

# Vote Bulletin – Huntington Ingalls Industries, Inc.

Meeting Type – Annual

Meeting Date – 01 May 2024

Item number	Proponent	Item description	Management recommendation	SSGA vote
6	Shareholder	Stockholder Proposal Regarding Science-based Greenhouse Gas Reduction Targets and Transition Plan	AGAINST	AGAINST

## Text of Proposal

“RESOLVED: Shareholders request that Huntington Ingalls issue near and long-term science-based greenhouse gas reduction targets aligned with the Paris Agreement’s ambition of limiting global temperature rise to 1.5C and summarize plans to achieve them.”

## SSGA Policy

Our criteria for assessing shareholder proposals are outlined in our [Global Proxy Voting and Engagement Policy](#).

We expect all companies to provide public disclosures in accordance with the following four pillars of the Taskforce for Climate-related Financial Disclosures (TCFD) framework: Governance, Strategy, Risk Management, and Metrics and Targets. State Street Global Advisors is not prescriptive on target setting. We expect companies that have adopted net zero ambitions to disclose interim climate targets. We do not expect companies to set Scope 3 targets. We do encourage companies to explain any efforts to address Scope 3 emissions in line with TCFD, such as engagement with suppliers, customers, or other stakeholders across the value chain, where relevant. If a company chooses not to disclose any climate targets, we expect the company to provide an explanation on how the company measures and monitors progress on managing climate-related risks and opportunities in line with the recommendations of TCFD.

## Analysis

Huntington Ingalls Industries, Inc. (HII), a global all-domain defense provider, received a shareholder proposal requesting the disclosure of near- and long-term science-based greenhouse gas (GHG) reduction targets aligned with the Paris Agreement’s ambition to limit global temperature rise to 1.5C and plans for achieving these targets.

We engaged HII over the past few years on the company’s climate-related disclosures and withheld support from an independent director in 2022 and 2023 given the company did not provide sufficient disclosure in line with the TCFD framework per our voting policy. In HII’s 2024 Sustainability Report, the company enhanced climate-related disclosures and reported its Scope 1 and 2 emissions footprint, climate-related targets, and a TCFD disclosure index. According to the report, the company plans to implement a climate-related scenario analysis based on SBTi standards and is developing a strategy for achieving its emissions reductions targets. HII also describes efforts to address supply chain risks through supplier engagement and enhanced data tracking.

## SSGA Vote

State Street Global Advisors is not prescriptive on target setting or temperature pathway alignment. HII has improved disclosures to better align with our expectations and the Metrics and Targets pillar of TCFD, including disclosure of the company’s GHG emissions footprint and Scope 1 and 2 emissions reduction targets. For these reasons, SSGA voted AGAINST the proposal. We also did not withhold support from any directors at the 2024 AGM for lack of sufficient climate-related disclosures in line with the TCFD framework.

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\*Yahoo Finance, as of 10/15/2024.

†This figure is presented as of 30 September 2024 and includes ETF AUM of \$1515.7 billion USD of which approximately \$82.6 billion USD is in gold assets with respect to SPDR products for which State Street Global Advisors Funds Distributors, LLC (SSGA FD) acts solely as the marketing agent. SSGA FD and State Street Global Advisors are affiliated. Please note all AUM is unaudited.

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