, employees, customers and the communities we serve.



STRUCTURE, RESPONSIBILITY AND ACCOUNTABILITY

From air emissions to utility operations and inspection results, our proactive Environmental Management System (EMS) guides our mitigation efforts. Both general training and job-specific training on environmental awareness are provided. For example, our teams managing hazardous waste are trained on how to handle such waste appropriately and safely.

As dedicated groups at our facilities drive improvements, multiple internal and external audits and inspections keep us accountable and ongoing training and education keep our staff and suppliers engaged. We keep our contractors informed about our EMS and other expectations through our division-specific environmental health and safety contractor handbooks.

ENVIRONMENTAL COMPLIANCE

With recognition at the highest levels, we are proud of our regulatory compliance record in 2023 and consider it a springboard for what is next across environmental

and risk management. As part of our environmental compliance management strategy, our team evaluates and reviews compliance with all required monitoring and recordkeeping tasks on a regular basis.

Successful environmental compliance not only requires meeting compliance requirements, but also entails evaluating processes for environmental management, such as waste minimization and recycling efforts. Throughout 2023, our divisions reviewed the compliance management methods. Our compliance teams incorporate a risk-based approach and conduct mock inspections and peer reviews into specific environmental compliance activities. Additionally, HII proactively incorporates compliance items throughout a product's life cycle, from product design to facility management.

Compliance auditing is done both internally (including division- and corporate-level internal audits) and externally. If errors are identified, our teams are equipped to manage on-the-spot corrections.

Additionally, all corrections are documented and reviewed by the broader team as part of our knowledge-sharing efforts.

We have also adopted a proactive approach to earning the trust of our regulators, aiming to cultivate strong and cooperative relationships with them. This involves maintaining consistent and open communication channels with various regulatory bodies such as the U.S. Environmental Protection Agency, the different states' Departments of Environmental Quality, local public treatment facilities and the U.S. Coast Guard.

Finally, we have been focusing on the environmental justice implications of regulations such as permitting, which impact both our business and the broader community. This includes notifying industry partners when permit changes may have an environmental justice impact and efforts to train local communities in the process.



As a testament to our robust environmental compliance programs and systems, our divisions have received recognition for their adherence to regulatory standards and even exceeding regulatory standards. For example, Newport News Shipbuilding has been named an Extraordinary Environmental Enterprise Level 4 participant, the highest program level, and was awarded the Hampton Roads Sanitation District Platinum and Diamond Awards for compliance excellence. Ingalls Shipbuilding received the Mississippi Department of Environmental Quality enHance Environmental Leader Award.

Energy and Greenhouse Gas Emissions Management

From the power that fuels our shipyards and ships, to the emissions and waste that go out, every metric matters and continuous improvement is a must. HII is actively committed to being a smart energy consumer and a responsible environmental steward.

ENERGY MANAGEMENT

The energy efficiency programs and technologies throughout our operations help us uphold our responsibilities to our communities, customers, employees, stakeholders, and investors. They also make financial and business sense.

We track our energy use. For example, Ingalls Shipbuilding uses EnergyCAP utility monitoring software to track and manage their energy usage. This data is used to optimize systems, from HVAC to lighting, and to reduce our costs and bring in more energy-efficient infrastructure: including new roofs, AC units, LED replacements, solar energy, and electric-powered mobile equipment.

MAKING WHAT WE BUILD MORE ENERGY-EFFICIENT

The ships deployed by the U.S. Navy worldwide are essential to our national security. They are also consumers of natural resources. For shipbuilders and technology developers, such as HII, there should be a fine balance between achieving a strategic, tactical and protective advantage, and minimizing environmental impact.

HII is an established leader in leveraging other energy sources for defense. As one of only two companies currently building nuclear-powered naval vessels in the U.S., we recognize the important role of carbon-free nuclear power in achieving a reduced-carbon future.

Finally, we are actively shaping a more sustainable future. The next generation of weapons and sensors technology, such as lasers, railguns and small unmanned platforms, require increased levels of electricity generation and thermal cooling. Our engineers are exploring ways to convert fuel efficiently into electrical or thermal energy.

2023 HIGHLIGHTS AT OUR SHIPYARDS

Ingalls Shipbuilding is exploring the potential of microgrids for energy storage and peak shaving. It also brings electric vehicles into the mix. One-third of the shipyard's small, motorized vehicles (carts) are now electric.

Newport News Shipbuilding promotes leak identification in all of its utility systems by encouraging its employees to immediately notify its facilities repair team when they find a leak. Once the leak is reported, it is documented and tracked to completion. In the compressed air system alone, the savings from the energy required to compress the replacement air being lost through the leak are calculated and documented. In 2023, 143 leaks were repaired, resulting in annual savings of approximately 5.6 million kWh. The associated GHG reductions are estimated to be 1,633 tonnes CO₂e.

GHG EMISSIONS AND THE CLIMATE

As a company in an energy-intensive sector, we recognize the complexity of climate impact and management. Our footprint involves GHG emissions from the energy we purchase for our offices and facilities and the energy and power needed to bend and shape steel to ensure our ships and products are safe and of the highest quality. HII strives to manage and mitigate the impact of our operations through a variety of energy and GHG emission initiatives.

To ensure we move forward in the most informed, complete and efficient way possible, we track, document, and analyze our GHG emissions. HII accounts for seven GHGs: CO₂, CH₄, N₂O and the fluorinated gases HFC, PCF, SF₆, and NF₃.

To ensure confidence in our data, we review our internal protocols for data collection and management. We also provide our employees with guidance and education on how to ensure that our data are measurable, credible, and verifiable.

Guided by our expanded sustainability office, we have taken proactive steps to strengthen and understand our baseline data, specifically our Scope 1 and 2 GHG emissions. We have completed a gap assessment and are gathering information for future planning, and our insights are already coming to life in our shipyards. In 2023, we made the commitment that by the end of 2024, we will develop a roadmap to exceed a 30% reduction in Scope 1 and 2 GHG emissions based on the 2022 baseline.

METRIC	UNIT	2022	2023
Scope 1 Emissions	Metric tons CO ₂ e	101,045	82,805
Scope 2 Emissions – location based	Metric tons CO ₂ e	222,069	224,349
Scope 1 and 2 intensity ratio	Metric tons CO ₂ e /USD \$ revenue	0.00003027	0.00002671

Due to factors such as company GHG data reporting cycles, the time it takes for vendors to source, aggregate and analyze data, and vendor data quality checks, complete emissions data sets are often unavailable by the publication date of this Report.

HII has enhanced our methodology and data collection practices for environmental data including Scope 1 and Scope 2 emissions to improve data quality. Our data reflects operational greenhouse gas emissions from our three divisions for the calendar years 2022 and 2023. Sites that are not included in this metric are those that are not yet operational, such as those under initial construction, or those over which we do not maintain operational control, including government-run or fully serviced leased facilities. The disclosed combined emissions for Scope 1 and 2 are based on utility data, derived by using the location-based method outlined by the Greenhouse Gas (GHG) Protocol for Scope 2.

Protecting and Preserving Water

As one of the nation's largest manufacturers, with thousands of employees working in dozens of facilities, and whose primary products are ships, water is vital to our work. As this shared resource powers our business, we are safeguarding it for our communities and our future.

TARGETED IMPROVEMENTS MAKE AN IMPACT

Both Ingalls Shipbuilding and Newport News Shipbuilding use monitoring and control systems to track water consumption and potential leaks. These

detailed measurement and monitoring systems are vital for managing our resources effectively and reducing water leaks and minimizing their negative impact.

Our Ingalls Shipbuilding facility added rolling covers to protect our employees from the elements and shield our products from weather which leads to reduced stormwater runoff. This resulted in reductions of about 51.8% and 67.2%, based on a 2014 baseline.

ARTIFICIAL REEF PROJECT

Newport News Shipbuilding partnered with the Virginia Marine Resource Commission to refurbish and donate an old dry dock caisson gate. This outdated piece of equipment, which could have been discarded as waste, gained new life as an artificial reef in Chesapeake Bay.



Efficient, Collaborative Waste Management

Not only is proactive waste management the right thing to do for our planet and our communities, but it also makes good business sense as it improves our business performance through the lean, improved processes we use in the related activities. For a company of our size, scope and type of operations, waste management is a Herculean task, but our teams take on the challenge with accountability, creativity, determination, and commitment.

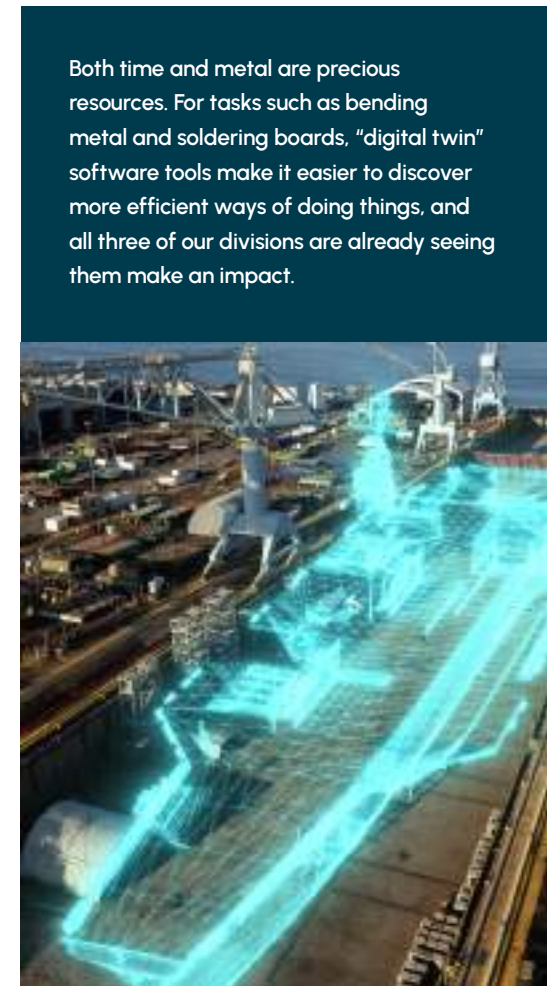
MANAGING WASTE AT OUR FACILITIES

To manage our environmental impact across our operations, we perform internal and external due diligence for waste vendors. This involves reviewing emerging contaminants and waste risk based on an extensive set of criteria. Meanwhile, when we faced a shortfall of vendors to help us manage hazardous waste, HII employees worked to identify alternative disposal options.

Wherever economically possible and operationally feasible, we implement recycling and reuse programs across our divisions. These programs make an impact across several aspects of sustainability: conserving natural resources, saving energy reducing GHG emissions, and keeping limited landfill space available for the future. We continually evaluate our production processes and waste streams, exploring the use of less toxic materials whenever possible. When feasible, we divert waste from traditional disposal and destruction to beneficial reuse.

In tandem with our community initiatives, volunteer opportunities to support environmental causes occur throughout the year. For example, Ingalls Shipbuilding's Asian and Pacific Islander Shipbuilding Association employee resource group together with Mississippi Coastal Cleanup, had nearly 200 participants take part in a beach cleanup.

SOAR. Stop pollution. Obey rules. Always improve. Reduce waste. The simple acronym SOAR helps us keep environmental management top of mind.



DISCLOSURES



HII GRI INDEX

Huntington Ingalls Industries, Inc. has reported the information cited in this GRI content index for the period January 1, 2023, through December 31, 2023, with reference to the GRI Standards.

GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURES	ANSWER, CROSS-REFERENCE, OMISSIONS, AND EXPLANATIONS
General Disclosures		
GRI 2-1	Organizational details	About this Report
GRI 2-2	Entities included in the organization's sustainability reporting	About this Report
GRI 2-3	Reporting period, frequency and contact point	About this Report
GRI 2-4	Restatements of information	Total learning hours were restated due to a publication error in previous year's Report.
GRI 2-5	External assurance	This Report has not been externally assured.
GRI 2-6	Activities, value chain and other business relationships	About HII
		Supply Chain Management
		Product Quality and Safety
GRI 2-7	Employees	EEO-1 Report
		2023 10-K (pg. 8- 10)
Governance		
GRI 2-9	Governance structure and composition	Corporate Governance
GRI 2-10	Nomination and selection of the highest governance body	2024 Proxy Statement
GRI 2-11	Chair of the highest governance body	The Board has a non-executive Chairman.
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	2024 Proxy Statement

HII GRI INDEX

GRI STANDARD	DISCLOSURES	ANSWER, CROSS-REFERENCE, OMISSIONS, AND EXPLANATIONS
GRI 2-13	Delegation of responsibility for managing impacts	Corporate Governance
GRI 2-14	Role of the highest governance body in sustainability reporting	Corporate Governance
GRI 2-15	Conflicts of interest	2024 Proxy Statement
GRI 2-16	Communication of critical concerns	HII Code of Ethics and Business Conduct
GRI 2-17	Collective knowledge of the highest governance body	2024 Proxy Statement
GRI 2-18	Evaluation of the performance of the highest governance body	2024 Proxy Statement
GRI 2-19	Remuneration policies	2024 Proxy Statement
GRI 2-20	Process to determine remuneration	2024 Proxy Statement
GRI 2-21	Annual total compensation ratio	2024 Proxy Statement
Strategy, Policies, and Practices		
GRI 2-22	Statement on sustainable development strategy	Our Approach to Impact
GRI 2-23	Policy commitments	HII Code of Ethics and Business Conduct
		Policy commitments generally apply to all organizational activities and business relationships. Policy commitments are communicated to workers, business partners and other relevant parties via electronic communications, in writing, and through formal and informal oral communications.
GRI 2-24	Embedding policy commitments	Securing our Business
GRI 2-25	Processes to remediate negative impacts	Ethical Conduct

HII GRI INDEX

GRI STANDARD	DISCLOSURES	ANSWER, CROSS-REFERENCE, OMISSIONS, AND EXPLANATIONS
GRI 2-26	Mechanisms for seeking advice and raising concerns	HII Code of Ethics and Business Conduct
GRI 2-27	Compliance with laws and regulations	HII adheres to all legal and regulatory requirements. Any significant non-compliance incidents would be reported in our 2023 10-K.
GRI 2-28	Membership associations	2023 10-K (pg. 1-6)
GRI 2-29	Approach to stakeholder engagement	Our Approach to Impact
GRI 2-30	Collective bargaining agreements	2023 10-K (pg. 10)
GRI 3: Material Topics (2021)		
GRI 3-1	Process to determine material topics	Our Approach to Impact
GRI 3-2	List of material topics	Our Approach to Impact
GRI 3-3	Management of material topics	Our Approach to Impact
SECURING OUR BUSINESS		
GRI 205: Anti-Corruption (2016)		
GRI 205-1	Operations assessed for risks related to corruption	Ethical Conduct
GRI 205-2	Communication and training about anti-corruption policies and procedures	Ethical Conduct
GRI 205-3	Confirmed incidents of corruption and actions taken	Ethical Conduct

HII GRI INDEX		
GRI STANDARD	DISCLOSURES	ANSWER, CROSS-REFERENCE, OMISSIONS, AND EXPLANATIONS
GRI 408: Child Labor (2016)		
GRI 408-1	Operations and suppliers at significant risk for incidents of child labor	Supply Chain Management
		HII Code of Ethics and Business Conduct
All human beings should be treated with dignity and respect. Conduct that is specifically prohibited or restricted by applicable laws, regulations and policies, such as the use of child labor and trafficking in humans should be reported to the Law Department immediately.		
GRI 409: Forced or Compulsory Labor (2016)		
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Supply Chain Management
		HII Code of Ethics and Business Conduct
All human beings should be treated with dignity and respect. Conduct that is specifically prohibited or restricted by applicable laws, regulations and policies, such as the use of child labor and trafficking in humans should be reported to the Law Department immediately.		
GRI 412: Human Rights (2016)		
GRI 412-2	Employee training on human rights policies or procedures	Ethical Conduct
		Supply Chain Management
		HII Code of Ethics and Business Conduct

HII GRI INDEX

GRI STANDARD	DISCLOSURES	ANSWER, CROSS-REFERENCE, OMISSIONS, AND EXPLANATIONS
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GRI 415: Public Policy (2016)

GRI 415-1	Political contributions	Lobbying and Political Activities
		Political Engagement Disclosure

BUILDING OUR COMMUNITY

GRI 405: Diversity and Equal Opportunity (2016)

GRI 405-1	Diversity of governance bodies and employees	2024 Proxy Statement
		EEO-1 Report
		Performance Data Table
GRI 405-2	Ratio of basic salary and remuneration of women to men	2024 Proxy Statement

GRI 401: Employment (2016)

GRI 401-1	New employee hires and employee turnover	Providing Jobs and Opportunities
		2023 10-K (pg. 8-10)
GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Supporting Employee Wellbeing
		2023 10-K (pg. 10)
GRI 401-3	Parental leave	Supporting Employee Wellbeing

HII GRI INDEX

GRI STANDARD	DISCLOSURES	ANSWER, CROSS-REFERENCE, OMISSIONS, AND EXPLANATIONS
GRI 404: Training and Education (2016)		
GRI 404-1	Average hours of training per year per employee	Providing Jobs and Opportunities
		Performance Data Table
GRI 404-2	Programs for upgrading employee skills and transition assistance programs	Providing Jobs and Opportunities
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	Performance Data Table
GRI 403: Occupational Health and Safety (2018)		
GRI 403-1	Occupational health and safety management system	Health and Safety
		2023 10-K (pg. 9)
GRI 403-2	Hazard identification, risk assessment and incident investigation	Health and Safety
GRI 403-3	Occupational health services	Health and Safety
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	Health and Safety
GRI 403-5	Worker training on occupational health and safety	Health and Safety
GRI 403-6	Promotion of worker health	Health and Safety
		2023 10-K (pg. 9)

HII GRI INDEX

GRI STANDARD	DISCLOSURES	ANSWER, CROSS-REFERENCE, OMISSIONS, AND EXPLANATIONS
GRI 403-7	Prevention and mitigation of occupational health and safety impacts linked by business relationships	Health and Safety
		2023 10-K (pg. 9)
GRI 403-8	Workers covered by an occupational health and safety management system	Health and Safety
GRI 403-9	Work-related injuries	2023 10-K (pg. 9)
GRI 413: Local Communities (2016)		
GRI 413-1	Operations with local community engagement, impact assessments and development programs	Community Engagement
PROTECTING OUR RESOURCES		
GRI 302: Energy (2016)		
GRI 302-1	Energy consumption within the organization	Performance Data Table
GRI 302-3	Energy intensity	Performance Data Table
GRI 305: Emissions (2016)		
GRI 305-1	Direct (Scope 1) GHG emissions	Performance Data Table
GRI 305-2	Energy indirect (Scope 2) GHG emissions	Performance Data Table
GRI 305-4	GHG emissions intensity	Performance Data Table
GRI 306: Waste (2020)		
GRI 306-2	Management of significant waste-related impacts	Efficient, Collaborative Waste Management

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) DISCLOSURE

AEROSPACE & DEFENSE STANDARD

SASB CODE	SASB DESCRIPTIONS	HII 2023 DISCLOSURE
RT-AE-130a.1	(1) Total energy consumed, (2) Percentage grid electricity and (3) percentage renewable	Performance Data Table
RT-AE-150a.1	Amount of hazardous waste generated, Percentage recycled	Performance Data Table
RT-AE-150a.2	Number and aggregate quantity of reportable spills, quantity recovered	(1) 0 reportable spills (following CERCLA requirements), (2) 0 quantities recovered and long-term remediation activities
RT-AE-230a.1	(1) Number of data breaches, (2) percentage involving confidential information	Huntington Ingalls Industries considers this information to be confidential.
RT-AE-230a.2	Description of approach to identifying and addressing data security risks in (1) entity operations and (2) products	Our cybersecurity program includes processes to identify, assess and manage material risks from cybersecurity threats. These processes utilize a risk-based approach and include written cybersecurity and information technology policies and procedures, including a cybersecurity incident response plan. For more information, see Data and Cybersecurity in this report and our 2023 Form 10-K .
RT-AE-250a.1	Number of recalls issued; total units recalled	(1) Zero product-related safety recalls issued, (2) Zero total number of units recalled during the reporting period, (3) Zero voluntary recalls and 0% involuntary recalls issued.
RT-AE-250a.2	Number of counterfeit parts detected; percentage avoided	Huntington Ingalls Industries considers this information to be confidential.
RT-AE-250a.3	Number of Airworthiness Directives received, total units affected	Not applicable
RT-AE-250a.4	Total amount of monetary losses as a result of legal proceedings associated with product safety	Not applicable
RT-AE-410a.1	Revenue from alternating energy-related products	Nuclear energy, although sometimes not considered a renewable fuel, is critical to a reduced-carbon future. Nuclear energy is highly technical, heavily regulated and hard to generate. In fact, HII is one of only two companies currently building nuclear-powered vessels in the United States. The advantage is a nuclear propulsion system that uses zero fossil fuels to propel the platform, and power electrical, steam and cooling systems. A conventionally powered aircraft carrier, similar in specs to the CVN 78 Ford class will result in millions of tonnes of GHG emissions over a 50-year service life. With nuclear power, there are no direct GHG emissions in propelling 100,000 tons of steel through the water at fast speeds. Nuclear energy gives our customers strategic, tactical and protective advantages, without giving our planet the GHG emissions of a conventionally powered platform.

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) DISCLOSURE

SASB CODE	SASB DESCRIPTIONS	HII 2023 DISCLOSURE
RT-AE-410a.2	Description of approach and discussion of strategy to address fuel economy and greenhouse gas (GHG) emissions of products	<p>Our customers' requirements regarding fuel economy and GHG emissions are increasingly important. Simply put, fuel economy shapes a platform's maximum endurance at sea. HII builds naval platforms with propulsion systems of 60 days to unlimited endurance (with refueling after 25 years). Our products' high-level endurance capabilities give our customers strategic, tactical and protective advantages second to none. For instance, the combined diesel and gas turbine hybrid drive propulsion system in use in the LHA 6 America class results in approximately 25,000 less gallons of fuel consumption per day than the LHD 1 Wasp class. Over the service life of the ship, that amounts to about 18 million less metric tons of GHG emissions. Each LHA 6 class ship that replaces a large deck predecessor results in more capabilities for our customers and less GHG emissions to the planet.</p> <p>Nuclear energy, although sometimes not considered a renewable fuel, is critical to a reduced-carbon future. Nuclear energy is highly technical, heavily regulated and hard to generate. In fact, HII is one of only two companies currently building nuclear-powered vessels in the United States. The advantage is a nuclear propulsion system that uses zero fossil fuels to propel the platform, and power electrical, steam and cooling systems. A conventionally powered aircraft carrier, similar in specs to the CVN 78 Ford class will result in millions of tonnes of GHG emissions over a 50-year service life. With nuclear power, there are no direct GHG emissions in propelling 100,000 tons of steel through the water at fast speeds. Nuclear energy gives our customers strategic, tactical and protective advantages, without giving our planet the GHG emissions of a conventionally powered platform.</p> <p>Electrical-generating or thermal-cooling requirements for naval platforms are also increasing for powering the next generation of weapons and sensors technology, such as lasers, railguns and small unmanned platforms. Energy efficiency is part of that equation. The efficient conversion of fuel into electrical or thermal energy starts with our engineering, utilizing efficient gas turbine generators and high-quality and efficient system components, built with quality by our craftsmen, who are unmatched in abilities and experience and checked against design standards, both internally and by our customers.</p> <p>Newport News Shipbuilding is the sole designer, builder and refueler of U.S. Navy aircraft carriers and one of two providers of U.S. Navy submarines. We build the most advanced ships in the world using our expertise in nuclear propulsion, naval design and manufacturing. Newport News Shipbuilding converted the Floating Test Steam Facility, Nancy Lee, from fuel oil number 6 to natural gas. This conversion saves approximately 37 tons of particulate matter, 500 tons of sulfur dioxide, 100 tons of nitrogen oxides, 16,000 tons of greenhouse gas (predominantly CO₂) per Refueling Complex Overhaul (RCOH) evolution.</p> <p>HII has strategized GHG reductions and addressed fuel economy through an economic and business analysis benefit. Neutral economic and environmental opportunities have achieved long-term performance results for our goals and policies. HII is committed to maintaining a healthy environment for its employees and for the members of our communities. Accordingly, it is the Company's policy to comply with all applicable environmental laws and regulations and minimize environmental risks, emissions to the air and water, and waste generation. The company establishes environmental objectives to support our commitment to continual improvement and pollution prevention.</p>

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) DISCLOSURE

SASB CODE	SASB DESCRIPTIONS	HII 2023 DISCLOSURE
RT-AE-440a.1	Description of the management of risks associated with the use of critical materials	<p>Many businesses, including those in the aerospace and defense industry, procure raw materials made of critical minerals that can become scarce or more expensive due to limited supply, political sanctions/actions and increased demand.</p> <p>HII sources critical materials responsibly with consideration given to their contractual and regulatory requirements. Many of the raw products are used in manufacturing larger assemblies and are needed early in the execution of the Company's contracts. HII manages supply chain risk by purchasing critical materials on an advanced-planning contract ahead of the manufacturing schedule. This method ensures the availability of products to support program schedules and reduce the risk of delays in manufacturing. The volatile nature of the market for these critical minerals can cause price fluctuation for HII and our supply chain. Long-term ordering agreements are in place for these commodities to achieve cost savings and stabilize the supply chain. HII may also achieve cost savings by purchasing higher quantities of materials. A quantity discount is a unit price savings that suppliers offer for purchasing higher quantities of material. Due to the large quantities purchased, HII may have excess material in its inventory system. HII recycles material as much as possible through a contract transfer process to further reduce risks for replenishment as well as cost savings that may be realized when considering escalation rates and other external factors. The method described above reduces the supply chain risks associated with purchasing critical minerals.</p>
RT-AE-510a.1	Total amount of monetary losses as a result of legal proceedings associated with incidents of corruption, bribery, and/or illicit international trade	Huntington Ingalls Industries considers this information to be confidential.
RT-AE-510a.2	Revenue from countries ranked in the "E" or "F" Band of Transparency International's Governance Defense Anti-Corruption Index	Huntington Ingalls Industries considers this information to be confidential.

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) DISCLOSURE

SASB CODE	SASB DESCRIPTIONS	HII 2023 DISCLOSURE
RT-AE-510a.3	Discussion of processes to manage business ethics risks throughout the value chain	<p>Always doing the right thing is an essential belief at HII. Our Code of Ethics and Business Conduct provides a set of core values, standards and behaviors that guide our employees' commitment to the highest ethical standards. It is a statement of our commitment to integrity and high ethical standards in all that we do at HII, defining what we expect from our officers, Directors and employees as they perform their jobs. Our employees are encouraged to refer to the Code of Ethics and Business Conduct when facing ethical dilemmas. Other resources, training and tools are provided by the Ethics Office and our Business Conduct Officers and Representatives to promote ethics awareness. Additionally, our OpenLine offers an anonymous and confidential means to voice concerns or report a suspected violation of our Code of Ethics and Business Conduct, Company policy or the law without fear of retaliation or coercion. HII has detailed controls in its procurement and purchasing process. Central among these controls is the involvement of a dedicated procurement department within each division, the Supply Chain Management Department, in the establishment and monitoring of supplier relationships. Under HII's Supply Chain Management Procedure, when materials and/or services are required to be purchased from external (non-HII) sources in support of Company operations and/or production schedules, the Supply Chain Management Department has the sole responsibility to establish and manage the external contractual relationship. The procurement process is also subject to regular and extensive internal and external audits. Our procurement process is audited annually by the Internal Audit Department. It is also subject to audits by external auditors as well as government auditors such as the U.S. Navy's Supervisor of Shipbuilding. As a U.S. government contractor, we understand the need to ensure that our suppliers are conducting business in an ethical manner. When selecting suppliers, we carefully consider not only each supplier's performance but also their reputation for ethical practices. We apply an extensive due diligence screening process to each of our suppliers, including checks on their beneficial owners. Any suppliers that present themselves as high risk from a corruption standpoint will be subject to additional review by the Law Department. Specific due diligence procedures are developed by each division, depending on the levels and types of risks presented by their own suppliers. Each division is also responsible for establishing a process for an annual review of its active suppliers. HII expects all its suppliers, regardless of the contract price or the frequency of interaction with them, to conduct business in a manner consistent with the Supplier Code of Conduct. HII backs up this expectation with a clause in its contractual terms and conditions that states, "In the event of a violation of any of the expectations set forth in the Supplier Code of Conduct, [HII] may pursue corrective actions to remedy the situation, up to and including termination of this [contract]."</p> <p>HII's Supplier Code of Conduct delineates a set of high ethical standards for the conduct of our suppliers. At a minimum, we expect our suppliers to maintain full compliance with all laws and regulations applicable to their businesses. As part of the onboarding process, HII requires that all suppliers have adequate anti-bribery and corruption policies in place to prevent and detect misconduct. Such policies and procedures must cover gift and business courtesies, conflicts of interest, and whistleblower protections. The Supplier Code of Conduct makes clear that HII's suppliers are prohibited from offering or making any improper payments of money or anything of value to government officials, political parties, candidates for public office, or other persons. This includes a prohibition on facilitating payments intended to expedite or ensure performance of a routine government action such as obtaining a visa or customs clearance. To ensure compliance with HII's anti-corruption program and applicable anti-bribery and corruption laws, we take active steps to assess the conduct of our suppliers, including when there is a significant change in the business relationship.</p>

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) DISCLOSURE

SASB CODE	SASB DESCRIPTIONS	HII 2023 DISCLOSURE
RT-AE-000.A	Production by reportable segment	<p>HII is America's largest military shipbuilding company, and our shipbuilding divisions' sales represent the majority of our sales. Each ship requires several years of construction, with key milestones occurring during the construction process. The following operational achievements were recorded in 2023:</p> <p>Ingalls Shipbuilding</p> <ul style="list-style-type: none"> · Acceptance Trial, Delivery and Sailaway for amphibious transport dock Fort Lauderdale (LPD 28) · Christening of amphibious transport dock Richard M. McCool Jr. (LPD 29) · Sailaway and Commissioning of guided missile destroyer Frank E. Petersen Jr. (DDG 121) · Combined Alpha/Bravo Trial, Acceptance Trial and Delivery of guided missile destroyer Lenah Sutcliffe Higbee (DDG 123) · Christening and Alpha Trial of the first Flight III Arleigh Burke-class guided missile destroyer Jack H. Lucas (DDG 125) · Launched and christened amphibious transport dock Bougainville (LHA 8) and guided missile destroyer Ted Stevens (LPD 29) · Authenticated the keel of amphibious assault ship Fallujah (LHA 9) and amphibious transport dock Pittsburgh (LPD 30) · Authenticated the keel of guided missile destroyers Jeremiah Denton (129) and George M. Neal (DDG 131) <p>Newport News Shipbuilding</p> <ul style="list-style-type: none"> · Redelivered USS George Washington (CVN 73) to the U.S. Navy. · Christened Massachusetts (SSN 798). · Authenticated the keel for Oklahoma (SSN 800). · Marked the first meal served aboard New Jersey (SSN 796). · Opened The Newport News Shipbuilding Norfolk Campus. · Award with a drive-in ceremony at the Hampton Roads Convention Center on Sept. 16, 2023. <p>Mission Technologies</p> <p>Mission Technologies develops integrated solutions that enable today's connected, all-domain force. Capabilities include C5ISR systems and operations; the application of AI and machine learning to battlefield decisions; defensive and offensive cyberspace strategies and EW; unmanned autonomous systems; LVC solutions; fleet modernization; and critical nuclear operations.</p> <p>In 2023, Mission Technologies booked \$5.5 billion of contract wins, including our two biggest contracts ever: the \$1.3 billion USAFRICOM PRESS contract and the \$1.4 billion NSIN J-NEEO recompet. We also continued to support warfighter readiness across the division. Here a few examples:</p> <ul style="list-style-type: none"> · We began integrating Minotaur software products into maritime platforms for the U.S. Navy, Marine Corps and Coast Guard. · We launched SABERHUNT, a prototype kit for cyber threat hunting. · We supported the Large Scale Exercise, a global exercise for more than 25,000 sailors and Marines. · We sold the first two REMUS 620 UUVs and were awarded a contract to start building small UUVs for the Navy's Lionfish program. · We were awarded the Navy's Integrated Training Systems Installation and Sustainment (ITSIS) contract. · We entered into a strategic agreement with Babcock International to support the AUKUS initiative in Australia and the United Kingdom.
RT-AE-000.B	Number of employees	EEO-1 Report

PERFORMANCE DATA TABLES¹

METRIC	UNIT	2021	2022	2023
SOCIAL				
Workforce²				
Total workforce	Number	43,680	42,607	44,473
Employee Development				
Employees receiving performance reviews	%	64	67	80
Total learning hours	Million hours	2.2	2.4	2.5
Employee Benefits²				
Full-time employees with access to benefits	%	100	100	100
Other Employee and Workforce Metrics²				
Employees covered by collective bargaining agreement	%	45	45	45

¹ Unless stated otherwise, the data disclosed in these tables include Mission Technologies, Newport News Shipbuilding, and Ingalls Shipbuilding information. Figures may differ slightly due to rounding.

² Includes corporate information.

PERFORMANCE DATA TABLES¹

METRIC	UNIT	2021	2022	2023
Supply Chain Management				
Total number of suppliers	Number	2,185	8,078	8,242
GOVERNANCE²				
Board of Directors				
Size of the Board of Directors	Number	13	13	12
Independent directors	Number	11	11	11
Women on Board	Number	4	4	4
People from underrepresented groups on Board	Number	3	3	3
Ethics and Compliance²				
Board/governing body members who have received a policy on anti-corruption	%	100	100	100
Board/governing body members who have received training on anti-corruption	%	100	0	66

¹ Unless stated otherwise, the data disclosed in these tables include Mission Technologies, Newport News Shipbuilding, and Ingalls Shipbuilding information. Figures may differ slightly due to rounding.

² Includes corporate information.

PERFORMANCE DATA TABLES¹

METRIC	UNIT	2021	2022	2023
ENVIRONMENT				
Energy Use				
Energy intensity	Gigajoules per \$ revenue	0.0002834	0.0004565	0.0003484
Total energy consumed	Gigajoules	2,697,685	4,345,960	4,006,190
Non-renewable	Gigajoules	Not available	4,345,960	4,005,315
Renewable	Gigajoules	809	0	875
Total fuel consumption	Gigajoules	Not available	1,867,403	1,495,341
Non-renewable	Gigajoules	Not available	1,867,403	1,495,341
Renewable	Gigajoules	Not available	0	0
Grid electricity consumption	Gigajoules	2,346,986	2,478,557	2,510,849
Greenhouse Gas Emissions				
Scope 1	Metric tons CO ₂ e	Not available	101,045	82,805
Scope 2 (location based)	Metric tons CO ₂ e	Not available	222,069	224,349
Total Scope 1 and 2	Metric tons CO ₂ e	Not available	323,114	307,154

¹ Unless stated otherwise, the data disclosed in these tables include Mission Technologies, Newport News Shipbuilding, and Ingalls Shipbuilding information. Figures may differ slightly due to rounding.

² Includes corporate information.

PERFORMANCE DATA TABLES¹

METRIC	UNIT	2021	2022	2023
GHG emissions intensity	Metric tons CO ₂ e per \$ revenue	Not available	0.00003027	0.00002671
Hazardous Waste				
Total hazardous waste generated	Metric tons	516	537	710
Total hazardous waste recycled	Metric tons	326	0	13

¹ Unless stated otherwise, the data disclosed in these tables include Mission Technologies, Newport News Shipbuilding, and Ingalls Shipbuilding information. Figures may differ slightly due to rounding.

² Includes corporate information.

Note: Due to factors such as company GHG data reporting cycles; the time it takes for vendors to source, aggregate and analyze data; and vendor data quality checks, complete emissions data sets are often unavailable by the publication date of this Report.

TCFD INDEX

HII remains committed to being as transparent as possible with respect to our sustainability initiatives and climate-based risk management.

This Appendix includes information responsive to the recommended disclosure framework established by the Task Force on Climate-Related Financial Disclosures (TCFD). The Report is structured in line with each of the four TCFD pillars: Governance, Risk Management, Strategy and Metrics and Targets.

GOVERNANCE

(a) Describe the Board's oversight of climate-related risks and opportunities.

The Board and its committees seek to ensure that corporate responsibility and sustainability principles are integrated into our business strategy in ways that optimize opportunities to make positive impacts while advancing long-term goals.

The chief sustainability and compliance officer chairs HII's Corporate Sustainability Committee and is supported on a day-to-day basis by a director-level and cross-functional Sustainability Management Team. The chief sustainability and compliance officer is a member of the Company's senior leadership team and reports directly to HII's CEO.

In connection with HII's appointment of a chief sustainability and compliance officer and formalization of its Sustainability Program in 2022, the Board refined its oversight of the Company's Sustainability Program. The Board allocated oversight responsibility among the Board and several committees for each of HII's nine sustainability focus areas identified through a comprehensive sustainability assessment.

- The **Governance and Policy Committee** retains general oversight responsibility for the overall Sustainability Program and four focus areas: ethical conduct, community relations, employee health and safety and environmental compliance.

- The **Compensation Committee** has general oversight responsibility for human capital resources, including the specific sustainability focus areas of diversity and inclusion, and employee engagement.
- The **Audit Committee** has oversight responsibility for energy management, including greenhouse gas (GHG) emissions.
- The **Cybersecurity Committee** is responsible for overseeing cybersecurity-related matters.

The full Board retains oversight responsibility for product safety and quality and supply chain management, which the Board already oversees as enterprise risks. The Board's responsibilities also include oversight of risk management, which includes overseeing our system of financial and operational internal controls, our compliance with applicable laws and regulations, data and cybersecurity risks and our processes for identifying, assessing, and mitigating other significant risks that may affect HII.

The Board and its committees are also responsible for overseeing HII's Enterprise Risk Management (ERM) Program and processes to determine whether they are achieving their objectives. For more information on the ERM Program, please read the "Risk Oversight and Management" section in part (b) of this Appendix. Senior leadership briefs the Board annually on the Company's ERM Program, which includes a report on the results of the Company's annual enterprise risk assessment process, a review of the Company's latest roster of enterprise risks, assessments of the probabilities of such risks' occurrence and potential severity and assessments of management's capability to mitigate individual enterprise risks.

To learn more about our governance structure, oversight, and roles and responsibilities, please review our corporate governance section on [page 14](#).

(b) Describe management’s role in assessing and managing climate-related risks and opportunities.

The chief sustainability and compliance officer chairs Hill’s Corporate Sustainability Committee and is supported on a day-to-day basis by a director-level and cross-functional Sustainability Management Team. The chief sustainability and compliance officer is a member of the Company’s senior leadership team and reports directly to Hill’s CEO regarding matters relating to Sustainability Program performance.

Supervisory Responsibilities: Oversee the overall development, execution, and performance of the Sustainability Program; supervise other sustainability team members; chair the Corporate Sustainability Committee; organize and oversee Sustainability cross-functional teams, also known as Tiger Teams; and collaborate with appropriate functional and business leaders to develop action steps, assess performance toward goals/objectives, gather relevant data/information, and produce timely and accurate reports and disclosures.

Duties/Responsibilities: Identify creative ways in which the Company can balance its business obligations with the goal of supporting and improving sustainability focus areas; propose and implement strategies to address various environmental concerns including energy use, conservation, pollution reduction and recycling; provide general education on sustainability; conduct research to identify environmental and sustainability concerns, interests, and issues; draft and prepare reports, presentations, and proposals; present relevant proposals and recommendations to the CEO, Board of Directors and other key stakeholders; ensure compliance with all applicable local, state, federal, and internal environmental laws and regulations; identify and facilitate training and educational opportunities for employees; research sustainability and environmental best practices; monitor sustainability initiatives for effectiveness and progress; explore ways to make business activities more sustainable; and perform other related duties as required.

RISK OVERSIGHT AND MANAGEMENT

Management has implemented a robust ERM Program, which includes annual risk assessments, risk analyses and the development of risk plans for each enterprise risk, including risk mitigation activities, risk monitoring for both existing and emerging risks and periodic reports on individual enterprise risks and ERM Program activities to senior leadership and the Board. Our ERM process is managed by an Enterprise Risk Committee, comprised of management from across business units and programmatic and functional disciplines within the Company. The Enterprise Risk Committee is responsible for overseeing the enterprise risk assessment process, overseeing the development and monitoring of enterprise risk mitigation plans, assessing risk correlations, monitoring emerging and evolving risks and generating data and reports to facilitate management decision-making and the Board’s risk oversight function. While the Board and its committees oversee risk management, management is responsible for identifying, assessing, managing and mitigating risks.

STRATEGY

(a) Describe the climate-related risks and opportunities the organization has identified over the short-, medium- and long-term.

(b) Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy and financial planning.

Climate-related risks are evaluated as part of Hill’s Annual Enterprise Risk Assessment Process which includes an analysis of emerging risks. Hill recognizes that climate-related risks and opportunities may have potential short-, medium-, and long-term impacts on our business and operations. As such, we have the below definitions for our short-, medium-, and long-term time horizons. These time horizons were selected as climate-related risks and opportunities can manifest across various risk categories across different timeframes.

TIME HORIZON	FROM (YEARS)	TO (YEARS)
Short-term	1	5
Medium-term	5	10
Long-term	10+	

CLIMATE-RELATED RISKS

Climate-related risks are separated into two categories:

Transition Risks: Risks associated with the transition to a low-carbon economy, including the introduction of climate-related regulations, policies, and laws as well as market trends and low-carbon technological trends.

Physical Risks: Risks associated with the physical impacts of climate change, including acute and chronic physical risks.

Hill recognizes both risks and has taken steps to help manage the potential impacts of these risks. For more information on the management of the climate-related risks, please read the “Risk Management” section of the Task Force on Climate-Related Financial Disclosures Appendix.

RISK TYPE	SPECIFIC RISK	YEAR TIME FRAME(S)	POTENTIAL FINANCIAL AND OPERATIONAL IMPLICATIONS
Transitional	Current regulation	Short-term	<p>Potential financial and operational implications. Our operations are subject to and affected by federal, state, and local environmental laws and regulations relating to the discharge, storage, treatment, handling, disposal, and remediation of certain materials, substances, and wastes used in our operations. Future environmental laws or regulations could also impact HII. Increased public awareness and concern regarding global climate change may result in more federal, regional, and/or international requirements to reduce or mitigate global warming, and legislation, international protocols or treaties, or regulation could mandate stricter limits on greenhouse gas emissions. Environmental laws and regulations may require the installation of costly pollution control equipment or operational changes to limit emissions or discharges and/or to decrease the likelihood of accidental hazardous material releases. We expect to incur future capital and operating costs to comply with current and future laws and regulations for environmental protection and remediation, and such costs could be substantial, depending on the future proliferation of environmental requirements and the extent to which we discover currently unknown environmental conditions.</p>
Transitional	Emerging regulation	Medium-term	
Transitional	Reputation	Short- to Long-term	
Transitional	Legal	Short- to Long-term	<p>Potential financial and operational implications. The adoption of new environmental or climate change laws and regulations, stricter enforcement of existing laws and regulations, imposition of new cleanup requirements, discovery of previously unknown or more extensive contamination, litigation involving environmental matters, our inability to recover related costs under our government contracts, or the financial insolvency of other responsible parties could cause us to incur costs that could have a material adverse effect on our financial position, results of operations, or cash flows.</p> <p>Substantial fines, penalties, and criminal sanctions may be imposed for noncompliance, and certain environmental laws impose joint and several "strict liabilities" for remediation of spills and releases of oil and hazardous substances. Such laws and regulations impose liability upon a party for environmental cleanup and remediation costs and damage without regard to the negligence or fault of such party and could expose us to liability for the conduct of or conditions caused by third parties. Moreover, if we violate the Clean Air Act or the Clean Water Act, the facility or facilities involved in the violation could be placed by the EPA on the "Excluded Parties List" maintained by the General Services Administration, which would continue until the EPA concluded the cause of the violation was cured.</p>

RISK TYPE	SPECIFIC RISK	YEAR TIME FRAME(S)	IMPACT
Physical	Acute physical	Short-term	<p>Potential financial and operational implications. We have significant operations located in regions of the United States that have been, and may in the future, be exposed to damaging storms, such as hurricanes and floods. The intensity or frequency of these events may be exacerbated by climate change as well as other potential impacts of climate change, including rising sea waters, and environmental disasters, such as oil spills. Natural disasters can disrupt our workforce, electrical and other power distribution networks, computer and internet operations and accessibility, and critical industrial infrastructure needed for normal business operations. This can adversely affect our contract performance and, as a result, our financial results.</p> <p>Damage and disruption resulting from natural and environmental disasters may be significant. Should insurance or other risk transfer mechanisms be unavailable or insufficient to recover material costs associated with natural or environmental disasters or other events, we could experience a material adverse effect on our financial position, results of operations, or cash flows.</p>
Physical	Chronic physical	Medium- to Long-term	<p>Our suppliers and subcontractors are also subject to natural and environmental disasters that could affect their ability to deliver products or services or otherwise fulfil their contracts. Performance failures by our subcontractors or suppliers due to natural or environmental disasters may adversely affect our ability to perform our contracts, which could reduce our profitability in the event damages or other costs are not recoverable from the subcontractor or supplier, the customer, or insurers. Such events could also result in the termination of the prime contract and have an adverse effect on our ability to compete for future contracts.</p>

For more information on the management of above climate-related risks, please refer to the "Risk Management" section of this Appendix.

CLIMATE-RELATED OPPORTUNITIES

Efforts to manage and adapt to climate-related influences can provide business, operational, and financial opportunities. Opportunities may include resource efficiency and associated cost implications, energy sourcing, product and services, new market opportunities, and better management of risks.

OPPORTUNITY	SPECIFIC OPPORTUNITY	TIME FRAME	IMPACT
<p>Products and services</p>	<p>Development and/or expansion of low emission products/services</p>	<p>Medium- to Long term</p>	<p>Financial and operational impacts. Nuclear energy, although sometimes not considered a renewable fuel, is critical to a reduced-carbon future. Nuclear energy is highly technical, heavily regulated and hard to generate. In fact, HII is one of only two companies currently building nuclear-powered vessels in the United States. The advantage is a nuclear propulsion system that uses zero fossil fuels to propel the platform, and power electrical, steam and cooling systems. A conventionally powered aircraft carrier, similar in specs to the CVN 78 Ford class will result in millions of tonnes of GHG emissions over a 50-year service life. With nuclear power, there are little direct GHG emissions in propelling 100,000 tons of steel through the water at fast speeds. Nuclear energy gives our customers strategic, tactical and protective advantages, without giving our planet the GHG emissions of a conventionally powered platform.</p>
<p>Resource efficiency</p>	<p>Resource utilization and management</p>	<p>Short-term</p>	<p>Financial impacts. Across our three divisions, we collect data on how much water and energy was saved, whether it be from more efficient systems, buildings or investments in better resources. Moreover, HII also records how much of each type of material was recycled, such as paper, metal, electronics, and more. Members from all divisions of HII are currently working together to set goals to work towards regarding the amounts of resources being saved or recycled.</p> <p>Our three divisions use tools such as the EnergyCAP utility monitoring software to track and manage energy usage. The data are used to optimize systems, from HVAC to lighting, reduce our costs, and bring in more energy efficient infrastructure: including new roofs, AC units, LED light replacements, solar energy and electric-powered mobile equipment.</p> <p>For more information and examples, please refer to the Energy and Greenhouse Gas Management section, page 46.</p>

(c) Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

Hill currently has not conducted a climate-related scenario analysis. However, we anticipate conducting a climate-related scenario analysis within the next two years. The 2022 data will also serve as our baseline for reduction targets. Based on the results of this inventory and method, we plan to develop and implement a climate-related scenario analysis based on SBTi standards. Please refer to the [Sustainability Commitment section](#) for more information on our environmental commitments.

RISK MANAGEMENT

- a) Describe the organization’s processes for identifying and assessing climate-related risks.**
- b) Describe the organization’s processes for managing climate-related risks.**
- c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.**

Climate-related risks are evaluated as a part of Hill’s annual ERM process which includes an analysis of emerging risks. Hill recognizes that climate-related risks and opportunities may have potential short-, medium-, and long-term impacts on its business and operations. Please review the “Strategy” section of this Appendix for additional insights.

Hill has a robust Compliance and Ethics Program that spans the Hill Enterprise. The Compliance Program run by Hill’s Law Department, helps the company assess risks related to current and emerging regulations, and is supported by various compliance and ethics specialists throughout the business. For more on our Compliance and Ethics Program, see [link](#).

RISK TYPE	SPECIFIC RISK	CLIMATE-RELATED RISK DESCRIPTION
Transitional	Current regulation	Our operations are subject to and affected by federal, state, and local environmental laws and regulations relating to the discharge, storage, treatment, handling, disposal, and remediation of certain materials, substances, and wastes used in our operations. Future environmental laws or regulations could also have an impact on us. Increased public awareness and concern regarding global climate change may result in more federal, regional, and/or international requirements to attempt to reduce or mitigate global warming, and legislation, international protocols or treaties, or regulations could mandate stricter limits on greenhouse gas emissions. Environmental laws and regulations may require the installation of costly pollution control equipment or operational changes to limit emissions or discharges and/or to decrease the likelihood of accidental hazardous material releases. We expect to incur future capital and operating costs to comply with current and future laws and regulations for environmental protection and remediation, and such costs could be substantial, depending on the future proliferation of environmental requirements and the extent to which we discover currently unknown environmental conditions.
Transitional	Emerging regulation	
Transitional	Reputation	

RISK TYPE	SPECIFIC RISK	CLIMATE-RELATED RISK DESCRIPTION	HII MANAGEMENT OF RISK
Transitional	Legal	<p>The adoption of new environmental or climate change laws and regulations, stricter enforcement of existing laws and regulations, imposition of new cleanup requirements, discovery of previously unknown or more extensive contamination, litigation involving environmental matters, our inability to recover related costs under our government contracts, or the financial insolvency of other responsible parties could cause us to incur costs that could have a material adverse effect on our financial position, results of operations, or cash flows.</p> <p>Substantial fines, penalties, and criminal sanctions may be imposed for noncompliance, and certain environmental laws impose joint and several "strict liability" for remediation of spills and releases of oil and hazardous substances. Such laws and regulations impose liability upon a party for environmental cleanup and remediation costs and damage without regard to the negligence or fault of such party and could expose us to liability for the conduct of or conditions caused by third parties. Moreover, if we violate the Clean Air Act or the Clean Water Act, the EPA could place the facility or facilities involved in the violation on the "Excluded Parties List" maintained by the General Services Administration, which would continue until the EPA concluded the cause of the violation was cured.</p>	See our Safety & Environmental Program descriptions
Physical	Acute physical	<p>We have significant operations located in regions of the United States that have been and may in the future be exposed to damaging storms, such as hurricanes and floods, the intensity and frequency of which are being exacerbated by climate change, other impacts of climate change, including rising sea waters, and environmental disasters, such as oil spills. Natural disasters can disrupt our workforce, electrical and other power distribution networks, computer and internet operations and accessibility, and critical industrial infrastructure needed for normal business operations, which can adversely affect our contract performance and, as a result, our financial results.</p> <p>Damage and disruption resulting from natural and environmental disasters may be significant. Should insurance or other risk transfer mechanisms be unavailable or insufficient to recover material costs associated with natural or environmental disasters or other events, we could experience a material adverse effect on our financial position, results of operations, or cash flows.</p>	See our Safety & Environmental Program descriptions
Physical	Chronic physical	<p>Our suppliers and subcontractors are also subject to natural and environmental disasters that could affect their ability to deliver products or services or otherwise fulfil their contracts. Performance failures by our subcontractors or suppliers due to natural or environmental disasters may adversely affect our ability to perform our contracts, which could reduce our profitability in the event damages or other costs are not recoverable from the subcontractor or supplier, the customer, or insurers. Such events could also result in a termination of the prime contract and have an adverse effect on our ability to compete for future contracts.</p>	

METRICS

(a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.

The GHG inventory accounted for seven GHGs: CO₂, CH₄, N₂O and the fluorinated gases HFC, PCF, SF₆, and NF₃.

(b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and the related risks.

METRIC	UNIT	2021	2022	2023
Scope 1 emissions	Metric tons CO ₂ e	Not available	101,045	82,805
Scope 2 emissions – location based	Metric tons CO ₂ e	Not available	222,069	224,349
Scope 1 and 2 emissions intensity ratio	Metric tons CO ₂ e/ USD \$ revenue	Not available	0.00003027	0.00002671

Hill has not evaluated its Scope 3 GHG emissions.

Hill has enhanced our methodology and data collection practices for environmental data including Scope 1 and Scope 2 emissions to improve data quality. Our data reflects operational greenhouse gas emissions from our three divisions for the calendar years 2022 and 2023. Sites that are not included in this metric are those that are not yet operational, such as those under initial construction, or those over which we do not maintain operational control, including government-run or fully serviced leased facilities. The disclosed combined emissions for Scope 1 and 2 are based on utility data, derived by using the location-based method outlined by the Greenhouse Gas (GHG) Protocol for Scope 2.

(c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

Founded on our sustainability priorities, in 2023, we set sustainability commitments to guide our Sustainability Strategy. These commitments were developed by four teams of subject matter experts from across our three divisions. The teams were charged with developing specific sustainability objectives suited to Hill's business and Sustainability Strategy. In doing so, the teams considered the impact on Hill's stakeholders, business strategy, operations and customers and on regulatory requirements.

By the end of 2024, Hill will develop a roadmap to exceed a 30% reduction in Scope 1 and 2 GHG emissions based on the 2022 baseline.

