





DESCRIPTION:

In September 2020, Huntington Ingalls Industries (HII) fired an employee for wearing a "Trump 2020" hat prior to a work meeting under the company's rules against "campaigning" for politicians. The employee is said to have worn similar apparel prior to previous meetings for a lengthy part of his career at HII. Huntington Ingalls Industries (HII) scored an 80 on the 2023 Corporate Equality Index (CEI) from the Human Rights Campaign (HRC), a political stakeholder group. By complying with Human Rights Campaign's controversial demands, Huntington Ingalls Industries (HII) increases the risk of dividing employees, alienating customers and harming shareholders. The company covers transgender-related medical costs for its employees and their children and provides specific sexual orientation and gender identity-based benefits. It also uses sex and gender ideology criteria in employee recruitment, vendor selection, marketing, and philanthropic support. HII forces employees to undergo multiple ideological trainings and uses its reputation, corporate funds, and political influence to support controversial sex and gender ideologies, organizations, and legislation. The company is a signatory of the Business Roundtable's 2019 Statement on the Purpose of Corporation, which promotes stakeholder capitalism. For these reasons, HII receives a High Risk rating.

Corporate Weaponization

Has denied service to customers, suppliers, or vendors due to their political views or religious High Risk beliefs OR corporately boycotts, divests, or sanctions regions, people groups, or industries.

HII fired an employee from its Newport News Shipbuilding division in September 2020 after the employee refused to take off a "Trump 2020" ballcap during a meeting at the beginning of the work day (1)(2). The company says the worker was fired for failing to comply with its policy against political campaigning. The employee claims he had worn a Trump hat on the way to work before he changed into his hard hat for the job for four years and that others had worn political gear while he had worked there. HII received a score of 80 recruits employees based on sexual identity issues. The company discriminates against vendors that do not promote divisive sex and gender policies, indicating it prioritizes sexual issues over merit (3)(4). However, HII has not publicly fired customers, suppliers, or vendors based on political views or religious beliefs.

Charitable giving (including employee matching programs) policies or practices discriminate High Risk against charitable organizations based on views or religious beliefs.

HII (<u>1</u>)(<u>2</u>).

Employment policies fail to protect against discrimination based on political affiliation/views High Risk and/or religion.



HII HRC 2023 CEI rating indicates the company forces employees to attend multiple, controversial trainings on gender identity, sexual orientation, transgender issues, and divisive racial ideology. The company provides gender transition guidelines for its employees and a specific benefits guide with a comprehensive explanation of transgender services funded by the company ($\underline{1}$)($\underline{2}$). HII does not provide viewpoint protections for its employees ($\underline{3}$).

Corporate Governance and Public Policy

Uses corporate reputation to support ideological causes and/or organizations hostile to freedom High Risk of expression.

HIIIndicates the company agrees to allow a controversial stakeholder group focused on sexual identity issues to dictate marketing or advertising strategy (<u>1</u>)(<u>2</u>). By doing so, the company risks dividing employees, alienating customers and harming shareholders. Former HII CEO, Mike Petters, signed its 2019 Statement on the Purpose of Corporation, which promotes stakeholder capitalism over traditional obligations to shareholders and customers (<u>3</u>)(<u>4</u>).

Uses corporate funds to advance ideological causes, organizations, or policies hostile to freedom High Risk of expression.

Hllindicates the company covers transgender related costs for its employees and their children, including paid short-term leave, puberty blockers, cross-sex hormones, chest surgeries, genital surgeries, medical visits and lab monitoring, travel and lodging. Additionally, the company has pledged philanthropic support of at least one organization or event that promotes sex and gender ideology (<u>1</u>)(<u>2</u>). By allowing a political stakeholder group to dictate operations, the company increases health care costs and risks dividing employees, alienating customers and harming shareholders.

Uses corporate political contributions for ideological, non-business purposes.

High Risk

Hllindicates the company publicly advocated for controversial sex and gender ideology through local, state or federal legislation or initiatives (<u>1</u>)(<u>2</u>). By allowing a political stakeholder group to dictate operations, the company risks dividing employees, alienating customers and harming shareholders. HII has not used its political contributions for ideological purposes (<u>3</u>)(<u>4</u>)(<u>5</u>)(<u>6</u>).

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