



Babcock International Group PLC

# 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

I am pleased to announce that the Company will hold its Annual General Meeting (“AGM”) at the Grosvenor House Hotel, Park Lane, London W1K 7TN on Monday, 19 September 2022 at 11.00am. The AGM is an important event in our corporate calendar as it provides the Board of Directors with an opportunity to present a review of the Company’s performance, update shareholders on the Group’s strategic priorities and listen to and respond to shareholder questions.

We set out the proposed resolutions, together with explanatory notes, on pages 2 to 6. Resolutions 15 to 17 will be proposed as special resolutions. All the rest will be proposed as ordinary resolutions. In line with our customary practice, we will hold the vote by a poll rather than on a show of hands, which ensures that we count the votes of shareholders who are not attending in person.

Speaking on behalf of the Board of Directors, we encourage shareholders to submit any questions they would like to have answered at the AGM in advance, as this will enable us to respond to as many questions as possible at the AGM. You can do this by email to [groupsecretariat@babcockinternational.com](mailto:groupsecretariat@babcockinternational.com). If you attend the AGM, you may also submit questions during the meeting.

We are pleased that the AGM will go ahead once again as a physical meeting this year, and we are looking forward to welcoming shareholders in person. However, whilst there are not currently expected to be any UK Government restrictions on public gatherings in place at the time of the AGM, in order to minimise health risks to our shareholders, employees and all others involved in the AGM, shareholders are asked not to attend the AGM in person if they have any symptoms of COVID-19 and instead, make use of the ability to submit a proxy vote in advance of the AGM as described below. In the event that public health guidance or legislation issued by the UK Government makes it necessary or appropriate to revise the current arrangements for the AGM, we will notify shareholders of any such changes through the Company’s website ([www.babcockinternational.com](http://www.babcockinternational.com)), and, where appropriate, via an RNS announcement.

## Voting

You can vote by proxy by visiting [www.babcock-shares.com](http://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 Thursday, 15 September 2022 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. Further information on how to appoint a proxy is set out on pages 7 and 8.

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

## 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

3 August 2022

We hereby give notice that Babcock International Group PLC will hold this year's Annual General Meeting at 11.00am on Monday, 19 September 2022 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 2022, together with the Reports of the Directors and of the auditors thereon (the "Company's Annual Report and Financial Statements 2022").

### Directors' Remuneration Report

2. To approve the Directors' remuneration report as set out on pages 113 to 133 of the Company's Annual Report and Financial Statements 2022.

### 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 Lucy Dimes as a Director of the Company.
6. To reappoint The Right Honourable, The Lord Parker of Minsmere, GCVO, KCB as a Director of the Company.
7. To reappoint David Lockwood as a Director of the Company.
8. To reappoint David Mellors as a Director of the Company.
9. To appoint John Ramsay as a Director of the Company.

### Auditor

10. To reappoint Deloitte LLP as independent auditor of the Company to hold office from the conclusion of the AGM until the conclusion of the next annual general meeting at which accounts are laid before the shareholders.
11. 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

12. 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 12 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 12 and ending on 30 September 2023 or, if sooner, the conclusion of the annual general meeting of the Company in 2023 unless previously renewed, varied or revoked by the Company in general meeting.

For the purpose of this Resolution 12 '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

13. 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 a general meeting) until the end of the Company's next annual general meeting (or, if earlier, until the close of business on 30 September 2023) 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 13 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 13 '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.

## Babcock 2022 Deferred Share Bonus Plan

14. That the rules of the Babcock 2022 Deferred Share Bonus Plan, the main features of which are summarised in Appendix 2 of this AGM notice, and a copy of which is produced to the meeting and initialled by the Chair for the purposes of identification, be and are hereby approved and the Directors of the Company be and are hereby authorised to do all such acts and things which they consider necessary or desirable to carry the same into effect.



## 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 13, 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 13; 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 13, 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 13 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 2023) 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 13 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 27 July 2022 (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 2023); 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.

By order of the Board

**JACK BORRETT**  
Company Secretary

3 August 2022

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 2022, which is set out on pages 113 to 133 of the Company's Annual Report and Financial Statements 2022. 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 118 to 124 of the Company's Annual Report and Financial Statements 2022 was approved at the Annual General Meeting in 2020.

### Resolutions 3 to 9: Reappointment of Directors

In line with article 80 of the Company's articles of association and the provisions of the UK Corporate Governance Code (the 'Code'), all Directors will retire at the AGM and stand for re-appointment, as proposed in resolutions 3 to 9.

The Directors named in resolutions 3 to 8 were all appointed or reappointed at last year's AGM. John Ramsay was appointed on 6 January 2022, since the Company's last annual general meeting. The Nominations Committee led the process of identifying and recommending the appointment of John Ramsay to the Board based on pre-defined criteria of experience, knowledge, skills and independence.

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 10 and 11: Re-appointment and remuneration of the auditor

On the recommendation of the Audit Committee, the Board is recommending to shareholders the reappointment of Deloitte LLP as the Company's auditor from the conclusion of the AGM until the conclusion of the next annual general meeting. Please see page 110 of the Company's Annual Report and Financial Statements 2022 for further detail. 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 12: 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 13: 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 27 July 2022\*.

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 13) 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 2023 (or, if earlier, the close of business on 30 September 2023). As at 27 July 2022\* the Company held no treasury shares.

The Directors have no present intention of exercising the allotment authority sought under Resolution 13 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.

### Resolution 14: Babcock 2022 Deferred Share Bonus Plan

Shareholders are asked to approve the rules of the Babcock 2022 Deferred Share Bonus Plan to replace the existing deferred bonus plan which was approved by shareholders at the annual general meeting in 2012 for a period of 10 years. The plan is intended to align senior management to shareholder interests. A summary of the main features of the rules of the Babcock 2022 Deferred Share Bonus Plan is in Appendix 2 of this AGM notice.

## **Shareholders will pass Resolutions 15 to 17, 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 27 July 2022\*).

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 2023, (or, if earlier, the close of business on 30 September 2023). 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 27 July 2022\*), 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 2023 (or, if earlier, the close of business on 30 September 2023). The Company would either cancel or hold as treasury shares any shares purchased under this authority.

As at 27 July 2022\*, 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 1.28% 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 1.42% 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.

\* 27 July 2022 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. Shareholders are encouraged to appoint the 'Chair of the meeting' as their proxy.
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. Failure to specify the number of shares each proxy appointment relates to or specifying a number which, when taken together with the numbers of shares set out in the other proxy appointments, is in excess of the number of shares held by the Shareholder may result in the proxy appointments being invalid. 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](http://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.
3. To be valid, proxy instructions must be received by the Company's registrars by 11.00am on Thursday, 15 September 2022 (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;
  - (c) Articles of Association; and
  - (d) the rules of the Babcock 2022 Deferred Share Bonus Plan (also available on [www.babcockinternational.com/investors/shareholder-centre/agm-information](http://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 Thursday, 15 September 2022 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 27 July 2022 (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](http://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](http://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 Thursday, 15 September 2022 (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](http://www.proxymity.io). Proxies must be lodged by 11.00am on Thursday, 15 September 2022 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](http://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 their 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 their 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. 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.
21. Contact details for our Registrars:
 

<p>Link Group 10th Floor Central Square 29 Wellington Street Leeds, LS1 4DL <a href="http://www.babcock-shares.com">www.babcock-shares.com</a></p>	<p>Email: <a href="mailto:enquiries@linkgroup.co.uk">enquiries@linkgroup.co.uk</a> 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.)</p>
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## 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 9.

### **RUTH CAIRNIE** Chair

**Appointed:** April 2019

**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. She has been a Non-Executive Director of Rolls-Royce Holdings plc, ContourGlobal plc and Keller Group PLC and a member of the finance committee of the University of Cambridge. She is a fellow of the Energy Institute and previously Chair of POWERful Women. 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.

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

### **CARL-PETER FORSTER** Senior Independent Director

**Nationality:** German

**Experience:** Carl-Peter, a German national, brings extensive manufacturing and international experience. 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. Carl-Peter holds a Diploma in Economics from Bonn University and a Diploma in Aeronautical Engineering from the Technical University in Munich.

**Current external appointments:** Carl-Peter is currently the Chairman of Chemring Group PLC and Senior Independent Director of IMI plc. He will be Chair of Vesuvius plc from December 2022.

### **LUCY DIMES** Independent Non-Executive Director

**Appointed:** April 2018

**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, having been the Chief Strategy and Transformation Officer of Virgin Money UK Plc, the CEO of UBM EMEA and Chief Executive Officer, UK & Ireland, of Fujitsu. She has also held senior roles at Equiniti Group, Alcatel Lucent (now Nokia) and BT. Lucy was a Non-Executive Director of Berendsen PLC and a member of its Audit, Remuneration and Nominations Committees. Lucy holds an MBA from London Business School and a degree in Business Studies from Manchester Metropolitan University.

**Current external appointments:** Lucy is a Strategic Advisor to Intelygenz and Transformation Strategy Consultant to Fidelity International.

### **THE RIGHT HONOURABLE THE LORD PARKER OF MINSMERE, GCVO, KCB** Independent Non-Executive Director

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

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

**DAVID LOCKWOOD OBE**  
**Chief Executive Officer**

**Appointed:** September 2020

**Experience:** David brings wide-ranging knowledge of the defence and aviation markets, as well as a wealth of experience in both technology and innovation. 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. He received an OBE for services to industry in Scotland in 2011. 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.

**Current external appointments:** None.

**DAVID MELLORS**  
**Chief Financial Officer**

**Appointed:** November 2020

**Experience:** David brings extensive CFO experience in defence, aerospace and commercial markets. David was previously CFO of Cobham plc and prior to that he was CFO of QinetiQ Group plc from 2008 to 2016 and also served as interim Chief Executive for a period. His career includes several roles at Logica PLC, CMG plc and Rio Tinto PLC. David has a Degree in Physics from Oxford University and is a member of the Institute of Chartered Accountants in England and Wales.

**Current external appointments:** None.

**JOHN RAMSAY**  
**Independent Non-Executive Director**

**Appointed:** January 2022

**Experience:** John, a Chartered Accountant, brings with him over 30 years of international business and finance experience. He served as Chief Financial Officer of Syngenta AG from 2007 to 2016, and interim Chief Executive Officer of Syngenta from October 2015 to June 2016. Prior to joining Syngenta, he held senior international finance roles with Zeneca Agrochemicals and ICI.

**Current external appointments:** John is a member of the Supervisory Board at Koninklijke DSM N.V. and is a Non-Executive Director of Croda International PLC and RHI Magnesita N.V. He is Audit Committee Chair at each of these companies.



## Appendix 2

### Summary of the principal provisions of the Babcock 2022 Deferred Share Bonus Plan (referred to in Resolution Number 14)

#### Introduction

The rules of the current Deferred Bonus Plan, which were approved by shareholders in July 2012, expired on 5 July 2022. The Remuneration Committee believe that it is in the best interests of the Company to replace the current Deferred Bonus Plan in order to align the interests of shareholders and the Company's executives. The Rules of the proposed Babcock 2022 Deferred Share Bonus Plan ("DSBP") are similar to the current Deferred Bonus Plan, except for the fact that matching awards will no longer be offered to participants under the DSBP.

#### Eligibility

Under the DSBP awards may be granted to employees (including Executive Directors) of the Company and its subsidiary companies at the discretion of the remuneration committee of the Board ("Remuneration Committee").

#### Awards

Awards may normally only be granted in the 6 weeks beginning with the date on which the DSBP is approved by the Company's shareholders ("shareholders") and then in the 6 weeks following the announcement of the Company's results for any period. Awards may be granted outside these periods in exceptional circumstances.

No awards may be granted more than 10 years from the date of approval of the DSBP by Shareholders.

Awards may be granted as (a) a conditional right to acquire ordinary shares in the Company ("Shares") in the future at no cost to the participant or (b) an option (which may have an option price or may have a nil option price), as determined by the Remuneration Committee at the grant date.

Awards are personal to the participant and, except on the death of the participant, may not be transferred.

Awards are not pensionable.

#### Individual limits

The Remuneration Committee will determine the value of awards to be granted to each participant in a financial year up to a maximum of 100% of bonus.

The number of shares under an award will be calculated by dividing the monetary value of the award by the middle-market quotation of the shares taken from the London Stock Exchange Daily Official List ("Daily Official List") on the dealing day before the grant date or, if the Remuneration Committee decides, using the average middle market quotation of shares taken from the Daily Official List during a period not exceeding 5 dealing days ending with the dealing day before the grant date.

#### Overall limits

The number of unissued shares that may be issued or placed under award or option:

- (i) under the DSBP and under any other executive share plan in any 10-year period may not exceed such number of shares as represents 5% of the Company's ordinary share capital in issue from time to time; and
- (ii) under the DSBP and under any other employee share plan in any 10-year period may not exceed such number of shares as represents 10% of the Company's ordinary share capital in issue from time to time.

Shares transferred out of treasury to satisfy DSBP awards will count towards these limits for so long as this is required by institutional investor guidelines.

#### Vesting of awards

In normal circumstances, an award will vest on the third anniversary of grant.

If a participant leaves employment before an award vests due to retirement, injury, disability, redundancy, death or because the company or business for which they work is transferred out of the Group, or for any other reason at the discretion of the Remuneration Committee, the award will vest on the normal vesting date.

The Remuneration Committee may allow an award to vest early, time pro-rating.

Early vesting is also permitted on a change of control, reconstruction or winding up of the Company.

### **Malus and clawback**

The DSBP includes provisions under which the Remuneration Committee may reduce (to nil, if appropriate) the vesting of awards under the DSBP (malus) or recoup the value of previously vested awards (clawback). For example, awards may be subject to malus and/or clawback where the Remuneration Committee determines that there is a material misstatement of the Company's financial results or where a Participant leaves employment as a result of gross misconduct.

### **Entitlement to dividends**

The Remuneration Committee may decide at any time that participants should receive an additional benefit equal in value to any dividends that they would have received during the vesting period, if they had been the holders of the vested shares. The benefit can be provided in cash or shares. Alternatively, the Remuneration Committee may grant an award on terms that the number of shares subject to the award shall increase by assuming that dividends that would have been paid on those Shares during the vesting period would have been used to buy further shares.

### **Cash alternative**

The Remuneration Committee may elect at exercise or vesting, instead of delivering shares, to pay cash to the participant. The DSBP also has flexibility to allow cash-settled awards to be granted from the outset if the Remuneration Committee considers this appropriate.

### **Variation of capital**

In the event of any variation in the share capital of the Company or in the event of a demerger, special dividend, or other similar event which affects the market price of Shares to a material extent, the Remuneration Committee may make any adjustments as it considers appropriate to the number of shares subject to an award and/or any option exercise price.

### **Alterations**

The Remuneration Committee may at any time amend the DSBP. The prior approval of shareholders is needed for any amendment to the advantage of participants to the provisions relating to eligibility, individual or overall limits, the basis for determining participant's entitlement to, and the terms of, Shares provided under the DSBP, and the adjustments that may be made in the event of any variation of share capital. Minor amendments to benefit the administration of the DSBP, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants, the Company or any group member, do not require the approval of shareholders. Any amendment that is to the material disadvantage of participants in relation to awards already granted to them requires their majority consent.



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