

2022 SUSTAINABILITY REPORT

MISSION. VALUES. PURPOSE.



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ABOUT THIS REPORT

Huntington Ingalls Industries, Inc.'s (HII, we, our, and the Company) 2022 sustainability report details HII's objectives and progress in the areas of environmental sustainability, social responsibility, and governance performance. Data about financial performance is 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.

Unless otherwise specified, the quantitative information contained in this document reflects HII activities from January 1 – December 31, 2021, in line with HII's financial reporting period. This report includes qualitative information from January 1, 2021 – July 31, 2022. 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 with the Sustainability Accounting Standards Board (SASB). As our reporting becomes more robust, we will seek to expand the detail of our disclosures in the near future.

More information on our alignment with GRI and SASB is available on [pg. 57](#).

This report was published online on November 7, 2022. This report is 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.



Message from Chris Kastner

Living Our Values in Service of Sustainable Growth and Success

At HII, our mission requires the best of us – the utmost character and values. Our long-term success and growth depend on truly living out our values in our relationships with our stakeholders: employees, customers, shareholders, suppliers, and communities.

Staying aligned with these values as we make long-term decisions and investments reflects our awareness that HII's impact reaches beyond the strict outlines of our business. Our sustainability initiatives demonstrate how we anticipate and address the needs of HII's stakeholders, improve the world around us, and create enduring value. This is vitally important work to secure another century of success at HII.

In service of this vision for our future, you can see our **integrity, respect, and responsibility** in our day-to-day actions, business approach, and culture of **engagement, safety, and performance**. Our sustainability strategy drives meaningful steps to foresee risks and opportunities ahead, position the Company to navigate them, and nourish and protect the strong, stable, resilient relationships on which our future growth and success – our sustainability – depend.

– **Chris Kastner**, HII President and CEO



Chris Kastner
HII President and CEO

Message from Paul C. Harris

Our MVP Approach

Welcome to our 2022 Sustainability Report (Report). We are proud to present the results of important work over the last year to formalize and articulate the foundational sustainability principles that have long been ingrained in our culture and operations at HII.

Sustainability is what describes our values-based business model. Grounded in our mission, values, and purpose, HII's **MVP approach** to sustainability guides our strategy, structural policies and programming, and animates our culture of service and ethics. These principles come to life in our daily decision-making and behaviors, and in our formal frameworks and processes.

With our values as our north star, our sustainability strategy is optimized to yield long-term competitive advantages, shareholder value, and positive impact for our people, facilities, communities, and environment – in service of our mission.

To carry true meaning, HII's sustainability strategy relies on public reporting standards widely recognized as environmental, social, and governance (ESG). Given this usage, we refer to **ESG** here as our framework for reporting on the initiatives we undertake, the goals we set, and the progress we have made. Our values-based approach connects our performance in priority areas to who we are as a company.

From our first ships in the 1800s to the digital solutions of today, it is our commitment to mission that has always been the bedrock of our success. Our mission to serve those who protect our freedom endures, even as technology advances and evolves over time. Our values-based culture of **engagement** and **respect**, continuous improvement to drive **performance** and **safety**, and our commitment to uphold **integrity** with our highest **responsibilities** to employees, customers, and shareholders keep us on a steady course.

Most importantly, they unite us in service of our nation, our communities, and each other.

– **Paul C. Harris**, HII Executive Vice President,
Chief Sustainability and Compliance Officer



Paul C. Harris
HII Executive Vice President,
Chief Sustainability
and Compliance Officer

About HII

HII is an all-domain defense and technologies partner and the largest shipbuilder in the United States. With a skilled, diverse workforce of over 44,000 in three divisions worldwide – all committed to doing the right thing and meeting the highest standards of ethics and integrity – HII builds and delivers the world’s most powerful, survivable naval ships and technologies that safeguard our seas, sky, land, space, and cyber.

Headquartered in Virginia and one of America’s best large employers with a more than 135-year history of advancing U.S. national defense, we are united by our mission in service of those who protect our freedom.

HII VISION, MISSION, VALUES

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:

HII builds and delivers the world’s most powerful, survivable naval ships and technology solutions that safeguard our seas, sky, land, space, and cyber.

Values:

Integrity, respect, responsibility, safety, performance, and engagement 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.

“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.”

– Chris Kastner, HII President and CEO

Company Profile: Our Three Divisions

Hill's **Newport News Shipbuilding** division is the largest industrial employer in Virginia. Founded with 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. With more than 25,000 employees, including third-, fourth-, and even fifth-generation shipbuilders, Newport News Shipbuilding 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.

Employing more than 11,000 employees, Hill's **Ingalls Shipbuilding** division is the largest manufacturing employer in Mississippi and a major contributor to the economic growth of Alabama. For nearly 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. The largest supplier of U.S. Navy surface combatants, Ingalls Shipbuilding is simultaneously building four classes of ships and has pioneered the development and production of technologically advanced, highly capable ships for the surface Navy fleet for decades. Our shipbuilders are honored to build tomorrow's fleet today.

Hill's **Mission Technologies** division is made up of more than 7,500 professionals, delivering domain expertise and advanced technologies in service of mission partners around the globe. With a focus on the future, this team 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; platform modernization; and critical nuclear operations.

"As shipbuilders, we support an incredible mission that requires each of us to always do the right thing, working to the highest of standards and upholding our Company values each and every day."

– **Jennifer Boykin**, President, Newport News Shipbuilding

"Ingalls Shipbuilding is committed to making thoughtful business decisions based on our core values. These values, aligned with our sustainability model, focus on our people, our community, and continuing our legacy together. With this as our mission, we are striving to re-imagine affordable, value creating solutions that will endure for our next generation of shipbuilders."

– **Kari Wilkinson**, President, Ingalls Shipbuilding

"Our division's 7,000-plus employees – regardless of what they do or where they do it – are all bound by a commitment to ethics, compliance, and doing the right thing at all times. In fact, environmental, social and governance goals have always been an important part of Hill's culture – simply because they make good business sense – but I'm proud to see us continuing to raise the bar and honestly sharing our results in reports like this."

– **Andy Green**, President, Mission Technologies

HII at a Glance

\$9.52B

**Annual Revenue
in 2021**

\$46.7B

Backlog

44,000+

Employees

8,000+

Veterans Employed

HII Commitments

Our mission and values form the foundation of HII's ethical culture, inspiring employees to do the right thing each day, regardless of the circumstance.

Our corporate values of integrity, respect, responsibility, safety, performance, and engagement are woven into our culture. These values, supported by our corporate governance, guide how we operate our business in ways that protect the environment, serve our communities, and enhance our shareholders' investment, bringing our vision and mission to life.

In service of our customers, shareholders, suppliers, communities, and each other, we are committed to a culture that upholds our purpose: putting robust structures, action, and our people to work in service of our mission and values.

WE COMMIT TO:

Our customers – We support our highly-valued and ever-growing customer base by ensuring we meet or exceed customer interests, delivering quality products and services on time, and always fostering continuous improvement.

Our shareholders – We sustain long-term value and growth in our Company through improved performance and intense focus on delivering excellent results.

Our suppliers – We engage with our suppliers in a transparent and respectful manner, as they are an integral part of our team – essential to our ability to achieve our business objectives.

Our communities – We strive to be an active, visible, and positive corporate citizen in every community in which we live and do business because our employees make up those communities.

Our employees – We commit to a values-driven culture of ethics that puts people's safety and well-being first. We commit to building a diverse and inclusive environment, offering opportunities for training and career growth, and for the least empowered person in the room to speak up. We commit to a safe and respectful culture for all employees, united in our mission of service.

"We look at everything we do, from the shipyard to the board room, through the lens of employees, communities, customers, suppliers, and shareholders."

– **Chris Kastner**, HII President and CEO



SUSTAINABILITY PRIORITIES

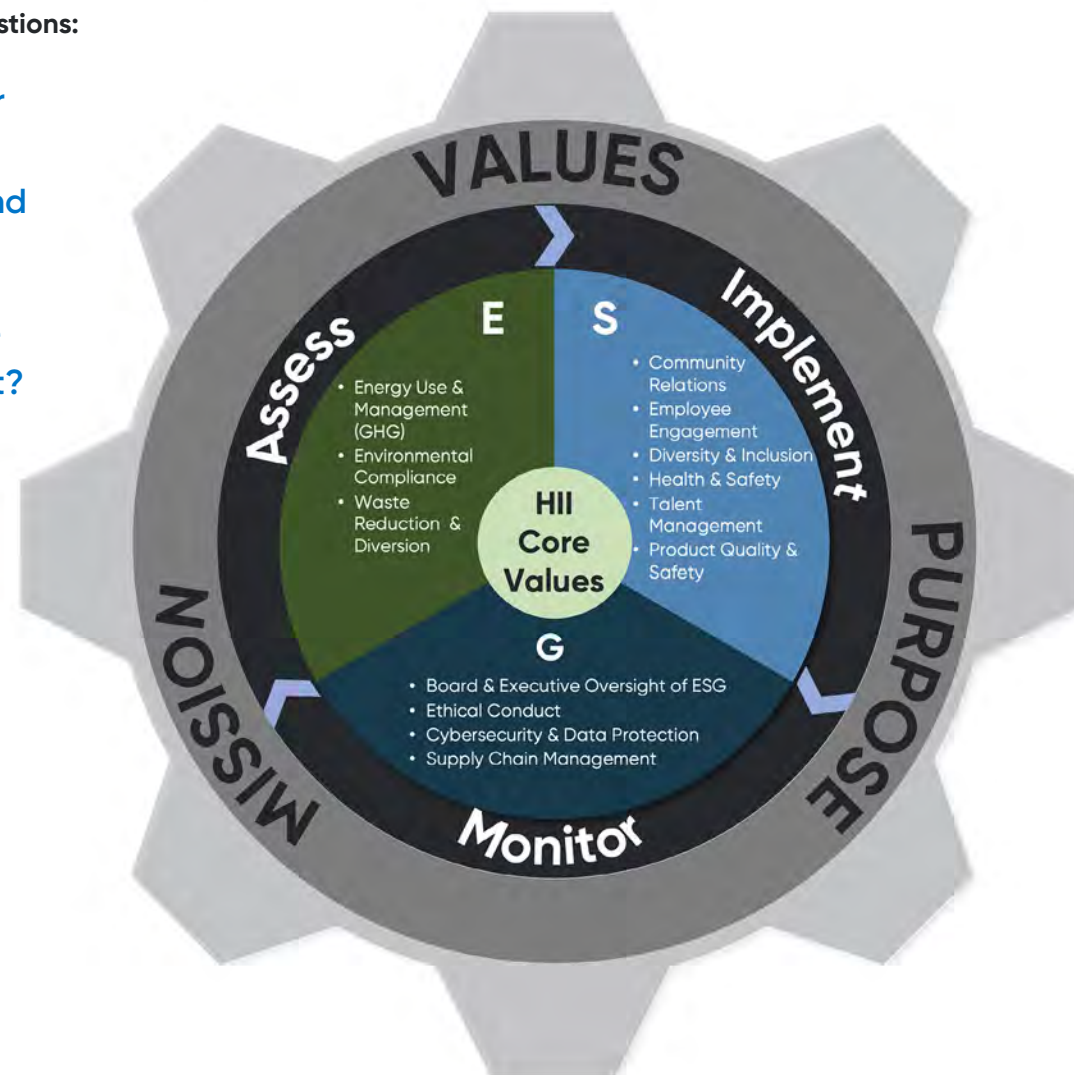
In light of our purpose and commitments, being a good corporate citizen has been central to HII’s culture from the very beginning, with “sustainability” factors long integrated into our business. Our robust, long-standing corporate governance policies show our commitment to conducting work in a manner that is fair, ethical, and in compliance with laws, regulations, policies, and procedures. This values-based approach brings our mission and purpose to life.

In service of building the trust of our stakeholders, we apply these principles in our daily actions, our formal frameworks and processes, and in our overall culture. Integrity is at the heart of who we are and what we do, and our internal governance structures and policies reinforce personal responsibility and accountability. We thoughtfully coordinate our formal processes and decision-making to maintain high-quality, safety, and performance, while doing the right thing in our everyday operations and long-term strategy.

This Report captures some of these long-standing initiatives, commitments, and progress. In addition, in 2022, we set out to formalize our sustainability focus areas. We sought the perspectives of employees, customers, shareholders, communities, and suppliers for HII’s first comprehensive sustainability assessment.

The process posed two key questions:

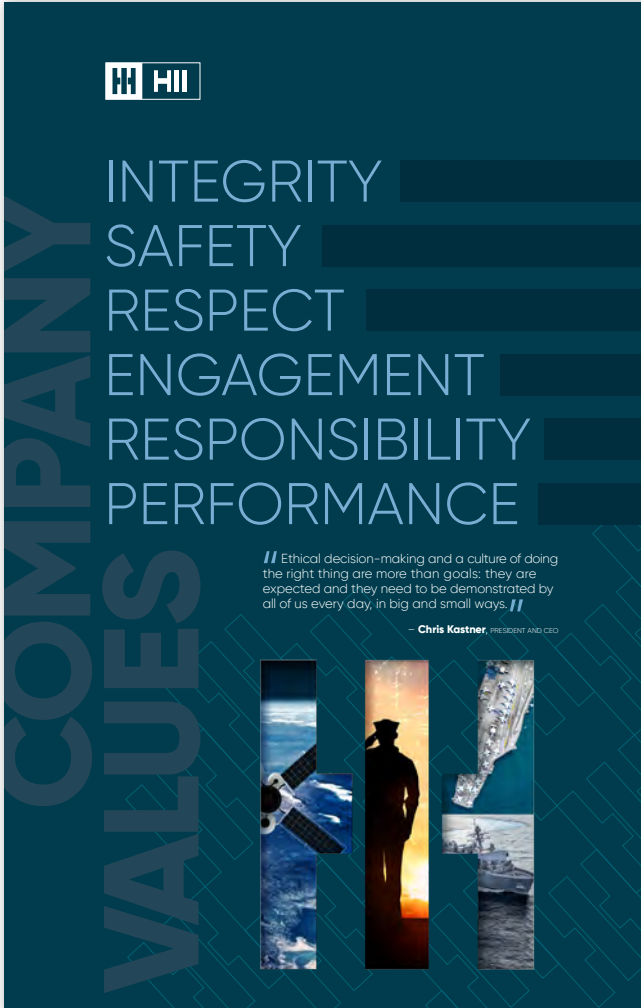
1. What ESG issues matter most to HII employees, the defense industry, and our stakeholders?
2. Where can HII have the biggest positive impact?



Our Values in Action Inside and Outside Our Company

As a provider of defense solutions, we remain vigilant about maintaining regulatory compliance. Our reputation and our customers' trust depend on it. For example, our CEO has committed us to abide by Defense Industry Initiative (DII) core principles, including honesty in all business dealings, protecting taxpayer resources, and providing high-quality products and services to our U.S. government customers.

	<p>INTEGRITY Integrity is at the heart of who we are and what we do. We are each personally accountable for the highest standards of ethics and integrity.</p>		<p>ENGAGEMENT We are committed to fostering an engaged workforce. Our employees are very involved in what they do and take ownership of their work and work processes.</p>
	<p>SAFETY We value our employees above all else and will not compromise on maintaining a safe and healthy work environment for them.</p>		<p>RESPONSIBILITY We keep promises and commitments made to others. We are responsible for ensuring quality is a component of everything we do. We take pride in providing outstanding customer service.</p>
	<p>RESPECT We value people, knowing we must show fairness and equal treatment for all.</p>		<p>PERFORMANCE We are committed to improving our Company performance while upholding our strong values. Superior performance and quality ensure future trust and confidence in our products and services. We promote continuous improvement and innovation.</p>



COMPANY VALUES

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

// Ethical decision-making and a culture of doing the right thing are more than goals; they are expected and they need to be demonstrated by all of us every day, in big and small ways. //

— Chris Kastner, PRESIDENT AND CEO

HII Core Values

Through interviews, surveys, and intensive document and resource reviews, the following sustainability priorities emerged:

Securing our Business



RESPONSIBILITY INTEGRITY RESPECT

Ethical conduct, including ethics guidelines and **Code of Ethics and Business Conduct** training, compliance with regulations and laws, grievance and whistleblower mechanisms, and anti-corruption, anti-bribery, and anti-money laundering policies and risk analysis.



SAFETY PERFORMANCE RESPONSIBILITY

Product quality and safety, including product lifecycle management, improper product usage, environmental impact considerations of products, efforts to ensure product safety, compliance with product safety laws and regulations, and product end-of-life management.



SAFETY PERFORMANCE RESPONSIBILITY INTEGRITY RESPECT ENGAGEMENT

Supply chain management, including how we engage with our suppliers through a **Supplier Code of Conduct** and supplier standards, supply chain transparency, risk assessments and audits, as well as how we maintain supply chain continuity and resiliency.



SAFETY PERFORMANCE RESPONSIBILITY INTEGRITY

Cybersecurity, including our cybersecurity investments, compliance, risk assessments, awareness (like phishing, social engineering, and advanced cyber tactics), as well as the handling of cyber-attacks and degradation.



Through interviews, surveys, and intensive document and resource reviews, the following sustainability priorities emerged:

Building our Community



Diversity and inclusion, including Board of Directors and workforce diversity, supplier diversity, and Company culture.

Community relations, including how we engage with and support the communities in which we operate through employee volunteering, relationship-building with local communities, local economic impact, philanthropy, and future workforce development, and community education programming.



Employee engagement, including Company culture, employee turnover, recruitment and retention, compensation and benefits, and employee satisfaction.



Health and safety, including occupational health and safety initiatives, policies and training, as well as adherence to safety laws and regulations, health and wellness programs, and workplace culture.

Protecting our Resources



Energy management, including the management of greenhouse gas (GHG) emissions, efficiencies focused on current energy use, renewable energy deployment, and the types and ways fuel is consumed.



Environmental compliance, including how we support and engage with our regulators, efforts to ensure compliance, and adherence to environmental laws and regulations.

2021 Highlights Page

ENVIRONMENTAL



Recycled/repurposed over 420 tons of office paper and cardboard



Newport News Shipbuilding recycled over 7,900 tons of abrasives and over 95 tons of batteries, tires, and other hazardous waste



Mission Technologies shredded and recycled over 10,000 pounds of paper



Ingalls Shipbuilding recycled over 12,809 tons of ferrous and nonferrous metals



Newport News Shipbuilding reduced its consumption of water provided by the City of Newport News by over one million gallons a year by converting its water-cooling systems for 2,500- and 1,000-ton presses

SOCIAL



Awarded *Forbes* America's Best Large Employers (Ranked #11)



Contributed over \$6 million in charitable giving to our local communities



Partnered with over 60 local and regional public schools and colleges



Received 2021 HIRE Vets Medallion Award from U.S. Department of Labor



Board of Directors – 33% female and 25% minority representation

GOVERNANCE



Assessed 100% of operating locations for corruption-related risks



Delivered anti-corruption training to 100% of our employees



Established Corporate Sustainability Committee to assist with and support the Company's focused commitment to the environment, the health and safety of people, corporate social responsibility, corporate governance, and other public policy matters



Appointed the Company's first chief sustainability officer to formalize and oversee the Company's sustainability program



Expanded our **Code of Ethics and Business Conduct** to include a comprehensive **Supplier Code of Conduct**

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Securing our Business

Securing Our Business

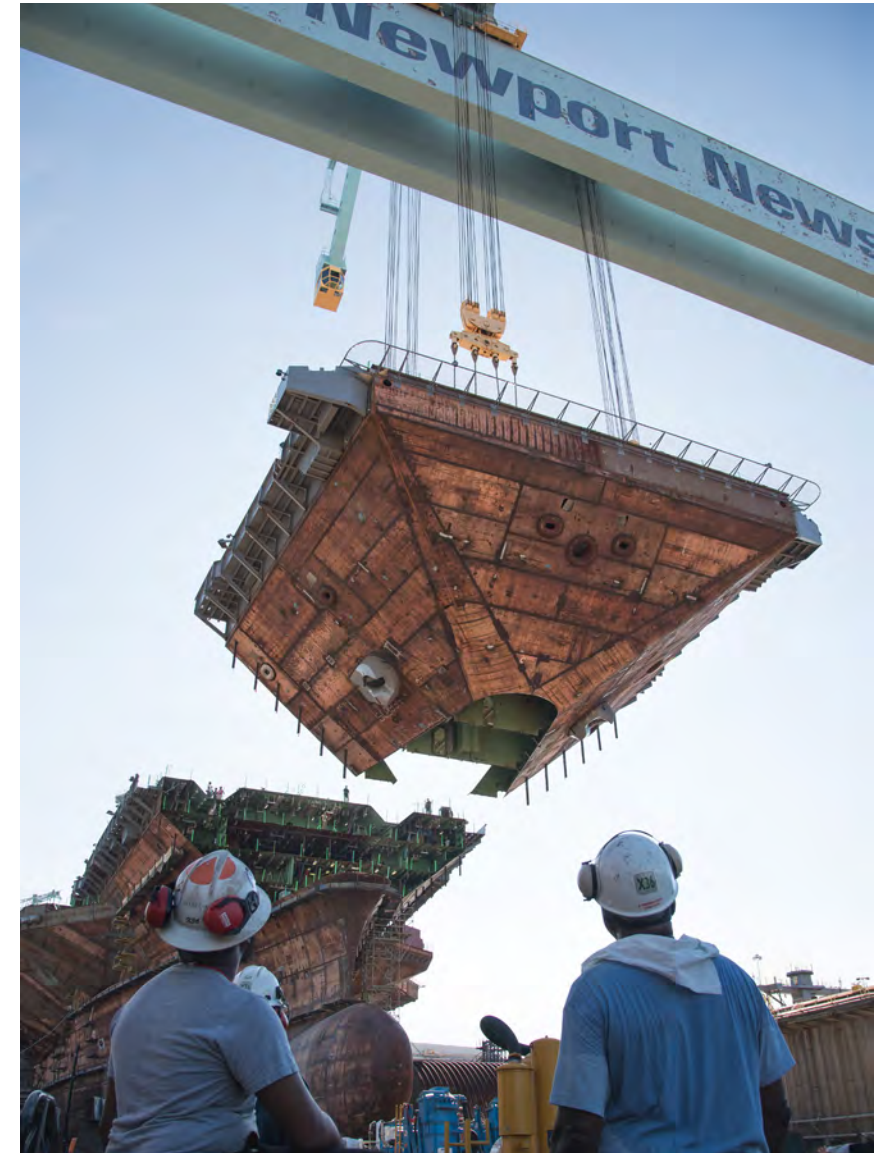
"I believe HII's culture of ethics is critically important to our long-term success. Ethical decision-making and a culture of doing the right thing are more than goals: they are expected. They need to be demonstrated by all of us every day, in big and small ways."

— **Chris Kastner**, HII President and CEO

We put our values into practice via highly coordinated and thoughtfully considered action to integrate the notion of 'doing the right thing, every day' into our everyday operations and to maintain high-quality performance, products and technical services.

Doing our work with pride and integrity is of utmost importance to our business. Integrity is at the heart of who we are and what we do, and our governance structures and policies reinforce personal responsibility and accountability.

From our data and cybersecurity practices to our supply chain management, our policies and training for ethical conduct ensure our actions align with our values and instill the trust and confidence of our stakeholders in our work, services, and products.



CORPORATE GOVERNANCE

Corporate governance addresses the relationships among the Board of Directors, Company management, and the Company's shareholders, to promote the Company's long-term success, improve corporate performance, strengthen Board and management accountability, and promote the long-term interests of our stakeholders. The Board and senior management are committed to corporate governance best practices. We believe these best practices are important not only to our shareholders, but to our customers, employees, suppliers and other stakeholders as well.

We designed our governance approach to utilize people, programs, policies, and action to provide structure and keep us accountable to the interests of our stakeholders.

This approach ensures that at every level, across all aspects of our operations, HII is committed to operating in compliance with applicable legal and regulatory requirements. We expect everyone associated with HII to conduct themselves ethically and honestly.







"Our sustainability governance structure is designed to provide oversight of management's strategy to address externalities in order to future-proof our business and deliver meaningful impact over the long term. Our sustainability initiatives, grounded in our core values, will strengthen the sustainable and ethical delivery of our products and services."

- Tracy McKibben, HII Board of Directors

Our Board of Directors

Leading the way in HII's corporate governance structure is our Board of Directors, which provides leadership, regular review and evaluation, and oversight, all in service of stakeholder interests. Directors foster our long-term success by exercising their business judgment, discharging their fiduciary duties, and ensuring that shareholder interests are advanced through engagement with our employees, customers, suppliers, government officials, and the public.

To effectively oversee the management of HII and enable continuous improvement and innovation, our Board reflects a wide range of skills, experience, and perspectives. Additionally, our Board attends external director education programs on a regular basis to expand their skillsets and enhance knowledge on various topics, including sustainability. Woven together, this diversity of experience and skills ensures the Board is equipped to monitor the effectiveness of HII's strategy and operations broadly and, more specifically, our sustainability commitments.

	
Integrity	Respect
	
Engagement	Performance
	
Safety	Responsibility

Five of our 12 directors joined HII within the past five years. Meet these leaders on our [website](#) and read more about them in our [proxy statement](#).



Kirkland H. Donald
Chairman of the Board



Mike Petters
Executive Vice Chairman of the Board



Chris D. Kastner
President and Chief Executive Officer



Augustus Leon Collins
Major General, U.S. Army (Ret.) and CEO of Minact Inc.



Victoria D. Harker
Executive Vice President and Chief Financial Officer, Tegna



Frank R. Jimenez
Vice President and General Counsel of GE Healthcare & Former 21st General Counsel of the U.S. Department of the Navy



Anastasia Kelly
Senior Advisor to the Chair and Executive Director of Client Relations, DLA Piper



Tracy B. McKibben
Founder and CEO of MAC Energy Advisors, LLC



Stephanie L. O'Sullivan
Business Consultant



Tom Schievelbein
Retired Chairman, President and CEO of the Brink's Company



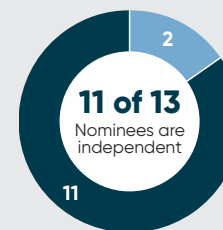
John K. Welch
Retired President and CEO of Centrus Energy Corp.



Stephen R. Wilson
Former Chief Financial Officer, RJR Nabisco, Inc.

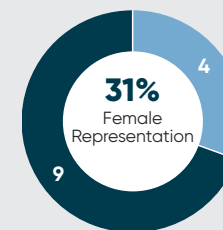
DIRECTOR INDEPENDENCE

Independent, Non-Executive Chairman



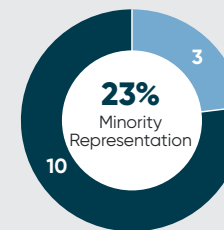
■ Non-Independent ■ Independent

DIRECTOR DIVERSITY (GENDER)



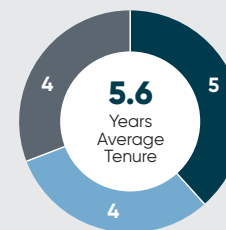
■ Female ■ Male

DIRECTOR DIVERSITY (MINORITY)



■ Minority ■ Non-Minority

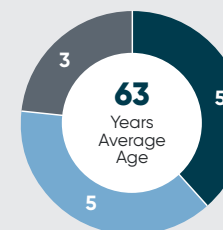
DIRECTOR TENURE



■ 1-3 years ■ 4-6 years ■ 7-11 years

DIRECTOR AGE MIX

Retirement Age 76



■ 70s ■ 60s ■ 50s

As of the filing of the 2022 Proxy Statement.

HII Board Committees

In addition to monitoring and evaluating progress toward goals and objectives, advice and counsel, and driving accountability for Company management, the Board’s oversight role includes five standing committees. Each of these committees operates under a separate written charter to promote clarity in their responsibilities and to ensure the committees function in coordination with each other and with the full Board. Committee charters and composition are published on our [website](#).

Board Committees

- Audit Committee
- Compensation Committee
- Cybersecurity Committee
- Finance Committee
- Governance and Policy Committee

Policies and Guidelines

Under the leadership of our Board and management team, we align our values and actions to achieve consistently high performance for our customers and shareholders, as shown in our latest financial statements and proxy report. Our foundational [Code of Ethics and Business Conduct](#) and policies, charters, and guidelines keep us doing the right thing every day.

Corporate governance policies and practices give structure to our actions and behaviors, in alignment with our culture and values, enabling us to promote the long-term interests of shareholders, strengthen the accountability of our Board and management and build public trust in our Company.

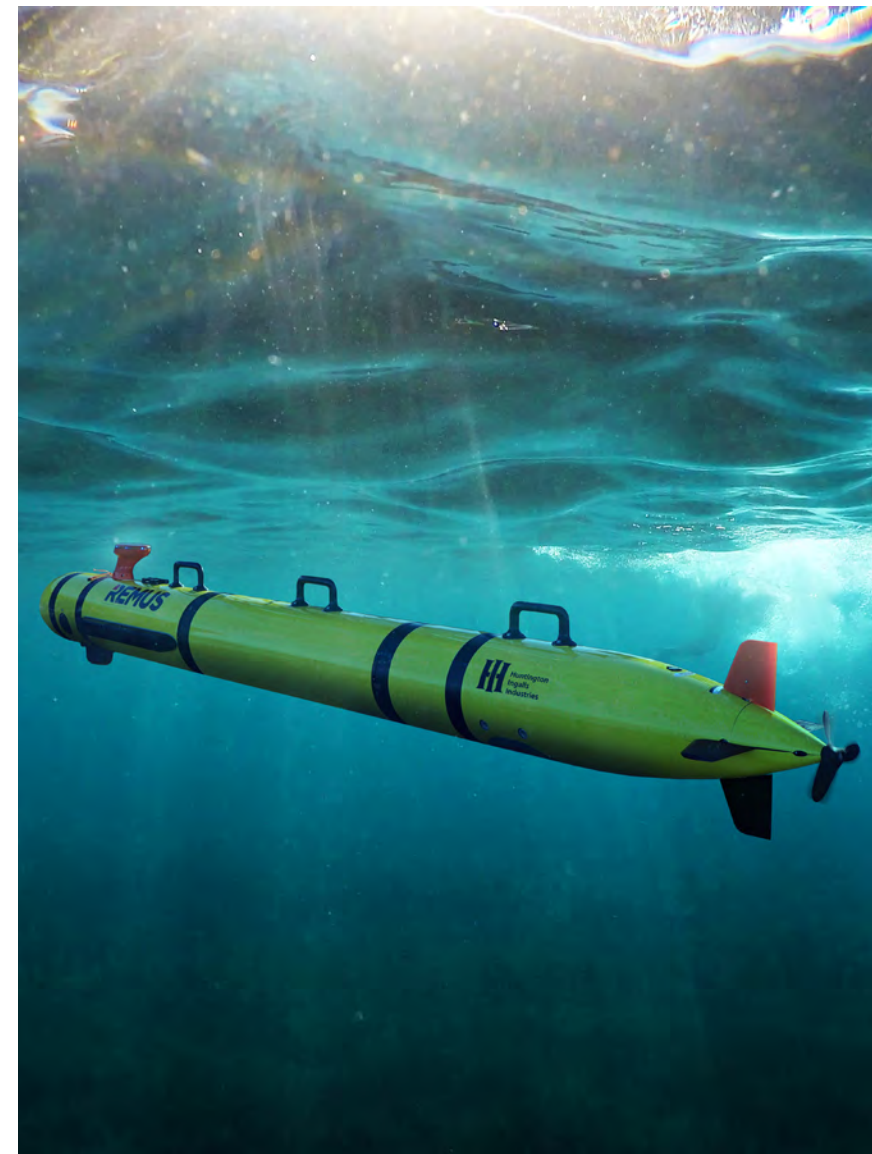
Our corporate governance guidelines detail:

- Board, Chair, and Director responsibilities
- Inclusion and diversity
- Board and committee membership
- Director independence
- Conflicts of interest
- Director orientation and education
- Access to senior management and outside advisors

Our policies and practices establish stakeholder expectations and reinforce our core Company values.

Corporate governance extends across every aspect of our operations – and to every employee. We encourage employees to bring issues and questions to their supervisor, manager, business conduct officer (BCO), HR or Labor Relations representative, or place anonymous calls on our 24/7 OpenLine.

Our non-retaliation policy reinforces our long-standing commitment to a safe reporting environment.



ETHICAL CONDUCT

As a respected government contractor, a responsible member of the community, and a Company with deeply ingrained values, our ethics guide us in our commitment to do the right thing, even when it may be difficult. Underlying it all is our **Code of Ethics and Business Conduct**. This Code defines expectations for everyone who does business with HII including officers, members of the Board of Directors, employees, and non-employees who act on the Company's behalf.

Every HII employee is expected to be truthful, trustworthy, and honorable in all aspects of work. We hold ourselves to a high standard of performance while upholding our strong values. We expect all 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. Meeting a performance goal is never a justification for unethical behavior.

Management Approach and Training

We reinforce these expectations through mandatory training that keeps ethics at the forefront of our employees' minds. Upon joining HII, and annually

thereafter, employees are trained on our **Code of Ethics and Business Conduct** and anti-corruption practices, as well as topics including workplace harassment, Federal Acquisition Regulation (FAR) mandatory disclosures, internet and email practices, gifts, hospitality and entertainment, conflicts of interest, cybersecurity, and retaliation in the workplace.

At the beginning of each year, our CEO sets the "Tone at the Top" with an ethics video message that reiterates our values and ethics. This video is shared with all employees and is embedded in the annual Code of Ethics and Business Conduct refresher training.



Responsibility



Integrity



Respect

"Our high ethical standards are key to the culture at HII. It is so important for us to live our values of integrity, safety, respect, engagement, responsibility, and performance. It isn't simply about 'following the rules' – it's about understanding the rules and ensuring we are working ethically at all times in order to achieve our goals and our Company mission."

- **Edmond Hughes**, HII Executive Vice President and Chief Human Resources Officer

Honesty and Trust in Action

To ensure we consistently demonstrate the highest standards of professional and ethical behavior, we keep integrity at the heart of what we do, guiding our decisions and actions. Each HII employee is personally accountable for upholding our Company values. Every supervisor and manager is expected to serve as an ethical model for others and to conduct themselves in accordance with our values.

Managers and supervisors are expected to encourage open and honest dialogue and to maintain an open door policy for employee questions about business conduct, ethics, and compliance. This requires them to encourage employees to challenge and report questionable misconduct without fear of retaliation. They also must not encourage or direct employees to achieve business results at the expense of ethical conduct, our [Code of Ethics and Business Conduct](#), or legal requirements.

Every employee must complete all ethics and compliance training requirements in a timely manner, understand and practice appropriate timekeeping policies, and know where and how to report misconduct or policy violations. Additionally, all employees formally review an Annual Performance Agreement, wherein HII values, ethics and compliance metrics are a central component of their performance evaluation.



Managing Compliance

“Creating Incentives and Enforcing Discipline” is a core principle of HII’s **Compliance Program**. We firmly believe in creating incentives that encourage ethical and compliant behavior and participation in our Compliance Program. HII has implemented several performance-related measures to incentivize business and leadership ownership of the Compliance Program. For example, HII’s Annual Incentive Plan, which is designed to compensate senior executives based on Company performance, has historically included meeting certain compliance goals at HII’s three primary divisions. A compliance failure could impair the incentive compensation for senior executives. Incentives help ensure that business leaders own and are accountable for compliance as part of what it means to perform at HII.

While committing to our Company ethics and values is everyone’s responsibility, HII manages compliance at the executive level. HII has both a compliance program, headed by a chief compliance officer who works in the Law Department and reports directly to the chief legal officer, and a **Corporate Ethics and Business Conduct Program**, headed by the corporate business conduct officer who works in Human Resources and Administration. The Compliance

Program and the Ethics Program work in tandem to focus on ethical conduct and compliance with the law. One program cannot be effective without the other. These programs coordinate to integrate compliance and ethics into the Company’s day-to-day operations and cultural behaviors. Each program, including respective key performance indicators (KPIs), is regularly reviewed by the Board of Directors.

Additionally, the Internal Audit Department conducts annual audit evaluations of the HII Ethics and Business Conduct Program. This helps the team determine the effectiveness of, and ongoing compliance with, the policies and procedures related to the HII **Code of Ethics and Business Conduct** and activities. Business conduct officers (BCOs) support Company internal and external audits and reviews.



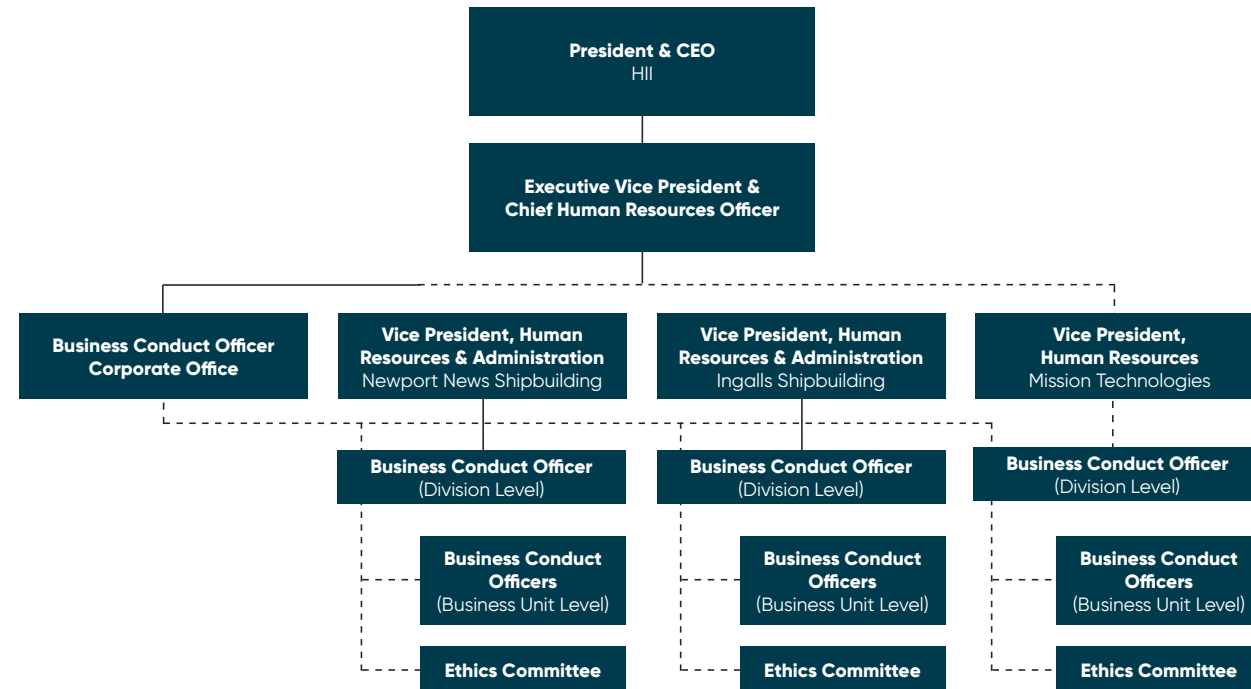
Our Ethics Program

We educate employees about our Company values, **Code of Ethics and Business Conduct**, policies and procedures, applicable laws and regulations, and customer requirements through our Ethics Program.

We manage this program, which communicates our commitment to integrity and performance, through organization-wide roles and structures. The program allows employees to connect with qualified personnel to address questions and issues, promote an ethical culture, and support our leadership in creating an environment that fosters employee accountability and open communication.

HII offers an “On-the-Spot” Ethics Recognition Program to provide timely recognition to employees whose ethical behavior and actions demonstrate ownership of our Company values in their everyday activities. Employees are encouraged to nominate and recognize fellow employees who demonstrate Company values.

In 2021, 190 employees received awards.



- The Corporate Business Conduct Office reports to the Human Resources function.
- Business Conduct Officers (BCOs) in each division act as an employee resource. They address questions and issues, promote an ethical culture, and support our leadership in creating an environment that fosters employee accountability and open communication.
- Business Conduct Representatives (BCRs) connect the BCOs deeper into each organization, raising concerns and meeting regularly to collaborate on awareness, communication, and training.
- Each division has a cross-functional ethics committee to provide guidance and oversight.



"On-the-Spot" Ethics Recognition Program Awardee **Jeremy M. Bryson** was nominated for the award for exceeding the expectations of his duties and acting with care to maintain the safety of the people around him.

During a lunch break, one of Jeremy's colleagues began to choke, could not breathe, and could not clear his airway. Jeremy recognized the trouble his colleague was in, asking if he was OK, to which his peer shook his head "no." Without skipping a beat, Jeremy performed the Heimlich maneuver and dislodged the piece of food, clearing the airway for his colleague. Jeremy's actions showed the HII value of safety, whether we're on or off duty.

An Anti-Corruption Culture

As stated clearly in our [Code of Ethics and Business Conduct](#), HII does not tolerate bribery or corruption, regardless of where we are located when we do business. Our Anti-Corruption Compliance Program, a cornerstone of our Ethics Program, reinforces compliance and our Company values across our day-to-day operations.

Each of our divisions develops an annual Anti-Corruption Core Element plan, designed to detect, prevent, and remediate misconduct in HII's business. In addition, our Board of Directors is briefed at least annually on our Ethics Program and our Compliance Program. Our CEO sends regular reminders to employees regarding their compliance obligations and responsibilities, including the obligation to report known or suspected misconduct. We expect similar commitments from our business partners.

As part of our corporate governance best practices, our leadership oversees a robust [Anti-Corruption Compliance Program](#), through which we have:

- Assessed 100% of operating locations for corruption-related risks
 - Delivered anti-corruption training to 100% of our employees
 - Provided 100% of our business partners with information on ethical procedures and policies
-



The HII Ethics and Compliance mobile app provides HII employees and its business partners access to relevant information to help prevent, detect, and remediate misconduct or business failure. Additionally, HII employees can nominate employees for the On-the-Spot Ethics Award.

Ethics Metrics: Our Commitment to Integrity and Performance

From 2019-2021, we delivered annual ethics training to all employees, provided ethics policies and procedures to all business partners, and conducted an anti-corruption assessment at all operating locations. We reported zero incidents of corruption and no business partner contracts were terminated or nonrenewed because of violations related to corruption, bribery, illicit international trade, or allegations of the same.



24/7 OpenLine for Reporting Misconduct

Also during this three-year time period, we did not identify or report any monetary losses as a result of legal proceedings associated with incidents of corruption, bribery, or illicit international trade nor with charges of anti-competitive practices.

If You See Something, Say Something

While HII encourages open and honest dialogue between managers, supervisors and employees, and further encourages all employees to challenge and report questionable misconduct, HII offers an anonymous and confidential means to voice concerns or report a suspected violation of our **Code of Ethics and Business Conduct** via our OpenLine. Reports can be made via phone or online, and the volume of cases received is a metric we track regularly. Our case volume, when compared to benchmark data, is well above the median. We view this positively and believe that it is reflective of a known and trusted mechanism to ask questions and report concerns about misconduct. It also indicates a healthy “speak up culture.”

During this reporting period, we’ve recorded zero confirmed anti-corruption incidents and zero monetary losses from legal proceedings associated with anti-corruption, bribery, and/or illicit international trade.



“In the current digital era, business intelligence and data are the new gold, and speed is the new currency. The HII Cybersecurity and IT team is committed to protecting our employees, customers, and our products, including intelligence and data, to the fullest extent possible.”

- **Bharat Amin**, HII Executive Vice President and Chief Information Officer

DATA AND CYBERSECURITY

The organizations that keep our world safe entrust us with their data and rely on us to maintain the highest levels of operational performance for delivering their products and services. We uphold these promises through our commitment to rigorous, effective, and compliant data privacy, information security, and cybersecurity.

Data Privacy and Security

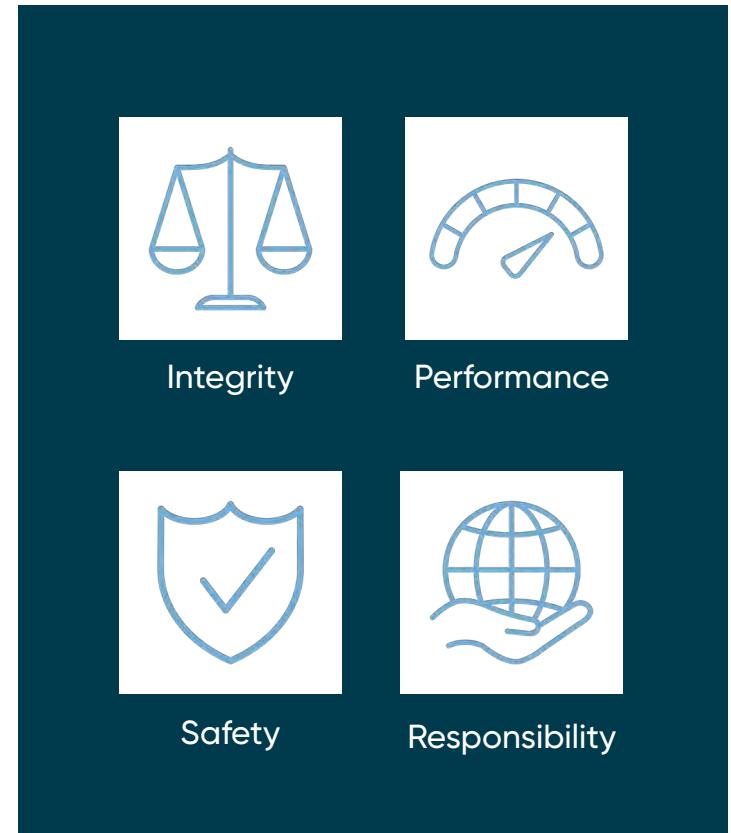
Data privacy is integral to treating customer, supplier, and Company resources with respect. To this end, we strive to protect information through its collection, use, sharing, disclosure, and disposal.

We safeguard data in compliance with – and in some cases exceeding – applicable federal, state, and international law, contract requirements, and industry best practices. We only use the data we collect for valid business purposes. All employees are individually accountable for complying with HII’s policies,

procedures, and work instructions regarding data security and privacy.

Our Privacy Advisory Board provides enterprise-wide leadership on privacy issues and helps develop, review, recommend, and implement privacy policies, procedures, and training activities. Such practices include an enterprise-wide, risk-based Privacy Program directed by our chief privacy officer and a multifunctional, cross-divisional Privacy Executive Committee. Through this program, we invest resources in identifying, assessing, and appropriately managing vulnerabilities and threats to personal information and the individuals who provided it.

Through our proactive, internally and externally focused data security program, we protect health, financial, and other sensitive information from theft, alteration, compromise, and destruction, wherever that information resides on our networks. This includes a well-documented and exercised insider threat detection program.



Cybersecurity

Successfully identifying, managing, and mitigating cybersecurity risk is critical to the reliable delivery of our products and solutions.

We use a strategic blend of technology, people, and processes to:

- Identify risks and threats to our critical data and assets
- Develop and implement comprehensive protection against known cyber-attacks
- Detect and mitigate cyber-attacks that break through our defenses
- Quickly recover from cyber-attacks when they occur

We diligently collaborate with government and industry peers and partners on cyber threat intelligence and shorten the time between threat detection and protection through continuous monitoring. This monitoring includes internal and external cybersecurity audits, annual penetration tests, and certified regulatory compliance assessments.

Through an ongoing security awareness training program, we educate employees on cyber threats and sound

cybersecurity hygiene for systems and data. Employees are trained to recognize potential cyber threats, safely access HII IT systems and data, and report suspicious activity. Training covers phishing, social engineering, and other advanced cyber tactics.

In the event of a cyber-attack or degradation of critical IT systems, our robust recovery processes ensure business continuity. We ensure the swift restoration of critical systems and data through activities, including annual, enterprise-wide tabletop exercises.

All of these pieces work together. Across our supply chain, our information security and cybersecurity professionals engage key suppliers on methods to safeguard sensitive data and mission-critical operations. Across our operations, our privacy and cybersecurity programs feed into compliance and risk management. Through annual, forward-looking assessments, we gauge the likelihood and severity of a risk area based on rationalization, opportunity, and pressure on the fraud triangle. These reviews inform plans we modify on an ongoing basis for changes in laws and regulation, detected misconduct, and opportunities for improvement.



“While Ingalls Shipbuilding has over **11,000 shipbuilders** building freedom, one ship at a time, we are supported by an extended national supplier network over **2,000 strong**. This team supports one another in providing the unique skills and trades necessary for ensuring the defense of our nation.”

– **Scott G. Weldon**, Vice President, Supply Chain Management, Ingalls Shipbuilding

SUPPLY CHAIN MANAGEMENT







Supply chain management is critical to business and sustainability success; we are committed to building strong relationships with our suppliers and partners around the country whose products, services, and niche capabilities help us advance our customers’ missions and meet our strategic business objectives. We are also committed to seeking potential partnerships on current and future procurement opportunities with small businesses. Through strategic supplier development and strong partnerships, we have developed an agile supply chain organization dedicated to world-class performance.

More than 2,000 suppliers and partners help us achieve this. Newport News Shipbuilding spends an average of \$1 billion annually with suppliers in nearly every state, and Ingalls Shipbuilding purchases thousands of commodities and services each year, from

turbine generators to bolts. Our multiple U.S. Navy contracts include procurement targets for small, disadvantaged businesses.

We have detailed controls around our procurement and subcontracting process. Central among these controls is the involvement of a dedicated procurement department, Supply Chain Management, within each division to establish and monitor supplier relationships.

Our multi-division Supply Chain Management Process governs every aspect of supply chain operations, from quality assurance to external disruptions, in order to maintain consistency, competence, and compliance. Guided by Federal Acquisition Regulation (FAR) requirements, we extensively screen each supplier for performance, reputation and ethics, and we subject our procurement process to regular, extensive internal and external audits. Robust anti-bribery and anti-corruption policies are a requirement for onboarding.

	
Integrity	Responsibility
	
Engagement	Performance
	
Safety	Respect

Supplier Ethics and Conduct

The success of our business depends upon a collective dedication to safety, quality, cost, and schedule – and a steadfast commitment to business ethics. We consider adherence to our **Company Values** and **Code of Ethics and Business Conduct** – as well as strict observance of all U.S. and foreign laws and regulations – to not only be a legal requirement but also an ethical obligation for all.

We expect our suppliers to maintain full compliance with all laws and regulations and have expanded our Company's **Code of Ethics and Business Conduct** into a comprehensive **Supplier Code of Conduct**.

We support our suppliers with the training, oversight, and governance necessary to protect our collective good standing, which we call "present responsibility." Suppliers who fail to adhere to our standards are subject to termination.

We extend our corporate governance policies and practices across our supply chain through our **Supplier Code of Conduct, which details ethics expectations, policies, and more for our more than 2,000 suppliers and partners.**

Our expectations of suppliers include proper:

- Maintenance of accurate records
- Employment practices
- Quality and business continuity processes and programs
- Ethics policies and whistleblower protections
- Anti-corruption controls and compliance
- Protections of human rights and anti-trafficking
- Adherence to all anti-trust laws and regulations to ensure fair competition
- Controls and avoidance of insider trading and conflicts of interest

Supplier Security and Information Protection

We expect our suppliers to properly handle sensitive information, including confidential, proprietary, and personal information. Information should not be used for any purposes (e.g., advertisement, publicity, and the like) other than the business purposes for which it was provided, unless there is prior authorization from the owner of the information. For sensitive information that is transmitted electronically, suppliers are expected to implement appropriate cybersecurity controls. We expect our suppliers to respect and comply with all the laws governing intellectual property rights, including protection against disclosure, patents, copyrights, and trademarks.



Supplier Environment, Health, and Safety

Suppliers must operate in a manner that actively manages risk, conserves natural resources, and protects the environment. We expect our suppliers to apply environmental management system principles in order to establish a systematic approach to the management of risks/hazards and opportunities associated with the environment, including potential risk of regulatory non-compliance, reputational loss, and opportunities for business growth through operational and product stewardship. Suppliers must comply with all applicable environmental, health and safety laws, regulations, and directives. Suppliers are required to protect the health, safety, and welfare of their people, visitors, and others who may be affected by their activities.

Conflict Minerals and Other Social Issues

Our work in aerospace and defense involves critical minerals that are or may become scarce or more expensive due to limited supply, political sanctions or other government actions, or increased demand. Some of these minerals include Tin, Tantalum, Tungsten and Gold (3TGs), commonly known as “conflict minerals,” for which the U.S. Securities and Exchange Commission (SEC) has established annual disclosure requirements through the filing of Form SD. We make every effort to source conflict minerals responsibly, consistent with our contractual commitments and regulatory

requirements, from suppliers that share our ethical values and support compliance with SEC regulations on conflict minerals. Our participation in industry organizations focused on conflict minerals compliance keeps us current on the latest issues, and we share this knowledge with our employees, our suppliers, and 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 prevent the use of counterfeit electronic parts in the items we procure, as well as to ensure human trafficking is not supported by any of our suppliers or their subcontractors. These activities provide a strong foundation for our responsible sourcing efforts.

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



“HII is committed to providing quality platforms and solutions to our customers. We seek to maintain a foundational culture of quality through performance across each of our operating divisions. Our culture of quality enables performance and builds trust among our government customers as we face an increasingly complex set of national security challenges.”

- **Stewart Holmes**, HII Executive Vice President, Government and Customer Relations

PRODUCT QUALITY AND SAFETY

Because our customers rely on our products to be dependable in the most extreme environments and circumstances, we ensure that quality is a component of everything we do – and accept personal responsibility for our actions and results. Each employee is directly responsible for the quality and timeliness of their products and services under their cognizance. They can report safety concerns without fear of reprisal.

Our Quality Policy commits us to products and services that meet both customer and safety requirements. Our Enterprise Risk Management (ERM) process identifies opportunities to improve product quality and safety. This includes improved collaboration among our divisions, a heightened focus on suppliers and the embrace of new technology. Our divisions work together to strengthen our respective Quality Management Systems (QMS) through a yearly Quality Summit and yearly performance targets with monthly reviews.

Award-Winning Virtual Reality Training

A team of employees at Newport News Shipbuilding received the division’s Model of Excellence Award for using virtual reality to improve training for inspectors and tradespeople within the shipyard.



Safety



Performance



Responsibility

Ensuring Quality, Safety, and Performance at Ingalls Shipbuilding

Ingalls Shipbuilding sets site performance metrics and improvement targets at the beginning of each year to drive continuous improvement. Results include a more than 90% reduction in customer corrective action requests.

Quality Improvement Teams have improved supplier quality, equipment care and protection, material loss and damage, craft workmanship, and compartment completion activities. A “near-miss” program helps teams identify and correct safety issues before accidents occur.

Because our products and services require employees with broad-ranging knowledge and skills, Ingalls offers new-hire training, production craft apprenticeships, welder certification programs, “Take-Five” sessions on quality and safety opportunities, and online compliance classes, as well as education cost reimbursement.

CPARs Show High Customer Satisfaction

Our Mission Technologies division uses Contract Performance Assessment Report (CPAR) data to validate past performance — with positive results. We are updating the CPAR database for more data analysis in 2023.

Safe Product Use

To ensure our products are used safely and properly, we train customers extensively before and after product delivery. One example is naval crew training programs for operating Ingalls Shipbuilding ships.



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Building our Community

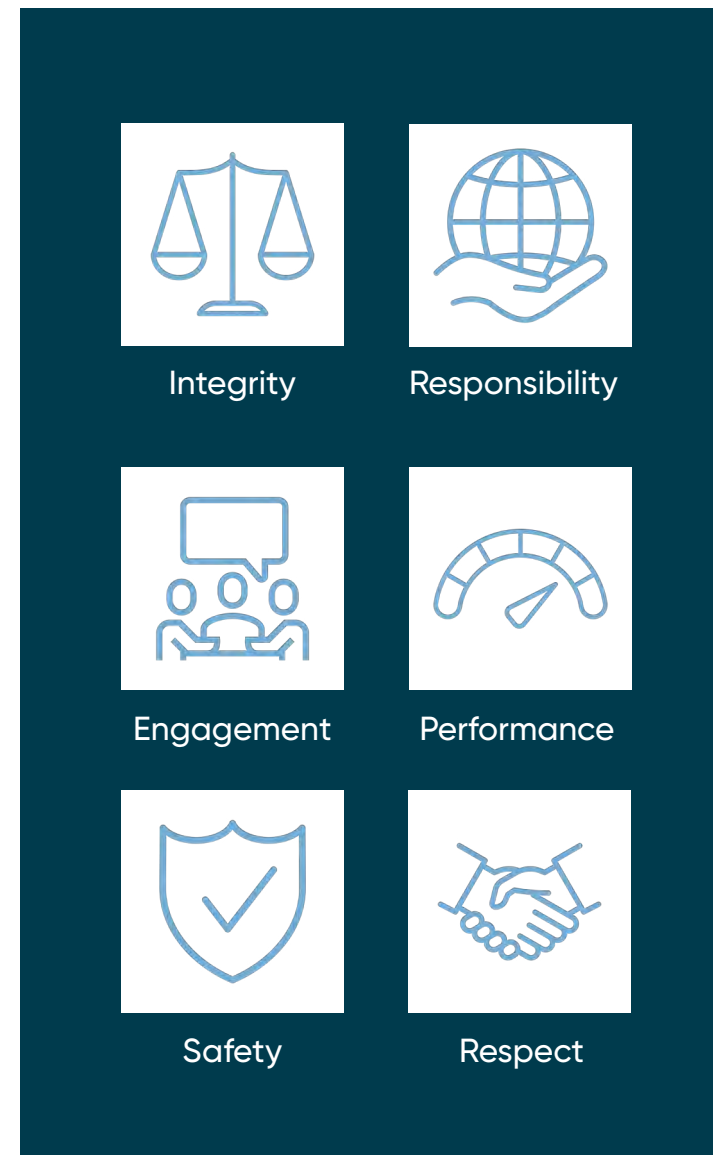
Building Our Community

“Each of our employees is an HII ambassador to the communities in which they live and work. I am proud that the Company dedicates resources to encourage and support high levels of community involvement. We are a big Company with big ideas and we make big things – but our biggest impact is how our employees live out HII values through their ongoing efforts to help those in need, to improve educational outcomes in underserved communities, and to promote a healthy environment.”

– **Paul C. Harris**, HII Executive Vice President and Chief Sustainability and Compliance Officer

Community – our customers, partners, employees, and the people protected by our products and services – is why we’re in business. In service of people and communities, we contribute to national security, protect our employees (who live in our nearby communities), and engage with our neighbors. Our shared commitment to our mission means we work together to get the job done right. Whether at a family picnic day, a local volunteering project, or one of the many events hosted by our active employee resource groups, we find ways to celebrate and build lasting relationships with each other and within our communities.

We strive to uphold good relations with the communities in which we work by maintaining safe and healthy workplaces, delivering high-quality, safe products, fostering a culture of inclusion, and engaging our employees every step of the way.



Building Our Community

- Ingalls Shipbuilding employees raised funds and participated in the annual Strides Against Breast Cancer Walk held annually in Biloxi, Mississippi.
- Mission Technologies' Nuclear and Environmental group and N3B joint venture employees contributed \$225,000 to charitable community organizations. Most recently, N3B partnered with Lemonade Living on a cleanup project.

A Vision for Community Transformation

- Ingalls Shipbuilding ERGs donated over 150 books to children throughout Jackson County, Mississippi by hosting a book drive.
- Newport News shipbuilders continued their long-standing relationship with Habitat for Humanity Peninsula and Greater Williamsburg, in Virginia, and participated in the construction of the 19th house built through their partnership.
- Mission Technologies employees helped assemble more than 400 "quarantine support bags" for arriving service members and their families at USO Korea.



“Our people are at the heart of everything we do and we are committed to creating and sustaining a value-driven culture in which they can thrive. It is in this way that we will drive growth for our customers and our communities.”

- **Eric Crooker**, Vice President, Infrastructure and Sustainability, Ingalls Shipbuilding

EMPLOYEE ENGAGEMENT

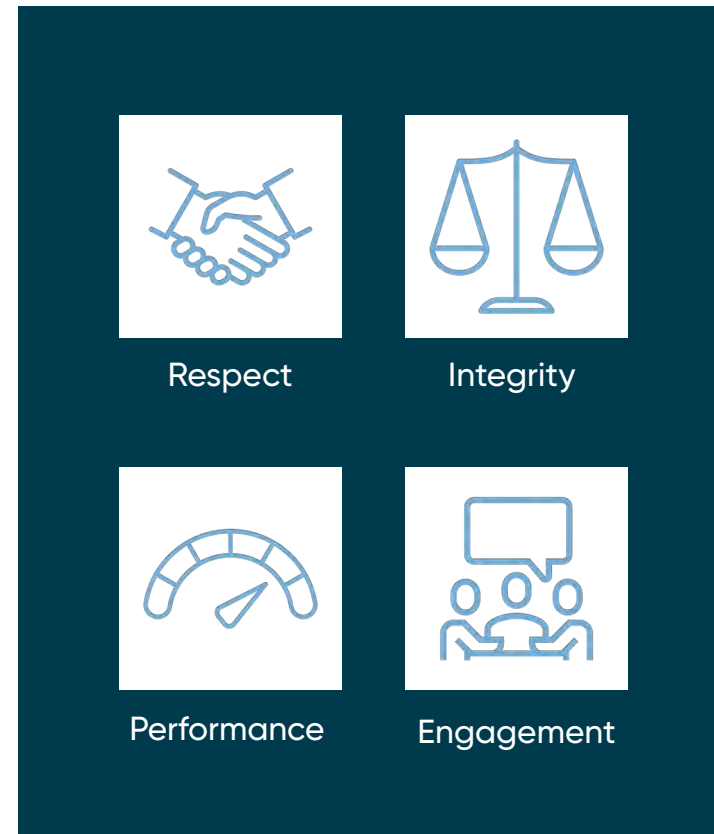
Working at HII is more than a job, it’s an opportunity to build a career. In service of our mission and of each other, we take pride in our workforce and ensure that we offer competitive benefits, a culture of inclusion, stability, training, and development programs.

In commitment and service to our team, we provide a safe working environment and tools to help foster wellbeing. We recognize that without a safe and healthy team, we cannot work at our peak performance. Our robust employee wellness strategy includes healthcare services, family health centers, benefits, and programs for mental health and best-in-class medical, dental, and vision support for employees and dependents. Communications like our Be Well publication keep our workforce informed about their benefits and healthy practices.

We also know that an engaged workforce, committed to HII’s mission, values, and purpose, drives better performance. Putting our values into practice creates long-term benefits for employees, customers, shareholders, communities, and suppliers.

Across our operations, we foster a culture of inclusion through our **employee resource groups (ERGs)** such as those for women and veterans. These groups support, take part in, and create a variety of activities that promote inclusion and awareness. For example, our groups have supported Heritage Month celebrations and entered partnerships for events such as Pride Month.

We strive to engage our employees by listening to them, discussing career paths with them, and giving them the opportunity to grow through training and development programs.



We grow our own talent through mentoring, coaching, and executive leadership programs, peer rotation programs, and technical training and development. Each of our corporate employees receives an average of 60 hours of training per year.

In 2022, *Forbes* ranked HII at #11 among large companies on its list of Best Employers.

Our three divisions hire thousands of employees each year. In 2021, we hired nearly 6,000 new employees. To help us meet this large demand for talent, we have worked to create, develop, and maintain multiple talent



pipelines. Our nationally renowned Apprentice School at Newport News Shipbuilding has had over 14,000 graduates since they opened their doors in 1919. The school is approved by the State Council of Higher Education to operate as a post-secondary higher education institution and as an accredited associate degree granting institution. In 2019, the school launched a pre-apprenticeship, Youth Builders and Apprentice X Program, in which over 40 high school students have participated. The school operates a night school program that offers learning opportunities to all shipbuilders. The school is critical to training both our trade and technical workforces, as well as developing the future leaders of our Company.

We have also developed longstanding relationships with local community colleges. The Ingalls Shipbuilding Apprentice School, opened in 1952, has partnered with the Mississippi Gulf Coast Community College to permit their apprentices to earn credits toward an associate's degree.



“Because our employees are our most valuable and essential resource, we will not compromise on maintaining a safe and healthy work environment for them. We care about the well-being and success of our workforce. It’s our duty to ensure our workers go home healthy and injury-free at the end of each workday.”

– **Edmond Hughes**, HII Executive Vice President and Chief Human Resources Officer

HEALTH AND SAFETY

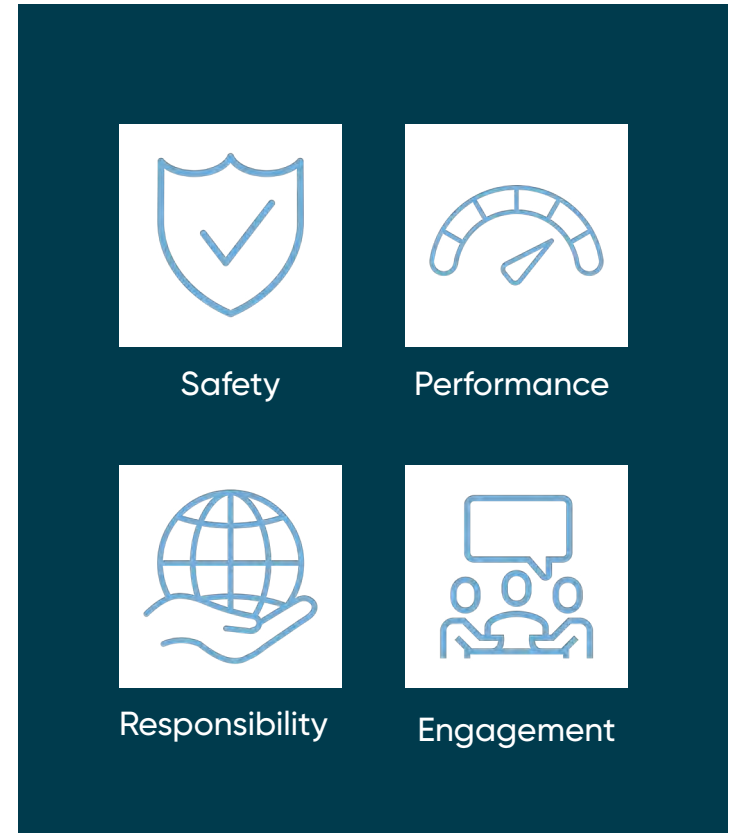
Our Health and Safety Environment

Our safety culture extends throughout every level of the organization, from deck plate workers to our CEO.

Personnel are responsible for their safety and the safety of their colleagues and are supported by worker health and safety task teams, production foremen, and designated project personnel. We encourage employees to stay alert, tell the truth about what they see or hear, and report any violations immediately. HII has multiple channels by which to address potential hazards, address potential risks and thoroughly investigate and learn from incidents. For example, shipbuilders at Ingalls Shipbuilding participate in the “Take Five” pre-job inspection program. Prior to entering a job, the work areas are reviewed to ensure they are free of recognized safety hazards, or all

required hazard controls are in place, and foremen and craft employees document their concurrence of such with a signature. We want our employees to be able to address problems before they endanger themselves and/or their colleagues. This pre-job inspection eliminates hazards in order to protect our employees.

Our Company’s operations shape our safety system. We engage our stakeholders throughout the process and empower our employees to proactively evaluate and modify processes. All of our divisions have policies and guidelines that address health and safety-related risks, responsibilities, management, and procedures. Each policy and procedure is unique to the division, as our divisions have different operations and thereby different health and safety concerns. Our shipbuilding divisions, for example, conduct joint safety walk-throughs with customer representatives, health and safety supervisors, and responsible area management.



While safety is everyone's responsibility, our team has partnered with insurance companies and trade organizations to help reduce injuries and set injury reduction goals for select business units. For example, we have set concrete safety goals for safety metrics to factor into incentive bonus plans.

We're proud to report that we have one of our industry's lowest total case rates in the nation.

We've reduced our injuries over the past 11 years – amid severe weather, economic and hiring challenges, and COVID-19.

Health and Safety Beyond Our Employees

All subcontractors, vendors, customers, and visitors are required to comply with the same safety regulations and directives, occupational safety and health standards, and environmental policies that apply to HII employees. Our corporate policies are readily available on our website. In addition to this, our [Supplier Code of Conduct](#) also reinforces health and safety.

The programs, policies, and procedures of our Safety Management System:

- Require management leadership
 - Encourage worker participation
 - Necessitate the identification of hazards
 - Proactively guide hazard prevention and control
 - Include ongoing employee education and training
 - Continually evolve
-



Our Response to COVID-19

Despite the challenges of the ongoing pandemic, HII divisions remained open and productive. We quickly pivoted to teleworking for employees who could effectively perform their jobs remotely. We provided the safest possible work environment for those who could not work remotely. We devoted additional resources to our online newsletter to ensure our colleagues are able to stay up to date on the latest COVID-19 news.

At Ingalls Shipbuilding and Newport News Shipbuilding, we offered onsite rapid COVID-19 testing, onsite vaccinations, deep cleaning of high-exposure areas, and rigorous criteria for returning to work.

At Mission Technologies, we adhered to CDC guidance on workplace cleaning and pre-screening requirements for visitors. Our crisis management team coordinated communications on COVID-19 incidents and workforce exposure, contact tracing, and criteria for return-to-work requirements.



“Our focus on diversity and inclusion is important for our employees and our business. By creating and sustaining a diverse workforce and an inclusive workplace, we are genuinely demonstrating our values of respect, integrity, and engagement.”

– **Edmond Hughes**, HII Executive Vice President and Chief Human Resources Officer

DIVERSITY AND INCLUSION

Diversity and inclusion are not stand-alone ideals at HII – they are part of our values. Our corporate values (integrity, safety, respect, engagement, responsibility and performance), our **Code of Ethics and Business Conduct**, and our communications and training guide us and serve as reminders that trust and respect are the foundation for an inclusive environment. At HII, we expect everyone to treat others with empathy, dignity and compassion.

We gain a key competitive advantage by building a community that values contributions and perspectives from a variety of backgrounds, skills, and experiences, regardless of race, ethnicity, color, religion, sex, disability, nationality, sexual orientation, gender identity, age, and veteran status. Our leaders leverage the differences within their teams and continuously build a collaborative culture of inclusion.

We believe that an equitable and inclusive work environment improves our business performance and creates long-term value for our employees, customers, shareholders, communities, and suppliers.

Diversity and Inclusion Leadership

We shape our culture of diversity and inclusion from the top down and the bottom up. We’re a signatory for the CEO Action for Diversity & Inclusion, the largest CEO-driven business commitment to advancing diversity and inclusion in the workplace. Our Diversity and Inclusion Councils, led by senior executives and staffed by high-performing employees from across our operations, provide strategic direction, guidance, and advocacy. Finally, we use employee surveys and focus groups to assess progress and identify opportunities. The results influence our strategic plans and actions.

The graphic consists of a dark teal rectangular background. Inside, there are six white square icons arranged in a 3x2 grid. Each icon is centered in its square and has a corresponding label below it in white text. The icons and labels are:

- Top-left: A globe held in two hands, labeled "Responsibility".
- Top-right: A pair of scales of justice, labeled "Integrity".
- Middle-left: Two hands shaking in a firm grip, labeled "Respect".
- Middle-right: Three stylized human figures with speech bubbles above them, labeled "Engagement".
- Bottom-left: A semi-circular gauge with a needle pointing to the right, labeled "Performance".

Creating an Inclusive Workplace

Our employee-led employee resource groups (ERGs), which are open to all, drive our corporate culture and are a key element of our diversity and inclusion strategy.

Led by executive sponsors, ERGs provide opportunities for personal and professional development, leadership, mentoring, volunteerism, networking, cultural enrichment, and community involvement. ERG members also support recruiting efforts, provide input on Company initiatives like our benefits programs, and offer insights into issues like the political climate around race and how it has affected them in the workforce.



Ingalls Shipbuilding ERGs

- African American Shipbuilders Association (AASA)
- Asian & Pacific Islander Shipbuilding Association (APSA)
- Generational Integration Focus Team (GIFT)
- Veteran Employee Resource Team (VERT)
- Hispanic Outreach & Leadership Alliance (HOLA)
- Women in Shipbuilding Enterprise (WISE)
- Shipbuilding Women Engineers (SWE)
- Ingalls Shipbuilders Equality Alliance (ISEA)
- Ingalls Shipbuilders Health is a Priority (iSHIP)

Inclusion and diversity is part of our cultural fabric. Compensation is tied to diversity and inclusion metrics and can be found in our Proxy Statement.

Mission Technologies ERGs

- Women in Business (WiB)
- Veteran Alliance Network (VAN)

Newport News Shipbuilding ERGs

- African American Shipbuilders Association (AASA)
- Asian Shipbuilders Including All Nationalities (ASIAN)
- FitNNS
- Generational Integration Focus Team (GIFT)
- Hispanic Outreach & 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)

Inclusive Hiring Practices

To build an inclusive workforce, we partner with Historically Black Colleges and Universities (HBCU), veterans' organizations and organizations that support the hiring of individuals with disabilities. Some of our divisions have recruiters focused exclusively on hiring veterans and individuals with disabilities. All divisions have a requirement to include a diversity candidate on management and director interview slates.

We're proud of our long heritage of hiring veterans, who understand how our work takes dedication, teamwork, and perseverance, and we have received numerous awards for our efforts in this area.

We're also proud of our sponsorship and recruitment efforts at several STEM diversity conferences, such as Black Engineer of the Year Awards, Women of Color, the Society of Hispanic Professionals and Engineers, Society of Women Engineers Conference, and Society of Asian Scientists and Engineers.

Treating Each Other with Empathy, Dignity, and Compassion
 Our "Gender Transition in the Workplace" initiative provides support to employees considering or undergoing gender transition and guidance to leaders and coworkers to help them understand their responsibilities.

A quarterly webinar by our Newport News Shipbuilding division grew into a company-wide series of panel discussions for engagement and inclusion. Our 2022 theme: "Today's Decisions Set the Stage for Tomorrow's Realities."



Women of Color and the Society of Asian Scientists and Engineers STEM Conferences have recognized more than 20 HII employees since 2019, including six achievement awards and two peer-reviewed winners this year.

“Helping the communities where we work and live is part of our strong HII culture. While we provide support all year long, in the Mission Technologies division we also celebrate a Global Day of Caring. This day truly brings to light the breadth of support we provide our communities across the globe. It is a proud moment to see the smiling faces of our employees engaged in this work.”

- **Melanie Anderson**, Senior Vice President, Human Resources, Mission Technologies

COMMUNITY ENGAGEMENT

As the largest employer in two states, with 44,000 employees all over the world, we are deeply invested in the communities where we do business and our employees live, in areas from workforce development to early childhood education and beyond. We want to be known as a company that builds strong people and strong communities, across the generations.

A Vision of Community Transformation

We contribute millions of dollars each year as a Company to charitable programs in education, health, human services, veterans, and the military and the arts, give to organizations such as the United Way and sponsor events that benefit organizations such as the American Red Cross, Habitat for Humanity, Special Olympics, and the United Service Organizations (USO).

Giving at HII is not one or two isolated activities. It’s an overarching story – and a story that many people don’t know. We give because that’s who we are and because we are in service to our nation and communities.

Our employees enthusiastically collaborate to support hundreds of organizations. They lend their time and talents to make their respective communities places where others want to live and work. They serve on non-profit boards, volunteer their time, and make their own charitable donations. Our Newport News employees donated over 8,000 school supplies during the annual School Tools Drive. Additionally, Newport News introduced middle and high school students, and their parents, to shipbuilding careers at our Future Shipbuilder Discover Day event.

We make it a point to highlight our employees' efforts, and we're proud of their work. These volunteers embody our corporate values and they prove, every day, that ships and services are just a part of what we contribute to the world.

Our community involvement is an important part of our overall culture: a culture of forging mutually beneficial relationships with our suppliers, a culture that gives back while meeting shareholder expectations, and a culture dedicated to delivering products and services of exceptional quality.

A small team of corporate employees
in HII's Washington, D.C., office donated
nearly

\$2,200

to Community of Hope for the 2021
Holiday Cheer Campaign, which provides
gift cards to families living in the
Community of Hope's housing program.



Building Skills and Careers

Because we believe education is the foundation of our nation's security, we proudly support a variety of initiatives in early education initiatives and STEM (science, technology, engineering, and math). You'll find us at elementary schools, middle schools and high schools, and at two- and four-year college programs that support our workforce development needs.

Since its establishment in 2015, the Huntington Ingalls Industries Scholarship Fund has awarded or renewed more than 980 scholarships totaling more than \$2 million, including more than 221 awards for pre-K education programs. These scholarships have helped employees in areas from compliance to engineering

continue with career-building education and helped younger students get a head start on their futures. Former HII President and CEO Mike Petters donated all of his annual salary except \$1 to fund the Scholarship Fund.

"You can do anything you want if you just imagine it," one recipient of a scholarship for early education told us.

Finally, our commitment to the Armed Forces and their families extends well beyond the ships we build and maintain for the U.S. Navy, Marine Corps and Coast Guard. Our more than 8,000 military veterans represent nearly 15% of our workforce, and this figure doesn't even include current members of the Reserves and National Guard. Looking ahead, we are committed to filling more than 20% of new jobs with veterans.

Supporting Education in the Communities We Serve

Recently, HII:

- Mentored middle school students through our SEEKnns' Girls with Engineering Minds in Shipbuilding program and hosted a visit to the Brooks Crossing Innovation Lab (prior to COVID-19 restrictions).
- Awarded more than \$99,000 in grants to implement STEM education initiatives in their schools in Mississippi and Alabama.
- Hosted a Global Day of Caring in Orlando featuring new technologies, including a virtual reality simulation trainer.



Investing in Our Communities

Our teams live in, raise families in, and contribute to the communities near our operations. By protecting and investing in communities, we invest in our employees, our Company and our nation's security and freedom. For example, part of the work at Ingalls Shipbuilding requires skilled welders to join our team and as such, we hire recent graduates from a local welding program. During a routine new-hire survey, we asked about the transition into Ingalls Shipbuilding and found that many were having difficulty navigating our new personal protective equipment (PPE) and welding equipment. Our team not only trained the individuals, but also looked for a long-term sustainable solution and found a unique answer. While visiting the local welding school, Ingalls Shipbuilding leaders saw students working with dated equipment. As a solution, Ingalls Shipbuilding renovated the school's welding room to include new state-of-the-art equipment and PPE. This solution has had a multitude of positive results: our new hires are familiar with our equipment, making the transition smooth; local students have found an interest in the welding program at the school, and it's created a multi-generation employment opportunity since many of our current employees' children attend this school. This success story shows the importance of listening to our team and investing in our team and their communities.



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Protecting our Resources

Protecting Our Resources

“By protecting and efficiently using resources, we minimize our environmental impact and help safeguard environmental freedom: the freedom to have clean drinking water and uncontaminated air, soil, homes, and community areas.”

– **Paul C. Harris**, HII Executive Vice President and Chief Sustainability and Compliance Officer

We take our Company value of responsibility seriously; this means we hold ourselves responsible for protecting shared resources and the environment.

We are environmentally responsible in the design and provision of our products and services, in the operation of our facilities, in the selection of suppliers, and while engaging in our business activities. We comply with all applicable environmental laws and regulations, as well as our voluntary commitments to sustainable practices and environmental protection.

Heavy construction, resource use, and electricity use are an inherent part of HII's business. As the nation's largest military shipbuilder, we take responsibility for the environmental impact of our operations and make environmental management a priority.

Across our three divisions, we proactively use state-of-the-art technologies and knowledge to protect and preserve our natural resources – and we consistently see results. Through environmental stewardship, waste minimization, and pollution prevention activities, we minimize the quantity of pollutants we release into the local air, water, and landfills. Several of our programs go above and beyond what is required, and we've received numerous awards and recognitions



Integrity



Responsibility



Engagement



Performance



Safety



Respect

for environmental compliance, as well as our reductions in water consumption, air emissions, solid waste generation and energy consumption. We educate our employees and communities on why environmental challenges are important and why we must act.

OUR ENVIRONMENTAL MANAGEMENT SYSTEM (EMS)

Our proactive Environmental Management System (EMS) guides our mitigation efforts in a broad range of areas that include mitigating the risk of spills, optimizing waste management, and implementing improvements to meet new compliance requirements. Our Environmental Management System has been ISO-14001 certified at our Newport News Shipbuilding division – a formal acknowledgment of our robust team and environmental strategy.

Dedicated groups at our facilities have primary responsibility for driving improvements in energy efficiency and energy management. For example, at Newport News Shipbuilding our Energy Team meets bi-weekly to manage and coordinate activities related to managing leaks in our compressed air systems, upgrading lighting and HVAC systems, promoting energy awareness throughout the Company, and implementing process improvements in our intricate energy systems, such as our industrial process ventilation systems. Energy Team efforts have resulted in significant energy

use reductions, achieving a cumulative energy use reduction of approximately 55,000,000 kWh since 2016.

In keeping with our Company values of safety, responsibility, and integrity our division leadership regularly reviews the EMS to discuss air emissions, utility operations, and compliance issues, such as inspection results, audit results, notices of violations, and nonconformance.

We have taken proactive measures in building and maintaining trust with our regulators in order to foster good standing relations. One way we do this is through regular communications with regulators including the U.S. Environmental Protection Agency, state Departments of Environmental Quality, local public treatment facilities, and the United States Coast Guard.

Our commitment to the environment and our employees includes general training on environmental awareness. In compliance with ISO 14001 requirements at Newport News Shipbuilding, we train employees who work in areas with significant environmental aspects (SEAs) on ways to prevent the SEAs from impacting the environment. To further remind our employees of our environmental stewardship, at Newport News shipbuilders receive ISO 14001 Badge Cards summarizing our environmental policy. We also conduct job-specific training for environmental awareness and risk mitigation. Waste management personnel, for

example, learn how to manage the hazards associated with waste streams.

To reinforce our commitment to performance – high standards, quality and continuous improvement – we extend our environmental management efforts beyond our employees. We keep contractors informed about our EMS and other expectations through our Environmental Health & Safety Contractor’s Handbook.

A simple acronym helps us keep environmental management top of mind:

SOAR.

Stop pollution.

Obey rules.

Always improve.

Reduce waste.

ENERGY AND GREENHOUSE GAS (GHG) MANAGEMENT

Energy efficiency programs and technologies throughout our operations help us uphold our responsibilities to our communities, customers, employees, stakeholders, and investors. At our Ingalls Shipbuilding division, we use **EnergyCAP** software to monitor and track utility usage and commodity costs and use this data for GHG measurement. Ingalls Shipbuilding further optimizes energy usage through proactive efforts such as replacement of industrial light fixtures and use of monitoring software for scheduling and controlling lighting and HVAC systems.

Understanding the interests of our stakeholders has led us to take responsibility and track our GHG emissions at our different divisions. We currently account for seven greenhouse gases (GHGs) – CO₂, CH₄, N₂O and the fluorinated gases HFC, PCF, SF₆, and NF₃. Tracking these emissions has been the first step in improving our Company performance. Next steps include accurately analyzing the data, examining potential future GHG management goals, and factoring our customers' requirements into how we handle GHG emissions and fuel economy. We plan to obtain a baseline measurement for enterprise Scope 1 and 2 emissions by the end of 2023, followed by an analysis of options for concrete GHG emissions reductions goals, which we plan to communicate to stakeholders.

Fuel economy affects a vessel's maximum endurance at sea and our customers' ability to perform their mission to safeguard our nation. As part of our commitment to our customers, and to our Company values of performance and responsibility, we develop products with the high endurance capabilities necessary to give our customers strategic, tactical and protective advantage, while simultaneously addressing GHG emission management.

Our approach to energy and GHG management is a "win-win" approach because it enables us to improve our Company performance while upholding our Company values. We determine our GHG reduction and fuel economy activities through an economic and business lens, continually analyzing potential benefits. Our approach lies at the intersection of practicality and high performance. We leverage pragmatic economic and environmental opportunities to work toward our goals of long-term performance and results.



Nuclear Power and Carbon Reduction

Nuclear power is highly technical, heavily regulated, and hard to do. In fact, we are one of only two companies 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. A nuclear propulsion system uses zero fossil fuels to propel a 100,000-ton ship through water at fast speeds, while also powering the ship's complex electrical, steam, and cooling systems. By comparison, a conventionally powered (diesel-electric) aircraft carrier, with similar specifications to the CVN 78 Ford Class, generates millions of metric tons of GHG emissions over a 50-year service life.

The diesel/gas hybrid propulsion system on our LHA 6 America ships consumes approximately 25,000 fewer gallons of fuel per day than the system used in our LHD 1 Wasp-class ships. This savings adds up to about 18 million fewer metric tons of GHG emissions over the service life of the ship.

Energy Efficiency for the Technologies of Today – and Tomorrow

Using energy in the most efficient manner possible is the right thing to do for our Company and for our stakeholders.

To reduce energy usage costs, we collect data about the operation of our equipment and optimize our systems, from HVAC controls to air compressor operations, throughout our facilities and use real-time data monitoring to track and better manage our energy usage. We seek out energy management opportunities across our operations to better align each use case with the most appropriate technology, and by converting mobile equipment from diesel to electric battery power.

Newport News Shipbuilding converted our steam generating facility from fuel oil number 6 to natural gas. This conversion saved approximately 34 metric tons of particulate matter, 554 metric tons of sulfur dioxide, 91 metric tons of nitrogen oxides, 16,000 metric tons of GHG per refueling and complex overhaul (RCOH) – and roughly \$53,500 in emissions fees per RCOH.

We consider energy-efficient operations essential to improving our Company performance. The next generation of weapons and sensors technology requires increased levels of electricity generation and thermal cooling. With this challenge in mind, our engineers are exploring ways to efficiently convert fuel into electrical or thermal energy.

Zero Reportable Spills per Resource Conservation and Recovery Act Thresholds

Over the past year, Newport News Shipbuilding reduced energy consumption by 2,500,000 kwh through the use of LED lighting in new facilities and the replacement of existing lighting with LED fixtures, and by 2,900,000 kwh by repairing compressed air leaks.

At Ingalls Shipbuilding, the LED lighting project resulted in the replacement of over 16,000 industrial light fixtures throughout the facility, reducing power requirements from 4.2 megawatts to 2.0 megawatts.

PROTECTING AND PRESERVING WATER

Water is vital to our operations. We use it both for sanitary and drinking purposes and for the products we build. For this reason, we conserve, safeguard, and value water accordingly. We protect our shores through regular maintenance and upgrades along our gulf interfaces. Proper shoreline protection safeguards

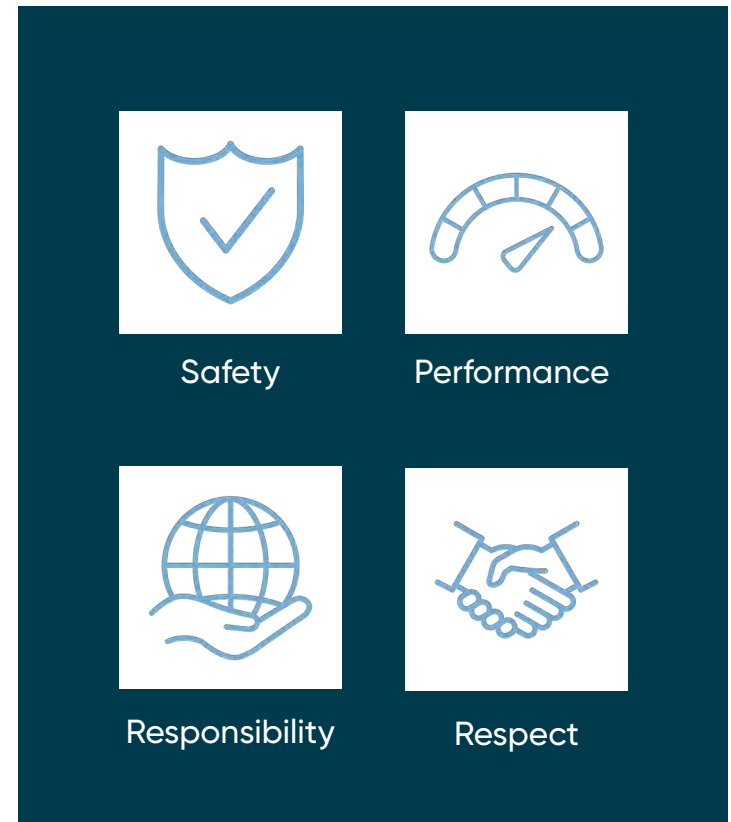
against erosion, helps stabilize sediments, and is also accessible for debris removal after heavy weather. The addition of rolling covers in our Ingalls Shipbuilding facility prevent runoff of copper and zinc in shipyard storm water, resulting in about 51.8% and 67.2% reductions based on 2014 as a baseline.

Ingalls Shipbuilding’s water treatment facility provides over 1.2 million gallons of potable and high-pressure fire water each day.

We protect water quality through onsite treatment plants, such as our Chemical Waste Treatment Plant and Oily Waste Treatment Facilities at Newport News Shipbuilding.

When Newport News Shipbuilding converted the water-cooling systems for our 2,500-ton and 1,000-ton presses from continual-feed to closed-loop, the shipyard estimates that we reduced our consumption of city water by over 1 million gallons a year.

At Newport News Shipbuilding, we have implemented over a dozen major projects to repair and replace underground fire protection and potable water piping. This has reduced annual water consumption by 74.8 million gallons since 2004, for an estimated \$384,786 savings on city water each year through 2020. Adding to this savings, our engineering and facilities groups recycled 180,191,931 gallons of steam condensate from 2015–2020.



“Being a shipyard on the Gulf Coast that delivers exceptional ships to the U.S. Navy and Coast Guard means continuously considering the vital relationships we have with our communities and the ways we can protect and preserve our coastlines and waterways. With a number of ships always in production, Ingalls Shipbuilding is constantly focused on innovative ways to minimize waste, reuse materials, and recycle the wide ranging products used throughout our facility. 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

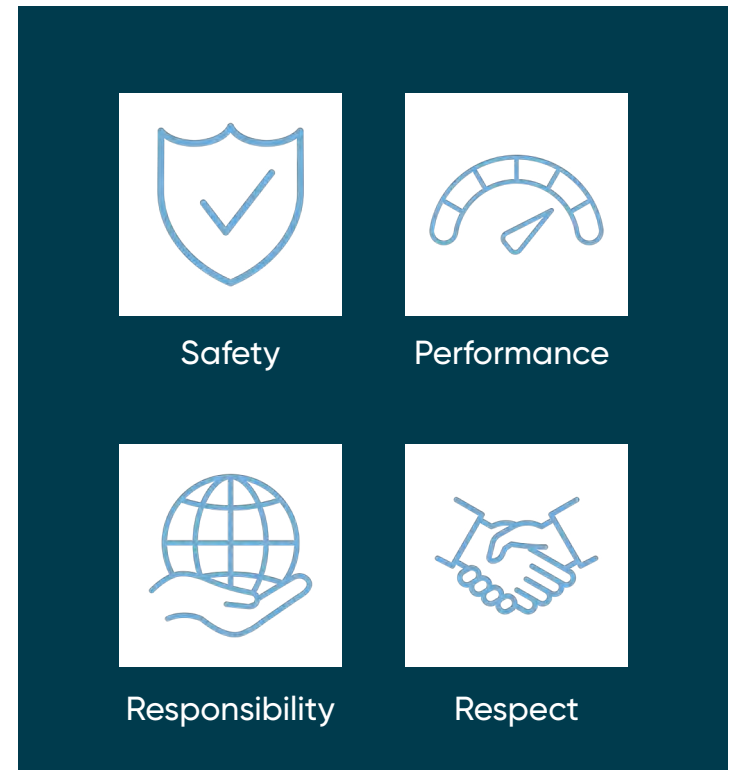
MANAGING WASTE COLLABORATIVELY AND EFFICIENTLY

We pride ourselves on our ability to reuse and recycle material and collaboratively communicate waste management priorities across our operation. Such proactive waste management aligns us to our stakeholders’ vision of sustainable communities and sharpens our business performance through the lean, improved processes we use in these activities.

Throughout our three divisions, we continually evaluate our production processes and waste streams. We explore the use of less toxic materials when possible. Wherever feasible, we divert waste from traditional disposal and destruction processes to beneficial reuse. For example, Ingalls Shipbuilding recycles approximately

40,000 gallons of used oil annually. Instead of the oil ending up as waste, it is recycled into products used in the community, such as asphalt or fuel.

Our onsite treatment plants, such as the Chemical Waste Treatment Plant and Oily Waste Treatment Facilities at Newport News Shipbuilding, enable us to treat waste at our facilities. This upholds our commitment to the environment and responsibility to the community by decreasing the volume of waste we transport on public roads and discharge to the local publicly-owned treatment works facility. Waste that is shipped offsite is loaded efficiently, also minimizing the quantity of trucking required. This has a variety of benefits to many stakeholders. For example, it reduces the risk of spills and decreases GHG emissions associated with transport



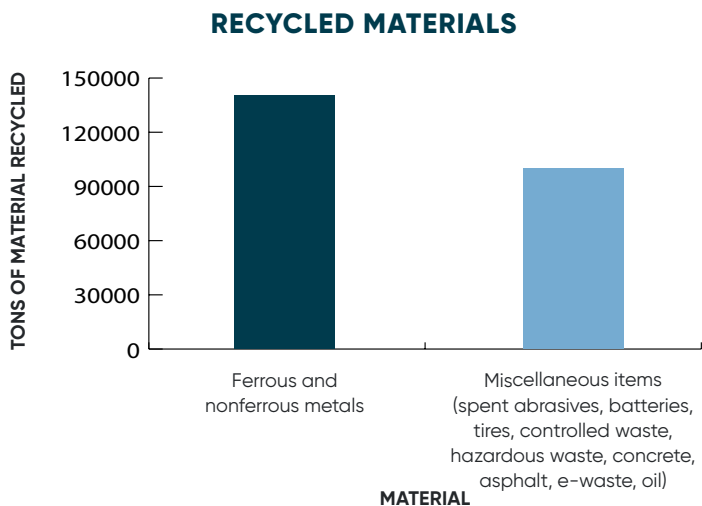
which both could negatively impact the environment. Additionally, it reduces community disturbance from heavy vehicles traveling through the area.

In keeping with our mission to protect shared resources and the environment, we have implemented recycling and reuse programs to conserve natural resources, save energy, reduce greenhouse gas emissions and keep

limited landfill space available for the future. We recycle or repurpose much of the waste our operations generate.

For example, through initiatives like our scrap metal recycling programs, we have recycled over 140,126 tons of ferrous and nonferrous metals and over 99,973 tons of miscellaneous items such as spent abrasives, batteries, tires, controlled waste, hazardous waste, concrete, asphalt, e-waste, and oil.

We have reused over 112.64 tons of pallets through our pallet reuse program, as well as more than 186 drums and over 56,292 tons of miscellaneous items such as solid waste and wood-to-waste, clean dirt, e-waste, and wood used to make mulch.



Our environmental engineering department's soil characterization program diverted waste to beneficial reuse at the local municipal landfill and resulted in over \$750,000 in savings in 2021.

Ingalls Shipbuilding is enrolled in a national consolidation program of refrigerant recovery. Every pound of refrigerant reclaimed reduces the environmental impact of creating additional virgin gas, protecting the planet from ozone-depleting substances.

At Newport News Shipbuilding, two wastewater pre-treatment plants remove oily waste and chemical waste to ensure water meets permit discharge compliance requirements before it goes to a publicly-owned treatment plant. An onsite hazardous waste contractor manages and packages waste to minimize shipments and reuse and recycle when possible.

Environmental Compliance

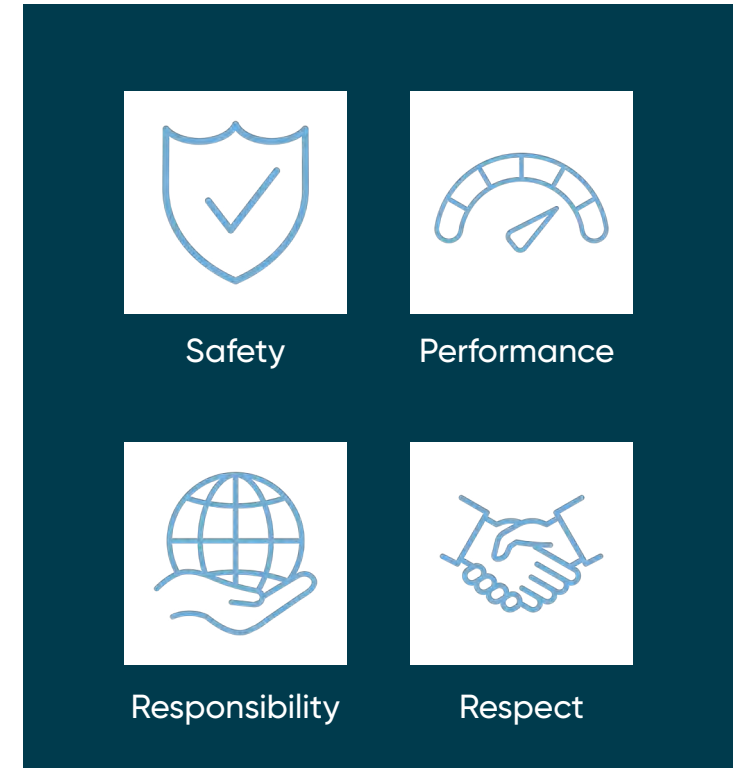
Environmental compliance is core to being responsible and taking accountability for what we do and for doing the right thing. Integrity is at the heart of who we are and what we do. It is also critical to our relationships with employees, customers, regulators, and the communities in which we do business.

As part of our environmental compliance review, we evaluate all required monitoring and recordkeeping on a regular basis. Environmental compliance is one of our core processes and is integrated into the overall compliance system and culture. Our compliance record and results reflect the resoluteness of our commitment. In April 2021, our Newport News EPA inspection reported no findings of non-compliance, and our ISO-14001 compliant Environmental Management System was recertified. Additionally, our Ingalls Shipbuilding division has maintained no findings of non-compliance for the last three years.

Several of our programs to prevent or control pollutants exceed regulatory requirements. The Mississippi Department of Environmental Quality named Ingalls Shipbuilding among its **Class of 2022 enHance Program Leaders**, which is the highest level. The program promotes environmental stewardship by recognizing committed environmental leaders and requires a history of strong environmental compliance for membership. Newport News Shipbuilding is recognized

within the **Virginia Environmental Excellence Program** as an “Extraordinary Environmental Enterprise Level 4 participant,” the highest program level and was renewed in March 2021. Other recognitions include:

- Annual Coast Guard Compliance Inspection at our Ingalls Shipbuilding facilities received exceptional ratings
- In 2022, Mississippi Department of Health inspection showed the highest drinking water ratings for 15+ years
- Our Ingalls Shipbuilding facilities have received perfect environmental compliance ratings for the past three years
- We have earned a Diamond Award from the Hampton Roads Sanitation District for Outstanding Environmental Compliance for 12 straight years (North Yard permit) at Newport News Shipbuilding
- We have received the Gold Award for Outstanding Environmental Compliance Record for four years of perfect compliance (Main Yard) at Newport News Shipbuilding
- We earned the 2021 **Governor’s Environmental Excellence Award Silver Medal in the Sustainability Program** category for reductions in water consumption, air emissions, solid waste generation, and energy consumption at Newport News Shipbuilding



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Disclosures

HII GRI INDEX		
GRI STANDARD	DISCLOSURES	ANSWER, CROSS-REFERENCE, OMISSIONS, AND EXPLANATIONS
General Disclosures		
GRI 2-1	Company Details	About this Report (pg. 2)
		2022 10-K (pg. 1-6)
		About HII (pg. 5)
GRI 2-2	Entities included in the organization's sustainability reporting	About HII (pg. 5)
		2022 10-K (pg. 1-6)
GRI 2-3	Reporting period, frequency and contact point	About this Report (pg. 2)
Activities and workers		
GRI - 2-6	Activities, value chain and other business relationships	2022 10-K (pg. 1-6)
Governance		
GRI 2-9	Governance structure and composition	2022 Proxy Statement (pg. 17-18)
GRI 2-10	Nomination and selection of the highest governance body	2022 Proxy Statement (pg. 17-18)
GRI 2-11	Chair of the highest governance body	The chair of the highest governance body at HII is the chairman of the Board of Directors.
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	2022 Proxy Statement

HII GRI INDEX

GRI STANDARD	DISCLOSURES	ANSWER, CROSS-REFERENCE, OMISSIONS, AND EXPLANATIONS
General Disclosures		
GRI 2-13	Delegation of responsibility for managing impacts	<p>2022 Proxy Statement</p> <p>Our CSO anticipates reporting to the Board of Directors at least annually on the management of the organization's impacts on the economy, environment, and people. Other senior executives augment this process with regular board reports.</p>
GRI 2-14	Role of the highest governance body in sustainability reporting	The Board of Directors has reviewed and approved the organization's material topics included in this report. As this is HII's first formal Sustainability Report, which serves as a "bridge report" (i.e., more data than provided before but not as quantitative as anticipated for future reporting), HII has not established whether or how the Board will review the information in future reports.
GRI 2-15	Conflicts of interest	2022 Proxy Statement (pg. 28)
GRI 2-16	Communication of critical concerns	HII Code of Ethics and Business Conduct (pg. 13, 15, 16)
GRI 2-17	Collective knowledge of the highest governance body	Securing Our Business (pg. 14)
GRI 2-18	Evaluation of the performance of the highest governance body	2022 Proxy Statement (pg. 28-29)
GRI 2-19	Remuneration policies	2022 Proxy Statement (pg. 72-88)
GRI 2-20	Process to determine remuneration	2022 Proxy Statement (pg. 23, 45)
		All publicly disclosed information relating to financial results are filed with the SEC and are made publicly available.
GRI 2-21	Annual total compensation ratio	2022 Proxy Statement (pg. 72)

HII GRI INDEX		
GRI STANDARD	DISCLOSURES	ANSWER, CROSS-REFERENCE, OMISSIONS, AND EXPLANATIONS
General Disclosures		
Strategy, policies and practices		
GRI 2-22	Statement on sustainable development	Message from Chris Kastner (pg. 3)
GRI 2-23	Policy commitments	Securing Our Business (pg. 14)
		HII Code of Ethics and Business Conduct
		2022 Proxy Statement (pg.30)
		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 (pg. 14)

HII GRI INDEX

GRI STANDARD	DISCLOSURES	ANSWER, CROSS-REFERENCE, OMISSIONS, AND EXPLANATIONS
General Disclosures		
GRI 2-25	Processes to remediate negative impacts	<p>We determine the level of our participation and cooperation in the remediation of negative impacts that we may have caused or contributed to on a case by case basis with a standing commitment to honest and fair dealings.</p> <p>We have established an OpenLine system to identify and address grievances. This system is managed by the Ethics organization and is available to employees 24/7, including anonymous reports. We investigate reported grievances and have articulated a non-retaliation policy in our Code of Ethics and Business Conduct.</p> <p>We determine the level of our participation and cooperation in the remediation of negative impacts that we may have caused or contributed to on a case by case basis with a standing commitment to honest and fair dealings.</p> <p>The OpenLine system is modeled on industry best practices and is similar to grievance mechanisms used by many in the Company. Employees are involved in review and improvement of these mechanisms through Ethics surveys and through regular engagement with Ethics personnel. The system is operated by a third-party to protect employee privacy and confidentiality.</p> <p>We determine the effectiveness of the OpenLine system through a combination of establishing and tracking key performance indicators, evaluating feedback from employees, and benchmarking performance against peer companies.</p>
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 regulations. Any significant non-compliance incidents would be reported in our 2022 10-K .
GRI 2-28	Membership associations	2022 10-K

HII GRI INDEX		
GRI STANDARD	DISCLOSURES	ANSWER, CROSS-REFERENCE, OMISSIONS, AND EXPLANATIONS
General Disclosures		
GRI 2-29	Approach to stakeholder engagement	Employee Engagement (pg. 35)
GRI 2-30	Collective bargaining agreements	We do not determine the working conditions and terms of employment of non-represented employees based on collective bargaining agreements that cover our represented employees or based on collective bargaining agreements from other organizations. 2022 10-K (pg. 112) .
Material Topics		
GRI 3-1	Process to determine material topics	With the support of a third-party consultant, we conducted a materiality assessment to identify top ESG priorities of our internal and external stakeholders. The assessment surveyed a variety of stakeholders to better understand how important each material topic may be to them and the business.
		The following stakeholders' views were included in the process of determining material topics: <ul style="list-style-type: none"> - Employees - Senior Management - Board Members - Investors/shareholders
GRI 3-2	List of material topics (incl. any changes from previous reporting period)	<ol style="list-style-type: none"> 1. Diversity, Equity, and Inclusion 2. Energy and GHG Management 3. Supply Chain Mgmt. 4. Environmental Compliance 5. Employee Engagement 6. Ethical Conduct 7. Community Relations 8. Health & Safety 9. Product Quality & Safety
GRI 3-3	Managing Material Topics	Securing Our Business (pg. 14) Protecting Our Resources (pg. 32) Building Our Communities (pg. 47)

HII GRI INDEX		
GRI STANDARD	DISCLOSURES	ANSWER, CROSS-REFERENCE, OMISSIONS, AND EXPLANATIONS
Material Topics		
Securing Our Business		
Anti-corruption		
GRI 205-1 (2016)	Operations assessed for risks related to corruption	We have assessed all of our operations for risk of corruption.
GRI 205-2 (2016)	Communication and training about anti-corruption policies and procedures	Securing Our Business (pg. 14)
Diversity and Equal Opportunity		
GRI 405-1 (2016)	Diversity of governance bodies and employees	2022 Proxy Statement
GRI 405-2 (2016)	Ratio of basic salary and remuneration of women to men	2022 Proxy Statement
Building Our Communities		
Employment		
GRI 401-1 (2016)	New employee hires and employee turnover	Employee Engagement (pg. 35)
GRI 401-3 (2016)	Parental leave	2022 10-K (pg. 26)

HII GRI INDEX

GRI STANDARD	DISCLOSURES	ANSWER, CROSS-REFERENCE, OMISSIONS, AND EXPLANATIONS
Material Topics		
Occupational Health and Safety		
GRI 403-1 (2018)	Workers representation in formal joint management–worker health and safety committees	Health and Safety (pg. 37)
GRI 403-5 (2018)	Worker training on occupational health and safety	Health and Safety (pg. 36)
GRI 403-6 (2018)	Promotion of worker health	Health and Safety (pg. 35)
GRI 403-7 (2018)	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and Safety (pg. 39)
GRI 403-8 (2018)	Workers covered by an occupational health and safety management system	Health and Safety (pg. 37)
GRI 403-9 (2018)	Work-related injuries	2022 10-K (pg. 27)
Training and Education		
GRI 404-1 (2016)	Average hours of training per year per employee	Employee Engagement (pg. 35)
GRI 404-2 (2016)	Programs for upgrading employee skills and transition assistance programs	Employee Engagement (pg. 35)

HII GRI INDEX		
GRI STANDARD	DISCLOSURES	ANSWER, CROSS-REFERENCE, OMISSIONS, AND EXPLANATIONS
Material Topics		
Local Communities		
GRI 413-1 (2016)	Operations with local community engagement, impact assessments, and development programs	Community Engagement (pg. 43)
Protecting Our Resources		
Energy		
GRI 302-4 (2016)	Reduction of energy consumption	Our Environmental Management System (pg. 48)

HII has reported with reference to the GRI Standards for the 2022 Sustainability Report's reporting period.

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) DISCLOSURE 2021

ENERGY MANAGEMENT

RT-AE-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	(1) 2,697,685 GJ, (2) 87.82% (3) 0.03%
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HAZARDOUS WASTE MANAGEMENT

RT-AE-150a.1	Amount of hazardous waste generated; percentage recycled	(1) 516.35 Metric Tons, (2) 325.90 Metric Tons recycled or 63.12%
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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
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SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) DISCLOSURE 2021

DATA SECURITY

<p>RT-AE-230a.1</p>	<p>(1) Number of data breaches, (2) percentage involving confidential information</p>	<p>HII considers this information to be confidential.</p>
<p>RT-AE-230a.2</p>	<p>Description of approach to identifying and addressing data security risks in (1) company operations and (2) products</p>	<p>HII is the premier shipbuilding company in support of the United States Navy and the United States Coast Guard. Because of the Navy's reliance on HII as a prime shipbuilder, HII considers itself critical to the success of the United States Navy's mission and the national security of the United States of America. Success of HII's mission is critical, and at the center of its mission execution is the Cybersecurity and IT core capabilities; and as such, identification, management and mitigation of cybersecurity risk is critical to the delivery of sea vessels to the US Navy. HII has identified data and assets which are defined as critical to business operations and the ship manufacturing process, applying stringent policies, procedures, processes and technologies to ensure secure and resilient operations. Each critical IT function is assessed for risk both internal and external to the organization, risk mitigating strategies are evaluated to ensure thorough risk mitigation and operational resiliency. HII also understands that its Supply Chain is essential to the success of its overall mission and has remained engaged with its Supply Chain to ensure supplier awareness with cybersecurity regulatory risk, cybersecurity threats and potential mitigation solutions to address such risk. HII continues to work with its peers and partners in the Aerospace and Defense industry to identify both internal and external threats posed to the Company.</p> <p>HII takes a comprehensive approach to securing its data and assets in support of its business mission. HII has a robust data and asset protection strategy which includes security protection policies, procedures which support secure user operation of IT systems and data, technical data security protections for identity and access control where data confidentiality and integrity are maintained. HII also engages in a broad but stringent IT user security awareness training program to inform users of cyber adversary tactics such as 'phishing', social engineering and other nefarious practices performed by some of the most advanced cyber adversaries. There is always the eventuality that cybersecurity protective functions may fail but HII has shored up those protective functions with the ability to detect and respond to adversarial activity in cyberspace. HII has diligently collaborated with its peers and partners in industry to identify cyber threat intelligence associated with the most nefarious of cyber threat actors, and have created processes to rapidly implement these threat indicators so as to shorten the time between collection, implementation and detection. HII has implemented these capabilities as part of its Cyber Network Defense Center which performs continuous security monitoring around the clock to ensure detection of and response to cyber-attacks when they occur. HII also employs insider threat detection capabilities to rapidly detect and root out cyber espionage and other individuals seeking to do harm to HII and its networks. In the event of a cyber-attack and potential for critical IT system degradation, HII has a robust recovery process for the restoration of critical systems and data as part of its business continuity procedures. The business continuity procedures ensure swift recovery of critical systems and data in support of mission activities across HII.</p>

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) DISCLOSURE 2021

PRODUCT SAFETY

RT-AE-250a.1	Number of recalls issued; total units recalled	(1) 0 product-safety-related recalls issued (2) 0 total number of units recalled during the reporting period. (4) 0% voluntarily recalls and 0% involuntarily recalls issued
RT-AE-250a.2	Number of counterfeit parts detected; percentage avoided	(1) 0 counterfeit product parts detected (2) Not applicable (3) Not applicable (4) HII complies with provisions of Defense Federal Acquisition Regulation Supplement: Detection and Avoidance of Counterfeit Electronic Parts (DFARS Case 2012-D055) and/or SAE International Standard, SAE AS 5553 – Fraudulent/Counterfeit Electronic Parts; Avoidance, Detection, Mitigation, and Disposition.
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

FUEL ECONOMY & EMISSIONS IN USE-PHASE

RT-AE-410a.1	Revenue from alternative energy related products	Nuclear, though sometimes not included as a renewable fuel, is critical to a reduced carbon future. Nuclear is highly technical, heavily regulated, and hard to do. 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 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 would result in millions of metric tons of GHG emissions over a 50 year service life; with nuclear, there are no direct GHG emissions in propelling 100,000 tons of steel through the water at fast speeds. Nuclear gives our customer that strategic, tactical, and protective advantage, without giving our planet the GHG emissions of a conventionally powered platform.
RT-AE-410a.2	Description of approach and discussion of strategy to address fuel economy and greenhouse gas (GHG) emissions of products	<p>Our customer's requirements regarding fuel economy and greenhouse gas (GHG) emissions are increasingly important. Simply put, fuel economy shapes a platform's maximum endurance at sea. HII builds naval platforms with propulsion systems that range from 60 days endurance, to unlimited endurance (with refueling after 25 years). Our products high level of endurance capability give our customer strategic, tactical and protective advantages second to none.</p> <p>For instance, the combined diesel & gas turbine hybrid drive propulsion system in use on 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's 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 customer and less GHG emissions to the planet.</p>

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) DISCLOSURE 2021

FUEL ECONOMY & EMISSIONS IN USE-PHASE

RT-AE-410a.2

Description of approach and discussion of strategy to address fuel economy and greenhouse gas (GHG) emissions of products

Nuclear, though sometimes not included as a renewable fuel, is critical to a reduced carbon future. Nuclear is highly technical, heavily regulated, and hard to do. 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 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 would result in millions of metric tons of GHG emissions over a 50 year service life; with nuclear, there are no direct GHG emissions in propelling 100,000 tons of steel through the water at fast speeds. Nuclear gives our customer that strategic, tactical, and protective advantage, without giving our planet the GHG emissions of a conventionally powered platform.

Electrical generating or thermal cooling requirements for naval platforms are also increasing in order to power the next generation of weapons and sensors technology, like lasers, railguns, and small unmanned platforms. Energy efficiency is part of that equation. Efficient conversion of fuel into electrical or thermal energy starts with our engineering, utilizing efficient gas turbine generators and high quality and efficient systems components, built with quality by our craftsmen who are unmatched in their abilities and experience, and rigorously checked against design standards, both internally and by our customer.

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 metric tons of particulate matter, 500 metric tons of sulfur dioxide, 100 metric tons of nitrogen oxides, 16,000 metric tons of greenhouse gas (predominantly CO2) per RCOH evolution. The Nancy Lee has been steaming in 2021 to support the CVN73 USS George Washington RCOH. Resultant savings in emission fees is ~\$53,500 per RCOH based on current fee schedule ~\$84/ton.

HII has strategized GHG reductions and fuel economy addressment through an economical and business analysis benefit. Neutral economic and environmental opportunities has achieved long-term performance results in of our goals and policies. HII is committed to maintaining a healthy environment for its employees and for the citizens of our community. Accordingly, it is the policy of the Company to comply with all applicable environmental laws and regulations, and minimize environmental risks, emissions to the air and water, and the generation of waste. The Company establishes environmental objectives to support our commitment to continual improvement and pollution prevention.

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) DISCLOSURE 2021

MATERIAL SOURCING

RT-AE-440a.1	Description of the management of risks associated with the use of critical materials	<p>Many businesses, including aerospace and defense, procure raw materials made of critical minerals that can become scarce or more expensive due to limited supply, political sanctions/actions, and increased demand. HII sources these critical materials responsibly with consideration given to its contractual and regulatory requirements. Much of the raw products are used in manufacturing larger assemblies and are needed early in the execution of our contracts. HII manages the supply chain risk by purchasing critical materials on an advanced planning contract, ahead of the manufacturing schedule. This methodology ensures availability of the products in order to support program schedules and reduce the risk of delays in manufacturing. The volatile nature of the market for these critical minerals can cause fluctuation in pricing 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 through purchasing higher quantities of material. A quantity discount is a unit price savings that suppliers offer for purchasing higher quantities of material. Due to the large quantities purchased of these materials, 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 methodology described above reduces the supply chain risk associated with purchasing critical materials.</p>
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BUSINESS ETHICS

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	HII considers this information to be confidential.
RT-AE-510a.2	Revenue from countries ranked in the "E" or "F" Band of Transparency International's Government Defense Anti-Corruption Index	HII considers this information to be confidential.

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) DISCLOSURE 2021

BUSINESS ETHICS

RT-AE-510a.3

Discussion of processes to manage business ethics risks throughout the value chain

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 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 we perform our jobs. Our employees are encouraged to refer to the Code 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, Company policy or the law without fear of retaliation or coercion.

HII has detailed controls around 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 material and/or services are required to be purchased from external (non-HII) sources in support of Company operations and/or production schedules, Supply Chain Management 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 audit. On an annual basis, our procurement process is audited by the Internal Audit department. The procurement process is also subject to audit 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. We consider carefully not just each supplier's performance, but also their reputation for ethical practices when selecting suppliers. We apply an extensive due diligence screening process to each of our suppliers, including checks on the beneficial owners of each. Any suppliers that present 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 level 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 of its suppliers, regardless of the contract price or the frequency of interaction with the supplier, 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]."

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) DISCLOSURE 2021

BUSINESS ETHICS

<p>RT-AE-510a.3</p>	<p>Discussion of processes to manage business ethics risks throughout the value chain</p>	<p>Hill'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 laws and regulations applicable to their business. As part of the onboarding process, Hill 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 Hill'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 Hill'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>
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EMPLOYEE HEALTH & SAFETY

<p>RT-IG-320a.1</p>	<p>(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR)</p>	<p>(1) Total recordable incident rate (TRIR): 5.47 (2) Hill considers this information to be confidential, and (3) Near miss frequency rate (NMFR) is not tracked on an enterprise wide basis.</p>
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SUSTAINABILITY DISCLOSURE TOPICS & ACCOUNTING METRICS

ACTIVITY METRICS

<p>RT-AE-000.A</p>	<p>Production by reportable segment</p>	<p>HII is America's largest military shipbuilding company, and our shipbuilding divisions 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 2021:</p> <p>Ingalls Shipbuilding</p> <ul style="list-style-type: none"> • Launching the first Flight III Arleigh Burke-class guided missile destroyer Jack H. Lucas (DDG 125). • Christening guided missile destroyer Lenah Sutcliffe Higbee (DDG 123). • Christening and completing builder's trials for amphibious transport dock Fort Lauderdale (LPD 28). • Delivering guided missile destroyer Frank E. Petersen Jr. (DDG 121). <p>Newport News Shipbuilding</p> <ul style="list-style-type: none"> • Launching Virginia-class submarine Montana (SSN 794). • Christening and achieving pressure hull complete on Virginia-class submarine New Jersey (SSN 796). • Commencing the first cut of steel for aircraft carrier Doris Miller (CVN 81). • Reaching approximate 94% completion of RCOH of USS George Washington (CVN 73). • Reaching approximate 83% completion of John F. Kennedy (CVN 79), which now includes single-phase delivery. <p>Our Mission Technologies division delivers critical capabilities including unmanned systems, ISR and AI/ML analytics. While not production milestones, this division reported the following operational achievements in 2021:</p> <ul style="list-style-type: none"> • Receiving first international order for four REMUS 300 UUVs from the Royal New Zealand Navy. • Announcing the commercial release of the REMUS 300 UUV. • Acquiring Alion Science and Technology, significant expanding HII's high-end technology capabilities in the areas of cyber and electronic warfare; intelligence, surveillance and reconnaissance; and military training and simulation, as well as broadening HII's customer base.
<p>RT-AE-000.B</p>	<p>Number of employees</p>	<p>HII has approximately 44,000 employees.</p>



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