

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2022.

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____.

Commission File No. 001-34658

BWX TECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	80-0558025 (I.R.S. Employer Identification No.)
800 Main Street, 4th Floor Lynchburg, Virginia (Address of principal executive offices)	24504 (Zip Code)
Registrant's telephone number, including area code: (980) 365-4300	

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, \$0.01 par value	BWXT	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The number of shares of the registrant's common stock outstanding at May 5, 2022 was 91,192,769.

BWX TECHNOLOGIES, INC.
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PART I**FINANCIAL INFORMATION****Item 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS****BWX TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS****ASSETS**

	March 31, 2022	December 31, 2021
	(Unaudited) (In thousands)	
Current Assets:		
Cash and cash equivalents	\$ 23,635	\$ 33,891
Restricted cash and cash equivalents	2,896	2,896
Investments	3,789	3,811
Accounts receivable – trade, net	58,886	70,663
Accounts receivable – other	14,501	16,651
Retainages	77,804	51,507
Contracts in progress	561,407	546,595
Other current assets	49,487	47,718
Total Current Assets	792,405	773,732
Property, Plant and Equipment, Net	1,071,365	1,045,640
Investments	8,997	9,558
Goodwill	286,859	285,502
Deferred Income Taxes	21,360	21,394
Investments in Unconsolidated Affiliates	101,857	85,284
Intangible Assets	184,688	185,551
Other Assets	101,576	94,719
TOTAL	\$ 2,569,107	\$ 2,501,380

See accompanying notes to condensed consolidated financial statements.

BWX TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

LIABILITIES AND STOCKHOLDERS' EQUITY

	March 31, 2022	December 31, 2021
	(Unaudited) (In thousands, except share and per share amounts)	
Current Liabilities:		
Accounts payable	\$ 141,131	\$ 189,842
Accrued employee benefits	60,071	71,835
Accrued liabilities – other	95,282	80,998
Advance billings on contracts	105,687	111,619
Accrued warranty expense	6,473	5,321
Total Current Liabilities	408,644	459,615
Long-Term Debt	1,299,777	1,189,304
Accumulated Postretirement Benefit Obligation	23,993	24,333
Environmental Liabilities	92,966	92,642
Pension Liability	52,886	59,388
Other Liabilities	30,887	38,863
Commitments and Contingencies (Note 5)		
Stockholders' Equity:		
Common stock, par value \$0.01 per share, authorized 325,000,000 shares; issued 127,591,227 and 127,311,985 shares at March 31, 2022 and December 31, 2021, respectively	1,276	1,273
Preferred stock, par value \$0.01 per share, authorized 75,000,000 shares; No shares issued	—	—
Capital in excess of par value	178,243	174,288
Retained earnings	1,814,482	1,775,751
Treasury stock at cost, 36,403,902 and 35,915,747 shares at March 31, 2022 and December 31, 2021, respectively	(1,352,291)	(1,326,280)
Accumulated other comprehensive income (loss)	18,179	12,143
Stockholders' Equity – BWX Technologies, Inc.	659,889	637,175
Noncontrolling interest	65	60
Total Stockholders' Equity	659,954	637,235
TOTAL	\$ 2,569,107	\$ 2,501,380

See accompanying notes to condensed consolidated financial statements.

BWX TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended March 31,	
	2022	2021
	(Unaudited) (In thousands, except share and per share amounts)	
Revenues	\$ 530,738	\$ 528,273
Costs and Expenses:		
Cost of operations	404,827	392,806
Research and development costs	2,953	3,116
Losses (gains) on asset disposals and impairments, net	30	(8)
Selling, general and administrative expenses	60,134	58,261
Total Costs and Expenses	<u>467,944</u>	<u>454,175</u>
Equity in Income of Investees	8,779	8,316
Operating Income	<u>71,573</u>	<u>82,414</u>
Other Income (Expense):		
Interest income	117	132
Interest expense	(7,051)	(7,039)
Other – net	12,809	16,386
Total Other Income (Expense)	<u>5,875</u>	<u>9,479</u>
Income before Provision for Income Taxes	77,448	91,893
Provision for Income Taxes	18,374	22,078
Net Income	<u>\$ 59,074</u>	<u>\$ 69,815</u>
Net Income Attributable to Noncontrolling Interest	(64)	(66)
Net Income Attributable to BWX Technologies, Inc.	<u>\$ 59,010</u>	<u>\$ 69,749</u>
Earnings per Common Share:		
Basic:		
Net Income Attributable to BWX Technologies, Inc.	<u>\$ 0.64</u>	<u>\$ 0.73</u>
Diluted:		
Net Income Attributable to BWX Technologies, Inc.	<u>\$ 0.64</u>	<u>\$ 0.73</u>
Shares used in the computation of earnings per share (Note 9):		
Basic	91,563,598	95,303,728
Diluted	<u>91,800,294</u>	<u>95,558,863</u>

See accompanying notes to condensed consolidated financial statements.

BWX TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF
COMPREHENSIVE INCOME

	Three Months Ended March 31,	
	2022	2021
	(Unaudited) (In thousands)	
Net Income	\$ 59,074	\$ 69,815
Other Comprehensive Income (Loss):		
Currency translation adjustments	5,365	8,001
Derivative financial instruments:		
Unrealized losses arising during the period, net of tax benefit of \$36 and \$139, respectively	(108)	(412)
Reclassification adjustment for losses (gains) included in net income, net of tax (benefit) provision of \$(52) and \$56, respectively	152	(166)
Amortization of benefit plan costs, net of tax benefit of \$(163) and \$(157), respectively	651	580
Unrealized (losses) gains on investments arising during the period, net of tax benefit (provision) of \$6 and \$(24), respectively	(24)	89
Other Comprehensive Income (Loss)	6,036	8,092
Total Comprehensive Income	65,110	77,907
Comprehensive Income Attributable to Noncontrolling Interest	(64)	(66)
Comprehensive Income Attributable to BWX Technologies, Inc.	\$ 65,046	\$ 77,841

See accompanying notes to condensed consolidated financial statements.

BWX TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

	Common Stock		Capital In Excess of Par Value	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Stockholders' Equity	Noncontrolling Interest	Total Stockholders' Equity
	Shares	Par Value							
(In thousands, except share and per share amounts)									
Balance December 31, 2021	127,311,985	\$ 1,273	\$ 174,288	\$ 1,775,751	\$ 12,143	\$ (1,326,280)	\$ 637,175	\$ 60	\$ 637,235
Net income	—	—	—	59,010	—	—	59,010	64	59,074
Dividends declared (\$0.22 per share)	—	—	—	(20,279)	—	—	(20,279)	—	(20,279)
Currency translation adjustments	—	—	—	—	5,365	—	5,365	—	5,365
Derivative financial instruments	—	—	—	—	44	—	44	—	44
Defined benefit obligations	—	—	—	—	651	—	651	—	651
Available-for-sale investments	—	—	—	—	(24)	—	(24)	—	(24)
Exercises of stock options	—	—	—	—	—	—	—	—	—
Shares placed in treasury	—	—	—	—	—	(26,011)	(26,011)	—	(26,011)
Stock-based compensation charges	279,242	3	3,955	—	—	—	3,958	—	3,958
Distributions to noncontrolling interests	—	—	—	—	—	—	—	(59)	(59)
Balance March 31, 2022 (unaudited)	<u>127,591,227</u>	<u>\$ 1,276</u>	<u>\$ 178,243</u>	<u>\$ 1,814,482</u>	<u>\$ 18,179</u>	<u>\$ (1,352,291)</u>	<u>\$ 659,889</u>	<u>\$ 65</u>	<u>\$ 659,954</u>
Balance December 31, 2020	127,009,536	\$ 1,270	\$ 153,800	\$ 1,549,950	\$ 8,198	\$ (1,095,452)	\$ 617,766	\$ 2	\$ 617,768
Net income	—	—	—	69,749	—	—	69,749	66	69,815
Dividends declared (\$0.21 per share)	—	—	—	(20,173)	—	—	(20,173)	—	(20,173)
Currency translation adjustments	—	—	—	—	8,001	—	8,001	—	8,001
Derivative financial instruments	—	—	—	—	(578)	—	(578)	—	(578)
Defined benefit obligations	—	—	—	—	580	—	580	—	580
Available-for-sale investments	—	—	—	—	89	—	89	—	89
Exercises of stock options	61,260	—	1,517	—	—	—	1,517	—	1,517
Shares placed in treasury	—	—	—	—	—	(24,694)	(24,694)	—	(24,694)
Stock-based compensation charges	191,350	3	3,978	—	—	—	3,981	—	3,981
Distributions to noncontrolling interests	—	—	—	—	—	—	—	—	—
Balance March 31, 2021 (unaudited)	<u>127,262,146</u>	<u>\$ 1,273</u>	<u>\$ 159,295</u>	<u>\$ 1,599,526</u>	<u>\$ 16,290</u>	<u>\$ (1,120,146)</u>	<u>\$ 656,238</u>	<u>\$ 68</u>	<u>\$ 656,306</u>

See accompanying notes to condensed consolidated financial statements.

BWX TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three Months Ended March 31,	
	2022	2021
	(Unaudited) (In thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income	\$ 59,074	\$ 69,815
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	17,620	15,897
Income of investees, net of dividends	(2,975)	(2,414)
Recognition of losses for pension and postretirement plans	814	737
Stock-based compensation expense	3,958	3,981
Other, net	1,413	1,168
Changes in assets and liabilities, net of effects from acquisitions:		
Accounts receivable	11,765	96,449
Accounts payable	(33,490)	(12,623)
Retainages	(26,148)	(26,475)
Contracts in progress and advance billings on contracts	(18,014)	(29,541)
Income taxes	11,958	17,134
Accrued and other current liabilities	(5,283)	1,751
Pension liabilities, accrued postretirement benefit obligations and employee benefits	(25,714)	(42,584)
Other, net	(362)	5,119
NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES	(5,384)	98,414
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property, plant and equipment	(52,411)	(101,932)
Purchases of securities	(1,121)	(1,384)
Sales and maturities of securities	1,126	1,252
Investments in equity method investees	(13,600)	—
Other, net	79	32
NET CASH USED IN INVESTING ACTIVITIES	(65,927)	(102,032)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Borrowings of long-term debt	145,300	205,800
Repayments of long-term debt	(35,300)	(50,800)
Repayment of bank overdraft	—	(88,694)
Repurchases of common stock	(20,000)	(20,007)
Dividends paid to common shareholders	(20,666)	(20,322)
Exercises of stock options	—	1,672
Cash paid for shares withheld to satisfy employee taxes	(6,011)	(4,687)
Other, net	(2,749)	(3,680)
NET CASH PROVIDED BY FINANCING ACTIVITIES	60,574	19,282
EFFECTS OF EXCHANGE RATE CHANGES ON CASH	277	(542)
TOTAL (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AND CASH EQUIVALENTS	(10,460)	15,122
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	39,775	48,298
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$ 29,315	\$ 63,420
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid during the period for:		
Interest	\$ 1,900	\$ 11,438
Income taxes (net of refunds)	\$ 6,283	\$ 4,386
SCHEDULE OF NON-CASH INVESTING ACTIVITY:		
Accrued capital expenditures included in accounts payable	\$ 11,785	\$ 25,849

See accompanying notes to condensed consolidated financial statements.

BWX TECHNOLOGIES, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2022
(UNAUDITED)

NOTE 1 – BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

We have presented the condensed consolidated financial statements of BWX Technologies, Inc. ("BWXT" or the "Company") in U.S. dollars in accordance with the interim reporting requirements of Form 10-Q, Rule 10-01 of Regulation S-X and accounting principles generally accepted in the United States ("GAAP"). Certain financial information and disclosures normally included in our financial statements prepared annually in accordance with GAAP have been condensed or omitted. Readers of these financial statements should, therefore, refer to the consolidated financial statements and notes in our annual report on Form 10-K for the year ended December 31, 2021 (our "2021 10-K"). We have included all adjustments, in the opinion of management, consisting only of normal recurring adjustments, necessary for a fair presentation.

We use the equity method to account for investments in entities that we do not control, but over which we have the ability to exercise significant influence. We generally refer to these entities as "joint ventures." We have eliminated all intercompany transactions and accounts. We present the notes to our condensed consolidated financial statements on the basis of continuing operations, unless otherwise stated.

Unless the context otherwise indicates, "we," "us" and "our" mean BWXT and its consolidated subsidiaries.

Reportable Segments

We operate in two reportable segments: Government Operations and Commercial Operations. Our reportable segments reflect changes we made during the first quarter of 2022 to better align our businesses by their government and commercial nature, which reflects the manner in which our operating segment information is reported for purposes of assessing operating performance and allocating resources. Prior to 2022, we reported three segments: Nuclear Operations Group, Nuclear Power Group and Nuclear Services Group.

Our Government Operations segment consists of our legacy Nuclear Operations Group and Nuclear Services Group segments with certain research and development activities in the areas of advanced reactors and advanced manufacturing. Our Commercial Operations segment consists of our legacy Nuclear Power Group segment with certain research and development and commercialization activities in the areas of medical and industrial radioisotopes. Both segments now include research and development and certain commercialization activities associated with new technologies previously reported centrally, outside of our reportable segments. The change in our reportable segments had no impact on our previously reported consolidated results of operations, financial condition or cash flows. We have applied the change in reportable segments to previously reported historical financial information and related disclosures included in this quarterly report on Form 10-Q. Our reportable segments are further described as follows:

- Our Government Operations segment manufactures naval nuclear reactors, including the related nuclear fuel, for the U.S. Naval Nuclear Propulsion Program for use in submarines and aircraft carriers. Through this segment, we also fabricate fuel-bearing precision components that range in weight from a few grams to hundreds of tons, manufacture electro-mechanical equipment, perform design, manufacturing, inspection, assembly and testing activities and downblend Cold War-era government stockpiles of high-enriched uranium. In-house capabilities also include wet chemistry uranium processing, advanced heat treatment to optimize component material properties and a controlled, clean-room environment with the capacity to assemble railcar-size components. This segment also provides various other services, primarily through joint ventures, to the U.S. Government including nuclear materials management and operation, environmental management and administrative and operating services for various U.S. Government-owned facilities. These services are provided to the U.S. Department of Energy ("DOE"), including the National Nuclear Security Administration, the Office of Nuclear Energy, the Office of Science and the Office of Environmental Management, and NASA. In addition, this segment also develops technology for a variety of applications, including advanced nuclear power sources, and offers complete advanced nuclear fuel and reactor design and engineering, licensing and manufacturing services for new advanced nuclear reactors.
- Our Commercial Operations segment fabricates commercial nuclear steam generators, nuclear fuel, fuel handling systems, pressure vessels, reactor components, heat exchangers, tooling delivery systems and other auxiliary equipment, including containers for the storage of spent nuclear fuel and other high-level waste and supplies nuclear-grade materials and precisely machined components for nuclear utility customers. We have supplied the nuclear industry with more than 1,300 large, heavy components worldwide and is the only commercial heavy nuclear

component manufacturer in North America. This segment also provides specialized engineering services that include structural component design, 3-D thermal-hydraulic engineering analysis, weld and robotic process development, electrical and controls engineering and metallurgy and materials engineering. In addition, this segment offers in-plant inspection, maintenance and modification services for nuclear steam generators, heat exchangers, reactors, fuel handling systems and balance of plant equipment, as well as specialized non-destructive examination and tooling/repair solutions. This segment is also a leading global manufacturer and supplier of critical medical radioisotopes and radiopharmaceuticals for research, diagnostic and therapeutic uses.

See Note 8 and Note 3 for financial information about our segments. Operating results for the three months ended March 31, 2022 are not necessarily indicative of the results that may be expected for the year ending December 31, 2022. For further information, refer to the consolidated financial statements and notes included in our 2021 10-K.

Recently Adopted Accounting Standards

There were no accounting standards adopted during the three months ended March 31, 2022.

Contracts and Revenue Recognition

We generally recognize contract revenues and related costs over time for individual performance obligations based on a cost-to-cost method in accordance with FASB Topic *Revenue from Contracts with Customers*. We recognize estimated contract revenue and resulting income based on the measurement of the extent of progress toward completion as a percentage of the total project. Certain costs may be excluded from the cost-to-cost method of measuring progress, such as significant costs for uninstalled materials, if such costs do not depict our performance in transferring control of goods or services to the customer. We review contract price and cost estimates periodically as the work progresses and reflect adjustments proportionate to the percentage-of-completion in income in the period when those estimates are revised. Certain of our contracts recognize revenue at a point in time, and revenue on these contracts is recognized when control transfers to the customer. The majority of our revenue that is recognized at a point in time is related to parts and certain medical radioisotopes and radiopharmaceuticals in our Commercial Operations segment. For all contracts, if a current estimate of total contract cost indicates a loss on a contract, the projected loss is recognized in full when determined.

Provision for Income Taxes

We are subject to federal income tax in the U.S. and Canada as well as income tax within multiple U.S. state jurisdictions. We provide for income taxes based on the enacted tax laws and rates in the jurisdictions in which we conduct our operations. These jurisdictions may have regimes of taxation that vary with respect to nominal rates and with respect to the basis on which these rates are applied. This variation, along with the changes in our mix of income within these jurisdictions, can contribute to shifts in our effective tax rate from period to period.

Our effective tax rate for the three months ended March 31, 2022 was 23.7% as compared to 24.0% for the three months ended March 31, 2021. The effective tax rates for the three months ended March 31, 2022 and 2021 were higher than the U.S. corporate income tax rate of 21% primarily due to state income taxes within the U.S. and the unfavorable rate differential associated with our Canadian earnings.

Cash and Cash Equivalents and Restricted Cash and Cash Equivalents

At March 31, 2022, we had restricted cash and cash equivalents totaling \$5.7 million, \$2.8 million of which was held for future decommissioning of facilities (which is included in Other Assets on our condensed consolidated balance sheets) and \$2.9 million of which was held to meet reinsurance reserve requirements of our captive insurer.

The following table provides a reconciliation of cash and cash equivalents and restricted cash and cash equivalents on our condensed consolidated balance sheets to the totals presented on our condensed consolidated statement of cash flows:

	March 31, 2022	December 31, 2021
	(In thousands)	
Cash and cash equivalents	\$ 23,635	\$ 33,891
Restricted cash and cash equivalents	2,896	2,896
Restricted cash and cash equivalents included in Other Assets	2,784	2,988
Total cash and cash equivalents and restricted cash and cash equivalents as presented on our condensed consolidated statement of cash flows	<u>\$ 29,315</u>	<u>\$ 39,775</u>

Inventories

At March 31, 2022 and December 31, 2021, Other current assets included inventories totaling \$16.6 million and \$16.3 million, respectively, consisting entirely of raw materials and supplies.

Property, Plant and Equipment, Net

Property, plant and equipment, net is stated at cost and is set forth below:

	March 31, 2022	December 31, 2021
	(In thousands)	
Land	\$ 9,693	\$ 9,538
Buildings	323,416	321,872
Machinery and equipment	972,263	957,423
Property under construction	512,089	487,856
	<u>1,817,461</u>	<u>1,776,689</u>
Less: Accumulated depreciation	746,096	731,049
Property, Plant and Equipment, Net	<u>\$ 1,071,365</u>	<u>\$ 1,045,640</u>

Accumulated Other Comprehensive Income (Loss)

The components of Accumulated other comprehensive income (loss) included in Stockholders' Equity are as follows:

	March 31, 2022	December 31, 2021
	(In thousands)	
Currency translation adjustments	\$ 35,992	\$ 30,627
Net unrealized loss on derivative financial instruments	(650)	(694)
Unrecognized prior service cost on benefit obligations	(17,371)	(18,022)
Net unrealized gain on available-for-sale investments	208	232
Accumulated other comprehensive income (loss)	<u>\$ 18,179</u>	<u>\$ 12,143</u>

The amounts reclassified out of Accumulated other comprehensive income (loss) by component and the affected condensed consolidated statements of income line items are as follows:

Accumulated Other Comprehensive Income (Loss) Component Recognized	Three Months Ended March 31,		Line Item Presented
	2022	2021	
	(In thousands)		
Realized gain (loss) on derivative financial instruments	\$ 89	\$ 227	Revenues
	(293)	(5)	Cost of operations
	(204)	222	Total before tax
	52	(56)	Provision for Income Taxes
	\$ (152)	\$ 166	Net Income
Amortization of prior service cost on benefit obligations	\$ (814)	\$ (737)	Other – net
	163	157	Provision for Income Taxes
	\$ (651)	\$ (580)	Net Income
Total reclassification for the period	\$ (803)	\$ (414)	

Derivative Financial Instruments

Our operations give rise to exposure to market risks from changes in foreign currency exchange ("FX") rates. We use derivative financial instruments, primarily FX forward contracts, to reduce the impact of changes in FX rates on our operating results. We use these instruments to hedge our exposure associated with revenues or costs on our long-term contracts and other transactions that are denominated in currencies other than our operating entities' functional currencies. We do not hold or issue derivative financial instruments for trading or other speculative purposes.

We enter into derivative financial instruments primarily as hedges of certain firm purchase and sale commitments and loans between domestic and foreign subsidiaries denominated in foreign currencies. We record these contracts at fair value on our condensed consolidated balance sheets. Based on the hedge designation at the inception of the contract, the related gains and losses on these contracts are deferred in stockholders' equity as a component of Accumulated other comprehensive income until the hedged item is recognized in earnings. The gain or loss on a derivative instrument not designated as a hedging instrument is immediately recognized in earnings. Gains and losses on derivative financial instruments that require immediate recognition are included as a component of Other – net on our condensed consolidated statements of income.

We have designated the majority of our FX forward contracts that qualify for hedge accounting as cash flow hedges. The hedged risk is the risk of changes in functional-currency-equivalent cash flows attributable to changes in FX spot rates of forecasted transactions primarily related to long-term contracts. We exclude from our assessment of effectiveness the portion of the fair value of the FX forward contracts attributable to the difference between FX spot rates and FX forward rates. At March 31, 2022, we had deferred approximately \$0.7 million of net losses on these derivative financial instruments. Assuming market conditions continue, we expect to recognize the majority of this amount in the next 12 months. For the three months ended March 31, 2022 and 2021, we recognized (gains) losses of \$7.9 million and \$3.6 million, respectively, in Other – net on our condensed consolidated statements of income associated with FX forward contracts not designated as hedging instruments.

At March 31, 2022, our derivative financial instruments consisted of FX forward contracts with a total notional value of \$413.9 million with maturities extending to December 2024. These instruments consist primarily of FX forward contracts to purchase or sell Canadian dollars and Euros. We are exposed to credit-related losses in the event of non-performance by counterparties to derivative financial instruments. We attempt to mitigate this risk by using major financial institutions with high credit ratings. Our counterparties to derivative financial instruments have the benefit of the same collateral arrangements and covenants as described under our credit facility.

NOTE 2 – ACQUISITIONS

Dynamic Controls Limited and Citadel Capital Corporation

On April 11, 2022, our subsidiary BWXT Government Group, Inc. acquired all of the outstanding stock of U.K.-based Dynamic Controls Limited ("Dynamic") and U.S.-based Citadel Capital Corporation, along with its wholly-owned subsidiary, Cunico Corporation ("Cunico"), for approximately \$49.9 million. Dynamic and Cunico are suppliers of highly-engineered,

proprietary valves, manifolds and fittings for global naval nuclear and diesel-electric submarines, surface warfare ships and commercial shipping vessels. These companies will be reported as part of our Government Operations segment.

NOTE 3 – REVENUE RECOGNITION

As described in Note 1, our operations are assessed based on two reportable segments. In connection with our segment reporting change, we have revised historical amounts to conform to current segment presentation.

Disaggregated Revenues

Revenues by geographic area and customer type were as follows:

	Three Months Ended March 31, 2022			Three Months Ended March 31, 2021		
	Government Operations	Commercial Operations	Total	Government Operations	Commercial Operations	Total
(In thousands)						
United States:						
Government	\$ 406,247	\$ —	\$ 406,247	\$ 398,624	\$ —	\$ 398,624
Non-Government	23,558	7,214	30,772	21,446	10,272	31,718
	<u>\$ 429,805</u>	<u>\$ 7,214</u>	<u>\$ 437,019</u>	<u>\$ 420,070</u>	<u>\$ 10,272</u>	<u>\$ 430,342</u>
Canada:						
Non-Government	\$ 978	\$ 90,398	\$ 91,376	\$ 1,020	\$ 91,355	\$ 92,375
Other:						
Non-Government	\$ 994	\$ 2,338	\$ 3,332	\$ 2,185	\$ 5,771	\$ 7,956
Segment Revenues	<u>\$ 431,777</u>	<u>\$ 99,950</u>	<u>531,727</u>	<u>\$ 423,275</u>	<u>\$ 107,398</u>	<u>530,673</u>
Eliminations			(989)			(2,400)
Revenues			<u>\$ 530,738</u>			<u>\$ 528,273</u>

Revenues by timing of transfer of goods or services were as follows:

	Three Months Ended March 31, 2022			Three Months Ended March 31, 2021		
	Government Operations	Commercial Operations	Total	Government Operations	Commercial Operations	Total
(In thousands)						
Over time	\$ 431,749	\$ 85,915	\$ 517,664	\$ 423,250	\$ 93,887	\$ 517,137
Point-in-time	28	14,035	14,063	25	13,511	13,536
Segment Revenues	<u>\$ 431,777</u>	<u>\$ 99,950</u>	<u>531,727</u>	<u>\$ 423,275</u>	<u>\$ 107,398</u>	<u>530,673</u>
Eliminations			(989)			(2,400)
Revenues			<u>\$ 530,738</u>			<u>\$ 528,273</u>

Revenues by contract type were as follows:

	Three Months Ended March 31, 2022			Three Months Ended March 31, 2021		
	Government Operations	Commercial Operations	Total	Government Operations	Commercial Operations	Total
(In thousands)						
Fixed-Price Incentive Fee	\$ 301,425	\$ 2,547	\$ 303,972	\$ 302,326	\$ 490	\$ 302,816
Firm-Fixed-Price	83,566	77,982	161,548	80,257	68,057	148,314
Cost-Plus Fee	45,518	—	45,518	38,815	—	38,815
Time-and-Materials	1,268	19,421	20,689	1,877	38,851	40,728
Segment Revenues	<u>\$ 431,777</u>	<u>\$ 99,950</u>	<u>531,727</u>	<u>\$ 423,275</u>	<u>\$ 107,398</u>	<u>530,673</u>
Eliminations			(989)			(2,400)
Revenues			<u>\$ 530,738</u>			<u>\$ 528,273</u>

Performance Obligations

As we progress on our contracts and the underlying performance obligations for which we recognize revenue over time, we refine our estimates of variable consideration and total estimated costs at completion, which impact the overall profitability on our contracts and performance obligations. Changes in these estimates result in the recognition of cumulative catch-up adjustments that impact our revenues and/or costs of contracts. During the three months ended March 31, 2022 and 2021, we recognized net favorable changes in estimates that resulted in increases (decreases) in revenues of \$(5.2) million and \$6.5 million, respectively.

Contract Assets and Liabilities

We include revenues and related costs incurred, plus accumulated contract costs that exceed amounts invoiced to customers under the terms of the contracts, in Contracts in progress. We include in Advance billings on contracts billings that exceed accumulated contract costs and revenues recognized over time. Amounts that are withheld on our fixed-price incentive fee contracts are classified within Retainages. Certain of these amounts require conditions other than the passage of time to be achieved, with the remaining amounts only requiring the passage of time. Most long-term contracts contain provisions for progress payments. Our unbilled receivables do not contain an allowance for credit losses as we expect to invoice customers and collect all amounts for unbilled receivables. Changes in Contracts in progress and Advance billings on contracts are primarily driven by differences in the timing of revenue recognition and billings to our customers. During the three months ended March 31, 2022, our unbilled receivables increased \$11.8 million primarily as a result of the timing of milestone billings on certain firm-fixed-price and time and materials contracts within our Commercial Operations segment partially offset by the timing of milestone billings on fixed price incentive fee contracts within our Government Operations segment. During the three months ended March 31, 2022, our Advance billings on contracts decreased \$5.9 million primarily as a result of revenues in excess of billings on certain firm-fixed-price contracts within our Government Operations segment. Our fixed-price incentive fee contracts for our Government Operations segment include provisions that result in an increase in retainages on contracts during the first and third quarters of the year, with larger payments received during the second and fourth quarters. Retainages also vary as a result of timing differences between incurring costs and achieving milestones that allow us to recover these amounts.

	March 31, 2022	December 31, 2021
	(In thousands)	
Included in Contracts in progress:		
Unbilled receivables	\$ 540,397	\$ 528,644
Retainages	\$ 77,804	\$ 51,507
Included in Other Assets:		
Retainages	\$ 1,132	\$ 1,271
Advance billings on contracts	\$ 105,687	\$ 111,619

During the three months ended March 31, 2022 and 2021, we recognized \$38.7 million and \$30.0 million, respectively, of revenues that were in Advance billings on contracts at the beginning of each year.

Remaining Performance Obligations

Remaining performance obligations represent the dollar amount of revenue we expect to recognize in the future from performance obligations on contracts previously awarded and in progress. At March 31, 2022, our remaining performance obligations were \$4,906.4 million. We expect to recognize approximately 54% of the revenue associated with our remaining performance obligations by the end of 2023, with the remainder to be recognized thereafter.

NOTE 4 – PENSION PLANS AND POSTRETIREMENT BENEFITS

We record the service cost component of net periodic benefit cost within Operating income on our condensed consolidated statements of income. For the three months ended March 31, 2022 and 2021, these amounts were \$3.1 million and \$3.1 million, respectively. All other components of net periodic benefit cost are included in Other – net within the condensed

consolidated statements of income. For the three months ended March 31, 2022 and 2021, these amounts were \$(12.6) million and \$(13.4) million, respectively. Components of net periodic benefit cost included in net income were as follows:

	Pension Benefits Three Months Ended March 31,		Other Benefits Three Months Ended March 31,	
	2022	2021	2022	2021
	(In thousands)			
Service cost	\$ 2,917	\$ 2,957	\$ 165	\$ 190
Interest cost	7,821	6,754	347	282
Expected return on plan assets	(20,868)	(20,414)	(738)	(716)
Amortization of prior service cost (credit)	807	782	7	(45)
Net periodic benefit income	<u>\$ (9,323)</u>	<u>\$ (9,921)</u>	<u>\$ (219)</u>	<u>\$ (289)</u>

NOTE 5 – COMMITMENTS AND CONTINGENCIES

There were no material contingencies during the period covered by this Form 10-Q.

NOTE 6 – FAIR VALUE MEASUREMENTS

Investments

The following is a summary of our investments measured at fair value at March 31, 2022:

	Total	Level 1	Level 2	Level 3	Unclassified
	(In thousands)				
<u>Equity securities</u>					
Mutual funds	\$ 7,109	\$ —	\$ 7,109	\$ —	\$ —
<u>Available-for-sale securities</u>					
U.S. Government and agency securities	3,094	3,094	—	—	—
Corporate bonds	2,530	1,835	695	—	—
Asset-backed securities and collateralized mortgage obligations	53	—	53	—	—
Total	<u>\$ 12,786</u>	<u>\$ 4,929</u>	<u>\$ 7,857</u>	<u>\$ —</u>	<u>\$ —</u>

The following is a summary of our investments measured at fair value at December 31, 2021:

	Total	Level 1	Level 2	Level 3	Unclassified
	(In thousands)				
<u>Equity securities</u>					
Mutual funds	\$ 7,650	\$ —	\$ 7,650	\$ —	\$ —
<u>Available-for-sale securities</u>					
U.S. Government and agency securities	2,738	2,738	—	—	—
Corporate bonds	2,926	1,852	1,074	—	—
Asset-backed securities and collateralized mortgage obligations	55	—	55	—	—
Total	<u>\$ 13,369</u>	<u>\$ 4,590</u>	<u>\$ 8,779</u>	<u>\$ —</u>	<u>\$ —</u>

We estimate the fair value of investments based on quoted market prices. For investments for which there are no quoted market prices, we derive fair values from available yield curves for investments of similar quality and terms.

Derivatives

Level 2 derivative assets and liabilities currently consist of FX forward contracts. Where applicable, the value of these derivative assets and liabilities is computed by discounting the projected future cash flow amounts to present value using market-based observable inputs, including FX forward and spot rates, interest rates and counterparty performance risk

adjustments. At March 31, 2022 and December 31, 2021, we had FX forward contracts outstanding to purchase or sell foreign currencies, primarily Canadian dollars and Euros, with a total fair value of \$(5.7) million and \$(3.2) million, respectively.

Other Financial Instruments

We used the following methods and assumptions in estimating our fair value disclosures for our other financial instruments, as follows:

Cash and cash equivalents and restricted cash and cash equivalents. The carrying amounts that we have reported in the accompanying condensed consolidated balance sheets for Cash and cash equivalents and Restricted cash and cash equivalents approximate their fair values due to their highly liquid nature.

Long-term and short-term debt. We base the fair values of debt instruments, including our 4.125% senior notes due 2028 (the "Senior Notes due 2028") and our 4.125% senior notes due 2029 (the "Senior Notes due 2029"), on quoted market prices. Where quoted prices are not available, we base the fair values on the present value of future cash flows discounted at estimated borrowing rates for similar debt instruments or on estimated prices based on current yields for debt issues of similar quality and terms. At March 31, 2022 and December 31, 2021, the fair value of the Senior Notes due 2028 was \$384.7 million and \$406.3 million, respectively, and the fair value of the Senior Notes due 2029 was \$383.3 million and \$406.5 million, respectively. The fair value of our remaining debt instruments approximated their carrying values at March 31, 2022 and December 31, 2021.

NOTE 7 – STOCK-BASED COMPENSATION

Stock-based compensation recognized for all of our plans for the three months ended March 31, 2022 and 2021 totaled \$4.1 million and \$4.2 million, respectively, with associated tax benefit totaling \$0.7 million and \$0.7 million, respectively.

NOTE 8 – SEGMENT REPORTING

As described in Note 1, our operations are assessed based on two reportable segments. In connection with our segment reporting change, we have revised historical amounts to conform to current segment presentation. An analysis of our operations by reportable segment is as follows:

	Three Months Ended March 31,	
	2022	2021
	(In thousands)	
REVENUES:		
Government Operations	\$ 431,777	\$ 423,275
Commercial Operations	99,950	107,398
Eliminations ⁽¹⁾	(989)	(2,400)
	<u>\$ 530,738</u>	<u>\$ 528,273</u>
 (1) Segment revenues are net of the following intersegment transfers:		
Government Operations Transfers	\$ (923)	\$ (2,219)
Commercial Operations Transfers	(66)	(181)
	<u>\$ (989)</u>	<u>\$ (2,400)</u>
OPERATING INCOME:		
Government Operations	\$ 72,231	\$ 78,245
Commercial Operations	3,962	6,294
	<u>\$ 76,193</u>	<u>\$ 84,539</u>
Unallocated Corporate ⁽²⁾	(4,620)	(2,125)
Total Operating Income	<u>\$ 71,573</u>	<u>\$ 82,414</u>
Other Income (Expense)	5,875	9,479
Income before Provision for Income Taxes	<u>\$ 77,448</u>	<u>\$ 91,893</u>

(2) Unallocated corporate includes general corporate overhead not allocated to segments.

	March 31, 2022	December 31, 2021
(In thousands)		
SEGMENT ASSETS:		
Government Operations	\$ 1,419,064	\$ 1,430,863
Commercial Operations	1,024,950	976,382
Total Segment Assets	\$ 2,444,014	\$ 2,407,245
Corporate Assets	125,093	94,135
Total Assets	\$ 2,569,107	\$ 2,501,380

NOTE 9 – EARNINGS PER SHARE

The following table sets forth the computation of basic and diluted earnings per share:

	Three Months Ended March 31,	
	2022	2021
(In thousands, except share and per share amounts)		
Basic:		
Net Income Attributable to BWX Technologies, Inc.	\$ 59,010	\$ 69,749
Weighted-average common shares	91,563,598	95,303,728
Basic earnings per common share	\$ 0.64	\$ 0.73
Diluted:		
Net Income Attributable to BWX Technologies, Inc.	\$ 59,010	\$ 69,749
Weighted-average common shares (basic)	91,563,598	95,303,728
Effect of dilutive securities:		
Stock options, restricted stock units and performance shares ⁽¹⁾	236,696	255,135
Adjusted weighted-average common shares	91,800,294	95,558,863
Diluted earnings per common share	\$ 0.64	\$ 0.73

(1) At March 31, 2022 and 2021, we excluded 221,559 and 131,775 shares, respectively, from our diluted share calculation as their effect would have been antidilutive.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Cautionary Statement Concerning Forward-Looking Statements

The following information should be read in conjunction with the unaudited condensed consolidated financial statements and the notes thereto included in Item 1 in Part I of this quarterly report on Form 10-Q ("Report"), as well as the audited consolidated financial statements and the related notes and Item 7 of our annual report on Form 10-K for the year ended December 31, 2021 (our "2021 10-K").

In this Report, unless the context otherwise indicates, "we," "us" and "our" mean BWX Technologies, Inc. ("BWXT" or the "Company") and its consolidated subsidiaries.

From time to time, our management or persons acting on our behalf make forward-looking statements to inform existing and potential security holders about our Company. Forward-looking statements include those statements that express a belief, expectation or intention, as well as those that are not statements of historical fact, within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Statements and assumptions regarding expectations and projections of specific projects, our future backlog, revenues, income and capital spending, strategic investments, acquisitions or divestitures, return of capital activities, margin improvement initiatives or impacts of the novel strain of coronavirus ("COVID-19") pandemic are examples of forward-looking statements. Forward-looking statements are generally accompanied by words such as "estimate," "project," "predict," "believe," "expect," "anticipate," "plan," "seek," "goal," "could," "intend," "may," "should" or other words that convey the uncertainty of future events or outcomes. In addition, sometimes we will specifically describe a statement as being a forward-looking statement and refer to this cautionary statement.

We have based our forward-looking statements on information currently available to us and our current expectations, estimates and projections about our Company, industries and business environment. 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. In addition, we have based many of these forward-looking statements on assumptions about future events that may prove to be inaccurate. For example, the extent to which the COVID-19 pandemic will continue to impact our business will depend on future developments that are highly uncertain and cannot be predicted, including the length and severity of the COVID-19 health crisis, the potential recurrence of COVID-19, subsequent waves or strains or the development of similar diseases, the actions to contain the impact of such diseases and potential responses to such actions by our suppliers, contractors and employees. While our management considers these statements and assumptions to be reasonable, they are inherently subject to numerous factors, including potentially the risk factors described in Item 1A of our 2021 10-K, 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 have discussed many of these factors in more detail elsewhere in this Report, including under the heading "COVID-19 Assessment" of this Item 2 and Item 1A of our 2021 10-K. These factors are not necessarily all the factors that could affect us. Unpredictable or unanticipated factors we have not discussed in this Report or in our 2021 10-K could also have material adverse effects on actual results of matters that are the subject of our forward-looking statements. We do not intend to update or review any forward-looking statement or our description of important factors, whether as a result of new information, future events or otherwise, except as required by applicable laws.

General

We operate in two reportable segments: Government Operations and Commercial Operations. Our reportable segments reflect changes we made during the first quarter of 2022 to better align our businesses by their government and commercial nature, which reflects the manner in which our operating segment information is reported for purposes of assessing operating performance and allocating resources. Prior to 2022, we reported three segments: Nuclear Operations Group, Nuclear Power Group and Nuclear Services Group.

Our Government Operations segment consists of our legacy Nuclear Operations Group and Nuclear Services Group segments with certain research and development activities in the areas of advanced reactors and advanced manufacturing. Our Commercial Operations segment consists of our legacy Nuclear Power Group segment with certain research and development and commercialization activities in the areas of medical and industrial radioisotopes. Both segments now include research and development and certain commercialization activities associated with new technologies previously reported centrally, outside of our reportable segments. The change in our reportable segments had no impact on our previously reported consolidated results

of operations, financial condition or cash flows. We have applied the change in reportable segments to previously reported historical financial information and related disclosures included in this Report.

In general, we operate in capital-intensive industries and rely on large contracts for a substantial amount of our revenues. We are currently exploring growth strategies across our segments to expand and complement our existing businesses. We would expect to fund these opportunities with cash generated from operations or by raising additional capital through debt, equity or some combination thereof.

Government Operations

The revenues of our Government Operations segment are largely a function of defense spending by the U.S. Government. Through this segment, we engineer, design and manufacture precision naval nuclear components, reactors and nuclear fuel for the U.S. Department of Energy ("DOE")/National Nuclear Security Administration's Naval Nuclear Propulsion Program. In addition, we perform fabrication activities for missile launch tubes for U.S. Navy submarines. As a supplier of major nuclear components for certain U.S. Government programs, this segment is a significant participant in the defense industry.

This segment also provides various services to the U.S. Government by managing and operating high-consequence operations at U.S. nuclear weapons sites, national laboratories and manufacturing complexes. The revenues and equity in income of investees under these types of contracts are largely a function of spending of the U.S. Government and the performance scores we and our consortium partners earn in managing and operating these sites. With our specialized capabilities of full life-cycle management of special materials, facilities and technologies, we believe this segment is well-positioned to continue to participate in the continuing cleanup, operation and management of critical government-owned nuclear sites, laboratories and manufacturing complexes maintained by the DOE, NASA and other federal agencies.

Additionally, this segment also develops technology for a variety of applications, including advanced nuclear power sources, and offers complete advanced nuclear fuel and reactor design and engineering, licensing and manufacturing services for new advanced nuclear reactors.

Commercial Operations

Through this segment, we design and manufacture commercial nuclear steam generators, heat exchangers, pressure vessels, reactor components, as well as other auxiliary equipment, including containers for the storage of spent nuclear fuel and other high-level nuclear waste. This segment is a leading supplier of nuclear fuel, fuel handling systems, tooling delivery systems, nuclear-grade materials and precisely machined components, and related services for CANDU nuclear power plants. This segment also provides a variety of engineering and in-plant services and is a significant supplier to nuclear power utilities undergoing major refurbishment and plant life extension projects. Additionally, this segment is a leading global manufacturer and supplier of critical medical radioisotopes and radiopharmaceuticals.

Our Commercial Operations segment's overall activity primarily depends on the demand and competitiveness of nuclear energy and the demand for radioisotopes and radiopharmaceuticals for research, diagnostic and therapeutic uses. A significant portion of our Commercial Operations segment's operations depends on the timing of maintenance outages, the cyclical nature of capital expenditures and major refurbishment and life extension projects, as well as the demand for nuclear fuel and fuel handling equipment primarily in the Canadian market, which could cause variability in our financial results.

Acquisitions of Dynamic Controls Limited and Citadel Capital Corporation

On April 11, 2022, our subsidiary BWXT Government Group, Inc. acquired all of the outstanding stock of U.K.-based Dynamic Controls Limited ("Dynamic") and U.S.-based Citadel Capital Corporation, along with its wholly-owned subsidiary, Cunico Corporation ("Cunico"). Dynamic and Cunico are suppliers of highly-engineered, proprietary valves, manifolds and fittings for global naval nuclear and diesel-electric submarines, surface warfare ships and commercial shipping vessels. These companies will be reported as part of our Government Operations segment.

Critical Accounting Estimates

For a summary of the critical accounting policies and estimates that we use in the preparation of our unaudited condensed consolidated financial statements, see Item 7 of our 2021 10-K. There have been no material changes to our critical accounting policies and estimates during the three months ended March 31, 2022.

Accounting for Contracts

On certain of our performance obligations, we recognize revenue over time. In accordance with FASB Topic *Revenue from Contracts with Customers*, we are required to estimate the total amount of costs on these performance obligations. As of March 31, 2022, we have provided for the estimated costs to complete all of our ongoing contracts. However, it is possible that current estimates could change due to unforeseen events, which could result in adjustments to overall contract revenues and costs. A principal risk on fixed-price contracts is that revenue from the customer is insufficient to cover increases in our costs. It is possible that current estimates could materially change for various reasons, including, but not limited to, fluctuations in forecasted labor productivity or steel and other raw material prices. In some instances, we guarantee completion dates related to our projects or provide performance guarantees. Increases in costs on our fixed-price contracts could have a material adverse impact on our consolidated results of operations, financial condition and cash flows. Alternatively, reductions in overall contract costs at completion could materially improve our consolidated results of operations, financial condition and cash flows. During the three months ended March 31, 2022 and 2021, we recognized net changes in estimates related to contracts that recognize revenue over time, which increased (decreased) operating income by approximately \$(5.2) million and \$6.5 million, respectively.

COVID-19 Assessment

General

We continue to monitor the COVID-19 pandemic and its impacts and potential impacts on our business. We continue to operate our facilities and have taken numerous precautions to mitigate exposure and protect the health and well-being of our workforce, including arranging for the vaccination of our workforce, where possible. To date, we have experienced localized operational challenges as a result of employee illness, quarantines and social distancing protocols, but the severity of these impacts has subsided significantly. Because developments related to the spread of COVID-19 and its impacts continue to change, it is difficult to predict any future impact at this time. Additionally, COVID-19 may also adversely impact our supply chain and other manufacturers, which could delay our receipt of essential goods and services. Any number of these potential risks could have a material adverse effect on our financial condition, results of operations and cash flows.

Government Assistance

On March 27, 2020, the U.S. Government enacted the Coronavirus Aid, Relief and Economic Security Act, which, among other things, provides employers an option to defer payroll tax payments for a limited period. As of March 31, 2022, we have deferred \$10.7 million of payroll taxes which are due by January 2023. Additionally, on April 11, 2020, the Canadian Government enacted the Canada Emergency Wage Subsidy ("CEWS") under the COVID-19 Economic Response Plan to prevent large layoffs and help employers offset a portion of their employee salaries and wages for a limited period. During the three months ended March 31, 2022 and 2021, we recognized subsidies under the CEWS as offsets to operating expenses of \$0.6 million and \$0.9 million, respectively. The Canadian Government has extended the CEWS to May 2022 with a number of modifications.

Results of Operations – Three Months Ended March 31, 2022 vs. Three Months Ended March 31, 2021

Selected financial highlights are presented in the table below:

	Three Months Ended March 31,		\$ Change
	2022	2021	
(In thousands)			
REVENUES:			
Government Operations	\$ 431,777	\$ 423,275	\$ 8,502
Commercial Operations	99,950	107,398	(7,448)
Eliminations	(989)	(2,400)	1,411
	<u>\$ 530,738</u>	<u>\$ 528,273</u>	<u>\$ 2,465</u>
OPERATING INCOME:			
Government Operations	\$ 72,231	\$ 78,245	\$ (6,014)
Commercial Operations	3,962	6,294	(2,332)
	<u>\$ 76,193</u>	<u>\$ 84,539</u>	<u>\$ (8,346)</u>
Unallocated Corporate	(4,620)	(2,125)	(2,495)
Total Operating Income	<u>\$ 71,573</u>	<u>\$ 82,414</u>	<u>\$ (10,841)</u>

Consolidated Results of Operations

Consolidated revenues increased 0.5%, or \$2.5 million, to \$530.7 million in the three months ended March 31, 2022 compared to \$528.3 million for the corresponding period of 2021, due to an increase in our Government Operations segment of \$8.5 million, which was partially offset by a decrease in revenues in our Commercial Operations segment of \$7.4 million.

Consolidated operating income decreased \$10.8 million to \$71.6 million in the three months ended March 31, 2022 compared to \$82.4 million for the corresponding period of 2021. Operating income in our Government Operations and Commercial Operations segments decreased by \$6.0 million and \$2.3 million, respectively. We also experienced higher Unallocated Corporate expenses of \$2.5 million when compared to the prior year.

Government Operations

	Three Months Ended March 31,		\$ Change
	2022	2021	
(In thousands)			
Revenues	\$ 431,777	\$ 423,275	\$ 8,502
Operating Income	\$ 72,231	\$ 78,245	\$ (6,014)
% of Revenues	16.7%	18.5%	

Revenues increased 2.0%, or \$8.5 million, to \$431.8 million in the three months ended March 31, 2022 compared to \$423.3 million for the corresponding period of 2021. The increase was primarily related to the timing of the procurement of certain long-lead materials when compared to the corresponding period in the prior year. We also experienced an increase in revenues of \$5.2 million related to continued growth in design and engineering work executed by our advanced technologies business, particularly in the defense and space markets, and an increase in revenues of \$3.2 million associated with transition activities at the Savannah River Site, the contract for which was awarded in 2021. These increases were offset by a reduction in volume related to missile tubes totaling \$8.2 million.

Operating income decreased \$6.0 million to \$72.2 million in the three months ended March 31, 2022 compared to \$78.2 million for the corresponding period of 2021. The decrease was primarily related to lower levels of favorable contract adjustments due to lower productivity recorded in the current year when compared to the prior year, which were partially offset by the operating income impact of the changes in revenue noted above.

Commercial Operations

	Three Months Ended March 31,			\$ Change
	2022	2021		
	(In thousands)			
Revenues	\$ 99,950	\$ 107,398	\$	(7,448)
Operating Income	\$ 3,962	\$ 6,294	\$	(2,332)
% of Revenues	4.0%	5.9%		

Revenues decreased 6.9%, or \$7.4 million, to \$100.0 million in the three months ended March 31, 2022 compared to \$107.4 million for the corresponding period of 2021. The decrease was primarily related to lower levels of in-plant inspection, maintenance and modification services totaling \$8.4 million, primarily associated with a large outage project that was completed in the prior year. We also experienced a decrease in revenues related to our parts manufacturing business. These decreases were partially offset by increases in revenues related to our nuclear fuel handling capabilities and higher levels of revenue in our medical radioisotopes business when compared to the prior year.

Operating income decreased \$2.3 million to \$4.0 million in the three months ended March 31, 2022 compared to \$6.3 million for the corresponding period of 2021, due to the operating income impact of the changes in revenues noted above in addition to restructuring related costs, which totaled \$1.9 million.

Unallocated Corporate

Unallocated corporate expenses increased \$2.5 million in the three months ended March 31, 2022 compared to the corresponding period of 2021, primarily due to legal and consulting costs associated with due diligence activities in addition to restructuring related costs, which combined to total an increase of \$2.1 million.

Provision for Income Taxes

	Three Months Ended March 31,			\$ Change
	2022	2021		
	(In thousands)			
Income before Provision for Income Taxes	\$ 77,448	\$ 91,893	\$	(14,445)
Provision for Income Taxes	\$ 18,374	\$ 22,078	\$	(3,704)
Effective Tax Rate	23.7%	24.0%		

We primarily operate in the U.S. and Canada, and we recognize our U.S. income tax provision based on the U.S. federal statutory rate of 21% and our Canadian tax provision based on the Canadian local statutory rate of approximately 25%.

Our effective tax rate for the three months ended March 31, 2022 was 23.7% as compared to 24.0% for the three months ended March 31, 2021. The effective tax rates for the three months ended March 31, 2022 and 2021 were higher than the U.S. corporate income tax rate of 21% primarily due to state income taxes within the U.S. and the unfavorable rate differential associated with our Canadian earnings.

Backlog

Backlog represents the dollar amount of revenue we expect to recognize in the future from contracts awarded and in progress. Not all of our expected revenue from a contract award is recorded in backlog for a variety of reasons, including that some projects are awarded and completed within the same reporting period.

Our backlog is equal to our remaining performance obligations under contracts that meet the criteria in FASB Topic *Revenue from Contracts with Customers*, as discussed in Note 3 to our condensed consolidated financial statements included in this Report. It is possible that our methodology for determining backlog may not be comparable to methods used by other companies.

We are subject to the budgetary and appropriations cycle of the U.S. Government as it relates to our Government Operations segment. Backlog may not be indicative of future operating results, and projects in our backlog may be cancelled, modified or otherwise altered by customers.

	March 31, 2022	December 31, 2021
	(In approximate millions)	
Government Operations	\$ 4,158	\$ 4,532
Commercial Operations	748	644
Total Backlog	<u>\$ 4,906</u>	<u>\$ 5,176</u>

We do not include the value of our unconsolidated joint venture contracts in backlog. These unconsolidated joint ventures are included in our Government Operations segment.

At March 31, 2022, our ending backlog was \$4,906.4 million, \$97.4 million of which had not yet been funded. We expect to recognize approximately 54% of the revenue associated with our backlog by the end of 2023, with the remainder to be recognized thereafter.

Major new awards from the U.S. Government are typically received following Congressional approval of the budget for the U.S. Government's next fiscal year, which starts October 1, and may not be awarded to us before the end of the calendar year. Due to the fact that most contracts awarded by the U.S. Government are subject to these annual funding approvals, the total values of the underlying programs are significantly larger.

The value of unexercised options excluded from backlog as of March 31, 2022, was approximately \$0.4 billion, which is expected to be awarded in annual installments through 2024, subject to annual Congressional appropriations.

Liquidity and Capital Resources

Credit Facility

On March 24, 2020, we entered into an Amendment No. 1 to Credit Agreement, which amended the Credit Agreement dated as of May 24, 2018 (as amended, the "Credit Facility") with Wells Fargo Bank, N.A., as administrative agent, and the other lenders party thereto. The Credit Facility provides for a \$750 million senior secured revolving credit facility (the "Revolving Credit Facility"). All obligations under the Revolving Credit Facility are scheduled to mature on March 24, 2025. The proceeds of loans under the Revolving Credit Facility are available for working capital needs, permitted acquisitions and other general corporate purposes.

The Credit Facility allows for additional parties to become lenders and, subject to certain conditions, for the increase of the commitments under the Credit Facility, subject to an aggregate maximum for all additional commitments of (1) the greater of (a) \$250 million and (b) 65% of EBITDA, as defined in the Credit Facility, for the last four full fiscal quarters, plus (2) all voluntary prepayments of the term loans, plus (3) additional amounts provided the Company is in compliance with a pro forma first lien leverage ratio test of less than or equal to 2.50 to 1.00.

The Company's obligations under the Credit Facility are guaranteed, subject to certain exceptions, by substantially all of the Company's present and future wholly owned domestic restricted subsidiaries. The Credit Facility is secured by first-priority liens on certain assets owned by the Company and its subsidiary guarantors (other than the majority of its subsidiaries comprising its Government Operations segment).

The Revolving Credit Facility requires interest payments on revolving loans on a periodic basis until maturity. We may prepay all loans under the Credit Facility at any time without premium or penalty (other than customary Eurocurrency breakage costs), subject to notice requirements.

The Credit Facility includes financial covenants that are tested on a quarterly basis, based on the rolling four-quarter period that ends on the last day of each fiscal quarter. The maximum permitted leverage ratio is 4.00 to 1.00, which may be increased to 4.50 to 1.00 for up to four consecutive fiscal quarters after a material acquisition. The minimum consolidated interest coverage ratio is 3.00 to 1.00. In addition, the Credit Facility contains various restrictive covenants, including with respect to debt, liens, investments, mergers, acquisitions, dividends, equity repurchases and asset sales. As of March 31, 2022, we were in compliance with all covenants set forth in the Credit Facility.

Outstanding loans under the Revolving Credit Facility bear interest at our option at either (1) the Eurocurrency rate plus a margin ranging from 1.0% to 1.75% per year or (2) the base rate plus a margin ranging from 0.0% to 0.75% per year. We are charged a commitment fee on the unused portion of the Revolving Credit Facility, and that fee ranges from 0.15% to 0.225% per year. Additionally, we are charged a letter of credit fee of between 1.0% and 1.75% per year with respect to the amount of

each financial letter of credit issued under the Credit Facility, and a letter of credit fee of between 0.75% and 1.05% per year with respect to the amount of each performance letter of credit issued under the Credit Facility. The applicable margin for loans, the commitment fee and the letter of credit fees set forth above will vary quarterly based on our leverage ratio. Based on the leverage ratio applicable at March 31, 2022, the margin for Eurocurrency rate and base rate revolving loans was 1.50% and 0.50%, respectively, the letter of credit fee for financial letters of credit and performance letters of credit was 1.50% and 0.90%, respectively, and the commitment fee for the unused portion of the Revolving Credit Facility was 0.20%.

As of March 31, 2022, borrowings and letters of credit issued under the Revolving Credit Facility totaled \$510.0 million and \$35.9 million, respectively. As a result, as of March 31, 2022 we had \$204.1 million available under the Revolving Credit Facility for borrowings and to meet letter of credit requirements. As of March 31, 2022, the interest rate on outstanding borrowings under our Credit Facility was 1.89%.

The Credit Facility generally includes customary events of default for a secured credit facility. Under the Credit Facility, (1) if an event of default relating to bankruptcy or other insolvency events occurs with respect to the Company, all related obligations will immediately become due and payable; (2) if any other event of default exists, the lenders will be permitted to accelerate the maturity of the related obligations outstanding; and (3) if any event of default exists, the lenders will be permitted to terminate their commitments thereunder and exercise other rights and remedies, including the commencement of foreclosure or other actions against the collateral.

If any default occurs under the Credit Facility, or if we are unable to make any of the representations and warranties in the Credit Facility, we will be unable to borrow funds or have letters of credit issued under the Credit Facility.

Senior Notes due 2028

We issued \$400 million aggregate principal amount of 4.125% senior notes due 2028 (the "Senior Notes due 2028") pursuant to an indenture dated June 12, 2020 (the "2020 Indenture"), among the Company, certain of our subsidiaries, as guarantors, and U.S. Bank Trust Company, National Association (formerly known as U.S. Bank National Association) ("U.S. Bank"), as trustee. The Senior Notes due 2028 are guaranteed by each of the Company's present and future direct and indirect wholly owned domestic subsidiaries that is a guarantor under the Credit Facility.

Interest on the Senior Notes due 2028 is payable semi-annually in cash in arrears on June 30 and December 30 of each year at a rate of 4.125% per annum. The Senior Notes due 2028 will mature on June 30, 2028.

We may redeem the Senior Notes due 2028, in whole or in part, at any time on or after June 30, 2023 at a redemption price equal to (i) 102.063% of the principal amount to be redeemed if the redemption occurs during the twelve-month period beginning on June 30, 2023, (ii) 101.031% of the principal amount to be redeemed if the redemption occurs during the twelve-month period beginning on June 30, 2024 and (iii) 100.0% of the principal amount to be redeemed if the redemption occurs on or after June 30, 2025, in each case plus accrued and unpaid interest, if any, to, but excluding, the redemption date. At any time prior to June 30, 2023, we may also redeem up to 40.0% of the Senior Notes due 2028 with net cash proceeds of certain equity offerings at a redemption price equal to 104.125% of the principal amount of the Senior Notes due 2028 to be redeemed, plus accrued and unpaid interest, if any, to, but excluding, the redemption date. In addition, at any time prior to June 30, 2023, we may redeem the Senior Notes due 2028, in whole or in part, at a redemption price equal to 100.0% of the principal amount of the Senior Notes due 2028 to be redeemed, plus accrued and unpaid interest, if any, to, but excluding, the redemption date plus an applicable "make-whole" premium.

The 2020 Indenture contains customary events of default, including, among other things, payment default, failure to comply with covenants or agreements contained in the 2020 Indenture or the Senior Notes due 2028 and certain provisions related to bankruptcy events. The 2020 Indenture also contains customary negative covenants. As of March 31, 2022, we were in compliance with all covenants set forth in the 2020 Indenture and the Senior Notes due 2028.

Senior Notes due 2029

We issued \$400 million aggregate principal amount of 4.125% senior notes due 2029 (the "Senior Notes due 2029") pursuant to an indenture dated April 13, 2021 (the "2021 Indenture"), among the Company, certain of our subsidiaries, as guarantors, and U.S. Bank, as trustee. The Senior Notes due 2029 are guaranteed by each of the Company's present and future direct and indirect wholly owned domestic subsidiaries that is a guarantor under the Credit Facility.

Interest on the Senior Notes due 2029 is payable semi-annually in cash in arrears on April 15 and October 15 of each year, at a rate of 4.125% per annum. The Senior Notes due 2029 will mature on April 15, 2029.

We may redeem the Senior Notes due 2029, in whole or in part, at any time on or after April 15, 2024 at a redemption price equal to (i) 102.063% of the principal amount to be redeemed if the redemption occurs during the twelve-month period beginning on April 15, 2024, (ii) 101.031% of the principal amount to be redeemed if the redemption occurs during the twelve-month period beginning on April 15, 2025 and (iii) 100.0% of the principal amount to be redeemed if the redemption occurs on or after April 15, 2026, in each case plus accrued and unpaid interest, if any, to, but excluding, the redemption date. At any time prior to April 15, 2024, we may also redeem up to 40.0% of the Senior Notes due 2029 with net cash proceeds of certain equity offerings at a redemption price equal to 104.125% of the principal amount of the Senior Notes due 2029 to be redeemed, plus accrued and unpaid interest, if any, to, but excluding, the redemption date. In addition, at any time prior to April 15, 2024, we may redeem the Senior Notes due 2029, in whole or in part, at a redemption price equal to 100.0% of the principal amount of the Senior Notes due 2029 to be redeemed, plus accrued and unpaid interest, if any, to, but excluding, the redemption date plus an applicable "make-whole" premium.

The 2021 Indenture contains customary events of default, including, among other things, payment default, failure to comply with covenants or agreements contained in the 2021 Indenture or the Senior Notes due 2029 and certain provisions related to bankruptcy events. The 2021 Indenture also contains customary negative covenants. As of March 31, 2022, we were in compliance with all covenants set forth in the 2021 Indenture and the Senior Notes due 2029.

Other Arrangements

We have posted surety bonds to support regulatory and contractual obligations for certain decommissioning responsibilities, projects and legal matters. We utilize bonding facilities to support such obligations, but the issuance of bonds under those facilities is typically at the surety's discretion, and the bonding facilities generally permit the surety, in its sole discretion, to terminate the facility or demand collateral. Although there can be no assurance that we will maintain our surety bonding capacity, we believe our current capacity is adequate to support our existing requirements for the next twelve months. In addition, these bonds generally indemnify the beneficiaries should we fail to perform our obligations under the applicable agreements. We, and certain of our subsidiaries, have jointly executed general agreements of indemnity in favor of surety underwriters relating to surety bonds those underwriters issue. As of March 31, 2022, bonds issued and outstanding under these arrangements totaled approximately \$109.9 million.

Long-term Benefit Obligations

As of March 31, 2022, we had underfunded defined benefit pension and postretirement benefit plans with obligations totaling approximately \$81.2 million. These long-term liabilities are expected to require use of our resources to satisfy future funding obligations. Based largely on statutory funding requirements, we expect to make contributions of approximately \$11.9 million for the remainder of 2022 related to our pension and postretirement plans. We may also make additional contributions based on a variety of factors including, but not limited to, tax planning, evaluation of funded status and risk mitigation strategies.

Other

Cash, Cash Equivalents, Restricted Cash and Investments

Our domestic and foreign cash and cash equivalents, restricted cash and cash equivalents and investments as of March 31, 2022 and December 31, 2021 were as follows:

	March 31, 2022	December 31, 2021
	(In thousands)	
Domestic	\$ 34,120	\$ 39,128
Foreign	7,981	14,016
Total	<u>\$ 42,101</u>	<u>\$ 53,144</u>

Our working capital increased by \$69.6 million to \$383.8 million at March 31, 2022 from \$314.1 million at December 31, 2021, primarily attributable to the timing of project cash flows and vendor payments.

Our net cash used in operating activities increased by \$103.8 million to \$5.4 million in the three months ended March 31, 2022, compared to cash provided by operating activities of \$98.4 million in the three months ended March 31, 2021. The increase in cash used in operating activities was primarily attributable to an \$88.7 million customer payment delayed until the first quarter of 2021, which was originally expected in 2020.

Our net cash used in investing activities decreased by \$36.1 million to \$65.9 million in the three months ended March 31, 2022, compared to \$102.0 million in the three months ended March 31, 2021. The decrease in cash used in investing activities was primarily attributable to a decrease in purchases of property, plant and equipment of \$49.5 million, partially offset by a \$13.6 million increase in investments in equity method investees in the three months ended March 31, 2022.

Our net cash provided by financing activities increased by \$41.3 million to \$60.6 million in the three months ended March 31, 2022, compared to \$19.3 million in the three months ended March 31, 2021. The increase in cash provided by financing activities was primarily attributable to the repayment of bank overdrafts of \$88.7 million in the three months ended March 31, 2021. This was partially offset by a decrease in net borrowings of long-term debt of \$45.0 million in the three months ended March 31, 2022 compared to the prior period.

At March 31, 2022, we had restricted cash and cash equivalents totaling \$5.7 million, \$2.8 million of which was held for future decommissioning of facilities (which is included in other assets on our condensed consolidated balance sheets) and \$2.9 million of which was held to meet reinsurance reserve requirements of our captive insurer.

At March 31, 2022, we had short-term and long-term investments with a fair value of \$12.8 million. Our investment portfolio consists primarily of U.S. Government and agency securities, corporate bonds and mutual funds. Our debt securities are carried at fair value and are either classified as trading, with unrealized gains and losses reported in earnings, or as available-for-sale, with unrealized gains and losses, net of tax, being reported as a component of other comprehensive income. Our equity securities are carried at fair value with the unrealized gains and losses reported in earnings.

Cash Requirements

Our cash requirements have not changed materially from those disclosed in Item 7 of our 2021 10-K. We believe we have sufficient cash and cash equivalents and borrowing capacity, along with cash generated from operations and continued access to debt markets, to satisfy our cash requirements for the next 12 months and beyond.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our exposures to market risks have not changed materially from those disclosed in Item 7A of our 2021 10-K.

Item 4. CONTROLS AND PROCEDURES

As of the end of the period covered by this Report, we carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures (as that term is defined in Rules 13a-15(e) and 15d-15(e) adopted by the Securities and Exchange Commission ("SEC") under the Exchange Act). This evaluation was conducted under the supervision and with the participation of management, including our Chief Executive Officer and Chief Financial Officer. Our disclosure controls and procedures were developed through a process in which our management applied its judgment in assessing the costs and benefits of such controls and procedures, which, by their nature, can provide only reasonable assurance regarding the control objectives. You should note that the design of any system of disclosure controls and procedures is based in part upon various assumptions about the likelihood of future events, and we cannot assure you that any design will succeed in achieving its stated goals under all potential future conditions, regardless of how remote. Based on the evaluation referred to above, our Chief Executive Officer and Chief Financial Officer concluded that the design and operation of our disclosure controls and procedures are effective as of March 31, 2022 to provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC, and such information is accumulated and communicated to management as appropriate to allow timely decisions regarding disclosure. There has been no change in our internal control over financial reporting during the three months ended March 31, 2022 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II**OTHER INFORMATION****Item 1. LEGAL PROCEEDINGS**

For information regarding ongoing investigations and litigation, see Note 5 to our unaudited condensed consolidated financial statements in Part I of this Report, which we incorporate by reference into this Item.

Item 1A. RISK FACTORS

In addition to the other information in this Report, the other factors presented in Item 1A of our 2021 10-K are some of the factors that could materially affect our business, financial condition or future results. There have been no material changes to our risk factors from those disclosed in our 2021 10-K.

Item 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Since November 2012, we have periodically announced that our Board of Directors has authorized share repurchase programs. The following table provides information on our purchases of equity securities during the three months ended March 31, 2022. Any shares purchased that were not part of a publicly announced plan or program are related to repurchases of common stock pursuant to the provisions of employee benefit plans that permit the repurchase of shares to satisfy statutory tax withholding obligations.

Period	Total number of shares purchased ⁽¹⁾	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Approximate dollar value of shares that may yet be purchased under the plans or programs (in millions) ⁽²⁾
January 1, 2022 - January 31, 2022	1,855	\$ 48.86	—	\$ 417.6
February 1, 2022 - February 28, 2022	49,071	\$ 50.86	19,800	\$ 416.6
March 1, 2022 - March 31, 2022	437,461	\$ 53.55	354,768	\$ 397.6
Total	488,387	\$ 53.26	374,568	

(1) Includes 1,855, 29,271 and 82,693 shares repurchased during January, February and March, respectively, pursuant to the provisions of employee benefit plans that permit the repurchase of shares to satisfy statutory tax withholding obligations.

(2) On April 30, 2021, our Board of Directors authorized us to repurchase an indeterminate number of shares of our common stock at an aggregate market value of up to \$500 million with no expiration date.

Item 6. EXHIBITS

<u>Exhibit Number</u>	<u>Description</u>
3.1	Certificate of Amendment to Restated Certificate of Incorporation dated May 14, 2019 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on May 17, 2019 (File No. 1-34658)).
3.2	Restated Certificate of Incorporation of the Company (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K filed with the SEC on May 17, 2019 (File No. 1-34658)).
3.3	Amended and Restated Bylaws (incorporated by reference to Exhibit 3.3 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2019 (File No. 1-34658)).
10.1	Form of 2022 Performance Restricted Stock Unit Grant Agreement for Employees.
10.2	Form of 2022 Restricted Stock Unit Grant Agreement for Employees.
31.1	Rule 13a-14(a)/15d-14(a) certification of Chief Executive Officer.
31.2	Rule 13a-14(a)/15d-14(a) certification of Chief Financial Officer.
32.1	Section 1350 certification of Chief Executive Officer.
32.2	Section 1350 certification of Chief Financial Officer.
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

BWX TECHNOLOGIES, INC.

By: /s/ Robb A. LeMasters
Robb A. LeMasters
Senior Vice President and Chief Financial Officer
(Principal Financial Officer and Duly Authorized Representative)

By: /s/ Jason S. Kerr
Jason S. Kerr
Vice President and Chief Accounting Officer
(Principal Accounting Officer and Duly Authorized Representative)

May 9, 2022

**2022 PERFORMANCE RESTRICTED STOCK UNITS
GRANT AGREEMENT**

To: <first_name> <last_name>

By accepting your grant online through the Schwab Equity Award Center, you agree that these incentives are granted under and governed by the terms and conditions of the BWX Technologies, Inc. 2020 Omnibus Incentive Plan (the "Plan"), and this 2022 Performance Restricted Stock Units Grant Agreement, which is included in the online acceptance process. A copy of the Plan and the Prospectus relating to the stock issued under the Plan can be found at <http://equityawardcenter.schwab.com> under the "At a Glance/My Company Info" tab in your Schwab account. The Plan and Prospectus are incorporated by reference and made a part of the terms and conditions of your award. If you would like to receive a paper copy of either the Plan or Prospectus, please contact _____ at _____ or _____@bwxt.com.

Effective _____, 2022 (the "Date of Grant"), the Compensation Committee of the Board of Directors (the "Committee") of BWX Technologies, Inc. ("BWXT") awarded you a grant of performance-based Restricted Stock Units ("Performance RSUs") under the Plan. The provisions of the Plan are incorporated herein by reference and capitalized terms used but not otherwise defined in this Agreement have the meanings given them in the Plan.

Any reference or definition contained in this Agreement shall, except as otherwise specified, be construed in accordance with the terms and conditions of the Plan and all determinations and interpretations made by the Committee with regard to any question arising hereunder or under the Plan shall be binding and conclusive on you and your legal representatives and beneficiaries. The term "BWXT" as used in this Agreement with reference to employment shall include subsidiaries of BWXT (including unconsolidated joint ventures). Whenever the words "you" or "your" are used in any provision of this Agreement under circumstances where the provision should logically be construed to apply to your beneficiary, estate, or personal representative, to whom any rights under this Agreement may be transferred by will or by the laws of descent and distribution, it shall be deemed to include such person.

Performance RSUs

1. **Performance RSU Award.** You have been awarded <shares_awarded> performance-based restricted stock units (the “**Initial Performance RSUs**”). These Performance RSUs represent a right to receive Shares, calculated as described below, provided (and to the extent that) the applicable performance measures and vesting requirements set forth in this Agreement have been satisfied. No Shares are awarded or issued to you on the Date of Grant.

2. **Vesting Requirements.** Subject to Section 3 of this Agreement (“Forfeiture of Performance RSUs”), Performance RSUs will become vested under one of the following circumstances, to the extent the Performance RSUs have not previously vested or become forfeited:

- a percentage of the Initial Performance RSUs shall become vested on February 18, 2025, provided you are still employed by BWXT (with the number in which you vest determined as described in Section 4 of this Agreement (the “Number of Performance RSUs” provision));
- if your employment terminates on or after February 18, 2023 due to Retirement (as defined below) or an involuntary termination by BWXT without Cause, you will be eligible to vest in a number of Performance RSUs equal to the product of (a) the number of Performance RSUs that would have vested if you would have remained in the continuous employ of BWXT until the Third Anniversary Date or the occurrence of a Change in Control that would otherwise result in vesting (whichever occurs first) multiplied by (b) a fraction, the numerator of which is the number of calendar days you are employed by BWXT during the Performance Period, and the denominator of which is the total number of calendar days in the Performance Period;
- 100% of the Initial Performance RSUs on the earlier to occur of your death or your Disability prior to February 18, 2025; and
- the Committee may provide for additional vesting under other circumstances, in its sole discretion.

In the event of a Change in Control that occurs prior to the vesting or forfeiture of the Performance RSUs, the Performance RSUs shall be treated as set forth in Article 16 of the Plan.

For purposes of this Agreement, “Retirement” means termination of your employment with BWXT (other than for Cause) after attaining (i) at least 60 years of age and (ii) at least [10] [5 for key executives] years of service with BWXT (with years of service calculated by reference from your “adjusted service date,” as determined by the Company).

3. **Forfeiture of Performance RSUs.** Except as otherwise provided in Section 2 above, Performance RSUs which are not or do not become vested upon your termination of employment for any reason shall, coincident therewith, be forfeited and be of no force and effect.

In the event of termination of your employment for Cause, as determined in the sole judgment of the Committee, all Performance RSUs and all rights or benefits awarded to you under this grant of Performance RSUs are forfeited, terminated and withdrawn immediately upon notice of such determination. The Committee shall have the right to suspend any and all rights or benefits

awarded to you hereunder pending its investigation and final determination with regard to such matters. The forfeiture provisions of this paragraph are in addition to the provisions under the heading “Clawback Provisions” below.

4. Number of Performance RSUs. Except as otherwise provided in this Agreement and subject to adjustments permitted by the Plan, the number of Performance RSUs in which you will vest under this Agreement, if any, will be determined by multiplying (a) the sum of (i) 0.4 times the vested percentage applicable to Earnings Before Interest, Taxes, Depreciation, and Amortization “EBITDA” plus (ii) 0.4 times the vested percentage applicable to Return on Invested Capital (“ROIC”), plus (iii) 0.2 times the vested percentage applicable to relative Total Shareholder Return (“TSR”) by (b) the number of Initial Performance RSUs. The maximum number of Performance RSUs in which you can vest is 200% of your Initial Performance RSUs and the minimum number of Performance RSUs in which you can vest is 0% of your Initial Performance RSUs.

The vested percentage applicable to EBITDA, ROIC and TSR will each be determined over the Performance Period as set forth on Schedule 1 attached hereto and incorporated by reference herein. For purposes of this Agreement, the “Performance Period” means the period beginning on January 1, 2022 and ending on December 31, 2024.

5. Settlement of Performance RSUs. You (or your beneficiary, if applicable) will receive one Share for each Performance RSU that vests under this Agreement. If you have made a permitted deferral election with respect to the Performance RSUs, then, subject to compliance with Section 409A of the Code (to the extent applicable), vested Performance RSUs shall be paid to you in accordance with such deferral election. If you have not made a permitted deferral election with respect to the Performance RSUs, vested Performance RSUs shall be paid to you as soon as administratively practicable after the Performance RSUs vest, but in no event later than the earlier of (a) March 15 following the end of the calendar year in which the Performance RSUs vest and (b) March 15, 2025 (and in all events within the short-term deferral period for purposes of Section 409A of the Code).

6. Dividend, Voting Rights and Other Rights. You shall have no rights of ownership in the Shares underlying the Performance RSUs and shall have no right to vote such Shares until the date on which the Shares are transferred to you pursuant hereto. From and after the Date of Grant and until the earlier of (a) the time when the Performance RSUs become vested and are paid in accordance with Section 5 hereof or (b) the time when your right to receive Shares in payment of the Performance RSUs is forfeited in accordance with Section 3 hereof, on the date that BWXT pays a cash dividend (if any) to holders of Shares generally, you shall be credited with cash per Performance RSU equal to the amount of such dividend. Any amounts credited pursuant to the immediately preceding sentence shall be subject to the same applicable terms and conditions (including vesting, payment and forfeitability) as apply to the Performance RSUs based on which the dividend equivalents were credited, and such amounts shall be paid in cash (without interest) at the same time as the Shares underlying the Performance RSUs to which they relate are delivered.

Taxes

7. **Liability for Tax-Related Items.** Regardless of any action BWXT or your employer (the “Employer”) takes with respect to any or all federal, state, local or foreign taxes or other tax-related amounts (“Tax-Related Items”), you acknowledge and agree that the ultimate liability for all Tax-Related Items legally due by you is and remains your responsibility and that BWXT and/or the Employer (i) make no representations nor undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of this grant of Performance RSUs, including the grant and vesting of Performance RSUs, subsequent delivery of Shares or the subsequent sale of any Shares acquired pursuant to such Performance RSUs and receipt of any dividend equivalent payments (if any) and (ii) do not commit to structure the terms or any aspect of this grant of Performance RSUs to reduce or eliminate your liability for Tax-Related Items. To the extent that BWXT or the Employer is required to withhold Tax-Related Items in connection with any payment made to or benefit realized by you or another person with respect to the Performance RSUs, you agree that, unless otherwise determined by the Committee, BWXT or the Employer will withhold Shares having a value equal to (A) the minimum statutory withholding amount permissible or (B) if approved by the Committee, a greater amount based on your election. In no event will the market value of the Shares to be withheld and/or delivered pursuant to this Section 7 to satisfy applicable Tax-Related Items exceed your estimated tax obligations attributable to the applicable transaction. To the extent that the amounts available to BWXT or the Employer for such withholding are insufficient, it shall be a condition to the receipt of such payment or the realization of such benefit that you or such other person make arrangements satisfactory to BWXT or the Employer, as applicable, for payment of the balance of such Tax-Related Items required to be withheld. The Shares withheld as described above shall be credited against any such withholding requirement at the fair market value of such Shares on the date the applicable benefit is to be included in your income.

If the obligation for Tax-Related Items is satisfied by withholding a number of Shares as described herein, you understand that you will be deemed to have been issued the full number of Shares subject to the settled Performance RSUs, notwithstanding that a number of Shares are held back solely for the purpose of paying the Tax-Related Items due as a result of the settlement of the Performance RSUs.

Transferability

8. **Non-Transferability.** Performance RSUs granted hereunder are non-transferable other than by will or by the laws of descent and distribution.

Clawback Provisions

9. **Recovery of Performance RSUs.** In the event that BWXT is required to prepare an accounting restatement due to the material noncompliance of BWXT with any financial reporting requirement under the U.S. federal securities laws as a result of fraud (a “Restatement”) and the Board reasonably determines that you knowingly engaged in the fraud, BWXT will have the right to recover the Performance RSUs granted during the three-year period preceding the date on which the Board or BWXT, as applicable, determines it is required to prepare the Restatement (the “Three-Year Period”), or vested in whole or in part during the Three-Year Period, to the extent of any excess of what would have been granted to or would have vested for you under the Restatement.

10. Recovery Process. In the event a Restatement is required, the Board, based upon a recommendation by the Committee, will (a) review the Performance RSUs either granted or vested in whole or in part during the Three-Year Period and (b) in accordance with the provisions of this Agreement and the Plan, will take reasonable action to seek recovery of the amount of such Performance RSUs in excess of what would have been granted to or would have vested for you under the Restatement (but in no event more than the total amount of such Performance RSUs), as such excess amount is reasonably determined by the Board in its sole discretion, in compliance with Section 409A of the Code. There shall be no duplication of recovery under Sections 9 and 10 of this Agreement and any of 15 U.S.C. Section 7243 (Section 304 of The Sarbanes-Oxley Act of 2002) and Section 10D of the Exchange Act. Notwithstanding anything in this Agreement to the contrary, you acknowledge and agree that this Agreement and the award described herein (and any settlement thereof) are subject to the terms and conditions of the Company's clawback policy (if any) as may be in effect from time to time including specifically to implement Section 10D of the Exchange Act, and any applicable rules or regulations promulgated thereunder (including applicable rules and regulations of any national securities exchange on which the Shares may be traded) (the "Compensation Recovery Policy"), and that Sections 9 and 10 of this Agreement shall be deemed superseded by and subject to the terms and conditions of the Compensation Recovery Policy from and after the effective date thereof.

Other Information

11. No Guarantee of Continued Service. Neither the action of BWXT in establishing the Plan, nor any action taken by it, by the Committee or by your employer, nor any provision of the Plan or this Agreement shall be construed as conferring upon you the right to be retained in the employment of BWXT or any of its subsidiaries or affiliates.

12. Adjustments. The Performance RSUs evidenced by this Agreement are subject to adjustment as provided in Sections 4.3 and 17.2 of the Plan.

13. Compliance with Section 409A of the Code. To the extent applicable, it is intended that this Agreement and the Plan comply with the provisions of Section 409A of the Code. This Agreement and the Plan shall be administered in a manner consistent with this intent, and any provision that would cause this Agreement or the Plan to fail to satisfy Section 409A of the Code shall have no force or effect until amended to comply with Section 409A of the Code (which amendment may be retroactive to the extent permitted by Section 409A of the Code and may be made by BWXT without your consent). Any reference in this Agreement to Section 409A of the Code will also include any proposed, temporary or final regulations, or any other guidance, promulgated with respect to such Section by the U.S. Department of the Treasury or the Internal Revenue Service.

14. Electronic Delivery. BWXT may, in its sole discretion, deliver any documents related to the Performance RSUs and your participation in the Plan, or future awards that may be granted under the Plan, by electronic means or request your consent to participate in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and, if requested, agree to participate in the Plan through an on-line or electronic system established and maintained by BWXT or another third party designated by BWXT.

15. Severability. In the event that one or more of the provisions of this Agreement shall be invalidated for any reason by a court of competent jurisdiction, any provision so invalidated shall

be deemed to be separable from the other provisions hereof, and the remaining provisions hereof shall continue to be valid and fully enforceable.

16. Successors and Assigns. Without limiting Section 8 hereof, the provisions of this Agreement shall inure to the benefit of, and be binding upon, your successors, administrators, heirs, legal representatives and assigns, and the successors and assigns of the Company.

17. Acknowledgement. You acknowledge that you (a) have received a copy of the Plan, (b) have had an opportunity to review the terms of this Agreement and the Plan, (c) understand the terms and conditions of this Agreement and the Plan and (d) agree to such terms and conditions.

18. Country-Specific Special Terms and Conditions. Notwithstanding any provisions in this Agreement, the Performance RSUs shall also be subject to the special terms and conditions set forth in Appendix A to this Agreement for your country of residence. Moreover, if you relocate to one of the countries included on Appendix A, the special terms and conditions for such country will apply to you, to the extent BWXT determines that the application of such terms and conditions are necessary or advisable in order to comply with local law or facilitate the administration of the Plan. Appendix A constitutes part of this Agreement.

19. Notice to Governmental Authority. Notwithstanding anything in this Agreement to the contrary, nothing in this Agreement prevents you from providing, without prior notice to BWXT, information to governmental authorities regarding possible legal violations or otherwise testifying or participating in any investigation or proceeding by any governmental authorities regarding possible legal violations, and for purpose of clarity you are not prohibited from providing information voluntarily to the Securities and Exchange Commission pursuant to Section 21F of the 1934 Act.

Schedule 1

Calculating EBITDA, ROIC and TSR

Except as otherwise described below, the component values used to calculate EBITDA, ROIC and TSR will be determined in accordance with U.S. generally accepted accounting principles excluding (1) expenses associated with the acquisition or disposition of any asset, (2) expenses associated with company restructuring activity, (3) any pension accounting mark-to-market losses, (4) acquisition related amortization resulting from an acquisition that occurs during the Performance Period, (5) losses from divestitures, (6) impairments of tangible and intangible assets, (7) losses in respect of legal proceedings and dispute resolutions, (8) losses from tax valuation allowances, (9) fluctuations in foreign currency exchange rates impacting translation of foreign earnings into USD, and (10) losses in respect of an Act of God/Force Majeure matter. The performance goals or the component values will also be adjusted to reflect the negative effects from applicable changes in accounting standards / policies or tax regulations after the Date of Grant. No adjustment herein shall limit any discretion provided by the Plan to increase or reduce the amount of a Participant's Final Award as computed hereunder.

Earnings Before Interest Taxes Depreciation and Amortization (EBITDA)

The vested percentage applicable to EBITDA will be determined based on BWXT's cumulative EBITDA (as calculated below) ("Cumulative EBITDA") for the Performance Period in accordance with the following schedule:

Cumulative EBITDA EBITDA Vested Percentage

\$x.xx 50%
\$x.xx 100%
\$x.xx 200%

Vested percentages between the amounts shown will be calculated by linear interpolation. The vested percentage applicable to EBITDA will be 0% if the Cumulative EBITDA for the Performance Period is below \$x.xx. In no event will the vested percentage applicable to EBITDA be greater than 200%.

EBITDA will be calculated for each calendar year during the Performance Period and Cumulative EBITDA for the Performance Period will equal the sum of the three applicable annual EBITDA calculations.

For purposes of this Agreement, the term "EBITDA" means BWXT's operating income for the applicable period plus depreciation and amortization expense for the applicable period.

Return on Invested Capital (ROIC)

The vested percentage applicable to ROIC will be determined based on BWXT's average annual ROIC (as calculated below) ("Average ROIC") for the Performance Period in accordance with the following schedule:

Average ROIC ROIC Vested Percentage

xx.x% 50%
xx.x% 100%
xx.x% 200%

Vested percentages between the amounts shown will be calculated by linear interpolation. The vested percentage applicable to ROIC will be 0% if the Average ROIC for the Performance Period is below XX.X%. In no event will the vested percentage applicable to ROIC be greater than 200%.

ROIC will be calculated quarterly and the ROIC for any calendar year during the Performance Period will equal the sum of the four applicable quarterly ROIC calculations. Average ROIC will equal the sum of the three annual ROIC calculations during the Performance Period divided by three.

For purposes of this Agreement, the term "ROIC" is a ratio measure of BWXT's net income in relation to BWXT's invested capital. For purposes of determining ROIC, net income is pre-tax income less tax expense calculated in accordance with U.S. generally accepted accounting principles. Invested capital is BWXT's total assets less current liabilities. Current liabilities include any liabilities that are due within one calendar year and will be defined based on BWXT's consolidated balance sheet applicable to the applicable period.

$$\frac{\text{Net Income}}{\text{Invested Capital}} = \frac{\text{Pre-tax Income} - \text{Tax Expense}}{\text{Total Assets} - \text{Current Liabilities}}$$

Total Shareholder Return (TSR)

The vested percentage applicable to TSR will be determined based on BWXT's TSR (as defined below) over the Performance Measurement Period relative to the TSR of the companies included in the S&P Aerospace & Defense Select Industry Index as of the first business day of the Performance Measurement Period (as defined below) and set forth in Schedule 2 attached herewith (the "TSR Companies") during the same period in accordance with the following schedule:

TSR Ranking Relative to TSR Companies TSR Vested Percentage

<25 th percentile	0%
25 th percentile	50%
50 th percentile	100%
≥75 th percentile	200%

Vested percentages between the amounts shown will be calculated by linear interpolation. The vested percentage applicable to TSR will be 0% if BWXT's TSR ranks lower than the 25th percentile relative to the TSR Companies. In no event will the vested percentage applicable to TSR be greater than 200%. If BWXT's TSR during the Performance Measurement Period is negative, the vested percentage applicable to TSR shall not exceed 100%.

For purposes of this Agreement, the term TSR means $[(a) - (b) + (c)]/b$, where (a) is the Stock Price (as defined below) on the last business day of the Performance Measurement Period, (b) is the Stock Price on the first business day of the Performance Measurement Period and (c) is dividends paid and reinvested during the Performance Measurement Period. The term "Stock Price" means the average daily closing price of a share of common stock of the applicable company during the preceding 30 calendar days. The Stock Price shall be adjusted to reflect a stock split, spin-off or other extraordinary corporate event occurring during the Performance Measurement Period.

The Committee, in its discretion, may adjust the composition of the TSR Companies due to extraordinary corporate events involving these companies, including but not limited to merger, acquisition, bankruptcy, dissolution or divestiture.

Schedule 2

TSR Companies

For purposes of the Agreement, the term “TSR Companies” refers to the following companies included in the S&P Aerospace & Defense Select Industry Index as of January 1, 2022, the first business day of the Performance Measurement Period:

AAR Corp	Lockheed Martin Corporation
Aerojet Rocketdyne Holdings, Inc.	Maxar Technologies Inc.
AeroVironment, Inc.	Mercury Systems, Inc.
Astra Space, Inc.	Moog Inc.
Axon Enterprise, Inc.	National Presto Industries, Inc.
BWX Technologies, Inc.	Northrop Grumman Corporation
Curtiss-Wright Corporation	PAE Incorporated
Ducommun Incorporated	Parsons Corporation
General Dynamics Corporation	Raytheon Technologies Corporation
HEICO Corporation	Spirit AeroSystems Holdings, Inc.
Hexcel Corporation	Textron Inc.
Howmet Aerospace Inc.	The Boeing Company
Huntington Ingalls Industries, Inc.	TransDigm Group Incorporated
Kaman Corporation	Triumph Group, Inc.
Kratos Defense & Security Solutions, Inc.	Vectrus, Inc.
L3Harris Technologies, Inc.	Virgin Galactic Holdings, Inc.

APPENDIX A

COUNTRY-SPECIFIC SPECIAL TERMS AND CONDITIONS

This Appendix A, which is part of the BWXT 2022 Performance Restricted Stock Units Grant Agreement (the “Agreement”), contains additional terms and conditions of the Agreement that will apply to you if you reside in one of the countries listed below. It also includes information about certain other issues of which you should be aware with respect to your participation in the Plan. Such information is based on securities, exchange control, and other laws in effect in the respective countries as of February 2022. Capitalized terms used but not defined herein shall have the same meanings assigned to them in the Plan and/or the Agreement. By accepting the Performance RSUs, you agree to be bound by the terms and conditions contained in the paragraphs below in addition to the terms of the Plan, the Agreement, and the terms of any other document that may apply to you and your Performance RSUs.

In addition, the information contained herein is general in nature and may not apply to your particular situation, and BWXT is not in a position to assure you of a particular result. Accordingly, you are advised to seek appropriate professional advice as to how the relevant laws in your country may apply to your situation.

Finally, if you are a citizen or resident of a country other than the one in which you are currently working, transferred employment after the Performance RSUs were granted to you, or are considered a resident of another country for local law purposes, the information contained herein may not apply.

COUNTRIES COVERED BY THIS APPENDIX A:

Canada.

CANADA

Terms and Conditions

1. Vesting Requirements. For the purposes of Section 2 of the Agreement (“Vesting Requirements”), your entitlement to vesting of the Performance RSUs in connection with an involuntary termination of your employment by BWXT will be determined on the basis of “without Cause” where any Cause alleged does not disqualify you from notice of termination or termination pay under O. Reg., 288/01 of the *Employment Standards Act, 2000*, as amended. This proviso shall also apply to any corresponding definition of Cause in your employment agreement or any related agreements.

2. Forfeiture of Performance RSUs. Section 3 of the Agreement (the “Forfeiture of RSUs” provision) is amended in its entirety to read as follows:

“Except as otherwise provided in Section 2 above, Performance RSUs which are not or do not become vested upon your termination of employment for any reason shall, coincident

therewith, be forfeited and be of no force and effect, except to the extent otherwise expressly required to comply with minimum standards employment legislation, if applicable, in the province in which you are employed.”

3. Nature of Grant. In accepting the grant of Performance RSUs, you acknowledge that:

- the Plan is established voluntarily by BWXT, is discretionary in nature and may be modified, amended, suspended or terminated by BWXT at any time;
- the grant of the Performance RSUs is voluntary and occasional and does not create any contractual or other right to receive future grants of Performance RSUs, or benefits in lieu of Performance RSUs, even if Performance RSUs have been granted repeatedly in the past;
- all decisions with respect to future Performance RSUs grants, if any, will be at the sole discretion of BWXT;
- you are voluntarily participating in the Plan;
- the Performance RSUs and the Shares subject to the Performance RSUs are an extraordinary item that does not constitute compensation of any kind for services of any kind rendered to BWXT or the Employer, and which is outside the scope of your employment contract, if any;
- the Performance RSUs and the Shares subject to the Performance RSUs are not intended to replace any pension rights or compensation;
- the Performance RSUs and the Shares subject to the Performance RSUs are not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for BWXT, the Employer, or any Subsidiary;
- the Performance RSUs and your participation in the Plan will not be interpreted to form an employment contract or relationship with BWXT or any Subsidiary;
- the future value of the underlying Shares is unknown and cannot be predicted with certainty;
- in consideration of the grant of the Performance RSUs, and except to the minimum extent prohibited by the provincial minimum standards legislation as may be applicable to you, no claim or entitlement to compensation or damages shall arise from forfeiture of the Performance RSUs resulting from termination of your service with BWXT or the Employer (for any reason whatsoever) and you irrevocably release BWXT and the Employer from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, you shall be deemed irrevocably to have waived any entitlement to pursue such claim;
- for purposes of the Agreement, the date of occurrence of your termination of employment by BWXT or a Subsidiary is the later of: (a) the date that you actually cease to perform services for BWXT or a Subsidiary, as recorded by BWXT or its Subsidiary, as applicable; and (b) the last day of the period during which you are entitled to notice of termination under applicable minimum employment standards legislation (the “Termination Date”).

For greater certainty, the Termination Date shall be determined without reference to any statutory severance or any contractual or common law notice of termination of which you

are in receipt or may be eligible to receive at common law, pursuant to a contract, or otherwise; and no grants or damages in lieu thereof are payable with respect to any applicable statutory severance period or contractual or common law notice period. Notwithstanding the foregoing, in no event will you receive less under the Agreement than that required by applicable minimum employment standards legislation.

BWXT and its Subsidiaries reserve the right to terminate the employment of any person, regardless of the effect of such termination of employment on entitlements under the Agreement. You hereby waive, and irrevocably release BWXT and its Subsidiaries from, any claim or entitlement to compensation or damages that may arise from any forfeiture of the Performance RSUs as a result of the cessation of vesting on the Termination Date; notwithstanding the foregoing, if your service terminates due to certain termination events as described in this Agreement, the Performance RSUs will be fully vested as of the date of death; and

- the Performance RSUs and the benefits under the Plan, if any, will not automatically transfer to another company in the case of a merger, take-over or transfer of liability.

4. Data Privacy. You hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal data as described in this Agreement and any other award materials by and among, as applicable, the Employer, BWXT, and its Subsidiaries for the exclusive purpose of implementing, administering and managing your participation in the Plan.

You understand that BWXT and the Employer may hold certain personal information about you, including but not limited to, your name, home address, email address and telephone number, date of birth, social insurance number, passport number or other identification number, salary, nationality, job title, any Shares or directorships held in BWXT, details of all awards or any other entitlement Shares granted, canceled, purchased, exercised, vested, unvested or outstanding in your favor, for the exclusive purpose of implementing, administering and managing the Plan (“Data”).

You understand that Data will be transferred to any third parties assisting BWXT with the implementation, administration and management of the Plan. You understand that the recipients of the Data may be located in the United States or elsewhere, and that the recipients’ country (e.g., the United States) may have different data privacy laws and protections than your country. You understand that you may request a list with the names and addresses of any potential recipients of the Data by contacting your local human resources representative. You authorize BWXT and any other possible recipients which may assist BWXT (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing your participation in the Plan. You understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. You understand that you may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing your local human resources representative. You understand, however, that refusing or

withdrawing your consent may affect your ability to participate in the Plan. For more information on the consequences of your refusal to consent or withdrawal of consent, you understand that you may contact your local human resources representative.

5. Settlement of Performance RSUs. Section 5 of the Agreement (the “Settlement of Performance RSUs” provision) is hereby amended in its entirety to read as follows:

“Settlement of Performance RSUs. You (or your beneficiary, if applicable) will receive one Share for each Performance RSU that vests under this Agreement. Such Shares shall be distributed to you as soon as administratively practicable after the Performance RSUs vest, but in no event later than March 15 following the end of the calendar year in which the Performance RSUs vest or, if earlier, at the latest by December 31 of the third year following the end of the year in which the Date of Grant occurred.

6. Language Consent. The following provision will apply to residents of Quebec:

The parties acknowledge that it is their express wish that this Agreement, as well as all documents, notices, and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

Les parties reconnaissent avoir exigé la rédaction en anglais de cette convention, ainsi que de tous documents, avis et procédures judiciaires, exécutés, donnés ou intentés en vertu de, ou liés directement ou indirectement à la présente convention.

7. Dividend Equivalents Settled in Shares Only. Notwithstanding anything to the contrary in the Plan and/or this Agreement, any vested dividend equivalents will be settled in Shares.

8. Performance RSUs Settled in Shares Only. Notwithstanding anything to the contrary in the Plan and/or this Agreement, any Performance RSUs granted to you shall be paid in Shares only and do not provide any right to receive a cash payment.

9. Form of Payment. Due to legal restrictions in Canada and notwithstanding any language to the contrary in the Plan, you are prohibited from surrendering Shares that you already own or from attesting to the ownership of Shares to pay any tax withholding in connection with Performance RSUs granted to you.

Notifications

1. Additional Restrictions on Resale. In addition to the restrictions on resale and transfer noted in Plan materials, securities purchased under the Plan may be subject to certain restrictions on resale imposed by Canadian provincial securities laws. You are encouraged to seek legal advice prior to any resale of such securities. In general, participants resident in Canada may resell their securities in transactions carried out on exchanges outside of Canada and, in particular, you are generally permitted to sell Shares acquired pursuant to the Plan through the designated broker appointed under the Plan, if any, provided that BWXT is a foreign issuer that is not public in Canada and the sale of the Shares acquired pursuant to the Plan takes place: (i) through an exchange, or a market, outside of Canada on the distribution date; or (ii) to a person or company outside of Canada. For purposes hereof, a foreign issuer is an issuer that: (a) is not incorporated or existing pursuant to the laws of Canada or any jurisdiction of Canada; (b) does

not have its head office in Canada; and (c) does not have a majority of its executive officers or directors ordinarily resident in Canada.

2. Tax Reporting. The Tax Act and the regulations thereunder require a Canadian resident individual (among others) to file an information return disclosing prescribed information where, at any time in a tax year, the total cost amount of such individual's "specified foreign property" (which includes shares, options, restricted stock units, and performance-based restricted stock units) exceeds Cdn.\$100,000. You should consult your own tax advisor regarding this reporting requirement.

2022 RESTRICTED STOCK UNITS
GRANT AGREEMENT

To: <first_name> <last_name>

By accepting your grant online through the Schwab Equity Award Center, you agree that these incentives are granted under and governed by the terms and conditions of the BWX Technologies, Inc. 2020 Omnibus Incentive Plan (the “Plan”), and this 2021 Restricted Stock Units Grant Agreement, which is included in the online acceptance process. A copy of the Plan and the Prospectus relating to the stock issued under the Plan can be found at <http://equityawardcenter.schwab.com> under the “At a Glance/My Company Info” tab in your Schwab account. The Plan and Prospectus are incorporated by reference and made a part of the terms and conditions of your award. If you would like to receive a paper copy of either the Plan or Prospectus, please contact _____ at _____ or _____@bwxt.com.

Effective _____, 2022 (the “Date of Grant”), the Compensation Committee of the Board of Directors (the “Committee”) of BWX Technologies, Inc. (“BWXT”) awarded you a grant of Restricted Stock Units (“RSUs”) under the Plan. The provisions of the Plan are incorporated herein by reference and capitalized terms used but not otherwise defined in this Agreement have the meanings given them in the Plan.

Any reference or definition contained in this Agreement shall, except as otherwise specified, be construed in accordance with the terms and conditions of the Plan and all determinations and interpretations made by the Committee with regard to any question arising hereunder or under the Plan shall be binding and conclusive on you and your legal representatives and beneficiaries. The term “BWXT” as used in this Agreement with reference to employment or separation from service shall include subsidiaries of BWXT (including unconsolidated joint ventures). Whenever the words “you” or “your” are used in any provision of this Agreement under circumstances where the provision should logically be construed to apply to your beneficiary, estate, or personal representative, to whom any rights under this Agreement may be transferred by will or by the laws of descent and distribution, it shall be deemed to include such person.

Restricted Stock Units

1. **RSU Award.** You have been awarded <shares_awarded> RSUs. Each RSU represents a right to receive one Share after the vesting of such RSU, as set forth in Section 2 of this Agreement (“Vesting Requirements”).

2. **Vesting Requirements.** Subject to Section 3 of this Agreement (“Forfeiture of RSUs”), RSUs will become vested under one or more of the following circumstances, to the extent the RSUs have not previously vested or become forfeited:

- in one-third (1/3) increments on the first, second and third anniversaries of the Date of Grant (the date of each, an “Anniversary Date”), provided you are still employed with BWXT;
- if your employment terminates due to Retirement (as defined below) on or after the first Anniversary Date and prior to the second Anniversary Date, the remaining outstanding and unvested RSUs vest in one-half increments on the second and third Anniversary Dates;
- if your employment terminates due to Retirement on or after the second Anniversary Date and prior to the third Anniversary Date, 100% of the then-outstanding and unvested RSUs vest on the third Anniversary Date;
- 100% of the then-outstanding and unvested RSUs on the earlier to occur of your death or your Disability prior to the third Anniversary Date; and
- the Committee may provide for additional vesting under other circumstances, in its sole discretion.

In the event of a Change in Control that occurs prior to the vesting or forfeiture of the RSUs, the RSUs shall be treated as set forth in Article 16 of the Plan.

For purposes of this Agreement, “Retirement” means termination of your employment with BWXT (other than for Cause) after attaining (i) at least 60 years of age and (ii) at least [10]] [5 for key executives] years of service with BWXT (with years of service calculated by reference from your “adjusted service date,” as determined by the Company).

3. **Forfeiture of RSUs.** Except as otherwise provided in Section 2, RSUs which are not or do not become vested upon your termination of employment shall, coincident therewith, terminate and be of no force or effect.

In the event of termination of your employment for Cause, as determined in the sole judgment of the Committee, all RSUs and all rights or benefits awarded to you under this grant of RSUs are forfeited, terminated and withdrawn immediately upon notice of such determination. The Committee shall have the right to suspend any and all rights or benefits awarded to you hereunder pending its investigation and final determination with regard to such matters. The forfeiture provisions of this paragraph are in addition to the provisions under the heading “Clawback Provisions” below.

4. Settlement of RSUs. If you have made a permitted deferral election with respect to the RSUs, then, subject to compliance with Section 409A of the Code (to the extent applicable), vested RSUs shall be paid to you in accordance with such deferral election. If you have not made a permitted deferral election with respect to the RSUs, vested RSUs shall be paid to you in the form of Shares within 10 days after each Anniversary Date. To the extent the RSUs are not subject to a “substantial risk of forfeiture” (within the meaning of Section 409A of the Code), the RSUs shall be paid on an accelerated basis on any of the following events, to the extent necessary to comply with Section 409A of the Code:

- the occurrence of a Change in Control, unless such Change in Control does not constitute a “change in control” for purposes of Section 409A(a)(2)(A)(v) of the Code (a “409A Change in Control”);
- your separation from service (within the meaning of Section 409A of the Code) with BWXT within two years after a Change in Control that is a 409A Change in Control;
- your death; or
- your Disability.

5. Dividend, Voting Rights and Other Rights. You shall have no rights of ownership in the Shares underlying the RSUs and shall have no right to vote such Shares until the date on which the Shares are transferred to you pursuant hereto. From and after the Date of Grant and until the earlier of (a) the time when the RSUs become vested and are paid in accordance with Section 4 hereof or (b) the time when your right to receive Shares in payment of the RSUs is forfeited in accordance with Section 3 hereof, on the date that BWXT pays a cash dividend (if any) to holders of Shares generally, you shall be credited with cash per RSU equal to the amount of such dividend. Any amounts credited pursuant to the immediately preceding sentence shall be subject to the same applicable terms and conditions (including vesting, payment and forfeitability) as apply to the RSUs on which the dividend equivalents were credited, and such amounts shall be paid in cash (without interest) at the same time as the Shares underlying the RSUs to which they relate are delivered.

Taxes

6. Liability for Tax-Related Items. Regardless of any action BWXT or your employer (the “Employer”) takes with respect to any or all federal, state, local or foreign taxes or other tax-related amounts (“Tax-Related Items”), you acknowledge and agree that the ultimate liability for all Tax-Related Items legally due by you is and remains your responsibility and that BWXT and/or the Employer (i) make no representations nor undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of this grant of RSUs, including the grant and vesting of RSUs, subsequent delivery of Shares or the subsequent sale of any Shares acquired pursuant to such RSUs and receipt of any dividend equivalent payments (if any) and (ii) do not commit to structure the terms or any aspect of this grant of RSUs to reduce or eliminate your liability for Tax-Related Items. To the extent that BWXT or the Employer is required to withhold Tax-Related Items in connection with any payment made to or benefit realized by you or another person with respect to the RSUs, you agree that, unless otherwise determined by the Committee, BWXT or the Employer will withhold Shares having a value equal to (A) the minimum statutory withholding amount permissible or (B) if approved by the Committee, a

greater amount based on your election. In no event will the market value of the Shares to be withheld and/or delivered pursuant to this Section 6 to satisfy applicable Tax-Related Items exceed your estimated tax obligations attributable to the applicable transaction. To the extent that the amounts available to BWXT or the Employer for such withholding are insufficient, it shall be a condition to the receipt of such payment or the realization of such benefit that you or such other person make arrangements satisfactory to BWXT or the Employer, as applicable, for payment of the balance of such Tax-Related Items required to be withheld. The Shares withheld as described above shall be credited against any such withholding requirement at the fair market value of such Shares on the date the applicable benefit is to be included in your income.

If the obligation for Tax-Related Items is satisfied by withholding a number of Shares as described herein, you understand that you will be deemed to have been issued the full number of Shares subject to the settled RSUs, notwithstanding that a number of Shares are held back solely for the purpose of paying the Tax-Related Items due as a result of the settlement of the RSUs. Notwithstanding anything herein to the contrary, if the Federal Insurance Contributions Act tax ("FICA Tax") imposed under Sections 3101, 3121(a) and 3121(v)(2) of the Code becomes due with respect to any of the RSUs prior to the payment of such RSUs, BWXT or Employer will withhold from your cash compensation an amount sufficient to pay the FICA Tax with respect to such RSUs.

Transferability

7. Non-Transferability. RSUs granted hereunder are non-transferable other than by will or by the laws of descent and distribution.

Clawback Provisions

8. Recovery of RSUs. In the event that BWXT is required to prepare an accounting restatement due to the material noncompliance of BWXT with any financial reporting requirement under the U.S. federal securities laws as a result of fraud (a "Restatement") and the Board reasonably determines that you knowingly engaged in the fraud, BWXT will have the right to recover the RSUs granted during the three-year period preceding the date on which the Board or BWXT, as applicable, determines it is required to prepare the Restatement (the "Three-Year Period"), or vested in whole or in part during the Three-Year Period, to the extent of any excess of what would have been granted to or would have vested for you under the Restatement.

9. Recovery Process. In the event a Restatement is required, the Board, based upon a recommendation by the Committee, will (a) review the RSUs either granted or vested in whole or in part during the Three-Year Period and (b) in accordance with the provisions of this Agreement and the Plan, will take reasonable action to seek recovery of the amount of such RSUs in excess of what would have been granted to or would have vested for you under the Restatement (but in no event more than the total amount of such RSUs), as such excess amount is reasonably determined by the Board in its sole discretion, in compliance with Section 409A of the Code. There shall be no duplication of recovery under Sections 8 and 9 of this Agreement and any of 15 U.S.C. Section 7243 (Section 304 of The Sarbanes-Oxley Act of 2002) and Section 10D of the Exchange Act. The clawback provisions of this Agreement are in addition to the forfeiture provisions contained in Section 3 of this Agreement (under the heading "Forfeiture of RSUs"). Notwithstanding anything in this Agreement to the contrary, you acknowledge and

agree that this Agreement and the award described herein (and any settlement thereof) are subject to the terms and conditions of the Company's clawback policy (if any) as may be in effect from time to time including specifically to implement Section 10D of the Exchange Act, and any applicable rules or regulations promulgated thereunder (including applicable rules and regulations of any national securities exchange on which the Shares may be traded) (the "Compensation Recovery Policy"), and that Sections 8 and 9 of this Agreement shall be deemed superseded by and subject to the terms and conditions of the Compensation Recovery Policy from and after the effective date thereof.

Other Information

10. **No Guarantee of Continued Service.** Neither the action of BWXT in establishing the Plan, nor any action taken by it, by the Committee or by your employer, nor any provision of the Plan or this Agreement shall be construed as conferring upon you the right to be retained in the employ of BWXT.

11. **Adjustments.** The RSUs evidenced by this Agreement are subject to adjustment as provided in Sections 4.3 and 17.2 of the Plan.

12. **Compliance with Section 409A of the Code.** To the extent applicable, it is intended that this Agreement and the Plan comply with the provisions of Section 409A of the Code. This Agreement and the Plan shall be administered in a manner consistent with this intent, and any provision that would cause this Agreement or the Plan to fail to satisfy Section 409A of the Code shall have no force or effect until amended to comply with Section 409A of the Code (which amendment may be retroactive to the extent permitted by Section 409A of the Code and may be made by BWXT without your consent). Any reference in this Agreement to Section 409A of the Code will also include any proposed, temporary or final regulations, or any other guidance, promulgated with respect to such Section by the U.S. Department of the Treasury or the Internal Revenue Service.

13. **Electronic Delivery.** BWXT may, in its sole discretion, deliver any documents related to the RSUs and your participation in the Plan, or future awards that may be granted under the Plan, by electronic means or request your consent to participate in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and, if requested, agree to participate in the Plan through an on-line or electronic system established and maintained by BWXT or another third party designated by BWXT.

14. **Severability.** In the event that one or more of the provisions of this Agreement shall be invalidated for any reason by a court of competent jurisdiction, any provision so invalidated shall be deemed to be separable from the other provisions hereof, and the remaining provisions hereof shall continue to be valid and fully enforceable.

15. **Successors and Assigns.** Without limiting Section 7 hereof, the provisions of this Agreement shall inure to the benefit of, and be binding upon, your successors, administrators, heirs, legal representatives and assigns, and the successors and assigns of the Company.

16. Acknowledgement. You acknowledge that you (a) have received a copy of the Plan, (b) have had an opportunity to review the terms of this Agreement and the Plan, (c) understand the terms and conditions of this Agreement and the Plan and (d) agree to such terms and conditions.

17. Country-Specific Special Terms and Conditions. Notwithstanding any provisions in this Agreement, the RSUs shall also be subject to the special terms and conditions set forth in Appendix A to this Agreement for your country of residence. Moreover, if you relocate to one of the countries included on Appendix A, the special terms and conditions for such country will apply to you, to the extent BWXT determines that the application of such terms and conditions are necessary or advisable in order to comply with local law or facilitate the administration of the Plan. Appendix A constitutes part of this Agreement.

18. Notice to Governmental Authority. Notwithstanding anything in this Agreement to the contrary, nothing in this Agreement prevents you from providing, without prior notice to BWXT, information to governmental authorities regarding possible legal violations or otherwise testifying or participating in any investigation or proceeding by any governmental authorities regarding possible legal violations, and for purpose of clarity you are not prohibited from providing information voluntarily to the Securities and Exchange Commission pursuant to Section 21F of the 1934 Act.

APPENDIX A

COUNTRY-SPECIFIC SPECIAL TERMS AND CONDITIONS

This Appendix A, which is part of the BWXT 2022 Restricted Stock Units Grant Agreement (the “Agreement”), contains additional terms and conditions of the Agreement that will apply to you if you reside in one of the countries listed below. It also includes information about certain other issues of which you should be aware with respect to your participation in the Plan. Such information is based on securities, exchange control, and other laws in effect in the respective countries as of February 2022. Capitalized terms used but not defined herein shall have the same meanings assigned to them in the Plan and/or the Agreement. By accepting the RSUs, you agree to be bound by the terms and conditions contained in the paragraphs below in addition to the terms of the Plan, the Agreement, and the terms of any other document that may apply to you and your RSUs.

In addition, the information contained herein is general in nature and may not apply to your particular situation, and BWXT is not in a position to assure you of a particular result. Accordingly, you are advised to seek appropriate professional advice as to how the relevant laws in your country may apply to your situation.

Finally, if you are a citizen or resident of a country other than the one in which you are currently working, transferred employment after the RSUs were granted to you, or are considered a resident of another country for local law purposes, the information contained herein may not apply.

COUNTRIES COVERED BY THIS APPENDIX A:

Canada.

CANADA

Terms and Conditions

1. Forfeiture of RSUs. Section 3 of the Agreement (the “Forfeiture of RSUs” provision) is amended in its entirety to read as follows:

“Except as otherwise provided in Section 2, RSUs which are not or do not become vested upon your termination of employment shall, coincident therewith, terminate and be of no force or effect, except to the extent otherwise expressly required to comply with minimum standards employment legislation, if applicable, in the province in which you are employed.

In the event that Cause exists with respect to you, as determined in the sole judgment of the Committee, then all RSUs and all rights or benefits awarded to you under this grant of RSUs are forfeited, terminated and withdrawn immediately upon notice of such determination. The Committee shall have the right to suspend any and all rights or benefits awarded to you hereunder pending its investigation and final determination with regard to such matters; provided, however, that where Cause would not disqualify you

from receiving statutory notice pursuant to minimum standards employment legislation in the province in which you are employed, if applicable, your employment will be deemed terminated on the final day of such statutory notice period. The forfeiture provisions of this paragraph are in addition to the provisions under the heading 'Clawback Provisions' below."

2. Nature of Grant. In accepting the grant of RSUs, you acknowledge that:

- the Plan is established voluntarily by BWXT, is discretionary in nature and may be modified, amended, suspended or terminated by BWXT at any time;
- the grant of the RSUs is voluntary and occasional and does not create any contractual or other right to receive future grants of RSUs, or benefits in lieu of RSUs, even if RSUs have been granted repeatedly in the past;
- all decisions with respect to future RSUs grants, if any, will be at the sole discretion of BWXT;
- you are voluntarily participating in the Plan;
- the RSUs and the Shares subject to the RSUs are an extraordinary item that does not constitute compensation of any kind for services of any kind rendered to BWXT or the Employer, and which is outside the scope of your employment contract, if any;
- the RSUs and the Shares subject to the RSUs are not intended to replace any pension rights or compensation;
- the RSUs and the Shares subject to the RSUs are not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for BWXT, the Employer, or any Subsidiary;
- the RSUs and your participation in the Plan will not be interpreted to form an employment contract or relationship with BWXT or any Subsidiary;
- the future value of the underlying Shares is unknown and cannot be predicted with certainty;
- in consideration of the grant of the RSUs, and except to the minimum extent prohibited by the provincial minimum standards legislation as may be applicable to you, no claim or entitlement to compensation or damages shall arise from forfeiture of the RSUs resulting from termination of your service with BWXT or the Employer (for any reason whatsoever) and you irrevocably release BWXT and the Employer from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, you shall be deemed irrevocably to have waived any entitlement to pursue such claim;
- for purposes of the Agreement, the date of occurrence of your termination of employment by BWXT or a Subsidiary is the later of: (a) the date that you actually cease to perform services for BWXT or a Subsidiary, as recorded by BWXT or its Subsidiary, as applicable; and (b) the last day of the period during which you are entitled to notice of termination under applicable minimum employment standards legislation (the "Termination Date").

For greater certainty, the Termination Date shall be determined without reference to any statutory severance or any contractual or common law notice of termination of

which you are in receipt or may be eligible to receive at common law, pursuant to a contract, or otherwise; and no grants or damages in lieu thereof are payable with respect to any applicable statutory severance period or contractual or common law notice period. Notwithstanding the foregoing, in no event will you receive less under the Agreement than that required by applicable minimum employment standards legislation.

BWXT and its Subsidiaries reserve the right to terminate the employment of any person, regardless of the effect of such termination of employment on entitlements under the Agreement. You hereby waive, and irrevocably release BWXT and its Subsidiaries from, any claim or entitlement to compensation or damages that may arise from any forfeiture of the RSUs as a result of the cessation of vesting on the Termination Date; notwithstanding the foregoing, if your service terminates due to certain termination events as described in this Agreement, the RSUs will be fully vested; and

- the RSUs and the benefits under the Plan, if any, will not automatically transfer to another company in the case of a merger, take-over or transfer of liability.

3. Data Privacy. You hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal data as described in this Agreement and any other award materials by and among, as applicable, the Employer, BWXT, and its Subsidiaries for the exclusive purpose of implementing, administering and managing your participation in the Plan.

You understand that BWXT and the Employer may hold certain personal information about you, including, but not limited to, your name, home address, email address and telephone number, date of birth, social insurance number, passport number or other identification number, salary, nationality, job title, any Shares or directorships held in BWXT, details of all awards or any other entitlement to Shares granted, canceled, purchased, exercised, vested, unvested or outstanding in your favor, for the exclusive purpose of implementing, administering and managing the Plan (“Data”).

You understand that Data will be transferred to any third parties assisting BWXT with the implementation, administration and management of the Plan. You understand that the recipients of the Data may be located in the United States or elsewhere, and that the recipients’ country (e.g., the United States) may have different data privacy laws and protections than your country. You understand that you may request a list with the names and addresses of any potential recipients of the Data by contacting your local human resources representative. You authorize BWXT and any other possible recipients which may assist BWXT (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing your participation in the Plan. You understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. You understand that you may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing your local human resources representative. You understand, however, that refusing or

withdrawing your consent may affect your ability to participate in the Plan. For more information on the consequences of your refusal to consent or withdrawal of consent, you understand that you may contact your local human resources representative.

4. Settlement of RSUs. Section 4 of the Agreement (the “Settlement of RSUs” provision) is amended in its entirety to read as follows:

“Settlement of RSUs. Vested RSUs shall be paid to you in the form of Shares within 10 days after each Anniversary Date, with an accelerated settlement of vested RSUs on the first of the following events to occur:

- the occurrence of a Change in Control, unless such Change in Control does not constitute a “change in control” for purposes of Section 409A(a)(2)(A)(v) of the Code (a “409A Change in Control”);
- your separation from service (within the meaning of Section 409A of the Code) with BWXT within two years after a Change in Control that is a 409A Change in Control;
- your death; or
- your Disability.

Notwithstanding the foregoing, if a Replacement Award is provided and the Change in Control is a 409A Change in Control, notwithstanding anything in this Agreement to the contrary, to the extent necessary to comply with Section 409A of the Code, any outstanding RSUs that at the time of the Change in Control are not subject to a “substantial risk of forfeiture” (within the meaning of Section 409A of the Code) will be paid within 30 days after the Change in Control.”

5. Language Consent. The following provision will apply to residents of Quebec:

The parties acknowledge that it is their express wish that this Agreement, as well as all documents, notices, and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

Les parties reconnaissent avoir exigé la rédaction en anglais de cette convention, ainsi que de tous documents, avis et procédures judiciaires, exécutés, donnés ou intentés en vertu de, ou liés directement ou indirectement à la présente convention.

6. Dividend Equivalents Settled in Shares Only. Notwithstanding anything to the contrary in the Plan and/or this Agreement, any vested dividend equivalents will be settled in Shares.

7. RSUs Settled in Shares Only. Notwithstanding anything to the contrary in the Plan and/or this Agreement, any RSUs granted to you shall be paid in Shares only and do not provide any right to receive a cash payment.

8. Form of Payment. Due to legal restrictions in Canada and notwithstanding any language to the contrary in the Plan, you are prohibited from surrendering Shares that you already own or from attesting to the ownership of Shares to pay any tax withholding in connection with RSUs granted to you.

Notifications

1. Additional Restrictions on Resale. In addition to the restrictions on resale and transfer noted in Plan materials, securities purchased under the Plan may be subject to certain restrictions on resale imposed by Canadian provincial securities laws. You are encouraged to seek legal advice prior to any resale of such securities. In general, participants resident in Canada may resell their securities in transactions carried out on exchanges outside of Canada and, in particular, you are generally permitted to sell Shares acquired pursuant to the Plan through the designated broker appointed under the Plan, if any, provided that BWXT is a foreign issuer that is not public in Canada and the sale of the Shares acquired pursuant to the Plan takes place: (i) through an exchange, or a market, outside of Canada on the distribution date; or (ii) to a person or company outside of Canada. For purposes hereof, a foreign issuer is an issuer that: (a) is not incorporated or existing pursuant to the laws of Canada or any jurisdiction of Canada; (b) does not have its head office in Canada; and (c) does not have a majority of its executive officers or directors ordinarily resident in Canada.

2. Tax Reporting. The Tax Act and the regulations thereunder require a Canadian resident individual (among others) to file an information return disclosing prescribed information where, at any time in a tax year, the total cost amount of such individual's "specified foreign property" (which includes shares, options, restricted stock units, and performance-based restricted stock units) exceeds Cdn.\$100,000. You should consult your own tax advisor regarding this reporting requirement.

CERTIFICATION

I, Rex D. Geveden, certify that:

1. I have reviewed this quarterly report on Form 10-Q of BWX Technologies, Inc. for the quarterly period ended March 31, 2022;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 9, 2022

/s/ Rex D. Geveden

Rex D. Geveden

President and Chief Executive Officer

CERTIFICATION

I, Robb A. LeMasters, certify that:

1. I have reviewed this quarterly report on Form 10-Q of BWX Technologies, Inc. for the quarterly period ended March 31, 2022;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 9, 2022

/s/ Robb A. LeMasters

Robb A. LeMasters

Senior Vice President and Chief Financial Officer

BWX TECHNOLOGIES, INC.

Certification Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002
(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code), I, Rex D. Geveden, President and Chief Executive Officer of BWX Technologies, Inc., a Delaware corporation (the "Company"), hereby certify, to my knowledge, that:

- (1) the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2022 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 9, 2022

/s/ Rex D. Geveden

Rex D. Geveden

President and Chief Executive Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.

BWX TECHNOLOGIES, INC.

Certification Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002
(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code), I, Robb A. LeMasters, Senior Vice President and Chief Financial Officer of BWX Technologies, Inc., a Delaware corporation (the "Company"), hereby certify, to my knowledge, that:

- (1) the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2022 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 9, 2022

/s/ Robb A. LeMasters

Robb A. LeMasters

Senior Vice President and Chief Financial Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.