

January 27, 2021

dc@transparency.org

Transparency International
Defence Security
10 Queen Street Place
London, EC4R 1BE
United Kingdom

Subject: Response to Defence Companies Index (DCI) on Anti-Corruption and Corporate Transparency 2020 Assessment of Elbit Systems (Assessment)

Elbit Systems Ltd. (Elbit) views anti-corruption compliance as an extremely significant part of our business activities. We have a policy of zero tolerance for corruption and have implemented a comprehensive program of preventing bribery and corruption as part of our overall compliance activities. We also support the general goals of Transparency International (TI) to enhance transparency of compliance practices.

We believe our compliance program addresses in an effective manner virtually all of the compliance matters addressed in the DCI questionnaire underlying the Assessment. Nevertheless, in making its Assessment, we believe TI did not acknowledge a number of areas where Elbit has publically disclosed our compliance practices. In other areas, the Assessment did not give Elbit credit where compliance practices are addressed and followed in accordance with internal policies we brought to TI's attention.

Elbit Systems is a member company of the International Forum on Business Ethical Conduct (IFBEC) of the U.S.-European Aerospace and Defense Industries, whose members have publicly committed to combat corruption and adopt policies to ensure compliance with this commitment. We support IFBEC's recent letter with respect to TI's approach to the DCI 2020 assessment, expressing IFBEC's view that the assessment is not a measure of the effectiveness of a company's anti-corruption compliance program, but rather a measure of how much proprietary information a company makes public. However, over and above the issues raised by IFBEC, we believe that the Assessment does not adequately reflect Elbit's actual compliance practices and creates an impression more unfavorable than is justified.

We will continue to conduct our business in accordance with leading compliance practices.

Very truly yours,



David Block Temin
Executive Vice President
Chief Compliance Officer and
Senior Counsel
Elbit Systems Ltd.