



Carbon Reduction Plan

Supplier name: ELBIT SYSTEMS UK LIMITED

Publication date: October 2025

Commitment to achieving Net Zero

Elbit Systems UK Limited (ESUK) is committed to achieving Net Zero emissions by or before 2050.

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: 2019

Additional Details relating to the Baseline Emissions calculations.

ESUK has operated in the UK since 2014 with a small office base in London. In mid 2019 the business took on additional office space to support the first major UK MOD contract awarded to ESUK. During the baseline year the headcount was 24 and was supported by a number of independent contractors. The business comprised the establishment of a software development facility in addition to corporate functions of business development, HR, security, commercial and trade controls and facilities operations.

Baseline year emissions:

EMISSIONS	TOTAL (tCO₂e)
Scope 1	0.5*
Scope 2	138.28
Scope 3 (Included Sources)	186.96
Total Emissions	325.74

^{*}Scope 1 emissions due to air conditioning estimated pending further validation with our facilities management provider. No fossil fuel combustion is used in either ESUK facility.

Current Emissions Reporting

Reporting Year: 2024

As a growing business, we are measuring our reduced environmental impact on a per head basis.

EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	19.45
Scope 2	274.06
Scope 3 (Included Sources)	978.49
Total Emissions	1272.00

^{*}Scope 1 emissions due to air conditioning estimated pending further validation with our facilities management provider. No fossil fuel combustion is used in either ESUK facility.

Emissions reduction targets

During 2021, the business secured 3 further UK MOD contracts/subcontracts and increased average headcount from 33 to 56 with further growth occurring during 2022 and 2023. Average headcount for 2022 was 153, for 2023 was 225, and for 2024 was 276. The business continues to be supported by subcontractors, suppliers and independent contractors. ESUK has fully embraced a hybrid working model and operates on the basis of at least 40% of working time being possible at home for many staff. As part of an international group (Elbit Systems Limited of Israel) there is a requirement for air travel for experts from Israel to travel to the UK or to relocate to the UK as well as a need for UK staff to visit Israel for training and to support technology transfer as we continue to establish our UK functions.

A 60,000 sq ft facility in Bristol opened in 2023 and is now fully commissioned. This was specified with Net Zero in mind incorporating insulation, efficient heating/air conditioning plant, solar panels and charging points for electric vehicles. All of our office/factory facilities are well served by public transport links to enable staff and visitors to reduce use of private vehicles (non ULEV).

In order to continue our progress towards achieving Net Zero, we have adopted the following carbon reduction targets on a per head basis:

We project that carbon emissions will decrease over the next five years (to allow for the impact of our rapid growth and COVID-19 anomalies to be unwound) by 20% on a per head basis.

Progress against these targets can be seen in the graphs below:

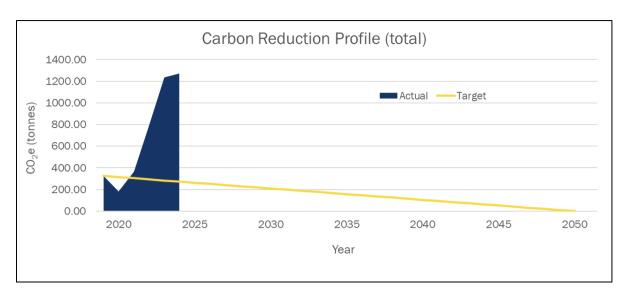


Figure 1: Total CO2 emissions

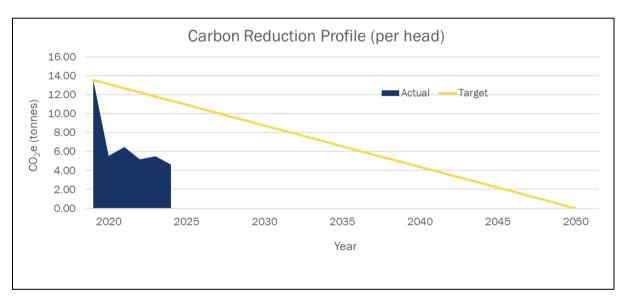


Figure 2: tCO2e per head

Methodology Improvements

As a result of improved data capture we have been gradually adopting a more sophisticated calculator for our environmental impact. This reflects the increased utilisation of our assembly, test and maintenance facilities as more of our projects enter their operational phase.¹

For our next Carbon Reduction Plan, the adjusted method will be reported. In summary:

Year	2022	2023	2024
Current method per head tCO2e	5.16	5.49	4.61
Revised method per head tCO2	8.03	6.97	4.96

¹ Government conversion factors for company reporting of greenhouse gas emissions - GOV.UK

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2019 baseline. The carbon emission reduction achieved by these schemes has moderated the impact of the return to more normal business operation during 2021. Our organisation has grown ten-fold in size with only a factor of 3.9 increase in total emissions by 2024. The 2024 report reflects a reduction of ~9 tCO₂e or 66% against the 2019 baseline on a per head basis. Due to the impact of the COVID-19 pandemic, 2020 and 2021 figures reflect periods of home working under lockdown and minimised local and overseas travel. We therefore have seen some areas of upward trend in per head emissions as our new facilities come on stream and the business has fully recovered from the pandemic restrictions allowing travel to be undertaken.

Across the wider Elbit Systems group a worldwide sustainability programme is in place and reports on a bi-annual basis. Within the UK, our ESUK subsidiaries and our joint venture companies are also fully engaged in contributing to the Net Zero target and adopting their own Carbon Reduction Plans in line with their business operations. ESUK supports 500 jobs in its subsidiary companies who report separately. As part of our commitment to Environmental, Social and Governance (ESG) corporate obligations we are coordinating a number of social value initiatives across the group and include Net Zero initiatives on an annual basis.

Relevant elements of our ESG plan which are now in place are (**bold** indicates new achievement):

- Environmental Policy under Board oversight which recognises the growth of the ESUK business
- Full implementation of home working/hybrid working to reduce employee commuting
- Low energy lighting and movement sensing lighting
- Integration of video conferencing throughout our business to enable efficiency and minimise travel for external meetings, interviews and briefings
- Use of cloud services to reduce requirement for on premise equipment
- Digital storage of formal documentation to replace paper filing
- Installation of EV charging points in our Bristol facilities
- Review of energy provision to maximise use of renewable sources of supply
- Waste management solutions to ensure recycling and achieve "zero to landfill".
- Employee engagement group established to identify and promote green initiatives including establishing a wildlife garden.
- Scheme to reuse unwanted office furniture/tables and IT equipment managed by our waste services provider.
- Waste: joined scheme with accredited partner to enable reuse or secure disposal of equipment with recovery of specialist components or valuable raw material being maximised, minimising waste to landfill to 1% of total waste collected.
- ISO14001 certification achieved for Bristol offices.
- Closure of outdated/inefficient office/manufacturing facility in Manchester.
- Energy usage: Installation of substantive area of solar panels (9 fold increase in panels, providing up to 1/3 of electricity usage) for our new factory roof
- Established wildlife garden/bug sanctuary/sensory planting, hedgehog houses

 Travel/commuting: As the factory comes on stream some roles are less suited to home working. We continue to enable hybrid, flexible and home working, and have over 40 EV cars in use by our staff. A tax efficient EV leasing scheme for staff has had strong take up in 2025

For 2025 we hope to further implement measures as a result of encouraging staff to bring forward suggestions and schemes where we can reduce or help our customers reduce their carbon footprint::

- R&D commitment: We will engage our staff and allocate a level of funding from our R&D budget to analyse ideas, prioritise and implement a number of 'green' initiatives in our Innovation Programme each year
- Offsetting: We have not yet adopted an external scheme to offset the necessary flight
 emissions required as part of an international company. We have examined
 supporting initiatives such as tree planting and encouraging use of sustainable fuels
 by our preferred airlines. We will work with our travel provider to assist us in selecting
 these services together with continued provision of accurate reporting of travel
 usage.
- New business: We will include energy efficient options in our bids eg use of hybrid/electric power for UAVs.
- Beyond ESUK: Work with our supply chain to find both energy efficient solutions and to ensure our suppliers contribute to achieving the government's aims with regard to Net Zero.
- Move to fully renewable energy provision and maximise feed in from PV cells for weekend/evening generation.
- Adopt an improved methodology for collecting Scope 1, 2 and 3 data and rebaseline (as noted above).

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 006² (formerly PPN 06/21) and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard³ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting⁴.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard⁵.

This Carbon Reduction Plan has been reviewed and signed off by the ESUK leadership team. Generation of 2025 data is ongoing together with validation of prior usage of refrigerant within our air conditioning plant. Further enhancement of Scope 3 upstream/downstream emissions will begin to be collected during 2026.

Signed on behalf of the Supplier:

JOHN KNIGHT COMMERCIAL DIRECTOR

Date: 10 October 2025

² PPN 006: Taking account of Carbon Reduction Plans (HTML) - GOV.UK

³ https://ghgprotocol.org/corporate-standard

⁴ https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting

⁵ https://ghgprotocol.org/standards/scope-3-standard