

Coronavirus (COVID-19) Communications

Pay & Benefits Guidance



March 17, 2020



Because we care about the well-being of our employees, both from a health and financial perspective, we all need to do our part to minimize the spread of Coronavirus (COVID-19). This includes staying home if you feel sick. Based on guidance from The Centers for Disease Control and Prevention (CDC), employees are expected to stay home when they have symptoms of acute respiratory illness (such as fever of 100.4 degrees or greater OR cough OR shortness of breath) and stay home until they are fever-free for at least 24 hours without the use of fever-reducing or other symptom-altering medicines such as cough suppressants.

To assist our employees, Ingalls Shipbuilding will bridge the possible gap between the time an employee feels ill and qualifies (or doesn't qualify) for Short-term Disability (STD) or Hourly Loss of Time (LOT) (COVID-19 Leave) without using PTO/vacation or no pay. The following policy will be effective through April 17, 2020, and be reevaluated at that time. Policy guidance is as follows:

5-Days of COVID-19 Absence Pay

- Employees who feel ill should not report to work. If an employee reports to work ill, their management will direct them to go home or to Ingalls screening stations. The employee should call their personal primary care physician and follow their instruction. To be paid for up to five days (40 hours) of COVID-19 Absence Pay, the employee must certify that he or she missed work due to illness.
 - To be paid, employees must sign the below COVID-19 Absence Certification Form attesting to their illness and email the form to COVID19Leavedesk@hii-ingalls.com. If an employee is unable to email the form, they may contact the leave desk at 228-935-1919.
 - Employees should call in and report their absence to their immediate supervisor.
 - For Salaried Short-term Disability (STD) or Hourly Loss of Time (LOT) payments, all required medical documentation will need to be provided per the terms of each plan.
 - An employee may not exceed 100% of their normal weekly paycheck through a combination of STD (if non-rep) or LOT plans (if hourly), and Ingalls payroll for the same days compensated by COVID-19 Absence Pay. If overpayment occurs, STD and/or LOT benefits must be repaid.
- Once the COVID-19 Absence Certification Form is approved by the Leave of Absence Administration (LOAA) desk, payroll will be responsible for timekeeping afterwards, until the employee returns to work.

This new pay policy is in response to extraordinary circumstances. We recognize that employees and their families and the company itself are all vulnerable at this time. We need to take care of each other, and the COVID-19 Absence Pay is one way we can do that. Employees with other issues affecting their ability to come to work should, as always, contact their supervisor and their Human Resources Business Partner or Labor Relations Representative.

Enhanced Short Term Disability Pay and Loss of Time Benefits

- Hourly (Union Represented) Loss of Time (LOT) Benefits
To provide temporary relief for our employees through April 17, 2020, the seven-day (7) waiting period for receiving LOT benefits is being waived for all eligible illnesses and injuries as long as the employee submits appropriate medical documents to the LOAA Leave Desk. This waiver applies not only to employees who contract COVID-19, but to all illnesses and injuries normally covered by the plan. In addition to waiving the (7) seven-day waiting period, the Company will pay the difference between LOT payments and an employee's regular straight-time pay for the first two (2) weeks of the LOT disability period. As such, the maximum number of work days to receive differential pay would be ten (10) days. For example, if the LOT Plan provides \$305 a week while on LOT, the Company will make up any difference between full pay and \$305. After the two (2) week period, employees will revert back to the negotiated LOT Plan rates of pay. The maximum number of days to receive differential pay is reduced by the number of days the employee receives COVID-19 Absence Pay. For example, if the employee receives LOT for two (2) weeks but also received two (2) days of COVID-19 Absence Pay, the Company would pay the difference in LOT and the employee's pay for eight (8) days.
- Salaried Short Term Disability
To provide temporary relief for our employees through April 17, 2020, the seven-day (7) elimination period for receiving Short Term Disability benefits is being waived for all eligible illnesses and injuries, as long as the employee submits appropriate medical documents to LOAA/Prudential. This waiver applies not only to employees who contract COVID-19, but to all illnesses and injuries normally covered by the plan. In addition, if necessary, employees may request a paid time off (PTO) donation in accordance with Huntington Ingalls Industries' PTO policy H207.

Employees quarantined by medical professional are subject to the above Absence Pay, STD and LOT benefits. Note: The total maximum pay available to each employee in this period is two weeks, whether ill or quarantined or in combination.

Employees considered high-risk for Covid-19, caring for someone with Covid-19, or is the primary in-home care giver for a high-risk person should exercise discretion and use PTO or work from home if possible along with notifying their immediate supervisor.

Employees assigned to offsite locations must follow any health protocols established by the offsite location, and stay in regular contact with their supervisor and their Human Resources Business Partner or Labor Relations Representative.

COVID-19 ABSENCE CERTIFICATION FORM

In light of the CDC's strict guidance regarding illness in the workplace during the COVID-19 situation, Ingalls, in an effort to minimize financial impact to employees, will bridge the possible gap between the time an employee feels ill and qualifies (or doesn't qualify) for short-term disability (STD) or Loss of Time (LOT) benefits.

I, _____, myID. _____, badge _____ was ill and, per CDC guidance, could not come to work on the following date(s): _____.

Accordingly, I am requesting ___ day(s) (not to exceed 5) of Covid-19 Absence Pay for such date(s), to be paid at my regular rate of pay for such days without use of PTO/vacation.

I further understand and agree that since Ingalls has temporarily waived the waiting periods for STD and LOT benefits. If I have applied for STD or LOT, and am approved to receive such benefits, I cannot be paid STD or LOT benefits for any day(s) on which I have already been paid pursuant to Covid-19 Absence Pay. In the event I do receive an overpayment, I hereby agree to repay such STD or LOT benefits to Ingalls as directed by Ingalls.

I attest that the foregoing is true and correct. If it is determined that this form has been falsified I may be subject to disciplinary action, up to and including termination.

Date _____

EMPLOYEE Signature

Return this form via:

1. Email, to COVID19leavedesk@hii-ingalls.com
2. Fax, to 228-933-6393