



GENERAL DYNAMICS

2020 Corporate Sustainability Report

TRANSPARENCY. TRUST. ALIGNMENT. HONESTY.

OUR ETHOS

TRANSPARENCY. TRUST. ALIGNMENT. HONESTY.

These four values undergird everything we do at General Dynamics — they are our defining moral character. All of us at General Dynamics have a duty to behave according to these values. Through our shared Ethos, we ensure that we continue to be good stewards of the investments our shareholders, customers, employees and communities make in us, now and in the future.

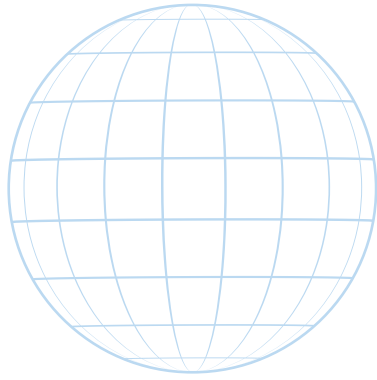


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A Letter from Our CEO

Dear Fellow Shareholder,

Corporate sustainability at General Dynamics is rooted in our Ethos — our defining moral character as a company and the standard to which we hold ourselves and our more than 100,000 employees worldwide. It informs all that we do and guides us as we deliver value to our shareholders, our customers and our communities.

Ongoing conversations with all of our stakeholders have been an integral part of building and evolving our sustainability program. We remain committed to reducing our global environmental impact, including our carbon footprint; protecting and promoting human rights; increasing the diversity of our workforce; supporting the health, welfare and safety of our employees; and fostering mutually beneficial relationships with our communities. As with all aspects of our business, we strive for constant improvement. Our sustainability initiatives are no exception.

In this report, you will see our Ethos manifest in our people and actions. Our goals, policies and behavior highlight and demonstrate our commitment to responsible investment and enduring value creation for all our stakeholders.

Thank you for your continued support of General Dynamics.

Sincerely,



Phebe N. Novakovic

Chairman and Chief Executive Officer



OUR BUSINESS



Our Ethos at Work

TRANSPARENCY, TRUST, ALIGNMENT, HONESTY:

Drive how we operate our business. We pursue operating excellence by anticipating customer needs, driving innovation, improving processes and reducing waste, emissions and energy consumption. We believe in being wise stewards of capital and resources.

Govern how we engage with each other and our customers, partners and suppliers. We must be forthright and open to change. We seek employees, partners and suppliers that adhere to these values in their businesses and hold them to the same high standards as we hold ourselves.

Guide the way we treat our workforce. We promote the health, welfare and safety of our employees; part of our responsibility includes treating all employees with dignity and respect, and providing them with fair compensation and equal employment opportunity in a principled and productive work environment. Our values motivate us to promote strong workplace practices with diversity, opportunities for scholarship and training. We stand behind basic universal human rights, including that employment must be voluntary. We unequivocally oppose human trafficking in all forms.

Determine how we connect with our communities. Our obligation to be a good corporate citizen means that we engage in actions that support the well-being of our communities. We do this by supporting participation in social welfare organizations and promoting volunteerism as well as undertaking initiatives to mitigate climate change, drive out hazardous waste from our processes and protect water resources.

Business Overview

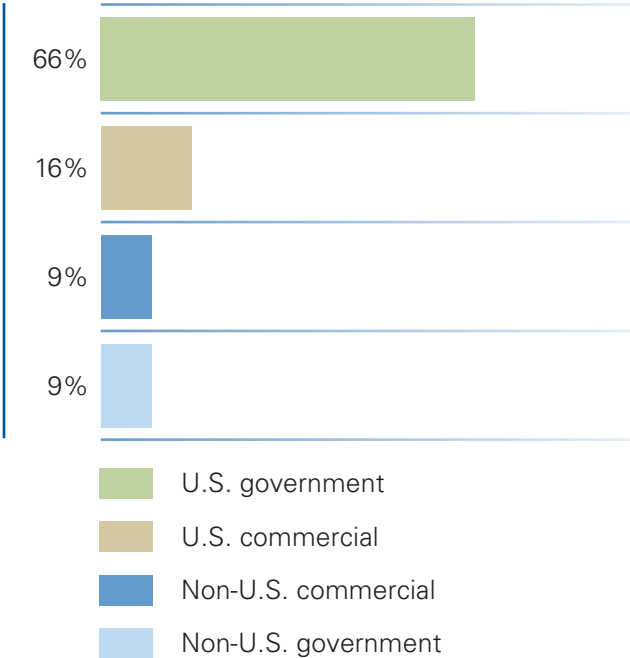
General Dynamics is a publicly traded global aerospace and defense company listed on the New York Stock Exchange. We offer a broad portfolio of products and services in business aviation; combat vehicles, weapons systems and munitions; information technology (IT) services; C4ISR solutions; and shipbuilding and ship repair.

Our core competency is the design, engineering and manufacturing of complex and differentiated products and services for aerospace and defense. We understand the importance of the solutions we deliver and work to ensure quality and safety in all things we create.

General Dynamics at a Glance*

- **Total Revenue:** \$39.4 billion
- **Headquarters:** Reston, Virginia
- **Employees:** 102,900 employees in all 50 U.S. states and 74 countries

Customers (Percent of Revenue)



*All data are as of December 31, 2019.

Our Businesses

Overseen by our board of directors, our corporate headquarters is responsible for setting the strategic direction and governance of the company, allocating capital and ensuring a culture of ethics and integrity that defines how we engage our employees, communities, customers and suppliers. Our operating processes and activities incorporate initiatives to improve diversity, promote inclusion, reduce emissions and waste, and adhere to standards that lower risk and drive a healthier and safer workforce and community.

Each of our 10 business units closely adheres to our corporate vision while maintaining individual responsibility for executing operations. This model empowers our businesses to stay close to their customers while having the agility to make wise decisions quickly. It also allows our businesses to anticipate, adapt and react to our customers' rapidly changing needs.



Our Business Units

| AEROSPACE

Gulfstream™ A GENERAL DYNAMICS COMPANY

Gulfstream produces the world's most technologically advanced business jets and offers unmatched customer support.

JET AVIATION A GENERAL DYNAMICS COMPANY

Jet Aviation provides comprehensive business aviation services, custom completions and a global network of facilities for aircraft owners and operators.

| COMBAT SYSTEMS

GENERAL DYNAMICS

European Land Systems

European Land Systems (GDELS) is a global leader in the design and manufacture of wheeled and tracked combat vehicles and bridge systems.

GENERAL DYNAMICS

Land Systems

Land Systems (GDLS) produces highly capable military vehicles, including the Abrams tank, Stryker combat vehicle, Light Armored Vehicle and AJAX armored fighting vehicle.

GENERAL DYNAMICS

Ordnance and Tactical Systems

Ordnance and Tactical Systems (OTS) is a leading designer, developer and manufacturer of munitions, weapons and tactical systems.

| INFORMATION TECHNOLOGY

GDIT

Information Technology (GDIT) designs, builds and operates large-scale enterprise information systems for the U.S. government, its agencies and others to deliver a broad range of technical, professional and training services.

GENERAL DYNAMICS

| MISSION SYSTEMS

GENERAL DYNAMICS

Mission Systems

Mission Systems is a leading C4ISR integrator of secure communications and command-and-control systems, sensors and cyber products.

| MARINE SYSTEMS

GENERAL DYNAMICS

Bath Iron Works

Bath Iron Works designs and builds guided-missile destroyers for the U.S. Navy and provides repair services for multiple ship classes.

GENERAL DYNAMICS

Electric Boat

Electric Boat is the premier designer and builder of nuclear-powered submarines for the U.S. Navy.

GENERAL DYNAMICS

NASSCO

NASSCO specializes in the design and construction of auxiliary and support ships, oil tankers and dry cargo carriers, and is a major provider of repair services for the U.S. Navy.

Corporate Responsibility

We endeavor to conduct business ethically and transparently, and to abide by responsible business practices in order to provide our shareholders with a fair return. Our governance processes ensure that our decisions recognize the economic, environmental and social considerations in our operational strategy.

Product Safety

Our customers use our products to perform no-fail missions. Safety is never compromised. True to our Ethos, we commit to providing our customers with products that raise the bar for safety, performance and quality. Our purposeful investment in research and development propels superior design that incorporates the latest in safety solutions and includes technological advances to create a competitive edge. That edge extends to initiatives that promote operating efficiency to include a reduction in fuel burn and carbon emissions from our aircraft and other vehicles. As a result, we manufacture and operate some of the safest and most advanced products ever made, from nuclear-powered submarines to high-speed, long-range business jets.

Human Rights

As a corporation with operations and suppliers around the world, we recognize the importance of ensuring that respect for human rights and

dignity is embedded at all levels of our business. Strict adherence to these values, as well as to applicable laws, are expected by us everywhere we operate.

We build awareness of human rights issues among employees through resource groups, professional education and mentorships. And we reinforce this commitment through our Ethos and procurement policies. Putting a stop to human trafficking and child labor, respecting human rights and obeying applicable laws are important parts of our supply chain management process.

Materials Sourcing

We are committed to responsible sourcing throughout our global supply chain. As such, we take steps to vet suppliers for their sustainable labor and materials sourcing practices, purchase long-lasting products with low carbon footprints, deal only with non-embargoed countries and act to prevent counterfeit parts from entering our supply chain.

We have established mechanisms to assess risk and ensure compliance, and we constantly look for new ways to reduce risk throughout our supply chain.

Counterfeit Parts Prevention: In order to prevent counterfeit parts and software from entering the company's supply chain, we have stringent quality-control processes in place to detect and mitigate suspected or confirmed counterfeit parts. We promptly disclose any findings to the government and the customer.

Conflict Minerals: As part of our commitment to responsible sourcing, we work with our supply chain to trace potential sources of minerals such as tantalum, tin, gold or tungsten, which are known to help finance conflict and contribute to the humanitarian crisis in the Democratic Republic of the Congo. We routinely conduct inquiries of our suppliers to identify potential use of these conflict minerals.

In line with U.S. Securities and Exchange Commission (SEC) requirements, we submit a Specialized Disclosure Report and a Conflict Minerals Report. In our report to the SEC, we address our efforts to understand the presence of these minerals in our supply chain, including:

- *Surveying and working with our suppliers to identify the presence of conflict minerals in products that are supplied to us.*
- *Engaging with many of our suppliers about the potential presence of conflict minerals in materials.*
- *Introducing contractual terms and conditions as appropriate to urge suppliers to report responsibly.*



Global Supply Chain

Our suppliers play a critical role in our ability to deliver the quality products and services our customers expect. We expect them to uphold the same high standards we hold ourselves.

As such, our suppliers are expected to act as good corporate citizens with sustainable business practices and to honor our ethical treatment of employees and customers, including acting with integrity, honesty and respect for others.

Companywide Collaboration

Our businesses work together to create value across supply chains. As a result, we have developed best-in-class supply chain relationships and processes. Following are examples of ways we promote continuous improvement and enhance our companywide collaboration.

Supply Chain Management Council: The Council includes experts from across our businesses who share ideas, best practices and business processes. Individual businesses are able to leverage resources, create shared tools and enjoy the benefit of scale. There are multiple subcommittees that focus on specific areas to improve and achieve cost and time savings, such as travel and transportation and use of e-tools.

Innovation Networks: Our virtual innovation networks allow members to collaborate in a community environment so we can rapidly deliver

new technologies and innovative capabilities to our customers. Our mission with these networks is to create and maintain an open environment where partners, suppliers and customers can share, develop and deliver current and emerging technologies and capabilities.

Supplier Diversity

General Dynamics is committed to working with small and diverse businesses. These businesses are a vital part of maintaining our competitiveness in the global marketplace. Our supplier diversity program operates under a framework based on four pillars: compliance, early engagement, small business innovation and community outreach.

We partner with small disadvantaged businesses, women-owned small businesses, veteran-owned small businesses, service-disabled veteran-owned small businesses, SBA-certified HUBZone small businesses, Native American-owned small businesses, minority-owned companies and Ability One organizations.

In fact, nearly 5,000 of our business partners are minority-, women- or veteran-owned enterprises.

22,000 of General Dynamics' 35,000+ suppliers are small businesses. In 2019, we increased the amount of contracts we awarded to those small businesses from \$3.3 billion to \$3.9 billion — an 18% increase from 2018.

Out of that \$3.9 billion,

- \$355 million went to small disadvantaged or minority-owned businesses — up by 125% from 2018
- \$466 million went to female-owned businesses — an increase of 43% from 2018
- \$461 million went to veteran-owned businesses — 70% more than 2018

Our 10 business units operate small business programs to facilitate the process of partnering with General Dynamics.

For our U.S. businesses, our supplier diversity program managers attend more than 50 regional and national events annually to meet with potential suppliers. This includes events sponsored by the Women's Business Enterprise National Council (WBENC), Procurement Technical Assistance Centers (PTAC), National Defense Industrial Association, Women in Defense, National Veteran Small Business Coalition and the Small Business Administration (SBA).

General Dynamics provides guidance and support to the thousands of small businesses that work with us. We mentor these businesses through their contract involvement, as well as through our small business and supplier diversity offices. We also sponsor and host events that allow our business units to meet with interested small business suppliers. These initiatives help small businesses expand their solution sets and marketing channels.

We participate in various formal mentor-protégé programs, including those sponsored by the Department of Defense (DoD), Department of Homeland Security (DHS), Federal Aviation Administration (FAA) and Small Business Administration.



GOVERNANCE



Corporate Governance

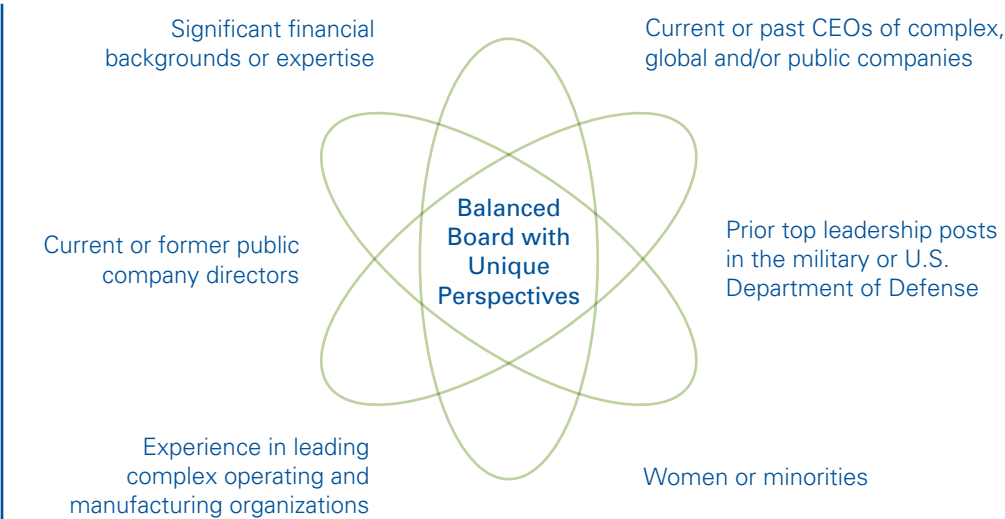
Our board of directors is committed to the principle that good corporate governance enhances shareholder value. Through strong corporate governance practices, we promote a culture of ethics and integrity and empower leaders at all levels to do what is right for our customers, suppliers, employees and communities.

Board of Directors

Our deeply engaged and experienced board is central to our company’s culture of accountability and continuous improvement. Our board reflects a diverse and well-qualified group of business leaders and aerospace and defense industry experts, as well as financial and strategic advisors.

Other than our CEO, all of our directors are independent. Each of our board committees is chaired by an independent director.

Our board includes directors who are or have:



The General Dynamics Corporate Governance Guidelines provide a framework for effective governance of the board and the company. The board believes that its commitment is demonstrated by key corporate governance practices, including:

- *strong board independence;*
- *an independent lead director;*
- *a majority voting standard for the election of directors, coupled with a director resignation policy;*
- *shareholders' right to call a special meeting;*
- *shareholders' right to act by written consent;*
- *shareholders' ability to nominate director candidates and have those nominees included in the company's proxy statement, a process known as "proxy access";*
- *annual board and committee self-assessments;*
- *a robust shareholder engagement program; and*
- *disclosure of corporate political contributions and trade association dues.*

Board Oversight of Risk

Our comprehensive risk management program is conducted by senior management and overseen by the board of directors. In particular, the board oversees management's identification and prioritization of risks. The full board reviews and approves a corporate policy addressing the delegation of authority and assignment of management responsibility annually. This ensures that the responsibilities and authority delegated

to senior management are appropriate from an operational and risk management perspective.

The following summarizes the key elements of the roles of the board, senior management and external advisors in our risk management program.

- *The board oversees risk management, focusing on the most significant risks facing the company, including strategic, operational, financial, legal, environmental, cyber and reputational risks.*
- *Each board committee is integral to risk management and reports specific risk management matters as necessary to the full board.*
- *Senior management is responsible for day-to-day risk management and conducts a thorough assessment through internal management processes and controls.*
- *The chief executive officer and senior management team provide the board a dedicated and comprehensive briefing of material risks at least twice per year, and the board is briefed throughout the year as needed on specific risks facing the company, including environmental, safety and human capital risks.*
- *External advisors provide independent advice on specific risks, and review and comment on risk management processes and procedures as necessary.*

Political Contributions Disclosure

General Dynamics participates in the U.S. political process when it is in the best interests of shareholders, businesses and employees to do so. Participation in this process ensures that the company's interests as a leading member of the defense and aerospace industries, as well as a large employer, are appropriately represented.

The company has a comprehensive oversight process to ensure that political contributions are made in a legal, ethical and transparent manner that best represents the interests of our shareholders.

To ensure compliance with all applicable laws relating to political activities and effective corporate governance, we follow a strict policy governing lobbying practices. This includes tracking and reporting lobbying costs and expenses as nondeductible for tax purposes and unallowable for purposes of U.S. government contracts.

Employee Political Contributions

General Dynamics offers eligible employees (as determined by federal election laws) in the United States the opportunity to make political contributions through a company-sponsored Political Action Committee (PAC), called the General Dynamics Corporation Political Action Committee (GDC PAC). The General Dynamics employee PAC is organized and operated on

a strictly voluntary, nonpartisan basis and is registered with the Federal Election Commission. The PAC's political contributions are reported monthly to the Federal Election Commission.

PAC contributions are subject to a robust internal review process to ensure they represent the best interests of the company, its employees and its shareholders. In addition, internal financial controls exist to ensure company compliance with federally mandated contribution limits.

Compensation

Our executive compensation is rooted in a long-standing pay-for-performance philosophy with the goals of maximizing cash flow, managing risk and optimizing return on capital and earnings. In order to incentivize this focus on creating long-term value, our executive compensation is tied to performance against defined metrics that align with creating shareholder value.

We demonstrate our commitment to aligning compensation with company performance by emphasizing a culture of ownership, with some of the strictest stock ownership guidelines in the S&P 500 for our executive officers. Our shareholders provide feedback on executive compensation with an annual say-on-pay vote.

Ethics

The single most important element of our culture is our Ethos — and it demands responsible and ethical practices. General Dynamics employees have an obligation to behave according to our shared values of transparency, trust, honesty and alignment — in all things and at all times. This starts with our leadership and serves as the bedrock for the company, ensuring we act with integrity and respect for others. We take this responsibility seriously and understand our role in preserving General Dynamics' reputation.

In an effort to further promote ethical and sustainable business practices, we endeavor to make decisions through an environmental and human capital management lens. This applies to every step in the process of delivering a product, service or solution to a customer — from hiring and training to sourcing, facilities planning and manufacturing.

We ensure our employees around the world have the tools and resources they need to do the right thing. This commitment to ethics is reinforced to our employees on their first day of employment and throughout their careers with General Dynamics.

Ethical Leadership

General Dynamics' leadership team lives our values and serves as an example to our employees, customers and shareholders. For

our board of directors and our key financial professionals, we have adopted ethics codes specific to their roles, which they must commit to annually. The Code of Conduct for members of the board of directors aligns with our Ethos and embodies our board's commitment to manage our business in accordance with the highest standards of ethical conduct. The Code of Ethics for Financial Professionals, which supplements the Standards of Business Ethics and Conduct, applies to our chief executive officer, chief financial officer, controller and persons performing similar financial functions.

Readily Available Tools and Resources

We reinforce our commitment to ethics in a number of ways. Our Standards of Business Ethics and Conduct, commonly known as the "Blue Book," state our expectation that all employees conduct business in accordance with the law, our policies, our values and our business-ethics principles. All new employees are required to acknowledge receipt, understanding of and compliance with the Blue Book. In addition, we expect our suppliers, vendors, contractors and joint-venture partners to develop effective ethics and compliance programs.

All employees have access to confidential resources where they can ask questions, get advice and raise concerns. Management and leadership teams and the ethics, human resources and legal departments are equipped to assist at each business and provide guidance as needed.

The General Dynamics Business Ethics Helpline, accessible by telephone or on the web, is available to employees in multiple languages, 24 hours a day. Questions or concerns can be raised using the Helpline, anonymously or named. All reports made in good faith are taken seriously.

We investigate all reported concerns promptly and in confidence. If we find that our standards have been violated, we take action, including involuntary separation and disciplinary action, implementing systemwide changes or notifying governmental offices or agencies. We make necessary changes so similar problems do not recur. We strictly prohibit retaliation against anyone who raises an ethics or compliance issue in good faith. More than 70% of substantiated reports are made by employees who voluntarily identify themselves, which indicates employees trust that our program works.

Information about our commitment to ethics is ubiquitous. Each facility is equipped with prominent Awareness Centers that reinforce our commitment, outline tools available to employees and list the Ethics Helpline website and toll-free number.

Network of Ethics Officers

We have more than 100 part-time local ethics officers (LEOs) located at our facilities around the world, embedded in the locations with our largest populations. Working side by side with other employees, they are accessible resources who answer questions, conduct investigations, provide communications and training and further ingrain ethics in the everyday activities of our employees.

The General Dynamics Ethics Working Group, composed of the most senior ethics officers across the corporation, meets regularly to discuss challenges, share best practices and review industry trends. Working closely with leadership and our communications and training teams, this group keeps our commitment to ethics at the forefront by providing periodic messaging and mandatory training.

Ethical Business Around the World

As a leader in the aerospace and defense industry, we provide services and products to many governments around the world. Because the laws and regulations relating to doing business with government customers and public officials are complex, we provide our employees with the appropriate resources to support compliance with applicable laws and regulations.

We abide by the laws and restrictions regarding the import and export of our products, information and technical data, including the U.S. International Traffic in Arms Regulations (ITAR) and Export Administration Regulations (EAR). Nearly every country has laws and regulations that control the international movement (e.g., imports, exports, re-exports and technology transfers) of specified product information and services. We ensure we remain current with these laws and regulations. We also have robust compliance programs.

General Dynamics complies with the U.S. Foreign Corrupt Practices Act and other applicable anti-corruption laws around the globe. We have a robust anti-corruption compliance program rooted in our Ethos and tailored to the potential compliance risks faced in our business. Designated anti-corruption officers and other compliance professionals at each business unit help carry out the program and serve as a resource for guidance and information. Elements of the program include written policies and procedures, training, risk-based management and third-party due diligence, multiple reporting systems and compliance audits. We perform regular risk assessments to identify opportunities for continuous improvement to our program.



Information Security

General Dynamics is committed to proactive, robust and compliant information security to safeguard our networks, information and systems. Our priority is to protect sensitive customer and employee information from external and internal threats.

Data Privacy and Protection

Like all businesses, we handle data that may include personal, sensitive, confidential or proprietary information about our employees, customers and others. Safeguarding this information is critical, and we take this responsibility very seriously.

The information we have is used exclusively for valid business purposes in accordance with written policies and procedures and in compliance with global data privacy laws and regulations. Additionally, we use technology and robust standards to protect the security of that information against unauthorized access, use or disclosure.

Our robust dynamic data privacy programs are designed to address the issues of increased privacy regulation, increased data sensitivity and volume, increased use of third-party vendors and increased threats.

To protect against the potential compromise or theft of proprietary and sensitive information, General Dynamics operates an internal governance program designed to identify, assess and address insider risks. This program involves both people and technology, and spreads awareness and shares best practices across the enterprise.

Cybersecurity

Leveraging our experience as a leading cybersecurity provider for national defense customers, we continually evolve and enhance our cyber defenses to monitor, manage and avoid risks to our information and systems. Moreover, we commit to improving the cybersecurity of our internal networks as well as those of our supply chain.

Our information security program is built on strong central governance and a mature policy framework. This program is an integral component of our company's risk governance. Each business unit must comply with centrally defined policies and standards, which are regularly updated to meet federal government and commercial best practices.

As part of our information security program, our businesses protect our company from cyber threats by:

- *identifying cyber threats and critical information assets;*
- *implementing cybersecurity prevention, detection and response controls;*
- *incorporating cyber risk assessment practices into program activities;*
- *integrating cyber risk management into business risk governance practices; and*
- *actively engaging with suppliers to address supply chain cyber risks and to ensure their compliance.*

We monitor effectiveness by performing rigorous audits and cyber penetration testing. These tests emulate the most recent behaviors and tactics, techniques and procedures of advanced, persistent threat adversaries. The corporate information security team notifies management of any breaches and also regularly provides management and the board with updates on the performance of our cybersecurity program.

In addition to systems protection, our employees are on the frontline of defense against cyber threats. We conduct regular employee training, focusing on data privacy and cybersecurity, to help them identify suspicious activity and take the appropriate action.

Proactive Cybersecurity Policies and Procedures

We have well-defined policies and procedures in place companywide and across our suppliers to mitigate risk from cyber threats, including:

- *state-of-the-art security programs and protocols to discover and mitigate existing and future risks;*
- *audits, testing and risk assessments to ensure our high cybersecurity standards are met;*
- *information-sharing with government customers, industry peers, security experts, academic institutions and the research community to assess cyber threat trends, share threat information and promote information-sharing standards that protect our customers; and*
- *participation in the U.S. DoD Defense Industrial Base Cybersecurity Program as well as similar programs with the U.S. Department of Homeland Security, the intelligence community and various law enforcement agencies.*

Companywide Collaboration

Our businesses work together to ensure that we secure our systems and protect information. This collaboration allows us to rapidly evolve and adapt to advanced and persistent threats to protect the integrity, confidentiality and availability of our information systems.

Top IT and cybersecurity leaders from our businesses share best practices and identify and implement innovative cyber defense and information security approaches companywide.

Our most recent collaborative information security initiative is focused on the Cyber Maturity Model Certification (CMMC) process. General Dynamics leaders from information security, information technology, contracts and supply chain work together to provide an integrated approach to address internal and supply chain compliance across our business units and our suppliers.





General Dynamics Embraces Cybersecurity Maturity Model Certification (CMMC)

What Is CMMC?

CMMC is a multitiered U.S. DoD certification process that uses accredited third-party assessors to measure a company's ability to protect sensitive defense information. It can be particularly helpful in assessing the cyber health of suppliers.

CMMC comprises five levels of certification of a company's cybersecurity practices and processes — from basic cyber hygiene to state-of-the-art protections.

Not all companies need the same level of security. Requirements can vary widely, depending on the supplier's role. The CMMC accreditation process takes this variation into account and requires only the appropriate level of maturity for each supplier.

Why Is CMMC Important?

The U.S. defense industrial base is composed of more than 300,000 companies, all of which are potential targets for nation-state adversaries or other cyber threats. About \$600 billion, or 1% of the global gross domestic product, is lost through cyber theft each year.¹

How Is General Dynamics Supporting CMMC?

Ensuring that sensitive information is protected is paramount at all levels of the supply chain. General Dynamics actively works with DoD to shape CMMC requirements. We also participate in the CMMC defense industrial base outreach program to ensure that our enterprise systems, as well those of our suppliers, meet CMMC standards.

1. C. Todd Lopez, "DOD to Require Cybersecurity Certification in Some Contract Bids," *DOD News*, January 31, 2020, <https://www.defense.gov/Explore/News/Article/Article/2071434/dod-to-require-cybersecurity-certification-in-some-contract-bids/>.

HUMAN CAPITAL MANAGEMENT



Employees are the heart of our company. We rely on their intimate knowledge of customer requirements and their unique blend of skill and innovation to develop and produce the best possible products and services.

We appreciate the talent, skill and value our employees bring to the company and are proud to have increased the number of hires we made in 2019 by 11% over the prior year.

Employee Safety

Nothing is more important than our employees' safety. We have clear, consistent policies and standards requiring that we operate in a way that promotes safety and well-being.

Across the business, we take measures to prevent workplace hazards, enforce a culture of continuous improvement to ensure our processes help reduce injuries and illnesses, and comply with governing health and safety laws.

More than 30 of our sites operate under ISO 45001, an occupational health and safety standard, and more are in the process of receiving certification. Under ISO 45001, workplace safety is not a standalone issue, but rather an integral part of the business strategy to maintain a sustainable organization.

As a result of our efforts, many of our business units have been recognized for their success in promoting health and safety among their workers.

Operating With High Safety Standards

Year	Recordable Cases*	Absence Cases	Lost Work Days
2013	2,677	803	31,829
2014	2,740	814	31,592
2015	2,332	743	24,339
2016	1,947	588	22,174
2017	1,682	488	15,575
2018	2,041	598	20,455
2019	2,284	577	22,279

*A recordable case is defined as an injury that requires medical treatment beyond first aid.

Since 2013, we've had a 21% decrease in recordable cases, a 33% decrease in absence cases and a 35% decrease in lost work days on a per-employee basis.

Employee Well-Being

We are committed to providing our employees and their families the means to lead healthy, productive lives. We invest in their physical, emotional, social and financial well-being to help them achieve their full potential, personally and professionally. Our well-being program provides resources, information, motivation and support to empower our employees to make informed decisions.

Our benefits offerings include a number of medical plans to serve the varying needs of employees. We offer dental, vision and prescription drug coverage; life, survivor, accidental death and dismemberment insurance; short- and long-term disability benefits; multiple tuition assistance programs; and various voluntary benefits, including legal insurance, an identity theft protection plan, critical illness insurance, accident insurance and coverage for home, auto and pets.

To assist employees with financial wellness, we offer retirement planning counselors and 401(k) programs. We also offer members the ability to save money on a tax-free basis through flexible spending accounts and health savings accounts.

Our Employee Assistance Program (EAP) helps employees by offering services such as retirement planning, finding childcare and free counseling. Other programs vary by business and location, reflecting the distinct and diverse needs of our employees, and include everything from biometric screenings and fitness programs to in-person health coaches and a wide variety of apps that can help employees navigate difficult health care decisions and life changes.



Developing and Engaging Our Talent

To provide our customers with innovative solutions, we invest in our workforce by offering programs that develop, grow and draw on their individual potential. In 2019, 89% of our U.S.-based employees participated in company training activities — an investment of nearly \$150 million. Our employees have access to many development programs throughout their careers with General Dynamics.

Examples of our programs include:

- *engineering and manufacturing leadership programs offering new college graduates a master's in a technical discipline, formal job rotations, business and personal leadership, and self- and team-led projects;*
- *more than 1,200 internships and cooperative learning opportunities across the company each year;*
- *more than 500 traditional apprenticeships in manufacturing or design, featuring between three and four years of on-the-job experience and an associate degree;*
- *management leadership programs that provide high-potential leaders with the skills needed to progress in a high-growth and changing environment;*
- *supervisory development programs to help new supervisors gain the skills required to be effective in their jobs, as well as enhance their leadership skills;*
- *shadow development programs offering hourly employees the opportunity to shadow and experience the demands of the operations supervisor role before making a full-time commitment;*
- *active learning centers (ALCs) at company shipyards where more than 200 skills are taught, allowing managers to engage with a curriculum that evolves based on feedback from students and supervisors;*
- *pipeline programs to onboard new hires, including existing partnerships with community colleges offering manufacturing certificates in core trades to new employees; and*
- *a systems engineering architect leadership program that develops highly skilled systems engineers, including a systems engineering certificate, on-the-job electives in key competencies, leadership development and the application of newly developed skills to key technical issues.*

In addition to employee networks and formal development programs, employees can expand their careers by accessing tuition assistance programs, on-the-job training, mentor programs and technical certifications across the company to enhance their value to the company, our customers and our communities.

DIVERSITY AND INCLUSION



Diversity Is Critical to Innovation

We believe that a diverse workplace yields better ideas and outcomes, and we are committed to promoting diversity of thought, experience, perspectives and capabilities at all levels.

Employees of all backgrounds can flourish here. They know their individual skills, abilities and viewpoints are honored. Our diverse, global business is united by the common goals of being the best in the business, delivering shareholder value and being a good corporate citizen in each of the communities where we do business.

Our U.S. Demographics

Total Population


77% are male

23% are female

27% are people of color

16% are veterans





Recent national events surrounding the issue of race underscore the importance of our commitment to the principles of equity and fairness.

Our leaders at all levels, including our CEO and business unit presidents, are fully engaged with employees to listen to their concerns and to reiterate our clear expectation, anchored in our Ethos, that everybody be treated with respect, humanity and dignity. While diversity and inclusion have been top priorities for our company for many years, we continue to look for new ways to build on our robust series of initiatives to make our workforce and our leaders better reflect the country that we serve.

Recruiting Diverse Talent

General Dynamics continues to broaden the diversity of our talent pool. In 2019, 37% of our new hires were people of color and 26% were female.

General Dynamics supports a culture of inclusion that encourages a work environment where diverse opinions are honored.

We employ a variety of strategies for attracting top talent across diverse categories.

College Outreach and Internship Programs

- We partner with engineering schools to identify top students through our campus relations programs.
- We actively recruit from Historically Black Colleges and Universities, Hispanic-Serving Institutions and other institutions that predominantly serve minority populations.
- We work with Gallaudet University to offer community outreach to and recruit from the deaf and hard of hearing community.
- We employ more than 1,200 interns and cooperative learning students per year across the country.

Manufacturing Pipelines

- We work with local and state governments, along with technical and vocational schools, to create apprenticeships and customize training programs for our unique needs. We employ more than 500 apprentices per year.
- Our programs include youth apprenticeships that steer students toward occupations within the skilled trades and pre- and post-hire training that leads to manufacturing certificates required by our customers.

Partnerships

- We partner with organizations that host career fairs and networking and development events to attract diverse candidates, such as:
 - BEYA
 - Grace Hopper Celebration
 - Disability:IN
 - National Society of Black Engineers
 - Society of Hispanic Engineers
 - Society of Women Engineers
 - Women in Defense

Employee Referral Programs

- Referrals are our greatest source of hires, and employees are encouraged to refer diverse individuals from their networks to fill our career opportunities.

Hiring Veterans

- *We are dedicated to offering employment opportunities to veterans and proudly honor the commitment of our employees who serve in the military reserves and National Guard with a military employment policy that goes beyond the Uniformed Services Employment and Reemployment Rights Act (USERRA).*
- *We ensure that all eligible employees who are called to military active duty are afforded appropriate compensation, benefits and job protection. We also protect them financially by continuing to pay any difference between their service income and their income from General Dynamics.*
- *We work with multiple organizations to provide career opportunities as veterans transition into the civilian workforce and as their spouses transition between duty assignments. These include:*
 - *Service Academy Career Conferences*
 - *Local military bases*
 - *Military Spouse Employment Program*
 - *Student Veterans of America*



On Veterans Day in 2019, GDMS launched a new careers portal for transitioning military and spouses. The site provides a military skills translator, one-on-one assistance and other helpful resources to support job seekers from the military community.

Retaining Diverse Talent

We understand that recognition, empowerment and awareness are critical to engaging and retaining diverse talent. Accordingly, we recognize employees with outstanding achievements at events such as the annual BEYA Stars and Stripes dinner, which honors Black engineering excellence. We also offer learning, mentoring and leadership development programs to increase the pipeline of diverse candidates for positions at all levels across the organization.

We have inclusion councils throughout the company that lead, advocate for and educate others on diversity and inclusion initiatives; organize inclusivity celebrations in the workplace; hold Lunch and Learn events throughout the company; and hold monthly meetings to brainstorm ideas. We also have an extensive network of Employee Resource Groups (ERGs) that promote equity, cultural awareness and an inclusive work environment.

For example, ERGs from GDIT host events to build connection and community. One such program is the ERG monthly speaker series, which covers topics related to inclusion in the workplace and career development. Featured speakers in 2019 included a General Dynamics board of directors member, a BU president and a Special Olympian and Disability Inclusion Advocate.

There are ERGs across the company to represent African Americans. Groups such as the GD Network of African Americans provide mentoring and networking opportunities to employees and reinforce the importance of increasing the participation of Black people in science, technology, engineering and math (STEM) and the defense industry by partnering with local high schools and community organizations.

Inclusion

In our recruiting efforts, we strive to identify a diverse candidate pool for positions at all levels across the company, from interns to executives.

At the end of 2019, thousands of employees were engaged in ERGs across General Dynamics, such as:

- *AbilityFirst (Where the Focus Is on What a Person Can Do)*
- *DNA2 (Diversity and Inclusion)*
- *Black Engineering Council*
- *ForWARD (For Women's Advancement, Recognition and Development)*
- *HOLA (Hispano Latinx Association)*
- *Veterans Network/ Veterans Council*
- *GD Pride*
- *C.O.R.E. (Culture, Onboarding, Retention, Experience)*

Gender equality is an important part of our commitment to diversity and inclusion. In order to ensure that we are able to tap into that vast pool of potential, many of our business units actively support girls and women in STEM.

We work with our local communities to provide opportunities that encourage women to become part of the General Dynamics team.

Girls Who Code is an organization that works to close the gender gap in STEM. Several of our business units are involved with Girls Who Code, providing members with opportunities to meet GDIT female leaders and learn more about STEM careers. In 2019, employees hosted a field trip to our facility in Chantilly, Virginia, that included interactive demos, a panel with our summer interns and an overview of our cybersecurity programs.

EmpowHER is a summit, hosted by the ForWARD ERG, that provides actionable tools, knowledge and networking skills to enhance women's careers. In June 2019, nearly 700 employees, customers and industry leaders connected at the summit to develop their leadership skills, learn about technology trends, and take part in conversations around challenges and opportunities for women in technical fields.

International Women's Day: Women from different trades, professions and locations throughout NASSCO gather on International Women's Day to recognize the significant contributions that women provide to our company and our industry.



AWARDS & RECOGNITION

We are proud to have been recognized as a world-leading employer. Some of our accolades include:

- *Forbes* — *The World's Best Employers*
- *Forbes* — *Best Employers for New Graduates*
- *Forbes* — *America's Best Employers*
- *Forbes* — *Canada's Best Employers*
- *Forbes* — *Best Employers for Diversity*
- *Forbes* — *Best Employers by State: Arizona, Connecticut, Maine, Pennsylvania, Rhode Island, Texas, Virginia*
- *Fortune* — *World's Most Admired Companies*
- *Minority Engineer Magazine* — *Top 50 Employers*
- *Disability Equality Index* — *Best Places to Work for Disability Inclusion*
- *Careers & the Disabled* — *Top 50 Employers*
- *Business Intelligence Group* — *Sustainability Leadership Award*
- *U.S. Veterans Magazine* — *Top Supplier Diversity Program*
- *U.S. Veterans Magazine* — *Best of the Best for Veteran-Friendly Companies*
- *Armed Forces Communications and Electronics Association (AFCEA)* — *Small Business Advocate of the Year*
- *Hire Our Heroes* — *Silver Employer*
- *Military Friendly* — *Top Military Friendly Companies*
- *Military Friendly* — *Supplier Diversity Program*
- *Way Up* — *Top 100 Internship Programs*
- *Employer Support of the Guard and Reserve* — *Recognition of Longtime and Continued Support; UK Gold Award for Support of Veterans and Reserves*

ENVIRONMENT



G
Gulfstream

The image shows a close-up of the Gulfstream logo and the word 'Gulfstream' on the side of a white aircraft fuselage. The logo consists of a stylized blue 'G' above the brand name in a blue serif font. The aircraft's blue and white livery is visible in the background.



Environmental Responsibility

General Dynamics takes our obligation to be a responsible corporate citizen seriously. We are committed to reducing carbon emissions and solid waste, and promoting the sustainability of our global environment.

Like many of our investors, employees and community members, we want to minimize the impact our business has on the environment. This is a priority across all levels of our company.

We constantly evaluate how our business strategy interplays with ensuring sustainable environmental practices over the long term. Our efforts help protect the environment, improve operating efficiency, reduce costs, and ensure we remain compliant with relevant environmental laws and regulations and enhance long-term shareholder value.

Our priorities are to:

- *operate our facilities in compliance with all applicable laws and regulations in order to protect the health and safety of our employees, surrounding communities and the environment;*
- *be a leader in improving environmental quality by minimizing waste and emissions, reusing and recycling, reducing the use of natural resources and preventing pollution;*
- *continually evaluate opportunities that enable us to reach long-term goals of reduced emissions and to undertake efforts to drive out solid waste from our manufacturing processes;*
- *integrate environmental considerations into business planning and decisions, including design, procurement, production, facilities management and product support;*
- *promote a workplace in which employees are properly trained to comply with applicable environmental laws and regulations, meet environmental program goals, and foster a sense of personal responsibility for protecting the environment;*
- *work with our customers to meet their environmental needs and goals consistent with the company's environmental compliance and management programs;*
- *maintain a management system for environmental matters at each business unit that is compliant with international accepted standards, to include the current edition of ISO 14001, which more than 50 sites presently operate under; and*
- *support existing and upcoming ISO 50001 registrations to help business units conserve resources through more efficient energy management.*

Companywide Collaboration

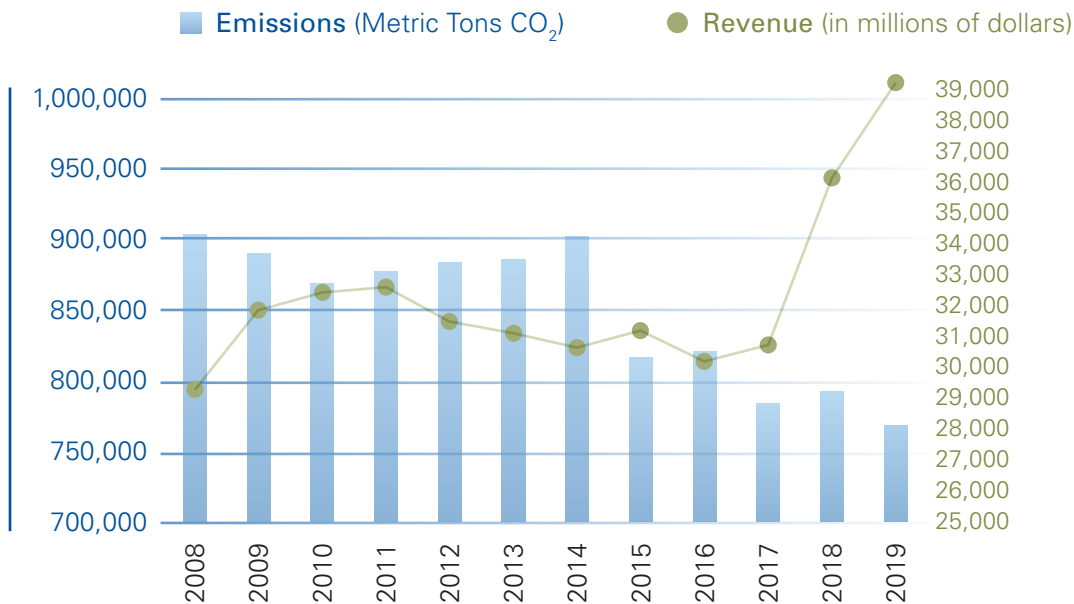
Each of our businesses has professional Environmental, Health and Safety (EHS) programs to ensure our facilities operate safely and comply with company programs and practices to minimize environmental impacts. Each business develops annual objectives to drive continuous improvement in EHS performance.

We have an active EHS committee that includes experts from each of our business units.

This group works together to promote best practices and shared strategies throughout the company and promotes a safety-conscious and environmentally aware culture.

Greenhouse Gas Emissions

As a company, we are committed to continuous improvement, which includes creating efficiencies and building systems that reduce our emissions output. Due to the diverse nature of our operations, each individual business unit has its own operating objectives to reduce its carbon footprint.



Since 2008, CO₂ emissions per dollar of revenue have declined by 37.2%.

Our businesses are implementing strategies to reduce GHG emissions from small actions — such as replacing incandescent lightbulbs with energy-efficient LED bulbs — to large-scale actions, such as investing in energy from renewable sources, building ISO-compliant buildings, and establishing a global network of sustainable jet fuel sources for our customers and ourselves.

We are actively instituting initiatives such as these to increase our environmental performance and reduce our global carbon footprint. As a result, our GHG emissions over the past decade have declined 12.4%, even as our revenues have increased 21.2%. This is an average reduction of CO₂ emissions per metric ton of revenue of 2.7% per year. We endeavor to achieve a similar rate of improvement over the next decade.

Metric Tons CO₂ Equivalent

Year	Emissions (Metric Tons CO ₂)	Metric Tons CO ₂ per \$M Revenue	Revenue (\$M)
2008	904,725	30.9	29,300
2009	890,499	27.8	31,981
2010	870,103	26.8	32,466
2011	878,201	26.9	32,677
2012	884,563	28.1	31,513
2013	887,515	28.4	31,218
2014	901,666	29.2	30,852
2015	817,293	26.0	31,469
2016	821,773	26.9	30,561
2017	784,264	25.3	30,973
2018	794,161	21.9	36,193
2019	762,200	19.4	39,350



In 2020, General Dynamics corporate headquarters switched its corporate fleet to all-electric, zero-emission vehicles.

Examples From Our Businesses

Gulfstream: Through a combination of efforts, such as air conditioning upgrades and converting to LED lighting, our Savannah, Georgia, site achieved a 10% reduction in carbon emissions from a 2014 baseline of 195,773 metric tons CO₂ to 176,472 metric tons CO₂ in 2019. This reduction is significant given the 13.3% increase in aerospace revenue from 2014 to 2019. In addition, maintenance and completions facilities in Dallas, Texas, operate on a 100% renewable mix of solar and wind energy.

Jet Aviation: Our FBO in Van Nuys, California, added a significant solar panel installation, on top of earning LEED Silver certification in conjunction with the construction of a new facility. Improved indoor air quality, reduced water usage through low-flow fixtures and the use of recycled and locally sourced materials will reduce the building's energy costs and carbon footprint over the long term. Additional solar panel projects will continue underscoring our dedication to environmentally responsible new construction.

Hangar 25 in Burbank, California, received LEED Platinum certification. Hangar 25 is unlike any other and has garnered attention globally for its design, metal wall panels and award-winning status, receiving the Environmental Management Award by the Airports Council International-North America.

For the first time, business jets bringing attendees to Davos, Switzerland, were refueled with a mixture of conventional and sustainable aviation fuel, thanks to Jet Aviation's collaboration with Zurich Airport and Finnish fuel producer Neste.

Jet Aviation was the first supplier to offer sustainable fuel via a blended option, debuting the product at Van Nuys Airport in California.

Land Systems: In 2019, 100% of the power purchased at our Sterling Heights, Michigan, and Scranton, Pennsylvania, parts and manufacturing plants was from renewable sources. In total, we purchased more than 25 million KWH of electricity generated by wind farms, resulting in a reduction of our Scope 2 greenhouse gas emissions by 13,000 tons. GDLS has contracts in place to continue our purchase of renewable energy for these sites.

European Land Systems: GDELS–Steyr in Austria continued its commitment to using renewable electric energy from water power, avoiding the creation of 126.7 tons of CO₂ per year.

GDELS–Bridge Systems supported the sustainable processes of one of its service providers by becoming a user of its new line of eco-friendly safety shoes, produced from used PET bottles and polyurethane waste.

NASSCO: In 2019, the shipyard’s energy team continued to participate in a two-year Strategic Energy Management program focusing on identifying low- or no-cost opportunities and culture changes to save energy.



To date, NASSCO has completed 25 projects resulting in cumulative savings of more than 4 million kWh, which reduces CO₂ emissions by the equivalent of taking more than 600 cars off the road for one year.

Completed projects include optimization of compressed air systems, creating operating procedures for turning off equipment during breaks, replacing lighting and adding occupancy sensors, and resetting and locking thermostat set points. The shipyard also achieved its highest annual recycling rate to date, diverting more than 90% of solid waste from landfills by segregating recyclable wood and metal wastes to divert these items from the general trash stream. As a result, NASSCO was recognized as a Recycler of the Year by the city of San Diego.

Mission Systems: In 2019, Mission Systems took proactive steps that resulted in savings of 3.2 million kWh and 70,000 therms. In several different locations, from Virginia to Massachusetts, more than 100 tons of air conditioning equipment were replaced by highly efficient systems; more efficient burners were installed on high-pressure boilers; new rooftop HVAC units provided better heating controls on rooftop furnaces; and external winter air was leveraged as an efficient means of cooling labs, clean rooms and other heat-generating spaces.

On top of these efforts, Mission Systems signed an agreement with the Salt River Project in Scottsdale, Arizona, to obtain a portion of its energy

from solar power. Mission Systems will “green” 17% of its electricity use, reducing fossil fuels burned by 9.2 million kWh per year, from this effort alone.

Ordnance and Tactical Systems: Starting in 2020, GD OTS and Ouachita Electric Cooperative (OECC), in conjunction with Today’s Power, Inc. (TPI), invested in four renewable energy projects in Calhoun County, Arkansas. The solar sites in this project will cumulatively produce more than 4 million kWh of energy in year one, the equivalent of the energy used by 400 homes in a year. The energy storage systems will be able to output 4.8 MW of power for two hours.

General Dynamics UK: Our plant in Merthyr Tydfil, Wales, constructed The Recycling and Waste Centre to reduce waste and mitigate its impact. It was commissioned with a continuous improvement plan in place for waste management and employs the latest waste recycling methods to drive down overhead cost and implement best practices.

In 2019, GDIT recycled almost 70,000 pounds of electronics including computers, monitors and printers.

Fuel Economy and Emissions

Gulfstream became the first business jet aircraft manufacturer to use renewable fuel in daily operations. Since 2016, Gulfstream has regularly

used sustainable aviation fuel (SAF) to power its Savannah-based demonstration aircraft, as well as the Field and Airborne Support Teams aircraft, and as of September 2020, we have flown more than 1.3 million nautical miles, reducing CO₂ emissions by approximately 1,700 metric tons.

In March 2019, Gulfstream made SAF available to customers of its Long Beach facility, where it is the only fuel available. The fuel — a low-carbon, 30/70 drop-in blend of renewable fuel made from agricultural waste and petroleum-based Jet-A — has less sulfur and fewer fine particle pollutants than traditional Jet-A.

Each gallon burned is meant to achieve a more than 80% reduction in greenhouse gas emissions, on a lifecycle basis, relative to petroleum Jet-A. The lifecycle begins when the agricultural source becomes waste, continues through the refining process and ends with the fuel burn. The renewable fuel meets the strict sustainability requirements of both the U.S. Environmental Protection Agency (EPA) and the internationally recognized Roundtable on Sustainable Biomaterials (RSB).

A white Gulfstream private jet is parked on a tarmac in front of a large hangar. Three ground crew members are standing near the aircraft. The image is partially obscured by a large white diagonal shape on the left side of the page.

GULFSTREAM OFFERS CARBON OFFSETS TO OPERATORS

In 2019, Gulfstream began a new service that provides aircraft operators the opportunity to reduce the carbon footprint associated with their flights. Participants pay an annual fee based on aircraft utilization to fund activities that generate an equal reduction in carbon emissions. Gulfstream does not charge operators a fee to administer its carbon offset service. Based on customers' projected annual flight hours, offsets are invested in environmentally beneficial activities such as wind energy, forest management, farm power and recovery of landfill gas.

COMMUNITY RELATIONS



Investing in Our Communities

General Dynamics is a large corporation that spans continents, but we never lose sight of the individual communities where we live and work. We invest in and promote involvement at the local level to make our communities better — whether it is through improving education, promoting health, assisting those in need or supporting veterans and their families.

Our business units' community service programs align with local community needs and use employee-formed committees and employee input to bring together financial and volunteer resources.

These are some examples of how we give back to our communities.

Local Community Outreach and Support

Bath Iron Works employees address problems of food insecurity by conducting an annual Feed the Hungry food drive and collection, with proceeds supporting the Bath Area Food Bank and Bath Area Kitchen Table, providing meals and supplies to hundreds of individuals and families in need.

Land Systems employees at the Joint Systems Manufacturing Center (JSMC) in Lima, Ohio, built Half Pint, a half-size replica of the M1A2 Abrams SEPv2 battle tank that takes part in nearby parades and events throughout the year, delivering candy and T-shirts from its cannon, with the goal of building awareness of the role Lima plays in our national defense.

General Dynamics UK is a proud sponsor of the national academy for Disability Sport Wales, which offers thousands of local sporting and physical activities for disabled people in Wales.

GDIT, through its GDIT Cares program, engages employees in support of local efforts to support a single cause each year. The inaugural impact project in 2019 was a school supply drive for teachers and students in Title 1 schools. GDIT employees donated more than 30,000 items in support of 40 schools and organizations across 16 states.

Electric Boat employees and volunteers have donated more than \$2 million, 7,000 hours of community service and 600,000 pounds of food to United Way agencies in Connecticut over the past five years. As a result, Electric Boat received the United Way of Southeastern Connecticut's Community Leader of the Year Award and Campaign of the Year Award.

General Dynamics actively supports the mission of the Corporate Angels Network (CAN), whose mission is to transport cancer patients to necessary hospitals for specialized treatment. For more than 30 years, we've paired available corporate flights with qualified patients at no cost to the patients or their families.

Educational Outreach and Support

From leading robotics clubs to supporting music programs to children's advocacy, we support and provide volunteers for education projects around the world. We value our role in helping strengthen educational opportunities to inspire future generations of the workforce, including our National Merit Scholarship Program, which awards educational scholarships to more than 100 children of General Dynamics employees annually.

These are additional ways we support educational programs in our communities.

Gulfstream supports the Aviation Manufacturing and Service Program at Groves High School in Savannah, Georgia. In partnership with the Savannah-Chatham County Public School System and Savannah Technical College, students earn high school credits and technical college certificates in aviation advanced manufacturing and avionics to prepare them for careers in the industry.

GD Mission Systems has partnered with the Boys and Girls Clubs of Greater Scottsdale and the East Valley Boys and Girls Club (Gilbert) for the last 10 years to run Arizona's eCrew program. The mission is to introduce middle school students to engineering through a 12-week curriculum with hands-on projects requiring 30 to 40 students each year to stretch their imaginations and build, test and redesign their ideas. The program expands minds and grows future hiring prospects.

Jet Aviation operates apprenticeship programs around the world, including Australia, Singapore, and Dubai and one in Basel, Switzerland, that employs upholstery and polymechanic apprentices for three- and four-year terms. The program allows local youth to see firsthand the numerous job options available to them in the industry.

Ordnance and Tactical Systems members from its Anniston, Alabama, location serve on the Advisory Board at the Calhoun County Career Academy (CCCA) for the high school Precision Machining program. The board meets formally to review curriculum, assist with grants and meet with students to offer career advice. OTS also donates used equipment and tooling for CCCA's on-campus shop and has hired several students from the program.

General Dynamics has committed to offering more than 7,500 new education and training opportunities for American students and workers over the next five years in accordance with the White House's Pledge to America's Workers. These programs include expanding the education, training and reskilling of American workers from high school age to near-retirement.



Service Member Outreach and Support

General Dynamics proudly supports active military and veteran families by providing financial support to a number of nonprofit organizations that work toward improving the quality of life for veterans and others through their programs and social contributions.

We are a proud sponsor of the AUSA Army Ten-Miler, which raises funds for the Army Family and Morale, Welfare and Recreation program, as well as Run to Home Base, whose mission is to heal invisible wounds for veterans, service members and military families through clinical care, wellness, education and research.

Other ways we offer support include:

- *participating in the Veterans Education Training and Transition Program at Georgia Tech-Savannah, an initiative designed to help active-duty service members make the transition from the military to the corporate world.*
- *constructing the Freedom Flag Monument in Lima, Ohio, in memory of all veterans and providing care packages for all employees called to active duty and offering an assistance program for their families.*

NASSCO Veterans Network launched in 2019 with the vision of building camaraderie within the NASSCO veterans population serving our community, highlighting the value service members bring to its workforce and providing access to a variety of veteran programs and benefits.

Missions Systems — Canada has proudly supported the Canada Army Run for more than 10 years. This event raises funds for ill and injured soldiers and their families — benefiting the Support our Troops Fund and Soldier On — while bringing together Canadians and the Canadian Armed Forces in the spirit of camaraderie and community.

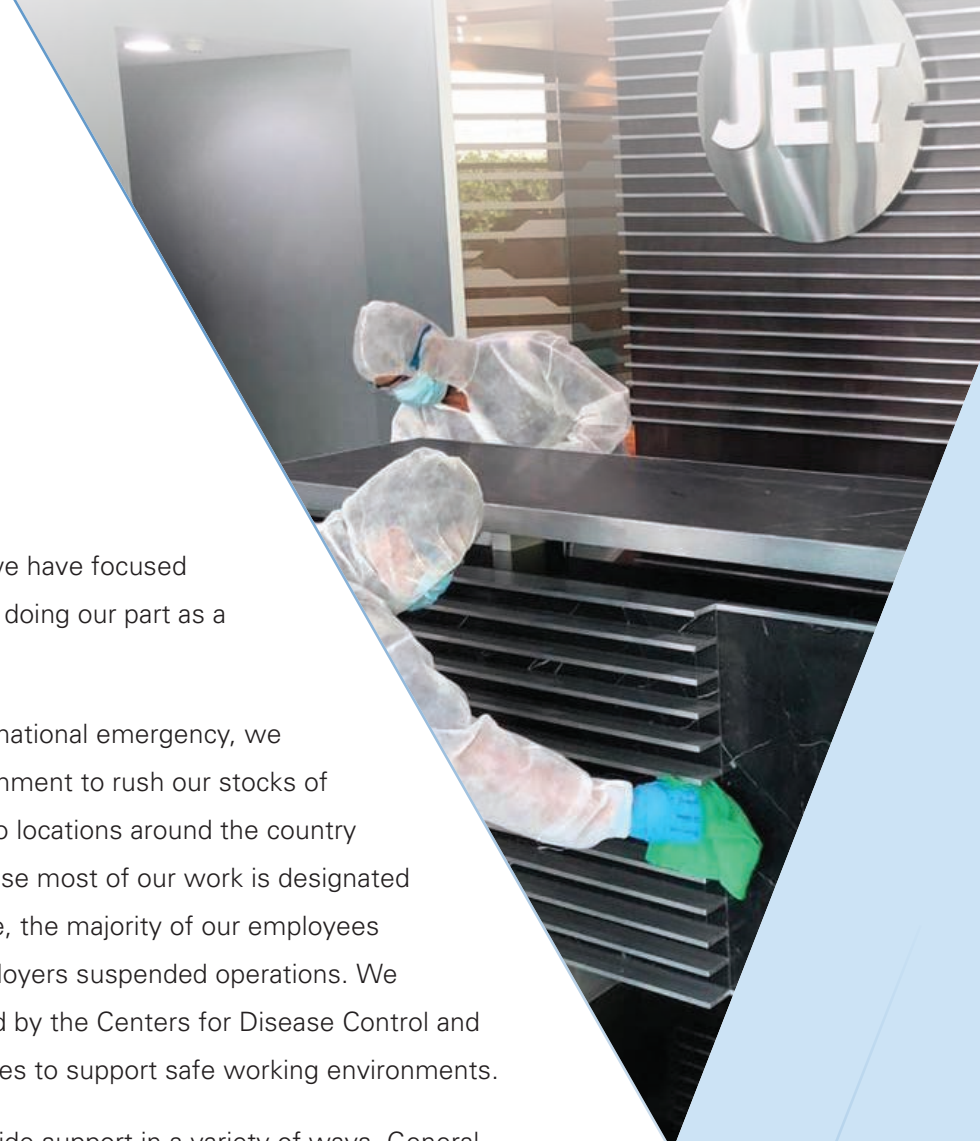


COVID-19

Since the outbreak of the pandemic, we have focused on both protecting our employees and doing our part as a corporate citizen.

Immediately after the declaration of a national emergency, we worked directly with the federal government to rush our stocks of personal protective equipment (PPE) to locations around the country where they were most needed. Because most of our work is designated as part of national critical infrastructure, the majority of our employees continued to work, even as other employers suspended operations. We implemented measures recommended by the Centers for Disease Control and Prevention and other relevant authorities to support safe working environments.

Our business units stepped up to provide support in a variety of ways. General Dynamics U.K. used its 3D printing capability to produce face shields for first responders. General Dynamics Land Systems Canada teamed up with Western University to help produce more than 10,000 medical face shields for local hospitals and health-care providers. Bath Iron Works partnered with Puritan Medical Group to produce packaging machines that doubled the production of nasal swabs used for testing. General Dynamics Ordnance and Tactical Systems produced several components for the Becton Dickinson (BD) MAX laboratory testing unit for COVID-19 diagnostics. And Jet Aviation participated in humanitarian efforts to repatriate individuals and provide support for urgent medical or supply missions.



General Dynamics provided financial support as well, making monetary donations across its business units to charities, food banks and other nonprofit organizations as they struggled to address the impacts of COVID-19.

Recognizing the importance of liquidity to the thousands of small businesses in our supply chain, in support of DoD policy, we advanced cash payments to our suppliers to ensure they could meet their financial obligations, especially to their workers.

Throughout the COVID-19 crisis, General Dynamics, while focused on employee health and safety and meeting customer commitments, continued to stay profitable and pay a steady dividend. Ultimately, the most responsible and sustainable action a company can take for its employees and its communities is to remain vibrant and solvent.

For the latest information about General Dynamics and COVID-19, please visit www.GD.com.



REPORTING APPROACH

Where practicable, we seek to follow the disclosure topics and accounting metrics established by the Sustainability Accounting Standards Board (SASB). Below are the SASB standards for the aerospace and defense sector, with links to relevant information.

Metric Code	Accounting Metric	Report Location
<i>Energy Management</i>		
RT-AE-130a.1	(1) Total energy consumed, GJ (2) Percentage grid electricity, % (3) Percentage renewable, %	We track and disclose total CO ₂ emissions, which we believe is a more-meaningful metric. Greenhouse Gas Emissions
<i>Waste Management</i>		
RT-AE-150a.1	Amount of hazardous waste generated, percentage recycled	We recycled 29% of hazardous waste through the enterprise.
RT-AE-150a.2	Number and aggregate quantity of reportable spills, quantity recovered, kg	
<i>Data Security</i>		
RT-AE-230a.1	Number of data breaches, percentage involving confidential information	We had none of a material nature.
RT-AE-230a.2	Description of approach to identifying and addressing data security risks in company operations and products	Information Security Data Privacy and Protection Cybersecurity Maturity Model Certification
<i>Product Safety</i>		
RT-AE-250a.1	Number of recalls issued, total units recalled	None.
RT-AE-250a.2	Number of counterfeit parts detected, percentage avoided	We promptly report all suspected or confirmed cases to the government and/or the customer. Counterfeit Parts Prevention
RT-AE-250a.3	Number of Airworthiness Directives received; total units affected	The most recent information is available from the FAA. Airworthiness Directives (FAA)

Fuel Economy & Emissions in Use-Phase

RT-AE-410a.1	Revenue from alternative energy-related products, USD	Revenue from alternative energy-related products is de minimis, usually from the sale of sustainable aviation fuel (SAF) to business aviation customers. Fuel Economy and Emissions
RT-AE-410a.2	Description of approach and discussion of strategy to address fuel economy and GHG emissions of products	Environmental Responsibility

Materials Sourcing

RT-AE-440a.1	Description of the management of risks associated with the use of critical materials	Materials Sourcing
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Business Ethics

RT-AE-510a.3	<p>(1) Total amount of monetary losses as a result of legal proceedings associated with incidents of corruption, bribery, and/or illicit international trade</p> <p>(2) Revenue from countries ranked in the “E” or “F” Band of Transparency International’s Government Defence Anti-Corruption Index</p> <p>(3) Discussion of processes to manage business ethics risks throughout the value chain</p>	<p>(1) None.</p> <p>(2) We do not have direct defense business with any of these countries outside of that overseen by the U.S. government’s Foreign Military Sales or Direct Commercial Sales process, or equivalent allied country processes.</p> <p>(3) Global Supply Chain</p>
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Activity Metrics

RT-AE-000.A	Production by reportable segment	Aircraft deliveries in units are reported in our 10-K. Deliveries of ships, combat vehicles and other systems are reported as applicable by our government customers. Review of Operating Segments (10-K)
RT-AE-000.B	Number of employees	102,900 (as of December 31, 2019) Business Overview

Information is for 2019 unless otherwise stated.



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