

## MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT FOR THE ESUK GROUP YEAR ENDING 31 DECEMBER 2024

This statement is issued on behalf of the board of directors of **Elbit Systems UK Limited** (“**ESUK**”) pursuant to section 54 of the Modern Slavery Act 2015 (the “**MSA 2015**”). It constitutes ESUK’s statement for the financial year ending 31 December 2024 and is also made on behalf of each of the subsidiary companies of ESUK<sup>1</sup> (altogether the “**ESUK Group**”). The position of ESUK in respect of Modern Slavery and Human Trafficking has been formulated by the board of directors as stated below, and continues to apply to the ESUK Group and the way we conduct our business:

*“The ESUK Group takes a zero-tolerance approach to all forms of slavery and human trafficking. We are committed to complying with the principles and provisions of the Modern Slavery Act 2015, and promoting high ethical standards to our suppliers and partners in the way they conduct themselves and their businesses.”*

- Martin Fausset, CEO, Elbit Systems UK Limited

### ESUK GROUP ACROSS THE UK

ESUK and the companies within the ESUK Group are part of the Elbit Systems worldwide organisation of companies. We are engaged in the design, development, manufacture, sale and support of a wide range of high technology systems and products, and the performance of projects, for defence, homeland security and various commercial applications. Our customers include governmental agencies and leading industries both in the UK and around the world. The ESUK Group consists of offices as well as engineering and manufacturing facilities at sites right across the UK<sup>2</sup>, and together with our joint venture companies, we support our customers from their locations. The ESUK Group now employs over 600 people in a range of high tech and specialist manufacturing activities, and we have invested significant capital in local infrastructure to support our business.

It is therefore essential that we comply with the MSA 2015, and are seen to comply with this important legislation, by our customers, suppliers and stakeholders within the local communities.

### ESUK GROUP POLICIES ON ANTI-SLAVERY AND HUMAN TRAFFICKING

We are committed to ensuring that there is no Modern Slavery or Human Trafficking in our supply chains or in any part of our business, and we have therefore implemented the appropriate policies to control how we work within our business:

---

<sup>1</sup> This includes the wholly owned subsidiaries in the ESUK Group: (1) UAV Engines Limited; (2) ESUK Aerospace and Simulation Limited; (3) ESUK Aerospace and Simulation (Holdings) Limited; (4) ESUK Aerospace and Simulation (Group) Limited; and (5) Instron Precision Limited. It does not include the joint venture companies in which ESUK participates.

<sup>2</sup> Please see: [Locations | Elbit Systems UK](#)

- **Anti-Slavery Policy.** We have adopted an ESUK Group Anti-Slavery and Human Trafficking Policy (the “**Anti-Slavery Policy**”), which is part of our Supplier Code of Conduct, and which is available [here](#)<sup>3</sup>.
- **Code of Business Conduct & Ethics.** We also have a Code of Business Conduct & Ethics that sets out the critical importance of conducting business ethically, and which includes sections on **Honest and Ethical Conduct**; **Human Rights and Fair Labour Practices**; and **Reporting Illegal or Unethical Behaviour**; to name some of the key applicable sections for the purposes of this statement. Our Code of Conduct & Business Ethics is available [here](#).
- **Elbit Systems Group Policy.** Our parent company, Elbit Systems Limited (“**ESL**”), is listed on the US NASDAQ stock exchange, and also sets standards for the ESUK Group to meet. ESL recognises the human rights principles of International Labor Organization (ILO) Conventions, and is committed to preventing child labour, human trafficking, forced or indentured labour and modern slavery. A copy of documentation in relation to Human Rights issued by the ESL board of directors is also available [here](#).

**ESUK flows the ESUK Group Policies down to each of the subsidiary companies within the ESUK Group in order that they can be made fully available to all of their respective staff.**

### **APPLICATION OF ESUK GROUP POLICIES BY ESUK**

The board of directors of ESUK recognises that it is not sufficient to simply have in place the correct ESUK Group policies if ESUK is to successfully combat Modern Slavery. It must also ensure that the employees, contractors and suppliers of ESUK are made aware of the policies, and that they are adhered to. In order to achieve this, ESUK adopts the following actions to ensure the appropriate policies are implemented:

1. **Supplier Due Diligence (Screening).** We conduct supplier due diligence on the providers of products and services to ESUK Group in an attempt to identify any areas of risk where further diligence or investigations are required:
  - **JOSCAR.** ESUK is a member of **JOSCAR (Joint Supply Chain Accreditation Register)** that acts as a pre-qualification and compliance database for the defence aerospace sector to provide accreditation on whether a supplier is fit for business. As part of our due diligence, we check the JOSCAR database to ensure nothing is registered against the potential supplier before we contract with them.
  - **New Screening Software.** During **2024**, ESUK completed the initial steps to introduce a **new third-party software package** intended for use across the ESUK Group, so the ESUK Group may obtain detailed information on all potential suppliers to see if there are any concerns reported in the media or whether there are prosecutions that have been made against those suppliers for breaches of Modern Slavery and Human Trafficking, or other human rights infringements. The new software will go live for

<sup>3</sup> **Note** – there is an ESUK objective to review and improve this policy during 2024/2025 - please see the ‘Objectives 2024/2025’ section at the end of this statement.

ESUK in **February 2025**, and subject to satisfactory performance will be rolled out across the entire ESUK Group later that year. We are pleased confirm that the selected software package includes additional '**red flag**' indicators, that may be taken into account when assessing suppliers, so a more informed decision may be made on whether the supplier meets the high standards required by ESUK.

It is intended to complete the roll out of the software to the remaining companies in the ESUK Group during 2025/2026.

2. **Provisions in Supplier Contracts.** ESUK includes, and requests that each member of the ESUK Group includes, contractual provisions prohibiting Modern Slavery, Human Trafficking and Child Labour into our supplier contracts for goods and services. These provisions allow the termination of contracts in the event that supplier is found to have materially breached these provisions, and has taken no steps to remedy such breach. ESUK also requests that suppliers comply with all applicable laws, that will include the application of the MSA 2015 and an adherence to our Code of Business and Ethics<sup>4</sup>.
3. **Customer Contracts.** Where practicable, we negotiate the inclusion of Modern Slavery and Human Trafficking provisions into our customer contracts. In addition, we request customers to comply with all applicable laws. ESUK Group does have contracts with the UK Ministry of Defence and its agencies (altogether "**UK MoD**"), and contracts that are flowed down from contractors with the UK MoD and other UK Government Agencies, so we assess the Modern Slavery and Human Trafficking issues as being less likely to be of a material concern.
4. **Continual Monitoring of Risks in the Supply Chain.** We take regularly steps to monitor our supply chain to ensure that no new issues emerge. As mentioned above, the new third-party *Screening Software* alerts ESUK and the ESUK Group to any changes in the status of a supplier from a Modern Slavery and Human Trafficking perspective by providing an electronic notification to the stakeholder relevant teams. This will further enhance our ability to continually monitor issues connected to Modern Slavery and Human Trafficking.
5. **Training of Employees.** To ensure a high level of understanding of the risks of Modern Slavery and Human Trafficking, we provide training to our staff. This training consists of:
  - (a) **Induction Training.** Each new employee or contractor that joins the ESUK, will be requested to go through induction training which raises the issues connected with Modern Slavery and Human Trafficking. This training is a third-party platform provided through ESUK's IT System, and each member of staff is required to complete the Induction Training during their probation or review period(s) or it is addressed through the appraisal process with their respective line manager.

---

<sup>4</sup> **Note** – there is an ESUK objective to review and improve these provisions during 2024/2025 - please see the 'Objectives 2024/2025' section at the end of this statement.

- (b) E-Learning. Further to the **Modern Slavery Statement 2023**, we are pleased to have commenced the rolling out E-Learning Software in 2024 to certain companies in the ESUK Group so that we can ensure comprehensive and regular training, and attendance of our staff on the course. Subject to review, this may be rolled out every year, to ensure we have a firm annual baseline of training offered to our staff in respect of Modern Slavery and Human Trafficking.
- (c) In-House Seminars. These are provided from time to time by the ESUK Legal Team and ESL Legal Teams to ESUK and the ESUK Group to raise awareness of the issue of Modern Slavery, Human Trafficking and Child Labor within the business. This takes a workshop format involving presentations to those parts of the business likely to be connected with the issue of Modern Slavery, and includes a presentation to these key teams together with problem solving scenarios to work through in teams. We are pleased to confirm that in July 2024 this 'face to face' training was provided to key employees of *Instro Precision Limited* and *ESUK* at their respective premises.
- (d) Visibility of Policies. For ESUK, the ESUK Group Policies are accessible internally on the *ESUK Legal - Business Management System (BMS)* intranet site. In addition, we request that each subsidiary within the ESUK Group makes these available to its staff internally and makes it easy for their employees to access. Furthermore, the Anti-Slavery Policy and the Code of Business Conduct and Ethics is available on the ESUK external website at the links provided in this statement. On this basis, the current policies of the ESUK Group should always be available to all staff.
- (e) Protection of Whistleblowers. ESUK ensures that whistleblowers in ESUK and the ESUK Group are protected through the ESUK Whistleblower and Investigation Procedure that is available here. In addition, the Training Section mentioned above, makes it clear that whistle blowers will be treated in confidence and that reporting through the Whistleblowing Policy is encouraged by the ESUK Group.

## **HANDLING AND INVESTIGATING MODERN SLAVERY AND HUMAN TRAFFICKING VIOLATIONS**

We maintain that, given the position of the companies within the ESUK Group within the manufacturing process, the risk of detecting a violation is assessed to be **low**. This remained the position in FY2024. As at the date of this Modern Slavery Statement, we have not been required to take any action in connection with Modern Slavery and Human Trafficking violations. This is because no infringements of the MSA 2015 or similar legislation has been identified by the ESUK Group. Instead, our focus has been on improving the due diligence that we undertake on our suppliers, for example through the new software, to ensure that we have a sufficient awareness and monitoring of our supply chains. However, we recognise that the prevention of Modern Slavery is an on-going duty.

### Multi-Disciplinary Investigation

In the event that a violation is detected, then an investigation will be conducted by a multi-disciplinary team within ESUK, consisting of representatives from:

- (i) ESUK Legal Team;
- (ii) ESUK Trade Compliance Team;
- (iii) ESUK Commercial Team (or other relevant stakeholder involved with the purchasing function); and
- (iv) ESUK People Operations Team (depending on the nature of the violation).

Where an ESUK Group has already contracted with a supplier who is found to be in breach of the Anti-Slavery Policy or of the contractual provision, then the supplier shall be immediately requested to undertake remedial action, and in the breach is not remedied, termination of the relevant contract may be enacted.

### Record of Violations

A record shall also be kept of any violation that occurs in connection with Modern Slavery and Human Trafficking, and this will be logged with the *ESUK General Counsel* and made accessible to the ESUK Procurement and ESUK Supply Chain Team(s). This record may preclude the supplier from obtaining further contracts from the ESUK Group if it cannot demonstrate a **material change** to the way it implements the spirit of the MSA 2015 within its business. Any records or reports as to the occurrence and / or conclusions of an investigation will also be made available to corporate functions.

## REVIEW OF OBJECTIVES FOR 2024 / 2025 AS SET OUT IN THE ESUK MODERN SLAVERY STATEMENT FOR FY2023

We are monitoring our progress against the objectives set in the *Modern Slavery Statement FY2023* for FY2024/2025 and would update as follows:

No.	Objective	Detail	Status as at close FY2024
1	New Screening Software	As mentioned in the Modern Slavery Statement 2023, it was intended to introduce the New Screening Software in 2024 / 2025 to greatly enhance the information available to us about our suppliers, and to allow for this information to be continually updated.	<b>COMMENCED.</b> Software to be available at ESUK February 2024. If successful to be flowed down to ESUK Group.
2	Modern Slavery - Annual E-Learning Modules	It was intended to arrange annual E-Learning Modules for Modern Slavery to increase awareness about Modern Slavery within the ESUK Group. Each module would have a short test at the end to be passed, and a record kept saved to the system.	<b>COMMENCED.</b> ESUK launched E-Learning in August 2024. <b>Additional</b> face to face training was also carried out in 2024.

No.	Objective	Detail	Status as at close FY2024
3	Contractual Provisions Review	Review the standard contractual provisions used by the ESUK Group to flow down Anti-Slavery obligations to suppliers, with a view to improving the clarity and legal effect of such provisions.	PLANNED FOR COMPLETION FY2025.
4	Anti-Slavery Policy Review / Alignment with ESL Group	The ESUK Anti-Slavery Policy is now over 4 years old. A legal review needs to be carried out of this policy bring it up to date. We are also working with our parent company <i>Elbit Systems Limited</i> to see if policies that are being aligned across the Elbit Group may give a more consistent approach to our customers and suppliers.	PLANNED FOR COMPLETION FY2025.
5	Establishment of ESUK Ethics Committee	Establish an Ethics Committee to ensure that appropriate proposals are made to ESUK Management to improve the overall Business Conduct and Ethics approach of ESUK (including the approach to Modern Slavery).	PLANNED FOR CONSIDERATION FY2025.

## ESUK HORIZON SCANNING – LOOKING FORWARD TO FY2025

We continue to monitor best practice in terms of preventing Modern Slavery and Human Trafficking in our business and other areas of Business Compliance. For 2025 we are monitoring the following:

- **Modern Slavery Act 2015 Committee Report: 'The Modern Slavery Act 2015: becoming world-leading again'** – ESUK continues to track the latest developments on Modern Slavery and is aware of the recommendations made by the House of Lords Select Committee in this report. We will continue to monitor UK Parliament for any new legislative changes to the Modern Slavery Act 2015.
- **Economic Crime and Corporate Transparency Act 2023** – ESUK takes the same zero tolerance approach to *fraud* as it does to Modern Slavery and Human Trafficking and will begin examining the impact of this Act during FY2025, and in particular, those provisions that are to come into force on 1<sup>st</sup> September 2025.

## ESUK GROUP'S MODERN SLAVERY STATEMENT 31 DECEMBER 2024

This statement is made pursuant to section 54(1) of the MSA 2015 and constitutes Elbit Systems UK Limited's Modern Slavery and Human Trafficking Statement for the financial year ending **31 December 2024**.



\_\_\_\_\_  
 Martin Fausset  
 Chief Executive Officer  
 For and on behalf of the Board of  
**ELBIT SYSTEMS UK LIMITED**