

June 6, 2025

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.

Navy Seeks Carrier Block Buy As Ingalls Ends Final NSC Build: Breaking Defense reported the Navy is pursuing a block buy of CVN 82 and CVN 83 – the next two Ford-class aircraft carriers – which could save \$5 billion. Acting acquisition executive Brett Seidle said the strategy reduces cost and provides stability to the shipbuilding industrial base. HII's Newport News Shipbuilding would benefit from the long-term workload. Meanwhile, USNI News reported HII's Ingalls Shipbuilding and the Coast Guard have agreed to cancel the 11th National Security Cutter after a contract dispute and years of delay. The move returns \$260 million in spare parts to the fleet. The decision closes out the NSC program while reinforcing the value of early, predictable acquisition models like the CVN block buy.

Senate Defense Bill Cuts Shipbuilding, Preserves Sub Funding As Budget Debate Deepens: Defense Daily reported the Senate's version of the \$150 billion defense reconciliation bill reduces shipbuilding funding to \$28 billion, down from \$33.7 billion in the House version. It removes funding for two amphibious warships but increases support for a multi-ship amphibious contract and retains \$4.6 billion for a Virginia-class submarine in FY 2026. Inside Defense reported Senate Armed Services Chair Roger Wicker (R-Miss.) called the bill a "historic investment" but criticized the administrations use of one time funds to claim a \$1 trillion topline. Lawmakers raised concerns about the lack of clarity in shipbuilding plans, with Rep. Joe Courtney (D-Conn.) warning that much of the funding remains loosely defined. The Pentagon separately awarded \$5 billion to support submarine production, as current output still lags Navy goals.

Pentagon Pushes Faster Tech Integration As Uncrewed Operations Expand: Defense Daily and Breaking Defense reported Gen. Dan Caine, Chairman of the Joint Chiefs, called on the defense industry to accelerate delivery of cutting edge technologies, especially in command-and-control systems, through tighter collaboration with the Pentagon. Speaking at the Defense Innovation Unit, Caine emphasized the need for "creative, innovative, patriotic and diabolical minds" to advance globally integrated operations and bring CJADC2 capabilities to the field faster. His remarks come as the Pentagon increases funding for advanced tech, with \$2.5 billion included in the Senate's reconciliation bill. Separately, Defense Daily reported on Wednesday that BlackSea Technologies is contributing an unmanned surface vehicle and mission support ship to Operation Southern Spear — a U.S. Navy led maritime operation in the Caribbean. Persistent operational use of these developments underscore growing demand for autonomous systems, C5ISR integration and field ready innovation.

UK's AUKUS Submarine Program May Be Delayed: Breaking Defense reported that the UK's SSN-AUKUS submarine program faces production delays unless significant investments are made in British shipbuilding infrastructure. It was reported that the UK, U.S., and Australia plan to jointly produce next generation nuclear powered submarines, with initial builds scheduled for the later 2030s. However, defense observers say the UK's industrial base is under-resourced to meet the timeline, raising concerns. AUKUS timelines could shift if British yards are unable to meet delivery expectations.

Social Media Highlight Of The Week

Posted Thursday on HII's LinkedIn page:

HII is honored to have played a role in a major leap forward for undersea warfare.

USS Delaware, built by HII, has successfully completed the first-ever forward-deployed launch and



recovery of a UUV via submarine torpedo tube with the REMUS 600 UUV also built by HII.

This groundbreaking operation in the U.S. European Command area of operations proves what's possible when cutting-edge autonomy and robotics meets submarine stealth. Over multiple missions, the Yellow Moray REMUS UUV executed tactical objectives without the need for divers, extending reach, enhancing seabed and subsea warfare, and reducing risk to personnel and platforms.

"HII is proud to support this important milestone for the US Navy in the future of undersea warfare," said Chris Kastner, president and CEO of HII. "Using HII's REMUS for the first-ever forward deployed submarine torpedo tube launch and recovery is a testament to our partnership, and to the value of investing in innovation to meet the U.S. Navy's urgent needs."

HII is expanding the U.S. Navy's undersea dominance and range with unmatched technology and delivery.

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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.

Send feedback to: <u>HII Communications@hii-co.com.</u>