

## Human Rights Impact Assessment

**Resolved:** Shareholders request the Board of Directors publish a report, at reasonable cost and omitting proprietary information, with the results of a Human Rights Impact Assessment (HRIA), examining General Dynamics' actual and potential human rights impacts associated with high-risk products and services, including those in conflict-affected areas and/or those violating international law.

**Whereas:** General Dynamics (GD) is exposed to significant actual and potential human rights risks. The use of its defense products and services may violate the rights to life, liberty, personal security, and privacy. The UN Guiding Principles on Business and Human Rights (UNGPs) constitute the global authoritative framework outlining human rights responsibilities of states and businesses, and expectations are heightened for companies with business activities in conflict-affected and high-risk areas.<sup>1</sup> Companies' human rights responsibilities are independent of the state's export licensing determinations, as reiterated in a recent United Nations note.<sup>2</sup>

GD's Human Rights policy is not aligned with the UNGPs, and investors lack evidence it is effectively implemented across business functions. Disclosure of HRIAs and remedies is absent. Insufficient human rights monitoring exposes GD and its investors to legal, financial, and reputational risks.

GD sells products and provides services to authoritarian regimes, such as Saudi Arabia.<sup>3</sup> A recent US government report highlights the US' failure to monitor whether its weapons or services have been used by the Saudi-led coalition to attack civilians.<sup>4</sup> A GD component was linked to a 2018 school bus bombing, which killed dozens of children in Yemen and has been recognized as a war crime.<sup>5</sup> The Company faces increasing legal risk, as a group of Yemeni nationals sued GD and peer defense contractors in 2023 for their complicity in war crimes in Yemen.<sup>6</sup>

GD also supplies artillery munitions and bombs to Israel, which have been reportedly used in attacks on Palestinian civilians in Gaza, that may constitute war crimes, and, according to the International Court of Justice, may plausibly amount to genocide.<sup>7</sup> Although, in June 2024, UN experts called on companies to immediately end arms transfers to Israel, even if approved by State export licensing, or risk complicity in violations of human rights and international humanitarian law, GD continues to sell weapons to Israel.<sup>8</sup>

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<sup>1</sup> [https://www.ohchr.org/documents/publications/guidingprinciplesbusinessshr\\_en.pdf](https://www.ohchr.org/documents/publications/guidingprinciplesbusinessshr_en.pdf)

<sup>2</sup> <https://www.ohchr.org/sites/default/files/2022-08/BHR-Arms-sector-info-note.pdf>

<sup>3</sup> <https://www.reuters.com/article/us-general-dynamics-canada-saudi/general-dynamics-canada-wins-saudi-deal-worth-up-to-13-billion-idUSBREA1D1EF20140214>; <https://www.gdarabia.com/experience/>

<sup>4</sup> <https://www.gao.gov/assets/gao-22-105988.pdf>

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

<sup>6</sup>

<https://static1.squarespace.com/static/608276df0e35bd790e38eff3/t/6400d4b8127ec80e81e1837d/1677776057913/STAMPED+Complaint+%281%29.pdf>

<sup>7</sup> <https://www.wsws.org/en/articles/2023/11/09/htsr-n09.html>; <https://www.cnn.com/gaza-israel-big-bombs/index.html>; <https://afsc.org/gaza-genocide-companies>; <https://www.icj-cij.org/sites/default/files/case-related/192/192-20240126-ord-01-00-en.pdf>

<sup>8</sup> <https://www.ohchr.org/en/press-releases/2024/06/states-and-companies-must-end-arms-transfers-israel-immediately-or-risk>; <https://www.dsca.mil/sites/default/files/mas/Press%20Release%20-%20Israel%2024-10%20CN.pdf>; <https://www.dsca.mil/sites/default/files/mas/Press%20Release%20-%20Israel%2024-39%20CN.pdf>

Furthermore, GD has \$28 billion in contracts for work on nuclear weapons,<sup>9</sup> which are prohibited under international law.<sup>10</sup>

Failure to meet its human rights responsibilities exposes GD to divestment risk. Most recently, Norges Bank decided to exclude GD from its Government Pension Fund Global, the world's largest sovereign wealth fund, since the company produces "key components to nuclear weapons."<sup>11</sup>

New guidance from the American Bar Association explains how an HRIA can reduce risks, including divestment, export bans, and civil liability.<sup>12</sup> An HRIA can mitigate GD's continuity risks, as increased federal oversight on customer end-use may limit or cancel existing or future contracts.

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9

[https://assets.nationbuilder.com/ican/pages/4079/attachments/original/1718371132/Spending\\_Report\\_2024\\_Singles\\_Digital.pdf?1718371132](https://assets.nationbuilder.com/ican/pages/4079/attachments/original/1718371132/Spending_Report_2024_Singles_Digital.pdf?1718371132)

<sup>10</sup> [https://treaties.un.org/doc/Treaties/2017/07/20170707%2003-42%20PM/Ch\\_XXVI\\_9.pdf](https://treaties.un.org/doc/Treaties/2017/07/20170707%2003-42%20PM/Ch_XXVI_9.pdf)

<sup>11</sup> <https://www.nbim.no/en/the-fund/news-list/2024/decisions-on-exclusion3/>;

<https://fingfx.thomsonreuters.com/gfx/rngs/GULF-QATAR-QIA/010041PS3P9/index.html>

<sup>12</sup> [https://www.americanbar.org/content/dam/aba/administrative/human\\_rights/justice-defenders/chr-due-diligence-guidance-2022.pdf](https://www.americanbar.org/content/dam/aba/administrative/human_rights/justice-defenders/chr-due-diligence-guidance-2022.pdf)