



March 29, 2024

HII's Weekly News Digest is compiled every Friday by the Corporate Communications team to summarize and highlight news stories of significance to the company.

Submarine Industrial Base Leads Navy Unfunded Wish List: Defense News reported on Monday that the U.S. Navy sent lawmakers a \$2.2 billion wish list for fiscal year 2025 which lists support for the submarine industrial base as the service's top priority. USNI News reported on Tuesday that the Navy is seeking a total of \$3.9 billion for the submarine industrial base in fiscal year 2025, although just \$403 million of that total is included in the unfunded wish list. In a letter to Congress, Chief of Naval Operations Adm. Lisa Franchetti noted that the service wrote its fiscal year 2025 budget believing that lawmakers will approve the fiscal year 2024 budget as well as a national security supplemental request from the Biden administration, the latter of which includes \$3.3 billion for the submarine industrial base. While Congress passed its final fiscal year 2024 spending bills on March 23, it has yet to act on the supplemental after the measure passed the Senate in February and stalled in the House. The service's second unfunded priority also depends on the fate of a supplemental request and includes \$600 million to fix an artificial sea wall at the deep water port in Guam. No additional ships or submarines are on the unfunded wish list.

HII Completes LUSV Program Engine Test: Breaking Defense reported on Monday that the U.S. Navy announced that four industry teams – including one from HII – have completed an engine reliability test as part of the Large Unmanned Surface Vessel program. The milestone is a crucial mile marker that has had lawmakers' attention since the program's inception in 2020. The four shipbuilders, each of which worked with different facilities to accomplish their respective tests, were Bollinger, Fincantieri Marinette Marine, Gibbs & Cox, and HII. Successfully passing the reliability testing is a requirement for an engine to qualify for use in the final LUSV program, according to the Navy. SOFREP reported on Friday that each participant's proposed engine system faced a demanding 720-hour test, simulating real-world conditions of a 30-day unmanned mission. The engines had to function flawlessly without human intervention or maintenance throughout the entire period. LUSV is envisioned to be longer than 200 feet in length with a full load displacement of approximately 1,500 tons. The latest budget justification documents indicate the service plans to select a prime contractor for LUSV in fiscal year 2027.

Boeing Announces Leadership Shakeup: NBC reported on Monday that three senior executives, including CEO Dave Calhoun, are stepping down as Boeing continues to deal with an ongoing scandal and federal investigation into the safety of its passenger jets. The company announced that Calhoun will leave the company by the end of the year. Stan Deal, the CEO and president of Boeing Commercial Airplanes, has retired effective immediately. Larry Kellner, chair of the company's board of directors, will not stand for re-election at the next shareholders' annual meeting. Boeing board member and former Qualcomm CEO Steve Mollenkopf will succeed Kellner. The Associated Press reported on Monday that Boeing has been under intense scrutiny since January when a panel blew off a Boeing 737 Max jetliner. On Thursday, The New York Times published a report that describes Boeing as struggling to improve quality over the past six years after two crashes of Max 8 planes in 2018 and 2019 killed nearly 350 people. The article notes that: "Some of the crucial layers of redundancies that are supposed to ensure that Boeing's planes are safe appear to be strained, the people said. The experience level of Boeing's work force has dropped since the start of the pandemic. The inspection process intended to provide a vital check on work done by its mechanics has been weakened over the years. And some suppliers have

struggled to adhere to quality standards while producing parts at the pace Boeing wanted them.” Meanwhile, NPR reported on Friday that the Texas attorney general has opened an investigation into a company that manufactures Boeing parts.

Social Media Highlight Of The Week

Posted Thursday on HII’s Facebook page:

“HII is excited to return to Sea Air Space 2024, the largest maritime expo in the United States! Visit us at Booth #1323 from Monday, April 8 to Wednesday, April 10 at the Gaylord National Resort & Convention Center in National Harbor, Md., to learn how we’re delivering advanced products and capabilities to our customers.



We’re also pleased to be the STEM Champion Sponsor for this year’s STEM Expo on Sunday, April 7, where you can have your picture taken in our photo booth and check out our STEM booth displays, including 3D printing and virtual reality welding simulators.

Learn more about Sea-Air-Space here: <https://seairspace.org/> #SeaAirSpace2024 #SAS2024”

Franchetti Focusing On Unmanned Tech: Inside Defense reported on Wednesday that the U.S. Navy remains focused on developing and adopting unmanned technology to expand the reach and lethality of conventionally manned platforms, said Chief of Naval Operations Adm. Lisa Franchetti, during Defense One’s State of the Navy on Wednesday. Franchetti said she aims to partner unmanned and manned technology more during her tenure, knitting the platforms together into a big concept of operations and experimenting with the capabilities each provides before dedicating budget funds. Meanwhile, Defense One reported on Wednesday that the U.S. Navy and Coast Guard are operating seven surface drones off of the northern coast of Haiti to monitor illegal human smuggling by sea. The introduction of unmanned platforms into the U.S. 4th Fleet comes as 5th fleet’s Task Force 59 reached full operational capability utilizing drones and artificial intelligence for advanced maritime operations in the Middle East more than a year ago.

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Please note: Social media is blocked on HII computers for most employees. Employees are encouraged to visit HII’s Facebook page and other social media sites on personal time and from non-work devices.

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