**Resolved:** Shareholders request the Board of Directors prepare a report, at reasonable cost and omitting proprietary information, on General Dynamics Corporation's human rights due diligence process to identify, assess, prevent, mitigate, and remedy actual and potential human rights impacts associated with high-risk products and services, including those in conflict-affected areas.

**Whereas:** As the fifth-largest defense company in the world, General Dynamics is exposed to significant actual and potential human rights risks.<sup>1</sup> The use of its weapons and technologies may violate the rights to life, liberty, personal security, privacy, non-discrimination, peaceful assembly, and association.

Under the UN Guiding Principles on Business and Human Rights, companies are expected to conduct human rights due diligence to meet the corporate responsibility to respect human rights, and expectations are heightened for companies with business activities in conflict-affected and highrisk areas.<sup>2</sup> A 2019 Amnesty International report concluded that General Dynamics and its peers failed to meet its human rights due diligence responsibilities.<sup>3</sup>

Investors lack evidence of effective human rights due diligence. While General Dynamics recently adopted a human rights statement,<sup>4</sup> its commitment and action steps are not grounded in international human rights and humanitarian law. It only requires compliance with U.S. law and corporate values. Despite language on "end use" and "lethal capabilities," it does not include a commitment to address irremediable human rights impacts linked to its lethal products. Board oversight of sustainability risks and the ethics hotline are insufficient.

Failure to carry out effective human rights due diligence exposes General Dynamics and its investors to legal, financial, and reputational risks. A component manufactured by General Dynamics was linked to a 2018 school bus bombing carried out by the Saudi Arabian Armed Forces in Yemen, which resulted in the deaths of dozens of children and has been recognized as a war crime.<sup>5</sup> The company has repeatedly supplied weapons and munitions to the Israeli Defense Forces, including weaponry reportedly used in attacks on Palestinian civilians that constitute human rights violations and war crimes.<sup>6</sup> At General Dynamics' 2021 annual shareholder meeting, the CEO faced criticism for weapons sales to Saudi Arabia, the United Arab Emirates, Bahrain, and Egypt.<sup>7</sup>

General Dynamics has several nuclear weapons contracts, including to produce Trident missiles components for the U.S. and U.K.<sup>8</sup> The company faces increasing regulatory and reputational risks now that the Treaty on the Prohibition of Nuclear Weapons entered into force. As a result of these

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<sup>&</sup>lt;sup>1</sup> https://people.defensenews.com/top-100/

<sup>&</sup>lt;sup>2</sup> https://www.ohchr.org/documents/publications/guidingprinciplesbusinesshr en.pdf

<sup>&</sup>lt;sup>3</sup> https://www.amnesty.org/en/documents/act30/0893/2019/en/

<sup>&</sup>lt;sup>4</sup> https://www.gd.com/responsibility/human-rights

<sup>&</sup>lt;sup>5</sup> https://www.hrw.org/news/2018/09/02/yemen-coalition-bus-bombing-apparent-war-crime#

<sup>&</sup>lt;sup>6</sup> https://investigate.afsc.org/company/general-dynamics

<sup>&</sup>lt;sup>7</sup> https://www.commondreams.org/news/2021/05/06/peace-activist-interrupts-general-dynamics-shareholder-meeting-blast-business-war; https://www.reuters.com/article/us-generaldynamics-canada-saudi/general-dynamics-canada-wins-saudi-deal-worth-up-to-13-billion-idUSBREA1D1EF20140214; https://www.defenseworld.net/news/20623/General\_Dynamics\_Wins\_20\_Million\_to\_Supply\_MK\_Bombs\_To\_Australia\_Bahrain\_and\_Saudi\_Arabia; https://www.thedefensepost.com/2018/09/18/egypt-cleared-60500-tank-rounds-general-dynamics/

<sup>&</sup>lt;sup>8</sup> <a href="https://www.dontbankonthebomb.com/general-dynamics/">https://www.dontbankonthebomb.com/general-dynamics/</a>

business activities, General Dynamics continues to be a subject of NGO- and student-led divestment campaigns.<sup>9</sup>

General Dynamics also has highly controversial contracts with U.S. government agencies, including providing casework services publicly linked to the family separation crisis at the U.S. – Mexico border.<sup>10</sup> It also supplies remote video surveillance systems which may violate rights to privacy and seeking asylum.<sup>11</sup> Finally, General Dynamics faces human capital management risks related to worker health and safety, including exposure to COVID-19, and labor strikes.<sup>12</sup>

<sup>9</sup> https://www.codepink.org/general\_dynamics

https://govtribe.com/award/federal-idv-award/indefinite-delivery-contract-hhsp233201500177i; https://qz.com/1309460/defense-contractors-like-general-dynamics-are-profiting-from-child-detention-and-you-might-be-too/

<sup>11</sup> https://investigate.afsc.org/company/general-dynamics

<sup>12</sup> https://www.navytimes.com/news/your-navy/2020/08/23/shipbuilders-approve-3-year-pact-ending-monthslong-strike-at-bath-i; https://www.newscentermaine.com/article/news/health/coronavirus/maine-cdc-identifies-covid-19-outbreak-at-biw-with-three-confirmed-cases/97-da09986d-f5d5-4486-8eb1-8377f1c8d0cb