

Whereas: As the third-largest defense company in the world, supplying weapons to conflict-affected and high-risk areas and manufacturing nuclear weapons, General Dynamics is exposed to significant actual and potential human rights risks. The use of its weapons and technologies may violate the rights to life, liberty, personal security, privacy, non-discrimination, peaceful assembly, and association.

According to the UN Guiding Principles on Business and Human Rights (UNGPs), companies have a responsibility to respect human rights, which is distinct and separate from that of states. The UNGPs outline steps for human rights due diligence necessary to identify, prevent, and mitigate adverse human rights impacts that a company may cause, contribute to, or be linked to. Business linked to conflict-affected and high-risk areas, where there is a high likelihood of severe impacts such as war crimes or violations of international humanitarian law, warrants heightened due diligence from companies. However, a 2019 Amnesty International report found that the defense industry is failing to meet its human rights due diligence responsibilities.¹

While General Dynamics includes human rights in its “Ethos” and states that it recognizes the importance of embedding human rights, the company provides no evidence of effective due diligence systems to implement a commitment. Failure to carry out effective human rights due diligence exposes General Dynamics and its investors to legal, financial, and reputational risks.²

A component manufactured by General Dynamics is linked to the 2018 school bus bombing carried out by the Saudi Arabian Armed Forces in Yemen, which resulted in the deaths of dozens children and has been recognized as a war crime.³ The company has also repeatedly supplied a wide range of weapons systems and munitions to the Israeli Defense Forces, including weaponry reportedly used in attacks on Palestinian civilians that constitute human rights violations and war crimes.⁴

General Dynamics has several nuclear weapons contracts, including to produce components of Trident missiles for the U.S. and U.K.⁵ The company faces increasing regulatory and reputational risks as the Treaty on the Prohibition of Nuclear Weapons enters into force in 2021. Investors have identified the Treaty as a reason to withdraw investments in the company.⁶

In addition to contracts with foreign governments,⁷ 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.⁸ It also supplies remote video surveillance systems which may violate rights to privacy and seeking asylum.⁹ Finally, General Dynamics faces human capital

¹ <https://www.amnesty.org/download/Documents/ACT3008932019ENGLISH.PDF>

² https://www.codepink.org/general_dynamics

³ <https://www.hrw.org/news/2018/09/02/yemen-coalition-bus-bombing-apparent-war-crime#>

⁴ <https://investigate.afsc.org/company/general-dynamics>

⁵ <https://www.dontbankonthebomb.com/general-dynamics/>

⁶ <https://www.abp.nl/english/press-releases/abp-pension-fund-excludes-tobacco-and-nuclear-weapons.aspx>

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<https://www.defensenews.com/congress/2020/05/07/general-dynamics-saw-1-billion-bump-after-canada-saudi-accord/>

⁸ <https://govtribe.com/award/federal-idv-award/indefinite-delivery-contract-hhsp233201500177j>;

<https://qz.com/1309460/defense-contractors-like-general-dynamics-are-profiting-from-child-detention-and-you-might-be-too/>

⁹ <https://investigate.afsc.org/company/general-dynamics>

management risks related to worker health and safety, including exposure to COVID-19, and labor strikes.¹⁰

Resolved: Shareholders request the Board of Directors prepare a report, at reasonable cost and omitting proprietary information, on General Dynamics' 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.

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<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>