



June 21, 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.

HII, Babcock Create Joint Venture For Naval, Nuclear Projects: Australian Manufacturing reported on Tuesday that HII and the Babcock International Group have forged a strategic partnership aimed at advancing naval and civil nuclear decommissioning and construction projects across the United States and United Kingdom. Australian Defence reported on Tuesday that the joint venture – H&B Defence – will accelerate the development of conventional armed, nuclear-powered submarines under Pillar I of the trilateral AUKUS agreement between Australia, United Kingdom and United States. H&B Defence will focus on workforce, nuclear infrastructure design and build, submarine defueling and decommissioning, nuclear waste and future sustainment. The joint venture, headquartered in Canberra, Australia, will work with government and key stakeholders from industry and academic sectors.

NNS, Navy Announce Parking Improvement: The Virginian-Pilot reported on Monday that HII's Newport News Shipbuilding is enhancing the experience of its workforce by working with the Navy to build a 2,800-space parking garage in downtown Newport News. Once complete, the structure will add a net of 2,000 new spots for sailors and shipbuilders, just a block from the shipyard's 37th Street Gate. Last year, the Navy completed a report that noted there was inadequate access to parking near the shipyard. U.S. Navy Rear Adm. Casey Moton said the Navy will spend about \$120 million to support the project, which is scheduled to begin this year and will take about two years to complete. Newport News Mayor Phillip Jones said the parking garage is one of many planned investments in the downtown area, adding that it will also see an influx of apartments and retail space at the intersection of 28th Street and Washington Avenue. 13NewsNow reported on Monday that contractor W.M. Jordan will complete some structure's fabrication offsite, reducing the overall time needed to complete the project.

Senate Plans July NDAA Markup: Politico reported on Tuesday that the Senate will begin its annual markup of the fiscal year 2025 spending bills in July, despite a bipartisan agreement on funding totals. Senate appropriators will hold their first discussions after the group returns for the Independence Day recess, Senate Appropriations Chair Patty Murray said. Democrats and Republicans have been at a stalemate over whether lawmakers should disregard funding caps established by last summer's debt deal to provide equal funding increases for the Pentagon and domestic programs, allowing agencies to keep pace with inflation. The budget deal struck by President Joe Biden and former Speaker Kevin McCarthy last summer allows for a 1% budget hike for both defense and non-defense programs. The Washington Post reported on Friday, June 14, that the Senate Armed Services Committee's \$923 billion version of the defense spending bill is a \$25 billion hike to budget plan agreed to last year by the president and Congress. Breaking Defense reported on June 14 that the Senate version breaks with the House's bill on several key spending priorities and policy provisions. It adds an additional \$1.4 billion for a third *Arleigh Burke*-class destroyer, where both the House defense policy and spending bills keep procurement at two ships, and it increase funding for the *Virginia*-class submarine program by about \$1.1 billion, supporting the construction of a second *Virginia*-class submarine.

Navy Officials Consider Carrier Options Amid Mideast Conflict: The Associated Press reported on Wednesday that U.S. defense officials will make some critical decisions in the coming weeks about how to continue combatting the threat from Houthi rebels knowing that *Nimitz*-class aircraft carrier USS

Dwight D. Eisenhower (CVN 69) has already had its deployment in the Mideast extended several times and the ship's sailors will eventually need respite. Associated Press reporters aboard CVN 69 knocked down Houthi claims that the rebels struck the ship. Still the threat is ongoing. U.S. commanders in the Middle East have long argued that they need an aircraft carrier in the volatile region because it has proven to be an effective deterrent to hostile actors. While extending the carrier's deployment again is an option, it is the least desirable. Another option is to send *USS Eisenhower* back to its homeport and defend the area using more Air Force resources. Or the Pentagon may send in another ship to take the *USS Eisenhower's* place, such as *USS Wasp* (LHD 1). Stars and Stripes reported on Wednesday that *USS Wasp* was participating in the Baltic Sea this week as a part of an exercise with allied countries.

Social Media Highlight Of The Week

Posted Wednesday to HII's Facebook page:

"June 19 is #Juneteenth. On this day in 1865, U.S. Maj. Gen. Gordon Granger issued General Order No. 3, which informed the people of Texas that slavery had ended in the United States and that all enslaved people were free – two and a half years after President Abraham Lincoln signed the Emancipation Proclamation.



Join HII as we reflect on the significance of the holiday and celebrate freedom for all."

Hanwha Announces Philly Shipyard Purchase: Breaking Defense reported on Thursday that South Korea's Hanwha Systems and its shipbuilding arm Hanwha Ocean have agreed to purchase Norwegian-owned Philly Shipyard in a deal valued at \$100 million pending relevant regulatory approvals. The news of Hanwha's acquisition comes as South Korean shipbuilding giants have taken a keen interest in American-based shipyards at the behest of Navy Secretary Carlos Del Toro who has eagerly encouraged as much. USNI News reported on Thursday that the South Philadelphia shipyard was built following the 1996 closure of the former U.S. Navy Philadelphia Naval Shipyard and specializes in building Jones Act ships – vessels that meet the requirement of the 1920 law that requires American-built and flagged ships to move goods inside the United States. The yard currently employs about 1,500 shipyard workers and currently has five ships under construction and three more under contract. Among the ships, Philly Shipyard was contracted to build five National Security Multi-Mission Vessels for the Marine Administration. The NSMVs are set to serve as training vessels for U.S. maritime schools. The sale of the yard, pending approval, is expected to close by the end of the year.

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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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