



EB

STRATEGIC PLAN

2021-2025

GENERAL DYNAMICS
Electric Boat



PURPOSE

Why We Exist

We deliver the advantage that protects our Sailors, our Families, and our Freedom

MISSION

What We Do and For Whom

We design, build, sustain and enhance our nation's nuclear submarines and undersea capabilities to protect America and our allies

VISION

What We Strive To Be

The most-valued provider of nuclear submarines and undersea capabilities



OUR CORE VALUES

- ▶ Value Each Other
- ▶ Behave with Integrity and Purpose
- ▶ Commit to Excellence

First and foremost, we value our employees—ensuring their safety and well-being is our highest priority. We benefit greatly from their knowledge, hard work, dedication and willingness to learn and teach new employees what they need to know to be successful.

Our people make Electric Boat exceptional and our actions must reflect that. Our core values must guide our work and set the standards for our behavior. We all have a role to play and each one of us can make a difference. We must all demonstrate that we value and respect each other. By working together, we will emerge a stronger, more cohesive company.

We will always behave ethically in our dealings with each other, our suppliers, our partners and our Navy stakeholders.

We are committed to excellence, and we hold each other accountable for our behavior and productivity.



OUR CORE COMPETENCIES

- ▶ Nuclear submarine design and engineering
- ▶ Precision manufacturing and modular construction
- ▶ Complex final assembly, test and delivery
- ▶ Submarine repair, maintenance and modernization
- ▶ Material procurement and industrial base management
- ▶ Concept and capability development
- ▶ Innovation and technology development
- ▶ Platform and undersea systems integration
- ▶ Program management

KEY BUSINESS OBJECTIVES [2021-2025]

VIRGINIA-CLASS SSN

- ▶ Deliver all five remaining Electric Boat Block IV ships to sustain the submarine force the U.S. Navy needs to protect America
- ▶ Expand the capability and payload capacity of Virginia-Class submarines by delivering the Virginia Payload Module (VPM)

COLUMBIA-CLASS SSBN

- ▶ Leverage our most-complete lead ship design to achieve cost and schedule goals
- ▶ Complete development of the U.S. Navy's first submarine-integrated electric drive
- ▶ Collaborate with our U.K. ally to achieve common missile compartment milestones
- ▶ Achieve pressure hull complete for the first ship of the 12-ship class, which will provide strategic deterrent capabilities into the 2080s

REPAIR, MAINTENANCE & MODERNIZATION

- ▶ Secure additional submarine availabilities to maintain essential Groton waterfront skills and the capability to continue critical Navy maintenance
- ▶ Execute all remaining Block III and Block IV post shakedown availabilities (PSAs) to support fleet readiness



ENGINEERING AND DESIGN

- ▶ Employ state-of-the-art computer-aided tools to achieve design milestones
- ▶ Develop and implement new design programs for Virginia-Class upgrades and SSN(X) to ensure U.S. undersea dominance
- ▶ Ensure continued submarine relevance by integrating new submarine payloads and undersea capabilities

COMPANY READINESS FOR GROWTH

- ▶ Align the organization for once-in-a-generation multi-program construction
- ▶ Expand the workforce, facilities and supply base to support an historic increase in workload
- ▶ Develop the supply base to support future submarine classes and class upgrades
- ▶ Transition to Enterprise Resource Planning (ERP) to improve supplier management and strengthen collaboration

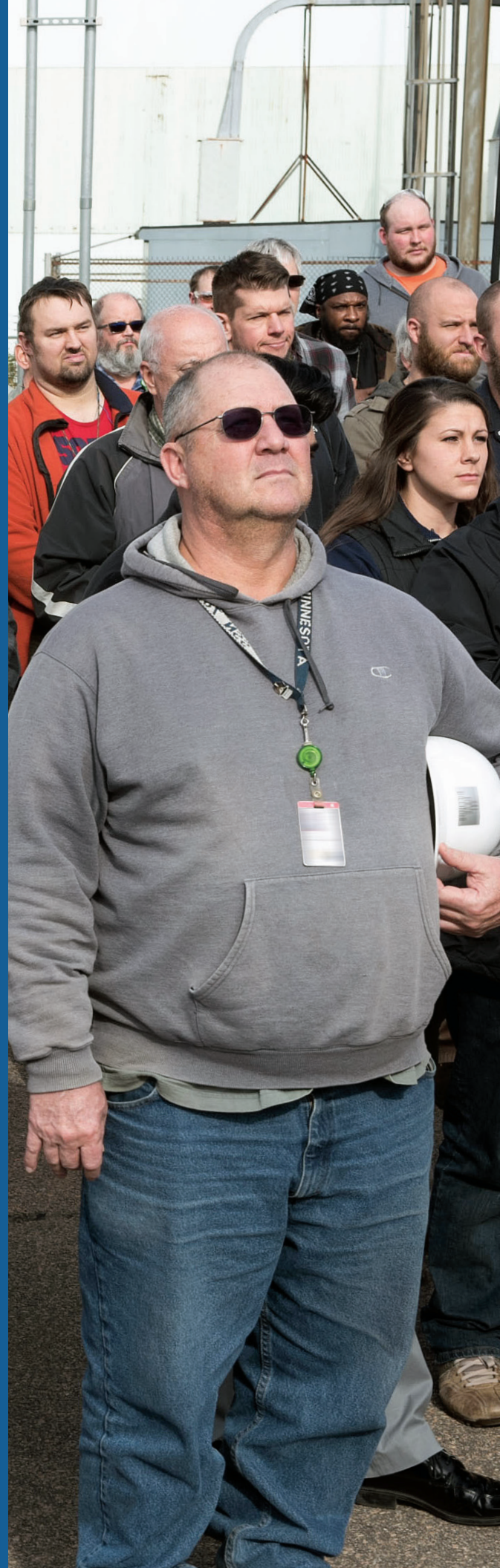
STRATEGIC PRIORITIES

We will fulfill our purpose, accomplish our mission and achieve our vision by focusing on four strategic priorities:

- ▶ Grow and support a workplace culture that attracts, develops and retains high-performing people
- ▶ Provide the Navy with the submarines needed to maintain U.S. undersea dominance
- ▶ Proactively strengthen and grow the supply base
- ▶ Invest in our business and increase value through operational excellence

Grow and Support a Workplace Culture that Attracts, Develops and Retains High-Performing People

- ▶ We will develop our people to enable their success and achieve excellence in the workforce
- ▶ We will demonstrate accountability throughout the organization



Value People

WE WILL DEVELOP OUR PEOPLE TO ENABLE THEIR SUCCESS AND ACHIEVE EXCELLENCE IN THE WORKFORCE

WHY?

Our people are our greatest resource. Investing in the development of our employees so that they can become productive and successful is essential to delivering on our commitments.

HOW?

- ▶ Create a culture of continuous learning and provide tools to enable employees to reach their full potential
- ▶ Promote an increased understanding of career opportunities within Electric Boat
- ▶ Introduce a talent mobility program that offers the opportunity for employees to gain experience and skills across business functions
- ▶ Improve communication and awareness of total employee benefits and wellness offerings
- ▶ Use Electric Boat's leadership model to identify and develop emerging leaders across all business functions to create a strong leadership bench and promote succession planning
- ▶ Recognize the value of diversity in our hiring, selection and workforce-development processes
- ▶ Connect the workforce to the product; ensure that employees understand their role and its importance to our success

Be Accountable

WE WILL DEMONSTRATE ACCOUNTABILITY THROUGHOUT THE ORGANIZATION

WHY?

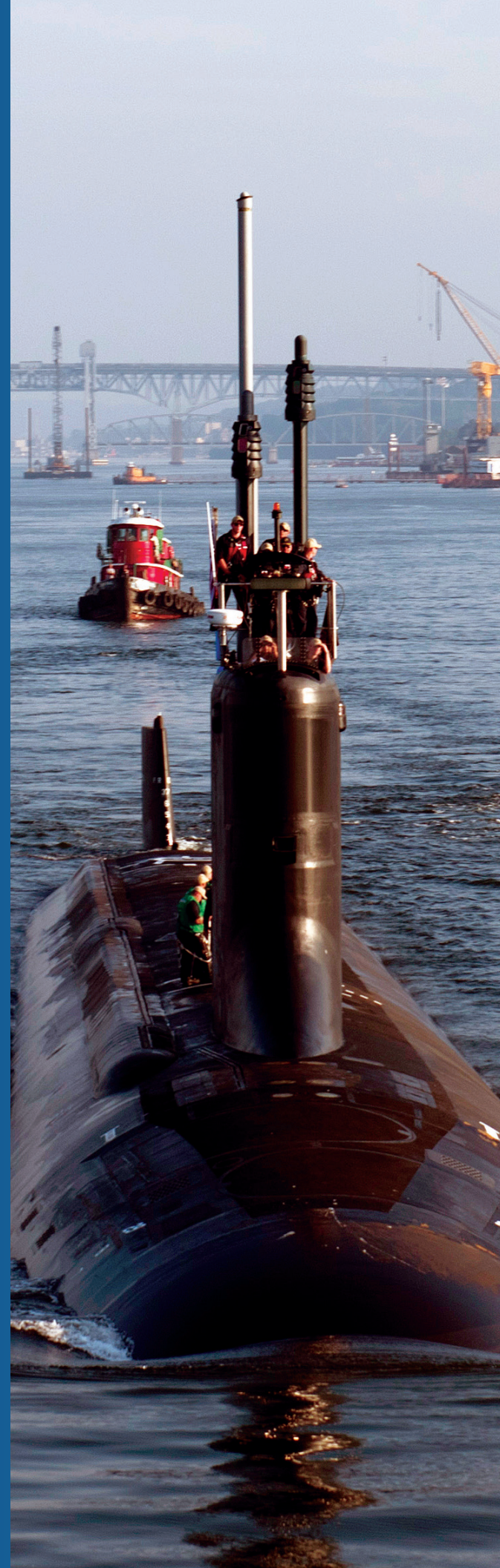
Our company is built upon its core values. We will continue to promote a culture of accountability to uphold these values and ensure we deliver high-quality products.

HOW?

- ▶ Strengthen supervisory and managerial skills to address performance challenges and promote accountability
- ▶ Fill key positions with qualified candidates who understand the impact of their decisions on our business
- ▶ Foster a culture of candor, empowerment, a questioning attitude and transparency

Provide the Navy with the Submarines Needed to Maintain U.S. Undersea Dominance

- ▶ We will deliver superior quality products on time and below target cost
- ▶ We will provide innovation and leadership that advances submarine capabilities and U.S. undersea dominance



Deliver on Commitments

WE WILL DELIVER SUPERIOR QUALITY PRODUCTS ON TIME AND BELOW TARGET COST

WHY?

Our Navy stakeholders expect Electric Boat to deliver the best quality, the best performance, the best productivity and the best value. Meeting these expectations will ensure we are the most valued provider of all our products and services.

HOW?

- ▶ Achieve Virginia-Class construction schedules, cost targets and quality standards
- ▶ Achieve Columbia-Class lead ship construction schedules, cost targets and quality standards
- ▶ Complete USS South Dakota (SSN 790) Insertion Program
- ▶ Complete Columbia-Class design on schedule
- ▶ Implement cost-reduction initiatives that promote affordability and provide best value
- ▶ Complete submarine availabilities on schedule and with high quality

Advance U.S. Undersea Dominance

WE WILL PROVIDE INNOVATION AND LEADERSHIP THAT ADVANCES SUBMARINE CAPABILITIES AND U.S. UNDERSEA DOMINANCE

WHY?

Our goal is to ensure our nation's warfighters have the products and services they need to accomplish their mission.*

- ▶ Protect America from attack
- ▶ Promote American prosperity
- ▶ Preserve America's strategic influence

HOW?

- ▶ Develop and deliver all Columbia-Class technology capabilities
- ▶ Deliver Columbia-Class Integrated Power System and electric drive system, and continue to evolve technologies to support follow-on programs
- ▶ Identify innovative technologies, construction methods and roadmaps to capture future Virginia-Class block upgrades and SSN(X) design efforts, and provide cost effective advanced capabilities
- ▶ Develop innovative undersea technologies and integrate into future submarines
- ▶ Transition payload concepts into funded programs

* Chief of Naval Operations, A Design for Maintaining Maritime Superiority Version 2.0, December 2018

Proactively Strengthen and Grow the Supply Base

- ▶ We will enable the success of our current and future suppliers and partners
- ▶ We will institutionalize effective supplier management and oversight processes to ensure delivery of high-quality material



Value Our Suppliers and Partners

WE WILL ENABLE THE SUCCESS OF OUR CURRENT AND FUTURE SUPPLIERS AND PARTNERS

WHY?

The submarine industrial base must expand significantly to support the Navy's shipbuilding plans. Our commitment to develop the industrial base will reduce schedule risk and cost to the Virginia-Class and Columbia-Class programs by ensuring that production material is available when needed.

HOW?

- ▶ Provide predictable, stable volume through initiatives such as advanced procurement with economic order quantities (EOQ), continuous production and multi-program material procurement
- ▶ Provide clear, concise procurement information and set realistic schedules
- ▶ Refine and execute a strategic sourcing plan that allows the shipyard to focus on core competencies while expanding the supply base to execute work it can effectively perform
- ▶ Develop capabilities in the supply base to support technologies for future platforms such as SSN(X)
- ▶ Obtain alternate funding to increase the capacity, capability and proficiency of the supply base
- ▶ Increase supply base engagement via the Submarine Industrial Base Council and other industry groups
- ▶ Offer our suppliers and partners a fair deal and conduct all business in accordance with our core values

Ensure Quality Material

WE WILL INSTITUTIONALIZE EFFECTIVE SUPPLIER MANAGEMENT AND OVERSIGHT PROCESSES TO ENSURE DELIVERY OF HIGH-QUALITY MATERIAL

WHY?

The safety of our nation's warfighters depends on strict adherence to the highest quality standards of the materials our suppliers provide. We, as shipbuilders, are ultimately responsible and accountable to ensure that our suppliers meet these high standards.

HOW?

- ▶ Continuously assess the training, processes and procedures used by our suppliers to ensure they meet our strict requirements
- ▶ Perform robust in-process oversight, re-inspections and conformance checks to validate acceptability of the supplier material being procured
- ▶ Perform comprehensive supplier quality assessments and provide feedback on areas requiring improvement
- ▶ Perform detailed product package certification reviews and physical inspections of supplier material
- ▶ Execute actions identified in critical supplier assessments to improve supplier health, capacity, capability and quality
- ▶ Refine and execute an enterprise plan to improve supplier communication and training, and emphasize quality
- ▶ Increase internal supplier management and oversight process effectiveness

Invest in Our Business and Increase Value Through Operational Excellence

- ▶ We will generate superior results by focusing on operational excellence, continuous learning and improvement
- ▶ We will efficiently deploy resources to capture new business



Perform On All Contracted Work and Earn Our Future

WE WILL GENERATE SUPERIOR RESULTS BY FOCUSING ON OPERATIONAL EXCELLENCE, CONTINUOUS LEARNING AND IMPROVEMENT

WHY?

Electric Boat is a value driver for General Dynamics. Our primary focus is to achieve world-class operational performance that generates value for our Navy stakeholders and our corporation. We will do this by generating superior results across our lines of business. Labor is a significant component of our cost and improving labor hour productivity and performance will help us achieve contract objectives.

HOW?

- ▶ Be the high-quality, high-value provider of U.S. Navy submarines
- ▶ Improve construction schedule stability
- ▶ Perform on VPM and Columbia-Class design and construction efforts including first time evolutions
- ▶ Implement and refine VPM and Columbia-Class build plans
- ▶ Drive cost and waste out of our business and product lines
- ▶ Perform with excellence in the repair, maintenance and modernization line of business
- ▶ As prime contractor for the Virginia-Class and Columbia-Class programs, ensure contract commitments are met for the enterprise

Build On Our Historic Legacy

WE WILL EFFICIENTLY DEPLOY RESOURCES TO CAPTURE NEW BUSINESS

WHY?

We must remain good stewards of the investments General Dynamics, our Navy stakeholders, employees and communities make in us, now and in the future. The Columbia-Class program is the Navy's top priority and this guides our near-term business strategy. In the long term, Electric Boat must continue to work hard and compete for the privilege of being the most-valued provider of future submarines and undersea capabilities.

HOW?

- ▶ Develop and execute a multi-mission platform study plan that informs platform requirements and demonstrates innovation
- ▶ Develop technologies that highlight continued submarine relevance to future warfare requirements and capture the SSN(X) design contract
- ▶ Develop compelling concepts to advance U.S. undersea warfighting capabilities
- ▶ Capture new repair, maintenance and modernization work
- ▶ Pursue Navy, federal and state funding for company growth initiatives
- ▶ Continue to be a good corporate citizen by protecting the environment and supporting our local communities



THE WAY AHEAD

Our shipbuilders—their safety, expertise, ideas and passion—have been and always will be the foundation for our success. Through their efforts, over the next five years, we will deliver Virginia-Class submarines, Virginia Payload Modules and Columbia-Class modules that will ensure the security of our nation now and far into the 21st century.

Implementation of this strategic plan will help ensure that Electric Boat achieves its vision to be the U.S. Navy's most-valued provider of nuclear submarines and undersea capabilities. This plan identifies the key strategic priorities that are necessary to ensure we continue to deliver the advantage that protects our Sailors, our Families, and our Freedom.

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