

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2019 This Form is Open to Public Inspection
---	---	---

Part I	Annual Report Identification Information		
For calendar plan year 2019 or fiscal plan year beginning <u>01/01/2019</u> and ending <u>12/31/2019</u>			
A	This return/report is for:	☐ a multiemployer plan ☒ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)	
	☐ a single-employer plan ☐ the first return/report ☐ an amended return/report	☐ a DFE (specify) _____ ☐ the final return/report ☐ a short plan year return/report (less than 12 months)	
B	This return/report is:		
C	If the plan is a collectively-bargained plan, check here.	☒	
D	Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program	
	☐ special extension (enter description)		

Part II	Basic Plan Information —enter all requested information		
1a	Name of plan <u>LEONARDO DRS, INC. 401(K) PLAN</u>	1b	Three-digit plan number (PN) ▶ <u>001</u>
		1c	Effective date of plan <u>01/01/1985</u>
2a	Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>LEONARDO DRS, INC.</u> <u>2345 CRYSTAL DRIVE</u> <u>SUITE 1000</u> <u>ARLINGTON, VA 22202</u>	2b	Employer Identification Number (EIN) <u>13-2632319</u>
		2c	Plan Sponsor's telephone number <u>301-694-2570</u>
		2d	Business code (see instructions) <u>339900</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	09/23/2020	KELLY BAER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2019)
v. 190130

3a Plan administrator's name and address ☐ Same as Plan Sponsor DRS CORPORATE BENEFITS TEAM KELLY BAER 5202 PRESIDENTS COURT, SUITE 300 FREDERICK, MD 21703	3b Administrator's EIN 13-2632319 3c Administrator's telephone number 301-694-2570
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 8185
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 5937 6a(2) 6011 6b 93 6c 2254 6d 8358 6e 5 6f 8363 6g 7133 6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 3D 3F 3H 2F 2G 2J 2K 2T b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
---	---

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1) ☒ **R** (Retirement Plan Information)
- (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3) ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1) ☒ **H** (Financial Information)
- (2) ☐ **I** (Financial Information – Small Plan)
- (3) ☐ **A** (Insurance Information)
- (4) ☒ **C** (Service Provider Information)
- (5) ☒ **D** (DFE/Participating Plan Information)
- (6) ☐ **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2019 Form M-1 annual report. If the plan was not required to file the 2019 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

<div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>	OMB No. 1210-0110
		2019
		This Form is Open to Public Inspection.

For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019		
A Name of plan LEONARDO DRS, INC. 401(K) PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 LEONARDO DRS, INC.	D Employer Identification Number (EIN) 13-2632319	

Part I	Service Provider Information (see instructions)
--------	---

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No
- b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL
04-2647786

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
--

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
--

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
--

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
37 60 64 65	RECORDKEEPER	263410	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

(a) Enter name and EIN or address (see instructions)

AON HEWITT INVESTMENT CONSULTING,

36-3109431

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
16	CONSULTANT	115000	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

JACKSON LEWIS P.C

46-3862389

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
16 29	CONSULTANT	27043	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

RUBINBROWN LLP

43-0765316

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10	ACCOUNTANT/AUDITOR	19400	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
DODGE & COX STOCK - DST ASSET MANA 430 W 7TH STREET STE 219432 KANSAS CITY, MO 64105	0.10%	

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
PRU STABLE VALUE PO BOX 145433 CINCINNATI, OH 45250-5433	0.10%	

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
WW SMALL CAP INST - DST SYSTEMS IN 43-1581814	0.15%	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 <div style="border: 1px solid black; padding: 5px; font-size: 1.2em; font-weight: bold;">2019</div> This Form is Open to Public Inspection.
---	--	--

For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019

A Name of plan <u>LEONARDO DRS, INC. 401(K) PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
--	--	------------

C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>LEONARDO DRS, INC.</u>	D Employer Identification Number (EIN) <u>13-2632319</u>
---	--

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
--------	--

a Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD TARGET 2040

b Name of sponsor of entity listed in (a): VANGUARD FIDUCIARY TRUST COMPANY

c EIN-PN <u>90-6083974-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>37830677</u>
---------------------------------------	-------------------------------	--

a Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD TARGET 2055

b Name of sponsor of entity listed in (a): VANGUARD FIDUCIARY TRUST COMPANY

c EIN-PN <u>27-6715091-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>9877993</u>
---------------------------------------	-------------------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE: PRU STABLE VALUE

b Name of sponsor of entity listed in (a): PRUDENTIAL TRUST COMPANY

c EIN-PN <u>23-6994310-126</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>62156982</u>
---------------------------------------	-------------------------------	--

a Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD TARGET 2025

b Name of sponsor of entity listed in (a): VANGUARD FIDUCIARY TRUST COMPANY

c EIN-PN <u>90-6083980-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>75838678</u>
---------------------------------------	-------------------------------	--

a Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD TARGET 2030

b Name of sponsor of entity listed in (a): VANGUARD FIDUCIARY TRUST COMPANY

c EIN-PN <u>90-6083978-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>63700182</u>
---------------------------------------	-------------------------------	--

a Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD TARGET 2035

b Name of sponsor of entity listed in (a): VANGUARD FIDUCIARY TRUST COMPANY

c EIN-PN <u>90-6083976-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>49178310</u>
---------------------------------------	-------------------------------	--

a Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD TARGET 2045

b Name of sponsor of entity listed in (a): VANGUARD FIDUCIARY TRUST COMPANY

c EIN-PN <u>90-6083972-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>28332022</u>
---------------------------------------	-------------------------------	--

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

a Name of MTIA, CCT, PSA, or 103-12 IE: PRU CORE PLUS BD 12

b Name of sponsor of entity listed in (a): PRUDENTIAL TRUST COMPANY

c EIN-PN 23-6994310-165	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 6727698
--------------------------------	------------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD TARGET 2065

b Name of sponsor of entity listed in (a): VANGUARD FIDUCIARY TRUST COMPANY

c EIN-PN 82-6194314-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 802977
--------------------------------	------------------------	--

a Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD TARGET 2015

b Name of sponsor of entity listed in (a): VANGUARD FIDUCIARY TRUST COMPANY

c EIN-PN 90-6083984-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 9382118
--------------------------------	------------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD TARGET RET

b Name of sponsor of entity listed in (a): VANGUARD FIDUCIARY TRUST COMPANY

c EIN-PN 90-6083967-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 15512301
--------------------------------	------------------------	--

a Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD TARGET 2020

b Name of sponsor of entity listed in (a): VANGUARD FIDUCIARY TRUST COMPANY

c EIN-PN 90-6083982-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 59586495
--------------------------------	------------------------	--

a Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD TARGET 2050

b Name of sponsor of entity listed in (a): VANGUARD FIDUCIARY TRUST COMPANY

c EIN-PN 90-6083970-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 20157584
--------------------------------	------------------------	--

a Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD TARGET 2060

b Name of sponsor of entity listed in (a): VANGUARD FIDUCIARY TRUST COMPANY

c EIN-PN 45-3799419-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3732231
--------------------------------	------------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE: BTC STR COMP NL M

b Name of sponsor of entity listed in (a): BLACKROCK INST. TRUST COMPANY, N.A.

c EIN-PN 46-3525011-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1344076
--------------------------------	------------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2019 This Form is Open to Public Inspection
For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019		
A Name of plan LEONARDO DRS, INC. 401(K) PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 LEONARDO DRS, INC.	D Employer Identification Number (EIN) 13-2632319	

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	69007	32081
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	7837583	9015342
(2) Participant contributions.....	1b(2)	0	0
(3) Other.....	1b(3)	1251757	260256
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	3377949	3054621
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other.....	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	546354
(B) Common.....	1c(4)(B)	149756168	192145929
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property).....	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans.....	1c(8)	9975522	10257916
(9) Value of interest in common/collective trusts	1c(9)	363134193	444160324
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities.....	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	239947784	295200804
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)	0	0

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	0	0
(2) Employer real property	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	775349963	954673627

Liabilities

g Benefit claims payable	1g	2092	92090
h Operating payables	1h	357462	263018
i Acquisition indebtedness	1i	0	0
j Other liabilities	1j	589331	430830
k Total liabilities (add all amounts in lines 1g through 1j)	1k	948885	785938

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	774401078	953887689
---	-----------	-----------	-----------

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	20159444	
(B) Participants	2a(1)(B)	43963338	
(C) Others (including rollovers)	2a(1)(C)	8267327	
(2) Noncash contributions	2a(2)	0	72390109
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	37722	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	548802	
(F) Other	2b(1)(F)	1481622	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		2068146
(2) Dividends: (A) Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	1175398	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	9438265	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		10613663
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	65906705	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	59451996	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		6454709
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	0	
(B) Other	2b(5)(B)	42020076	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		42020076

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		63294255
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		50132907
c Other income	2c		0
d Total income. Add all income amounts in column (b) and enter total	2d		246973865

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	66620126	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		66620126
f Corrective distributions (see instructions)	2f		23830
g Certain deemed distributions of participant loans (see instructions)	2g		0
h Interest expense	2h		0
i Administrative expenses: (1) Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	0	
(3) Investment advisory and management fees	2i(3)	952611	
(4) Other	2i(4)	462453	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		1415064
j Total expenses. Add all expense amounts in column (b) and enter total	2j		68059020

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		178914845
l Transfers of assets:			
(1) To this plan	2l(1)		571766
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unmodified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: RUBINBROWN LLP

(2) EIN: 43-0765316

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)			
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....			
4d		X	
e Was this plan covered by a fidelity bond?	X		10000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?.....			
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?.....			
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)			
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?			
4k		X	
l Has the plan failed to provide any benefit when due under the plan?.....	X		2859
4l	X		2859
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n		X	

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?..... ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ☐ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____. (See instructions.)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2019 This Form is Open to Public Inspection.
---	---	--

For calendar plan year 2019 or fiscal plan year beginning <u>01/01/2019</u> and ending <u>12/31/2019</u>		
A Name of plan <u>LEONARDO DRS, INC. 401(K) PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>	
C Plan sponsor's name as shown on line 2a of Form 5500 <u>LEONARDO DRS, INC.</u>	D Employer Identification Number (EIN) <u>13-2632319</u>	

Part I	Distributions
All references to distributions relate only to payments of benefits during the plan year.	
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions	1
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>04-6568107</u>	
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.	
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes ☐ No ☐ N/A
If the plan is a defined benefit plan, go to line 8.	
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____	
If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.	
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a
b Enter the amount contributed by the employer to the plan for this plan year	6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c
If you completed line 6c, skip lines 8 and 9.	
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes ☐ No ☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes ☐ No ☐ N/A

Part III	Amendments
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase ☐ Decrease ☐ Both ☐ No

Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes ☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes ☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes ☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes ☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year

b The plan year immediately preceding the current plan year

c The second preceding plan year

14a**14b****14c**

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year

b The corresponding number for the second preceding plan year

15a**15b**

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year

b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers

16a**16b**

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

- a** Enter the percentage of plan assets held as:

Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate line 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

- 20 PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

- a** Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No

- b** If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation _____

LEONARDO DRS, INC. 401(k) Plan

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

PARTICIPATING EMPLOYERS 2019

Related Employers:

- DRS Consolidated Controls, Inc.
- DRS Environmental Systems Inc.
- DRS Advanced ISR, LLC
- DRS Network & Imaging Systems LLC
- DRS Naval Power Systems, Inc.
- DRS Power Technology, Inc.
- DRS Signal Solutions, Inc.
- DRS Sustainment Systems, Inc.
- DRS Technical Services GmbH & Co. KG
- DRS Global Enterprise Solutions, Inc.
- DRS Training & Control Systems, LLC
- Engineered Coil Company (d/b/a Marlo Coil)
- Laurel Technologies Partnership (d/b/a DRS Laurel Technologies)
- Daylight Solutions, Inc.

Other Employer:

- Advanced Acoustic Concepts, LLC

LEONARDO DRS, INC. 401(K) PLAN

FINANCIAL STATEMENTS

DECEMBER 31, 2019

Index

Page

Independent Auditors' Report..... 1 - 2

Financial Statements

Statement Of Net Assets Available For Benefits3

Statement Of Changes In Net Assets Available
For Benefits4

Notes To Financial Statements..... 5 - 14

Supplemental Schedule

Schedule Of Assets Held At End Of Year 15 - 19



RubinBrown LLP
Certified Public Accountants &
Business Consultants

One North Brentwood
Saint Louis, MO 63105

T 314.290.3300
F 314.290.3400

W rubinbrown.com
E info@rubinbrown.com

Leonardo DRS, Inc. Retirement
Benefit Plans Committee
Leonardo DRS, Inc. 401(k) Plan
Arlington, Virginia

Report On The Financial Statements

We were engaged to audit the accompanying financial statements of Leonardo DRS, Inc. 401(k) Plan, which comprise the statement of net assets available for benefits as of December 31, 2019 and 2018, and the related statement of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility For The Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis For Disclaimer Of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis For Disclaimer Of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Fidelity Management Trust Company, the Trustee, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan Administrator that the Trustee holds investment assets and executes investment transactions. The Plan Administrator has obtained certifications from the Trustee as of December 31, 2019 and 2018, and for the years then ended, that the information provided to the Plan Administrator by the Trustee is complete and accurate.

Disclaimer Of Opinion

Because of the significance of the matter described in the Basis For Disclaimer Of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter

The supplemental schedule of assets held at end of year as of December 31, 2019 is required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, and is presented for the purpose of additional analysis, and is not a required part of the financial statements. Because of the significance of the matter described in the Basis For Disclaimer Of Opinion paragraph, we do not express an opinion on this supplemental schedule.

Report On Form And Content In Compliance With DOL Rules And Regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the Trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

RubinBrown LLP

September 21, 2020

LEONARDO DRS, INC. 401(k) PLAN

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

	December 31,	
	2019	2018
Assets		
Investments - At Fair Value		
Mutual funds	\$ 301,860,552	\$ 244,356,082
Collective trust funds	375,275,643	293,865,017
Common stocks	192,692,283	149,756,168
Money market funds	2,628,970	4,324,375
Total Investments - At Fair Value	872,457,448	692,301,642
 Fully Benefit-Responsive Investment		
Contract At Contract Value	62,156,982	64,286,332
 Receivables		
Notes receivable from participants	10,193,340	9,938,059
Company contributions	9,015,342	7,837,583
Total Receivables	19,208,682	17,775,642
 Net Assets Available For Benefits	 \$ 953,823,112	 \$ 774,363,616

LEONARDO DRS, INC. 401(k) PLAN

**STATEMENT OF CHANGES IN NET ASSETS
AVAILABLE FOR BENEFITS**

	For The Years Ended December 31,	
	2019	2018
Additions To Net Assets Attributed To:		
Contributions		
Participant	\$ 43,963,337	\$ 39,947,301
Company	20,159,444	16,095,519
Rollover	8,267,327	10,061,393
Total Contributions	72,390,108	66,104,213
Deductions From Net Assets Attributed To:		
Benefits paid to participants	66,673,486	68,978,658
Administrative expenses	582,489	634,320
Total Deductions	67,255,975	69,612,978
Investment Income (Loss)		
Net appreciation (depreciation) in fair value of investments	163,785,288	(48,567,072)
Dividends and interest	9,417,093	10,578,004
Net Investment Income (Loss)	173,202,381	(37,989,068)
Interest Income On Notes Receivable From Participants	551,216	473,345
Net Increase (Decrease) Before Asset Transfers	178,887,730	(41,024,488)
Transfers To Leonardo DRS, Inc. 401(k) Plan	571,766	—
Net Increase (Decrease) After Asset Transfers	179,459,496	(41,024,488)
Net Assets Available For Benefits - Beginning Of Year	774,363,616	815,388,104
Net Assets Available For Benefits - End Of Year	\$ 953,823,112	\$ 774,363,616

LEONARDO DRS, INC. 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 And 2018

1. Description Of The Plan

The following description of Leonardo DRS, Inc. 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan Document for a more complete description of the Plan's provisions.

The Plan is sponsored by Leonardo DRS, Inc. (the Company), a Leonardo Company. The Plan is a defined contribution plan covering substantially all employees of the Company. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended. The trustee and recordkeeper of the Plan is Fidelity Management Trust Company.

The Company's subsidiaries and affiliates whose U.S. employees participate in the Plan are as follows:

- DRS Daylight Solutions, Inc.
- DRS Consolidated Controls, Inc.
- DRS Environmental Systems, Inc.
- DRS Advanced ISR, LLC
- DRS Network & Imaging Systems, LLC
- DRS Naval Power Systems, Inc.
- DRS Power Technology, Inc.
- Advanced Acoustic Concepts, LLC
- DRS Sustainment Systems, Inc.
- DRS Technical Services GmbH & Co. KG
- DRS Global Enterprise Solutions, Inc.
- DRS Training & Control Systems, LLC
- DRS Signal Solutions, Inc.
- Laurel Technologies Partnership
- Engineered Coil Company

Eligibility

Employees are eligible to participate in the Plan upon attaining the age of 18. Participants may enter the Plan on the first day of the month following their date of eligibility, or at any time thereafter.

Contributions

Participants may contribute up to 80% of eligible compensation, as defined by the Plan Document, on a pre-tax basis or up to Internal Revenue Service (IRS). Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified pre-tax defined benefit or contribution plans (rollover).

The Company may make discretionary matching contributions. During the years ended December 31, 2019 and 2018, the Company's matching contributions ranged from 90% to 100% of the participant's pre-tax contributions, up to 5% or 6% of eligible compensation.

Participants direct the investment of all contributions to the Plan.

LEONARDO DRS, INC. 401(k) PLAN

Notes To Financial Statements (*Continued*)

Effective December 21, 2018, the Company amended the Plan to add a ROTH 401(k) contribution option for eligible participants.

Participant Accounts

Each participant's account is credited with the participant's contributions, Company matching contributions and an allocation of Plan earnings (losses). Allocations are based on participant earnings (losses) or account balances, as defined by the Plan Document. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are immediately vested in their contributions plus actual earnings (losses) thereon and Company matching contributions.

Forfeitures

Forfeited nonvested accounts are used to reduce future Company contributions or to pay Plan expenses. During the years ended December 31, 2019 and 2018, forfeitures of approximately \$983,000 and \$1,585,000, respectively, were used to reduce Company contributions. Forfeited nonvested accounts available at December 31, 2019 and 2018 were approximately \$668,000 and \$1,111,000, respectively.

Notes Receivable From Participants

Participants may borrow from their account a minimum of \$1,000, up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. Loan terms range from one to five years; however, terms may extend to ten years for the purchase of a primary residence. Loans are secured by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined by the Plan Administrator. Principal and interest are paid ratably through payroll deductions.

Payment Of Benefits

On termination of service, death, becoming disabled or retirement, a participant may elect to receive a lump-sum amount equal to the value of the participant's vested interest in his or her account.

In-Service Withdrawals

Active participants who reach age 59-1/2 may withdraw all or part of their vested accounts.

LEONARDO DRS, INC. 401(k) PLAN

Notes To Financial Statements (*Continued*)

Active participants who experience a qualifying financial hardship may withdraw from the Plan a portion of their vested account, as defined by the Plan Document. Hardship withdrawals will be approved only if they conform to Plan provisions and established safe harbors under the Internal Revenue Code (the Code).

Administrative Expenses

Administrative expenses paid by the Plan include recordkeeping, maintenance, and transactional fees. All other expenses are paid for by the Company.

2. Basis Of Accounting

The financial statements of the Plan are prepared using the accrual basis of accounting.

Estimates And Assumptions

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan Administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein and, when applicable, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions to and deductions from net assets during the reporting period. Actual results could differ from those estimates.

Investment Valuation And Income Recognition

Investments, other than fully benefit-responsive investment contracts, are reported at fair value. Fair value is the price that would be received in an asset sale or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for a discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Interest income is recorded as earned on the accrual basis. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold, as well as held during the year.

LEONARDO DRS, INC. 401(k) PLAN

Notes To Financial Statements *(Continued)*

Investment contracts held by a defined contribution plan that are fully benefit-responsive investment contracts are reported at contract value, rather than fair value, because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Plan's investment in the Prudential Core Conservative Bond Fund is a fully benefit-responsive investment contract and is reported at contract value in the statement of net assets available for benefits.

Notes Receivable From Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2019 or 2018. If a participant ceases to make loan repayments and the Plan Administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

Payment Of Benefits

Benefits are recorded when paid.

3. Certified Financial Information

Financial information related to the Plan's investments and related earnings (losses) thereon, as of and for the years ended December 31, 2019 and 2018, are included in the accompanying financial statements and are based on information provided by the Trustee. This information, which has not been audited by the Plan's independent auditors, has been certified to as complete and accurate by the Trustee.

4. Fair Value Measurements

The Plan utilizes an established framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value:

Mutual Funds And Money Market Funds

Valued at the daily closing price as reported by the funds. Mutual funds and the money market funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds and the money market funds held by the Plan are deemed to be actively traded.

Collective Trust Funds

Valued at the NAV of units of a collective trust. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV.

Common Stocks

Valued at the closing price reported on the active market on which the individual securities are traded.

The preceding methods described may produce fair value calculations that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

LEONARDO DRS, INC. 401(k) PLAN

Notes To Financial Statements (Continued)

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of:

	December 31, 2019			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 301,860,552	\$ —	\$ —	\$ 301,860,552
Common stocks	192,692,283	—	—	192,692,283
Money market funds	2,628,970	—	—	2,628,970
Total Assets Included In The Fair Value Hierarchy	\$ 497,181,805	\$ —	\$ —	497,181,805
Investments measured at net asset value (a)				375,275,643
Total Assets At Fair Value				\$ 872,457,448

	December 31, 2018			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 244,356,082	\$ —	\$ —	\$ 244,356,082
Common stocks	149,756,168	—	—	149,756,168
Money market fund	4,324,375	—	—	4,324,375
Total Assets Included In The Fair Value Hierarchy	\$ 398,436,625	\$ —	\$ —	398,436,625
Investments measured at net asset value (a)				293,865,017
Total Assets At Fair Value				\$ 692,301,642

- (a) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of net assets available for benefits.

Fair Value Of Investments In Entities That Use NAV

The following table summarizes investments measured at fair value based on NAV per share as of December 31, 2019 and 2018:

Investment Type	Fair Value		Unfunded Commitments	Redemption Frequency	Redemption Notice Period
	2019	2018			
Collective trust funds	\$ 375,275,643	\$ 293,865,017	None	Daily	None

There have been no changes in valuation methodologies used at December 31, 2019 or 2018.

5. Fully Benefit-Responsive Investment Contract

The Plan invests in a stable value fund (the Fund), a benefit-responsive investment managed exclusively for the Plan by The Prudential Insurance Company of America (Prudential). Prudential maintains the contributions in a managed account, which is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The Fund's key objectives are to provide preservation of principal, maintain a stable interest rate and provide daily liquidity at contract value for participant withdrawals and transfers in accordance with the provisions of the Plan.

The Fund invests in a synthetic guaranteed investment contract (synthetic GIC), a wrap contract paired with an underlying investment in a collective trust fund, the Prudential Core Conservative Bond Fund. The synthetic GIC credits a stated interest rate for a specified period of time. Investment gains and losses are amortized over the expected duration through the calculation of the interest rate applicable to the Plan on a prospective basis. The synthetic GIC provides for a variable crediting rate, which typically resets quarterly, and the issuer of the wrap contract provides assurance that future adjustments to the crediting rate cannot result in a crediting rate less than zero. The average credit rate at December 31, 2019 and 2018 was 2.34% and 2.25%, respectively.

As described in Note 2, because the Fund is fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the Fund. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (1) material, adverse amendments to the Plan documents (including complete or partial Plan termination or merger with another plan) or (2) the decision by the Company to withdraw all assets from the funds and reinvest in another investment vehicle. The Plan Administrator does not believe that the occurrence of any such event, which would limit the Plan's ability to transact at contract value with participants, is probable.

6. Tax Status

The Internal Revenue Service has determined and informed the Company by a letter dated August 2, 2010, that the Plan and related trust are designed in accordance with applicable sections of the Code. The Plan has been amended since receiving the tax determination letter. However, the Plan Administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the Code

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by a government authority. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan Administrator believes the Plan is no longer subject to income tax examinations for years prior to 2016.

7. Party In Interest Transactions

Certain investments are shares of mutual funds managed by an affiliate of the Trustee, and therefore, these transactions qualify as party in interest transactions.

8. Risks And Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, and that such changes could materially affect the participants' account balances and the amounts reported in the statement of net assets available for benefits.

9. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants remain 100% vested in their accounts.

LEONARDO DRS, INC. 401(k) PLAN

Notes To Financial Statements *(Continued)*

10. Reconciliation Of Financial Statements To Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements as of December 31, 2019 and 2018 to Form 5500:

	<u>2019</u>	<u>2018</u>
Net assets available for benefits per the financial statements	\$ 953,823,112	\$ 774,363,616
Adjustment for deemed loans	<u>64,577</u>	<u>37,462</u>
Net assets available for benefits per the Form 5500	<u>\$ 953,887,689</u>	<u>\$ 774,401,078</u>

The following is a reconciliation of the net increase per the financial statements for the year ended December 31, 2019 to Form 5500:

Net increase per the financial statements	\$ 179,459,496
Transfers in	(571,766)
Change in adjustment for deemed loans	<u>27,115</u>
Net income per Form 5500	<u>\$ 178,914,845</u>

11. Subsequent Events

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security (CARES) Act was passed by Congress. The CARES Act provides immediate and temporary relief for retirement plan sponsors and their participants with respect to employer contributions, distributions and participant loans. The provisions of the CARES Act may be effective and operationalized immediately, prior to amending the Plan document. Plan management has adopted certain relief provisions included in the CARES Act and continues to evaluate other provisions.

Management evaluates subsequent events through the date the financial statements are available for issue, which is the date of the Independent Auditors' Report.

Supplemental Schedule

LEONARDO DRS, INC. 401(k) PLAN

EIN: 13-2632319 PLAN NUMBER: 001
SCHEDULE OF ASSETS HELD AT END OF YEAR

Page 1 Of 5
December 31, 2019

Identity Of Issuer, Borrower, Lessor Or Similar Party	Description Of Investments	Fair Value
Mutual Funds		
Dodge & Cox	Large Value Equity	\$ 33,154,773
Westwood Funds	Small Cap Val Inst	32,759,561
Transamerica	Mid Cap Value Opportunity R6	31,538,539
Prudential	Core Plus Bond Fund Class 12	6,727,698
* Fidelity Investments	International Index	5,391,414
* Fidelity Investments	Diversified International	43,154,494
* Fidelity Investments	U.S. Bond Index	43,620,774
* Fidelity Investments	500 Index	87,466,275
* Fidelity Investments	Emerging Markets Index	4,374,341
* Fidelity Investments	Extended Markets Index	13,672,683
	Total Mutual Funds	<u>301,860,552</u>
Collective Trust Funds		
BlackRock	Strategic Completion Non-Lendable	1,344,076
Vanguard Group	Vanguard Target Retirement	15,512,301
Vanguard Group	Vanguard Target 2015	9,382,118
Vanguard Group	Vanguard Target 2020	59,586,495
Vanguard Group	Vanguard Target 2025	75,838,679
Vanguard Group	Vanguard Target 2030	63,700,182
Vanguard Group	Vanguard Target 2035	49,178,310
Vanguard Group	Vanguard Target 2040	37,830,676
Vanguard Group	Vanguard Target 2045	28,332,022
Vanguard Group	Vanguard Target 2050	20,157,584
Vanguard Group	Vanguard Target 2055	9,877,993
Vanguard Group	Vanguard Target 2060	3,732,231
Vanguard Group	Vanguard Target 2065	802,976
	Total Collective Trust Funds	<u>375,275,643</u>
Fully Benefit-Response Investment Contract		
Prudential Trust Company	Prudential Core Conservative Bond Fund	<u>62,156,982</u>
Balance Carried Forward		<u>739,293,177</u>

LEONARDO DRS, INC. 401(k) PLAN

EIN: 13-2632319 PLAN NUMBER: 001
SCHEDULE OF ASSETS HELD AT END OF YEAR

Page 2 Of 5
December 31, 2019

Identity Of Issuer, Borrower, Lessor Or Similar Party	Description Of Investment	Current Value
Balance Brought Forward		\$ 739,293,177
Common Stocks		
	ADVANCED MICRO DEVICES INC	2,953,980
	AGILENT TECHNOLOGIES INC	820,256
	ALEXION PHARMACEUTICALS INC	1,142,929
	ALIBABA GROUP HOLDING LTD SPON ADR	3,482,894
	ALPHABET INC CL A	7,623,808
	ALPHABET INC CL C	3,027,013
	AMAZON.COM INC	9,706,704
	APPLE INC	4,369,218
	APTIV PLC	2,944,450
	ARGENX SE SPONSORED ADR	857,337
	ARISTA NETWORKS INC	960,455
	ASCENDIS PHARMA AS SPON ADR	1,274,200
	ASML HLDG NV (NY REG SHS) NEW YORK RI	1,785,998
	ATLASSIAN CORP PLC CLS A	2,550,366
	AURORA INNOVATION SER B PC PP	95,914
	AVANTOR INC	759,342
	BECTON DICKINSON & CO	2,371,034
	BEYOND MEAT INC	132,678
	BOEING CO	5,650,633
	BOSTON SCIENTIFIC CORP	2,140,217
	BROADRIDGE FINANCIAL SOL	782,997
	BURLINGTON STORES INC	1,017,014
	CANADA GOOSE HOLDINGS INC	486,884
	CARVANA CO CL A	368,200
	CATALENT INC	1,217,488
	CENTENE CORP	1,606,014
	CERIDIAN HCM HLDG INC	1,109,634
	CHIPOTLE MEXICAN GRILL INC	571,746
	CIGNA CORP	2,587,412
	CINTAS CORP	672,700
	CMS ENERGY CORP	331,732
	COGNEX CORP	899,330
	CONCHO RESOURCES INC	718,074
	COSTAR GROUP INC	907,621
	CREE INC	629,394
	DEXCOM INC	1,611,020
	DOLLAR GENERAL CORP	1,870,200
	EDWARDS LIFESCIENCES CORP	715,967
	EXACT SCIENCES CORP	1,254,029
	FACEBOOK INC CL A	8,150,683
Balance Carried Forward		821,450,742

LEONARDO DRS, INC. 401(k) PLAN

EIN: 13-2632319 PLAN NUMBER: 001
SCHEDULE OF ASSETS HELD AT END OF YEAR

Page 3 Of 5
December 31, 2019

Identity Of Issuer, Borrower, Lessor Or Similar Party	Description Of Investment	Current Value
Balance Brought Forward		\$ 821,450,742
Common Stocks		
	FIDELITY NATL INFORM SVCS INC	3,141,904
	FIRST REPUBLIC BANK	639,515
	FIRST SOLAR INC	725,409
	FORTIVE CORP	1,172,968
	GARDNER DENVER HOLDINGS INC	797,570
	GENMAB AS SP ADR	1,364,028
	GLOBAL PAYMENTS INC	7,425,993
	GUIDEWIRE SOFTWARE INC	1,980,580
	HASBRO INC	837,382
	HCA HEALTHCARE INC	2,233,557
	HILTON WORLDWIDE HOLDINGS INC	1,072,167
	HONEYWELL INTL INC	593,304
	HUBSPOT INC	1,124,399
	HUMANA INC	730,841
	HUNT J B TRANSPORT SERVICES IN	593,359
	IAC/INTERACTIVECORP	1,085,621
	IHS MARKIT LTD	2,307,066
	INTERCONTINENTAL EXCHANGE INC	813,144
	INTUIT INC	2,646,803
	INTUITIVE SURGICAL INC	2,558,497
	L3HARRIS TECHNOLOGIES INC	2,072,293
	LAS VEGAS SANDS CORP	181,851
	LULULEMON ATHLETICA INC	1,498,673
	MARVELL TECHNOLOGY GROUP LTD	1,068,509
	MASCO CORPORATION	699,406
	MICROSOFT CORP	9,922,011
	MOTOROLA SOLUTIONS INC	1,523,418
	MSCI INC	526,687
	NETFLIX INC	1,713,627
	NEW YORK TIMES CO CL A	1,007,597
	NEXTERA ENERGY	1,670,904
	NIKE INC CL B	1,157,973
	NORFOLK SOUTHERN CORP	640,629
	OKTA INC CL A	252,545
	OLLIES BARGAIN OUTLET HOLDINGS INC	642,454
	PAGSEGURO DIGITAL LTD CL A	811,368
	PAYCOM SOFTWARE INC	271,909
	PAYPAL HLDGS INC	1,717,956
	PHILIP MORRIS INTL INC	468,931
	PROGRESSIVE CORP OHIO	405,094
Balance Carried Forward		883,548,684

LEONARDO DRS, INC. 401(k) PLAN

EIN: 13-2632319 PLAN NUMBER: 001
SCHEDULE OF ASSETS HELD AT END OF YEAR

Page 4 Of 5
December 31, 2019

Identity Of Issuer, Borrower, Lessor Or Similar Party	Description Of Investment	Current Value
Balance Brought Forward		\$ 883,548,684
Common Stocks		
	RESTAURANT BRANDS INTERNATIONAL INC	622,140
	ROPER TECHNOLOGIES INC	1,472,180
	ROSS STORES INC	1,454,901
	SAGE THERAPEUTICS INC	214,116
	SALESFORCE.COM INC	2,227,517
	SAREPTA THERAPEUTICS INC	406,863
	SCHWAB CHARLES CORP	834,868
	SEMPRA ENERGY	866,920
	SERVICENOW INC	1,326,339
	SKYWORKS SOLUTIONS INC	877,710
	SLACK TECHNOLOGIES INC CL A	373,550
	SPLUNK INC	1,688,807
	SPOTIFY TECHNOLOGY SA	1,909,754
	STRIPE INC CLASS B PP	52,059
	STRYKER CORP	2,781,705
	TAKE-TWO INTERACTV SOFTWR INC	694,790
	TD AMERITRADE HOLDING CORP	500,479
	TENCENT HOLDINGS LTD UNS ADR	2,971,003
	TENCENT MUSIC ENTERTAINMENT ADR	463,730
	THE BOOKING HOLDINGS INC	1,386,268
	TRADE DESK INC	434,092
	TRADEWEB MARKETS INC A	260,811
	TRANSUNION	1,172,515
	TRIMBLE INC	943,320
	TRIP.COM GROUP LTD ADR	446,753
	UBER TECHNOLOGIES INC	266,649
	UNITEDHEALTH GROUP INC	2,168,396
	VEEVA SYS INC CL A	2,008,062
	VERISK ANALYTICS INC	264,182
	VERTEX PHARMACEUTICALS INC	2,024,193
	VISA INC CL A	6,748,804
	VMWARE INC CL A	1,389,789
	WAYFAIR INC	353,708
	WELLCARE HEALTH PLANS INC	592,067
	WEST PHARMACEUTICAL SVCS INC	1,108,533
	WORKDAY INC CL A	945,423
	WYNN RESORTS LTD	354,119
	XP INC CL A	138,788
	ZOOM VIDEO COMMUNICATIONS INC CL A	1,038,631
	ZSCALER INC	641,421
	ZYNGA INC	1,451,939
	Total Common Stocks	192,133,401
Balance Carried Forward		931,426,578

LEONARDO DRS, INC. 401(k) PLAN

EIN: 13-2632319 PLAN NUMBER: 001
SCHEDULE OF ASSETS HELD AT END OF YEAR

Page 5 Of 5
December 31, 2019

Identity Of Issuer, Borrower, Lessor Or Similar Party	Description Of Investment	Current Value
Balance Brought Forward		<u>\$ 931,426,578</u>
Fixed Income		
Rivian Automotive Inc	Series D PFD PERP PP	379,543
UIPath Inc	0% Ser D-1 PFD PERP PP	142,847
UIPath Inc	0% Ser D-2 PFD PERP PP	23,965
	Total Fixed Income	<u>546,355</u>
Money Market Funds		
JP Morgan	U.S. Government Money Market Fund	2,561,020
T. Rowe Price	Government Money Fund	67,950
	Total Money Market Funds	<u>2,628,970</u>
Cash		12,527
* Notes Receivable From Participants	Interest rates ranging 4.25% to 6.50%, with maturity dates through December 2029	<u>10,193,340</u>
		<u><u>\$ 944,807,770</u></u>

The above information is a required disclosure for IRS Form 5500, Schedule H, Part IV, line 4i.

LEONARDO DRS, INC. 401(K) PLAN

FINANCIAL STATEMENTS

DECEMBER 31, 2019

Index

Page

Independent Auditors' Report..... 1 - 2

Financial Statements

Statement Of Net Assets Available For Benefits3

Statement Of Changes In Net Assets Available
For Benefits4

Notes To Financial Statements..... 5 - 14

Supplemental Schedule

Schedule Of Assets Held At End Of Year 15 - 19



RubinBrown LLP
Certified Public Accountants &
Business Consultants

One North Brentwood
Saint Louis, MO 63105

T 314.290.3300

F 314.290.3400

W rubinbrown.com

E info@rubinbrown.com

Leonardo DRS, Inc. Retirement
Benefit Plans Committee
Leonardo DRS, Inc. 401(k) Plan
Arlington, Virginia

Report On The Financial Statements

We were engaged to audit the accompanying financial statements of Leonardo DRS, Inc. 401(k) Plan, which comprise the statement of net assets available for benefits as of December 31, 2019 and 2018, and the related statement of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility For The Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis For Disclaimer Of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis For Disclaimer Of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Fidelity Management Trust Company, the Trustee, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan Administrator that the Trustee holds investment assets and executes investment transactions. The Plan Administrator has obtained certifications from the Trustee as of December 31, 2019 and 2018, and for the years then ended, that the information provided to the Plan Administrator by the Trustee is complete and accurate.

Disclaimer Of Opinion

Because of the significance of the matter described in the Basis For Disclaimer Of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter

The supplemental schedule of assets held at end of year as of December 31, 2019 is required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, and is presented for the purpose of additional analysis, and is not a required part of the financial statements. Because of the significance of the matter described in the Basis For Disclaimer Of Opinion paragraph, we do not express an opinion on this supplemental schedule.

Report On Form And Content In Compliance With DOL Rules And Regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the Trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

RubinBrown LLP

September 21, 2020

LEONARDO DRS, INC. 401(k) PLAN

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

	December 31,	
	2019	2018
Assets		
Investments - At Fair Value		
Mutual funds	\$ 301,860,552	\$ 244,356,082
Collective trust funds	375,275,643	293,865,017
Common stocks	192,692,283	149,756,168
Money market funds	2,628,970	4,324,375
Total Investments - At Fair Value	872,457,448	692,301,642
 Fully Benefit-Responsive Investment		
Contract At Contract Value	62,156,982	64,286,332
 Receivables		
Notes receivable from participants	10,193,340	9,938,059
Company contributions	9,015,342	7,837,583
Total Receivables	19,208,682	17,775,642
 Net Assets Available For Benefits	 \$ 953,823,112	 \$ 774,363,616

LEONARDO DRS, INC. 401(k) PLAN

**STATEMENT OF CHANGES IN NET ASSETS
AVAILABLE FOR BENEFITS**

	For The Years Ended December 31,	
	2019	2018
Additions To Net Assets Attributed To:		
Contributions		
Participant	\$ 43,963,337	\$ 39,947,301
Company	20,159,444	16,095,519
Rollover	8,267,327	10,061,393
Total Contributions	72,390,108	66,104,213
Deductions From Net Assets Attributed To:		
Benefits paid to participants	66,673,486	68,978,658
Administrative expenses	582,489	634,320
Total Deductions	67,255,975	69,612,978
Investment Income (Loss)		
Net appreciation (depreciation) in fair value of investments	163,785,288	(48,567,072)
Dividends and interest	9,417,093	10,578,004
Net Investment Income (Loss)	173,202,381	(37,989,068)
Interest Income On Notes Receivable From Participants	551,216	473,345
Net Increase (Decrease) Before Asset Transfers	178,887,730	(41,024,488)
Transfers To Leonardo DRS, Inc. 401(k) Plan	571,766	—
Net Increase (Decrease) After Asset Transfers	179,459,496	(41,024,488)
Net Assets Available For Benefits - Beginning Of Year	774,363,616	815,388,104
Net Assets Available For Benefits - End Of Year	\$ 953,823,112	\$ 774,363,616

LEONARDO DRS, INC. 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 And 2018

1. Description Of The Plan

The following description of Leonardo DRS, Inc. 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan Document for a more complete description of the Plan's provisions.

The Plan is sponsored by Leonardo DRS, Inc. (the Company), a Leonardo Company. The Plan is a defined contribution plan covering substantially all employees of the Company. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended. The trustee and recordkeeper of the Plan is Fidelity Management Trust Company.

The Company's subsidiaries and affiliates whose U.S. employees participate in the Plan are as follows:

- DRS Daylight Solutions, Inc.
- DRS Consolidated Controls, Inc.
- DRS Environmental Systems, Inc.
- DRS Advanced ISR, LLC
- DRS Network & Imaging Systems, LLC
- DRS Naval Power Systems, Inc.
- DRS Power Technology, Inc.
- Advanced Acoustic Concepts, LLC
- DRS Sustainment Systems, Inc.
- DRS Technical Services GmbH & Co. KG
- DRS Global Enterprise Solutions, Inc.
- DRS Training & Control Systems, LLC
- DRS Signal Solutions, Inc.
- Laurel Technologies Partnership
- Engineered Coil Company

Eligibility

Employees are eligible to participate in the Plan upon attaining the age of 18. Participants may enter the Plan on the first day of the month following their date of eligibility, or at any time thereafter.

Contributions

Participants may contribute up to 80% of eligible compensation, as defined by the Plan Document, on a pre-tax basis or up to Internal Revenue Service (IRS). Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified pre-tax defined benefit or contribution plans (rollover).

The Company may make discretionary matching contributions. During the years ended December 31, 2019 and 2018, the Company's matching contributions ranged from 90% to 100% of the participant's pre-tax contributions, up to 5% or 6% of eligible compensation.

Participants direct the investment of all contributions to the Plan.

LEONARDO DRS, INC. 401(k) PLAN

Notes To Financial Statements (*Continued*)

Effective December 21, 2018, the Company amended the Plan to add a ROTH 401(k) contribution option for eligible participants.

Participant Accounts

Each participant's account is credited with the participant's contributions, Company matching contributions and an allocation of Plan earnings (losses). Allocations are based on participant earnings (losses) or account balances, as defined by the Plan Document. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are immediately vested in their contributions plus actual earnings (losses) thereon and Company matching contributions.

Forfeitures

Forfeited nonvested accounts are used to reduce future Company contributions or to pay Plan expenses. During the years ended December 31, 2019 and 2018, forfeitures of approximately \$983,000 and \$1,585,000, respectively, were used to reduce Company contributions. Forfeited nonvested accounts available at December 31, 2019 and 2018 were approximately \$668,000 and \$1,111,000, respectively.

Notes Receivable From Participants

Participants may borrow from their account a minimum of \$1,000, up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. Loan terms range from one to five years; however, terms may extend to ten years for the purchase of a primary residence. Loans are secured by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined by the Plan Administrator. Principal and interest are paid ratably through payroll deductions.

Payment Of Benefits

On termination of service, death, becoming disabled or retirement, a participant may elect to receive a lump-sum amount equal to the value of the participant's vested interest in his or her account.

In-Service Withdrawals

Active participants who reach age 59-1/2 may withdraw all or part of their vested accounts.

LEONARDO DRS, INC. 401(k) PLAN

Notes To Financial Statements (*Continued*)

Active participants who experience a qualifying financial hardship may withdraw from the Plan a portion of their vested account, as defined by the Plan Document. Hardship withdrawals will be approved only if they conform to Plan provisions and established safe harbors under the Internal Revenue Code (the Code).

Administrative Expenses

Administrative expenses paid by the Plan include recordkeeping, maintenance, and transactional fees. All other expenses are paid for by the Company.

2. Basis Of Accounting

The financial statements of the Plan are prepared using the accrual basis of accounting.

Estimates And Assumptions

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan Administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein and, when applicable, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions to and deductions from net assets during the reporting period. Actual results could differ from those estimates.

Investment Valuation And Income Recognition

Investments, other than fully benefit-responsive investment contracts, are reported at fair value. Fair value is the price that would be received in an asset sale or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for a discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Interest income is recorded as earned on the accrual basis. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold, as well as held during the year.

LEONARDO DRS, INC. 401(k) PLAN

Notes To Financial Statements *(Continued)*

Investment contracts held by a defined contribution plan that are fully benefit-responsive investment contracts are reported at contract value, rather than fair value, because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Plan's investment in the Prudential Core Conservative Bond Fund is a fully benefit-responsive investment contract and is reported at contract value in the statement of net assets available for benefits.

Notes Receivable From Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2019 or 2018. If a participant ceases to make loan repayments and the Plan Administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

Payment Of Benefits

Benefits are recorded when paid.

3. Certified Financial Information

Financial information related to the Plan's investments and related earnings (losses) thereon, as of and for the years ended December 31, 2019 and 2018, are included in the accompanying financial statements and are based on information provided by the Trustee. This information, which has not been audited by the Plan's independent auditors, has been certified to as complete and accurate by the Trustee.

4. Fair Value Measurements

The Plan utilizes an established framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value:

Mutual Funds And Money Market Funds

Valued at the daily closing price as reported by the funds. Mutual funds and the money market funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds and the money market funds held by the Plan are deemed to be actively traded.

Collective Trust Funds

Valued at the NAV of units of a collective trust. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV.

Common Stocks

Valued at the closing price reported on the active market on which the individual securities are traded.

The preceding methods described may produce fair value calculations that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

LEONARDO DRS, INC. 401(k) PLAN

Notes To Financial Statements (Continued)

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of:

	December 31, 2019			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 301,860,552	\$ —	\$ —	\$ 301,860,552
Common stocks	192,692,283	—	—	192,692,283
Money market funds	2,628,970	—	—	2,628,970
Total Assets Included In The Fair Value Hierarchy	\$ 497,181,805	\$ —	\$ —	497,181,805
Investments measured at net asset value (a)				375,275,643
Total Assets At Fair Value				\$ 872,457,448

	December 31, 2018			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 244,356,082	\$ —	\$ —	\$ 244,356,082
Common stocks	149,756,168	—	—	149,756,168
Money market fund	4,324,375	—	—	4,324,375
Total Assets Included In The Fair Value Hierarchy	\$ 398,436,625	\$ —	\$ —	398,436,625
Investments measured at net asset value (a)				293,865,017
Total Assets At Fair Value				\$ 692,301,642

- (a) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of net assets available for benefits.

Fair Value Of Investments In Entities That Use NAV

The following table summarizes investments measured at fair value based on NAV per share as of December 31, 2019 and 2018:

Investment Type	Fair Value		Unfunded Commitments	Redemption Frequency	Redemption Notice Period
	2019	2018			
Collective trust funds	\$ 375,275,643	\$ 293,865,017	None	Daily	None

There have been no changes in valuation methodologies used at December 31, 2019 or 2018.

5. Fully Benefit-Responsive Investment Contract

The Plan invests in a stable value fund (the Fund), a benefit-responsive investment managed exclusively for the Plan by The Prudential Insurance Company of America (Prudential). Prudential maintains the contributions in a managed account, which is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The Fund's key objectives are to provide preservation of principal, maintain a stable interest rate and provide daily liquidity at contract value for participant withdrawals and transfers in accordance with the provisions of the Plan.

The Fund invests in a synthetic guaranteed investment contract (synthetic GIC), a wrap contract paired with an underlying investment in a collective trust fund, the Prudential Core Conservative Bond Fund. The synthetic GIC credits a stated interest rate for a specified period of time. Investment gains and losses are amortized over the expected duration through the calculation of the interest rate applicable to the Plan on a prospective basis. The synthetic GIC provides for a variable crediting rate, which typically resets quarterly, and the issuer of the wrap contract provides assurance that future adjustments to the crediting rate cannot result in a crediting rate less than zero. The average credit rate at December 31, 2019 and 2018 was 2.34% and 2.25%, respectively.

As described in Note 2, because the Fund is fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the Fund. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (1) material, adverse amendments to the Plan documents (including complete or partial Plan termination or merger with another plan) or (2) the decision by the Company to withdraw all assets from the funds and reinvest in another investment vehicle. The Plan Administrator does not believe that the occurrence of any such event, which would limit the Plan's ability to transact at contract value with participants, is probable.

6. Tax Status

The Internal Revenue Service has determined and informed the Company by a letter dated August 2, 2010, that the Plan and related trust are designed in accordance with applicable sections of the Code. The Plan has been amended since receiving the tax determination letter. However, the Plan Administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the Code

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by a government authority. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan Administrator believes the Plan is no longer subject to income tax examinations for years prior to 2016.

7. Party In Interest Transactions

Certain investments are shares of mutual funds managed by an affiliate of the Trustee, and therefore, these transactions qualify as party in interest transactions.

8. Risks And Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, and that such changes could materially affect the participants' account balances and the amounts reported in the statement of net assets available for benefits.

9. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants remain 100% vested in their accounts.

LEONARDO DRS, INC. 401(k) PLAN

Notes To Financial Statements *(Continued)*

10. Reconciliation Of Financial Statements To Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements as of December 31, 2019 and 2018 to Form 5500:

	<u>2019</u>	<u>2018</u>
Net assets available for benefits per the financial statements	\$ 953,823,112	\$ 774,363,616
Adjustment for deemed loans	<u>64,577</u>	<u>37,462</u>
Net assets available for benefits per the Form 5500	<u>\$ 953,887,689</u>	<u>\$ 774,401,078</u>

The following is a reconciliation of the net increase per the financial statements for the year ended December 31, 2019 to Form 5500:

Net increase per the financial statements	\$ 179,459,496
Transfers in	(571,766)
Change in adjustment for deemed loans	<u>27,115</u>
Net income per Form 5500	<u>\$ 178,914,845</u>

11. Subsequent Events

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security (CARES) Act was passed by Congress. The CARES Act provides immediate and temporary relief for retirement plan sponsors and their participants with respect to employer contributions, distributions and participant loans. The provisions of the CARES Act may be effective and operationalized immediately, prior to amending the Plan document. Plan management has adopted certain relief provisions included in the CARES Act and continues to evaluate other provisions.

Management evaluates subsequent events through the date the financial statements are available for issue, which is the date of the Independent Auditors' Report.

Supplemental Schedule

LEONARDO DRS, INC. 401(k) PLAN

EIN: 13-2632319 PLAN NUMBER: 001
SCHEDULE OF ASSETS HELD AT END OF YEAR

Page 1 Of 5
December 31, 2019

Identity Of Issuer, Borrower, Lessor Or Similar Party	Description Of Investments	Fair Value
Mutual Funds		
Dodge & Cox	Large Value Equity	\$ 33,154,773
Westwood Funds	Small Cap Val Inst	32,759,561
Transamerica	Mid Cap Value Opportunity R6	31,538,539
Prudential	Core Plus Bond Fund Class 12	6,727,698
* Fidelity Investments	International Index	5,391,414
* Fidelity Investments	Diversified International	43,154,494
* Fidelity Investments	U.S. Bond Index	43,620,774
* Fidelity Investments	500 Index	87,466,275
* Fidelity Investments	Emerging Markets Index	4,374,341
* Fidelity Investments	Extended Markets Index	13,672,683
	Total Mutual Funds	<u>301,860,552</u>
Collective Trust Funds		
BlackRock	Strategic Completion Non-Lendable	1,344,076
Vanguard Group	Vanguard Target Retirement	15,512,301
Vanguard Group	Vanguard Target 2015	9,382,118
Vanguard Group	Vanguard Target 2020	59,586,495
Vanguard Group	Vanguard Target 2025	75,838,679
Vanguard Group	Vanguard Target 2030	63,700,182
Vanguard Group	Vanguard Target 2035	49,178,310
Vanguard Group	Vanguard Target 2040	37,830,676
Vanguard Group	Vanguard Target 2045	28,332,022
Vanguard Group	Vanguard Target 2050	20,157,584
Vanguard Group	Vanguard Target 2055	9,877,993
Vanguard Group	Vanguard Target 2060	3,732,231
Vanguard Group	Vanguard Target 2065	802,976
	Total Collective Trust Funds	<u>375,275,643</u>
Fully Benefit-Response Investment Contract		
Prudential Trust Company	Prudential Core Conservative Bond Fund	<u>62,156,982</u>
Balance Carried Forward		<u>739,293,177</u>

LEONARDO DRS, INC. 401(k) PLAN

EIN: 13-2632319 PLAN NUMBER: 001
SCHEDULE OF ASSETS HELD AT END OF YEAR

Page 2 Of 5
December 31, 2019

Identity Of Issuer, Borrower, Lessor Or Similar Party	Description Of Investment	Current Value
Balance Brought Forward		\$ 739,293,177
Common Stocks		
	ADVANCED MICRO DEVICES INC	2,953,980
	AGILENT TECHNOLOGIES INC	820,256
	ALEXION PHARMACEUTICALS INC	1,142,929
	ALIBABA GROUP HOLDING LTD SPON ADR	3,482,894
	ALPHABET INC CL A	7,623,808
	ALPHABET INC CL C	3,027,013
	AMAZON.COM INC	9,706,704
	APPLE INC	4,369,218
	APTIV PLC	2,944,450
	ARGENX SE SPONSORED ADR	857,337
	ARISTA NETWORKS INC	960,455
	ASCENDIS PHARMA AS SPON ADR	1,274,200
	ASML HLDG NV (NY REG SHS) NEW YORK RI	1,785,998
	ATLASSIAN CORP PLC CLS A	2,550,366
	AURORA INNOVATION SER B PC PP	95,914
	AVANTOR INC	759,342
	BECTON DICKINSON & CO	2,371,034
	BEYOND MEAT INC	132,678
	BOEING CO	5,650,633
	BOSTON SCIENTIFIC CORP	2,140,217
	BROADRIDGE FINANCIAL SOL	782,997
	BURLINGTON STORES INC	1,017,014
	CANADA GOOSE HOLDINGS INC	486,884
	CARVANA CO CL A	368,200
	CATALENT INC	1,217,488
	CENTENE CORP	1,606,014
	CERIDIAN HCM HLDG INC	1,109,634
	CHIPOTLE MEXICAN GRILL INC	571,746
	CIGNA CORP	2,587,412
	CINTAS CORP	672,700
	CMS ENERGY CORP	331,732
	COGNEX CORP	899,330
	CONCHO RESOURCES INC	718,074
	COSTAR GROUP INC	907,621
	CREE INC	629,394
	DEXCOM INC	1,611,020
	DOLLAR GENERAL CORP	1,870,200
	EDWARDS LIFESCIENCES CORP	715,967
	EXACT SCIENCES CORP	1,254,029
	FACEBOOK INC CL A	8,150,683
Balance Carried Forward		821,450,742

LEONARDO DRS, INC. 401(k) PLAN

EIN: 13-2632319 PLAN NUMBER: 001
SCHEDULE OF ASSETS HELD AT END OF YEAR

Page 3 Of 5
December 31, 2019

Identity Of Issuer, Borrower, Lessor Or Similar Party	Description Of Investment	Current Value
Balance Brought Forward		\$ 821,450,742
Common Stocks		
	FIDELITY NATL INFORM SVCS INC	3,141,904
	FIRST REPUBLIC BANK	639,515
	FIRST SOLAR INC	725,409
	FORTIVE CORP	1,172,968
	GARDNER DENVER HOLDINGS INC	797,570
	GENMAB AS SP ADR	1,364,028
	GLOBAL PAYMENTS INC	7,425,993
	GUIDEWIRE SOFTWARE INC	1,980,580
	HASBRO INC	837,382
	HCA HEALTHCARE INC	2,233,557
	HILTON WORLDWIDE HOLDINGS INC	1,072,167
	HONEYWELL INTL INC	593,304
	HUBSPOT INC	1,124,399
	HUMANA INC	730,841
	HUNT J B TRANSPORT SERVICES IN	593,359
	IAC/INTERACTIVECORP	1,085,621
	IHS MARKIT LTD	2,307,066
	INTERCONTINENTAL EXCHANGE INC	813,144
	INTUIT INC	2,646,803
	INTUITIVE SURGICAL INC	2,558,497
	L3HARRIS TECHNOLOGIES INC	2,072,293
	LAS VEGAS SANDS CORP	181,851
	LULULEMON ATHLETICA INC	1,498,673
	MARVELL TECHNOLOGY GROUP LTD	1,068,509
	MASCO CORPORATION	699,406
	MICROSOFT CORP	9,922,011
	MOTOROLA SOLUTIONS INC	1,523,418
	MSCI INC	526,687
	NETFLIX INC	1,713,627
	NEW YORK TIMES CO CL A	1,007,597
	NEXTERA ENERGY	1,670,904
	NIKE INC CL B	1,157,973
	NORFOLK SOUTHERN CORP	640,629
	OKTA INC CL A	252,545
	OLLIES BARGAIN OUTLET HOLDINGS INC	642,454
	PAGSEGURO DIGITAL LTD CL A	811,368
	PAYCOM SOFTWARE INC	271,909
	PAYPAL HLDGS INC	1,717,956
	PHILIP MORRIS INTL INC	468,931
	PROGRESSIVE CORP OHIO	405,094
Balance Carried Forward		883,548,684

LEONARDO DRS, INC. 401(k) PLAN

EIN: 13-2632319 PLAN NUMBER: 001
SCHEDULE OF ASSETS HELD AT END OF YEAR

Page 4 Of 5
December 31, 2019

Identity Of Issuer, Borrower, Lessor Or Similar Party	Description Of Investment	Current Value
Balance Brought Forward		\$ 883,548,684
Common Stocks		
	RESTAURANT BRANDS INTERNATIONAL INC	622,140
	ROPER TECHNOLOGIES INC	1,472,180
	ROSS STORES INC	1,454,901
	SAGE THERAPEUTICS INC	214,116
	SALESFORCE.COM INC	2,227,517
	SAREPTA THERAPEUTICS INC	406,863
	SCHWAB CHARLES CORP	834,868
	SEMPRA ENERGY	866,920
	SERVICENOW INC	1,326,339
	SKYWORKS SOLUTIONS INC	877,710
	SLACK TECHNOLOGIES INC CL A	373,550
	SPLUNK INC	1,688,807
	SPOTIFY TECHNOLOGY SA	1,909,754
	STRIPE INC CLASS B PP	52,059
	STRYKER CORP	2,781,705
	TAKE-TWO INTERACTV SOFTWR INC	694,790
	TD AMERITRADE HOLDING CORP	500,479
	TENCENT HOLDINGS LTD UNS ADR	2,971,003
	TENCENT MUSIC ENTERTAINMENT ADR	463,730
	THE BOOKING HOLDINGS INC	1,386,268
	TRADE DESK INC	434,092
	TRADEWEB MARKETS INC A	260,811
	TRANSUNION	1,172,515
	TRIMBLE INC	943,320
	TRIP.COM GROUP LTD ADR	446,753
	UBER TECHNOLOGIES INC	266,649
	UNITEDHEALTH GROUP INC	2,168,396
	VEEVA SYS INC CL A	2,008,062
	VERISK ANALYTICS INC	264,182
	VERTEX PHARMACEUTICALS INC	2,024,193
	VISA INC CL A	6,748,804
	VMWARE INC CL A	1,389,789
	WAYFAIR INC	353,708
	WELLCARE HEALTH PLANS INC	592,067
	WEST PHARMACEUTICAL SVCS INC	1,108,533
	WORKDAY INC CL A	945,423
	WYNN RESORTS LTD	354,119
	XP INC CL A	138,788
	ZOOM VIDEO COMMUNICATIONS INC CL A	1,038,631
	ZSCALER INC	641,421
	ZYNGA INC	1,451,939
	Total Common Stocks	192,133,401
Balance Carried Forward		931,426,578

LEONARDO DRS, INC. 401(k) PLAN

EIN: 13-2632319 PLAN NUMBER: 001
SCHEDULE OF ASSETS HELD AT END OF YEAR

Page 5 Of 5
December 31, 2019

Identity Of Issuer, Borrower, Lessor Or Similar Party	Description Of Investment	Current Value
Balance Brought Forward		<u>\$ 931,426,578</u>
Fixed Income		
Rivian Automotive Inc	Series D PFD PERP PP	379,543
UIPath Inc	0% Ser D-1 PFD PERP PP	142,847
UIPath Inc	0% Ser D-2 PFD PERP PP	23,965
	Total Fixed Income	<u>546,355</u>
Money Market Funds		
JP Morgan	U.S. Government Money Market Fund	2,561,020
T. Rowe Price	Government Money Fund	67,950
	Total Money Market Funds	<u>2,628,970</u>
Cash		12,527
* Notes Receivable From Participants	Interest rates ranging 4.25% to 6.50%, with maturity dates through December 2029	<u>10,193,340</u>
		<u><u>\$ 944,807,770</u></u>

The above information is a required disclosure for IRS Form 5500, Schedule H, Part IV, line 4i.