

Modern Slavery Transparency Statement 2023

This statement relates to Babcock International Group PLC, covering all business regions, operating companies and business units throughout the world, including wholly owned and partly owned subsidiaries. The statement relates to the financial year ending 31 March 2023.

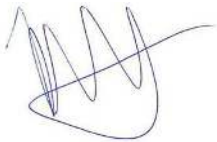
At Babcock we are committed to conducting our dealings, whether with customers, suppliers, employees or the communities in which we are based, with the utmost integrity and as such we are steadfast in our support for the elimination of modern slavery in all its forms. All our businesses, wherever they are located and wherever they have dealings in the world, are required to respect people and to value their diversity.

Our aim is to create an inclusive organisation where everyone's skills and contributions are welcomed and valued. This is very much at the core of our Purpose and Principles, an approach that is enshrined in our Babcock Code of Conduct.

Modern slavery falls within the governance pillar of our ESG programme, more information about which can be found in our Annual Report and on our website (www.babcockinternational.com).

We continue to believe that due to the nature of our business our exposure to the risk of human rights abuses and modern slavery is low within our own business and supply chain. As we grow our business, we will always have in mind our Purpose and Principles to assure ourselves that our expansion remains in line with our values.

This document explains the steps Babcock is undertaking to prevent, detect and respond to modern slavery within our business and supply chains. It has been approved by the Board of Babcock International Group PLC and is made in accordance with Section 54(1) of the Modern Slavery Act 2015.



Chief Executive Officer
Babcock International Group PLC and group companies

22 June 2023

Relevant companies for the purposes of section 54(2) of the Modern Slavery Act 2015:

Babcock Aerospace Limited	Babcock Mission Critical Services Onshore Limited
Babcock Airports Limited	Babcock Rail Limited
Babcock Communications Limited	Babcock Support Services Limited
Babcock Critical Services Limited	Babcock Training Limited
Babcock Integrated Technology Limited	Babcock Vehicle Engineering Limited
Babcock Land Limited	Cavendish Nuclear Limited
Babcock Land Defence Limited	Devonport Royal Dockyard Limited
Babcock Marine (Clyde) Limited	Rosyth Royal Dockyard Limited
Babcock Marine Training Limited	

1. Structure, business, and supply chain

Babcock is an international defence company operating in our focus countries of the UK, Australasia, Canada, France, and South Africa, with exports to additional markets with potential to become focus countries. We meet our customers' key requirements of affordability, availability, and capability. We provide front line and equipment support, training, product design, manufacture and integration, and technology and systems to defence, security, and civil markets. We operate through four sectors: Marine, Nuclear, Land and Aviation, delivering to pre-dominantly governmental or blue-chip customers.

External expenditure via third-party suppliers, including Original Equipment Manufacturers (OEMs), accounts for a significant part of our turnover and our approach and ability to manage these relationships affects our ability to deliver performance and margin. Our procurement and supply chain function develops and delivers supply chain solutions, which enable us to return value to our customers, shareholders, and communities. We buy a wide range of goods and services from around 12,000 suppliers. These range from OEMs to Small and Mid-size Enterprises (SMEs). Of these suppliers, approximately 1,100 are key in our ability to deliver continuous improvement and innovative quality outputs.

2. Slavery and human trafficking policies

As an international business, we recognise our responsibility for upholding and protecting the human rights of our employees and other individuals with whom we deal throughout our supply chain and in our operations across the world.

We believe that we have embedded a culture of respect for human rights throughout our business which is demonstrated by our commitment to ethical conduct in everything we do. Additionally, our **Babcock Code of Conduct** which summarises our commitment and compliance with this policy is mandatory for all employees, business advisers and business partners. We expect the same commitment from our suppliers and for them to flow down that commitment through the Supply Chain.

The **Babcock Supplier Code of Conduct**, which we review annually, describes the Company's expectations of all suppliers doing business with Babcock. In addition to communicating Babcock's values, it mandates full compliance with all laws and regulations. It also addresses the proper handling of intellectual property and other sensitive data, health, safety, and environmental concerns as well as Human Rights including Modern Slavery.

This Group-wide Supplier Code of Conduct provides clarity about our expectations of methods used to deliver environmental and social responsibility. The code reflects the same standards that we hold ourselves to and enables a consistent approach to our customers in delivering to the highest ethical standards.

Both the Babcock Code of Conduct and the Babcock Supplier Code of Conduct can be found on our website.

Under our **Babcock Supplier Code of Conduct**, our suppliers must either subscribe to our Code or confirm they have equivalent standards and procedures in their own businesses. The key areas of our policy are:

Our People

- Inclusion and diversity
- Dignity and respect
- Human Rights
- Modern Slavery

Our Business

- Anti-bribery and corruption
- Gifts and hospitality
- Conflicts of interest

- Anti-trust and competition

Our World

- Health and safety
- Environment
- Community engagement

Our Assets

- Intellectual property
- Confidential information
- Cyber security

Compliance

- Our due diligence
- Whistleblowing

3. Due diligence procedures

We continue to deploy our modern slavery risk assessment via our due diligence toolsets for new and existing suppliers.

This due diligence toolset assists with supply chain awareness and facilitates measurement of supplier mitigation activities relating to modern slavery. We review this toolset on an annual basis.

Our businesses use appropriate processes to qualify, on-board and periodically revalidate suppliers to ensure compliance with commercial, regulatory, and legal requirements.

We explain the qualification process to our suppliers in our Procurement & Supply Chain functional principles and sector specific policies. The level of detail gathered from the supplier is appropriate to the type of supply.

4. Identifying, assessing, and managing risk

We continue to believe that our exposure to the risks of modern slavery is low within our own business and supply chain.

This assessment is under continuous review so that we can determine if circumstances change that require us to take additional actions. Our technology solution enables us to map our supply chain ecosystem, monitor activities, and proactively identify hidden risks in our sub-tier supply chain.

We continue to work in collaboration with other industry leaders to create a process that optimises risk management whilst encouraging the use of SMEs. Babcock requires all potential suppliers to demonstrate their capacity to meet our contractual requirements. We also look for a clear demonstration of commitment to corporate social responsibility. We expect high standards of conduct from our suppliers in what they will do either for us or for our customers. We will not accept any behaviour contrary to our codes.

5. Effective action taken to address modern slavery

We have not identified any instance of modern slavery during the year across our supply chain.

6. Training and awareness

We continue to raise awareness of Modern Slavery within our procurement and supply chain function. As procurement professionals, we understand what modern slavery is, what the key identifiers are and how proactively to address and manage this risk.

We have a clear Purpose and Principles and Code of Conduct which are available on the intranet and the website.

We also display information about a confidential and independent whistleblowing line that can be used for reporting breaches of the codes of conduct at all our sites and host the Whistleblowing policy on the home page of our group intranet site which includes contact numbers for the lines relevant for all countries and alternative methods for raising concerns internally.

Our Modern Slavery Awareness modules remain available to our UK based and International colleagues within all functions of Babcock.

Amongst other related issues, these modules highlight high-risk sectors where additional care may be needed when on-boarding suppliers. They also highlight the due diligence processes we mandate the use of and the indicators of forced Labour as well as information about our independent whistleblowing hotline.