

To: All HII Employees

From: Bill Ermatinger, Executive Vice President and Chief Human Resources Officer

Date: March 22, 2021

Subject: CARES Act COVID-19 Reimbursement

Dear HII Employees:

Shortly after the COVID-19 outbreak reached crisis levels last year in the United States, Congress passed legislation known as the Coronavirus Aid, Relief, and Economic Security (CARES) Act. One part of the CARES Act permits eligible government contractors to recover certain COVID-19-related business costs. Reimbursable costs under the CARES Act include, among other things, paid leave, also referred to as Paid Time Off (PTO), Annual Leave (AL) or Vacation (VAC), Paid Personal/Sick Time payments, etc., for hours that employees used from their individual paid leave account balances for reasons related to the COVID-19 pandemic. **This does not apply to short-term disability payments, quarantine pay, special COVID-19 sick time, or sick leave covered by the Family First Coronavirus Response Act (FFCRA).** If employers claim these COVID-19-related business costs, and are eventually reimbursed for them by the government, they are required to make an appropriate credit of the hours or an equivalent cash payment to affected employees. HII is evaluating how employees will be reimbursed for claimed paid leave hours if the company is reimbursed, or partially reimbursed, by the government.

HII plans to submit a claim for PTO hours employees took that were related to COVID-19 and will need employees' assistance to identify those hours. We will be surveying employees in the near future about their PTO/AL/Vacation, Paid Personal/Sick Time usage to determine if the paid leave was for a reason recognized by the CARES Act and for which the company can seek reimbursement. HII's claim will cover the period from March 15, 2020 through March 31, 2021.

The company has engaged Ernst & Young, a nationally recognized accounting firm, to conduct the survey and assist in determining whether employee paid leave qualifies for reimbursement under the CARES Act. Under HII's Privacy Policy, HII is required to collect, use, and protect your personal information in compliance with applicable laws, regulations, and other requirements. Likewise, Ernst & Young, as an agent of HII, is required to keep your personal information confidential and only disclose your personal information to its officers, agents and employees who (i) have a need to know your personal information for the limited purpose of assisting HII with its CARES Act claim, and (ii) are under an obligation to keep your personal information confidential. For more information about HII's Privacy Program, we encourage you to read Corporate Policy A5, Privacy Program Policy, and Corporate Procedure A318, Privacy of Employee Personal Information, or contact HII's Privacy Office at Privacy@hii-co.com.

As part of the survey process, Ernst & Young will provide you with a listing of the dates of paid leave you took during this timeframe and will ask you to identify the reasons for taking the leave. In order to claim paid leave hours for potential reimbursement, the company will, in most cases, need you to provide Ernst & Young with documentation to validate that your leave hours were taken for a purpose permitted under the CARES Act. Thus, as part of the survey, we will be asking you to indicate why you took the paid leave and to provide the company with certain types of documentation to support your responses. Again, this does not apply to short-term disability payments, quarantine pay, special COVID-19 sick time, or sick leave covered by FFCRA. The types of documentation you may need to provide to validate the paid leave you took for COVID-19-related reasons include, but may not be limited to:

- You were diagnosed with COVID-19. (letter from medical provider indicating date you were diagnosed)
- You were exposed and recommended for quarantine by your health care provider. (letter from medical provider)
- You were quarantined for COVID-19 due to personal domestic/international travel. (provide dates of travel, destination, and tickets, hotel receipt or other form of documentation of travel)

- You were caring for a household member or family member diagnosed with COVID-19. (provide the name of the family member and letter from their medical provider indicating the date they were diagnosed)
- You serve as the primary caregiver for a child or member of your household who is unable to attend school due to COVID-19. (provide name of school and school district, copy of report card)
- You were the breadwinner or major support for your household because the head of your household died from COVID-19. (name of deceased household member, date of death, death certificate)
- Other reason related to COVID-19. (In this case you will be asked to briefly describe the reason and may be contacted by HII or Ernst & Young for appropriate documentation.)

Shortly, you will receive a letter from Ernst & Young mailed to your home address with instructions on how to access and complete the survey. I want to thank you in advance for your participation in the survey and for providing the information necessary for the company to submit a claim.

For additional information about the CARES Act and COVID-19-related reimbursements please visit HII's CARES Act survey website.

A handwritten signature in black ink, reading "Bill Eumalynzi". The signature is written in a cursive style with a large, sweeping initial "B".