MEMO



TO All HII Employees

FROM Chris Kastner

DATE Jan. 30, 2025

RE A Message from CEO Chris Kastner

Dear HII Teammates,

You are no doubt hearing about executive orders from the new administration that apply to the military and to defense contractors like HII. I want to make sure you hear directly from me about steps we're taking to ensure compliance with the order on diversity, equity and inclusion.

First, let me underscore what is changing and what is not.

We have never had quotas in our hiring or promotions at HII; hiring and promotion decisions must be based on merit. This is unchanged. Each of you got your job because you were judged to be highly capable and the best available person to do it.

What is changing are some process-oriented requirements. For instance, we are no longer tracking and reporting on representation of women and minorities in our workforce, which was long required of us as a federal contractor. Given our ongoing merit-based practices, I believe dropping these additional requirements improves efficiency and does not affect the caliber of our workforce. We will continue to work to attract veterans and individuals with disabilities to our workforce, as the order does not impact laws in those areas.

We are also taking steps to ensure our intentions around our compliance are crystal clear. While we review our policies and practices enterprise-wide, led by HII Chief Compliance Officer Paul Harris, you can be assured that our communications and employee initiatives will key on what unites us — our shared mission and values, including respect, engagement, and performance — which are the heart of our culture at HII.

I believe you joined HII to build your career and our national defense. These are worthy goals. In that spirit, I ask you to stay focused on the work in front of us, bring your best self to work every day, and to deliver the ships and technologies our customers and our nation urgently need.

Respectfully,

Chris Kastner

President and CEO

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