DAYS OF IMPACT

ELBIT SYSTEMS ESG REPORT 2024

Elbit Systems™

TABLE OF **CONTENTS**

INTRODUCTION

A Message from the President and CEO

I am pleased to present to you Elbit Systems' tenth ESG Report, highlighting our activities in 2024. As a company committed to being a global leader in innovative, technology-based systems for a wide range of defense and civilian applications, we see the pursuit of excellence in environmental, social, and governance (ESG) aspects as an essential part of our business model.

Employing tens of thousands of people in Israel and around the world, Elbit Systems is on a trajectory of constant growth. We are committed to grounding our operations in the values and principles of corporate responsibility. Beyond their ethical foundation, these principles strengthen our resilience in times of crisis, and reinforce the trust between us and our stakeholders.

The report is being published during a period of significant uncertainty. In addition to the ongoing conflict in Europe, now entering its fourth year, and the persistent volatility in global financial markets, the State of Israel has faced an unprecedented reality since October 7th, 2023. These past two years have been marked by pain, loss, and national upheaval, alongside remarkable resilience, solidarity, and mobilization by people across Israeli society.

Throughout this period, Elbit Systems has once again demonstrated its role as a pillar of the economy and society - both in routine times and in emergencies. Despite immense challenges, our employees have increased their community involvement wherever and whenever needed, and we are immensely proud of their dedication. This period has also deepened our understanding of the importance of national defense independence, and underscored how closely our work is intertwined with the security and prosperity of the country.

Our organizational resilience is built on two strategic pillars: a broad portfolio of breakthrough products and technologies that address a wide range of customer needs in Israel and globally; and a network of subsidiaries around the world that employ local staff, support local ecosystems, and serve as regional growth engines.

This report highlights our efforts and initiatives in areas such as cybersecurity, AI, workplace diversity, occupational health and safety, sustainable supply chains, and more. In community engagement, we invested in technological education, with an emphasis on integrating girls and women into engineering and tech professions. We also expanded our support for wounded IDF veterans through recruitment and employment programs, a tech hackathon with Sheba Medical Center, partnerships with the Restart nonprofit, and a new collaboration with the Paralympic Committee.

Robust and proper corporate governance remains a cornerstone of our operations. Our board of directors follows strict procedures, and we implement comprehensive protocols that guide our ethical conduct across the Company - from directors and employees to our entire value chain.

We recognize the impact of climate change on the world in general, and on our business operations in particular. Accordingly, we are implementing measures to reduce our carbon footprint. In 2024, we took significant steps to advance the use of renewable energy sources across our operations, and we expect to see the results of these efforts in the coming years. Additionally, Elbit Systems is proud to play a leading role in the development, production, and operational deployment of the Or Eitan laser-based threat interception system, which delivers both substantial economic advantages, and significant environmental value.

With deep sorrow, we mourn the loss of eight of our employees - heroes of Israel - who have fallen since the beginning of the war. We maintain an ongoing contact with their families and honor their memory through division-level commemorations. As of the writing of this report, 1 hostage is still being held in Gaza. We hope and pray for him to be laid to rest in Israel. As a longstanding Israeli company that has played an active role in safeguarding the country's security, we are prepared to actively contribute to its rebuilding and recovery.

We view corporate responsibility as a journey, and we are committed to further integrating ESG principles across all areas of our activity in the coming years.

Thank you for your interest in our work - I welcome your feedback on the contents of this report.

B. Machlis

Bezhalel (Butzi) Machlis

Elbit Systems President and Chief Executive Officer

ABOUT
ELBIT SYSTEMS

Elbit Systems is an international, publicly traded high-technology company, that is engaged in a wide range of programs that protect and enhance lives, throughout the world. In addition to developing and supplying a broad portfolio of airborne, land and naval systems and products for defense, homeland security, cybersecurity and commercial applications, we also provide support services, including training and simulation systems. Headquartered in Israel, we have subsidiary operations in dozens of countries around the world. At the end of 2024, we had **19,712** employees.

With a "one-company" approach of developing integrated and synergistic solutions that combine our different technologies, we are positioned to meet evolving customer needs for greater safety, security, reliability and cost-efficiency. Our wide-ranging market knowledge and technical expertise enable us to tailor and adapt our technologies, integration skills, and operationally proven systems to the individual requirements of each customer.

OUR LINES OF **BUSINESS**

Air & Space

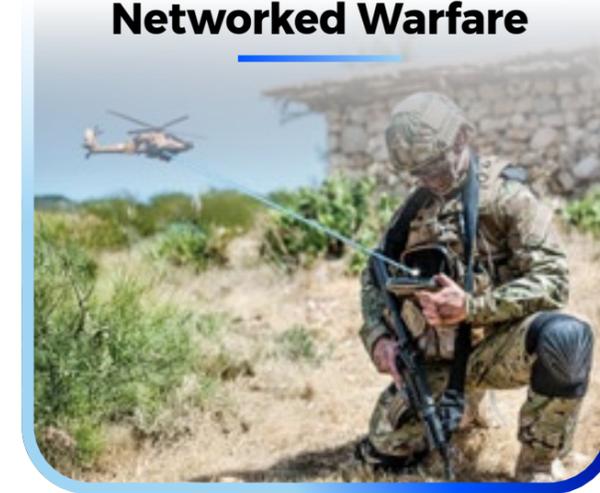**Land**

Naval

Communication & Networked Warfare

Autonomy

Intelligence & Cyber

Ammunition

Training & Simulation

For further information please visit our website at: www.elbitsystems.com/business-overview

VISION AND MISSION

The Vision

To be a global leader in designing and delivering innovative solutions for a secure and safer world.

The Mission

To support our customers' needs, by delivering innovative technological solutions, and leveraging the unique entrepreneurial and team spirit of our people.

Our People & Global Team Spirit are what make us unique

We boldly push the possible

We are deeply committed to the partnership with our customers around the world

Innovation is our trademark

We are here to make an Impact. Globally

2024 **HIGHLIGHTS**

Us$6,827.9 million
revenues

Us$22.6 billion
order backlog
at end of 2024

Us$321,138 thousand
net income
(U.S. GAAP)

19,712 employees globally
(end of 2024)

Us$466,402 thousand
R&D expenditure
(6.8% of revenues)

[2024 WORLD'S MOST ETHICAL COMPANIES ETHISPHERE]

[CDP DISCLOSURE INSIGHT ACTION]

[ecovadis]

[S&P Global]

Bezhalel Machlis
President and CEO

David Federmann
Chair of the Board of Directors

72%
of our employees participated in our satisfaction survey[1]

42%
of our key customers answered our customer feedback survey, with results showing an **86%** overall customer satisfaction rating

70%
of our Israeli purchasing expenditure was with Israeli suppliers

US$3 million
contributed to our communities
38,000 hours volunteered in the community by our employees

[1] Survey conducted at Elbit Systems Israel (ESL)

ABOUT THE **REPORT**

This is the 10th ESG Report (the Report) of Elbit Systems Ltd. (the Company). In it, we set out our approach to ESG and the key actions we have taken since our last report to advance responsible practices in our business, and enhance our impact on society and the environment.

This report was prepared in accordance with the current 2021 reporting standard of the Global Reporting Initiative (GRI). In addition, we report in line with the reporting standards of the Sustainability Accounting Standard Board (SASB).

Unless otherwise specified, the information in the Report covers our six primary operational geographies: Israel, the U.S., Brazil, Romania, Germany and the U.K., which combined represent more than 95% of our global workforce.

Unless otherwise stated, data and information in the Report relate to the calendar year 2024. All reported data has been verified internally prior to publication. We only use external verification for carbon footprint assurance, through ISO 14064-3.

In developing content for the Report, we considered input from employees as well as from other stakeholders - such as our board of directors, customers, supply chain, shareholders and governmental regulators – obtained through our periodic communications with them. An ESG Steering Committee, headed by senior representatives of the Company's executive management, determined the selection of content for the Report, based on the advice of internal and external experts who evaluated the sustainability context and performed a benchmark study and an internal review of Elbit Systems' most material sustainability impacts.

We examined the material issues for our business sector in light of the abovementioned reporting standards, new ESG regulations, ESG rating expectations, and benchmarks from leading global companies. We also considered feedback we received on material ESG issues from various stakeholders during our routine communications with them. Based on the results of the validation process, we added one material topic to our list - AI implementation.

Contact for feedback:

We welcome your queries, suggestions, comments and feedback to:

Amit Lotan, Global EHS and ESG Manager
Amit.lotan@elbitsystems.com

Maya Borkow, ESG Analyst
Maya.Borkow2@elbitsystems.com

Our Material Topics

Category	Material Topic	Explanation
Governance and Economy	**Corporate Governance, ESG Risk Management and Business Ethics**	Maintaining proper corporate governance to manage key ESG risks, such as climate change, working conditions, and human rights, and implementing the Ethics Code across all Company operations. This topic includes practices related to the prevention of bribery and corruption, regulatory compliance, and embedding values such as integrity, fairness, reliability and professionalism in all the Company's operations.
	Developing New Products with Added ESG Value	Creating shared value through investment in R&D, sustainable innovation, and collaborations and partnerships with relevant start-up companies and academic institutions.
	Cybersecurity	Protecting the security of confidential data to prevent and avoid data loss and theft, including maintaining the privacy of individuals.
	Business Continuity	Preparing and maintaining readiness for emergencies, to allow continuous availability of service for customers, while adhering to measures for the protection of the health and safety of employees, suppliers and other relevant stakeholders.
	AI Implementation	Integrating various AI technologies into workflows, operations, products, problem solving and more. By turning AI into practical tools, we improve efficiency and user experience, and create value throughout the chain.
Social	**Product Quality and Customer Service**	Providing safe, top-quality products. Offering high-quality customer support, transparency and responsiveness.
	Responsible Supply Chain	Conducting responsible business with suppliers and subcontractors, respecting their rights, promoting local and social procurement, and integrating environmental and social considerations throughout our supply chain and offset activities.
	Employee Welfare and Appropriate Work Environment	Cultivating an empowering, fair and rewarding work environment, with no harassment of any kind.
	Development and Training, Diversity, and Equal Opportunities	Promoting employee satisfaction and retention through attractive employment conditions, namely a good and diverse work environment, provision of training, personal development opportunities, and career path advancement for talented employees.
	Health and Safety	Maintaining a safe and healthy workforce and workplace using ergonomic practices, providing proper equipment, and promoting worker resilience and well-being.
Environment	**Climate Risk Management**	Embedding environmental and climate considerations in business decisions, including R&D, supply chain management, infrastructure and more.
	Responsible Resource Consumption, Emissions Reduction, and Environmental Management	Reducing resource usage and emissions through efficient energy and water practices and waste and effluent management. Strengthening proper management of climate change risks and opportunities.
	Hazardous Chemicals and Materials	Responsibly using and treating hazardous materials and chemicals that are part or byproducts of our production processes.

Detailed financial information is not included in the Report. Our annual reports to the U.S. Securities and Exchange Commission on Form 20-F, including our consolidated financial statements, are available on our corporate website: www.elbitsystems.com.

ESG
STRATEGY

ESG **STRATEGY**

Sustainable and responsible business conduct at Elbit Systems helps the Company become a better and more resilient business, and is therefore important to our long-term success. As customers and other stakeholders increasingly demand greater transparency on ESG matters, we continue to address ESG risks in our business to protect the Company's reputation, operations, employees, and business partners.

The Company's ESG approach is led by a Steering Committee comprised of senior business and corporate function leaders. Members of this Steering Committee include the Executive Vice Presidents of Operations, Human Resources, R&D and Legal and Compliance, as well as the Corporate Secretary, the Company Spokesperson, subject matter experts in Operations, HR, and our legal departments.

The Steering Committee meets several times a year to direct strategy, review progress, advance performance, and support communications. In addition, our ESG risks, opportunities, and management strategies are reviewed annually by executive management and the board of directors.

The Steering Committee also advises on and identifies stakeholders with whom the Company engages on ESG issues, including customers, supply chain members, regulators, shareholders, and local communities.

In alignment with the company's commitment to sustainable development and corporate responsibility, the management is expected to approve an ESG policy. The policy will be binding across the organization, ensuring that the entire Company operates in accordance with its guidelines.

Stakeholder Dialogue

Elbit's stakeholders include, but are not limited to: customers, employees, business partners, suppliers, and shareholders. Each have their own expectations of the Company, according to their position and unique requirements. Elbit Systems maintains an ongoing dialogue with its stakeholders to better understand their expectations and address any challenge that may arise. The following are selected examples of key groups of stakeholders and the nature of our dialogue with them. You can read about the outcomes of the dialogue and the topics raised by the stakeholders, throughout this Report.

Main Dialogue Channels in 2024

Stakeholder	Dialogue Channels
Employees	• Employee survey • Annual evaluation and feedback • Organizational portal • Workshops, webinars and conferences • Roundtable meetings of senior management and employees
Customers	• Customer survey • Ongoing meetings, calls, exhibitions and conferences
Supply Chain	• Supplier survey • Routine meetings, visits and calls • Supplier portal
Community	• Collaboration with NGOs in the fields of technology education, health and rehabilitation. • Ongoing collaboration through monetary donations and volunteer work with a range of social and environmental nonprofits
Academia and the Ecosystem	• Conferences and lectures by professionals at Elbit in universities and colleges • The Synergy7 accelerator • Student-focused job fairs
Investors	• Ongoing dialogue with investors and analysts, including responding to ESG ratings

Supporting the UN's Sustainable Development Goals

Following the adoption of the Sustainable Development Goals (SDGs) by the United Nations in 2015, we examined our sustainability priorities and their alignment with the SDGs. We believe we make an important contribution to the attainment of these goals by protecting and enhancing lives through innovation and responsible business conduct. In supporting the SDGs, we understand that we have both an obligation and an opportunity to promote prosperity for people and the planet. We have identified six of the 17 goals, in particular, that Elbit Systems advances through our business.

SUSTAINABLE DEVELOPMENT GOALS

How we advance the SDGs

3 GOOD HEALTH AND WELL-BEING
We are committed to support the population of wounded veterans and accompany their return to full and independent lives. This support is expressed through extensive volunteer activity, the development of technological solutions tailored to their injuries, the organization of employment fairs, and the opening of dedicated positions for the wounded. Additionally, in the coming years, we intend to strengthen our collaboration with the Paralympic Committee, which helps individuals with disabilities and injuries return to life and fulfill themselves through sports.

5 GENDER EQUALITY
We are committed to responsible and transparent business practices and helping to promote gender equality in the workplace, by ensuring that women have equal opportunities for employment and advancement, and equal pay. We have initiated several community programs to help young women gain the skills and knowledge they need to enter the field of technology.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
We drive innovation that protects and enhances lives through effective homeland defense, cybersecurity and flight safety. Our innovations in critical communications and imaging technologies, infrastructure protection, and flight reliability and visibility make many aspects of life safer for citizens, and represent a key contribution to the security of our cities and communities in many countries around the world.

11 SUSTAINABLE CITIES AND COMMUNITIES
Our advanced technologies are applied in several ways to support smart-city development and critical infrastructure security, protecting and saving lives while providing optimal public security command and control solutions for crisis management, safe cities, events management and emergency teams.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION
We make a positive economic contribution in the countries where we operate, engaging with multiple suppliers and partners to advance the development and uptake of technology, training customers to deploy new technology, employing thousands of individuals and improving their skills, and maintaining responsible and transparent business practices.

13 CLIMATE ACTION
We manage our resources efficiently, and continually strive to reduce our consumption of energy, water and other materials, while reducing our impact on climate change, and generating less waste. **We are analyzing the risks posed to us as a result of climate change and are taking action for mitigation and adaptation in light of these risks.**

Our Strategy 2021-2025

Category	Topic	Goal	Target	2024 Status
Governance and Economy	Corporate Governance, ESG Risk Management, and Business Ethics	Reduce risk of unethical behavior.	Provide anti-corruption and ethics training to 100% of employees, every 2 years.	The majority of employees underwent ethics and compliance training.
			Perform annual ethical risk assessments at all operational sites.	Ongoing.
	Economic Performance, R&D, and Innovation	Continued investment in breakthrough R&D, and innovation activities, that help protect and save lives, in accordance to governmental directives.	Expand portfolio with a variety of new, leading-edge solutions.	Ongoing - in 2024 we expanded the implementation of AI technologies, integrating them into our products and various tools we provide to our employees.
Social	Cybersecurity	Improve cybersecurity maturity level/ posture.	Mitigate 80% of high-level risks identified in cross-organizational cyber risk assessments.	Completed.
	Product Quality and Customer Service	Improve customer satisfaction.	Achieve 5% increase (vs. 2020 baseline) in overall customer satisfaction rating, by 2025.	Completed. In 2024, the average customer satisfaction was approximately 86%.
		Expand quantity and quality of customer feedback.	Receive direct feedback from 80% of key customers.	Ongoing, in 2024 42% of key costumers answered a satisfaction survey.
	Responsible Supply Chain	Increase business with minority-owned businesses.	Achieve 50% increase in volume of business with minority-owned companies.	Ongoing. In 2024 13 of suppliers were minority-owned businesses.
	Supplier Conduct	Improve ethical awareness and conduct of suppliers.	Secure commitment by suppliers to uphold ethical practices.	Elbit's purchasing terms and conditions include a Supplier Code of Conduct, which makes suppliers aware that the Company expects them to conduct business activities in a fair and ethical manner, in addition to complying with all applicable laws and regulations.
	Spending with Locally-Owned Businesses	Improve awareness of Elbit's procurement organizations regarding the importance of responsible supply chain spending with locally-owned business.	Give sourcing preference to local suppliers.	Ongoing. 60%-75% of sourcing is from local suppliers.
	Conflict Minerals	Expand the conflict minerals process to involve additional Elbit subsidiaries.	Distribute questionnaires to 800 suppliers during each year.	Completed.
		Limit the use by suppliers of smelters of high concern.	Take corrective action regarding suppliers using smelters of high concern.	Ongoing.

Category	Topic	Goal	Target	2024 Status
Social	Responsible Employment, Diversity, and Equal Opportunities	Increase gender diversity.	Ensure that 26% of employees are women.	Completed. At the end of 2024, 26% of Company employees were women.
	Health and Safety	Improve employee safety.	Reduce work injury rate by 20% (vs. 2020 baseline), by 2025.	Not Completed[2].
			Reduce rate of work days lost due to injury by 20% (vs. 2020 baseline), by 2025.	
	Advancing Technology Education	Improve technological resilience and capability in local communities.	Put in place active programs that support technology education in Israel, Brazil, and the U.S.	Completed.
Environment	Responsible Resource Consumption, Emissions Reduction, and Environmental Management	Install solar panels at two of our main sites in Israel.	Start generating renewable energy.	Completed.
		Increase the use of electric cars by employees and in the Company's car fleet.	Deploy 750 electric cars, by 2025.	Ongoing. By the end of 2024, 331 of the leased cars were electric.
		Report according to the TCFD.	Report according to the TCFD, by 2024.	Due to regulation changes, TCFD reporting will not be published publicly.
		Reduce electricity consumption (kWh/m^2) - Scope 2.	Achieve 2% reduction (vs. 2023 baseline).	Completed.
		Reduce fuel consumption (liter/car) - Scope 1.	Achieve 5% reduction (vs. 2022 baseline), by 2024.	Not completed.
		Reduce CO_2-eq emissions (ton/dunam) – Scope 1 and 2.	Achieve 5% reduction (vs. 2020 baseline), by 2024.	Completed.
		Reduce absolute CO_2-eq emissions (ton) – Scope 2 only.	Achieve 10% reduction (vs. 2020 baseline), by 2025.	Not Completed. The significant increase in production activity during 2023-2024 led to an increase in the Company's consumption of electricity, water, fuel, and other resources.
		Reduce water consumption (m^3/employee).	Achieve 2% reduction (vs. 2023 baseline), by 2024.	
		Increase rate of recycling.	Achieve minimum 40% of total waste to recycling as opposed to landfill.	Ongoing, in 2024 we reached 37% recycling rate.

[2] During the Swords of Iron war, we recruited new employees, some of them on a temporary basis. Combined with the double shifts, we believe this may have contributed to an increase in work injuries. We offered relevant trainings to mitigate this risk (there was a decrease in both injury rate and severity rate in 2024 compared to 2023, but not compared to the baseline year 2020).

SUSTAINABLE
OPERATIONS

Elbit Systems™

SUSTAINABLE **OPERATIONS**

Our impacts as a business are derived not only from our innovation, which protects and enhances lives, but also from the way in which we conduct ourselves as a responsible business. We aim to maintain an ethical, compliant and sustainable approach, throughout our business activities.

Corporate Governance, Business Ethics and Compliance

As a company whose shares are publicly traded on the NASDAQ and on the Tel Aviv Stock Exchange (TASE), we follow a range of corporate governance best practices.

Our Board of Directors

Elbit Systems' board of directors (the Board) is composed of nine directors, the majority of whom (five out of nine) meet the independence criteria of both the NASDAQ rules and Israel's Companies Law. Two of the independent directors also meet the stringent independence criteria for External Directors under Israeli law. Each of the Board's three committees – the Audit and Financial Statements Review Committee (Audit Committee), the Corporate Governance and Nominating Committee (CGN Committee), and the Compensation Committee – consists entirely of independent directors. In addition, the Audit Committee and the Compensation Committee are both chaired by external directors.

The Board's committees operate in accordance with publicly-disclosed charters. The charter of the CGN Committee contains a Director Independence Statement, a Board meeting participation policy (the average participation rate in 2024 was approximately 99%), and a membership limit stating that an Elbit Systems director may serve on the boards of no more than four other publicly traded companies. Regarding age diversity, as of 2024 two directors were between the ages of 45 and 60, and seven were above the age of 60.

Our directors have a range of experience in senior roles in government, industry and academia. Two of our directors have been determined to have "financial and accounting expertise", and all other directors have been determined to meet the financial "professional competence" criteria under Israeli law. None of our directors serves in an executive managerial capacity at the Company. The average Board tenure of our directors in 2024 was approximately 12 years. Our directors are typically elected annually by our shareholders, with the exception of the external directors, who are elected by the shareholders for a term of three years, in accordance with Israel's Companies Law.

Focus on Compliance and Avoidance of Conflicts of Interest

Our Board and its committees conduct periodic reviews of the Board's practices and Board-related charters. Board practices are also reviewed as part of our internal audit program.

The Board is sensitive to potential conflicts of interest. Transactions of the Company in which a director or executive officer may have a personal interest undergo review and approval processes by our Audit Committee and/or Compensation Committee, the Board and, in some cases, our shareholders, all in accordance with applicable regulatory requirements. Our Audit Committee also oversees our whistleblower and investigations process, and reviews major ethics matters. All of our directors undergo ethics, anti-bribery and corruption compliance training.

The Board discusses the appointment of directors at least once a year and, in this context, indirectly examines its suitability for the Company's needs. Additionally, the Company's internal audit examines aspects of the Board's work or other corporate government issues; for example, in 2024 a review was conducted regarding filing of immediate reports.

Compensation Policy

The Board and its Compensation Committee oversee our compensation policy for directors and executive officers, which is approved at least every three years, as required by Israeli law. In September 2024, our shareholders approved an updated compensation policy (the Compensation Policy), following the recommendation of our Compensation Committee and Board.

All of our directors are compensated in accordance with standard compensation rates for external directors under Israeli law, which include an annual fee and per-meeting fees. The Compensation Policy is designed to align the compensation of executive officers (including our President and CEO) with the Company's goals and work plan, from both a short-term and a long-term perspective. The Compensation Policy establishes limits on executive officers' remuneration with respect to salary, stock options and bonuses. Annual bonuses are tied to the achievement of specific targets, and in some cases the targets are linked to ESG goals, such as ethics and compliance. The Company has a Clawback Policy regarding recovery of erroneously awarded compensation, in accordance with SEC regulations.

ESG Risk Management

The Board monitors our ESG-related activities and risks, annually and on a case-by-case basis, as applicable. In addition, the Board directly approves aspects of our ESG programs, including our Code of Business Conduct and Ethics, our Human Rights policy and our Compensation Policy, as well as Board-related corporate governance policies, including our signatory rights procedure, independence of directors' policies, and policies related to securities laws. Moreover, as part of its oversight of risk management, the Board periodically reviews major risks, including ESG-related risks.

Our ESG activities and risks are managed by a senior management steering committee, led by our Executive Vice President (EVP), our Chief Operating Officer (in the areas of environment, health and safety, the supply chain, and operational excellence), our EVP Chief Human Resources (in the areas of fair labor practices, employee development, diversity, and community engagement), our EVP Chief Strategy and Technology (in the area of innovation), our SVP Chief Corporate Governance (in the area of corporate governance) and our VP Chief Ethics (in the areas of ethics and prevention of bribery).

Business Ethics and Compliance

Ethics – A Cornerstone of our Business Practices

Ethical conduct is a cornerstone of our business practices, one of our core values, and the basis for generating trust among our customers, supply chain, employees and other business partners and stakeholders. With thousands of employees and worldwide operations, instilling a culture of ethical conduct helps safeguard our business, and provide a positive working environment.

Our Comprehensive Ethics and Compliance Policies

Our ethics and compliance policies apply to our board of directors, officers and employees worldwide. We also expect our supply chain and offset activity partners (customer-obligated purchases, investments and related activities) to follow ethical practices. Our policies cover a wide range of areas, including: conflicts of interest, prevention of bribery and corruption, gifts and entertainment, human rights, fair labor practices, sexual harassment and workplace bullying, lobbying, political activities and contributions, charitable contributions, insider trading, treatment of sensitive and proprietary information, fair competition, privacy, and nepotism.

We publish our primary ethics-related policies on our website. These include our Code of Business Conduct and Ethics (Ethics Code), Whistleblower and Investigations Procedure (WIP), Anti-Bribery and Corruption Compliance Policy (ABCC Policy), Anti-Bribery and Corruption Due Diligence Procedure (DD Procedure), Business Entertainment and Gifts Policy, Supplier Code of Conduct (Supplier Code), Human Rights Policy and Board of Directors' Statement, and Conflict Minerals Policy.

We regularly review and update these policies and procedures to reflect evolving regulations, best practices and risk management considerations. As part of our risk management processes, we conduct annual reviews of ethics-related risks. For our worldwide subsidiaries, we adapt the policies to the requirements of local laws.

Diligence in Preventing Bribery and Corruption

Our comprehensive compliance program emphasizes our steadfast commitment to maintaining a zero-tolerance stance toward corruption, thereby ensuring that integrity remains central to all business operations.

This program encompasses risk assessments, due diligence procedures, and training initiatives. It also incorporates contractual clauses that emphasize the imperative of compliance, requiring all parties to adhere to anti-corruption legislation and uphold our standards of ethical business conduct. Continuous monitoring of partners and transactions is conducted to ensure ongoing adherence.

The supervision and management of our anti-bribery and corruption compliance activities are entrusted to the Chief Legal Officer and the Chief Anti-Bribery and Corruption Officer at our corporate headquarters, who continuously assess the evolving risks associated with our global business endeavors.

These activities extend to our employees, suppliers, offset programs, and other business initiatives. Furthermore, our compliance program features dedicated policies governing gifts and entertainment, sponsorships, and charitable donations, in addition to provisions addressing lobbying and political contributions.

In 2024, Elbit Systems America hosted a **Business Ethics Leadership Alliance** (BELA) Roundtable at its headquarters, drawing participants from a diverse sector of companies.

Senior Management Commitment to Ethics and Compliance

Oversight of our global compliance and ethics initiatives is provided by senior leadership within the Legal Department, including the Corporate Legal Counsel, Chief Ethics Officer, and Chief Anti-Bribery and Corruption Officer. Additionally, Ethics committees—comprising senior representatives from the legal, compliance, and human resources departments, as well as other management functions—operate both at our corporate headquarters and within our principal business divisions. Major subsidiaries outside of Israel generally appoint dedicated ethics officers or compliance managers, who coordinate with corporate legal department leadership as necessary to ensure alignment and effective implementation of our compliance and ethics frameworks.

The WIP (Whistleblower and Investigation Procedure) sets out the basis for reporting, investigation, evaluation and remediation regarding ethics-related incidents. It provides for a range of whistleblowing channels, including reporting to the Chair of the Board's Audit Committee and/ or to the Chief Ethics Officer, even anonymously. Our U.S. subsidiary, Elbit Systems of America (ESA), also offers a 24-hour ethics hotline.

Complaints are reviewed discreetly, and information received is treated confidentially. The WIP contains a non-retaliation policy for any complaints made in good faith. Following receipt of a complaint, a determination is made, in coordination with the Chief Ethics Officer and the Corporate Legal Officer (CLO), as to whether the complaint warrants investigation by an ethics committee. We may engage consultants, such as outside legal counsel, where appropriate.

Significant allegations, including those that may be related to senior executives or directors, are reported to the Audit Committee, which determines the extent to which it will be involved in the review of the matter. Upon completion of an investigation, decisions are made with respect to remedial measures, including, in certain cases, termination of employment and other sanctions.

In 2024, nine substantial ethics complaints were received through the various channels.

Comprehensive Ethics and Compliance Training

Our organization implements a broad spectrum of ethics and anti-bribery training initiatives as an integral component of our compliance framework, which is conducted at our sites worldwide.

This includes initiatives such as Compliance Days, targeted professional forums and Elbit Systems of America (ESA) conducts a comprehensive suite of annual and periodic ethics training activities for ESA and its U.S. based subsidiaries.

The onboarding process for new employees incorporates mandatory training on our Ethics Code, ensuring that all personnel are familiar with our core ethical principles from the outset.

In addition to onboarding, all employees participate in regular refresher courses, typically delivered through digital training modules that address various aspects of the Ethics Code and reinforce key compliance requirements.

As for "high-risk" areas, the Company continuously assesses territories and business activities to identify those with a heightened risk of bribery. Targeted anti-bribery and corruption training is provided to employees occupying positions identified as "high risk," such as business unit managers and marketing managers.

Furthermore, professional annual forums and periodic courses for various departments—including finance, marketing and sales, human resources, legal, supply chain, and offset—routinely incorporate specialized in-person training on addressing ethics, corruption and anti-bribery matters.

Ethics and Compliance in our Supply Chain, Marketing and Offset Activities

We require that our service providers, supply chain partners and entities engaged in our offset activities adhere to ethical standards consistent with those upheld by our Company, including these related to business entertainment, hospitality and gifts.

The Supplier Code forms an integral part of the contractual commitments for all suppliers and offset parties. Beyond ethical and anti-bribery provisions, the Supplier Code mandates compliance with fair labor practices—including the prevention of human trafficking and modern slavery—as well as responsible sourcing of materials and the avoidance of conflict minerals. Furthermore, the Supplier Code establishes a whistleblower channel for supply chain-related issues, thereby facilitating the early identification of unethical conduct and reinforcing our commitment to transparency and integrity.

To promote ethical conduct among service providers and supply chain, the Company undertakes due diligence prior to engagement, with subsequent periodic reassessments and annual contractual confirmations affirming that no material changes have occurred in their compliance status with high-risk service providers.

The due diligence process places particular emphasis on business conduct, historical compliance, respect for human rights, interactions with political entities, and any events that may be inconsistent with the Company's values and standards. Should there be any changes in compliance circumstances or a failure to adhere to contractual obligations, the Company reserves the right to terminate or immediately suspend the relevant contract.

Embedding these procedures within our operational framework establishes transparent expectations and safeguards both our reputation and stakeholder trust.

Special emphasis is placed on our marketing support suppliers, who are required to consistently uphold and conduct themselves in strict adherence with the Company's Anti-Bribery and Corruption policies. They receive periodic training that encompasses Elbit Systems' ethics and anti-bribery policies, including these related to business entertainment, hospitality, gifts, and travel expenses.

Constant Benchmarking

We are committed to continuous improvement in our ethics and compliance practices, which we achieve in part by benchmarking our activities against recognized industry standards. To this end, we maintain active membership in leading business ethics organizations, including the International Forum of Ethical Business Conduct (IFBEC), representing the U.S. and European aerospace and defense sectors. IFBEC's mandate is to advance the implementation of its Global Principles, thereby encouraging the development and adoption of comprehensive, industry-wide standards for ethical conduct and compliance.

Elbit Systems of America (ESA) was awarded the Ethisphere Ethics Inside® Certification (EIC) for 2024, following a rigorous assessment of over 100 distinct criteria encompassing corporate governance, corporate citizenship, and the effectiveness of its ethics and compliance program. Further underscoring ESA's leadership in this area, Ethisphere recognized ESA as one of the World's Most Ethical Companies for 2025, marking the seventh consecutive year this distinction has been achieved.

We further demonstrate our commitment to ethical business conduct through active engagement with other prominent ESG-related organizations that emphasize business ethics, including TRACE, S&P's Corporate Sustainability Assessment, MSCI, EcoVadis, and the Israeli Maala Social Sustainability Rankings.

Looking Forward:

The Company will issue a revised Human Rights Policy in 2025, accompanied by updated ethics and compliance policies as well as enhanced internal procedures.

THE SWORDS OF
IRON WAR

Elbit Systems™

THE SWORDS OF **IRON WAR**

This sustainability report was written during the Swords of Iron war, which broke out on the morning of October 7th 2023, following a series of unimaginably harrowing events. Since that day, we - together with the entire country - have been required to deal with one of the biggest national crises we have ever known.

During the war that expanded a few fronts, we carried out proactive steps to maintain our business continuity while uncompromising on our employees' safety and wellbeing.

A Comprehensive Support Program for our Employees and Managers

The war, which unfolded on several fronts simultaneously, disrupted personal, family, team, managerial, and organizational balance. During this period of uncertainty and prolonged stress, we have taken various initiatives to provide accurate responses to the needs that arose, and to make the workplace an anchor of resilience and support.

The many challenges - shortages of employees called to reserve duty, peak demand for our products, and the diverse needs of our customers and stakeholders - required us to act creatively and think innovatively. To address this, we developed an Organizational Resilience Model composed of three stages:

- **Immediate Resilience** - rapid response and emergency organization, positioning the team as a supportive resource.
- **Ongoing Resilience** - long-term support, with an emphasis on adapting to an emergency routine, restarting, and re-establishing work practices.
- **Recovery Resilience** - preparing for and addressing rehabilitation needs, with an emphasis on reboarding returning reservists, expanding therapeutic skills of our HR professionals, and addressing burnout.

The resilience strategy is guided by several core principles:

Immediate and flexible response to changing needs.

Personalized support tailored to individual needs.

Diverse touchpoints: a variety of long-term engagement channels with employees and managers, including lectures, workshops, roundtable discussions, group emotional support, digital content, team-building activities, and more.

Upskilling of HR and managers: frequent mapping of gaps in required skills at any given time, alongside continuous development and learning.

Innovation: developing unique and creative programs and interventions to meet evolving challenges.

As part of implementing the strategy, dozens of workshops were offered to managers to strengthen their crisis management skills. In addition, customized roundtable discussions were held for diverse audiences, and a large-scale reboarding program was launched to support the reintegration of reservists. At the same time, HR professionals were trained as Resilience Ambassadors.

Participants in these initiatives expressed high levels of satisfaction, and the implementation of the strategy created a broad positive impact. All of the organization's management

and leadership programs were adapted to the changing reality, including organizational processes such as annual feedback conversations.

In addition, dedicated sessions were held on burnout and energy management. These focused on recognizing signs of burnout, developing coping mechanisms, and increasing energy reserves - both at the individual and team levels - while preparing for recurring emergencies.

HR teams across the divisions participated in resilience workshops designed to equip them with tools to support managers and employees during tense periods.

The training focused on strengthening therapeutic skills and expanding HR staff's toolkit - both for coping personally with the challenges of the time and for providing optimal support to employees and managers. The content incorporated principles from therapeutic fields, including identifying signs of distress, cognitive-behavioral techniques, enhancing emotional awareness, and more.

An average of
560 employees and managers
participated in dedicated webinars on managing a prolonged emergency routine.

1,200 managers from across all divisions
took part in approximately **60** roundtable discussions to strengthen managerial resilience.

900 managers
of reservists attended **45** roundtable discussions on the topic of re-boarding.

To support the return of reservists to daily life and work, dedicated off-site activity days were offered. More than

150 reservist employees
participated in these workshops - both individually and in groups. The workshops combined an innovative mix of mind/body therapies led by certified practitioners, aimed at strengthening their sense of connection, healing, and individual coping skills.

Our employees returning from reserve duty participated in a dedicated practical training program, Returning Home, which focused on processing combat experiences, recognizing post-traumatic symptoms, and improving functioning in their relationships, parenting, and communication with others. The training provided practical tools for a smoother reintegration into daily life.

Pulse Employee Experience Survey – Tailored to the Times

At the end of 2024, we distributed a short, focused employee experience survey designed to serve as an organizational "pulse check." The survey allowed us to capture, with sensitivity and accuracy, employees' feelings, needs, and attitudes, and to better understand the challenges they were facing. It also enabled us to initiate more precise programs to improve the employee experience within the Company.

72% of employees in Israel participated in the survey. The results indicated strong emotional connection and a high sense of belonging to the organization. On a scale of 1–6, the statement "I am proud to work at the Company" received a score of 4.95, while "I would recommend the Company to a friend" scored 4.5. Employees also reported feeling a strong sense of meaning and value in their work.

Business Continuity

Since the beginning of the war, we have taken immediate steps to maintain functional continuity for our customers in Israel and abroad, and to ensure the robustness of our supply chain. Alongside this, we have dedicated ourselves to meeting the changing requirements of the defense system, responding to needs arising from the field, accelerating developments and projects, and supporting our security forces at all hours of the day and night.

A large recruitment process started in our Land Division in 2023 and intensified in 2024, as we needed to significantly expand and strengthen our production lines. In an accelerated recruitment and training process, hundreds of production workers, among them employees aged 60 and over, were recruited, as well as workers from the ultra-Orthodox and Druze populations. All this was achieved while quickly making the necessary adjustments to meet the unique needs of these employees.

In the supply chain, we have increased our purchasing from suppliers on the confrontation lines in the South and the North, while also shortening payment periods for suppliers where possible.

Commemoration, Volunteering and Contributing to the Community During the Swords of Iron War

Since October 7th, eight Elbit Systems employees have fallen while serving in reserve duty, along with dozens of employees' family members. Elbit has supported, and will continue to support, the bereaved families, honoring their memory and giving them a place of respect throughout the year. To manage commemoration activities in an organized manner, in 2024 the Company expanded and approved its Employee Death Policy to include cases of death resulting from acts of hostility or war, and the fallen were commemorated at the divisional level in various ways.

To mark the first anniversary of the October 7th massacre, the Company held memorial ceremonies and lectures in collaboration with the Hostages and Missing Persons Families

Forum. We also launched a digital memorial site on which people can write dedications to the murdered and fallen, set up memorial stands at our facilities, and initiated other projects to preserve our national memory, strengthen the sense of belonging, and express solidarity with families and communities that have been affected.

During the war, especially in its early days, we supported farmers in the south and north of the country who were facing a severe shortage of manpower. Hundreds of our employees volunteered to assist with harvesting and packing agricultural produce. In addition, several of our sites held local markets, hosting farmers from the Gaza border communities and the north.

Beyond this, our employees contributed tens of thousands of volunteer hours, engaging in activities such as leisure programs for children and seniors affected by the war, distributing food baskets to those in need, visiting wounded soldiers, and more.

Alongside volunteering, Elbit made a financial contribution to help rebuild Kibbutz Zikim and to renovate the female observers' command center, which was destroyed on October 7th. We also provided our SYNCH application free of charge to hundreds of rapid response teams and tens of thousands of volunteers across the country. The app offers an innovative, efficient, and focused solution for managing and monitoring civilian forces, with an emphasis on emergency, rescue, and relief units.

SOLUTIONS THAT PROTECT AND ENHANCE LIVES

SOLUTIONS THAT PROTECT & **ENHANCE LIVES**

Today's world is filled with ever-changing threats to our communities and to those who devote their own lives to keeping us safe. Many of Elbit Systems' technologies were specifically developed in response to the need to improve the effectiveness and safety of women and men serving in the defense and security forces of various nations. Part of our innovation strategy is to make the necessary adjustments to our technologies to extend their use to the protection and improvement of the lives of civilians as well.

Innovation is a core building block of our business, with approximately 8% of our revenues reinvested in research and developing new solutions for our customers each year.

iLeaders Community

We aim to cultivate a working environment that nurtures innovative thinking. Through our iLeaders project, which was specifically designed for a select group of employees, we are cultivating a community dedicated to overcoming professional challenges through innovative thinking and solutions. This initiative serves as a testament to the Company's dedication to empowering its people with the necessary tools and resources to excel in innovation.

Developed under the academic umbrella of Tel Aviv University, the iLeaders program was crafted to provide participants with knowledge, tools and techniques, helping them to cultivate an innovation-centric mindset. In 2024, 30 new iLeaders completed the training and became part of our community of 127 iLeaders. This community forms a strong network offering mutual support, sharing their expertise and helping to embed innovation across all of Elbit's departments and divisions.

iLeaders are involved in both internal and external innovations: internally, iLeader members support hackathons, take part in lectures, podcasts, events and more; externally, they participate in different initiatives and groups across the industry's ecosystem.

Accelerating Open Innovation

A key initiative that we founded a decade ago is our subsidiary, Incubit Ventures, which operates within the Israeli Innovation Authority (IIA) incubator program.

Over the last decade, we invested in 20 start-ups, several of which have social and/or environmental value in addition to their business value and groundbreaking technological capabilities.

Here are just a few examples of our start-ups and their ESG impact:

GreenVibe

GreenVibe provides sensing and analytics for on-site, real-time concrete performance and strength measurement. Replacing the current archaic methods, this development saves contractors significant time and money, by reducing over-design and over-investment in materials, and protects the environment from concrete-related waste.

CENS

CENS Nano Carbon Boosters can be seamlessly integrated into battery production lines to dramatically transform lithium-ion batteries into fast-charge, higher-energy power devices.

Super Polymer

Transforming standard polyethylene into a new super polymer that is 90% crystalline with thermal repellant and hydrophobic properties, Super Polymer replaces titanium dioxide in paints and coatings for improved functionality, as well as improving thermal insulation in electronics.

Enzymit

Enzymit is collaborating with Elbit on the in-situ, environmentally-friendly, efficient, selective biological degradation of fuel contaminants in soil. This process is facilitated by engineered enzymes developed by Enzymit, which specifically target the unsaturated zones of the soil. For further read, please see our Protecting the Environment chapter.

MaterialsZone

When bonding different materials (such as metals and glass), processes often involve toxic components that must be neutralized without compromising performance. Our collaboration with MaterialsZone aims to identify green alternatives that meet environmental standards and regulatory requirements. Within a short time, and with the help of data and AI, the project identified alternative methods that meet the threshold requirements for effective material bonding.

Innovation - One of our Leading Values

- To mark World Creativity and Innovation Day, we held a global innovation week under the title Defense-Tech Evolution, which dealt with the defense-tech of tomorrow, the GenAI revolution, and more. During the course of the week, employees from Israel and from our subsidiaries around the world participated in webinars with professionals from inside and outside of the Company, in workshops and online meetings that provided inspiration, direction and ideas for promoting innovation and entrepreneurship within the Company.

- Members of the iLeaders community constitute an executive branch to our divisions which includes:
  - Professional mentoring for intra-organizational entrepreneurship - developing the concept, defining the minimum viable product (MVP) and Proof of Concept (POC), preparing for the pitch, connecting with content experts, and more.
  - Driving and leading innovation events - an acceleration process in the division, administration or group.
  - Implementing and using practical tools - creative thinking, Design Sprint, brainstorming and more.
  - Connecting external technologies - implementing the open innovation strategy.

- Every year, we hold an event honoring the inventors who have registered patents in Elbit's name and led the Company to a significant business advantage. In 2024, 38 inventors received recognition for 21 inventions that were registered. Over the years, there have been 750 inventors registering patents in the Company's name, 14 of them taking part in more than six joint patents.

Synergy7

In 2023, the Elbit innovation team transformed its investment model by partnering with various entities, including accelerators, incubators, investment funds, and innovation centers. One of these collaborations is Synergy7. Together with Dell Technologies, Ben-Gurion University, Soroka Medical Center, and the Merage Foundation, we established the Synergy7 Center in Beer Sheva, Southern Israel, to leverage our collective expertise and resources. In doing so, we are advancing research and development in cybersecurity, robotics, and healthcare.

The center's R&D labs create a dynamic environment where start-ups can innovate, excel, and thrive, while our outstanding professionals meet entrepreneurs and startup founders. Elbit primarily contributes to the Synergy7 robotics lab, focusing on early-stage deep-tech start-ups. We collaborate with international deep-tech companies, such as NVIDIA, and engage with academic researchers to foster growth and development in the southern region of Israel.

Heart Dome

"Heart Dome" emerged from a collaboration between Elbit Systems, MAFAT (Israel's Directorate of Defense Research and Development), medical centers, and other partners. The project aim is to develop a training framework for mental resilience, grounded in validated physiological and neurophysiological metrics that have been shown to directly correlate with an individual's mental state. Low levels of resilience can impair performance and significantly increase the risk of trauma or post-traumatic stress.

The project's goal is to examine responses to various stress conditions and, based on these findings, build a model for assessing an individual's level of mental resilience. This is relevant to any civilian exposed to stress—whether short-term or long-term. For Elbit, this technology is a cornerstone of the future soldier concept, enabling the understanding of a soldier's mental state through physiological data.

Large Language Model (LLM) Challenge

In 2024, we launched a challenge aimed at integrating GenAI into the battlefield. Employees were invited to submit ideas through a dedicated mini-site, either individually or as teams, for ways to implement technological innovation and applied AI tools to meet the unique needs of our defense products.

The challenge was accompanied by relevant webinars, led by experts from within the Company and beyond. The winning teams are receiving ongoing close guidance and mentoring to help lead them to success.

The Numbers:

1,500 employees
participated in virtual sessions related to the challenge.

200 innovative initiatives
were submitted via the dedicated site.

11 ideas
reached the final stage.

5 winning teams
from across the Company's divisions, each received 300,000 NIS to develop their initiative into a prototype.

Our Innovative Products

Or Eitan System

The Or Eitan system is an advanced ground-based air defense solution designed to counter threats such as missiles and UAVs, based on high-powered laser interception. Elbit, in cooperation with the Ministry of Defense, is responsible for developing the system's core component - a high-powered laser source.

This optical fiber laser technology is modular, and composed of multiple building blocks called amplifiers, and a laser head which combines the beams to achieve the energy flux required to effectively hit the target. What's more, the laser is ruggedized to withstand the challenges of complex, harsh battlefield environments.

Laser interception offers significant environmental and economic advantages: no expendable ammunition is required, and each interception costs just a few dollars compared to the high cost of missile interceptors. Additionally, the power consumption of the system is equivalent only to that of an electric vehicle. On the other hand, there are still some limitations, primarily due to atmospheric interference and weather conditions that can reduce performance and shorten effective ranges.

Another system currently under development is a powerful airborne laser. This has several advantages, since the influence of atmospheric and weather conditions is significantly less when operated from the air. It also offers operational flexibility, and can reach and intercept threats before they reach national borders, preventing collateral damage caused by falling interceptor debris.

Working with high-powered lasers in our development labs and production lines has required us to take a major leap in workplace safety, including updating protocols, standards, and safety procedures for all personnel involved. Demonstrations and testing of such lasers during development has also required unique preparation and the implementation of full safety measures.

Hattorix

Hattorix is a precision targeting and intelligence solution for maneuvering forces. It delivers CAT-1 accuracy in active and passive modes, enabling rapid sensor-to-shooter engagement, while minimizing exposure and collateral damage. Capable of remote operation, target recognition, and seamless integration with ATAK and BMS networks, Hattorix ensures fast, reliable targeting in various environments. Its modular design supports electro-optics, laser rangefinders, and designators. By reducing risk to reconnaissance teams, saving ammunition, minimizing harm to non-combatants, and lowering environmental impact in combat zones, Hattorix sets a new standard for operational effectiveness.

Human Machine Interaction Labs

The Human Factors Engineering and User Experience (UX) team at Elbit leads human system integration (HSI) across all divisions, ensuring products align with end-user expectations and capabilities, while driving human performance optimization. This is achieved by accounting for the interaction between human physical and cognitive characteristics, the operational environment, and users' roles within their organizational structures. Working alongside divisional teams, our advanced research labs - staffed by human factors engineers, multidisciplinary designers, psychologists, and other specialists - evaluate human–machine interface concepts and gather data to enhance user experience and real-time performance. The goal is to ensure technology consistently acts as a force multiplier for the human operator.

The labs operate with the recognition that complex technological systems can impose substantial cognitive demands, influencing users' concentration, cognitive load, emotional state, situational awareness, and perception of the battlefield - an environment characterized by intense information flow, noise, and stress. To address these challenges, we employ advanced research tools, including neurophysiological measures of brain activity and monitoring of other physiological responses.

Through rigorous analysis of these responses, our researchers deliver human factors requirements - defining how advanced interfaces and new technologies should be integrated to meet mission requirements and human capabilities - thereby improving UX and optimizing system performance across all functions. As part of this HSI-oriented design process,

simple, cost-effective prototypes can be built, tested, and iteratively refined under laboratory conditions, delivering early insights that enrich development, integration, and production phases. Early integration of human factors engineering also helps manage risk, reduce financial costs, minimize environmental impact, and strengthen compliance with relevant international and military standards-while advancing human performance optimization.

The labs also use technological means to simulate diverse battlefield scenarios and develop solutions without resorting to costly, environmentally-harmful field trials.

In addition, the HFE & UX team offers workshops and training for development and innovation groups company-wide, equipping stakeholders with knowledge, tools, and creative problem-solving methods to embed HSI principles and human performance optimization throughout the organization.

The Supervision Solution

The Supervision system enables helicopter pilots to successfully and safely execute complex missions in challenging visibility conditions, such as darkness, fog, or heavy cloud cover. It integrates multiple advanced sensors and algorithms to create a unified, intuitive view of the environment, significantly improving flight safety and operational capability. Beyond significantly improving combat flight safety the system also has significant civilian applications, such as aiding rescue missions in severe weather.

1

BrightNite - Starring array IR camera

Thermal cameras mounted on the helicopter provide pilots with a clear, high-quality view comparable to daytime vision, even during overcast moonless nights. This capability ensures situational awareness in low-light conditions.
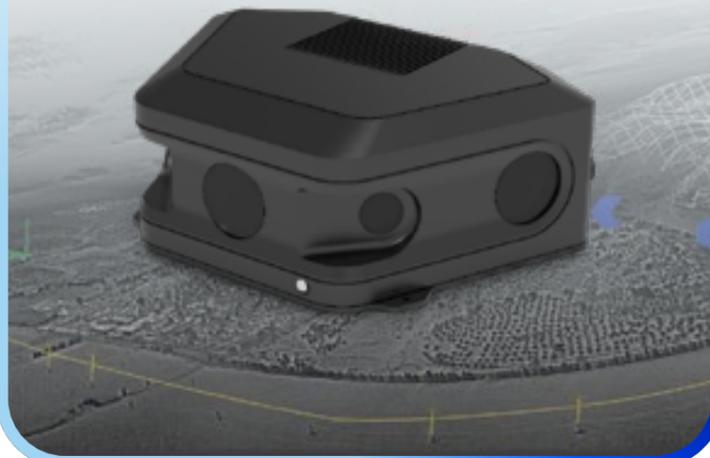
2

Xplore - millimeter-wave radar

The millimeter-wave radar identifies obstacles and reconstructs terrain in zero-visibility conditions, such as flying inside dense fog or clouds. This capability ensures safe navigation when visual cues are completely absent.
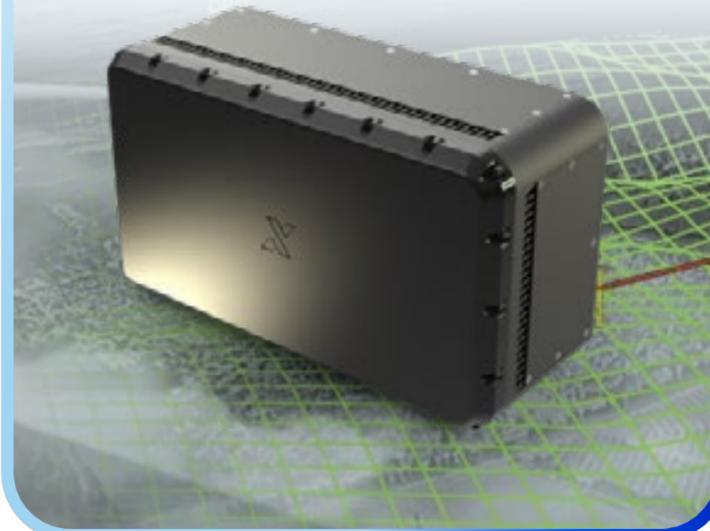
3

X-Sight helmet

 The X-Sight helmet displays all processed sensor data on a wide-angle, full-color, binocular display. This intuitive presentation allows pilots to perceive the terrain and obstacles as they naturally appear, enabling optimal mission performance.

The Adamdam Drone

The Adamdam Drone is a pioneering UAV designed to deliver whole blood doses safely and efficiently to soldiers in the field. It can carry and accurately release up to three units of blood to designated ground teams, ensuring rapid access to lifesaving supplies. Each unit is stored in a thermally-insulated cooler box, maintaining temperature stability and security throughout the mission. By delivering blood directly to combat zones, the Adamdam Drone shortens the critical time between injury and treatment, in a situation where every minute of delay reduces survivability.

QUALITY AND CUSTOMER SATISFACTION

Elbit Systems™

QUALITY AND CUSTOMER **SATISFACTION**

To ensure customer satisfaction, we are committed to upholding the highest standards of product and service quality.

We measure customer satisfaction across all activities throughout our global operations, collecting data relating to multiple aspects of the services we provide. In parallel, we regularly survey our customers to hear directly about their experience.

By combining aggregated internal data and customer feedback scores, we generate an overall customer satisfaction score. In 2024, 42% of our key customers responded to the survey, with results showing an average customer satisfaction level of approximately 86%.

Knowledge Sharing to Improve Quality and Service

To drive continuous improvements in quality and service across our global operations, we maintain several knowledge-sharing forums covering topics in engineering, quality, operations and other areas. These forums enable discussion of emerging challenges and development of new common practices.

In recent years, we launched and implemented new management tools and methodologies to enhance our program management capabilities, as well as new forecasting and KPI frameworks to ensure high-quality, on-time project implementation. In addition, as part of our ERP ecosystem, we are adapting and implementing a new Manufacturing Operations Management (MOM) system in our Centers of Excellence, with the aim of further enhancing our production efficiency.

Quality Procedures for Cybersecurity

A critical issue for our customers is ensuring robust cybersecurity protection against the wide range of modern cyber threats. At Elbit Systems, we take a holistic approach to addressing potential sources of risk throughout our operations and supply chain. This includes comprehensive policies, procedures, incident response playbooks, and employee training - both during onboarding and at regular intervals thereafter - so that they are aware of cyber alerts and know how to report issues appropriately, without delay.

Our Chief Information Security Officer (CISO) is the executive dedicated to managing this area, including being responsible for evaluating irregular or suspicious events reported by employees, either to the Security Operations Center (SOC) or directly to the CISO.

To improve the quality of our cyber protection, we have implemented new cybersecurity tools and updated relevant procedures, and we continue to take a pro-active approach.

In 2024, we maintained five certifications for our global operations in the field of cybersecurity:

- **ISO 27001:2022** Information security, cybersecurity and privacy protection — Information security management systems — Requirements.
- **ISO 27032** Information technology — Security techniques – Guidelines for cybersecurity.
- **ISO 27035** Information technology – Information security incident management.
- **ISO/IEC 27017:2015** Information technology — Security techniques — Code of practice for information security controls based on ISO/IEC 27002 for cloud services.
- **ISO/IEC 27018:2019** Information technology — Security techniques — Code of practice for protection of personally identifiable information (PII) in public clouds acting as PII processors.

Data Privacy & Security

We maintain multiple systems and policies to maintain the privacy and security of the data we hold regarding our customers, suppliers and employees, and our interactions with them. In the past year, there have been no material breaches of data security across our global operations.

EMPOWERING EMPLOYEES

EMPOWERING **EMPLOYEES**

A responsible workplace is one where employees feel empowered. With a foundation of ethical, respectful and inclusive conduct, we aim to nurture a working environment that empowers everyone to succeed. Our values-based workplace culture and focused human-resources strategy provide the tools and opportunities that our employees need to deliver innovative solutions and the outstanding service that our customers deserve.

Our Human-Resources Strategy

Our human-resources strategy is based on four key pillars:

Leadership & proactivity

Professionalism, quality & excellence

Trust, partnership and dialogue

Effective & efficient organizational processes

Our human-resources team uses the People Analytics system to support every step of the employee management process: recruiting and hiring, measuring employee performance, identifying current workforce skill gaps, identifying flight risks to improve retention, competitive intelligence, and organizational network analysis.
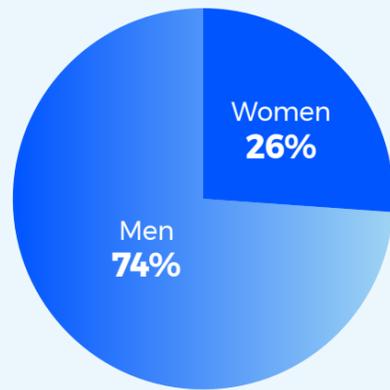
We are committed to following all labor laws, and we offer benefits beyond those required by law in each market. In 2024, 36% of our employees were covered by collective bargaining agreements.

Our Global Workforce

Employees by Gender, 2024

Women **26%**

Men **74%**

Employees by Region

UK **3%**

Romania **4%**

Brazil **2%**

Germany **1%**

USA **17%**

Israel **71%**
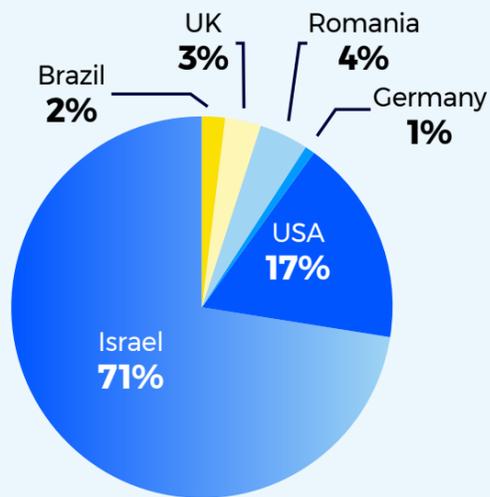
Managing Workforce Continuity

Our recruitment activities - both to fill new positions as we grow the Company and to replace valued retirees - are critical to our ability to maintain workforce continuity.

In 2024, we hired 3,321 new team members across our global operations[3]. We aim to reach the broadest possible base of potential recruits to support our aspiration to create a diverse and dynamic workforce. To this end, we are constantly working to improve the marketing, sourcing and automation of our recruitment processes.

We recruit via several external channels, often in collaboration with leading academic institutions, for example by participating in employment fairs, and inviting students for informal chats with our teams of engineers. We have also been focusing on online recruitment, leveraging several social media channels and tools, such as LinkedIn parties, to attract digital-savvy, technology-competent recruits.

[3] Figures refer to the countries covered by this report
[4] in Israel and in ESA

Training and Development

We continue to invest in the development of our employees, providing an array of professional and personal skills training across the organization. Our employees are offered the opportunity to pursue a relevant selection of practical training to help them both succeed in their current roles and advance within the organization.

To develop the capabilities of our employees, we are constantly exploring training that is relevant to the core areas of the Company. Every year, we measure the satisfaction and effectiveness of our learning activities.

2024 Highlights:

- **AI Academy:** In partnership with the Israel Innovation Authority, we launched a dedicated AI Academy to equip our workforce with cutting-edge skills in artificial intelligence.

- **PRO Learning Hub:** We introduced PRO LMS (learning management system), a cloud-based learning platform integrated into our new organizational portal. We've broadened access to online learning platforms and catalogs, enabling flexible, self-paced learning and fostering a culture of lifelong growth. It offers:
  - Hundreds of synchronous and asynchronous courses
  - Power skills development
  - Safety certifications

In 2024, we invested, 109,357 professional learning hours[4].

In Israel, we offered more than 875 different learning activities, while 8,167 employees participated (some in more than one learning activity).

In addition, we offered all employees the opportunity to register for "Power Skills" training. In ESA, 24,000 total hours of training and development were offered.

Other organizational development initiatives include:

- **Manager Development:** In 2024, we continued to promote our management development program, which encompasses leadership training and foundation training for all managers, and designated professional training for specific roles. In 2023-24, we had adjusted much of the training to make it relevant to the role of a team leader in complicated and unpredictable times.

- **Mentoring Programs:** In our leadership programs, direct managers act as mentors to their team members. This one-on-one interaction not only facilitates hands-on learning but also strengthens the bond between our managers and their teams. Additionally, we've established mentoring programs that pair seasoned senior managers with younger colleagues. This symbiotic relationship not only facilitates the imparting of valuable industry insights by our most experienced staff, but also cultivates a sense of community and shared purpose. Through these initiatives, we affirm our commitment to nurturing talent, promoting professional growth, and upholding our Company's values of excellence and sustainability.

- **WeBit Portal:** The Bit School, our designated area for managers in our organizational WeBit portal, is regularly updated to address revolving needs. The portal offers our managers practical tools, learning capsules, lectures and more.

- **ELbassadors - Shaping Employer Branding:** In recent years, we have operated a unique initiative through which our employees assume the role of ambassador across various social networks and platforms. This innovative activity empowers our team members to become vocal advocates of our organization, sharing their genuine experiences and insights and making a significant contribution to our branding endeavors. By engaging with our stakeholders on digital platforms, our ambassadors cultivate a transparent and relatable image of our workplace culture, values, and the opportunities we offer. This approach not only extends our reach, but also fosters a deeper connection with potential talent and stakeholders. Through this concerted effort, we demonstrate our commitment to a unified narrative that resonates both internally and externally, reinforcing our Company's reputation as a sought-after employer in the industry. Furthermore, engaging our 45 ambassadors in storytelling and AI-focused workshops led by specialists in those fields, we equip them with valuable skills and position them as forward-thinking voices in the ELbassadors community.

- **Performance Evaluations:** In 2024, we maintained our performance evaluation process. Employees first perform a self-evaluation, which is then added to the manager evaluation. Together, they form the basis of a structured dialogue that is conducted covering performance, training needs, and career paths. In 2024, 95% of employees participated in a formal performance evaluation based on business targets. In light of the ongoing war in Israel, we invited managers to attend a workshop about how to conduct a more sensitive evaluations in times of emergency and uncertainty.

Partnership and Connection Through Dialogue

We maintain various channels of dialogue and engagement with our employees and managers, through which we transparently share significant developments in the life of the Company.

Employees in Israel have access to an internal corporate portal, WeBit, which provides:

- A convenient and friendly medium for sharing of information, initiatives and ideas among employees.

- Transparent access to organizational and professional information, helping to create collaboration between the employees and between the various divisions.

- The ability for employees to report their hours and receive information regarding their vacation days and absences, entitlement to benefits, insurances, and more.

Beyond the intra-organizational portal, we communicate with our employees in other ways, including through digital screens that are installed throughout our sites, newsletters, short videos on various topics, and more. In 2024, we published eight letters from our president and CEO on a range of subjects, and distributed them to all Company employees through our internal organizational communications systems.

Podcasts

Launched in 2021, our podcasts are an innovative communication channel that enables us to share our values, innovation and spirit with listeners, both within and beyond the organization. They provide an authentic, unique and unmediated look at the life of our organization.

There are seven different podcast channels[5], each with several episodes, dealing with our technology and product innovation (for example, "Talking Technology" "T- Model" and "Initiating Innovation"). Alongside this, there are a number of podcasts that deal with the life and identity of the organization, and topics such as occupational diversity, the promotion of women in high-tech, corporate responsibility, and more (for example, "Our Word" "How Elbit Does..."). The podcasts host employees and managers who provide insights into a variety of topics relevant to company life, through their unique point of view and personal experiences.

Recognition of Outstanding Employees

Every year, the Company selects outstanding employees, based on manager and peer recommendations. In 2024, 41 outstanding workers from all over the world were selected. We presented their stories and their exceptional work in our digital magazine, which was sent to all our divisions and subsidiaries. In recognition of their excellence, these employees will travel to London to attend the 2025 DSEI defense exhibition and meet the president of the Company at a special gala night.

In 2024, the Company selected **41 outstanding workers** from all over the world and their exceptional work was presented

OUR WORD
- By Shelly Gordon -

Listen to
PodcasTone
PULS™
precise and universal launching system, otherwise known as PULS

---

[5] Not all the podcasts are fully activated

Women in the workforce

We maintain a safe and accessible work environment for our employees, free of harassment and discrimination, regardless of their gender, race, ethnicity, religion or sexual orientation.

Traditionally, women have been underrepresented in our industry, and we have had challenges in attracting and promoting women over the years. In 2020, we established targets by division and a corporate goal to achieve a workforce in which 26% of employees are women, by 2025. In 2024, female employees made up 26% of the workforce in Israel and 33% of the workforce at Elbit Systems of America (ESA). Specifically, we have made it our goal to increase the number of women in engineering, commercial and other management roles. These measures are periodically monitored and presented to the Company's executive management and the board of directors.

We undertook the following activities to help achieve this target:

Recruitment

- The language of our job advertisements applies to both male and female candidates.
- We have carefully examined recruitment requirements that may result in gender bias.

Improved Working Conditions

- We mapped roles across the Company to identify pay gaps between women and men in the same role and with the same seniority, and took corrective action. In accordance with regulatory requirements, every year we publish an equal pay report, available on our website at Our People | Elbit Systems (currently available in Hebrew only). The report indicates that there are no significant gender pay gaps across the Company's major occupational groups.

- Taking a top-down approach, we include diversity issues in our executive training to boost awareness about different types of diversity, and provide knowledge and strategies for enhancing interpersonal and communication skills across diverse groups, which helps build a positive work environment for all.

- **Women's forums-** Communities of women, made up of hundreds of female employees, operate across various divisions. These communities aim to promote women along four key axes: recruitment, awareness, empowerment, and influencing the next generation. Activities include discussion meetings on topics relevant to women, workshops to raise awareness of gender disparities, online initiatives encouraging women to join the Company, and more.

Mentoring

- As part of our focus on development, growth, and promoting gender diversity, two cycles of a women's mentoring program have taken place. Leading female employees were selected to participate, each paired with senior managers as mentors. The program's goal is to create a space for growth and learning, expand organizational networks, provide guidance from senior leaders, and offer tools for personal and professional development. This program took place in the Aerospace Division, and we plan to expand to other divisions in the coming years.

- For the past six years, ESA has led a mentoring program that empowers dozens of employees to grow, connect, and share knowledge across generations. One of its most innovative elements is the reverse mentoring track, where newer team members mentor seasoned colleagues. These fresh voices bring renewed energy, challenge assumptions, and shine a light on overlooked areas—creating a dynamic culture of learning, reflection, and continuous improvement.

A unique initiative was launched to maintain contact and support for women on maternity leave. Relevant managers received training on maternity rights, and a guide titled "The Ten Commandments – Do's and Don'ts When Speaking With Employees on Maternity Leave" was distributed. Additionally, women in maternity leave are invited to Company events, and suitable nursing rooms have been arranged at different sites.

Community Engagement

The Babushka Mentoring Program for Gender Equality in Engineering

Established in 2018, Babushka is Elbit's flagship program in the community. Aimed at fostering gender diversity, this program represents a pioneering effort to empower young women to pursue engineering careers, and integrate them into the workforce.

Studies show that when young girls are at a critical point in their lives and are deciding whether to pursue a career in technology or something else, the absence of female role models is a significant factor contributing to their decision. As a result of this vicious circle, gender disparities are seen in various sectors.

The Babushka program provides girls with the support of a positive role model who serves as a mentor, helping them to explore their interests, overcome barriers that stand in their way, and reach their full potential.

Three circles of support and inspiration form an intergenerational community of women sharing a common bond. Female engineers from Elbit Systems comprise the inner circle, mentoring and guiding aspiring female engineering students, exposing them to diverse perspectives and viewpoints, and nurturing their personal and professional growth. As well as sharing their knowledge and insights, these mentors open doors for the students in the world of engineering.

The second circle is made up of the female students themselves. As well as receiving mentorship from Elbit, they also offer mentorship to younger girls – the third circle – inspiring them to improve their academic performance, and work towards a tangible vision of their own successful professional future.

In 2024, a total of 100 engineers, students and girls aged 14-15, participated in the sixth cycle of the program. In addition, 13 Babushka alumni who participated as students in the program have become Elbit's employees on completion of their engineering studies. Three of them completed the full cycle, and became mentors to engineering female students.

Girl Week

In our ongoing efforts to promote youth and gender diversity, we partnered several years ago with Shavot's Israeli Girl Week initiative.

Through this project, over 140 women employees from various fields across our sites have visited classrooms, alone or in teams, and engaged with young boys and girls, sharing their journeys, challenges, and successes. They aim to inspire and empower the next generation, showing that anything is possible.

In 2024 Girl's Week We've reached more than 100 classrooms, with a special focus on underserved areas and Israel's periphery.

Employees with Disabilities

The Company's commitment to creating a diverse and inclusive workplace for all employees extends to those with disabilities. As of 2024, in Israel we have 369 employees with disabilities, representing approximately 3% of our total workforce. In 2023, we hired 43 workers with disabilities, representing 2% of our total new hires.

Upon hiring, new employees are invited to voluntarily complete an accessibility statement. This helps us to track the number of employees with disabilities and ensure that we take the necessary measures to accommodate their needs. In ESA, 2.6% of the workforce are people with disabilities, and 2.5% of new recruits in 2023 declared themselves to be people with disabilities.

As part of Elbit's commitment to diverse employment, and to strengthens the Company's connection with Israeli society, we have developed a unique recruitment process aimed at hiring and integrating wounded veterans into the workforce. This initiative stems from the understanding that integrating diverse populations not only contributes to social resilience but also enriches the organization with skills, values, and varied perspectives.

The process was built in collaboration with the Rehabilitation Department of the Ministry of Defense and other partners who supported the wounded throughout their rehabilitation journey, with the goal of ensuring optimal, tailored, and sensitive integration.

To this end, designated positions were allocated with adjusted working hours, recognizing that the rehabilitation process is ongoing and requires employment flexibility. The recruitment process included personalized needs mapping, adaptation of the work environment, and specialized training for managers - including awareness workshops, tools for sensitive and inclusive management, and careful selection of a work environment suited to the process.

As part of this effort, in 2024 we held dedicated exposure days, participated in job fairs, and published open positions through relevant channels in collaboration with our community partners.

Since the initiative began, dozens of IDF wounded veterans and victims of hostile acts have been hired into positions at Elbit. In 2025, we plan to expand this initiative, including adding positions and introducing specialized training for managers and HR teams, with full support from the Company's recruitment unit.

Accessibility for People with Disabilities

Maintaining and promoting accessibility for people with disabilities is both our legal and moral obligation. We continuously implement accessibility processes, including making physical spaces accessible and enhancing the accessibility of technological platforms, such as our employee portal and external website. We conduct annual accessibility surveys and actively work to address any identified deficiencies. Additionally, we have implemented a Write Hear system for individuals with visual or auditory impairments. In 2024, a new, comprehensive Accessibility Procedure will be published internally.

As required by law, in 2024, we held an accessibility conference in collaboration with the Israeli Accessibility Association. This conference, aimed at safety professionals, accessibility coordinators, and infrastructure teams, was designed to refresh participants on relevant regulations and provide insights into the lives and challenges faced by individuals with physical, cognitive, and mental disabilities.

Diversity in our U.S. Operations

To increase gender and other diversity among our employees, we have partnered with organizations such as the Society of Women Engineers (SWE), and we sponsor the Women in Defense (WID) Conference each year. Staff from ESA attend the annual SWE and WID conferences and careers fairs, to introduce women to the career opportunities we offer.

To attract veteran talents, ESA is affiliated with DoD-SkillBridge Internship Program.

On Pride Day 2024, a lecture was held on the inclusion of the LGBTQ+ community in society. This year, we focused on the challenges faced by youth and young adults, and on preventing violence against the LGBTQ+ community. Hundreds of employees in Israel attended the lecture.

Health and Safety

Protecting and enhancing lives applies both to the products we supply to our customers and to our employees. Protecting our employees through consistent attention to safety and occupational health is fundamental to the way in which we work.

We are committed to meeting precautionary procedures, minimizing risks, preventing hazards, and providing a safe environment for all our employees and any other person working at each facility or operation under our responsibility.

We maintain leading standards of health and safety at work, including compliance with applicable laws, regulations and best practices.
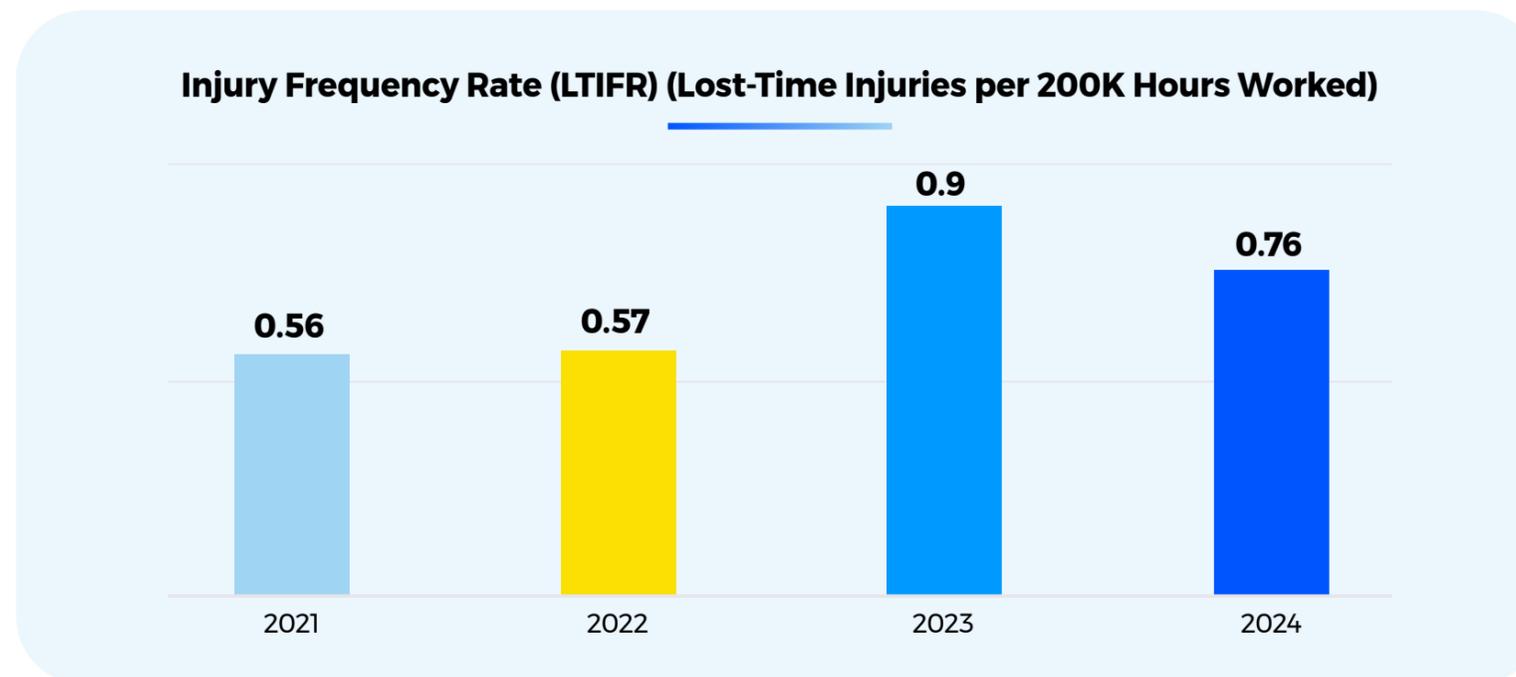
Our global EHS management system covers 99.7% of Elbit Systems' global business operations, which includes sites where we have full operational control, as well as our activities at the sites of major customers.

We hold ISO 45001:2018 Occupational Health and Safety Management System Standard certification at our main sites, which cover 73% of our employees. All our sites have emergency preparedness systems in place.

Mandatory health examinations are conducted routinely for employees that work under conditions that may pose potential health issues.

New employees are trained in safety procedures as part of their orientation, and we reinforce safety communication and training by holding regular safety meetings and training sessions - typically approximately four hours per employee, per year - making safety information easily accessible to employees, encouraging employees to report unsafe conditions, and conducting regular safety audits.

We closely monitor all accidents and safety-related incidents in our operations, for both contractors and employees. In 2024, we had no fatal accidents, and most of our workplace injuries have been minor.

Injury Frequency Rate (LTIFR) (Lost-Time Injuries per 200K Hours Worked)

Year	LTIFR
2021	0.56
2022	0.57
2023	0.9
2024	0.76

Well-being

Our well-being policy is focused on strengthening the engagement of the Company's employees and their families.

To maintain work flexibility, we have increased location flexibility when possible, so that employees can work from the Elbit site closest to their home, reducing the need for commuting.

Additionally, we have expanded employee eligibility for a benefit that permits reduced work hours, with no loss of pay, for employees in Israel working in full-time or certain part-time roles who are parents of children up to the age of one year, significantly exceeding the legal requirement in Israel.

We offer a range of employee welfare benefits, including discounts on vacations, comprehensive discounted medical insurance, credit cards with special benefits, tickets to movies, concerts and plays, leisure and sports activities, and gifts and celebrations for employees to mark life cycle events, such as when their children enter first grade, enlist, get married etc.

Fostering Connection and Team Spirit

We are committed to creating a supportive, enjoyable, and inspiring work environment, in which employees feel valued, connected, and proud to be part of Elbit.

To do this, we invest in:

- Team-building activities
- Company outings and bonding days
- Division-wide social events and gatherings

Fostering connection in our U.S operations

Launched in 2018, ESA's Right Tribes program was designed to foster a deeper sense of belonging and purpose in the workplace. By encouraging employees to form self-organized groups—or "tribes"—the initiative supports holistic well-being across four key dimensions: social, emotional, financial, and physical.

These tribes have taken many forms, including:

- Cycling teams
- Running clubs
- Gaming groups
- Book clubs
- Public speaking circles

We believe these vibrant social networks are more than just extracurricular—they're a catalyst for enhanced employee engagement, happiness, and a renewed sense of purpose at work.

Elbit's Holistic Employee Retirement Program

Elbit offers a comprehensive retirement planning program for its employees, designed to ensure that they have a comfortable and fulfilling retirement.

The program includes a two-day workshop for retirees and their partners, giving them the opportunity to learn about the different aspects of retirement and to start planning for their future. In 2024, 145 employees attended our retirement workshops.

Topics covered by the workshop include:

• How to create a personal retirement plan

• The different types of pension plans available

• How to optimize legal rights and benefits before retirement

• Wills and inheritance

• Health, nutrition, and physical fitness

• Volunteering opportunities

In addition, we offer personal advice and a Retirement Kit that provides employees and their families with the resources they need to make informed decisions about their retirement.

Elbit also keeps in touch with employees after they retire, to ensure that they are getting the support they need. They can continue to access the same welfare benefits as all employees, and they can also participate in our volunteer activities, entrepreneurship programs, and more.

Looking Forward:

• In 2025, the BITHUB portal will be launched on the cloud, replacing the current WeBit organizational portal. The new portal will feature advanced search capabilities across the advanced collaborative Microsoft 365 environment. It will provide convenient, accessible navigation with personalized access to all sites, organizational updates, tools, useful applications, and more. In addition, users will be able to quickly find colleagues in the organization, Teams groups, files, information, and SharePoint sites, with a single click.

The new portal will be available to Company employees by business mobile phone, as well as to external contract staff.

• We plan to introduce "Inside Talks", an initiative designed to address employee burnout and to reenergize teams. Employees who wish to share their knowledge and experiences by delivering lectures on a wide range of topics, including personal stories, professional insights, and enrichment content, will participate in intensive training in public speaking and storytelling techniques. Once trained, they will be featured in a curated catalog within our learning system. Managers will be able to browse this catalog and select lectures from our internal speaker team to bring directly to their team. The project aligns with our resilience strategy, positioning the team as an anchor of stability.

• We will launch a dedicated initiative to recruit outstanding junior professionals who completed their electricity engineering studies. To support the business needs, they will be trained in specialized fields where talent is scarce—such as electronic warfare.

SUPPORTING LOCAL COMMUNITIES

SUPPORTING LOCAL **COMMUNITIES**

We aim to support the communities in which we live and work, around the world. Many of our local operations maintain programs for the benefit of our local communities, and we encourage our employees to volunteer and assist nonprofits in advancing a range of worthy causes.

One aspect of our global focus, which aligns with our core business, is developing and securing technology skills that prepare young people for a productive and rewarding career in our industry. With leading technology experts throughout our global business, and a passion to support the development of young people, we take an active part in helping create the future leaders of our industry. We also focus our efforts on supporting other social needs that arise in local communities, especially in light of the October 7th attack (for further read please see the chapter- Swords of Iron war).

In 2024, our global community investment - including technology education projects, charitable donations, in-kind donations of equipment and services, and the value of employee volunteering time - amounted to approximately US$3.5 million.

The values of volunteering and giving back to the community are inherent in Elbit's DNA. We encourage employees at all levels of the Company to volunteer and leverage their knowledge and skills to benefit wider society. In 2024, over 4,000 Elbit employees engaged in volunteering activities around the world, contributing approximately 38,000 hours of their time.

Israel

Out of our duty and moral responsibility to support those wounded - both physically and emotionally - on the frontlines and the home front, much of our activity in 2024 focused on comprehensive rehabilitation for this population.

Getting Wounded Veterans Back on Track to Independence

The unique **Restoring Independence Hackathon** was initiated by Elbit in cooperation with the Rehabilitation Division of Sheba Medical Center and the Restart nonprofit organization. The aim of the hackathon was to create and develop technological solutions that provide practical and effective responses to common challenges faced by wounded IDF veterans, helping them regain independence.

During the event, interdisciplinary volunteer teams - including engineers, marketing professionals, HR staff, and others - worked intensively together with high motivation and a strong sense of mission, united by the privilege of creating positive change in the lives of those who have given everything for the country.

Volunteers chose from three challenges for which current market solutions are insufficient:

• Phantom limb pain among amputees

• Neuro-optical rehabilitation for head injuries

• Tools to support cognitive assessment of the wounded

To prepare for the hackathon, employee volunteers were invited to participate in a series of relevant webinars led by subject-matter experts, covering topics such as phantom pain, cognitive function, and more.

At the conclusion of two intensive hackathon days, three winning teams were selected, and their ideas are now moving forward to further development and production.

One team tackling the challenge of phantom limb pain proposed developing a smart prosthetic that interacts with the user and generates real sensations, effectively becoming a true extension of the body. For instance, if a wounded soldier felt an itch in the missing limb, scratching a specific spot on the prosthetic would signal relief to the brain. Even more importantly, the action would restore a sense of control to the patient. This solution drew on the disciplines of neuroscience, electronic engineering, and artificial intelligence, with much of the design, brainstorming, and testing carried out together with the patients themselves, enabling real-time feedback and immediate adjustments.

Makers for Heroes

In 2024, we expanded our long-standing collaboration with the Restart nonprofit, which supports wounded soldiers in their rehabilitation journey and return to daily life. As part of the Makers for Heroes project, seven teams of Elbit engineers adopted a record number of seven IDF wounded soldiers (compared to two or three in previous years). Throughout the year, working closely with each wounded soldier, the teams developed unique, personalized solutions designed to help them function better despite their physical limitations, and to improve their quality of life - whether in daily activities or by enabling them to return to old hobbies they had abandoned due to their injuries. Toward the end of the year, a highlight event was held where the projects were presented.

- **Seeing the Light:** For Alex, a veteran who lost sight in one eye and suffered damage to the other, finding a way to maintain eye contact with his divers as a diving instructor for wounded soldiers seemed like an impossible mission.

  A team of Elbit engineers succeeded in creating a meaningful change in Alex's life by developing an innovative product that overcame this limitation. Alex and the team won first place in the Daring to Dream category.

- **Can't Stop This Music:** Matan's injury caused neurological and motor damage to the left side of his body, along with impaired regulation in his left hand, making it difficult to bend his fingers. Matan loves playing guitar and dreamed of returning to it.

  A team of Elbit engineers took on the challenge of finding a solution. After months of brainstorming, and problem-

solving, they developed a glove that helps bend his fingers, bringing them into contact with the strings and enabling him to play again.

Investing in Tomorrow

In 2024, we also continued being involved and volunteering in several projects aimed at advancing technological education, with a focus on children and youth. For example, Elbit employees in northern Israel adopted a youth entrepreneurship group as part of AharaiTech, a program launched by the 8200 Alumni Association in partnership with the Aharai organization for young leadership. The employee volunteers served as mentors and professional guides, working together to reinstate the group and get it back up and running after a year of war.

Our Social Leaders

A network of approximately 40 employees from across our business units have undertaken the mission of leading social activities at their sites. These social leaders initiate volunteering activities, recruit volunteers, and increase levels of social engagement among both employees and management. At least twice a year, we hold a social leaders' conference, where leaders can share ideas, strengthen their network, and acquire knowledge and tools.

In 2024, we held our traditional Volunteer Week - Elbitov - with a special focus on supporting populations directly affected by the Swords of Iron war. During the week, thousands of employees volunteered in activities such as renovating rehabilitation farms and therapeutic centers for trauma survivors; building furniture for evacuees returning to their homes; visiting wounded soldiers in hospitals across the country; harvesting, packing, and assisting farmers in the north and south; and participating in memorial runs and initiatives honoring the fallen.

A variety of activities took place on national Memorial Day For example, Remembrance Recipes - preparing dishes in memory of the fallen in the dining rooms at our different sites and inviting their families to eat with us; hosting wounded IDF soldiers for lectures; visiting the wounded, and more.

Equipment donations

In 2024, we donated over 1,622 computers and accessories to families in need and community centers serving children and youth, particularly in Israel's periphery. Of these, 269 computers were donated to individuals and children who were forced to evacuate their homes following the October 7th attack. Additionally, during the year our employees collected clothing, unused medication, school bags, toys, costumes, and more, and assisted in delivering these items to communities in need. The monetary value of the equipment donation amounted to about half a million dollars.

The U.S.

Our employees work particularly closely with Blood Cancer United (BCU), a nonprofit dedicated to cure blood cancer and improve the quality of life of all patients and their families. Our workforce participates in multiple events and fundraisers throughout the year, culminating with the annual Light The Night campaign.

Light The Night boosts community awareness of blood cancers, honors those impacted, and raises funds for life-saving research. The event involves large community walks in locations across the country, and employees participate in their local areas. In 2024, through employee and corporate donations, Elbit America employees raised $55,000 to support Light The Night, making Elbit America an LLS National Partner.

Another effort by our US based employees involved volunteering in NICA Food Pantry. The group from ESA helped distribute groceries for community members in need, and also helped with other tasks such as sorting and processing donated clothing, and administrative duties to support the NGO's work.

As the holiday season approached in the United States, our employees took part at the TOYS FOR TOTS campaign. They collected toys and bicycles, which were later distributed to children from disadvantaged families.

Romania

We contribute to the local community both financially and through volunteering, supporting initiatives for children in need and the elderly. In addition, we donate to a Romanian college that provides education in electronics and technology. Through our partnership with the NV Karpen Technical College - the only college offering electronics courses and a potential source of future talent - we help advance technological education by providing equipment that supports the learning process.

Brazil

In 2024, our employees volunteered to collect school supplies for students in need, donating stationery items for 138 public school students, along with chocolate bars for Easter. Before winter, we organized the collection and distribution of clothing for families in need.

Political Donations

Elbit Systems does not provide any political contributions, either directly to political parties or through organizations involved in politics.

Looking Forward:

As part of our strategic focus on supporting the IDF's wounded in all aspects of life, we have established a long-term partnership with the Paralympic Committee. This collaboration includes, among other things, financial support for the Israeli delegation's athletes competing in the Los Angeles 2028 Games, joint development of technological solutions to enhance the association's operations, and a wide range of volunteering opportunities offered to our employees.

RESPONSIBLE
SUPPLY CHAIN

Elbit Systems™

RESPONSIBLE SUPPLY **CHAIN**

In order to deliver exceptional quality and service to our customers, we require an efficient supply chain that operates responsibly and sustainably. Our policy is to source materials and components from suppliers that uphold ethical practices and adhere to environmental standards, quality assurance, social welfare, and labor laws, regulations, and best practices.

Elbit's global expenditure is approximately US$4 billion annually, of which 60%-75% is sourced from Israeli suppliers. We collaborate with over 7,000 direct suppliers worldwide to procure a diverse array of materials, components and products, mechanics, electronics, optics, cabling, and more. Additionally, we engage subcontractors for various services, such as cleaning, catering, and security, as well as consultants, software developers, QA, IT, operations, production and manufacturing and technical support staff.

Our businesses also rely on multi-layered global supply chains. For example, our direct suppliers often have many suppliers, who in turn rely on many lower-tier suppliers, and this dependency continues through several tiers.

Two senior managers oversee sustainable practices in our supply chain: our Executive Vice President of Operations, and our Vice President of Global Supply Chain and Chief Procurement Officer. Our buyers and procurement directors are responsible for the daily implementation of our policies regarding these practices.

Supplier Code of Conduct

Our purchasing terms and conditions include a Supplier Code of Conduct (the Supplier Code), which was updated and approved by the management and the Board recently. The Supplier Code is published on our website, making suppliers and providers of offset activities aware that we expect them to conduct business activities in a fair and ethical manner, in addition to complying with all applicable laws and regulations.

The Supplier Code covers issues such as: fundamental human rights, child labor, fair labor practices, combating human trafficking, ethics and anti-corruption practices, avoidance of conflicts of interest and anti-competitive behavior, non-use of conflict minerals, cybersecurity, preventing use of counterfeit parts, and environmental, health and safety compliance. Our Supplier Code also sets out a whistleblower mechanism that current and potential members of our supply chain can use to report any concerns. Examples of concerns raised through this channel include potential conflicts of interest and alleged favoritism in procurement tender processes.

When entering into a contract with Elbit, large subcontractors in the fields of catering, security, and cleaning must comply with specific ethical requirements. These obligations include confirming that they provide their employees with at least the minimum wage, and ensuring that there is no violation of labor laws within their workforce. In addition, a system has been established, in accordance with legal requirements, to address any complaints related to subcontractor employees, with the aim of improving the enforcement of labor laws.

We perform an environmental assessment in an attempt to identify direct and indirect critical suppliers that could have actual and potential negative environmental impacts. This assessment includes a quarterly review of the business, vendor risk rating, root cause analysis of main risks, and a supplier audit. In all cases in which actual or potential environmental impacts are confirmed, we agree on management action plans with the suppliers.

⭐ **Satisfaction score in 2024 was 3.52**
which presents an improvement from 3.45 overall satisfaction in 2023.

Conducting Supplier Dialogue

In 2024, we conducted our fourth supplier survey. Out of 569 strategic suppliers were invited to participate (compared to 450 in 2023), we achieved a 79% response rate (compared to 45% in 2023). The purpose of the survey is to assess how suppliers perceive Elbit Systems, understand our requirements and expectations as their customer, and to evaluate their overall satisfaction. Satisfaction score in 2024 was 3.52 which presents an improvement from 3.45 overall satisfaction in 2023.

Most suppliers provided positive feedback about Elbit Systems' ethical approach, the quality of service from our engineering and warehouse teams, the positive interpersonal relationships, and the clear communication of our quality requirements. However, the survey also highlighted areas for improvement, including more accessible supplier portal, shorter payment periods, improved goods processing and inter warehouse coordination.

The survey also included checks in the fields of Ethics and Compliance, ESG and EHS to ensure suppliers have written procedures, implementation, and reporting systems designed to maintain a safe, healthy and appropriate work environment that aligns with Elbit's core values. During 2025 we plan to add to the survey an ESG assessment on material suppliers, based on a review from a leading ESG ratings agency.

Based on the survey and the ESG assessment results, we plan to implement a mitigation plan and collaborate with suppliers to help them improve in areas that require enhancement.

Diversity in the Supply Chain

We encourage our procurement teams to increase their patronage of locally-owned businesses, particularly small and medium-sized enterprises and companies in peripheral areas, wherever doing so clearly aligns with our commercial, quality, and on-time delivery interests. We also promote spending with companies that employ people with disabilities, support minorities, and prioritize environmental purchases. The following table summarizes our achievements in this regard[6]:

As part of our commitment to supporting minority employment, in 2024 we engaged 160 ultra-Orthodox women to provide software development services to our core projects, through an external subcontractor. Additionally, we collaborate with a local placement organization that partners with the Druze community in Northern Israel to employ Druze workers. Every year, approximately 10% to 20% of these subcontractors become permanent Elbit employees.

Based on Billing Spend	2023		2024	
	Number of Suppliers	Spend ($K)	Number of Suppliers	Spend ($K)
Spending with locally-owned businesses ("Blue & White")	5,155	1,544,245	5,407	2,158,416
Spending with local small and medium-sized businesses	545	32,826	478	41,864
Spending to support the employment of people with disabilities	18	2,654	18	3,672
Spending to support the employment of minorities	13	25,310	13	35,482
Spending with companies in the periphery (Northern and Southern Israel)	440	140,802	454	172,367
Sustainability spending/ environmental purchasing	10	15,602	11	17,192

Detecting and Preventing Use of Counterfeit Parts

To prevent the use of counterfeit parts in our design and manufacturing activities, our policy is to purchase components and equipment parts only from authorized dealers and manufacturers. All incoming parts are subject to our own rigorous quality controls before being accepted into our production operations.

Following the process of installing solar panels on the roofs of the buildings at some of our sites, in 2024 we signed a contract with a renewable energy supplier who will install a solar field composed of photovoltaic panels, at our new site in the Southern Israel. The solar field will guarantee an increase in local renewable energy generation, and is expected to lead to an increase in Elbit's renewable energy consumption over the coming years.

[6] Some of the 2023 data was revised retroactively due to a new measurement methodology

Conflict Minerals

Elbit Systems' policy is to use conflict-free minerals in our products. We have taken measures, consistent with the OECD Guidelines, to meet the applicable reporting obligations, including enhancing our supply chain due diligence and internal controls relating to conflict minerals.

As part of our conflict minerals compliance policy, we prioritize the most relevant current and potential suppliers of raw materials or products, and request that they complete a Conflict Minerals Supplier Due Diligence Questionnaire. In 2024, our due diligence was conducted at the supplier level, mainly first-tier manufacturers. The response rate among suppliers surveyed exceeded 75%. As required, we have reported annually on conflict minerals to the U.S. Securities and Exchange Commission since 2014. The report is available on our website at elbitsystems.com.

Every year, we participate in exhibitions around the world. We take into account ESG aspects in the selection of suppliers for setting up our display booths, and bidders are required to concern themselves with matters such as recycling, reuse, transportation of goods, etc.

We are committed to providing adequate conditions for our catering, security and cleaning workers, including the provision of social conditions as required by law, holiday pay and more. Once every six months, we carry out a sample check of pay slips and conditions for such staff, using a salary checker for employees of all our subcontractors. We also ask suppliers to employ a certain percentage of people with disabilities.

Our construction waste is completely landfilled, and we require confirmation from construction suppliers that the landfill was carried out at state-licensed sites.

We make sure to organize and dispose of hazardous materials through an external supplier who has all the approvals and permits required by law.

Looking Forward:

A collaboration with a Jerusalem based software company, founded by veterans who are newly-observant Jews (baalei teshuva). The company was established out of an ideological commitment to the integration of the ultra-Orthodox and religious populations into Israel's high-tech sector. Elbit has signed an agreement to integrate in coming years employees at the Company's sites, in an outsource model.

Our main shipping forwarder, which operates according to advanced corporate responsibility practices, supplies about 85% of Elbit's air and sea shipping needs. Every quarter, the company provides us with our shipping emissions data. Together, we are working to unify shipments and thereby reduce the scope of shipping and the emissions it causes.

We encourage our employees to switch to more environmentally-friendly leased vehicles, by offering financial incentives for employees who choose hybrid vehicles and by financing of home charging stations for electric vehicles. In addition, we set an internal goal of including 500 electric vehicles in the leased cars by 2025. In 2024, 331 leased vehicles were electric,

PROTECTING THE
ENVIRONMENT

Elbit Systems™

PROTECTING THE **ENVIRONMENT**

We are committed to preserving environmental resources, reducing ecological footprints, and preventing environmental pollution, throughout the lifecycle of our products. To this end, we comply with and act beyond the requirements of local and global Environmental, Health and Safety (EHS) regulations in all our operations. Elbit Systems' EHS policy is publicly available on our website, as is our dedicated EHS report.

Our global EHS management system covers over 95% of Elbit Systems' global business operations, which includes sites where we have full operational control, as well as our activities at sites of major customers. These sites undergo annual internal audit evaluations regarding compliance with regulations and voluntary standards. All of these operations are included in this report.

We uphold applicable environmental laws and regulations in all countries in which we operate, and we have been certified to the ISO 14001 environmental management systems standard at our main sites[7], which cover 77% of our employees. In the past fiscal year, we have not been required to pay any significant fines related to environmental or ecological issues.

EHS Committee

A committee consisting of senior executives from throughout the organization - including finance, business units, facilities, procurement, security and the Chief Operating Officer (COO) - convenes annually to identify and assess the main EHS risks and opportunities for the organization, including climate-related issues. The global EHS team sets global targets for most of our environmental indicators, which are presented to our board of directors during the ESG review.

[7] Our U.S sites are not included.

Technological Solutions with Added Environmental Value

Elbit Systems makes significant ongoing investment in breakthrough technological solutions that help protect the environment. We implement a clear sustainable methodology in our development processes, mainly in our choice of materials and components, energy use, weight, quality and other relevant factors. **Many of these processes have a direct impact on environmental aspects, for example:**

Construction materials

We source the lightest and most durable materials for use in our production lines, for example fiberglass, which enables greater time and distance propulsion, corresponding to enhanced energy efficiency.

Lead-free structural walls

We have implemented a dedicated model for lead-free airborne platforms, with the understanding that, in the near future, the use of lead-based materials will be prohibited.

3D printing

We have initiated the production of certain product components - for example aluminum parts with a lattice structure for UAS (unmanned aircraft systems) - using additive manufacturing (AM) technology with industrial 3D printers. This innovative approach has a number of impacts, including significantly reducing material usage and waste. It also results in lighter components that save weight in shipments, thereby contributing to lower emissions during transportation, reduced fuel consumption, and enhanced energy efficiency.

Our 3D printing processes adhere to strict safety requirements, with no compromise to quality or performance, and saves up to two tons of metal and two tons of plastic each year. Given these substantial environmental advantages, we aim to integrate 3D printing technology into the production of an increasing number of products in the future.

Reducing our Carbon Footprint

We regularly review our internal environmental practices, share learning across our global organization, and engage employees throughout our operations in regular communications and activities related to resource consumption and other environmental issues.

We continue to enhance our efficiency initiatives regarding resource consumption and greenhouse gas emissions. An example of one such initiative relates to electricity - one of the main resources we consume, with the greatest impact on our carbon footprint. Looking towards the use of cleaner and greener energy sources, such as renewable energy, we have installed photovoltaic systems at several of our sites in Israel, selling the electricity produced to the Israel Electric Corporation as part of its tariff regulation initiative. In the coming years, we plan to expand this project to additional sites in Israel, and to our overseas subsidiaries.

Other initiatives that have been launched at many of our facilities include:

- Improved air conditioning and lighting controls, automatic sensors and LED lighting.

- Use of low-emission, hybrid or electric vehicles in the Company's vehicle fleets, and encouragement for employees to choose them as their lease cars.

- Continuous proactive maintenance in our manufacturing operations, to achieve maximum efficiency and minimum waste of resources.

- Smart water metering, leak monitoring and identification, process water recycling, and installation of water-efficient equipment in washrooms and bathrooms.

- Use of excess water from HVAC systems for landscape irrigation, where possible.

- Waste reduction at source, reuse of packaging materials, and recycling of various materials.

- Compliance with hazardous materials regulations, such as RoHS and REACH standards, and other customer requirements.

- Repurchase of products for reuse, or recycling of products (as a whole or their raw material form). In cases where products cannot be returned to us, we support implementation of optimal disposal alternatives, in compliance with local regulations.

- Sustainable innovation methodology in our development processes, mainly in the choice of materials and components, energy use, weight, quality and other relevant factors.

Climate Change Risks

Recognizing the potential environmental impacts of our ongoing operations, we have put in place a robust climate change strategy, based on a Company-wide, multi-disciplinary risk management process.

We evaluate climate change risks annually, including legal, technological, reputational, and physical risks. We understand that non-compliance with GHG reporting regulations could potentially cause concern among our customers and other stakeholders.

The main outputs from our risk management processes can be found in our most recent CDP (formerly the Carbon Disclosure Project) report.
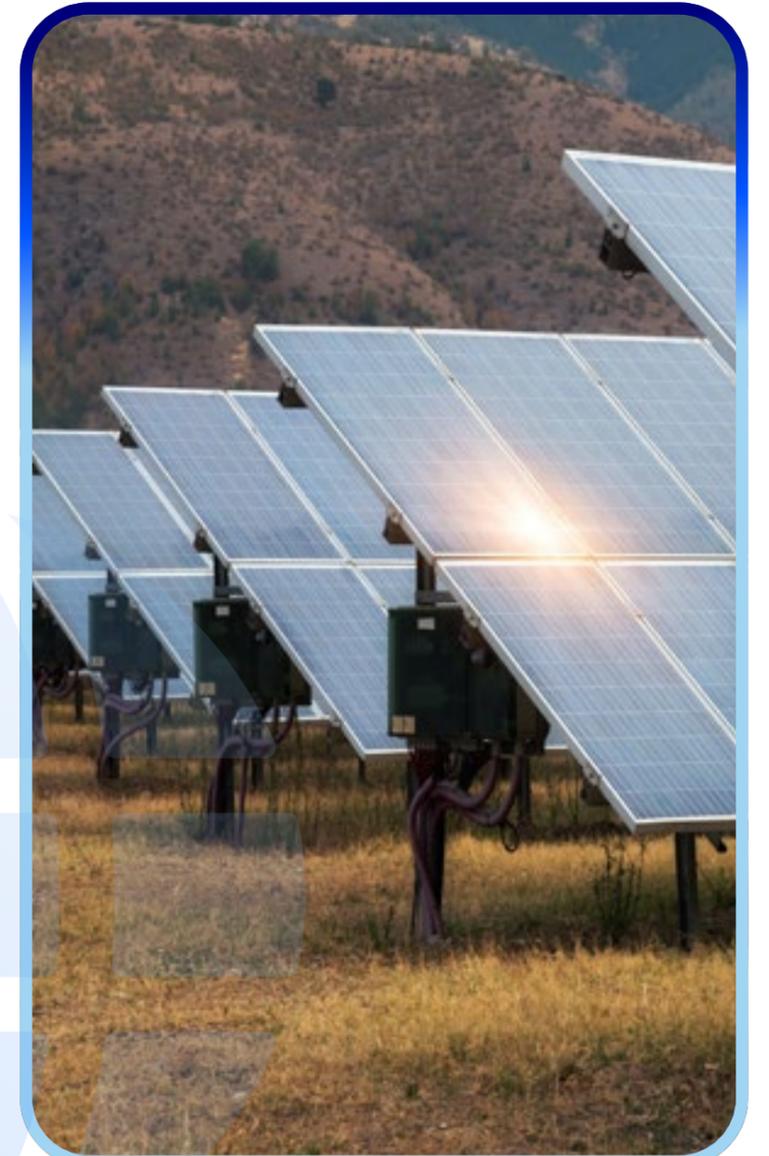
Greenhouse Gas (GHG) Emissions

We have monitored our GHG emissions since 2012, submitting our inventory for verification by a third-party independent auditor in accordance with ISO 14064-3. The results of this independent verification are presented below. Following the October 7th attack, a significant number of sites shifted to double-shift operation, and even continuous 24/7 work. The significant increase in production activity during 2023-2024 led to an increase of the Company's consumption of electricity, water, fuel, waste, and other resources, and affected our GHG emissions and efficiency.

A Low-Carbon Fleet

In Israel, we maintain a large fleet of more than 3,500 vehicles (owned and leased) for use by our employees. In 2024, 58% of this fleet was made up of electric/ hybrid vehicles, helping us reduce fuel consumption and greenhouse gas emissions. 331 of our cars in Israel are electric.

We encourage our employees to choose hybrid or electric cars in their leased cars. To support our employees, we sponsor the installation of charging stations next to their homes and provide financial incentives for hybrid cars.

GHG Emissions Scopes 1+2 (in tons, CO2e)

Year	Value
2021	144,389
2022	138,271
2023	147,083
2024	149,840
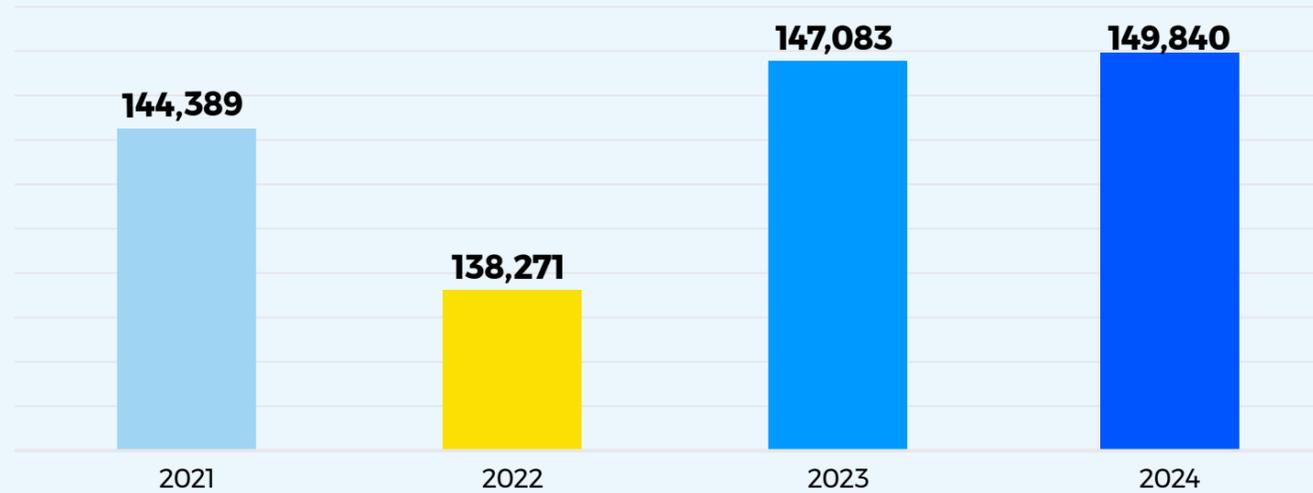
GHG Emissions Efficiency (tons CO2e per m²)

Year	Value
2021	0.166
2022	0.166
2023	0.173
2024	0.153

Sustainable Aviation Fuel (SAF)

A declaration from the third ICAO Conference on Alternative Aviation Fuels (CAAF/3) in 2023 set a goal to reduce international carbon emissions by 5% by 2030, through the use of Sustainable Aviation Fuel (SAF), Low Carbon Aviation Fuels (LCAF), and other cleaner energy technologies.

SAF has similar properties to conventional jet fuel, but is made from renewable biomass and waste resources, so it has a smaller carbon footprint both in terms of its production and use. A domestic supply of SAF can also enhance energy security and protect local airlines from inflationary shocks in the aviation fuel market.

To help promote the use of SAF, Elbit Systems has become a member of the Boeing Israel Sustainable Aviation Fuel Innovation Centre. The Center supports a study at the Technion – Israel Institute of Technology that will identify international policies aimed at incentivizing a commercially-viable SAF industry, and how these policies may be applied in Israel.

Renewable Energy in Brazil

Elbit's Brazilian subsidiary, AEL Sistemas, purchases electricity through the free energy market, supplied by Copel - one of the largest energy traders in the country. Generating power through various plants across Brazil, Copel has a robust portfolio, including sustainable plants such as solar, wind, and biomass, which contribute to a cleaner and more diverse energy mix.

The free energy market allows large consumers, such as AEL Sistemas, to negotiate directly with generators and traders, choosing their suppliers based on the best commercial terms and sustainability conditions. This negotiation format facilitates greater autonomy and cost savings, while also enabling the pursuit of renewable energy sources.

In 2024, AEL Sistemas reduced its carbon dioxide emissions by 131.556 tons, and received a Renewable Energy Certificate certifying that part of the energy used by the company came from clean sources such as solar, wind, and biomass. In addition, installation of two rainwater harvesting cisterns for reuse in restrooms reduces potable water consumption, contributing to water resource preservation and lower operating costs.

Elbit Systems is part of the Roundtable Economic Forum and the Policy and Regulation Group of the Manufacturers' Association of Israel. As active members of both forums, we are in direct contact with major companies in Israel, and work together to influence the Israeli government to introduce more sustainable practices, policies and regulations.

As well as representing the industry before decision-makers, these two forums formulate the Manufacturers' Association's policy regarding environmental protection activities of the industry, such as: reduction of air emissions, reduction of pollutants in sewage and wastewater, safe disposal of hazardous materials, creation of standards and reports related to the environment, integration of technology, and promotion of clean-tech. Committee members receive regular updates on technological innovations and relevant legal rulings in the field.

In partnership with the Green Soil Consortium, Netzer Sharon, and other partners from industry (such as Enzymit, please see on page 26) and academia, Elbit is leading a comprehensive process to remediate soils and groundwater contaminated by organic substances and fuels. The outcomes will be implemented at our Ramat Hasharon site, which according to the agreement with the government, will be evacuated and handed over to the state of Israel.

Traditional methods for soil remediation create harmful byproducts and release gases that can endanger public health, while also being extremely costly.

To provide a solution that is more environmentally friendly, an advanced biological solution has been developed that integrates artificial intelligence capabilities with engineered enzymes and endemic bacteria to rapidly, efficiently and selectively break down contaminants, without the need for soil removal.

The effectiveness of this purification is monitored on site, without needing to transport samples to a laboratory. Physical and biological field sensors are used to track soil conditions, concentrations of pollutant, and byproducts. The solution also enables data fusion and generates insights into both soil and subsoil conditions.

Looking Forward:

- In 2025, we will carry out a physical climate risk analysis (both chronic and acute). As part of this process, approximately 20 sites will be examined, including those of key suppliers. Based on the findings, an adaptation and mitigation plan will be developed to address the identified risks.

- We will launch a pilot program to install recycling bins for packaging and single-use cups at the Company's headquarters. This initiative will be accompanied by an internal communications campaign aimed at raising awareness and encouraging employees to use the new recycling bins.

- In the new and renovated Elbit Systems' factory being established in Ramat Beka in Southern Israel, the strictest environmental standards of the Ministry of Environmental Protection are being implemented, in alignment with Elbit's sustainability strategy and efforts to reduce its carbon footprint. For example, a Regenerative Thermal Oxidizer (RTO) will be installed to efficiently treat volatile organic compounds (VOCs) emitted during production processes, by oxidizing them at high temperatures and converting them into water and carbon dioxide. Additionally, the oxidizer contributes to significant energy savings, as the heat generated is being reused in production processes that require heating.
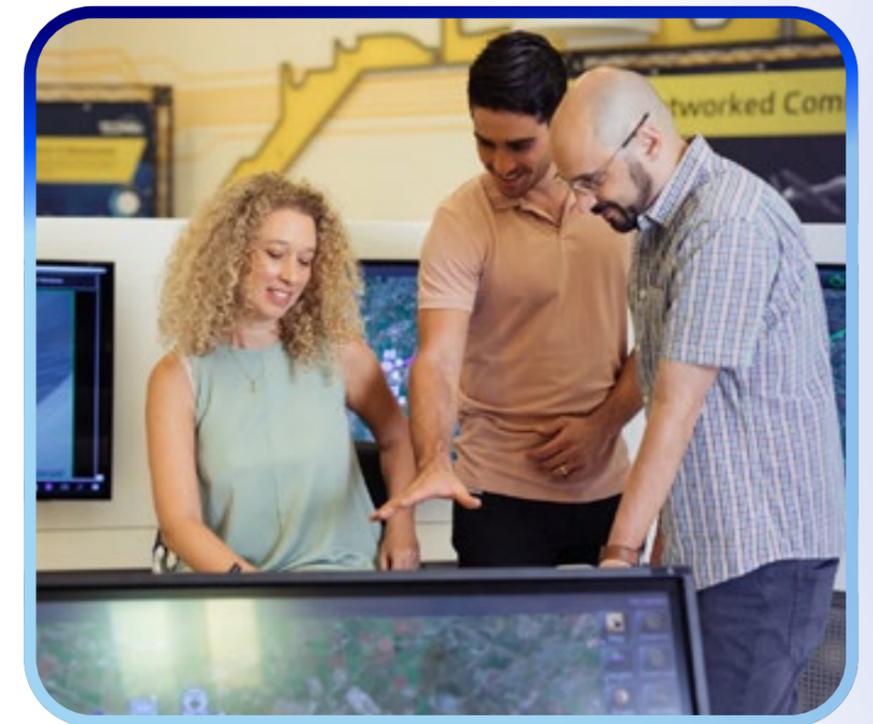
ESG DATA AND INDEX

ESG Data and Index

Employees by employment contract and gender*	2021			2022			2023			2024		
	Men	Women	All	Men	Women	All	Men	Women	All	Men	Women	All
Total**	11,367	3,876	15,243	11,849	4,017	15,866	13,193	4,823	18,016	13,754	4,953	18,707
Full time**	10,968	3,558	14,526	11,338	3,657	14,995	12,735	4,472	17,207	13,373	4,635	18,008
Part time**	399	318	717	511	360	871	452	348	800	384	315	699

Employees by gender and contract	GRI Standard	Unit	2020	2021	2022	2023	2024
Women in our workforce	405-1	%	24%	24%	25%	27%	26%
Women in management	405-1	%	14%	16%	18%	17%	17%
Full-time employees	102-8	%	95%	95%	95%	95%	96%
Employees with collective bargaining agreements	102-41	%	37%	38%	35%	37%	36%
Employees by age							
Employees below age 30	405-1	%	7%	11%	12%	17%	14%
Employees aged 30-50	405-1	%	56%	51%	50%	52%	50%
Employees over age 50	405-1	%	37%	38%	38%	30%	35%
Employees with disability	405-1	%	2.80%			3%	3%
Employees covered in Sustainability Report		Headcount, year end	15,019	15,243	15,866	18,017	18,707

Training and development	GRI Standard	Unit	2020	2021	2022	2023	2024
Employee training average hours	401-1	Hours average / person/year	12.2		12	12	12
Employee performance reviews	404-3	% of employees	100%				95%
Employee survey engagement		% of employees engaged	n/a	n/a	n/a	74%	72%
Eligible employees receiving anti-corruption training	205-2	%	100%			100%	100%

ESG Data and Index

New hires and turnover	GRI Standard	Unit	2020	2021	2022	2023	2024
New hires	401-1	Headcount	1,562	2,063	2,527	2,976	3,321
Men	401-1	Headcount	1,140	1,509	1,829	2,123	2,399
Women	401-1	Headcount	422	554	698	853	869
Employees below age 30	401-1	Headcount	494	721	790	1,222	1194
Employees aged 30-50	401-1	Headcount	842	1,068	1,379	1,341	1565
Employees over age 50	401-1	Headcount	226	274	358	412	509
New hires rate	401-1	%	10%	14%	16%	17%	18%
Men	401-1	%	10%	13%	15%	14%	17%
Women	401-1	%	12%	14%	17%	14%	18%
Leavers	401-1	Headcount	1,734	1,860	2,016	2,089	2,413
Men	401-1		1,002	1,378	1,497	1,448	1,755
Women	401-1		372	482	519	641	678
Employees below age 30	401-1		206	339	335	649	566
Employees aged 30-50	401-1		614	939	1,058	913	996
Employees over age 50	401-1		554	602	623	527	851
Leavers hires rate	401-1		9.30%	12%	13%	11%	13%
Men	401-1		9%	12%	13%	11%	12%
Women	401-1		10%	12%	13%	13%	13%
Open positions filled by internal candidates		%	33%				19%

Health and Safety Data

Injury frequency rate (employees + contractors)		GRI Standard	2020	2021	2022	2023	2024
Brazil	Injury frequency rate (LTIFR) (lost-time injuries per 200k hours worked)	403-2	0	0	0	0	0
Israel			0.77	0.63	0.54	0.79	0.85
U.S.			0.04	0.38	0.86	0.91	0.31
UK			0	0.75	0	0.26	0
Romania			0	0.17	0	0	0
Total			0.65	0.56	0.55	0.90	0.76

Lost day rate due to injuries (employees + contractors)		GRI Standard	2020 (including IMI and new site in US)	2021	2022	2023	2024
Brazil	Lost-day per 200k hours	403-2	0	0	0	0	0
Israel			16.94	9.08	6.93	16.3	17.86
U.S.			3.18	15.24	42.27	43.3	10.69
UK			0	33.97	0	0.2	0
Romania			0	7.53	0	0	0
Total			14.45	10.15	11.93	23.8	16.98

Environmental Performance Data

	GRI standard	Unit of measurement	2020	2021	2022	2023	2024
Materials used (Paper)	301-1	Ton	140.04	144.77	262.41	116.07	106.01
Direct energy consumption (Scope 1)[8]	302-1	MWh	136,083	114,181	107,193	100,676	117,949
Indirect energy consumption (Scope 2)	302-2	MWh	276,083	269,746	269,672	284,768	288,417
Total energy consumption (Scope 1+2)		MWh	412,166	383,927	376,865	385,444	406,366
Energy efficiency	302-3	MWh/m²	0.496	0.439	0.451	0.469	0.417
Scope 1 GHG emissions	305-1	Tons CO_2e	34,029	29,012	27,875	26,812	31,058
Israel			31,571	28,174	26,838	25,935	29,968
U.S.[9]			227	247	375	408	324
Brazil			49	35	33	41	159
UK			1,887	151	208	214	288
Romania			263	405	421	215	318
Scope 2 GHG emissions	305-2	Tons CO_2e	117,339	116,039	110,682	115,614	118,783
Israel			93,710	92,160	91,872	98,612	96,049
U.S.			20,340	20,340	15,874	15,246	21,163
Brazil			254	254	270	0	0
UK			541	541	714	432	201
Romania			1,945	1,945	1,665	1,324	1,370
Scope 1+2 GHG emissions	305	Tons CO_2e	135,090	145,082	138,590	142,426	149,840
GHG emissions efficiency[6]	305-4	Tons CO_2e/m²	0.182	0.166	0.166	0.173	0.153

	GRI standard	Unit of measurement	2020	2021	2022	2023	2024
Scope 3[10]	305-3	Tons CO_2e	54,460	66,659	54,329	63,620[11]	51,558
Volatile organic compounds (VOC) in Israel only	305-7	Metric tons	92.0	74.3	92.3	88.1	140.2
Water withdrawal	303-1	m³	916,398	1,026,296	1,009,488	1,159,168	1,133,504
Israel			761,286	852,079	824,827	962,386	941,074
U.S.			141,839	160,860	170,661	179,888	170,629
Brazil			2,640	3,664	5,051	5,900	3,888
UK			3,760	3,517	3,408	5,684	4,248
Romania			6,393	5,382	4,254	5,309	13,665
Water efficiency	303-1	m³/employee	44.11	52.26	52.23	65.05	63.01
Total hazardous waste	306-2	Metric tons	3,298	2,175	1,879	4000	2,220
Reuse/recycling		Metric tons	465	228	192	741	541
Landfill		Metric tons	1,410	1,944	1,422	2,884	1,563
Other treatment		Metric tons	1,423	3	265	376	116
Hazardous waste recycling rate		%	14%	10%	10%	19%	30%
Total non-hazardous waste		Metric tons	32,436	10,766	10,397	13,813	11,865
Reuse/recycling		Metric tons	8,765	4,117	4,099	4,434	4,404
Landfill		Metric tons	23,671	6,649	6,298	9,380	7,461
Non-hazardous waste recycling rate		%	27%	38%	39%	32%	37%
Total waste		Metric tons	35,734	12,941	12,277	17,813	14,085

[8] Fuels for operational use only.
[9] The majority of Scope 1 emissions reported in ESA originate from natural gas consumption.

[10] Scope 3 includes categories 1 (water and paper consumption), 3, 5 and 6.
[11] A new category was added to our scope 3 calculation in 2023; Petrol transportation (WWT).

GRI Index

GRI Standard	Disclosure	Location
GRI 2: General Disclosures 2021	2-1 Organizational details	4-7
	2-2 Entities included in the organization's sustainability reporting	8
	2-3 Reporting period, frequency and contact point	8
	2-6 Activities, value chain and other business relationships	4-5
	2-7 Employees	34-35
	2-8 Workers who are not employees	Not reported
	2-9 Governance structure and composition	15-16
	2-11 Chair of the highest governance body	15-16
	2-12 Role of the highest governance body in overseeing the management of impacts	15-16
	2-13 Delegation of responsibility for managing impacts	16
	2-14 Role of the highest governance body in sustainability reporting	16
	2-15 Conflicts of interest prevention	15
	2-16 Communication of critical concerns	15
	2-17 Collective knowledge of the highest governance body	15-16
	2-18 Evaluation of the performance of the highest governance body	16
	2-19 Remuneration policies	16
	2-20 Process to determine remuneration	16
	2-21 Annual total compensation ratio	Not reported
	2-22 Statement on sustainable development strategy	3
	2-27 Compliance with laws and regulations	17-19
	2-29 Approach to stakeholder engagement	11

GRI Standard	Disclosure	Location
GRI 3: Material Topics 2021	3-1 Process to determine material topics	8-9
	3-2 List of material topics	9
	3-3 Management of material topic: Corporate Governance, ESG Risk Management and Business Ethics	8-9, 16-19
	3-3 Management of material topic: Developing New Products with Added ESG Value	25
	3-3 Management of material topic: Cybersecurity	32
	3-3 Management of material topic: Business Continuity	23, 41
	3-3 Management of material topic: Product Quality and Customer Service	32
	3-3 Management of material topic: Employee Welfare and Appropriate Work Environment	42-43
	3-3 Management of material topic Development and Training, Diversity, and Equal Opportunities	35-36
	3-3 Management of material topic: Health and Safety	41
	3-3 Management of material topic: Responsible Supply Chain	51
	3-3 Management of material topic: Climate Risk Management	56
	3-3 Management of material topic: Responsible Resource Consumption, Emissions Reduction, and Environmental Management	57-59
	3-3 Management of material topic: Hazardous Chemicals and Materials	57
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	7
	201-3 Defined benefit plan obligations and other retirement plans	43
	201-4 Financial assistance received from government	A grant from the Israel Innovation Authority was received in 2024
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Entry level wage at Elbit Systems is above minimum wage
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	45-49, 23
	203-2 Significant indirect economic impacts	26-27
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	53
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	19, 51-52
	205-2 Communication and training about anti-corruption policies and procedures	18
	205-3 Confirmed incidents of corruption and actions taken	18
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	As of December 31, 2024, the Company was not involved in significant legal proceedings

GRI Index

GRI Standard	Disclosure	Location
GRI 301: Materials 2016	301-1 Materials used by weight or volume	ESG data table
	301-2 Recycled input materials used	ESG data table
GRI 302: Energy 2016	302-1 Energy consumption within the organization	ESG data table
	302-2 Energy consumption outside of the organization	Not relevant
	302-3 Energy intensity	ESG data table, 58
	302-5 Reductions in energy requirements of products and services	57-59
GRI 303: Water and Effluents 2018	303-5 Water consumption	ESG data table
GRI 305: Emissions 2016	3-3 Management of material topic: Reducing our carbon footprint	57
	305-1 Direct (Scope 1) GHG emissions	ESG data table
	305-2 Energy indirect (Scope 2) GHG emissions	ESG data table
	305-3 Other indirect (Scope 3) GHG emissions	ESG data table
	305-4 GHG emissions intensity	58, ESG data table
	305-5 Reduction of GHG emissions	57-59
	305-6 Emissions of ozone-depleting substances (ODS)	Not reported
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	ESG data table
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	57
	306-2 Management of significant waste-related impacts	57
	306-4 Waste diverted from disposal	ESG data table

GRI Standard	Disclosure	Location
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	ESG data table, 35
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	There are no benefits provided to full-time employees that are not provided to temporary or part-time employees
	401-3 Parental leave	Not reported
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	41-42
	403-2 Hazard identification, risk assessment, and incident investigation	41
	403-6 Promotion of worker health	41-42
	403-8 Workers covered by an occupational health and safety management system	41
	403-9 Work-related injuries	41
	403-10 Work-related illness	Not reported
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	35, ESG data table
	404-2 Programs for upgrading employee skills & transition assistance programs	35-36, 21-23
	404-3 Percentage of employees receiving regular performance and career development reviews	23
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	15, 38-40
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Not reported
GRI 407: Freedom of association and Collective bargaining 2016	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	19, 51-52
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	45-49
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	52
	414-2 Negative social impacts in the supply chain and actions taken	53-54
GRI 417: Marketing and Labeling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	Not reported
	417-3 Incidents of non-compliance concerning marketing communications	Not reported
GRI 418: Customer Privacy 2016	Substantiated complaints concerning breaches of customer privacy and losses of customer data	32

SASB Content Index Aerospace and Defense

Disclosure			Page number
Energy Management	RT-AE-130a.1	Total energy consumed, percentage grid electricity and percentage renewable	58-59, ESG data table
Hazardous Waste Management	RT-AE-150a.1	Amount of hazardous waste generated and percentage recycled	ESG data table
	RT-AE-150a.2	Number and aggregate quantity of reportable spills	Not reported
Data Security	RT-AE-230a.1	Number of data breaches involving confidential information	31
	RT-AE-230a.2	Description of approach to identifying and addressing data security risks	32
Product Safety	RT-AE-250a.4	Total amount of monetary losses as a result of legal proceedings associated with product safety	Not reported
Fuel Economy & Emissions in Use-phase	RT-AE-410a.2	Description of approach and discussion of strategy to address fuel economy and greenhouse gas (GHG) emissions of products	57-58
Materials Sourcing	RT-AE-440a.1	Description of the management of risks associated with the use of critical materials	54
Business Ethics	RT-AE-510a.1	Total amount of monetary losses as a result of legal proceedings associated with incidents of corruption, bribery or illicit international trade	As of December 31, 2024, the Company was not involved in significant legal proceedings
	RT-AE-510a.3	Discussion of processes to manage business ethics risks throughout the value chain	17-19, 51-52

DAYS OF IMPACT

Elbit Systems™

www.elbitsystems.com