

# ETHICALLY SPEAKING

## GIFT GIVING IN THE WORKPLACE

The holidays are upon us, and with that comes the season of gift giving. While exchanging gifts with friends and family is customary for many, giving gifts at work can be a little tricky. Consider the following as you start making your shopping list this holiday season.

First, it is best to refrain from giving gifts up the chain of command. Supervisors who accept gifts from members of their team may inadvertently create the appearance of a conflict of interest or favoritism. It's best to avoid giving personal gifts to supervisors.

Often a team will pool money to purchase a group gift, which reduces the appearance of favoritism. However, this may create a financial hardship for someone who is not in a position to contribute, or it may cause discomfort if they choose not to participate.

Always consider how your gift will be perceived by the recipient. It should be professional and appropriate for the workplace. And remember, gift giving should never make someone feel obligated to reciprocate nor make the recipient uncomfortable.

It's also important to remember Corporate Procedure CO A203 - Providing and Accepting Gifts, Entertainment and Hospitality. This procedure defines the requirements around exchanging gifts with current or prospective HII business associates. If you have any questions regarding what is acceptable, check with your Business Conduct Officer, HR or Labor Relations Rep, or call the OpenLine.

## ON-THE-SPOT ETHICS RECOGNITION PROGRAM

Have you ever recognized a co-worker for their ethical behavior and actions?

The On-the-Spot Ethics Recognition Program provides timely recognition to employees whose ethical behavior and actions demonstrate company values in their everyday activities. Over 200 awards have been given so far this year!

**To nominate someone, go to the Ethics and Compliance App or submit form C941, which is available on Corporate Command Media.**

**“BY FOCUSING ON  
THE FUNDAMENTALS,  
AND REMAINING  
TRUE TO OUR  
MISSION AND OUR  
VALUES, WE CAN DO  
GREAT THINGS.”**

**CHRIS KASTNER  
PRESIDENT AND CEO**

## REDUCE YOUR RISK BY DOING YOUR DUE DILIGENCE

HII is committed to working with companies and people that are reputable and adhere to HII's standards of ethics and business conduct. As such, HII only does business with companies (and people) that are ethical and committed to compliance with the letter and spirit of the law.

HII's procedures require employees to conduct basic "due diligence" on businesses and their leaders before engaging in substantive business discussions. Under Corporate Procedure A300, Business Associate Due Diligence, due diligence must be conducted on all potential business partners (companies and their leaders) as soon as discussions or negotiations progress beyond the preliminary stage.

The amount of due diligence needed depends upon the level of risk the potential partner presents to HII. These due diligence requirements apply to individuals, charities, businesses, and any other person HII might try and do business with. Questions regarding due diligence requirements should be addressed to the Law Department and the Directors of Compliance across the enterprise.

## 2024 OPENLINE ACTIVITY AS OF 10/31/24

- 2,598 cases have been received, which is a 19% increase in call volume over this time last year.
- Nearly 25% of the cases involve Civility concerns, making this the top reported issue (604 cases).
- 18% of the cases closed during this time were found to have merit.
- 133 of the cases closed resulted in Termination. Nearly 30% of these were the result of substantiated Time Reporting allegations.
- 215 cases had to be closed without being investigated because insufficient information was provided. Please be sure to include details when reporting concerns, and follow up in case the investigator has any questions.
- The average time to close a case was 48 days.

## HII AND THE DEFENSE INDUSTRY INITIATIVE (DII)

HII is a long-standing member of DII, an organization comprised of representatives from nearly 80 member companies, primarily from the aerospace and defense industry, with the mission to promote and advance a culture of ethical conduct in every company that provides products and services through government contracting.

Pictured on the right are members of the HII team who participated in the annual DII Best Practices Forum earlier this year.



INTEGRITY

SAFETY

RESPECT

ENGAGEMENT

RESPONSIBILITY

PERFORMANCE