

Annual Greenhouse gas report 2020

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Our ambition

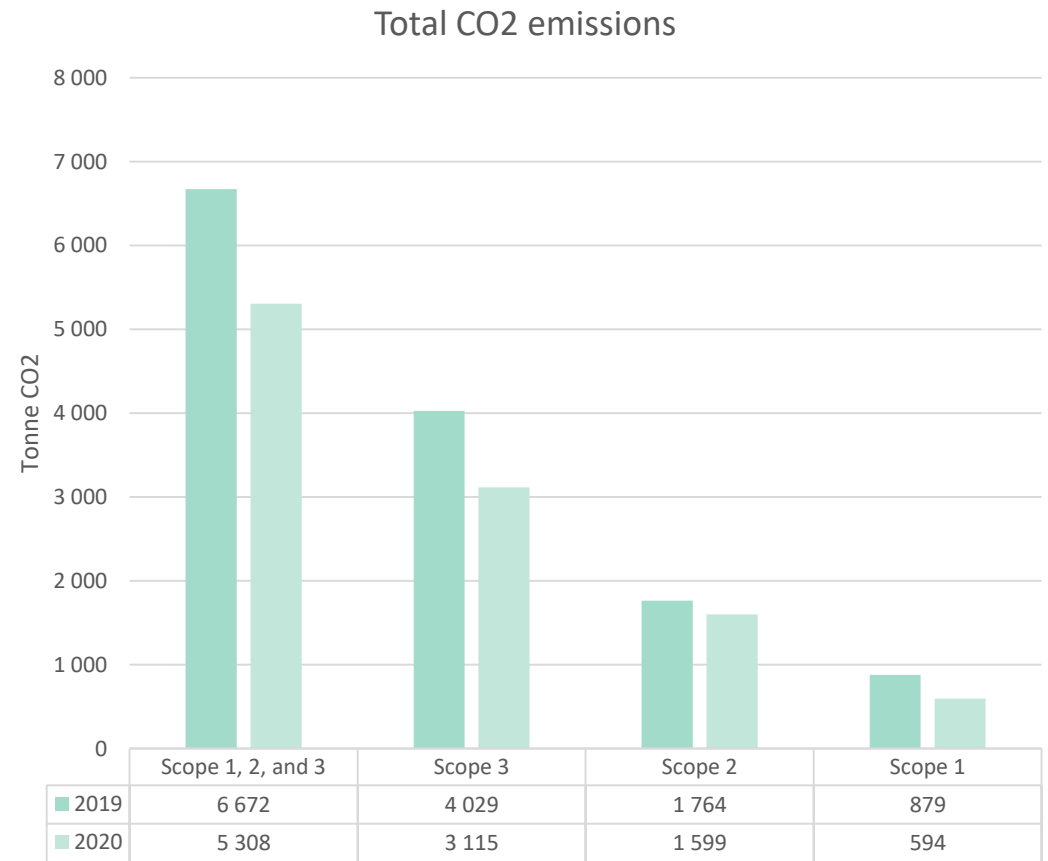
- As a global supplier, Eltek is committed to protecting the environment, our customers and society. Eltek recognizes that through integrating environmental management practices into all aspects of our business we can offer innovative products and services while conserving and enhancing resources for current and future generations.
- Our ambition is to minimize the environmental impact of our activities. Greenhouse Gas accounting helps us keep track of our emissions.
- Starting in 2011, we report annually on emissions in compliance with the Greenhouse Gas Protocol and ISO 16064-1. The report includes both direct and indirect emissions from our operations worldwide, in addition to non-mandatory aspects like emissions from goods transportation and air travel.

Greenhouse gas reporting scope

- Eltek tracks its impact on the environment in a number of ways, including measuring greenhouse gas emissions. Eltek's report includes both direct (Scope 1) and indirect emissions (Scope 2) from our operations worldwide, in addition to non-mandatory aspects (Scope 3) like emissions from goods transportation and air travel. Eltek includes all offices and manufacturing sites with more than 10 employees in its report.
- As of 2017, an accredited third party (DNV GL) has verified emissions from Eltek's manufacturing sites.

Trends in 2020

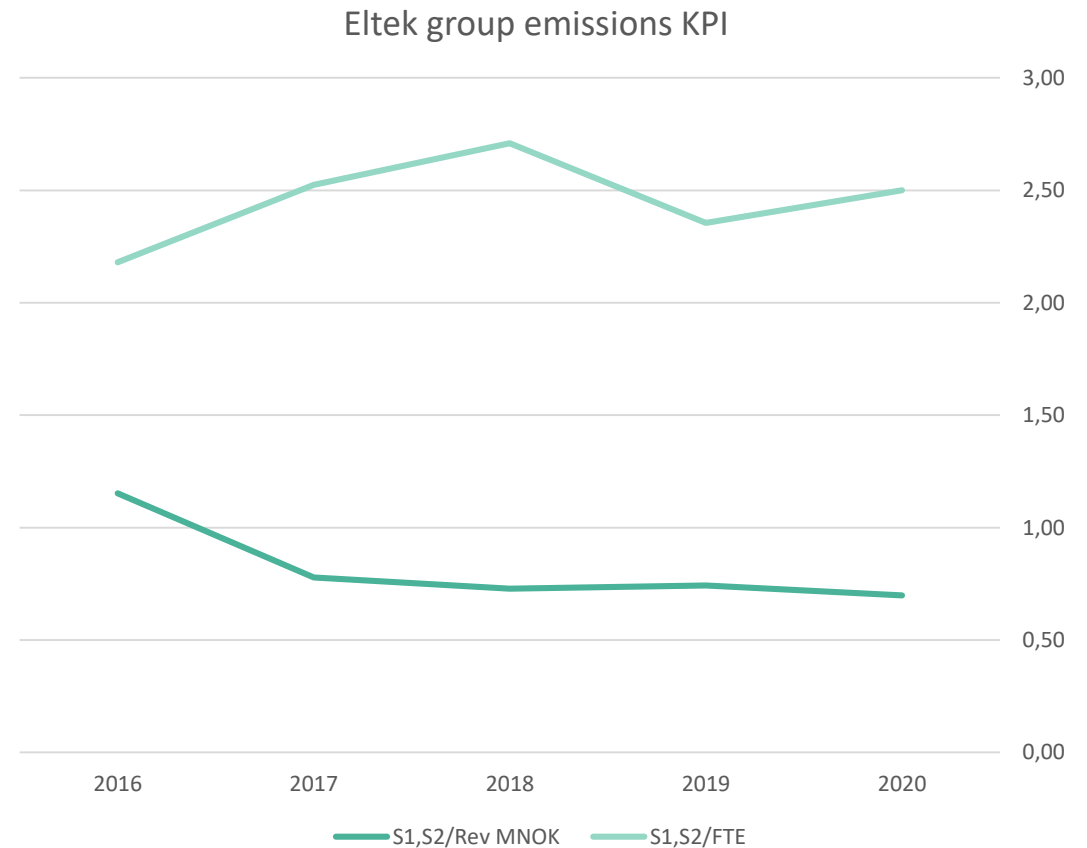
- The (14.9 percent) decrease in emissions from 2018 to 2019, was due to continued focus on energy savings, a drop in freight emissions, and a reduction in goods produced and sold.
- There was another significant reduction (33.4 percent) in emissions from 2019 to 2020, this is mainly caused by less traveling due to Covid19 travel restrictions.



Emissions KPIs

Emissions/Number of full-time employees (FTE) and Emissions/Revenue

- The graph shows tons CO2 measured as a ratio to the number of full-time employees (FTE) and revenue.
- It demonstrates a slight increase in emissions in relation to the number of full-time employees from 2019 to 2020, while emissions in relation to revenue is showing a slight decrease, but both are fairly stable from the year before.
- Eltek's long-term target, reflected in its KPIs, is to reduce emissions in Scope 1, 2, and 3 significantly, measured as a ratio to the number of full-time employees and revenue. Eltek will continue to look for improvement areas in all scopes within the greenhouse gas accounting.



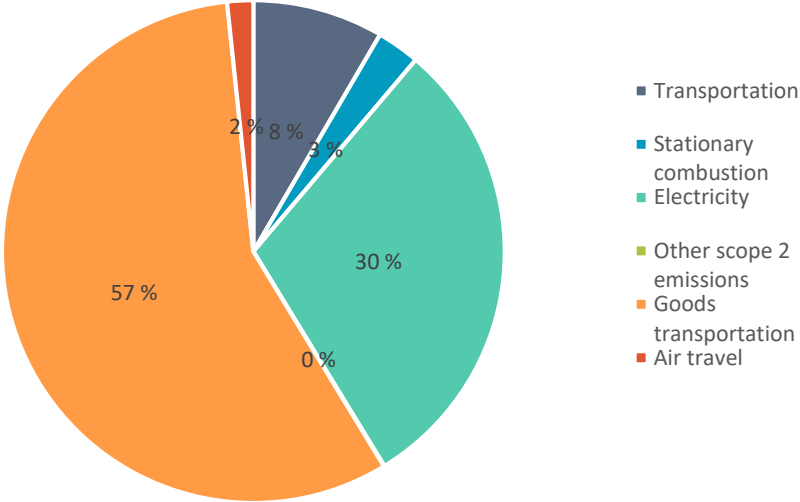
Scope details

Scope 1 (direct emissions) and Scope 2 (indirect emissions from electricity):

Changes in percentage

- Scope 1: - 32.5 %
 - Transportation was reduced by 30% from last year. UK, Germany, Norway, Poland and Singapore had a significant decrease in travel by car in 2020, most likely caused by strict regulations for home office and travel due to the pandemic.
- Scope 2: - 10.1 %
 - Electricity from offices and manufacturers is fairly stable from last year.

Eltek Group Emissions 2020 - per category



*The Egypt office has been removed from the reporting and causes some of the decrease in emissions.

Scope details

Scope 3 (Eltek includes business travel and goods transportation):

AIR TRAVEL:

- Scope 3 total emissions was reduced by 23 % from 2019 to 2020
- Air travel decreased by 88 percent in the same period, this is caused by the strict Covid19 travel restrictions.
- Air travel has decreased every year since 2017.
- To reduce air travel has been a focus area for several years, and initiatives have been introduced to enable communication without travelling.

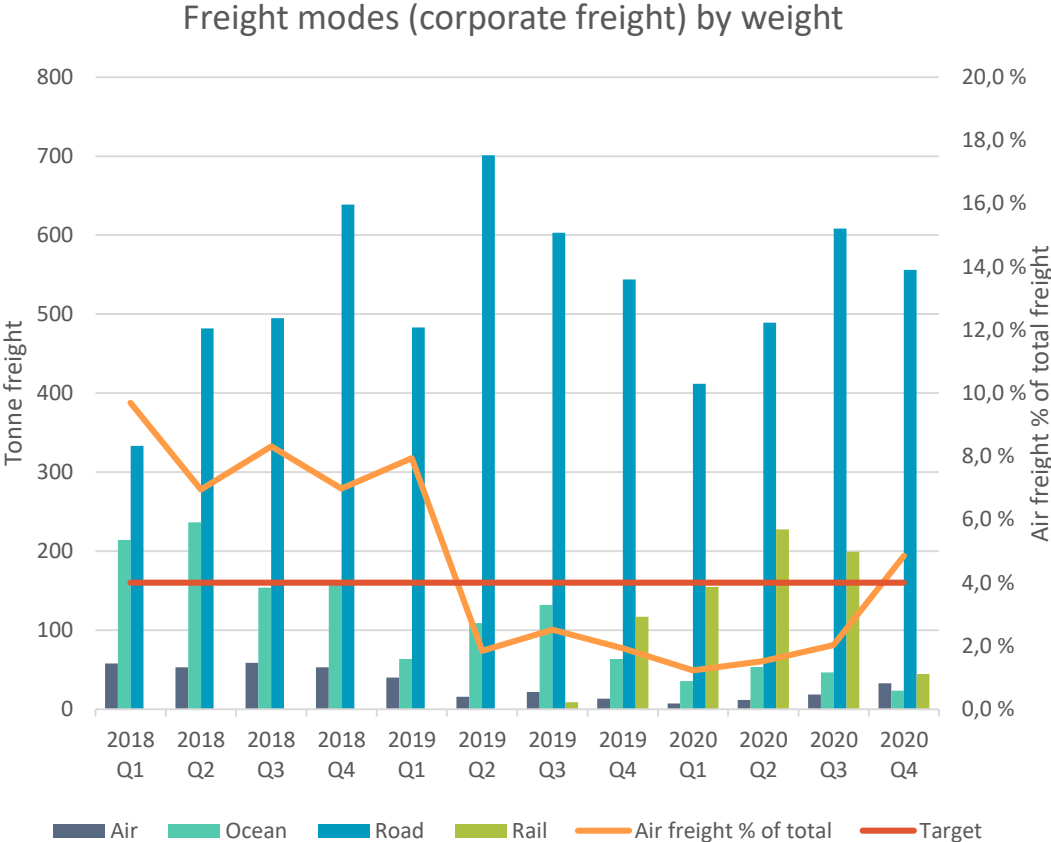


Scope details

Scope 3 (Eltek includes business travel and goods transportation):

FREIGHT:

- Freight emissions decreased by 7.4 percent from 2019 to 2020.
- The transport mode for some of the shipment in 2020 was moved to rail, while in previous years the goods were shipped by air, ocean or road.
- There was a 9 percent decrease of air shipment from 2019 to 2020. Due to delays caused by the pandemic, air shipment was a necessary mode of transport in order to meet promised delivery dates.
- Keeping air freight usage to a minimum is a target. Improving the efficiency of product packaging solutions, and by that reducing both waste and freight volume, remains an important focus area.



Powering a greener future

- Our high-efficiency power solutions help minimize our customers' energy usage. As such, we contribute every day to a greener future, minimizing energy lost in the power conversion process.
- Read more on [eltek.com](https://www.eltek.com) About / Powering a greener future
- Eltek has been part of the Delta Group since 2015 and work together with Delta

“to provide innovative, clean and energy-efficient solutions for a better tomorrow”



CDP

Eltek contributes to Delta's "double A" rating in the Global Climate Change Report 2020

- In 2020 Delta announced an "A" leadership level in both the "climate change" and "water security" categories of the Global Climate Change Report 2020 released by CDP, the prominent environmental non-profit assessment organization.
- Of the 9,600 companies in the world that responded to the CDP evaluation this year, Delta is one of the few leading companies in Taiwan to have obtained an "double A" rating. This honor demonstrates Delta's substantial contribution and fight against climate change and water security challenges through actions that nurture the megatrend of global sustainable development.
- Previously, Eltek reported climate change data as a separate entity; however, this data has been included in Delta's report since 2018. Data include power usage, fuel usage, water usage, and waste handling from selected sites.

Replanting forests - one Eltek module at a time

One year with planting trees – a grassroots movement for Eltek

- A year has passed since we started our tree planting collaboration with One Tree Planted and through 2020 we planted nearly 2,900 trees!
- All “Eltek trees” have so far been planted in Indonesia for dedicated projects such as a sanctuary for critically endangered flagship species like the Sumatran tiger, elephant, and orangutan.
- "This is a natural extension of our commitment to cut energy waste and carbon emissions in the power industry " says Colin Howe, President of Eltek.
- Read more about how this initiative came to be and more on <https://www.eltek.com/insights/one-year-with-planting-trees/>



Summary

- Greenhouse Gas accounting helps us keep track of emissions from our offices with more than 10 employees and manufacturing sites.
 - Our ambition is to minimize the environmental impact of our activities.
 - Eltek’s long-term target, reflected in its KPIs, is to reduce emissions in Scope 1, 2, and 3 significantly, measured as a ratio to the number of full-time employees and revenue.
- A decrease in emissions for the last 5 years. Keeping business travel and air freight usage to a minimum is a continues target. Improving the efficiency of product packaging solutions, and by that reducing both waste and freight volume, remains an important focus area.
- Eltek contributes to Delta’s “double A” rating in the Global Climate Change Report 2020
- A year has passed since we started our tree planting collaboration with One Tree Planted and through 2020 we planted nearly 2,900 trees.
- Eltek will continue to look for improvement areas in all scopes within the greenhouse gas accounting.

EXPERIENCE THE POWER.