



Sustainability

REPORT

2021

People Strong
INNOVATION DRIVEN >

Corporate Social Responsibility at BWXT

At BWXT, we are dedicated to the long-term well-being of our employees, the efficient and environmentally responsible operation of our facilities, the communities in which we operate and the environment that surrounds them all. We are committed to conducting our business in a sustainable, socially responsible and ethical manner; providing good working conditions and eliminating workplace injuries; and lowering operating costs by actively managing and reducing energy usage, waste generation and greenhouse gas emissions.

BWX Technologies, Inc. is referred to as "BWXT," the "Company," "we" or "us" in this report. This report may contain photos taken prior to the COVID-19 pandemic and the CDC's recommendations on social distancing and face masks.

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Message from Our President and CEO



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Some particularly interesting things happened in 2020 that were good for our business. We won several significant contracts during the year and continued to build our backlog for future earnings. We acquired a nuclear qualified facility that provides a footprint for the expansion of our nuclear space programs and advanced reactors development.

But none of us could have predicted the challenges faced in 2020. We found ourselves battling a public health crisis, accompanied by widespread economic damage. In addition, we faced social unrest and a bitterly contested presidential election. It has been a stressful time for everyone, including our employees. In spite of all the challenges that we experienced in 2020, I am proud to say that our corporate purpose, grounded in ethical operations, remains at the top of our minds here at BWXT. Through continued hope, hard work and steadfast commitment to our core values, BWXT has sustained business operations and produced positive results, while continuing to make a difference in the communities in which we operate.

Now, more than ever, our ability to stay true to our mission is essential. I believe corporate social responsibility is all about a Company's purpose and core values, and that 'doing the right thing' should guide our actions and decisions. At BWXT, our core value of Responsibility drives our dedication to the highest safety, security, ethical and environmental standards.

For the second year in a row, BWXT has been named to Investor's Business Daily's Top 50 Best ESG companies list. This publication recognizes companies with superior ESG ratings, in addition to strong fundamental and technical stock performance. I am honored that our employees and our Company have been recognized for our programs and practices and the high cultural tone they embody. We continue to demonstrate that we can achieve strong financial and operational results without sacrificing commitment to our core values.

Thank you for devoting the time to read this Sustainability Report. Our Company's journey ahead is an exciting one and we welcome your continued engagement.

BWXT is People Strong, *Innovation Driven*.

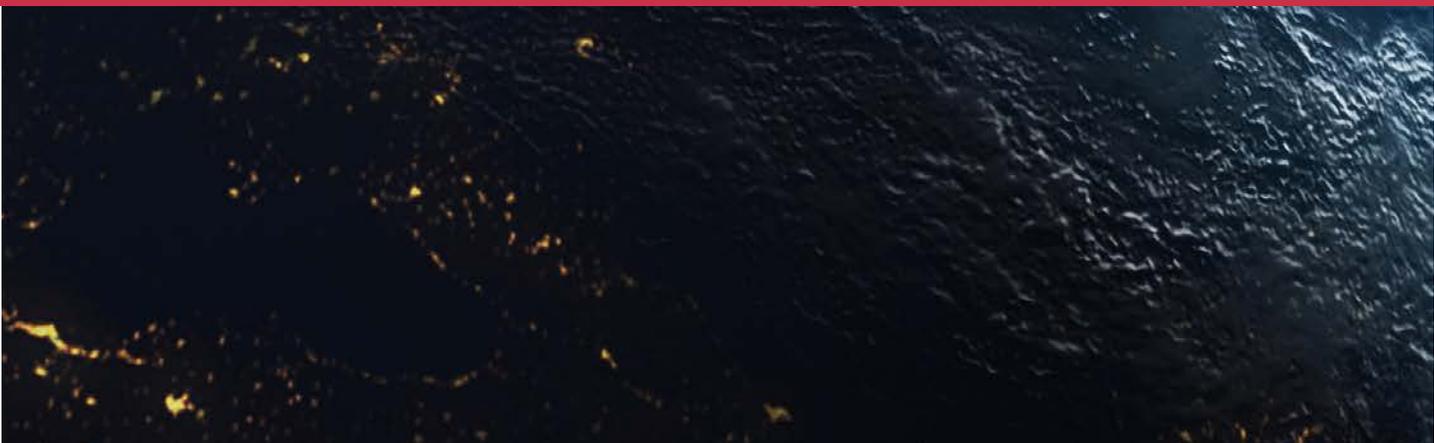
Sincerely,

Rex D. Geveden
President and Chief Executive Officer



Corporate Purpose

We employ nuclear technology to solve some of the world's most important problems.



MISSION

We provide safe and effective nuclear solutions for national security, clean energy, environmental remediation, nuclear medicine and space exploration.



National Security

BWXT has proudly supported the U.S. Navy's mission by manufacturing naval nuclear components and reactors since the 1950s, when it designed and fabricated components for the world's first nuclear-powered submarine. The Navy's submarines and aircraft carriers have safely steamed millions of miles using components manufactured by BWXT - a track record that is highlighted by our commitment to safety, quality and integrity.



Clean Energy

Nuclear power – a reliable carbon-free energy source – provides electricity to millions of homes, dramatically reducing greenhouse gas (GHG) emissions. We are a leading supplier of nuclear fuel, systems, components and services for nuclear power plants. In 2014 Ontario eliminated coal-fired power plants, the largest source of GHG. Today, 60% of Ontario's energy comes from zero-carbon, nuclear-generated electricity. As a result, smog-alert days have been virtually eliminated.



Environmental Remediation

BWXT is a leading provider of environmental management services to the U.S. Department of Energy, with more than 30 years of experience. We are committed to cleaning up sites across the U.S. containing legacy radioactive materials, utilizing a wide range of services that include decontamination and decommissioning, waste management, remediation and restoration. We were the first Company in the U.S. to successfully complete a major decontamination and decommissioning project that was released for unrestricted use.



Nuclear Medicine

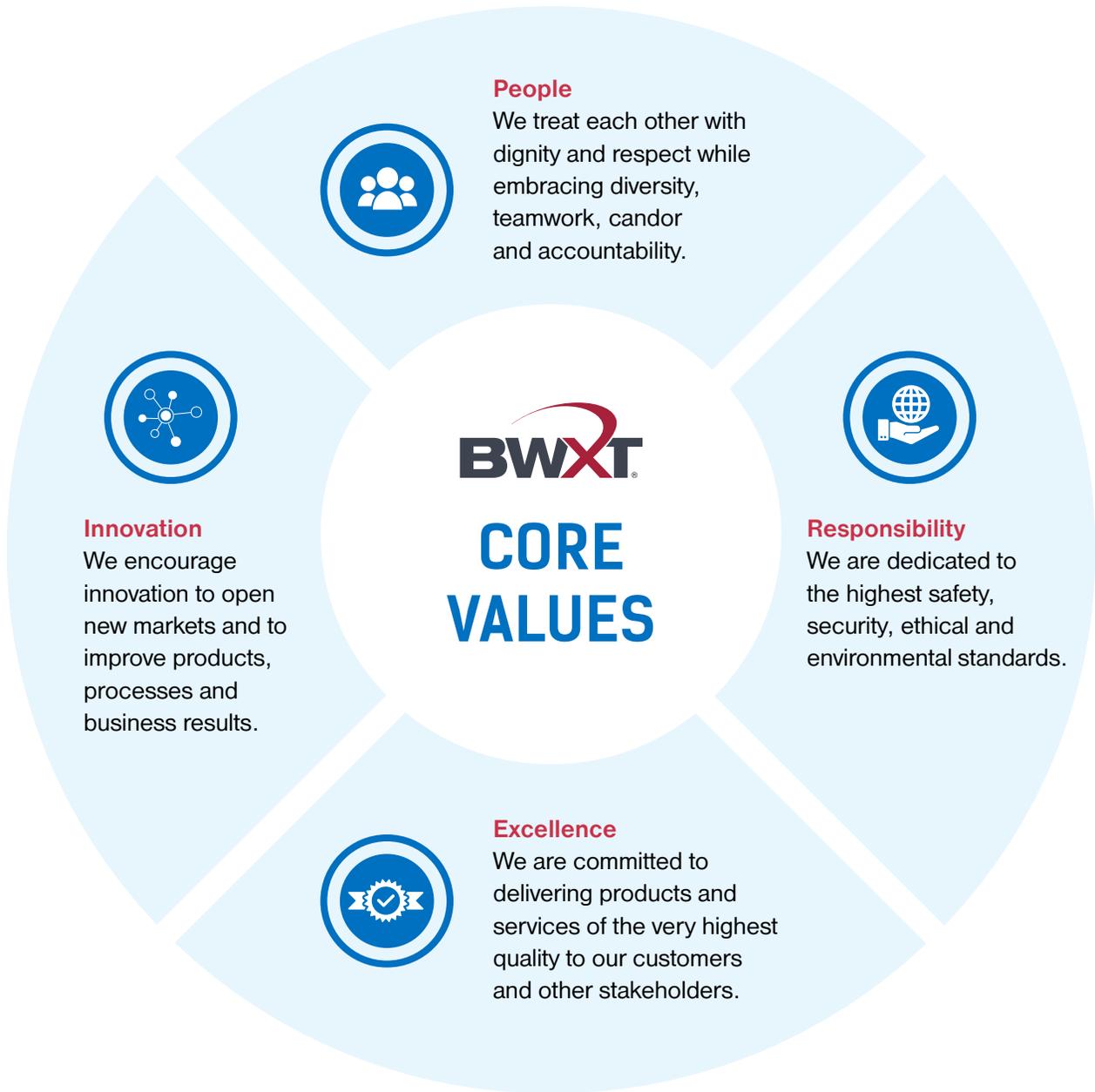
Our process for producing molybdenum-99 (Mo-99) puts BWXT at the forefront of medical isotope production. Our patent-pending technology produces Mo-99 using natural molybdenum rather than enriched uranium, which will mitigate radioactive waste and proliferation concerns, and significantly reduce costs. Mo-99 is used to produce technetium-99m (Tc-99m) which is critical for diagnostic imaging procedures that detect serious health conditions, like heart disease and cancer. Our unique solution will provide a reliable supply of medical Tc-99m with less impact on the environment.



Space Exploration

BWXT's innovations are solving important problems in clean energy, national security and space exploration. We are working with NASA on its nuclear thermal propulsion (NTP) project in hopes of powering a future crewed mission to Mars. Compared to traditional chemical propulsion, NTP's high-energy density and improved spacecraft thrust can shorten interplanetary travel times by up to 50% and improve crew safety by reducing exposure to cosmic radiation. We are also helping NASA reduce the development timeframe and costs for a mission to Mars.

Copernicus image courtesy of NASA



Core Values

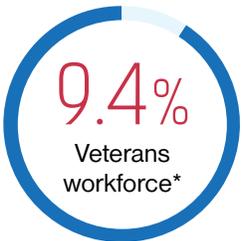
At BWXT, we pride ourselves in maintaining a highly ethical culture. Our core values are the pillars of our culture and guide the decisions we make each day. They are the foundation of our identity, supporting our vision and reflecting our standards.



People

At BWXT, our employees are our greatest strength. Our business is built on their focus and dedication. Recruiting and developing diverse and talented employees, while providing an inclusive environment for growth and opportunity, is paramount.





*U.S. employees only

Diversity and Inclusion

Employee diversity is a key asset to our business. BWXT is committed to providing a professional atmosphere for all employees that promotes productivity and encourages creativity and innovation. We strive to maintain a diverse workforce where employees are hired, retained, compensated and promoted based on their contributions and performance.

In 2018, we assembled a Diversity and Inclusion Committee (D&I Committee) that includes a rotating group of employees representing various job levels at our Company. This team works to identify and implement changes to improve our efforts in this area. Their mission is to intentionally foster a culture that promotes a diverse workforce and an inclusive workplace by raising awareness and providing strategies and tools to bring the vision of comprehensive excellence in our Company to life.

We recognize the benefits of a diverse Board of Directors and that any search for potential director candidates should consider diversity as to gender, ethnic background, education, viewpoint and personal and professional experiences, among other things. Our Board includes three directors (30% of the Board) who are diverse by gender, race or ethnicity.

BWXT participates in numerous conferences and career fairs each year that focus on diversity. A few of the participating/host organizations include the National Society of Black Engineers, Society of Women Engineers and Society of Hispanic Professional Engineers.

BWXT also commits financial support to community outreach programs that make a difference in our communities. Our employees volunteer and assume significant leadership roles in support of these initiatives. Some of these organizations include Beacon of Hope, the Youth Leadership Foundation, Big Brothers/Big Sisters, HOLA Latino Festival and the Virginia Center for Inclusive Communities.

In 2020, BWXT initiated a partnership with the Base 11 Next Frontier Initiative, a nonprofit that prepares and accelerates students from diverse backgrounds with the STEM skills critical for tomorrow's workforce. We identified industry opportunities as areas of focus, including data analytics, cybersecurity, aerospace and advanced manufacturing.



Larry Durham
Human Resources
D&I Committee Member



“ I believe a focus on Diversity & Inclusion is beneficial as a means to help everyone realize the value of working in an environment where all employees may thrive. Such an environment benefits from employees learning from one another both by way of recognizing our similarities and differences and figuring out how to effectively leverage both. ”

People Strong
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Total Employee Engagement

We value the diversity of our employees and are committed to providing an engaging and inclusive atmosphere for all employees that promotes productivity and encourages creativity and innovation. In 2020, we had approximately 6,700 employees worldwide, including approximately 1,700 who were members of labor unions.

We believe that maintaining a work environment that recognizes effort and teamwork, values mutual respect and open communication and demonstrates care and concern for our employees is essential to an engaged and productive workforce. In furtherance of this objective, we provide regular Code of Business Conduct training for our employees to identify and prevent misconduct and report situations that violate our policies and/or negatively impact our work environment. Our ethics and compliance team investigates and takes prompt action to correct conduct that is inconsistent with our Code of Business Conduct and other policies.



Employee Recruitment and Retention

The attraction, development and retention of our employees is a key focus for our Company. We offer online and in-person training programs to enhance the knowledge, skills and advancement opportunities for our employees. Our goal is to be the employer of choice within our industry and the communities in which we operate. We focus on maintaining a solid pipeline of talent throughout our organization and continually developing the capabilities and skills needed for the future of our business.



Lori Landrum

Talent Acquisition
D&I Committee Member



“ Diversity, equity and inclusion are critical to our company’s success because it promotes authenticity and trust, and it reinforces our company values. When we embrace our differences, we are better able to innovate. ”

Technical Fellow Program

The Technical Fellow program at BWXT is a celebration and reward of the Company’s top technical talent. This special designation is an acknowledgment of the key role a technical leader plays in driving intentional and meaningful innovation. The program fosters a broad technical diversity within the Company and provides subject matter experts an innovative platform to develop leading-edge solutions to the challenges facing our industry. These select individuals form the creative center of new technology developments, demonstrating the vision and know-how to help our customers and the world in new ways.

Employee Retention

BWXT’s rolling 12-month average employee voluntary attrition rate was less than 4% (excluding planned retirements, internships and temporary employees) for each of the last three years (2018-2020).

Employee Development Programs

BWXT operates in a competitive global marketplace where continuous improvement is critical to the success of our various businesses. We offer many professional development opportunities for employees to continually improve skills and advance their careers.

Current development programs include:

- A partnership with the University of Arizona's accredited online program that offers savings on tuition and other educational costs to eligible employees
- Financial reimbursement assistance to employees who take job-related, career-enhancing credit courses at recognized and accredited institutions in areas of study that will benefit both the employee and BWXT
- The BWXT Emerging Leader Program that is designed to accelerate the development of high-potential individual contributors to be capable of promotion to leadership roles in the short-term future
- The BWXT Leadership Academy, a pinnacle leadership program, that introduces leadership principles to assist with improving supervisory skills, better motivating direct reports and enhancing leadership skills
- On-site professional development programs that provide employees with a cost- and time-effective way to develop skills and reach career goals
- The Percipio e-Learning tool for employees to access 450+ courses at their own pace and at no cost



BWXT employee Charlene Preston graduated from the University of Arizona Global Campus (formerly Ashford University) in 2020.



Alexandra Mitchell
Human Resources
D&I Committee Member

“ By engaging and educating employees on diversity and inclusion, we can foster a more creative and innovative workforce. The D&I team provides a platform to continually improve our workplace's employment equity by promoting BWXT's core values. ”



Nathaniel Marshall
Human Resources
D&I Committee Member

“ As a Corporate and Community leader, it is important that BWXT be the standard bearer for opportunity, regardless of a person's circumstance. ”

Internship and Training Programs

BWXT believes that supporting educational opportunities in the communities in which we operate is essential for regional growth and retention of viable workforces. Investing in programs that promote educational excellence at the primary, secondary and collegiate levels assists in reducing barriers for job seekers and supports the development of local talent and workforce advancement. Gaining job-specific skills through mentoring and community outreach allows candidates to acquire knowledge and experience that is vital for maintaining a successful career.

We have been supporting and promoting our annual internship program for more than 80 years. These opportunities help developing learners broaden their knowledge and experience base, while also building valuable relationships. BWXT also sponsors technical training and mentoring programs that focus on coaching and development in the fields of advanced machinery, quality control and health sciences.



2,000

High School students have participated in our mentorship programs

50+

Technical training programs sponsored



Technical Training Programs

BWXT has partnered with state community colleges to develop technical training programs. These programs prepare students for future careers in Machining Technology, Precision Machining and Quality Control inspection. The Manufacturing Technician 1 (MT1) certification program was developed to provide essential skills to meet the growing demands of manufacturers.



Health, Safety and Security

We are committed to maintaining a safe and secure work environment. Finishing each and every day incident and injury free is our ultimate goal.

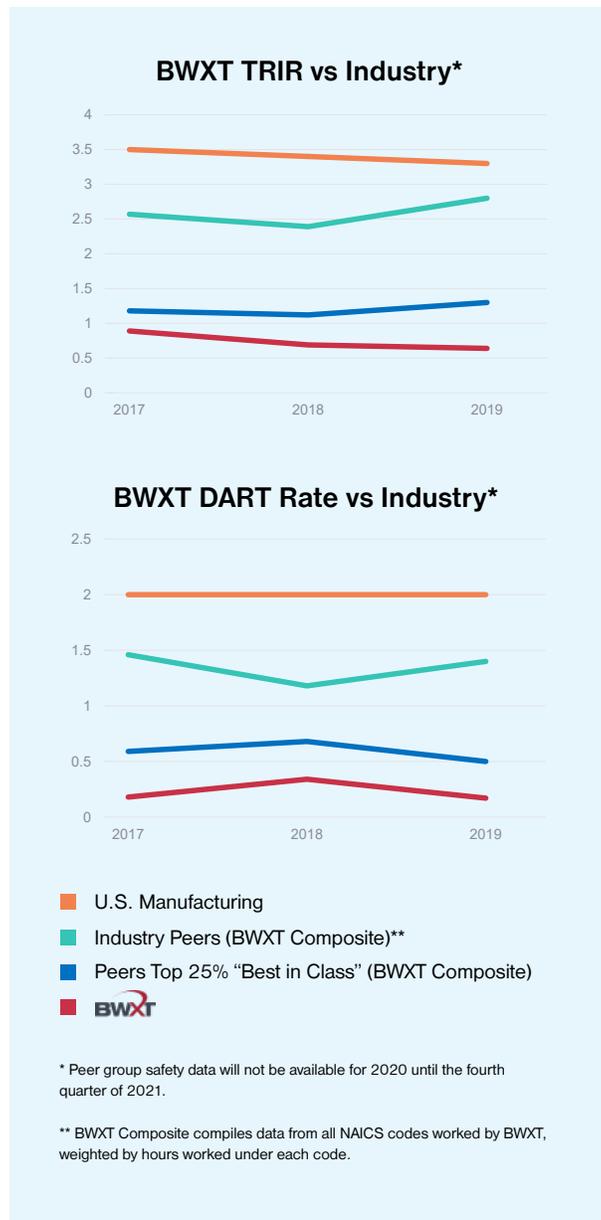


Safety

BWXT is in pursuit of an injury-free workplace. We constantly monitor and assess injuries and near misses to learn from and reduce future risks inherent in occupational activities. We believe that all occupational and environmental incidents can be prevented, and our industry-leading safety program helps us achieve those goals. To promote rigor and continuous improvement in safety, we focus on a number of safety metrics, including Total Recordable Incident Rate (TRIR), and Days Away, Restricted or Transferred (DART). We have historically outperformed the top 25% of our industry peers in both of these metrics and are committed to the continuous focus on our safety performance. In spite of our industry-leading safety record historically, in 2020 we experienced the tragic loss of an employee in an industrial accident, and failed to achieve our safety goals. This is unacceptable to us, and we are committed to substantially improving our safety performance in 2021.

Since 2015, we have included TRIR and DART safety metrics in our annual incentive plans to emphasize continuous focus on our safety performance.

Our Safety Culture Program Policy specifies 10 safety culture traits and surveys employees' performance relative to those traits. Employees participate in small group sessions to discuss action plans to address areas of concern and improve the safety culture at our locations. Site leaders and employees establish and monitor improvement goals. An integral part of our safety culture is our Safety Conscious Work Environment. BWXT encourages an open culture for personnel to raise concerns and fosters resolution with commitment, respect and timeliness. Situations that may pose an environmental, health or safety hazard must be reported immediately.



BWXT Safety Culture

We are committed to continuous improvement of our safety culture through our core values and behaviors, including:

Individual	Management	Management Systems
<ul style="list-style-type: none"> • Personal Accountability • Questioning Attitude • Effective Safety Communication • Continuous Learning 	<ul style="list-style-type: none"> • Leadership Safety Values and Actions • Decision-Making • Respectful Work Environment 	<ul style="list-style-type: none"> • Problem Identification and Resolution • Environment for Raising Concerns • Work Processes



COVID-19

As an essential business, our ability to support our customers and national security is crucial. BWXT has taken concrete actions to promote the health and safety of our employees, which include:

- Creating a COVID-19 Task Force that monitors and manages our business based on direction from international health organizations, local governments and our own safety protocols
- Implementing temperature testing of all personnel and visitors prior to entry into our facilities
- Supplying required face coverings for associates inside our facilities
- Establishing social distancing protocols within offices and manufacturing sites
- An option to work remotely, if appropriate
- Suspending non-essential business travel
- Daily cleaning and disinfecting protocols in all facilities
- Utilizing virtual collaboration and productivity tools in lieu of travel and face-to-face meetings
- Establishing a COVID-19 paid leave policy
- Providing resources to support the physical and emotional health of associates

We continue to monitor the situation and update our protocols accordingly in order to keep our employees safe.



Employee Wellness

BWXT is committed to improving the health and well-being of our associates. We have a comprehensive wellness program, at little or no cost to our employees, which includes:

- Well-health coaching and physicals
- Work and non-work related care for injuries or illness
- On-site physical therapists
- Immunizations and allergy shots
- Telemedicine for private assessments and treatment plans
- Routine health monitoring
- On-site fitness centers



Physical Security

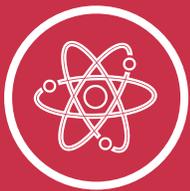
We maintain the highest levels of security at all of our nuclear manufacturing facilities, utilizing state-of-the-art technologies and a highly trained security force to protect our resources and to respond to external threats. As a major provider of high consequence products and services in support of America's national defense and critical infrastructure, we are entrusted with safeguarding critical materials and information required to execute our missions. Violating that trust by failing to adhere to relevant security regulations and orders, or through inadequate performance in protecting our personnel and assets, and those of our customers, potentially impacts national security, exposes us to serious liability and jeopardizes our reputation. We strive to exhibit excellence in the execution of all facets of our security mission.

We empower and expect all employees, contractors and suppliers to comply with our security policies and procedures and to accept the responsibility to ensure that the critical assets and technology entrusted to our care receive the appropriate level of protection. Our management is committed to ensure that all personnel are provided a workplace with a solid security culture, well-defined requirements and expectations and the skills training necessary to fulfill that responsibility. Today, risks include an array of security threats that include workplace violence, insider threats, industrial sabotage, foreign intelligence operations, cyber intrusions and terrorist attacks. A secure work environment depends on a cohesive effort by all employees working in accordance with clear established standards, which is reinforced by regular training and monitoring.



Data Security & Cybersecurity

We rely on the use of communications and information systems to conduct business between our various locations, suppliers and customers, which we endeavor to secure so that our business is conducted as reliably and productively as possible. We have established and implemented a common set of safeguards to assure that all business applications remain available without interruption, that our data is not inappropriately disclosed, and that our systems are not damaged or destroyed by outside attacks or computer viruses. Our cybersecurity team has established security standards for system access controls, passwords, virus protections, physical access, remote access and data security, as well as an information security training and compliance program.



Product Quality, Safety, Design and Lifecycle Management

BWXT is committed to designing and manufacturing our products to the highest standards using stringent processes and controls to ensure quality, safety and long product life.



Product Quality, Safety, Design and Lifecycle Management

We are a nuclear company with a proud operating history of over 100 years. We are responsible for manufacturing the naval nuclear reactors for every new submarine and aircraft carrier in the U.S. Navy's fleet. The reactors for submarines being developed and built today are designed to last for the life of the ship, and the reactors for aircraft carriers being built today are designed to be refueled only once during the life of the ship. For more than 60 years, the Navy's submarines and aircraft carriers have safely steamed millions of miles using components manufactured by BWXT – a track record that is highlighted by our commitment to safety, quality and integrity.

We are making significant contributions to a cleaner environment through our involvement with U.S. Department of Energy Environmental Management projects, focused on removing legacy materials remaining at sites that previously housed high-consequence operations from the Cold War era. We work closely with the DOE-supported nuclear non-proliferation program.

In the commercial nuclear power industry, we design and manufacture nuclear steam generators, heat exchangers, pressure vessels, reactor components and other equipment, including storage containers for spent nuclear fuel and other high-level nuclear waste.

In recent years we have applied our deep nuclear expertise to solve other important problems, including producing medical radioisotopes to address serious health conditions. Our novel process for producing molybdenum-99, the most widely-used nuclear diagnostic material, will mitigate radioactive waste streams and nuclear proliferation concerns and will significantly reduce production and waste costs relative to current market participants.



As the need for medical isotopes in diagnostic imaging grows, our innovative process for producing molybdenum-99 will help provide an adequate supply to diagnose heart disease and cancer, while mitigating radioactive waste and avoiding proliferation concerns.

400+

Reactor cores shipped to the Naval Nuclear Propulsion Program



Environment

BWXT is committed to conducting our business in an environmentally responsible manner.



Environment

BWXT's large manufacturing sites implement environmental management systems to ensure compliance with our environmental policy. We focus on reducing risks to employees and the environment through training, recordkeeping, problem identification, problem resolution, emergency preparedness and self-assessments. Each site leader is responsible for enforcing the system.

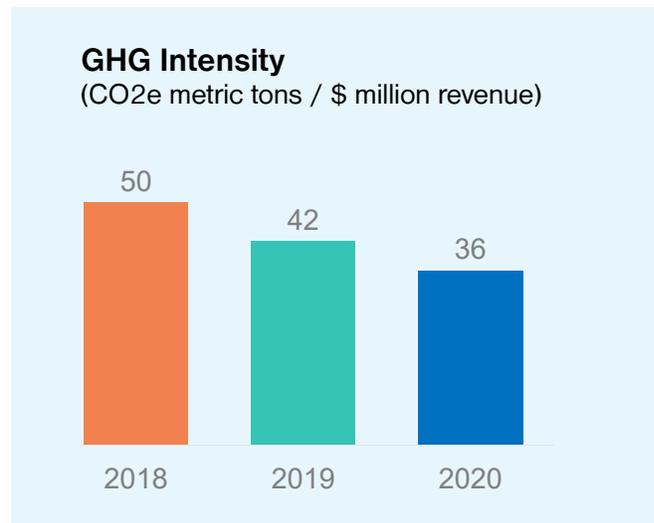
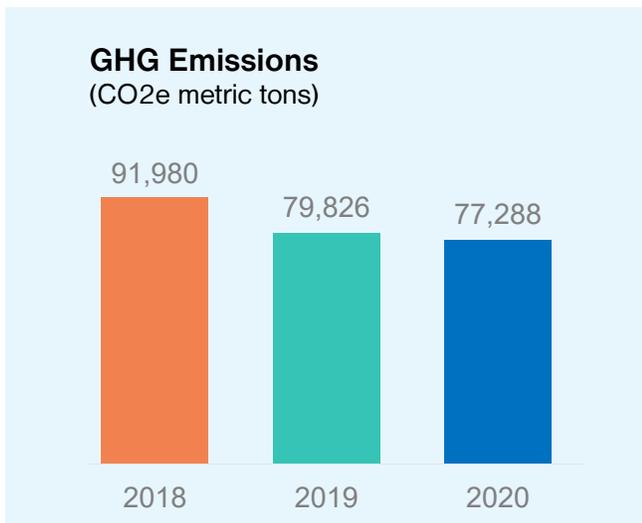


Greenhouse Gas Emissions (GHG)

We began voluntarily tracking our greenhouse gas emissions in 2010 and regularly evaluate opportunities to address such emissions. We track Scope 2 GHG emissions from electricity purchased and used at our facilities in the U.S. and Canada. We measure GHG in metric tons of carbon dioxide equivalents (CO₂e).

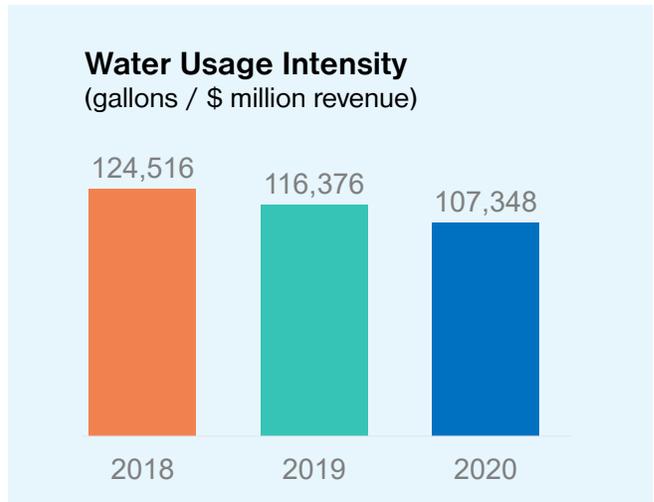
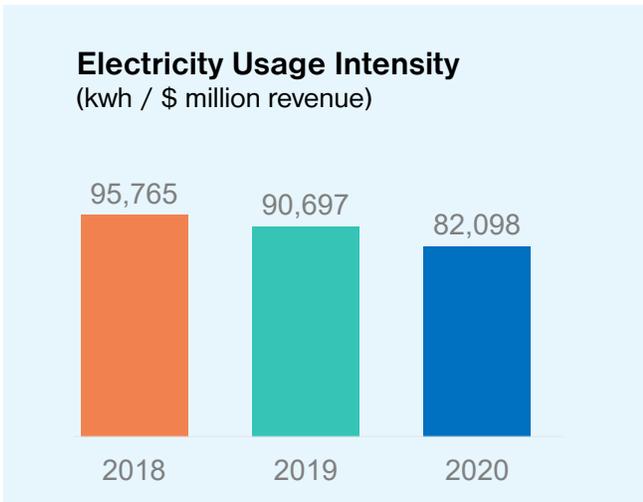
16%

GHG reduction from 2018 to 2020



Energy and Water Usage

We carefully track and manage energy and water consumption. We have implemented responsible energy and water reduction strategies at our facilities.



Waste and Recycling

Our manufacturing sites recycle materials throughout the production process to minimize impacts to the environment. We manage, separate and dispose of waste that cannot be reused. Waste streams from our facilities are dispositioned using environmentally sound methods.

Non-Hazardous Waste Intensity

(pounds / \$ million revenue)



Hazardous Waste Intensity

(pounds / \$ million revenue)



Recycle Intensity

(pounds / \$ million revenue)



* In 2019 major facilities expansion and refurbishment significantly increased recycling.

Additional Environmental Data	2018	2019	2020
Water Usage (in millions of gallons)	224.1	220.5	228.0
Electricity Usage (in millions of kwh)	172.4	171.9	174.4
Non-Hazardous Waste (in millions of pounds)	15.9	14.1	16.9
Hazardous Waste (in millions of pounds)	1.2	1.0	1.0
Recycling (in millions of pounds)	8.0	15.3	9.5

Environmental Management Services

BWXT is a leading provider of environmental management services to the U.S. Department of Energy, with more than 30 years of experience. We are committed to cleaning up sites across the U.S. containing legacy radioactive materials, utilizing a wide range of services that include decontamination and decommissioning, waste management, remediation and restoration.



- We are a partner on the Savannah River Liquid Waste remediation team, responsible for processing and stabilizing liquid radioactive nuclear waste and tanks closure at the Savannah River Site (SRS).
- We also do important environmental management work under contracts for the Portsmouth and Paducah Gaseous Diffusion Plants, Los Alamos Legacy Cleanup, West Valley Demonstration Project and the Waste Isolation Pilot Plant (WIPP).
- We previously served as the project operating contractor responsible for converting more than 800,000 metric tons of depleted uranium hexafluoride into depleted uranium oxide.
- We received four awards from the National Safety Council while managing the Advanced Mixed Waste Treatment Project, shipping over 21,000 cubic meters of transuranic waste to WIPP.

Continuous Improvement Culture

As a People Strong, *Innovation Driven* organization, BWXT has developed a culture of continuous improvement in all facets of our business. Since one of BWXT's priorities is the protection of the natural environment and its use, we strive to continuously improve our environmental performance through resource conservation and efficient practices. From our advanced nuclear technologies to handling hazardous waste, BWXT is committed to operating in a safe and environmentally sound manner. We measure our environmental performance and promote environmentally friendly practices that respect natural resources and our communities.



Governance and Ethics

Our reputation for honesty and integrity is an important asset. Ethical conduct and compliance with the spirit and the letter of the law builds trust and respect.



Corporate Governance

BWXT’s Board of Directors is comprised of 10 members, 80% of whom are independent directors. BWXT’s [Corporate Governance Principles](#) reflect the independence requirements established by the U.S. Securities and Exchange Commission (SEC) and the New York Stock Exchange. Our leadership structure is determined by the Board. We currently have a separate Chairman and CEO, as well as a Lead Independent Director, whose role is set forth in our Corporate Governance Principles. The Board of Directors includes three Committees: Audit and Finance, Compensation and Governance.



Board Structure and Independence	Shareholder Rights and Accountability	Best Practices
<ul style="list-style-type: none"> • 80% Independent Directors • 30% Gender/Racial Diversity • Separate Chairman and CEO • Lead Independent Director • Regular Executive Sessions of Independent Directors • All Committees Comprised Entirely of Independent Directors • Committees Can Engage Independent Advisors • Annual Board and Committee Self-Evaluations 	<ul style="list-style-type: none"> • 10-Year Director Tenure Limit * • Annual Election of Directors ** • Majority Voting with Director Resignation in Uncontested Elections • Annual CEO Performance and Compensation Evaluation by Independent Directors • Annual Election of Chairman and Lead Independent Director • Clawback Policy • No “Poison Pill” (Shareholder Rights Plan) • No Dual-Class Stock 	<ul style="list-style-type: none"> • Active Stockholder Engagement • CEO and Management Succession Planning • Robust Stock Ownership Guidelines for Directors and Executives • Limits on Director Overboarding • New Director Orientation and Ongoing Director Education • Oversight of Strategy and Risk by Board and Committees • No CIC Tax Gross Ups • No Single Trigger CIC Vesting • No Hedging or Pledging Policy • No Employment Agreements with Executive Officers

* 10-Year Director Tenure Limit: Our Bylaws provide that (1) a person shall not be nominated for election or reelection to our Board if such person will have served as a director for 10 years prior to the date of election or re-election (as measured from the date of the Bylaw amendment, July 1, 2015) and (2) any director who attains 10 years of service during his or her term shall be deemed to have resigned and retired at the first annual meeting following his or her attainment of 10 years of service as a director.

** Annual Election of Directors: In 2019, our Board approved and stockholders voted to phase out our classified Board and provide for the annual election of directors. At our annual meeting of stockholders in 2021, 90% of our directors will be up for election to one-year terms. All directors will be elected annually beginning at our 2022 annual meeting of stockholders and thereafter.

The Role of the Board in Risk Oversight

BOARD OF DIRECTORS

- Primary Risks
- Security Risks
- Regulatory (Safety) Risks
- Emerging Risks
- Risks Outside Committees Charters

AUDIT AND FINANCE COMMITTEE

- Financial Risks
- Project/Contract Risks
- Regulatory (Financial) Risks
- Capital Structure Risks
- Ethics and Compliance Risks
- Environmental Risks
- Litigation Risks

COMPENSATION COMMITTEE

- Compensation Risks
- Benefits Risks

GOVERNANCE COMMITTEE

- Corporate Governance Risks
- Cybersecurity Risks
- ESG Risks

As part of its oversight function, the Board monitors the risks that our Company faces. The diagram at left provides a summary of risk allocation among the Board and its Committees.

BWXT maintains an enterprise risk management program administered by our Risk Management group. The program facilitates the process of reviewing key external, strategic, operational, safety, security and financial risks as well as monitoring the effectiveness of risk mitigation. Information from the enterprise risk management program is presented to senior management and the Board on a quarterly basis.

The Audit and Finance Committee assists the Board in its oversight of financial reporting, litigation and environmental risks and by meeting quarterly with management to review these risks and to discuss our risk policies and guidelines.

The Compensation Committee assesses risks associated with our compensation programs in consultation with management and the Committee's outside compensation consultant. The Compensation Committee has included an ESG performance metric (safety) in our annual incentive plans since 2015 to emphasize our continuous focus on safety.

The Governance Committee oversees risks associated with corporate governance, ESG and cybersecurity and receives quarterly briefings on these topics. The Chief Information Officer provides quarterly updates to the Governance Committee regarding cybersecurity and data security risk.

Board Oversight of Environmental, Social and Governance

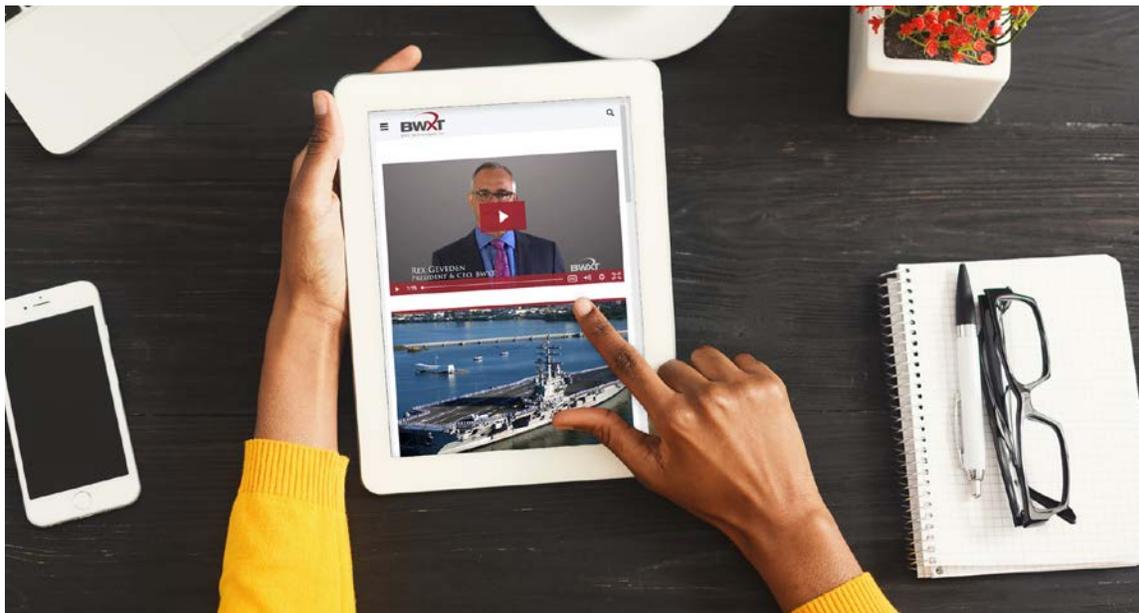
The BWXT Board of Directors believes that a commitment to ESG enhances shareholder value. To ensure effective governance, our policies include tenure limits, gender diversity, a no hedging/pledging policy for Company securities and maintaining a lead independent director, among other things. In addition, we seek opportunities to engage with stockholders for input on current and emerging areas of concern.

The Board believes that the effective oversight of the Company's ESG objectives and metrics is best accomplished by the Board and each of its Committees. The Board oversees and monitors execution upon the Company's strategy and corporate purpose, safety and security performance, succession planning and overall sustainability efforts. The Audit and Finance Committee oversees and receives quarterly updates on litigation and environmental matters, regulatory compliance, and training, concerns and violations relating to the Code of Business Conduct. The Compensation Committee oversees and receives quarterly reports on compensation and benefits, and has maintained ESG performance (safety goals) for all participants in the Company's annual incentive plans since 2015. The Governance Committee has primary responsibility for ESG matters and oversees and receives quarterly reports on the Company's corporate governance, human capital management, diversity and inclusion, cybersecurity and other ESG matters. The executive officers have responsibility for execution and implementation of the Company's ESG program.

Ethics and Compliance

BWXT's [Code of Business Conduct](#) (Code) provides the ethical guidelines and expectations for conducting business for our directors, officers and employees, as well as our suppliers, vendors, contractors, agents, representatives and consultants. Our Code was created to provide the ethical guidelines and expectations for conducting business on behalf of BWXT. It outlines the high ethical standards we have set for ourselves and provides a summary of policies to help employees comply with guidelines and laws applicable to the Company.

Our Code enables and encourages employees to raise questions or concerns, to report questionable behavior or to clarify a policy with their supervisor or with a member of Human Resources, Legal or Ethics and Compliance. In addition, employees and third parties may use the BWXT Help Line (1-855-871-9138; BWXTHelpline.com), which is managed by an independent third party and available 24 hours a day, seven days a week. Questions or concerns may be reported anonymously. All concerns are treated confidentially and with discretion. Our Code also forbids any form of retaliation. We provide ethics and compliance training guidance throughout the year and require all employees to complete annual Code training.





Human Rights and Supply Chain

We are committed to responsible sourcing throughout our supply chain and have established standards for conducting business in order to identify and manage potential risks.





Human Rights

Our core principles include a respect for fundamental human rights and a strong commitment to responsible corporate citizenship. We prohibit participation in activities that violate human rights, including human trafficking and child, slave or forced labor. We follow all applicable laws in the communities in which we operate.

Our Human Rights Policy:

- Prohibits discrimination and harassment
- Recognizes the rights of employees to participate in any lawful organization
- Respects compliance with laws pertaining to freedom of association, privacy and collective bargaining
- Commits to providing a safe and healthful workplace for employees
- Commits to protecting the environment of communities in which we conduct business
- Promotes a work environment that encourages productivity, teamwork and communication, and fair and competitive compensation and benefits
- Prohibits human trafficking and the use of child or forced labor

The Human Rights Policy applies to our employees, suppliers, vendors and other third parties performing services for or with BWXT.

BWXT holds all who work for, or on behalf of, our Company to this standard. We expect our employees and suppliers to conduct business with complete integrity and to shun any illegal or unethical conduct.

Supply Chain

BWXT's suppliers play a critical role in our ability to deliver quality products and services to our customers. We are committed to finding and cultivating the best supply partners in the world – those who demonstrate high ethical standards and help us meet the time, quality, cost and technical needs of our customers.

We support supplier diversity initiatives, and our procurement program encourages active participation by small or disadvantaged businesses. Suppliers help us execute our commitment to employ sustainable business practices. Together, we strive to ensure performance that is both socially and environmentally responsible.

Our suppliers are required to comply with our Code, our Human Rights Policy and all applicable laws, rules and regulations. We conduct assessments and quality audits with our suppliers periodically to evaluate compliance with our requirements.

When small businesses thrive, so do their communities. We continuously work to identify opportunities to engage with and support small and minority-owned businesses. Our small business plans help develop, prepare and execute subcontracting plans to ensure that our supply chain includes capable small and small disadvantaged businesses.

30%

of supply chain spending
with small businesses



Conflict Minerals

BWXT is committed to the responsible sourcing of minerals through our global supply chain and compliance with regulations issued by the SEC. The SEC requires publicly traded companies to file annual reports disclosing their use of certain conflict minerals in their products. We support sourcing components and materials from suppliers who share our fundamental values of respect for human rights, ethics and environmental responsibility. BWXT files an annual Form SD (Specialized Disclosure) in compliance with the SEC disclosure requirements, and we work with our suppliers to perform reasonable country of origin inquiries and due diligence in determining the potential for conflict minerals in our supply chain and products. We designed our procedures to conform, in all material respects, to the due diligence framework presented by the Organization for Economic Co-operation and Development.



Community Service

The values BWXT holds as a Company go beyond our work for customers and includes social responsibility for the well-being of our employees and the communities in which they live and work.





We are part of the communities in which we live and work and endeavor to maintain engagement as a good corporate citizen, consistent with our Code and Human Rights Policy. Our employees dedicate time and energy to causes that are important to their community, including supporting vulnerable and disadvantaged groups, and we collaborate with organizations to further their goals.

Corporate Giving

Each year, we commit significant financial support and other non-financial Company resources to help make a difference in people's lives. Our corporate giving and community engagement initiatives are diverse and include:

- Promoting educational excellence at the primary, secondary and college/university levels through numerous outreach, mentoring and scholarship activities. Some of these programs include the BWXT Scholarship Program, the BWXT Internship/Co-Op Program and grants to school districts, colleges and universities. BWXT sponsors a variety of educational programs and scholarships, including the employee dependent's scholarship program, the Central Virginia Governor's School and a large college internship program at operating sites.
- Assisting nonprofit organizations focused on health and human services and the arts with donations and other support. Groups include performing arts organizations, local chapters of national organizations that conduct medical research and United Way chapters.
- Bolstering economic development of the regions in which we operate using sponsorships and engagement through organizations, such as chambers of commerce, economic development authorities, trade organizations and regional planning entities.
- Supporting agencies, like the American Red Cross, Habitat for Humanity and Big Brothers/Big Sisters with monetary donations and volunteering.



Employee Giving and Volunteering

We are committed to making a positive difference in our communities. In 2017, we established the BWXT Volunteer Strong program in Canada to support and facilitate employee community volunteering activities.

Our employees regularly participate in a variety of giving and volunteering activities throughout the U.S. and Canada. Some of these efforts include:

- United Way annual giving campaigns
- Food drives
- Habitat for Humanity home builds
- Christmas in July
- Red Cross blood drives

Several BWXT executives hold active leadership roles in local organizations. President and CEO Rex Geveden has served on the board of directors for the Lynchburg Regional Business Alliance since 2017. Senior V.P. and Chief Administrative Officer Rick Loving serves on the community boards for the Virginia College Fund and as president for the Lynchburg Academy Center of the Arts.

BWXT is dedicated to the long-term well-being of the facilities we own and operate, the communities in which we operate and the environment that surrounds them.

Cautionary Statement Concerning Forward-Looking Statements

This document may include “forward-looking statements” within the meaning of the U.S. federal securities laws. Forward-looking statements are any statements other than statements of historical fact. Forward-looking statements represent our current judgment about possible future events and are often identified by words like “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “forecast,” “goal,” “initiative,” “intend,” “may,” “outlook,” “plan,” “seek,” “strive,” “should,” “will,” “would,” or the negative of any of those words or similar expressions. We have based our forward-looking statements on information currently available to us and our current assumptions, expectations, estimates and projections about our industries and our Company. We caution that these statements are not guarantees of future performance, and you should not rely unduly on them as they involve risks, uncertainties and assumptions that we cannot predict. We have based many of these forward-looking statements on assumptions about future events that may prove to be inaccurate. Factors that could cause such differences include, but are not limited to, economic, competitive, social and regulatory factors, such as the impact of COVID-19. While our management considers these statements and assumptions to be reasonable, they are inherently subject to numerous factors, including those risk factors described in our most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, most of which are difficult to predict and many of which are beyond our control. Accordingly, our actual results may differ materially from the future performance that we have expressed or forecast in our forward-looking statements. We undertake no obligation to update publicly or otherwise revise any forward-looking statements, whether as a result of new information, future events or other factors, except where we are expressly required to do so by law.



People Strong
INNOVATION DRIVEN >

BWX Technologies, Inc.
800 Main Street
Lynchburg, VA USA 24504
+1.434.522.3800

www.bwxt.com