

Notice of Annual General Meeting

THIS DOCUMENT, WHICH CONTAINS THE NOTICE OF THE ANNUAL GENERAL MEETING OF BABCOCK INTERNATIONAL GROUP PLC (THE “COMPANY”), IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT ABOUT THE ACTION TO TAKE, PLEASE CONSULT AN INDEPENDENT FINANCIAL ADVISER, WHO IS AUTHORISED UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000 IF YOU ARE RESIDENT IN THE UNITED KINGDOM, OR IF NOT, FROM ANOTHER APPROPRIATELY AUTHORISED INDEPENDENT FINANCIAL ADVISER. IF YOU HAVE SOLD OR TRANSFERRED ALL YOUR SHARES IN THE COMPANY, PLEASE PASS THIS DOCUMENT TO THE PERSON THROUGH WHOM YOU MADE YOUR SALE OR TRANSFER FOR FORWARDING TO YOUR PURCHASER OR TRANSFEREE.

Dear Shareholder

We propose to hold the Company's Annual General Meeting (“AGM”) at 11.00am on 22 September 2021 at Grosvenor House Hotel, Park Lane, London W1K 7TN. We set out the proposed resolutions, together with explanatory notes, on pages 2 to 6. Resolutions 15 to 18 will be proposed as special resolutions. All the rest will be proposed as ordinary resolutions. In line with our customary practice, voting will be by a poll rather than on a show of hands, which ensures that the votes of shareholders who are not attending in person will be counted.

COVID-19 and contingencies

We are keen to welcome shareholders in person to our AGM this year, particularly given the constraints we faced in 2020 due to the COVID-19 pandemic.

At the time of publication of this Notice, the UK Government has, in line with its Roadmap out of Lockdown, lifted all restrictions on public gatherings and non-essential travel and it is therefore anticipated that the AGM will be able to go ahead as normal as a physical meeting. However, given the constantly evolving nature of the COVID-19 situation, we want to ensure that we are able to adapt our arrangements efficiently to respond to changes in circumstances, including the imposition of any new restrictions on public gatherings and non-essential travel. Any changes to the arrangements for the AGM (including any change to the location of the AGM) will be communicated to shareholders before the meeting, including through our website (www.babcockinternational.com) and via an RNS announcement. Should we have to change the arrangements in this way, it is possible that we will not be in a position to accommodate shareholders beyond the minimum required to hold a quorate meeting.

Depending on the circumstances applicable at the time we may have to put in place some COVID-safe measures which shareholders attending the AGM should observe, such as the wearing of a face covering (unless exempt), to practice social distancing and follow any one-way systems indicated.

Voting

Regardless of the current expectation for the physical meeting to proceed as planned, we strongly encourage all shareholders to vote in advance by proxy and appoint the “Chair of the meeting” as their proxy rather than any other named person who may not be permitted to attend the AGM in the event of new restrictions on public gatherings and non-essential travel being imposed by the UK Government. This will ensure that their vote will be counted if ultimately they (or any other proxy they might otherwise appoint) are not able to attend the meeting.

You can vote by proxy by visiting www.babcock-shares.com and following the instructions on that website. You will need to log in to your Babcock share portal or register, if you have not previously done so. To register, you will need your Investor Code, which is on your share certificate or dividend confirmation. Alternatively, to receive a paper form, please contact our Registrars, Link Group, using the contact details set out in the Important Information for Shareholders on page 8. Our Registrar must receive your vote by 11.00am on 20 September 2021 or, in the event the AGM is adjourned, not less than 48 hours (excluding non-working days) before the time fixed for the adjourned meeting.

Voting by proxy prior to the AGM does not affect your right to attend the AGM and vote in person should you so wish.

Attendance at the AGM

All shareholders are asked to let us know in advance if they are intending to attend the AGM in order that we can make sure that we have suitable arrangements in place. We would be grateful if when voting via www.babcock-shares.com you would check the relevant box on the voting page if you are expecting to attend.

Recommendation

Your Directors believe that all of the proposed resolutions are in the best interests of the Company and its shareholders as a whole and unanimously recommend that you vote in favour of all of them, as your Directors intend to do in respect of their own beneficial holdings.

Yours sincerely

Ruth Cairnie

Chair

9 August 2021

Notice is hereby given that this year's Annual General Meeting of Babcock International Group PLC will be held at 11.00am on Wednesday, 22 September 2021 at Grosvenor House Hotel, Park Lane, London W1K 7TN, to consider and, if thought fit, to pass the following resolutions.

Ordinary Resolutions

Annual Report and Financial Statements

1. To receive the audited financial statements of the Company and its subsidiary undertakings (the "Group") for the year ended 31 March 2021, together with the Reports of the Directors and of the auditors thereon (the "Company's Annual Report and Financial Statements 2021").

Directors' Remuneration Report

2. To approve the Directors' remuneration report as set out on pages 143 to 153 of the Company's Annual Report and Financial Statements 2021.

Re-election and election of Directors

3. To reappoint Ruth Cairnie as a Director of the Company.
4. To reappoint Carl-Peter Forster as a Director of the Company.
5. To reappoint Kjersti Wiklund as a Director of the Company.
6. To reappoint Russ Houlden as a Director of the Company.
7. To reappoint Lucy Dimes as a Director of the Company.
8. To appoint The Lord Parker of Minsmere, GCVO, KCB as a Director of the Company.
9. To appoint David Lockwood as a Director of the Company.
10. To appoint David Mellors as a Director of the Company.

Auditor

11. To appoint Deloitte LLP as independent auditor of the Company to hold office from the conclusion of the AGM until the conclusion of the next general meeting at which accounts are laid before the shareholders.
12. To authorise the Audit Committee (for and on behalf of the Directors of the Company) to set the remuneration of the independent auditor, as they shall in their discretion see fit.

Political Donations and expenditure

13. To resolve that, in accordance with sections 366 and 367 of the Companies Act 2006 (the "2006 Act"), the Company and all companies that are its subsidiaries at any time during the period for which this Resolution 13 is effective are authorised to:

- (a) make political donations to a political party or to an independent election candidate;
- (b) make political donations to political organisations other than political parties; and
- (c) incur any political expenditure,

up to an aggregate amount of £100,000, with the amount authorised under each of paragraphs (a) to (c) also being limited to such amount, in each case during the period beginning with the date of the passing of this Resolution 13 and ending on 30 September 2022 or, if sooner, the conclusion of the annual general meeting of the Company in 2022 unless previously renewed, varied or revoked by the Company in general meeting.

For the purpose of this Resolution 13 'political donation', 'political party', 'political organisation', 'independent election candidate' and 'political expenditure' are to be construed in accordance with sections 363, 364 and 365 of the 2006 Act.

Authority to Allot

14. To resolve that, in substitution for all such existing authorities, the Directors of the Company be and are hereby generally and unconditionally authorised for the purpose of section 551 of the 2006 Act to exercise all the powers of the Company to allot shares in the Company and grant rights to subscribe for or to convert any security into shares in the Company:
- (a) up to an aggregate nominal amount equal to £101,119,319.40 (such amount to be reduced by any allotments or grants made under paragraph (b) below in excess of such amount); and
 - (b) comprising equity securities (as defined in section 560(1) of the 2006 Act) up to an aggregate nominal amount of £202,238,638.80 (such amount to be reduced by any allotments or grants made under paragraph (a) above) in connection with an offer by way of a rights issue,

such authorities to apply (unless previously renewed, varied or revoked by the Company in general meeting) until the end of the Company's next annual general meeting (or, if earlier, until the close of business on 30 September 2022) but, in each case, so that the Company may make offers and enter into agreements before the authority expires which would, or might, require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after the authority expires and the Directors of the Company may allot shares or grant such rights under any such offer or agreement as if the authority conferred hereby had not expired. References in this Resolution 14 to the nominal amount of rights to subscribe for or to convert any security into shares (including where such rights are referred to as equity securities as defined in section 560(1) of the 2006 Act) are to the nominal amount of shares that may be allotted pursuant to the rights.

For the purposes of this Resolution 14 'rights issue' means an offer to:

- (i) ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
- (ii) holders of other equity securities, as required by the rights of those securities or, subject to such rights, as the Directors otherwise consider necessary,

to subscribe for further securities by means of the issue of a renounceable letter (or other negotiable document or electronic or dematerialised equivalent) which may be traded for a period before payment for the securities is due, including an offer to which the Directors may impose any limits or restrictions or make any other arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter.

Special Resolutions

Disapplication of Pre-emption Rights

15. To resolve that, in substitution for all such existing authorities, and subject to the passing of Resolution 14, the Directors of the Company be and are hereby generally empowered, pursuant to sections 570 and 573 of the 2006 Act, to:
- (a) allot equity securities (as defined in section 560(1) of the 2006 Act) for cash pursuant to the authority conferred by Resolution 14; and/or
 - (b) sell ordinary shares (as defined in section 560(1) of the 2006 Act) held by the Company as treasury shares for cash,
- in each case, free of the restriction in section 561 of the 2006 Act, provided that such authority shall be limited to:
- (i) the allotment of equity securities and/or sale of treasury shares for cash in connection with or pursuant to an offer of, or invitation to apply for, equity securities (but in the case of an allotment pursuant to the authority granted under paragraph (b) of Resolution 14, by way of a rights issue only):
 - A. to ordinary shareholders in proportion (as nearly as may be practicable) to their holdings; and
 - B. to holders of other equity securities, as required by the rights of those securities or, subject to such rights, as the Directors otherwise consider necessary,but subject to such limits, exclusions, restrictions or other arrangements as the Directors of the Company may consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical difficulties which may arise in, or under the laws or regulatory requirements of, any territory or any other matter whatsoever; and
 - (ii) the allotment of equity securities pursuant to the authority granted by paragraph (a) of Resolution 14 and/or sale of treasury shares for cash (in each case otherwise than in the circumstances set out in paragraph (i) of this Resolution 15), up to an aggregate nominal amount of £15,167,898, calculated in the case of equity securities which are rights to subscribe for, or to convert securities into, ordinary shares, by reference to the aggregate nominal amount of relevant shares which may be allotted pursuant to such rights,

such authority to apply (unless previously renewed, varied or revoked by the Company in general meeting) until the end of the Company's next annual general meeting (or, if earlier, until the close of business on 30 September 2022) but, in each case, so that the Company may make offers and enter into agreements before the authority expires which would, or might, require equity securities to be allotted (and/or treasury shares to be sold) after the authority expires and the Directors of the Company may allot equity securities (and/or sell treasury shares) under any such offer or agreement as if the authority conferred hereby had not expired.

For the purpose of this Resolution 15, 'rights issue' has the same meaning as in Resolution 14 above.

Authority to Purchase Own Shares

16. To resolve that the Company be and is hereby generally and unconditionally authorised for the purposes of section 701 of the 2006 Act to make market purchases (within the meaning of section 693(4) of the 2006 Act) of its ordinary shares of 60p each ("ordinary shares") in the capital of the Company on such terms and in such manner as the Directors of the Company may from time to time determine provided that:
- (a) the maximum number of ordinary shares hereby authorised to be purchased shall be 50,559,660 shares, representing approximately 10% of the issued share capital of the Company at 6 August 2021 (being the latest practicable date prior to the publication of this notice);
 - (b) the price which may be paid for each ordinary share shall not be less than the nominal value thereof exclusive of the expenses of purchase;
 - (c) the price which may be paid for each ordinary share (exclusive of the expenses of purchase) shall not exceed the higher of (i) an amount equal to 105% of the average of the middle market quotation for an ordinary share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which such ordinary share is contracted to be purchased; and (ii) an amount equal to the higher of the price of an ordinary share quoted for the last independent trade and the highest current independent bid for an ordinary share on the trading venue where the purchase is carried out;
 - (d) the authority hereby conferred shall (unless previously renewed, varied or revoked by the Company at a general meeting) expire at the end of the Company's next annual general meeting (or, if earlier, the close of business on 30 September 2022); and
 - (e) the Company may, before this authority expires, make a contract to purchase ordinary shares which will or may be executed wholly or partly after the expiry of this authority, and may make purchases of ordinary shares in pursuance of any such contract as if this authority had not expired.

Notice for General Meetings

17. That a general meeting of the Company (other than an annual general meeting) may be called by the Directors of the Company on not less than 14 clear days' notice.

Adoption of New Articles of Association

18. That, with effect from the conclusion of this AGM, the articles of association produced to the meeting and initialled by the Chair of the meeting for the purpose of identification be adopted as the articles of association of the Company (the 'Articles') in substitution for, and to the exclusion of, the existing Articles.

By order of the Board

Jack Borrett

Company Secretary

9 August 2021

Babcock International Group PLC

Registered Office: 33 Wigmore Street, London W1U 1QX

Registered in England and Wales: 02342138

Explanatory Notes to the Resolutions

The shareholders will pass Ordinary Resolutions 1 to 14 if the votes cast for the Resolutions are more than those cast against. The Board considers that all the Resolutions in the notice of the Annual General Meeting are in the best interests of the Company and its shareholders as a whole. Your Directors unanimously recommend that you vote in favour of them as they intend to do in respect of their own beneficial holdings.

Resolution 1: Report and Accounts

The Directors must lay the Annual Report and Financial Statements before the shareholders at each Annual General Meeting.

Resolution 2: Directors' Remuneration Report

We are asking shareholders to approve the Directors' remuneration report for the year ended 31 March 2021, which is set out on pages 143 to 153 of the Company's Annual Report and Financial Statements 2021. The vote upon this resolution is advisory. The vote is not specific to individual levels of remuneration and the Directors' entitlement to remuneration is not conditional on it. No resolution is proposed with regard to Remuneration policy this year since the Remuneration policy detailed on pages 136 to 142 of the Company's Annual Report and Financial Statements 2021 was approved at the Annual General Meeting in 2020.

Resolutions 3 to 7: Reappointment of Directors

The Directors named in resolutions 3 to 7, all of whom were appointed or reappointed at last year's AGM, are standing for reappointment at the AGM in line with the provisions of the UK Corporate Governance Code (the 'Code'). Following the annual performance evaluation of all Directors, the Board is satisfied that the performance of each Director continues to be effective and demonstrates commitment to his or her role. Their biographical details, which are set out in Appendix 1 to this Notice, demonstrate how the Board has the appropriate balance of skills, experience independence and knowledge to lead the Company's long-term sustainable success. Accordingly, the Board unanimously recommends their reappointment.

The Board has reviewed the independence of its Non-Executive Directors and has determined that each of them continues to be independent.

Resolutions 8 to 10: Appointment of Directors who joined the board since the last AGM

In line with article 123 of the Company's Articles, all Directors appointed by the Board since the date of the last annual general meeting are subject to election by shareholders at the first annual general meeting after their appointment. Accordingly, as the Board appointed The Lord Parker of Minsmere, GCVO, KCB on 1 November 2020, David Lockwood on 1 September 2020 and David Mellors on 1 November 2020, we are asking shareholders to approve their appointment. The Nominations Committee led the process of identifying and recommending the appointment of Lord Parker, David Lockwood and David Mellors to the Board based on pre-defined criteria of experience, knowledge, skills and independence.

Resolutions 11 and 12: Appointment and remuneration of the auditor

Following a rigorous competitive tender process, Resolution 11 proposes the appointment of Deloitte LLP as external auditor of the Company. If approved, Deloitte LLP will be appointed external auditor for the year ending 31 March 2022. More information on the Audit Committee's role in relation to the tender process can be found on pages 129 and 130 of the Company's Annual Report and Financial Statements 2021.

PricewaterhouseCoopers LLP, the Company's outgoing external auditor, has provided a statutory statement of circumstances upon ceasing to hold office, which is set out in Appendix 2 of this Notice. In accordance with standard practice, resolution 12 authorises the Audit Committee, on behalf of the Board, to determine the remuneration of the Company's auditor.

Resolution 13: Political donations and expenditure

We do not make political donations or incur political expenditure within the ordinary meaning of those terms. However, certain activities undertaken in the usual course of business may inadvertently fall within the legal definition of political donation or political expenditure. In line with standard practice, on an annual basis, we ask shareholders to approve on a precautionary basis a limited authority to ensure that the Company does not commit any technical breach of the 2006 Act.

Resolution 14: Authority to Allot

Under section 551 of the 2006 Act, the Directors may only allot shares or grant rights over shares if authorised to do so by shareholders. This resolution seeks authority to allot (a) shares up to an aggregate nominal value of £101,119,319.40 (such amount to be reduced by any allotments or grants made under paragraph (b) in excess of such amount) and (b) equity securities up to an aggregate nominal amount of £202,238,638.80 (such amount to be reduced by any allotments or grants made under paragraph (a)) where the allotment is in connection with a fully pre-emptive rights issue. These amounts represent a maximum of 33.3% and 66.6% respectively of the total issued ordinary share capital of the Company as at 6 August 2021*.

This resolution is in accordance with the guidance provided by the Investment Association on the Directors' authority to allot. This guidance permits resolutions seeking authority to allot shares representing up to two-thirds of the Company's issued share capital if Directors use such authority (that part provided by paragraph (b) of Resolution 14) to allot shares pursuant to a fully pre-emptive rights issue. If granted, this authority will expire at the end of the Company's annual general meeting in 2022 (or, if earlier, the close of business on 30 September 2022). As at 6 August 2021* the Company held no treasury shares.

The Directors have no present intention of exercising the allotment authority sought under Resolution 14 unless required for the allotment of ordinary shares in respect of options and awards under employee share plans. However, the Directors consider it desirable to have the flexibility to use it should opportunities arise. If the Directors do exercise the authority, the Directors intend to follow market best practice as regards its use.

Shareholders will pass Resolutions 15 to 18, which are Special Resolutions, if at least 75% of the votes cast are in favour.

Resolution 15: Disapplication of Pre-emption Rights

Under section 561(1) of the 2006 Act, a company cannot issue ordinary shares for cash until the Company has first offered them pro rata to existing shareholders.

We are asking shareholders for authority to allot a limited number of shares or equity securities or sell treasury shares otherwise than to existing shareholders pro rata to their holdings. Apart from offers or invitations in proportion to the respective number of shares held, the authority in Resolution 15 will be limited to the issue of shares and sales of treasury shares for cash up to a maximum aggregate nominal value of £15,167,898 (representing approximately 5% of the Company's issued ordinary share capital as at 6 August 2021*).

With the possible exception of issues of further shares under the Company's executive or employee share schemes, the Directors do not have any present intention of exercising this authority but consider it desirable to have the flexibility to use it should opportunities arise.

If granted, this authority will expire at the conclusion of the annual general meeting of the Company to be held in 2022, (or, if earlier, the close of business on 30 September 2022). The Directors will have regard to institutional shareholder guidelines in relation to any exercise of this authority, in particular the requirement for advance consultation and explanation before making any such issue which exceeds 7.5% of the total issued ordinary share capital of the Company (excluding treasury shares) within a rolling three-year period. Resolution 15 complies with the Investment Association's guidelines and follows the resolution templates issued by the Pre-Emption Group in May 2016.

Resolution 16: Authority to Purchase Own Shares

If passed, Resolution 16 will renew the general authority for the Company to make market purchases of its own ordinary shares as permitted by the 2006 Act. Many other listed companies have this authority. This resolution specifies the maximum number of shares which the Company may acquire (a maximum of 10% of the Company's issued share capital as at 6 August 2021*), as well as minimum and maximum prices. If granted, the authority would expire at the conclusion of the annual general meeting of the Company to be held in 2022 (or, if earlier, the close of business on 30 September 2022). The Company would either cancel or hold as treasury shares any shares purchased under this authority.

As at 6 August 2021*, the total number of ordinary shares that may be issued on the exercise or vesting of outstanding options or awards under the Company's executive or employee share schemes represented approximately 1.62% of the Company's issued share capital as at that date. If the authority given by this Resolution 16 was exercised in full and those shares were subsequently cancelled, these options or awards would represent 1.8% of the Company's issued ordinary share capital.

The Directors have no present intention of using this authority. They would only exercise the authority if it was in the best interests of shareholders generally to do so and (except in the case of a purchase of own shares to fulfil obligations under the Company's executive or employee share schemes) any purchase would be likely to result in an increase in earnings per share.

Resolution 17: Notice for General Meetings

Authority is sought from shareholders to allow general meetings (other than annual general meetings) to be called on 14 clear days' notice rather than the 21 days otherwise required by section 307A of the 2006 Act. The Company would like to preserve the authority given at last year's AGM. The Company would not use the shorter notice period as a matter of routine for general meetings, but only where the business of the meeting merits the flexibility and is to the advantage of shareholders as a whole.

Resolution 18: Adoption of new Articles of Association

The Company proposes to adopt new Articles (the **"New Articles"**) to replace the Company's current Articles which were adopted on 21 July 2014 (the **"Current Articles"**), primarily to reflect developments in best market practice and changes in law, including by providing additional clarification and flexibility in relation to convening and holding general meetings (in particular, the ability to hold hybrid general meetings) and other matters.

Given the number of the changes, the Company proposes to adopt entirely New Articles (rather than make amendments to the Current Articles). A summary of the principal changes being proposed are set out in Appendix 3 of this Notice (all references are to the New Articles, unless otherwise specified). Other changes, which are of a minor, technical or clarifying nature have not been noted in Appendix 3. The New Articles are available for inspection during usual business hours on any weekday (public holidays excepted) at the Company's registered office and at www.babcockinternational.com/investors, and will also be made available for inspection at the AGM.

* 6 August 2021 being the latest practicable date prior to the publication of this notice.

Important Information for Shareholders

1. Shareholders are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the AGM. As explained on page 1 above, shareholders are strongly encouraged to appoint the “Chair of the meeting” as their proxy, rather than any other named person who may not be permitted to attend the AGM in the event that new restrictions on physical gatherings and non-essential travel are imposed by the UK Government in light of the COVID-19 pandemic. **All Shareholders are asked to let us know in advance if they are intending to attend the AGM in order that we can make sure that we have suitable arrangements in place. We would be grateful if when voting via www.babcock-shares.com you would check the relevant box on the voting page if you are expecting to attend.**
2. A Shareholder may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that Shareholder. A proxy need not be a Shareholder of the Company and can be appointed by completing the proxy form on the Babcock share portal at www.babcock-shares.com and following the instructions provided. Shareholders will need to log in to their Babcock share portal or register if they have not previously done so. To register, Shareholders will need their Investor Code which can be found on their share certificates or dividend confirmations. Alternatively, Shareholders may contact the Registrars. A proxy will vote as instructed and must attend the AGM for a Shareholder’s votes to be counted. Completion and submission of a proxy instruction will not preclude a member from attending and voting in person at the AGM subject to any new restrictions on physical gatherings or non-essential travel which may be imposed by the UK Government in light of the COVID-19 pandemic.
3. To be valid, proxy instructions must be received by the Company’s registrars by 11.00am on 20 September 2021 (or not less than 48 hours before the time fixed for any adjourned AGM, provided that no account shall be taken of any part of a day that is not a working day).
4. Copies of the following documents are available for inspection at the Company’s registered office during normal business hours until the date of the Annual General Meeting and will be available for inspection at the place of the Annual General Meeting for at least 15 minutes prior to and during the meeting:
 - (a) terms of appointment under which the Non-Executive Directors of the Company are engaged;
 - (b) Executive Directors’ service agreements; and
 - (c) the New Articles of Association (also available on www.babcockinternational.com/investors/shareholder-centre/agm-information).
5. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001 and section 360B of the 2006 Act, only those Shareholders entered on the register of members of the Company at close of business on 20 September 2021 or, in the event that the meeting is adjourned, on the register of members of the Company at close of business on the day two days (excluding any part of a day that is not a working day) before the date of any adjourned meeting, shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their names at that time. Changes to the entries on the register of members after this time shall be disregarded in determining the rights of any person to attend and vote at the meeting or any adjourned meeting.
6. As at 6 August 2021 (being the last practicable day prior to the publication of this notice) the Company’s issued share capital consisted of 505,596,597 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at that date were 505,596,597 votes.
7. A corporate shareholder can appoint one or more corporate representatives who may exercise, on its behalf, all of its powers as a member provided that no more than one corporate representative exercises powers over the same share.
8. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting or any adjournment(s) by using the procedures described in the CREST Manual (available via www.euroclear.com). CREST Personal Members or other CREST-sponsored members, as well as those CREST members, who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will take the appropriate action on their behalf.
9. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a ‘CREST Proxy Instruction’) must be properly authenticated in accordance with Euroclear UK & Ireland Limited’s specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be received by the issuer’s agent (ID RA10) by 11.00am on 20 September 2021 (or not less than 48 hours before the time fixed for any adjourned AGM, provided that no account shall be taken of any part of a day that is not a working day). For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer’s agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
10. Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations apply in relation to the input of CREST Proxy Instructions. The CREST member concerned must take (or procure, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, that his/her CREST sponsor or voting service provider(s) take(s)) such action as necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

11. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) (a) of the Uncertificated Securities Regulations 2001.
12. Institutional investors may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Proxies must be lodged by 11.00am on 20 September 2021 in order to be considered valid. Before proxies can be appointed via this process, institutional investors will need to have agreed to Proxymity's associated terms and conditions. It is important that these are read carefully as investors will be bound by them and they will govern the electronic appointment of proxies.
13. Any member or proxy attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting, but no such answer need be given if:
 - (a) to do so would interfere unduly with the progress of the AGM or involve the disclosure of confidential information;
 - (b) the answer has already been given on a website in the form of an answer to a question; or
 - (c) it is undesirable in the interests of the Company or the good order of the AGM that the question be answered.
14. Under section 527 of the 2006 Act, members subject to threshold requirements may require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts laid before the Annual General Meeting; or (ii) any circumstance connected with the Company's auditor ceasing to hold office since the previous Annual General Meeting. The Company may not require the members requesting any such website publication to pay its expenses. Where the Company is required to place a statement on a website under section 527 of the 2006 Act, it must forward the statement to the Company's auditor no later than the time when it makes the statement available on the website. The business, which may be dealt with at the Annual General Meeting, includes any statement that the Company has been required under section 527 of the 2006 Act to publish on a website.
15. Any electronic address (within the meaning of section 333(4) of the 2006 Act) provided in this notice of Annual General Meeting (or in any related documents including the proxy form) may not be used to communicate with the Company for any purposes other than those expressly stated.
16. A copy of this notice, and other information required by section 311A of the 2006 Act, can be found at www.babcockinternational.com.
17. The AGM may involve the processing of members' personal data by the Company. This includes all data provided by members, or on their behalf, which relates to them as members, including their names and contact details, the votes they cast and their Shareholder reference numbers. The Company and any third party to which it discloses members' personal data (including our Registrars) may process this personal data in accordance with the Company's privacy policy for the purposes of compiling and updating the Company's records and fulfilling the Company's legal obligations.
18. Any shareholder who has not otherwise received confirmation that his, her or its vote on the polls at the AGM has been validly recorded and counted and has no other reasonable means of confirming this, may, within 30 days from the date of the AGM, request information from the Company allowing him, her or it to confirm that his, her or its vote on the polls at the AGM has been validly recorded and counted, by using the contact details of the Registrar of the Company given below or of the Company given at the bottom of this notice.
19. The right to appoint proxies does not apply to persons nominated to receive information rights under Section 146 of the 2006 Act. Persons nominated to receive information rights under Section 146 of the 2006 Act who have been sent a copy of this Notice are hereby informed that they may have a right under an agreement with the registered member by whom they were nominated to be appointed, or to have someone else appointed, as a proxy for the AGM. If they have no such right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the shareholder as to the exercise of voting rights. Nominated persons should contact the registered shareholder by whom they were nominated in respect of these arrangements.
20. Under Section 338 and Section 338A of the 2006 Act, shareholders meeting the threshold requirements in those sections have the right to require the Company: (i) to give to shareholders of the Company entitled to receive Notice, notice of a resolution which may properly be moved and is intended to be moved at the AGM; and/or (ii) to include in the business to be dealt with at the AGM any matter (other than a proposed resolution) which may be properly included in the business. A resolution may properly be moved or a matter may properly be included in the business unless (a) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of inconsistency with any enactment or the company's constitution or otherwise), (b) it is defamatory of any person, or (c) it is frivolous or vexatious. Such a request may be in hard copy form or in electronic form, must identify the resolution of which notice is to be given or the matter to be included in the business, must be authenticated by the person or persons making it, must be received by the Company no later than 10 August 2021, being the date six weeks before the AGM, and (in the case of a matter to be included in the business only) must be accompanied by a statement setting out the grounds for the request.
21. In the case of joint holders, where more than one of the joint holders purports to vote (including voting by proxy), the only vote which will count is the vote of the person whose name is listed before the other voters on the register in respect of the share.
22. Contact details for our Registrars:

Link Group
 10th Floor
 Central Square
 29 Wellington Street
 Leeds, LS1 4DL
www.babcock-shares.com

Email: enquiries@linkgroup.co.uk
 Tel: +44 (0)37 1664 0300
 (Calls are charged at standard geographic rate and will vary by provider.
 Calls outside the United Kingdom will be charged at the applicable
 international rate. Lines are open 9.00am – 5.30pm, Monday to Friday
 excluding public holidays in England and Wales.)

Appendix 1

Directors' biographies

The following biographical details support the Board's recommendation to appoint or reappoint each of the Directors of the Company named in resolutions 3 to 10.

Ruth Cairnie

Chair

Appointed: April 2019

Tenure: 2 years

Nationality: British

Experience: Ruth brings extensive experience of the engineering sector gained from a 37-year international career spanning senior functional and line roles at Royal Dutch Shell plc. She has experience advising government departments on strategic development and capability building.

External appointments: Ruth is currently the Senior Independent Director of Associated British Foods plc. She is Patron of the Women in Defence Charter, the Chair of POWERful Women, a trustee of Windsor Leadership and a trustee of the White Ensign Association.

Previous roles: She has been a Non-Executive Director of Rolls Royce Holdings plc, ContourGlobal plc, Keller Group PLC and a member of the finance committee of the University of Cambridge.

Qualifications: Ruth is a Master of Advanced Studies in Mathematics from the University of Cambridge and holds a BSc Joint Honours in Mathematics and Physics from the University of Bristol. She is a fellow of the Energy Institute.

Carl-Peter Forster

Senior Independent Director

Appointed: June 2020

Tenure: 1 year

Nationality: German

Experience: Carl-Peter brings extensive manufacturing and international experience.

External appointments: Carl-Peter is currently the Chairman of Chemring Group PLC and Senior Independent Director of IMI plc.

Previous roles: Carl-Peter held senior leadership positions in some of the world's largest automotive manufacturers, including BMW, General Motors and Tata Motors (including Jaguar Land Rover). He was also previously a Non-Executive Director of Rexam PLC and Rolls-Royce plc.

Qualifications: Carl-Peter holds a Diploma in Economics from Bonn University and a Diploma in Aeronautical Engineering from Technical University in Munich.

Kjersti Wiklund

Independent Non-Executive Director

Appointed: April 2018

Tenure: 3 years

Nationality: Norwegian

Experience: Kjersti brings broad technology and business experience gained across Europe, Eastern Europe/Russia and Asia.

External appointments: Kjersti is a Non-Executive Director of Trainline plc, Spectris PLC and was appointed as a Non-Executive Director of Zegona Communications PLC in February 2020.

Previous roles: She has held senior roles, including Director, Group Technology Operations of Vodafone, and Chief Operating Officer of VimpelCom Russia, Deputy Chief Executive Officer and Chief Technology Officer of Kyivstar in Ukraine, Executive Vice President and Chief Technology Officer of Digi Telecommunications in Malaysia, and Executive Vice President and Chief Information Officer at Telenor in Norway. Kjersti was also a Non-Executive Director of Cxense ASA and Fast Search & Transfer ASA in Norway, Telescience Inc in the US and Laird PLC in the UK.

Qualifications: Kjersti holds a Master of Business Management from BI Norwegian Business School and an MSc in Electronical Engineering from Chalmers University of Technology, Sweden.

Russ Houlden

Independent Non-Executive Director

Appointed: April 2020

Tenure: 1 year

Nationality: British

Experience: Russ brings accounting and treasury management experience along with his extensive knowledge of driving performance improvement.

Previous roles: He was Chairman of the Financial Reporting Committee of the 100 Group (from 2013 to March 2020), Chief Financial Officer of United Utilities Group PLC (from 2010 to July 2020), Chief Financial Officer of Telecom New Zealand (from 2008 to 2010) and Finance Director of Lovells (from 2002 to 2008). Until 2002 he held a variety of divisional Finance Director positions in ICI and BT.

Qualifications: Russ holds a first class honours degree in Management Sciences from Warwick Business School and is a Fellow of the Chartered Institute of Management Accountants, a Chartered Global Management Accountant and a Fellow of the Association of Corporate Treasurers.

Lucy Dimes

Independent Non-Executive Director

Appointed: April 2018

Tenure: 3 years

Nationality: British

Experience: Lucy brings experience in industries at the forefront of growth and technology-based innovation and an understanding of complex outsourcing and global strategic partnerships.

External appointments: Lucy is currently the Chief Strategy and Transformation Officer of Virgin Money.

Previous roles: She was a Non-Executive Director of Berendsen PLC and a member of its Audit, Remuneration and Nominations Committees. Lucy was Chief Executive Officer of UBM EMEA until September 2018 and prior to that Chief Executive Officer, UK & Ireland, of Fujitsu, the Chief Operating Officer and Executive Director of Equiniti Group, Chief Executive Officer UK & Ireland of Alcatel Lucent (now Nokia) and had a 19-year career at BT, where she held various senior roles, including Managing Director of Group and Openreach Service Operations.

Qualifications: Lucy holds an MBA from London Business School and a First Class Honours Degree in Business Studies from Manchester Metropolitan University.

The Lord Parker of Minsmere, GCVO, KCB

Independent Non-Executive Director

Appointed: November 2020

Tenure: 7 months

Nationality: British

Experience: Lord Parker brings extensive experience of working at the highest level of public service including a focus on new technology-centred change and championing inclusion.

External appointments: Lord Chamberlain (head of the Royal Household), member of the House of Lords, Board Adviser to Telicent Ltd, Distinguished Fellow at RUSI (the Royal United Services Institute) and Visiting Professor at Northumbria University.

Previous roles: Lord Parker has had a long career in a wide range of national security and intelligence roles in the UK, which culminated in him becoming the Director General of MI5, the UK Government's national security agency, in 2013. He retired from this role in 2020.

Qualifications: Lord Parker is a graduate of Natural Sciences from Cambridge University.

David Lockwood OBE

Chief Executive Officer

Appointed: September 2020

Tenure: 9 months

Nationality: British

Experience: David brings wide-ranging knowledge of the defence and aviation markets, as well as a wealth of experience in both technology and innovation.

External appointments: None.

Previous roles: David was CEO of Cobham plc (from 2016 to March 2020) and prior to that he was CEO of Laird PLC (from 2012 to September 2016). His career includes senior management roles at BT Global Services, BAE Systems and Thales Corporation.

Qualifications: David has a Degree in Mathematics from the University of York and is a chartered accountant. He is a Fellow of the Royal Aeronautical Society and the Royal Society of Arts and Commerce. He received an OBE for services to industry in Scotland in 2011.

David Mellors

Chief Financial Officer

Appointed: November 2020

Tenure: 7 months

Nationality: British

Experience: Extensive CFO experience in defence, aerospace and commercial markets.

External appointments: None.

Previous roles: David was previously CFO of Cobham plc and prior to that he was CFO of QinetiQ Group plc from 2008 to 2016. His career includes several roles at Logica PLC, CMG plc and Rio Tinto PLC.

Qualifications: David has a Degree in Physics from Oxford University and is a member of the Institute of Chartered Accountants in England and Wales.

Appendix 2

Auditor statement of circumstances on ceasing to hold office



The Directors
Babcock International Group PLC
33 Wigmore Street
London
W1U 1QX

6 August 2021

Dear Ladies and Gentlemen,

Statement of Reasons connected with ceasing to hold office as Auditors

In accordance with Section 519 of the Companies Act 2006 (the “Act”), we set out below the reasons connected with PricewaterhouseCoopers LLP, registered auditor number C001004062, ceasing to hold office as auditors of Babcock International Group PLC, registered no: 02342138 (the “Company”) effective from 6 August 2021.

The reason we are ceasing to hold office is that the Company undertook a tender process in which we did not participate due to the time of our tenure.

There are no reasons for, and no other matters connected with our ceasing to hold office as auditors of the Company, that we consider need to be brought to the attention of the Company’s members or creditors.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'PricewaterhouseCoopers LLP', with a stylized flourish at the end.

PricewaterhouseCoopers LLP

*PricewaterhouseCoopers LLP, 1 Embankment Place, London, WC2N 6RH
T: +44 (0) 2075 835 000, F: +44 (0) 2072 124 652, www.pwc.co.uk*

PricewaterhouseCoopers LLP is a limited liability partnership registered in England with registered number OC303525. The registered office of PricewaterhouseCoopers LLP is 1 Embankment Place, London WC2N 6RH. PricewaterhouseCoopers LLP is authorised and regulated by the Financial Conduct Authority for designated investment business.

Appendix 3

Explanatory notes on the principal changes proposed to the Articles

A summary of the principal changes introduced by the New Articles is set out below:

1. General

The opportunity has been taken generally to use clearer language in the New Articles, to remove any provisions which are redundant or which duplicate provisions of the 2006 Act and to update provisions according to the 2006 Act and other relevant legislation. Change of name (Article 4)

2. Article 4 permits the Company to change its name by a resolution of the Directors.

Before the 2006 Act came into force, a company could only change its name by special resolution. However, the 2006 Act now allows a company to change its name by other means as provided in its articles, such as by a resolution of the Directors. This provision is commonly found in other listed companies' articles of association and provides flexibility.

The Company currently has no intention of changing its name.

3. Shares (Article 9)

This Article has been added to make it clear that the Directors have the flexibility to deal with shares in the Company, subject to the requirements of (among other things) the 2006 Act (including those provisions relating to authority to allot shares and pre-emption rights) and the other provisions of the New Articles.

4. Uncertificated shares (Article 13)

This article has been updated to reflect the participation in and transfer of shares through CREST.

5. Share certificates (Articles 14, 16 and 17)

Certain minor changes have been made to shareholders' rights to receive share certificates; Article 14 (Right to Share Certificates) has been aligned with the legislative provisions of the CA 2006.

Article 16 (Execution of Share Certificates) provides for certain execution formalities to apply upon the issuance of a share certificate. Article 17 (Share Certificates Sent at Holder's Risk) also clarifies that the Company will not be responsible for share certificates lost or delayed in delivery.

6. Lien on partly paid shares (Articles 19 and 20)

Article 19 (Enforcing a Lien by Sale) has been amended to provide the Directors with additional flexibility to enforce liens on partly paid shares.

Article 20 (Application on Proceeds of Sale) provides that, if shares on which the Company has a lien are sold, the Company need not pay anything until the certificate representing the shares sold has been delivered to the Company for cancellation.

7. Interest due on non-payment (Article 24)

The maximum annual interest rate applicable when calls on shares are made and the money due remains unpaid has been changed from 15% to 5% above the Bank of England base rate, in line with the Model Articles for public companies.

8. Payment of calls (Article 27)

The maximum annual interest rate applicable on advance payments on shares has been changed from 12% to 5% above the Bank of England base rate (subject to the passing of an ordinary resolution to allow a higher rate), in line with the Model Articles for public companies.

9. Arrears to be paid notwithstanding forfeiture (Article 33)

The maximum annual interest rate applicable when calls have been made on forfeited shares (prior to the time of forfeiture) has been changed from 15% to 5% above the Bank of England base rate, in line with the Model Articles for public companies.

10. Untraced shareholders (Article 40)

The Article on untraced shareholders has been updated to reflect best practice and give the Company appropriate flexibility in connection with locating untraced shareholders. The amendments are designed to safeguard shareholder rights whilst not placing unduly onerous administrative obligations on the Company.

Rather than requiring the Company to take out newspaper advertisements, Article 40 requires the Company to use reasonable efforts to trace an untraced shareholder. 'Reasonable efforts' to trace a shareholder could include, if appropriate, the Company engaging a professional asset reunification company or other tracing agent to search for a shareholder who has not kept their shareholder details up to date.

In addition, the Current Articles provide that the Company will be obliged to account for the proceeds of sale to the former shareholder. Article 40 amends this position by providing that such monies will be forfeited to the Company if not claimed after two years of the sale.

11. Transmission (Articles 41 - 44)

Minor changes have been made to the provisions on transmission of shares on the death of a shareholder.

12. Sub-division of shares (Article 45)

This Article has been added to clarify that shares resulting from a sub-division of the Company's existing shares may, as compared with the Company's other shares, also have deferred or other rights or restrictions of any kind. This change will make the administration of any sub-division of shares more straightforward.

The introduction of this Article does not change the requirement for a sub-division of the Company's existing shares to be approved by way of a shareholders' ordinary resolution.

13. Operation of general meetings (Articles 47 to 62)

At present, the Current Articles do not contain any express provisions on how a 'hybrid' meeting may be validly held and conducted. The New Articles provide that the Company may hold hybrid general meetings (including AGMs) in such a way that enables shareholders to attend and participate in the business of the meeting by attending a physical location or by attending by means of an electronic facility. Voting at hybrid meetings will, by default, be decided on a poll. Hybrid meetings may be adjourned in the event of a technological failure.

The New Articles provide the Company with more flexibility to make changes to the arrangements for general meetings (including the introduction, change or cancellation of electronic facilities) after notice of the meeting has been issued. For instance, the Company may give notice of any such changes in any manner considered appropriate (rather than via an advertisement in two national newspapers). The New Articles also explicitly allow the Company to introduce health and safety arrangements at its meetings.

These changes were introduced to provide the Board with greater flexibility to align with technological advances, changes in investor sentiment and evolving best practice, particularly in light of the COVID-19 pandemic. In line with the views expressed by the Investment Association and Institutional Shareholder Services, the changes will not permit meetings to be held exclusively on an electronic basis, so a physical meeting (where a quorum is present) will still be required. In deciding whether to hold a hybrid general meeting in future, the Company will have regard to the views of shareholders and institutional governance bodies at the relevant time.

These changes are primarily contained in Articles 47, 48, 50, 53, 57 and 62. A number of other consequential amendments have also been made to the New Articles.

14. Notice of adjournments (Article 58)

The Current Articles require seven clear days' notice to be given to shareholders for any meeting which is adjourned by 30 days or more. Article 58 now requires that adjournments of three months or more will require notice to be given in the same way that was required for the original meeting (which no specific notice requirements applying to the adjournment of meetings for a shorter period). These changes reflect best practice and will provide the Directors with more flexibility to deal with any unforeseeable events arising in relation to meetings and make necessary arrangements for an adjourned meeting.

15. Amendments to resolutions (Articles 59 and 60)

More flexibility to amend special resolutions and ordinary resolutions once proposed (subject to compliance with the New Articles) has been provided in the New Articles.

16. Appointment of proxies (Article 70)

Article 70 has been added to provide for the formalities of execution of proxy forms.

Additionally, if a shareholder appoints more than one proxy, such that the proxy forms appointing those proxies would give those proxies the apparent right to exercise votes on behalf of a shareholder in a general meeting over more shares than are held by the shareholder, the position will now be that each proxy form will be invalid (rather than the last valid one being delivered taking precedence, as is the position under the Current Articles). There is still flexibility for the Company to alert the shareholder whose forms have been invalidated so that the shareholder can properly appoint a proxy.

17. Annual retirement of Directors (Article 80)

In line with the requirements of the Code and existing Company practice, Article 80 explicitly requires Directors to retire (and should they wish to remain in office, seek re-election) at each annual general meeting of the Company. This requirement does not apply to Directors in their first year of appointment who were appointed in the period between the date of an annual general meeting notice and the relevant annual general meeting itself.

18. Power of removal of Directors by special resolution (Article 82)

In addition to the power of removal by ordinary resolution provided under the 2006 Act, this power has been added to give an additional way of removing Directors by special resolution where statutory special notice (at least 28 clear days) does not need to be given. Using this procedure, the Director in question will not be able to present his or her case against the removal.

19. Vacation of office by Directors (Article 85)

Additional power has been given for the Directors to pass a resolution or sign a written notice to remove a Director from office.

20. Cap on non-executive Directors' remuneration (Article 88)

The Current Articles specify that the maximum aggregate remuneration of non-executive Directors is £850,000 per annum, subject to the shareholders authorising a higher amount by ordinary resolution. The New Articles increase this maximum to £1,000,000 which reflects the position previously decided upon by the Company, as approved by shareholders by way of ordinary resolution passed at the Company's annual general meeting held in 2018.

21. Expenses (Article 90)

In line with market practice, Article 90 (on expenses of Directors) has been updated to expressly allow for expenses of former Directors to be paid as well as those of directors or former directors of any holding company of the Company in accordance with the 2006 Act.

22. Directors below minimum through vacancies (Article 102)

The Current Articles currently provide that, where the number of continuing Directors falls below the minimum number or the number required for quorum of the board of Directors, they may only act either to appoint further Directors themselves or summon general meetings.

New Article 102 would provide greater flexibility to the Company as it would allow continuing Directors or a sole continuing Director to act notwithstanding any vacancy (including to fill vacancies and summon general meetings for the purpose of appointing further Directors). The Company considers it prudent to provide Directors with increased flexibility to ensure that the Company has a functioning board at all times.

23. Currency of dividends (Article 113)

Article 113 now specifies that a dividend can be paid in any currency decided by the Directors.

24. Dividend payment procedure (Article 116)

The New Articles give the Directors greater flexibility to determine the appropriate method(s) for the payment of dividends (and other sums) to shareholders, although there are no immediate plans to change the way dividends are currently paid to shareholders. The New Articles also provide that where a payment cannot be made because a shareholder has not provided valid account details to the Company, that amount will be treated as unclaimed until the shareholder provides those details.

25. Forfeiture of unclaimed dividends (Article 118)

The Current Articles provide that if a dividend or other amounts payable on a share due to the members has not been claimed for twelve years after being declared or becoming due, it will be forfeited to the Company. The New Articles reduce this period from twelve to six years.

26. Dividends not in cash (Article 119)

Article 119 now permits an interim dividend in specie to be approved by the Directors without also being subject to shareholder approval; the Current Articles do not provide the Directors with express authority to approve an interim dividend in specie in such manner.

The payment of any final dividend in specie remain subject to shareholder approval by way of ordinary resolution.

27. Scrip dividends (Article 120)

The Current Articles give the Directors the power to offer a scrip dividend (i.e., to offer shareholders (excluding any shareholder holding shares as treasury shares) the opportunity to receive extra ordinary shares, which are credited as fully paid up, instead of some or all of their cash dividend, subject to shareholders passing an ordinary resolution authorising the Directors to make this offer). There was previously no time limit for the authorisation given to the Directors by the shareholders, whereas Article 120 now specifies that the authorisation must not extend for more than three years, in line with corporate governance best practice and as stipulated by the Investment Association guidelines.

28. Settlement of difficulties in distribution (Article 122)

Amendments to Article 122 would provide the Directors with more flexibility to resolve settlement issues.

29. Strategic reports and supplementary material (Article 125)

The 2006 Act and the Companies (Receipt of Accounts and Reports) Regulations 2013 allow the Company to send a copy of its strategic report with supplementary material instead of its full accounts to a member who has elected or tacitly agreed to receive these documents, provided that the Company is not prohibited from doing so in its articles. Article 125 is intended to make it clear there is no such prohibition. Shareholders should note that they can always view the full annual report and financial statements on the Company's website or request a hard copy from the Company's registrar.

30. Service of notices (Articles 126 - 132)

Minor, technical changes have been made to the provisions relating to the service of notices.

babcockTM

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