

# Standards of Business Ethics and Conduct

6th Edition, 2022



**GENERAL DYNAMICS**



**GENERAL DYNAMICS**

# Standards of Business Ethics and Conduct

6th Edition, 2022

---

# Table of Contents

Message from the CEO	3
Our Ethos	4
Principles of Business Ethics	6
Business Ethics Model	7
About This Booklet	8
Conducting Our Business	10
Working with Government Customers and Public Officials	14
Working Together	16
Protecting Our Resources	18
Taking Action	20
Index	23
Ethics Helpline Phone Numbers	24

---

# Message from the CEO

Dear fellow employee,

Ethical business conduct is not just a part of what we do — it is the heart of everything we do. Our culture of consistently doing the right thing for our employees, customers and stakeholders has made General Dynamics what it is today, and it is what will continue to propel us forwards in the future.

We are a global company of diverse people doing a broad range of business activities across different segments. Our ethos is what unites us and gives us a shared commitment to maintaining the highest standards of ethics and integrity in everything we do.

The intent of the General Dynamics *Standards of Business Ethics and Conduct*, which we call the *Blue Book*, is to give you the tools necessary to embed ethical decision-making into all aspects of your work and to confidently address ethics-related questions as they arise. Our ethos, however, is about more than just following laws and policies. It is about relentlessly striving to adhere to our core values of transparency, honesty, trust and alignment.

Read the *Blue Book* carefully, and refer back to it regularly. These are the principles upon which this company is built, and which ensure we fulfil our duty to act responsibly towards our customers, investors, employees and communities. Each of us has a duty to uphold the high standards which have made the company great.

Sincerely,



Phebe N. Novakovic  
Chairman and Chief Executive Officer

---

# Our Ethos

Our ethos is our distinguishing moral nature.  
Our employees are a community of people dedicated to this ethos.

Each of us has an obligation to behave according to our values. In that way, we can ensure that we continue to be good stewards of the investments in us by our shareholders, customers, employees and communities, now and in the future.

Our ethos undergirds our culture, our business model and our daily interactions. These values are a constant reminder of who we are and what we do. Every day, they:

## **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 our employees, 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 we hold them to the same high standards as we hold ourselves.

## **Guide our interactions with each other.**

As a community of people, we are dedicated to our company's purpose and to promoting the health, welfare and safety of our employees. We treat each other with dignity and respect, celebrating our similarities as well as our differences,

and making an effort to understand and support one another by promoting inclusive work environments.

## **Ensure fair compensation and equal employment opportunity in principled and productive workplaces.**

Our values motivate us to promote strong organisational practises with diversity, opportunities for career development and training. We stand behind basic universal human rights, including that all employment must be voluntary. We unequivocally oppose human trafficking in all forms.

## **Connect us with our communities.**

Fulfilling our obligation to be a good corporate citizen means that we engage in actions that further the well-being of our communities. We do this by supporting participation in social welfare organisations; promoting volunteerism; and undertaking initiatives to mitigate climate change, drive out hazardous waste from our processes and protect water resources.

RULES WE LIVE BY, IN ALL THINGS AND AT ALL TIMES

Transparency

Honesty



Trust

Alignment

---

# Business Ethics Principles

We are in business to earn a fair return on behalf of our shareholders.

## Use assets wisely

- The manner in which we manage assets reflects our personal values and our company's values, and determines our ability to earn a fair return.

## Offer a fair deal

- We offer the best products at a reasonable price.
- We make hard decisions and tackle tough choices.
- The manner in which we go about making these decisions reflects our values.

## Deliver on promises

- We are people of our word — we deliver on our promises.
- We are responsible to our stakeholders and earn their trust every day.

## Earn a fair return

- Our reputation is based on our ability to use our values to generate profits.
- As we deliver on our promises, we must perform to achieve a fair return.

Our business conduct reflects our business ethics principles.



---

# Business Ethics Model



## We Are Responsible to Our Stakeholders

Shareholders • Customers • Each Other  
Suppliers • Communities • Countries

---

# About This Booklet

## A Practical Reference

Each day, you will face issues and make decisions which are critical to success. This booklet is a practical reference that you can use to get the information you need to make good decisions. You will also learn when to contact your business unit's ethics officer and other helpful resources.

Over the years, this booklet has become known as the *Blue Book* after the colour of its cover. Use the *Blue Book* in conjunction with our Ethos and the policies, procedures and work rules of your business unit to guide your actions as you do your job. While the *Blue Book* is not an employment agreement, it is meant to set the basic expectations that this company has of your performance.

The *Blue Book* applies to all officers, executives, and full-time, part-time and temporary employees of General Dynamics. We expect our suppliers, vendors, contractors and joint venture and other business partners to behave ethically and to develop compliance programmes which are consistent with our values in all material respects. Only the Board or an authorised board committee may grant an amendment or waiver of this *Blue Book* for executive officers of the Corporation. Any amendments or waivers will be publicly disclosed if required by law or applicable stock exchange regulations.

## Business Ethics and Compliance

When we talk about business ethics, we refer to the commitments that make our company great. We deal fairly with our company's customers, suppliers and competitors, as well as with each other. Each of us should have these qualities.

- Be law-abiding;
- Honesty and trustworthiness;
- Responsibility and reliability;
- A fair and cooperative attitude.

When we talk about compliance, we refer to the laws, rules, regulations and policies which control and direct both our actions and those of our company. The *Blue Book* includes information about the ethics and compliance aspects of business conduct.

## Global Reality of Our Work

We conduct business in numerous countries around the globe. Our employees are citizens of different countries and belong to diverse cultural groups. We are subject to the laws and regulations of all the countries, states and municipalities where we have operations and do business. Our worldwide presence subjects us to the regulatory and legal control of many jurisdictions at the same time.

We must recognise the global reality of our work. In some instances, there may be a real or apparent conflict between the laws of two or more countries. In that event, you must obtain legal advice immediately to understand how to resolve the conflict properly.

## Getting Answers

This *Blue Book* will not give you an answer for every situation. Each of us has faced a time where the right course of action was hard to determine. Perhaps the facts were complex; perhaps many individuals could be affected by our decision. Perhaps a “good” choice was simply not obvious or one’s personal interests were in conflict with the best interests of General Dynamics. Maybe we did not have the information we needed to make an informed choice.

You have many resources to help you with questions about ethics and compliance. If you know the answer to an ethics question and are comfortable with your decision, you can act with the assurance of confidentiality. If not, you have several places where you may turn for advice and guidance.

- General Dynamics Standard Practises and Policies;
- Your supervisor or manager;
- Your local ethics office representative;
- Your business unit’s ethics officer;
- The Human Resources Department;
- The Environmental, Safety, and Health representative;
- The Security Department;
- The Finance or Internal Controls Department;
- The Legal Department;
- The International Trade and Compliance Department;
- The General Dynamics Corporate Ethics Office;
- The General Dynamics Ethics Helpline.

Contact information for the business unit and corporate ethics officers is available on the Ethics Helpline website under Additional Resources at [www.gd.ethicspoint.com](http://www.gd.ethicspoint.com). On the website, you can also find toll-free helpline telephone numbers from every country in which General Dynamics has employees (a partial list of which appears at the back of this book).

## Making Tough Decisions

The information in the *Blue Book* will help you work through most difficult business issues and dilemmas. But the answers to some problems are not obvious. Some things may feel right but may not actually be right, so take the extra time to think things through before you act.

Follow the steps in our Ethical Decision-making Model:

- Have I reviewed the facts carefully?
- Have I used the resources available to me?
- Have I considered all the issues?
- Have I thought carefully about my options?
- Have I considered the consequences of my choices?
- Do I need to consult with someone about the situation?
- Will my decision stand the test of time?

The Ethical Decision-making Model is a tool to help employees make good decisions. It can be found on the Ethics Helpline website at [www.gd.ethicspoint.com](http://www.gd.ethicspoint.com).

If you are still not sure what to do, speak up and get the advice you need. Keep asking questions until you are certain you are doing the right thing. General Dynamics will not retaliate against any person who, in good faith, brings an ethics or compliance issue to our attention.

**Remember: When in doubt, seek advice before you act.**

---

# Conducting Our Business

Certain rules govern how we conduct our business every day.

## **Antitrust, Sales Practises, and Competitive Information**

Antitrust and competition laws prohibit agreements that eliminate or discourage competition. Violations of these laws carry stiff monetary fines and jail terms. We comply fully with the antitrust and competition laws of every jurisdiction where we do business.

We are committed to fair and competitive sales practises. We will not engage in practises which would unfairly limit trade or exclude competitors from the marketplace. We will not communicate formally or informally with competitors to fix or control prices, allocate markets, boycott customers or suppliers, or limit the sale of products.

We will not make false statements regarding our competitors, nor will we conspire to gain or use their proprietary information improperly.

Regarding antitrust laws and competitive practises, you have the following responsibilities.

- Avoid even informal or casual conversations with employees of our competitors regarding prices, products, or customers;
- Never make inaccurate or malicious statements about our competitors.

## **Conflicts of Interest**

A conflict of interest occurs when your private interests interfere — or appear to interfere — with the interests of General Dynamics. The business decisions you make should be based upon our company's needs rather than your own interests, the interests of family or friends, or any desire for personal gain. You should not do business with organisations in which you or your family may have a substantial financial interest. Each of us should deal with suppliers, customers, and others in ways which avoid even the appearance of a conflict between our personal interests and those of General Dynamics. Talk to your business unit's ethics officer and disclose any situation which presents or may present a conflict of interest.

The following situations can easily give rise to conflicts of interest:

### **PERSONAL BUSINESS RELATIONSHIPS**

You should disclose to your business unit ethics officer any substantial interest that you or an immediate family member might have in our suppliers, customers, or competitors. Ownership of stock in a publicly traded competing company that is a competitor could create real or potential conflicts of interest for you and our company. Be careful that your personal business relationships do not influence the decisions you make on behalf of General Dynamics.

#### ORGANISATIONAL RELATIONSHIPS

If either you or an immediate family member serve as a director, officer, or consultant for any company that does business with us, you must disclose these obligations to your business unit's ethics officer even if this service is unpaid.

#### OUTSIDE EMPLOYMENT

Before you accept outside employment, consider the question of whether this second job could create a conflict of interest or negatively impact your ability to do your job. Taking a second job can be tricky because you may not always see clearly where your loyalties should be. Do not accept outside employment with our competitors, suppliers, or customers.

### Gathering Competitive Information

Properly gathered business information is valuable. However, you should only gather information about our competitors from public sources which are freely available to others. Never spy or steal in order to obtain competitive information. Likewise, we abide by all procurement integrity rules and neither seek nor accept tender or bid information outside appropriate channels. Seek advice if you think someone is giving you confidential information that you should not have. Unless disclosure is authorised, protect all commercially sensitive information that you obtain through your work.

### Gifts and Hospitality – Commercial Customers

#### GIFTS

We compete solely on the merits of our products and services. When people exchange gifts in a business context, it can look as if favours

were granted in order to influence business judgement. We may provide gifts, meals, refreshments, and entertainment of reasonable value in the course of doing business with commercial customers or non-government personnel, provided this practise does not conflict with our standards or those of the recipient's organisation. You should neither give nor offer any gift or anything of value if such a gift may appear to be improper.

#### RECEIPT OF GIFTS

Generally, you should not accept gifts, meals, or entertainment from those with whom we do business unless this activity serves a legitimate business purpose and is appropriate for the relationship. You may accept small gifts that are of modest value only.

When conducting business in some countries, it may be customary to accept gifts of substantial value. These gifts are company property and must be reported to your business unit ethics officer for disposition. For example, they may be purchased from the company at fair market value or donated to an appropriate charity on behalf of General Dynamics.

In regards to the giving or receipt of gifts, you have the following responsibilities.

- Do not offer or provide gifts when prohibited by the recipient's rules, standards, or policies;
- Avoid giving or receiving gifts above modest value when dealing with commercial customers;
- Ensure that meals and entertainment have valid business purposes;
- Consult your business unit's ethics officer before offering or retaining any gift of greater than nominal value.

### Insider Information and Securities Trading

You may learn of material information related to General Dynamics or other companies before the general public knows about such information. This is referred to as insider information. You may not buy or sell stock on the basis of such insider information or pass insider information on to someone else who then buys or sells stock until this information has been publicly released. These rules also apply to more complex transactions including options, puts and calls, and techniques such as selling short. The best way to determine whether information is public is if it is accessible through public channels, including newspapers, television, and the internet.

To ensure compliance with the securities laws of the jurisdictions where we do business, you have the following responsibilities.

- Never make securities trades on the basis of non-public information;
- Never tell others to make securities trades on the basis of non-public information;
- Do not pass insider information to someone who has no need to know.

### International Business

General Dynamics, a global business, is headquartered in the United States. We follow the laws and regulations of all the countries and jurisdictions where we do business.

Outside of your home country, you may encounter unfamiliar rules, regulations, business customs, manners and cultures. Become familiar with other countries' commercial practises, so we don't embarrass our company, our business partners, or ourselves. If a conflict arises with respect to the laws of two or more countries, contact the Legal Department for assistance.

We abide by the laws and regulations regarding the import and export of our products, information (e.g., technology and technical data), and services, including the U.S. International Traffic in Arms Regulations (ITAR) and the Export Administration Regulations (EAR). Almost every

country has laws and regulations that control the international movement (e.g., imports, exports, re-exports, and technology transfers) of certain products, information (e.g., technology and technical data) and services. These laws and regulations may also restrict the transfer of controlled information to certain people, whether inside or outside your country. In addition, there are laws and regulations that prohibit dealings with "sanctioned" or "embargoed" countries, governments, companies, and individuals. We also abide by all applicable anti-bribery laws and regulations. The Legal Department can provide additional assistance.

When doing business in any country, you have the following responsibilities.

- Keep current with all laws and regulations that apply to your work;
- Know and follow the laws regarding export and import of our products, information (e.g., technology and technical data) and services;
- Conduct careful due diligence before engaging third parties to represent our interests, and remember that third parties cannot do anything we would not be permitted to do. Working with international subject matter experts, take care to select consultants, sales representatives, distributors and other international intermediaries which exhibit ethical and compliant behaviour.

### Lobbying and Political Contributions

Lobbying and political contributions are highly regulated activities and violations of these laws can include criminal penalties. Consequently, do not contribute any company funds or other resources, whether directly or indirectly, to any political candidate, party, or political advocacy group or to organisations associated with honouring a political figure without prior approval from the Corporate Government Relations Department in regards to U.S. political contributions, or your business unit's president with notification to Government Relations with respect to non-U.S. political contributions. Similarly, all lobbying contacts with U.S. covered

Legislative Branch or covered Executive Branch officials on General Dynamics' programmes or issues must be approved by the Corporate Government Relations Department. This includes urging third party groups such as chambers of commerce to lobby on behalf of General Dynamics. As a private citizen, we encourage you to participate individually in political affairs with your own time and resources.

### Obeying the Law

General Dynamics operates in a highly regulated environment. Many governmental entities direct the manner in which we conduct our business. We comply strictly with the requirements of all the governments and agencies with whom we do business.

We co-operate with government inspections and are courteous to inspectors. Notify the Legal Department immediately if you learn about any inspection, investigation, or request for information from any outside organisation.

During an inspection, you must never destroy or alter any documents, lie to or mislead an inspector, or obstruct the collection of information. The Legal Department will assist you in reviewing any information requested by an inspector before it is released.

### Record Keeping

We keep accurate records of all financial and business transactions. Our record-keeping procedures are essential to ensure that all costs are properly charged.

It is your responsibility to record all costs accurately and to follow all accounting procedures. No False and/or misleading statements should not be made in our books and records.

You must carefully follow our policies on document retention, including electronic documents and e-mails. Never destroy any documents you believe might be relevant as evidence in any civil, criminal, or regulatory proceedings. Doing so could expose you and the company to severe penalties.

### Quality and Testing

The quality of our products is crucial to our success. All of our products and services must meet appropriate inspection, testing and quality criteria in accordance with contract and government requirements. You should complete all test documentation accurately and promptly. With respect to quality and testing, you have the following responsibilities.

- Take personal responsibility for ensuring product quality;
- Know which tests you must perform;
- Know how to carry out these tests;
- Record test results accurately.

### Suppliers, Consultants, Part-time Employees, and Temporary Workers

We select our suppliers, consultants, and part-time and temporary workers on the basis of objective criteria such as price, quality, and prior performance, and expect them to exhibit ethical and compliant behaviour.

When dealing with suppliers or consultants, you have the following responsibilities.

- Require competitive bids, where appropriate;
- Fairly evaluate all proposals for work;
- If dealing with suppliers or consultants in the United States, or if appropriate in other jurisdictions, investigate opportunities to encourage small or minority-owned businesses to work with us;
- Get legal advice regarding doing business with former employees or board members, or current or former government employees to include service members;
- Do not accept any gifts of more than modest value;
- Ensure that meals provided by a supplier or consultant serve a valid business purpose and are appropriate to the relationship.

As a condition of employment, part-time and temporary workers are required to follow the *Blue Book* as well as corporate and business unit policies and practises.

---

# Working with Government Customers and Public Officials

We are a leader in the defence industry. We provide services and products to governments around the globe. The laws and regulations relating to doing business with government customers and public officials are complex. When working with government customers and public officials, you must fully and diligently comply with all laws and regulations. This is critical to our company's reputation.

## **Bribes and Kickbacks**

We do not engage in bribery or kickbacks. A bribe or kickback is the giving or acceptance of money, fees, commissions, credits, gifts, favours, or anything of value which is either directly or indirectly provided in return for favourable treatment of any kind. You must never offer, give, ask for, or receive any form of bribe or kickback. Favourable treatment may often appear innocent, such as paying an invoice earlier than we normally would. However, giving a gift or anything of value is illegal when offered in exchange for favourable treatment.

## **Billing and Pricing**

We are clear and accurate in every aspect of our billing and pricing. Our prices reflect the cost to design and produce our products, our level of effort, market conditions and other relevant factors. Invoices must be clear and understandable. Overpayments will be returned promptly upon discovery.

Bills to customers must be timely, accurate and honest. It is unlawful to present a false or fraudulent claim to any government customer. We must never improperly shift costs between contracts and/or projects.

When engaged in billing and pricing, you have the following responsibilities.

- Be accurate in regards to pricing;
- Charge and bill projects appropriately;
- Do not split invoices in order to hide costs or avoid payment procedures;
- Ensure invoices are accurate, timely, and complete.

## **Contract Compliance**

We comply with all the terms of our contracts. We deliver the goods and services as promised. We never substitute materials, change test procedures, or alter quality control requirements except in accordance with applicable government procedures. We never certify that something has been tested when it hasn't been.

To ensure compliance with the terms of our contracts, you have the following responsibilities.

- Document how General Dynamics has met its contractual obligations;
- Do not make substitutions without following government procedures;
- Perform all tests in accordance with the terms of the contract.

## **Gifts and Hospitality — Government Customers**

We compete solely according to the merits of our products and services. We never try to influence a customer's decision to purchase from General Dynamics by offering gifts, meals, entertainment, or anything of value. Most governments have regulations which prohibit their employees from accepting items of value



from contractors and/or suppliers. We carefully follow these regulations and policies when dealing with government officials and their representatives, both from the United States and around the world. These regulations can be complex, so make sure you understand them. Seek guidance from your business unit's ethics officer, who will consult the Legal Department as needed.

The giving of gifts, meals, or anything of value to government and public officials is almost always prohibited. Never give money or anything else of value to a government or public official for the purpose of improperly influencing an official decision or as a means to obtain or retain business. Consult your business unit's ethics officer before offering anything of value to a government or public official. Before making any payments to facilitate routine government action, you must get advance approval from the Legal Department. In addition, any gift given to a government or public official must be in compliance with the policies of General Dynamics and must be accurately recorded in our books and records.

### **Hiring Current or Former Government Employees**

In some of the countries where we do business, the law restricts the hiring or retention of certain government employees who have been involved in awarding or administering government contracts to General Dynamics. Get advice from the Legal Department before recruiting, interviewing, hiring, or assigning work to current or former government employees, including military service members.

### **Mandatory Disclosure**

We comply with all applicable regulations requiring us to disclose to a government customer any suspected instance of misconduct involving fraud, conflict of interest, bribery, illegal gratuities, certain errors in billing and pricing, or customer overpayment. The consequences of failing to disclose these

types of violations may be grave. If you suspect any of these violations, seek advice promptly from your business unit's ethics officer or the Legal Department.

### **Procurement Integrity**

We follow our customers' procedures for awarding contracts. We will not ask for disclosure of the proprietary information of our competitors, nor will we ask for source selection material — meaning the material used to evaluate competing bids. We neither seek nor accept confidential information regarding a tender or its process outside regular, approved channels. We are careful not to share any of our own proprietary information with government officials who are not on the government's list of approved persons. We do not discuss employment or offer anything of value to those who participate in the procurement process for our goods and services.

### **Security of Government Information**

We have a continuing obligation to protect classified information. We will not seek access to information for which we do not have proper clearance and a need to know.

It is your responsibility to follow all company and government procedures for the handling of classified information and controlled unclassified information.

### **Time Charges and Expense Reporting**

We bill our customers honestly for our work. We charge for our time and expenses in a manner which is consistent with company accounting procedures. It is your responsibility to record your time and expenses carefully, promptly, and accurately. Any employee, consultant, or contract labour personnel found to be mischarging will be subject to disciplinary action up to and including the termination of employment, or the termination of the assignment/engagement. If you knowingly make false time charges, then you may be accused of a crime.

---

# Working Together

We are proud of our employees, their commitment, and their dedication. We recognise that others depend on us to do our jobs, just as we count on them to do theirs. We take pride in the contributions we make to the communities where we live and work.

## Workplace Values

At the core of our belief system is a fundamental respect for human rights and the dignity of every individual. Every person makes a difference in our world, and we believe that diverse perspectives make us stronger. We, as part of the company, endeavour to create an ethical and inclusive culture which treats people from all walks of life fairly and with dignity and respect. We compensate our employees fairly and in accordance with market rates, and we value the contributions they make to our company.

## Human Rights

We stand firmly against human trafficking and exploitation of any kind. As a corporation with operations and suppliers around the world, we recognise the importance of ensuring respect for human rights and dignity is embedded at all levels of our business. We expect and demand strict adherence to these values, as well as to applicable laws, everywhere we operate. General Dynamics does not tolerate human trafficking, child labour, or forced labour anywhere within our businesses or supply chains.

## Equal Employment Opportunity

Our success depends in large part upon our work environment. We support a positive environment in which all individuals may grow, contribute and participate free from discrimination.

We are committed to legally compliant human resource policies and practises in all aspects of employment, including: recruiting, hiring, evaluation, training, discipline and work opportunities, career development, compensation, promotion and termination. We do not tolerate unlawful discrimination of any kind. We encourage and promote inclusive work environments.

To ensure respectful and fair treatment for all employees, you have the following responsibilities.

- Treat your fellow employees as equals, regardless of race, colour, religion, sex, pregnancy, national origin, mental or physical disability, age, veteran status, sexual orientation, gender identity or expression, transgender status, or marital status;
- Understand and abide by all corporate and business unit policies, procedures relating to employment and workplace fairness.

## Workplace Harassment/Violence

Workplace Harassment includes statements and actions that denigrate or show hostility towards an individual or group because of race, colour, religion, sex, pregnancy, national origin, mental or physical disability, age, veteran status, sexual orientation, gender identity or expression, transgender status, or marital status. Each of us has the right to be free from improper or offensive conduct at work. Unwelcome, insulting, or offensive remarks and actions have no place at our company.

To maintain a workplace free of harassment, you have the following responsibilities.

- Understand and abide by all corporate and business unit policies, procedures and work rules relating to workplace conduct;

- Exercise good judgement in professional and personal relationships with and co-workers.

Sexual harassment can occur under many different circumstances. In general, sexual harassment occurs when:

- Requests for dates, sexual favours, or other verbal or physical conduct of a sexual nature serve as the basis for job benefits or employment decisions;
- An intimidating, offensive, or hostile work environment results from unwelcome sexual advances, offensive jokes, or other insulting verbal and physical behaviour.

We do not tolerate violent behaviour at any workplace, whether committed by or against our employees. The following behaviours are prohibited: making threatening remarks, causing physical injury to someone else, intentionally damaging someone else's property, or acting aggressively in a way that causes someone else to fear injury.

Use good judgement and promptly inform your supervisor, manager, Human Resources, or Security if you observe behaviour which could be dangerous or violent.

## Safety and Health

We follow the laws and regulations of the jurisdictions where we work regarding workplace safety and health. We take the necessary precautions to protect our colleagues and ourselves. To the extent consistent with law, we prohibit the possession of any firearm or weapon on company property without authorisation from the Security Office.

To maintain the safety of our workplace, you have the following responsibilities.

- Report all safety hazards, accidents and work-related injuries;
- Follow the rules of your business unit concerning smoking during work hours whilst on company premises;

- Report all suspected violations of safety procedures to your supervisor or the Safety and Health Department.

## Corporate Citizenship and Community Engagement

General Dynamics is committed to good corporate citizenship and actively supports the communities where employees live, work and do business. We want to support our communities and endeavour to do so through partnering with local service organisations and encouraging employee engagement in volunteer opportunities and community events on your own time or during work periods with management approval.

## Privacy and Personal Information

General Dynamics respects the privacy of its employees and the sensitivity of some information that we acquire from employees in the course of their employment or in the course of business. We use personal information of employees only for valid business purposes in accordance with our written policies regarding specific categories of personal information. We use technology and robust standards to protect the security of that information against unauthorised use or disclosure.

## A Drug-free Work Environment

We endeavour to maintain a workplace that is free from the effects of drug abuse. Illegal drug use or abuse of controlled substances jeopardises our ability to serve our customers and can compromise the safety of our operations and the quality of our products and services. We do not tolerate any use of illegal drugs or abuse of controlled substances whilst employees are engaged in General Dynamics' business or whilst working at a company location.

You should report all known or suspected violations to your supervisor or manager.

---

# Protecting Our Resources

We are entrusted with company resources and assets to perform our work. We are responsible for safeguarding company funds, information, records, tools and property.

## **Company Resources, Proprietary Information, and Intellectual Property**

The assets, property, and resources of General Dynamics should be used primarily for business purposes. Company resources include but are not limited to: telephones, electronic mail, Internet access, voice mail, faxes, computers, equipment, machinery and vehicles. Subject to local requirements, we permit reasonable use of communication devices for appropriate personal use provided it does not interfere with job performance or compromise the security or integrity of our network or systems.

Managers may authorize personal use of company resources where such use does not occur during working periods. This use must not last long or occur frequently, nor may it consume a significant amount of company resources.

Business opportunities are also company assets. Do not take for yourself any business opportunities you discover through the use of company resources. It is everyone's duty to advance General Dynamics' legitimate business interests when we have the chance to do so.

Our intellectual property is a valuable asset. This includes copyrights, patents, trade secrets, trademarks, ideas, inventions, and processes. We respect and protect intellectual property, whether it belongs to us or to others. General Dynamics owns all inventions, discoveries, ideas, and trade secrets created by employees on the job or produced through the use of company resources.

You may have access to proprietary or confidential information of the company or our customers that must be protected from unauthorized use or disclosure. The duty to keep information confidential continues even after you leave our company. You also have a duty to report instances when company proprietary information is compromised or misused by other employees or a malicious insider.

## **Data Privacy**

During the course of your work, you may handle data that may include personal and sensitive information about our employees, job applicants, shareholders, board members, customers, vendors and other third parties. Safeguarding this information is critical and should therefore be taken very seriously. When collecting these data, collect the least amount of information necessary to meet our business needs and ensure the information collected and stored is used for valid business purposes only and in accordance with written policies and procedures which are updated regularly to maintain compliance with national and global data privacy laws and regulations. Contact your Privacy, Legal and Security departments for guidance when collecting, using, or storing personal and sensitive data as well as when entering into contracts with third party vendors doing this on General Dynamics' behalf.

## **Customer Privacy**

Our business is based on information. You may have access to sensitive, confidential, or proprietary information about our customers and others with whom we do business. We earn their trust by protecting the privacy of their information.

## Environmental Protection and Sustainability

We protect the environment of the communities in which we work. In all jurisdictions where we do business, we comply with environmental protection laws and regulations. We also have initiatives to cost-effectively minimise the environmental impact of our operations, maximise the efficiencies of our products and reduce waste, emissions and energy consumption.

To protect the environment, you have the following responsibilities.

- Follow all environmental guidelines and procedures for handling and disposing of waste and hazardous materials in the workplace;
- Prevent and report any spills or leaks;
- Report to your supervisor or manager any actions which may adversely affect the environment.

## Information Technology

Like all of our other assets, our information technology is a company resource that must be used ethically and responsibly to further our company's business. You should never use our technology or systems to support a personal business or a political venture. We protect our computer systems from access by unauthorised parties and count on your vigilance to identify and report suspicious activity on information systems.

Most of the software we use is licensed for business use only. Unless expressly permitted, software programmes may not be copied for business or home use, nor shall they be shared with others.

When using information technology, you have the following responsibilities.

- Safeguard all computer equipment and information;
- Exercise vigilance when operating information systems and immediately report suspicious activity;
- Do not use software without an appropriate licence;
- Do not share computer passwords;

- Do not copy or distribute software in violation of licence terms;
- Do not put anything in writing if you would regret seeing it in the media.

## Internet Use

Supervisors and managers may permit Internet use during non-working periods, for example, during breaks, lunch, etc. However, Internet access should not be used to support a personal business or a political venture, violate any of the standards in this *Blue Book*, or embarrass General Dynamics. You may never use the company's Internet access or telecommunications services to download, view, send, or forward information that is sexually explicit, discriminatory, derogatory, illegal, profane, or abusive.

## Our Name and Reputation

General Dynamics is proud of its name and reputation. Public perception is critical to our continuing success. We provide accurate and timely information about our business to our investors, the media and the general public. We are very thoughtful and deliberate about what we say when releasing information publicly.

If you receive an enquiry from the media, notify your respective business unit or Corporate Communications Department and allow them to respond.

Be cautious about identifying yourself as a General Dynamics employee on social media, and recognise that when you do, your actions could reflect on the company.

Always remember, you are a reflection of General Dynamics, in your action, your inaction and in your words. You are entrusted with that responsibility which can impact our name and reputation.

## Right to Inspect

Where permitted by local laws and regulations, the company may exercise its rights to inspect its property, electronic communications, and all other resources and assets.

---

# Taking Action

We are all responsible for acting ethically. We must accept and fulfil our duties to each other.

## Our Ethics Programme

At General Dynamics, our ethos undergirds our culture, our business model, and our daily interactions. These values are a constant reminder of who we are and of what we do, in all things and at all times. We believe that management and employees share accountability for business ethics. The company provides tools and resources to help all of us understand and maintain our standards of ethical business conduct. In accordance with our ethos, General Dynamics' managers, employees and resources form the foundation of our Ethics Programme.

## Global Realities

In some jurisdictions, there are different requirements and regulations for how we communicate and regulations for how we handle ethical concerns. Obtain guidance from your business unit's ethics officer or the Legal Department to learn the rules as they apply to your location.

## Managers and Supervisors

Managers and supervisors are expected to provide timely advice and guidance to employees on ethics and compliance concerns. The more we talk openly about business conduct and our standards, the clearer we will be about what is expected. Managers and supervisors should:

- Lead by example;
- Read, understand, use, and conduct daily interactions in compliance with our ethos, the *Blue Book* and company policies;

- Affirm the need to follow the laws, regulations, and policies which govern our business;
- Encourage employees to ask questions and get advice before they act;
- Consult with your business unit's ethics officer;
- Implement control measures to detect non-compliance risks;
- Listen attentively when employees raise ethics questions and concerns;
- Take prompt action to respond to questions and correct problems;
- Foster an environment of trust, in which employees can speak up without fear of retaliation;
- Update individuals who report concerns and provide closure to the extent possible.

## Employees

As an employee, you are expected to:

- Read, understand, use and conduct daily interactions in compliance with our ethos, the *Blue Book* and company policies;
- Learn the details of the policies that specifically impact your work assignments;
- Use the resources available to you for guidance and assistance;
- Take the training required to do your job;
- Perform your job in accordance with our business ethical standards;
- Hold co-workers accountable for ethical work standards;
- Share concerns about possible ethical misconduct with your supervisor, ethics officer, another member of management or the Ethics Helpline;

- Cooperate with any internal investigations about a reported ethics or compliance matter.

**When you are uncertain about the right course of conduct, ask questions and get answers before you act.**

## Tools and Resources

General Dynamics updates and distributes the *Blue Book* to all employees. Through training and communication, we convey to employees our Standards of Business Ethics and Conduct. We enforce compliance with these standards.

We make the following tools and where available.

- Policies and procedures;
- Training and education;
- Confidential resources where you can ask questions, get advice, and report concerns;
- The General Dynamics Ethics Helpline, available on the web at [www.gd.ethicspoint.com](http://www.gd.ethicspoint.com) or via the toll-free numbers on page 24 of this book;
- Ethics and compliance offices in the business units and at Corporate Headquarters.

All questions, conversations, calls, and reports made in good faith will be taken seriously. We will investigate all reported concerns — promptly and with confidentiality — and resolve these concerns appropriately. If we uncover a violation of our standards, then action will be taken. This includes disciplinary action, the implementation of systemwide changes, or notification of the appropriate governmental office or agency. Not only will we deal with a specific situation, but we will also make changes so similar problems do not recur.

## Confidential Conversations

Conversations with your business unit's ethics officer are treated with confidentiality in a manner consistent with our legal obligations and policies. You will be told if your identity is needed to address your question or concern satisfactorily.

All calls or contacts made to the Ethics Helpline are confidential and are not traced. We will attempt to protect the identity of anyone who makes a good faith report or enquiry which is consistent with our legal obligations.

## How the Ethics Helpline Works

Although most questions and concerns can be resolved by discussing them with your manager, the Ethics Helpline provides an additional way to get help, should you feel uncomfortable talking to management about an issue. The helpline is not intended to replace conversations between employees and managers, but rather to provide an additional resource to employees.

You can contact the Ethics Helpline at any time to ask a question, express a concern, or report a possible violation of laws, regulations, or policies.

Reports to the helpline may be made in confidentiality or anonymously. However, whenever possible, identify yourself when contacting the helpline. Remaining anonymous may limit our ability to obtain information needed to assist with our investigation and will limit our ability to provide updates as the investigation progresses.

When reporting a concern, you may be asked to provide the time, location, names of the people involved and other details so we can investigate your concerns. Every report is handled promptly, discreetly and professionally. You may access the helpline by visiting [www.gd.ethicspoint.com](http://www.gd.ethicspoint.com) or by using one of the toll-free numbers on page 24.

As a result of a call to the helpline, a report is communicated to an authorised General Dynamics ethics officer. Reports are forwarded to the most suitable functional area within General Dynamics for investigation and resolution. Reports will be reviewed and appropriate action will be taken.

All data transfers will be handled in accordance with the appropriate data protection laws.



Subject to local law, you have the right to access any of your personal data which is held by the helpline.

The helpline website offers resources to help employees and managers navigate ethics issues. You will find links to the following under "Additional Resources".

- *The Blue Book*;
- A directory of General Dynamics' ethics officers;
- The Manager's Tool Kit;
- Our Ethical Decision-making Model.

### **Investigating Suspected Violations of Our Standards**

If you believe someone associated with General Dynamics has violated our standards, you are expected to bring the matter in good faith to the attention of your supervisor or manager, your business unit's ethics officer, the Legal Department or the Corporate Ethics Office so we may promptly conduct a thorough investigation. You can make reports by telephone, through e-mail, by making an appointment, or by contacting our Helpline.

Web reports are accepted online at [www.gd.ethicspoint.com](http://www.gd.ethicspoint.com) or by using one of the toll-free numbers on page 24. You may also contact the Audit Committee of the General Dynamics Board of Directors to report concerns about accounting or auditing matters by writing to:

Chair, Audit Committee, General Dynamics  
Board of Directors  
c/o Corporate Ethics Office  
11011 Sunset Hills Road, Reston, VA 20190  
United States of America

In many circumstances, you have a personal responsibility to report activity that appears to violate laws, regulations, policies, or this *Blue Book*.

### **Prohibition against Retaliation**

General Dynamics will not retaliate against any person who brings to our attention in good faith an ethics or compliance issue. Individuals who raise concerns or who help us resolve reported matters are protected against retaliation. Anyone who uses the ethics and compliance programme to spread falsehoods, threaten others, or damage another person's reputation will be subject to disciplinary action.

Discouraging other employees from making a report or getting the help they need is prohibited and could result in disciplinary action.

### **Disciplinary Action**

Violations of laws, regulations, principles, this *Blue Book* and our policies can have severe consequences for you and for General Dynamics. Some violations may be criminal in nature and punishable by a fine, imprisonment, or both. Any violation may jeopardise our relationships with our customers and suppliers, in turn incurring the loss of the privilege of doing business in the countries where we operate. Employees who violate the laws, regulations, this *Blue Book*, or our policies are subject to disciplinary action, in accordance with applicable laws, which may involve any of various measures as appropriate, up to and including dismissal. All disciplinary action is decided on a case-by-case basis.



---

# Index

- Advice, 8-9, 11, 13, 15, 18, 20-21
- Antitrust, 10
- Billing and pricing, 14-15
- Boycotts, 10
- Bribes and kickbacks, 14-15
- Business ethics model, 7
- Business ethics principles, 6-7
- Business opportunities, 18
- Community engagement, 17
- Competitors, 8, 10, 11, 15
- Computers, 18-19
- Confidentiality, 11, 15, 18, 21
- Conflicts of interest, 10-11
- Consultants, 11-13, 15
- Contract compliance, 14
- Contractors, 8, 12, 15
- Corporate citizenship, 4, 17
- Customer privacy, 18
- Data, 12, 18, 21-22
- Data privacy, 4, 18
- Dilemmas, 9
- Disciplinary action, 15, 21, 22
- Documents, 13
- Drug-free work environment, 17
- Employment agreement, 8
- Entertainment, 11, 14
- Environmental protection, 18-19
- Equal employment opportunity, 4, 16
- Ethical Decision-making Model, 3, 9, 22
- Ethics Helpline, 9, 20-22, 24
- Ethos, 3, 4-5, 8, 20
- Expense reporting, 15
- Financial interests, 10
- Firearms, 17
- Getting answers, 9, 21
- Gifts, 11, 13, 14-15
  - commercial customers, 11
  - government customers, 14-15
- Government employees, former, 13, 15
- Government inspections, 13
- Gratuities, 15
- Harassment, sexual, 16-17
- Helpline, 9, 20-22, 24
- Human rights, 16
- Illegal drugs/controlled substances, 17
- Import/Export, 12
- Information, classified, 15
- Information, competitive, 10-11
- Information, proprietary, 10, 11, 15, 18
- Information technology, 19
- Insider information, 12
- Insider threat, 18
- Intellectual property, 18
- International business, 12
- Internet, 12, 18, 19
- Investigation, 13, 21-22
- Invoices, 14
- Kickbacks, 14
- Lobbying, 12-13
- Mandatory disclosure, 15
- Meals, 11, 13-15
- Media, 19
- Outside employment, 11
- Political contributions, 12-13
- Privacy, 17-18
- Procurement integrity, 11, 15
- Proprietary information, 10, 15, 18
- Quality, 13-14, 17
- Questions, 3, 9, 20, 21
- Record keeping, 13, 15, 18
- Relationships,
  - organisational, 11
  - personal business, 10
- Reputation, 6, 7, 14, 19, 22
- Resources, protecting company, 18-19
- Retaliation, 20, 22
- Right to inspect, 19
- Safety and health, 4, 9, 17
- Sales practises, 10
- Securities trading, 12
- Security of government information, 15
- Source selection materials, 15
- Stock, 8, 10, 12
- Substitutions, 14
- Suppliers, 4, 7, 8, 10, 11, 13, 15, 22
- Testing, 13-14
- Time charges, 15
- Workplace harassment, 16-17
- Workplace values, 16
- Workplace violence, 16-17

# The General Dynamics Ethics Helpline

Call toll free 24 hours a day, 7 days a week

COUNTRY	TELEPHONE
Australia	1800518093
Austria	0800-017867
Canada	1-800-433-8442 1-855-350-9393
France	0-800-99-13-17
Germany	0800-1821157
Hong Kong	800930294
Italy	800909705
Kuwait	503-619-1815
Mexico	800-681-6728
Qatar	00800100326
Saudi Arabia	800-850-0454
Singapore	8008523887
South Korea	00798-14-203-0274
Spain	900876281
Switzerland	0800-000-617
United Arab Emirates	800-0320514
United Kingdom	0800-048-5503
United States	1-800-433-8442

Toll-free numbers are available from every country in which GD has employees. Go to [www.gd.ethicspoint.com](http://www.gd.ethicspoint.com) for a complete phone listing. Collect calls can also be made to 503-619-1815.



RULES WE LIVE BY, IN ALL THINGS AND AT ALL TIMES

**Transparency**

**Honesty**



**Trust**

**Alignment**