



SHAPE²⁰³⁰

October 2024

MISSION TECHNOLOGIES | A DIVISION OF HII

Communications Objectives

Inform stakeholders of organizational restructure
to achieve long-term business growth objectives.

Communicate its impact
on employees and business operations.

Drive unified and aligned messaging
from the top down, across all channels.



The Vision



CEO State of the Union



Chris Kastner
President and CEO



Tom Stiehle
Executive Vice President
and CFO

State of the Union

Key Takeaways

- We've made strong progress through a challenging environment but there are areas we must improve
- Our strategy sets the stage for us becoming a \$20 billion global all-domain national security solutions prime by decade's end
- Achieving our strategy demands rigorous execution and unwavering focus on meeting our commitments

Become

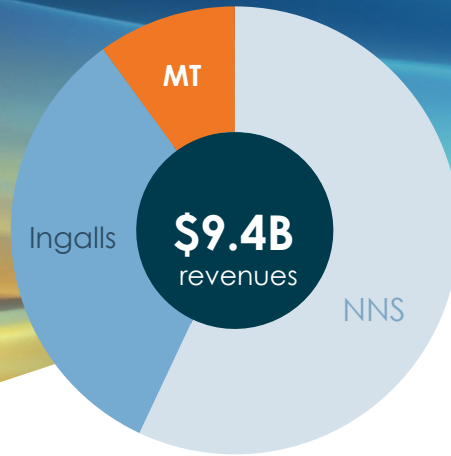
\$20B *global all-domain national
security solutions prime*

by decade's end

Mission Technologies is the growth driver

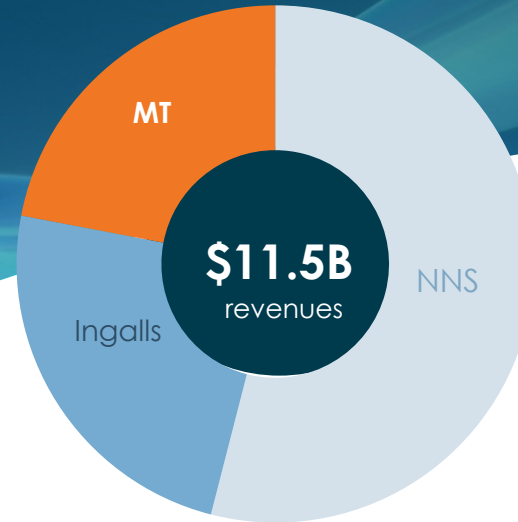


Strong Portfolio Positioned for Growth



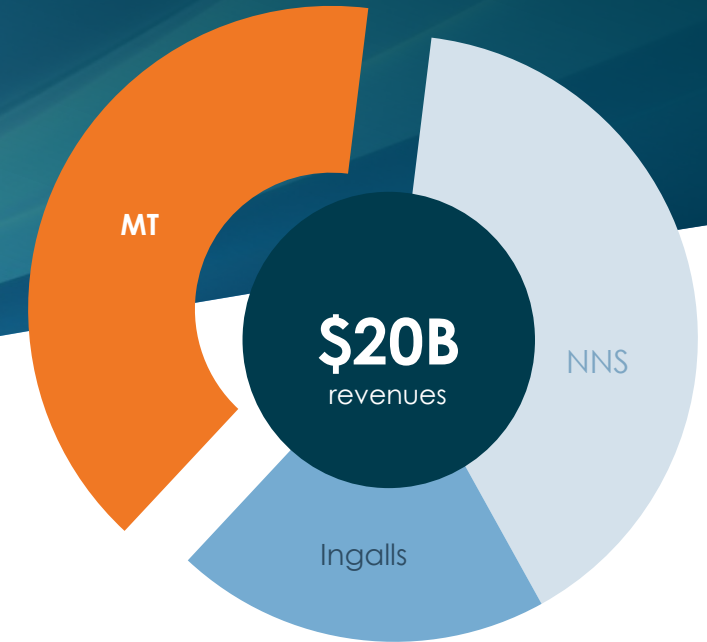
2020 Grew & Shaped Portfolio

- ✓ Strengthened & grew shipbuilding
- ✓ Disciplined pursuit of opportunities in high growth markets
- ✓ Focused on backlog execution while managing risk
- ✓ Acquired strategic capabilities in nuclear, unmanned & defense solutions



2024+ Investing for Accelerated Growth & Margin Expansion

- ✓ Capture shipbuilding upside & margin improvement
- ✓ Continue growing Mission Technologies revenues and margins
- ✓ Grow nuclear presence
- ✓ Expand internationally through AUKUS
- ✓ Leverage mutually reinforcing capabilities to drive growth



2030 Vision

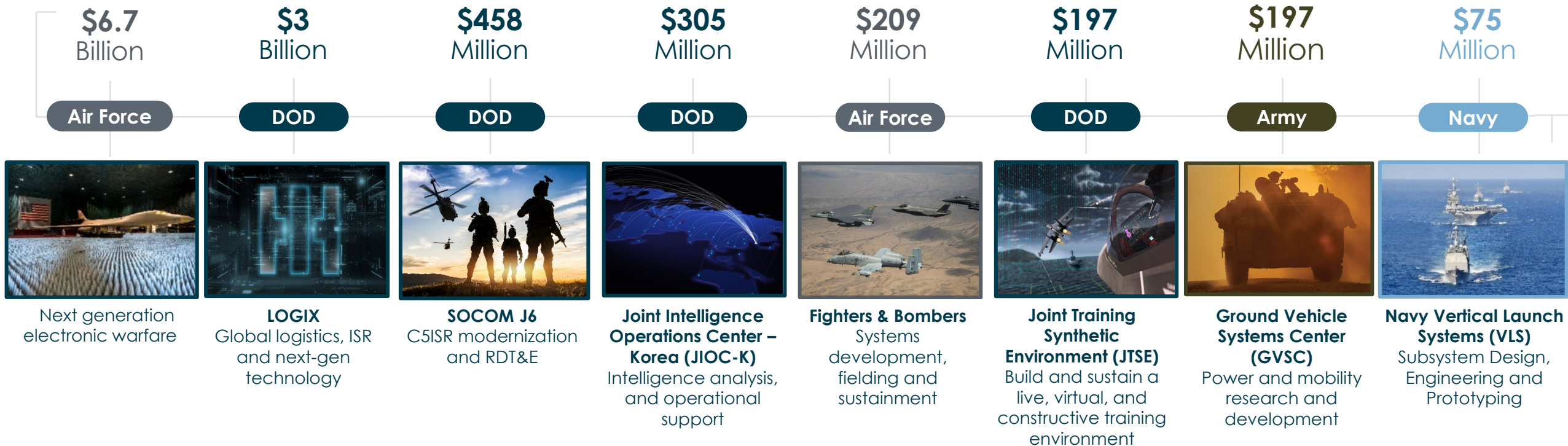
Leader in Global Sea Power and All-Domain Defense Tech

- Capture shipbuilding growth and margin improvement
- Grow Mission Technologies revenue and margins by investing in growth market segments
- Scale internationally via AUKUS Pillar 1, Pillar 1a (H&B Defense), and Pillar 2 opportunities
- Expand nuclear market presence

**In 2023 Mission
Technologies secured
nearly \$6B in awards**



2024 Awards Spotlights



**In 2024 Mission
Technologies secured
nearly \$12B+ in awards**



We didn't get here by accident

\$1.3B in 2019

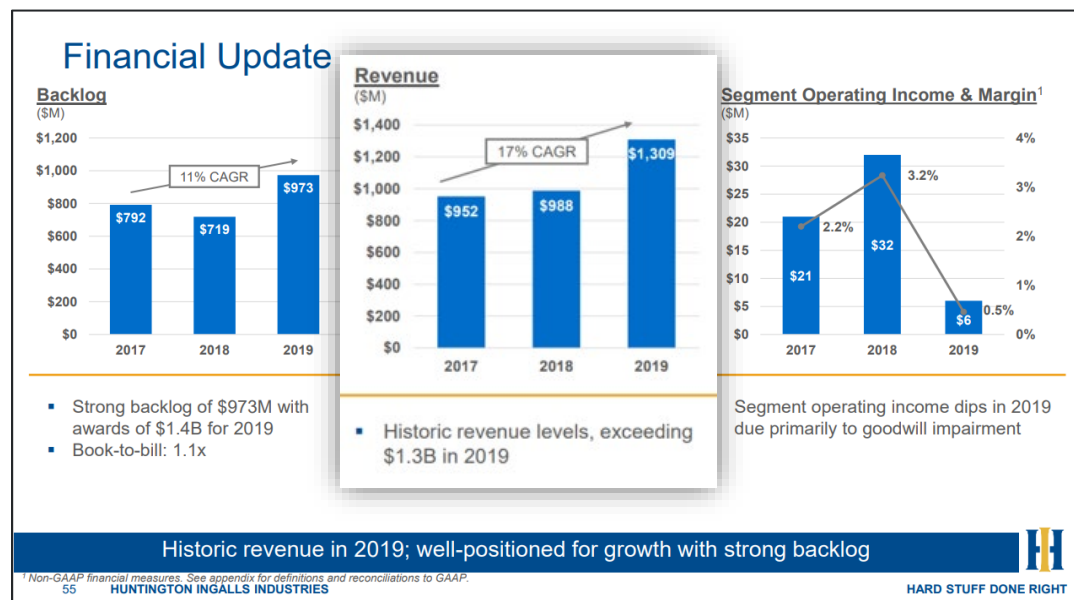
2020 Vision Achieved

- Intentional changes
- Reorganized operational groups
- Investments aligned with strategy
- Strong leadership and execution



HII PROPRIETARY

February 2020 Investor Day Briefing



Strategic Growth and Sustainment

Unmanned	Defense & Intelligence	Nuclear & Environmental
<p>Unmanned Maritime Systems:</p> <ul style="list-style-type: none"> Essential to Navy's distributed maritime operations concept Undersea, surface vessels, and payloads Expected to complement manned fleet to address growing threats <p>✓ Leading position on multiple critical UUV programs</p>	<p>C5ISR Services:</p> <ul style="list-style-type: none"> Multi-domain ISR (including ISR as-a-Service); joint planning and operations ✓ Contractor-owned/operated UAVs and sensors; U-2 ISR mission planning; support in all six geographic combatant commands <p>Next-Generation IT:</p> <ul style="list-style-type: none"> Cyber operations; advanced platforms and analytics; scalability, security, and resiliency ✓ Joint defensive platform development; analytics for DoD information network; wrote federal cyber standards <p>Training & Simulation:</p> <ul style="list-style-type: none"> Blended reality, distributed training, and secure training architectures ✓ Simulation center operations; simulator development and modernization 	<p>Department of Energy:</p> <ul style="list-style-type: none"> Nuclear lab operations, site management, decontamination ✓ Operate LANL, SRNL, and NNSS; current cleanup at LANL <p>Commercial Nuclear:</p> <ul style="list-style-type: none"> Domestic commercial nuclear power plant sites require decommissioning ✓ One of only a few companies worldwide positioned to compete

58 HUNTINGTON INGALLS INDUSTRIES

HARD STUFF DONE RIGHT

Today's Moves

Continue to reinvent ourselves

Staying ahead is part of our evolution

Build on continued momentum

Today's moves get us to 2030 vision



To achieve long-term
business growth we must:

FUTURE

2030

IMPROVE COMPETITIVENESS

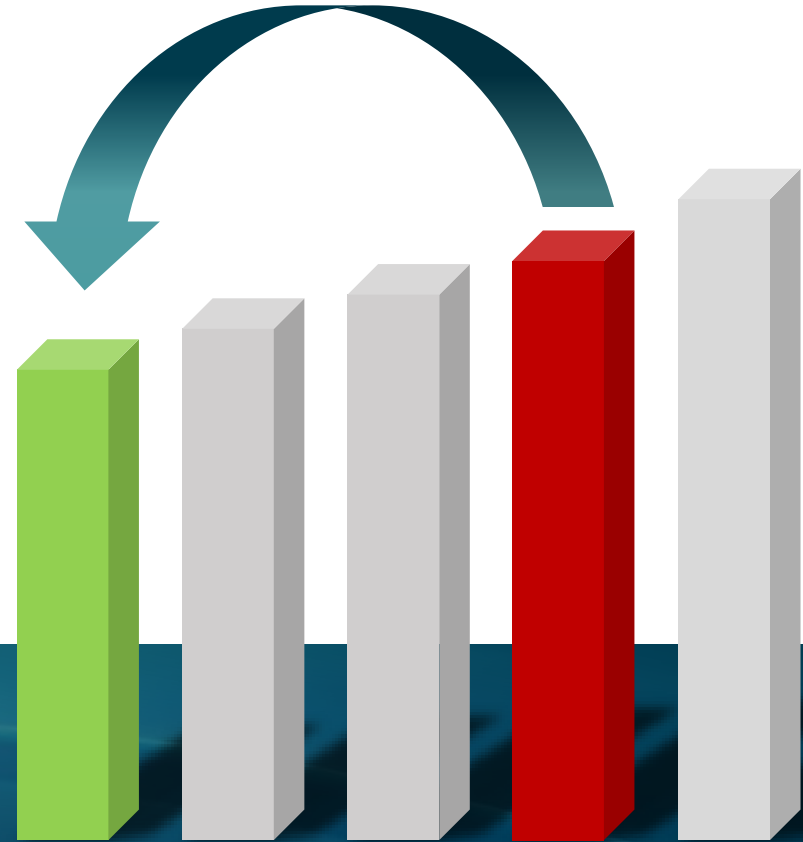
ENSURE LONG-TERM HEALTH OF OUR BUSINESS

ADVANCE QUALITY OF SERVICE

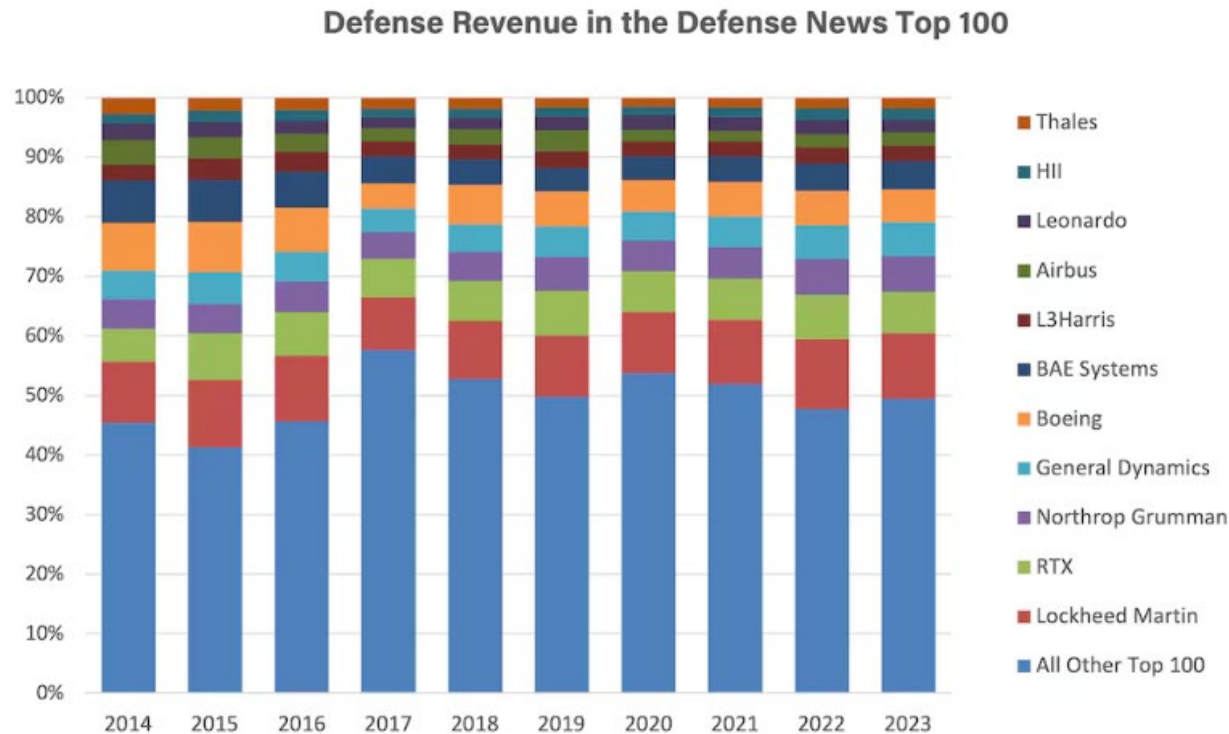


Improve Rates

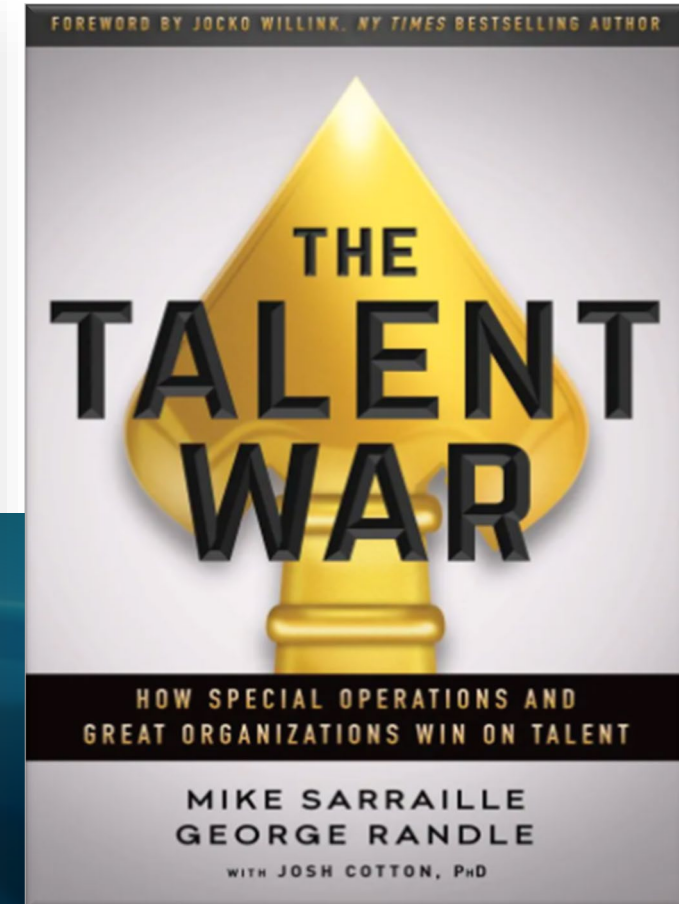
- Move into competitive zone for indirect wrap rates
- Offer more competitive pricing on proposals
- Positioning HII for major growth with competitive advantage



Laser-focused on competition for **business** and **talent** is fierce...



Source: Oliver Wyman analysis of Defense News Top 100 lists. Top 11 shown here exclude Russian and Chinese firms in years when those countries participated in Defense News' survey.



Strategic Moves



Consulted Ernst and Young (E&Y)

- ✓ Conducted work study survey to identify areas for improvement
- ✓ Assessed business model against best practices
- ✓ Collaborated with business groups to optimize the business model



Path Forward: New Organizational Framework



Consolidate
from six operating
groups into **four**



Business groups
align to more
common
operating model



Focus on service
delivery excellence
approach through
specialized roles

HII Mission Technologies' Groups

ALL-DOMAIN OPERATIONS (ADO)

Gentry

- C5ISR operations
- Platforms and logistics support
- Intelligence analysis

GLOBAL SECURITY (GS)

Lempke

- LVC solutions
- Fleet sustainment
- Nuclear and environmental
- Australia business

WARFARE SYSTEMS (WS)

Hagen

- Cyber and mission IT
- Electronic warfare
- C5ISR systems

UNCREWED SYSTEMS (UxS)

Fotheringham

- UUVs
- USVs
- Autonomy software



Aligned to Common Operating Model

A Operations Leader

- Assist group president in service delivery and collaborate with portfolio leaders

B Growth Leader

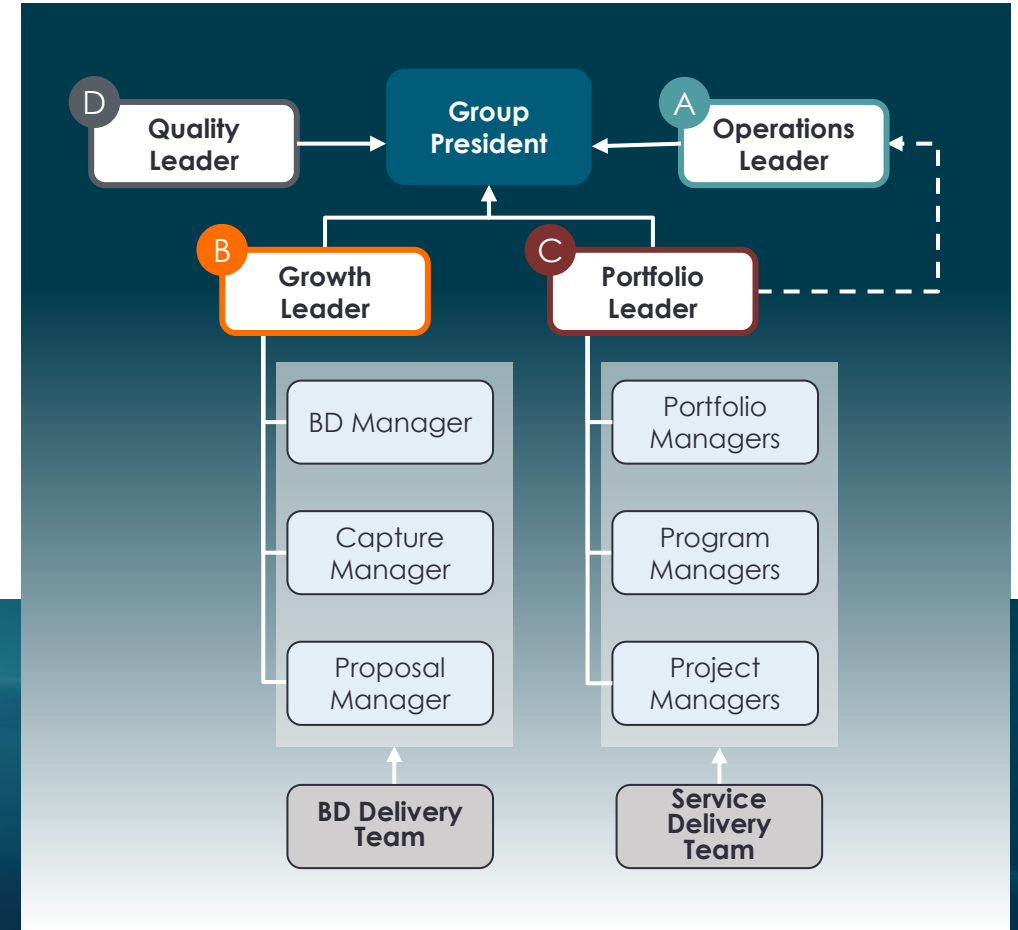
- Responsible for new business growth and key recompetes

C Portfolio Leader

- Manages portfolios and business execution; ensure customer satisfaction

D Quality Leader

- Focus on quality and program standards management



Messaging

How?

Synergize
capabilities
across the
division.

Harmonize
operations
across the
business
groups.

Achieve
competitive
indirect rates.

Propel
forward with
unified and
cohesive
culture.

Empower
workforce with
clear path
forward.



SHAPE²⁰³⁰

SYNERGIZE | HARMONIZE | ACHIEVE | PROPEL | EMPOWER



LEAD. WIN.

