

ATK Corporate Governance Guidelines

- 1. Number of Directors.** The Certificate of Incorporation of the Corporation provides that the Board may determine the number of directors, which shall not be less than three. The Board believes that ideally the minimum number of directors should be seven.
- 2. Director Selection.** The directors are elected each year at the annual meeting of stockholders. The Board nominates candidates for election as directors at each annual meeting of stockholders and, between annual meetings, may elect directors to serve until the next annual meeting. The Nominating and Governance Committee recommends to the Board the director nominees for election to the Board.

Stockholders may recommend director nominees for consideration by the Nominating and Governance Committee by submitting the names and information in support of the recommendations to: Secretary, ATK, 1300 Wilson Boulevard, Suite 400, Arlington, VA 22209.

- 3. Director Qualification Standards.** The Board seeks candidates with a diversity of talent and experience relevant to the Corporation's strategies and activities. Directors and candidates at a minimum should possess the experience, qualifications, attributes and skills to make a significant contribution to the Board, the Corporation and its stockholders. They should also have the time necessary to carry out their duties, including preparation for and attendance at Board and committee meetings. In addition, they should have high standards of integrity and ethics and the ability to exercise objectivity and independence in making informed business decisions.

The Board has delegated the identification, screening and evaluation of director candidates to the Nominating and Governance Committee. In addition to the criteria set forth above, the Nominating and Governance Committee shall determine whether the candidate's skills and experience are complementary to those of existing Board members and shall consider the needs of the Board regarding technical, financial or other expertise and the overall enhancement of its effectiveness. Director nominations are also subject to the requirement, set forth below, that a majority of directors must be independent in accordance with the listing standards of The New York Stock Exchange. The Chair of the Nominating and Governance Committee shall interview candidates who meet the Board's membership criteria, and the Committee shall select the nominees who best meet the Board's needs.

The Board shall consist of non-employee directors, except that the Chief Executive Officer (CEO) and up to two other senior executives may serve as directors, provided that a majority of the directors shall be independent. A director shall be deemed "independent" if the director qualifies as independent under the listing standards of The New York Stock Exchange.

- 4. Director's Responsibilities.** The role of the Board is to oversee the management of the Corporation and to represent the interests of the stockholders of the Corporation. Each director is expected to review all pre-meeting materials in advance of each regular Board and committee meeting or special meeting. Each director is expected to attend and participate in all meetings of the Board of Directors and committee meetings on which he or she is a member.

As a general practice, directors are expected to attend the Corporation's annual meeting of stockholders.

Board members shall have free and open access to management.

The Board may obtain the advice and assistance of outside legal, accounting or other advisors as it determines necessary in order to carry out its duties.

5. New Director Orientation; Director Continuing Education. Each new director shall receive formal orientation to include the Corporation's strategic plans; its significant financial and accounting issues; its enterprise risk management process; its compliance policies and programs; its principal officers; and, as appropriate, its internal and independent auditors. Through such orientation, a director can be fully informed as to their responsibilities and the means at their disposal for the effective discharge of those responsibilities.

The Corporation shall provide opportunities for director continuing education.

6. Director Evaluation. The Board and each of the committees shall perform an annual self-evaluation prior to the Nominating and Governance Committee's recommendation to the Board of nominees for election as directors at the annual meeting of stockholders, and report the results of its review to the Board. The review shall include a written evaluation by individual Board members in response to an evaluation questionnaire.

The Nominating and Governance Committee shall also annually discuss the experience, qualifications, attributes, skills and contributions of each director in evaluating whether to recommend the director for re-election by the stockholders at the next annual meeting of stockholders, considering such criteria as: attendance at Board and committee meetings and preparation for those meetings; judgment, knowledge and ability in assessing the Corporation's strategic plans, management performance and other key issues; understanding the role of directors in representing the interests of stockholders and other stakeholders and understanding the function of management; and meaningful and constructive participation in the Board process.

7. Board Committees. Committees may be established from time to time to assist in the execution of the Board's responsibilities. The Board has established the following three standing committees: the Audit Committee, the Nominating and Governance Committee and the Personnel and Compensation Committee. Each committee shall have a written charter of its responsibilities and duties, which shall be reviewed and approved by the Board. Each committee shall report its activities, actions and recommendations to the Board after each meeting.

Each Board committee shall be comprised solely of independent directors who satisfy the additional independence requirements specific to that committee under the listing standards of the New York Stock Exchange and the rules of the Securities and Exchange Commission.

Each committee shall annually review the adequacy of its charter, and the Board shall review and approve all committee charters and changes thereto.

8. Board Meetings. Each Board meeting agenda shall include an item for "Other Business" during which directors may bring matters before the Board. A preliminary agenda and pre-meeting materials will be sent to all directors in advance of the meeting. The CEO may invite officers and employees to attend Board meetings, provided that the Board shall have discretion to exclude any and all non-members at any time.

9. Meetings of Non-Management and Independent Directors. Each Board meeting agenda shall include time for an executive session of only the non-management directors. If the non-management directors are not all also independent, at least once a year, the independent directors shall hold an executive session in connection with a regular Board meeting at which an independent

director shall preside. The Chairman of the Board shall preside over the non-management and independent director meetings, provided the Chairman of the Board is independent. If the Chairman of the Board is also the CEO or otherwise not independent, the presiding director of the non-management and independent director meetings shall be the lead independent director, as designated pursuant to Section 17 of these Corporate Governance Guidelines.

10. Succession Planning and Leadership Development. Annually the Board shall approve a succession plan for the CEO and other key executives. In connection with the succession plan, the Board shall oversee the Corporation's leadership development process.

11. Annual Compensation Review of Executive Officers. The Personnel and Compensation Committee shall annually approve the compensation structure for the Corporation's executive officers, including the CEO, and shall evaluate and approve their salary, bonus and other incentive and equity compensation. The Board's independent directors shall annually review and ratify the compensation structure for the CEO. The Personnel and Compensation Committee shall annually approve the corporate goals and objectives with respect to the compensation of the CEO and the other executive officers. The Personnel and Compensation Committee shall evaluate at least once a year the performance of the CEO and the other executive officers in light of these established goals and objectives and other elements of performance, as appropriate, and, based upon these evaluations, shall determine and approve the compensation of the CEO and the other executive officers. The Chair of the Personnel and Compensation Committee shall communicate the results of the evaluation to the CEO.

12. Ethics and Conflicts of Interest. All directors are expected to act lawfully and ethically at all times and shall adhere to ATK's Business Ethics Code of Conduct. The Board will not permit any waiver of ATK's Business Ethics Code of Conduct.

Directors shall avoid any interest that interferes with the interests of the Corporation. Directors must promptly disclose to the Chairman of the Board of Directors and the Chair of the Nominating and Governance Committee any fact or circumstance that may involve a conflict of interest or a related person transaction in which the Corporation is a participant. If a conflict exists and cannot be resolved, the director should resign.

13. Membership on Other Boards. Directors shall notify the Chair of the Nominating and Governance Committee and the Corporation's General Counsel before accepting a position on the board of another entity. Within two weeks of such notice:

- The Office of General Counsel shall evaluate the director's proposed membership on the board of the other entity, considering possible conflicts of interest, director independence, and other applicable governance rules; and
- Based upon that evaluation, the General Counsel shall discuss with the Chair of the Nominating and Governance Committee whether it is acceptable to the Corporation for the director to become a member of the other entity's board. The Chair of the Nominating and Governance Committee shall notify the director whether it is acceptable to the Corporation for the director to join the other entity's board.

At the Chair of the Nominating and Governance Committee's discretion, the matter may be referred to the full Nominating and Governance Committee for its review and approval.

14. Compensation of Directors. The Nominating and Governance Committee biennially reviews and compares the Board’s compensation to market practice, including peer companies which serve as benchmarks for the Corporation’s financial performance. Changes in Board compensation and benefits shall be recommended by the Nominating and Governance Committee and approved by the Board.

The Board believes that a meaningful portion of director compensation should be paid in ATK common stock to align directors’ interests with the long-term interests of the Corporation’s stockholders. Accordingly, each non-employee director will receive an award of ATK common stock at the time the director is first elected to the Board and upon reelection at each subsequent annual meeting of stockholders in such amounts as are approved by the Board. The Board will establish stock ownership guidelines and the Nominating and Governance Committee will annually review the stock ownership of each director prior to the Committee’s recommendation to the Board of nominees for election at the annual meeting of stockholders taking into consideration each nominee’s compliance with the stock ownership guidelines.

15. Director Terms and Retirement. Non-employee directors shall retire on the date of the annual meeting of stockholders following the director’s 72nd birthday. Employee directors shall retire on the date of the director’s resignation or retirement as an employee.

No non-employee director shall serve on the Board past the annual meeting of stockholders following the tenth anniversary of the director’s election to the Board. A non-employee director shall promptly offer to resign from the Board if there is a significant change in the director’s principal occupation or affiliation, including a change resulting from retirement from such occupation or affiliation.

The Nominating and Governance Committee, in its discretion, may waive the requirement that limits a non-employee director to ten years of service on the Board or the requirement that a non-employee director resign based on age or change in occupation or affiliation.

16. Communicating with Directors. Anyone who has a concern about the Corporation’s accounting, internal controls or auditing matters or a director’s potential conflicts of interest may communicate that concern to the Audit Committee. The communication may be confidential or anonymous and may be submitted in writing or by phone. Information concerning how to report such concerns and how the concerns will be handled is published on the Corporation’s website at www.atk.com. All concerns will be reviewed by the appropriate directors and by appropriate personnel of the Corporation in accordance with ATK’s Business Ethics Code of Conduct. The *ATK Business Ethics Code of Conduct* manual, available on the Corporation’s website, prohibits retaliation against anyone who, in good faith, reports an ethics or integrity concern.

Anyone who wants to communicate regarding other proper matters with the Corporation’s independent directors, non-management directors or the presiding director of the non-management directors may also use this process which is published on the Corporation’s website, under “Investors—Corporate Governance—Contact the Directors.”

17. Chairman of the Board and Lead Independent Director. In the directors’ discretion as to the appropriate Board leadership structure at any particular time, the positions of CEO and Chairman of the Board may be either combined or separated.

In addition to the duties of the Chairman of the Board specified in the Corporation’s Bylaws, the responsibilities of a non-management Chairman of the Board shall include the following:

- Chair meetings of the Board as well as executive sessions of non-management and independent directors, provided the Chairman of the Board is independent.
- Coordinate, develop and approve the agendas for meetings of the Board, in consultation with the CEO, other officers of the Corporation and other Board members.
- Coordinate, develop the agenda for, and moderate executive sessions of the Board's non-management directors and independent directors, provided the Chairman of the Board is independent, and act as principal liaison between the non-management directors and the Corporation's management on sensitive issues.
- Determine the quality, quantity and timeliness of the flow of information from the Corporation's management that is necessary for the non-management directors to effectively and responsibly perform their duties. Although management is responsible for the preparation of materials for the Board, the non-management Chairman of the Board may specifically request the inclusion of certain material.
- If the non-management Chairman of the Board is independent, lead the independent directors in periodic reviews of the performance of the CEO, discuss with members of the Personnel and Compensation Committee the CEO's performance, and meet with the CEO to discuss the Board's performance review.

If the directors elect the CEO to serve as Chairman of the Board or if the Chairman of the Board is otherwise not independent, the directors shall, upon the recommendation of the Nominating and Governance Committee of the Board, appoint a lead independent director. The lead independent director is responsible for coordinating the activities of the independent directors. In addition to the duties of all Board members as set forth in these Corporate Governance Guidelines, the specific responsibilities of the lead independent director shall be as follows:

- Coordinate, develop the agenda for, and moderate executive sessions of the Board's non-management directors and independent directors, and act as principal liaison between the independent directors and the Chairman of the Board on sensitive issues.
- Advise the Chairman of the Board as to the quality, quantity and timeliness of the flow of information from the Corporation's management that is necessary for the non-management directors to effectively and responsibly perform their duties. Although management is responsible for the preparation of materials for the Board, the lead independent director may specifically request the inclusion of certain material.
- Lead the independent directors in periodic reviews of the performance of the CEO, discuss with members of the Personnel and Compensation Committee the CEO's performance, and meet with the CEO to discuss the Board's performance review.

January 31, 2013