

June 2019

ELBIT SYSTEMS UK LIMITED

WHISTLEBLOWER AND INVESTIGATIONS PROCEDURE

1 INTRODUCTION

As stated in our *Company-wide Code of Business Conduct and Ethics* (the “**Ethics Code**”), and our *Anti-Bribery and Corruption Compliance Policy* (the “**ABCC Policy**”), it is essential that employees, officers and directors of Elbit Systems UK Limited (the “**Company**”), or third parties providing services to or acting on behalf of the Company, do not engage in corrupt, unethical and/or illegal activities. In cases where non-compliance is substantiated, the Company will take legal and proportionate disciplinary actions.

In order for us to effectively address potential improper conduct, it is critical that all Company personnel and representatives cooperate in identifying and appropriately dealing with unlawful or unethical conduct. Every Company employee, officer and director has a duty to report any potential misconduct. Taking action to prevent unethical and improper behaviour is a critical part of our compliance policies. You are encouraged to provide relevant information relating to such concerns, irrespective of the position held by the suspected offender. This includes, among other matters described in the Ethics Code or the ABCC Policy, any suspected violations of our standards for financial reporting and internal controls. If you observe any conduct that you suspect may be illegal, unethical or in violation of the Ethics Code, other Company policies or applicable laws, you should promptly report your good faith concerns.

This *Whistleblower and Investigations Procedure* (the “**Procedure**”) sets out the principles for reporting and investigating suspicion of improper behaviour so that all concerns and allegations related to potential breaches of the Ethics Code, the ABCC Policy or other compliance-related policies will be properly reported and investigated.

2 PURPOSE

The purpose of this Procedure is to encourage employees to report, without the fear of consequences or retaliation, any actual or suspected violations of law, the Ethics Code or other Company policies and to define a procedure by which we will conduct thorough and credible investigations into allegations of corrupt, unethical, improper or illegal practices, however they may come to the Company’s attention.

3 APPLICABILITY

3.1 Company-Wide

This Procedure governs the principles for whistleblowing and other forms of reporting by all Company employees, including temporary employees and independent consultants, officers and directors, and applies with respect to allegations concerning the Company, as well as vendors, suppliers, contractors, service providers, agents, consultants, teaming/joint venture partners or any other of the Company's business partners.

3.2 Types of Allegations

This Policy will apply to all allegations of:

- bribery or corruption;
- misconduct with any potential impact on the Company's reported financial reports (including accounting, internal control and auditing matters);
- misconduct with any other potential financial impact on the Company;
- unethical or illegal conduct;
- breach of our Ethics Code, the ABCC Policy or other compliance-related policies; and
- any allegation of fraud or embezzlement.

3.3 Investigations by Law Enforcement

This Policy will also apply to all internal investigations initiated in response to an investigation or inquiry by law enforcement authorities, subject to applicable national security requirements.

3.4 Other Misconduct

Allegations of other types of misconduct, e.g., theft, workplace behaviour or other such circumstances, may be reported through the whistleblower and reporting channels described below. Depending on the type of allegation, such reports may be referred to and addressed through our Compliance Officer, human resources manager or our legal advisor.

4 WHISTLEBLOWER AND REPORTING CHANNELS

The Company has adopted the following channels for reporting concerns of illegal or unethical conduct.

Supervisors/Managers

You may report to your direct supervisor, who will be responsible for escalating the report. If you feel your direct supervisor is implicated in the misconduct, you may report to supervisors at higher levels.

Compliance Officer (“CO”)

You are requested to notify, by telephone or in writing, the Company’s CO with any information, complaint or concern regarding suspected legal or ethical violations by:

Telephone: +44 (0) 2032069400
Email: compliance@elbitsystems-uk.com

At the point of publication the Company’s Compliance Officer is Rob Goldsmid.

Chair of the Board of Directors

You may also notify the Chair of the Company’s Board of Directors. The Board Chair can be notified by e-mail at the following address:

Attn: Chair of the Board of Directors at Elbit Systems UK Limited.
Email: boardchair@elbitsystems-uk.com

5 ANONYMITY

There are three options to report your concerns of violations of law or the Ethics Code, the ABCC Policy or other compliance-related policies:

Identity revealed - To be better able to respond efficiently to any whistleblower reporting, we would prefer that you disclose your identity and give us your telephone number or other contact information when you make your report.

Partially anonymous – You can choose to reveal your identity only to certain persons who may be involved in investigating the matter you are reporting and choose that your identity not be divulged to others. This option protects your anonymity while giving us an opportunity to contact you in the event where clarity, an interview or further information is helpful to investigating or confirming the report.

Anonymous - If you feel more comfortable remaining anonymous, we will accept anonymous reports.

6 CONFIDENTIALITY

All notices, reports and information received under this process will be treated in a confidential manner. Every reasonable effort will be made to handle the matter with discretion and to protect the identity of those who make reports, as well as those who are being investigated. However, if necessary to conduct a proper review or to comply with legal requirements, our Board of Directors, independent accountants, outside legal counsel, governmental regulators or others may become involved in the review process.

7 NON-RETALIATION

We protect anyone who, in good faith:

- reports a possible violation of law or regulations, the Ethics Code, the ABCC policy or any other Company policy or procedure;
- reports any other concerns regarding questionable practices; or
- assists in the investigation of a reported violation.

This is the case whether or not it turns out that the report was made under a genuine mistaken belief. Retaliation in any form against someone who takes such actions in good faith will not be tolerated. Any act of retaliation should be reported immediately and will be investigated.

8 INVESTIGATION PROCESS

8.1 Review of Reported Allegation

When the Company receives a report of potential anti-corruption misconduct or other unethical or illegal behaviour, regardless of the person or department to which the report was made, all allegations will be forwarded to the CO, making sure to safeguard any requested confidentiality of the reporter. Upon receipt of an allegation, the CO will notify the Company's CEO. The CO will conduct, or cause to be conducted, a preliminary evaluation of its credibility and significance. The CO may consult with other functions in the Company or our parent company regarding the allegations.

8.2 Conduct of Investigation

In cases where the CO, in consultation with the Company's legal advisor, finds the report to be sufficiently specific and credible to warrant an investigation, the CO will advise the Company's parent company's Chief Compliance Officer ("CCO"). In coordination with the CCO, the CO will establish the process for investigating the allegation, including which of the Company and parent company officers will be involved in the investigation. If the allegation relates to a director or senior management official of the Company, the CCO may determine that the investigation needs to be conducted by persons outside the Company.

8.3 Recusal

Should any of the functions or officers referred to in this Procedure encounter a conflict of interest situation relating to the alleged misconduct, he or she will so notify the CO (or the Board Chair if the function is a senior manager official or director) and recuse his or herself from taking further action relating to the investigation.

8.4 Government Investigations

In cases where government authorities have already commenced an investigation, then subject to the approval of the CCO or the Company's parent company's Chief Legal Officer ("CLO"), the Company's legal advisor may engage external counsel to assist in responding to the government investigation, including, where permitted, conducting an internal investigation.

8.5 Notifications

The CO or the legal advisor (or the CCO if the investigation is led by the CCO) will notify the CEO and other relevant senior officers of the Company, the Board Chair and the CCO (if not otherwise notified) of all credible and significant allegations, except where the allegations touch on such person's own conduct or responsibility.

8.6. Closing of the Investigation

When the investigation has been completed, the CO (or the CCO in case of an investigation led by the CCO) will produce a final investigation summary. A summary prepared by the CO will be provided to the Company's CEO and the CCO for approval. A summary prepared by the CCO will be provided to the Company's Board Chair for approval.

8.7 Update to a Whistleblower

For investigations initiated due to a report by a whistleblower, the CCO will determine to what extent the whistleblower is updated regarding the investigation and/or its results.

9. RETENTION OF DOCUMENTS

All records of all allegations received on potential misconduct and disciplinary or remediation decisions taken will be maintained by the CO and by the legal advisor (and by the CCO for investigations led by the CCO). These records will at all times be open for inspection by the Company's Board. The records shall be kept for a minimum of five (5) years after the close of each matter.