

babcockTM

*GRI & SASB
Report 2024*

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This ESG Reporting Index aims to complement our integrated Annual Report by providing a broader range of ESG disclosures.

Our Annual Report explains the wider context in which we operate and presents our ESG performance. Our ESG Reporting Index supplements this by providing information about how we manage our most material issues.

We use two ESG reporting frameworks: the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB).

More information on our strategy, policies, governance, performance data and more can be found in our Annual Report and on our website.

GRI Index

Babcock is committed to providing transparent and meaningful sustainability information to our employees, clients, communities, and shareholders.

As required by the GRI Universal Standards, we provide an index that specifies each of the GRI Standards and disclosures included in the report.

SUPPLEMENTAL INFORMATION | GRI INDEX

Statement of use: Babcock International Group PLC has reported the information cited in this GRI content index for the period 1 April 2023 to 31 March 2024 (and 1 January to 31 December 2023 where applicable) with reference to the GRI Standards

GRI 1 used: GRI 1 Foundation 2021

Applicable GRI Standard(s): No sector guidelines apply



General disclosures

GRI STANDARD	DISCLOSURE	LOCATION	ADDITIONAL INFORMATION
GRI 2: General Disclosures 2021	2-1 Organizational details	Page 2 , 256	<p>Babcock International Group PLC 33 Wigmore Street London W1U 1QX UK</p> <p>Babcock International Group PLC, registered in England and Wales number 02342138 as a public limited company and listed on the London Stock Exchange</p> <p>Babcock is an international defence, aerospace and security company, providing support and product solutions to enhance our customers' defence capabilities and critical assets.</p> <p>We deliver support on complex programmes in our focus countries of the UK, Australasia, Canada, France, and South Africa, with exports to additional markets. We provide through-life technical and engineering support for our customers' assets, delivering improvements in performance availability and programme cost. We deliver these critical services to defence and civil customers, including engineering support to naval, land, air and nuclear operations, frontline support, specialist training and asset management.</p> <p>We design and manufacture a range of defence and specialist equipment from naval ships and weapons handling systems to liquid gas handling systems. We also provide integrated, technology-enabled solutions to our defence customers in areas such as secure communications, electronic warfare and air defence.</p>
	2-2 Entities included in the organization's sustainability reporting	Pages 244-246	The Group's Financial statements for the year ended 31 March 2024 can be found in our Annual Report. Please refer to the Group entities listed in note 33 of the Annual Report.
	2-3 Reporting period, frequency and contact point	Pages 256	<p>Year ended: 31 March 2024</p> <p>Annual General Meeting: 28 September 2023</p> <p>Babcock International Group PLC 33 Wigmore Street London W1U 1QX UK</p> <p>BabcockIR@babcockinternational.com</p>
	2-4 Restatements of information	Page 25	<p>If required, management would restate environmental data for the baseline year and intervening years to reflect any changes in the Group structure arising from mergers and acquisitions, changes to the base year, the nature of the business or measurement methods to ensure accuracy, consistency, and relevance of the reported information to enable a full and accurate year-on-year comparison.</p> <p>No restatements have been required for the year ended 31 March 2024. Figures for the year ended 31 March 2024 include an element of estimated data.</p>
	2-5 External assurance	Page 23	The Group is committed to reporting accurate and reliable non-financial information, and the information reported is subject to detailed and thorough internal review. For the year ended 31 March 2024 the Group has not sought external assurance for the ESG Strategy section of the Annual Report.

General disclosures

GRI STANDARD	DISCLOSURE	LOCATION	ADDITIONAL INFORMATION
	2-6 Activities, value chain and other business relationships	Pages 2-3 Modern Slavery statement 2024 Supplier Code of Conduct	<p>We are an international defence company, an overview of what we do can be found in the Understanding Babcock section on page 2 of our Annual Report.</p> <p>Babcock's supply chain is a critical component of our business, comprising various elements that support our core activities, primary brands, products, and services. To achieve consistent long-term value creation for our stakeholders, we have established a robust and reliable supply chain that delivers exceptional products, goods, and services.</p> <p>Strategically, we've aligned our supplier concentration with our core business activities, resulting in a globally diversified supply chain. This approach mitigates economic, social, and environmental risks, bolstering our overall resilience. We acknowledge the diverse contexts in which our suppliers operate, and we are committed to ethically and socially responsible product and service delivery. By maintaining our high standards, we enhance both Babcock's reputation and that of our valued customers.</p> <p>Our commitment to supplier relationships involves regular audits and assessments to ensure compliance with our policies, standards, and industry regulations. We prioritize critical factors such as environmental and labour laws, as well as quality management systems, to enhance supply chain success and foster enduring partnerships. Additionally, we monitor key risk categories within our supply chain, identifying and mitigating potential risks to safeguard our business integrity and benefit the broader community.</p> <p>As part of our centre-led procurement operating model, we are implementing a unified risk register across our key sectors: Marine, Nuclear, Land, and Aviation. This register enhances visibility and tracks supplier risks related to child labour, hazardous work, forced labour, environmental impact, and social criteria. Our goal is transparent and efficient risk mitigation. Additionally, our AI-powered risk resilience tool proactively identifies hidden risks within our sub-tier supply chain, focusing on ESG factors such as human rights and environmental concerns. Through these initiatives, we strengthen our supply chain resilience and uphold ethical standards for the benefit of our broader community.</p> <p>Our supply chain aligns with key themes of social value, sustainability, regulatory compliance, and technical assurance. Across our diverse sectors, supplier flexibility is essential to meet evolving requirements and uphold our position as a premier provider of exceptional products and services. Our stable supply chain spans approximately 12,000 partners across 41 countries, with over 4,700 based in the UK.</p>
	2-7 Employees	Page 82 Table 1, Table 3	Our total workforce is 28,343, which includes 22,704 men, 5,439 women, 18 individuals identifying as non-binary, 129 who did not specify, and 53 who chose to prefer not to say.
	2-8 Workers who are not employees	Table 2	<p>The most common type of worker who are not employees are agency supplied workers. Agency supplied workers have a contractual relationship with the agency through which they are supplied to Babcock. The agency supplied workers predominantly work in Production / Constructive, Design & Technical, and Project Management fields.</p> <p>Interns and apprentices are not included in this data as Babcock classifies them as employees. Sub-contracted labour is omitted from the data. There were no significant fluctuations during and between the reporting periods.</p>
	2-9 Governance structure and composition	Pages 110-125	Our governance structure is included in the Governance section of the Annual Report.
	2-10 Nomination and selection of the highest governance body	Pages 126-127	The Nominations Committee of the Board, which comprises all the independent non-executive directors and the Chair of the Company, is responsible for keeping the composition of the Board under review and succession planning for the Board and senior leadership of the Group. Criteria for selecting candidates for Board appointments include skills, knowledge, experience, diversity and independence.

General disclosures

GRI STANDARD	DISCLOSURE	LOCATION	ADDITIONAL INFORMATION
	2-11 Chair of the highest governance body	Pages 110-111	The Board chair is a non-executive director and, in accordance with the UK Corporate Governance Code, was independent on appointment. The division of responsibilities between Non-Executive and Executive is described on pages 120-121 of the Annual Report with further details on our website .
	2-12 Role of the highest governance body in overseeing the management of impacts	Page 114	<p>The Board's role is to lead the Group with a view to the creation of strong, sustainable financial performance and long-term shareholder value, to review and approve the Group's strategic plan and to supervise the conduct of the Group's activities within a framework of prudent and effective internal controls. This is underpinned by a clear purpose and principles by which we do business, enshrined in our Code of Conduct, all kept under review by the Board.</p> <p>Further information on the Board's role in developing the purpose, values, strategies, policies and goals related to economic, environmental and social topics can be found throughout the Strategic report on pages 1 to 108 of our Annual Report and in the Governance section on pages 110 to 162.</p>
	2-13 Delegation of responsibility for managing impacts	Page 114	The Board delegates to management by way of a delegation of authority matrix, most often to the Executive Directors who in turn delegate to management committees or managers.
	2-14 Role of the highest governance body in sustainability reporting	Pages 1-108 , 110 to 162	Further information on the Board's role in developing the purpose, values, strategies, policies and goals related to economic, environmental and social topics can be found throughout the Strategic report on pages 1 to 108 of our Annual Report and in the Governance section on pages 110 to 162 .
	2-15 Conflicts of interest	Page 243	<p>Our Code of Conduct references how potential conflicts of interests are to be managed. The Board has adopted a formal procedure for the disclosure, review, authorisation, and management of Directors' actual and potential conflicts of interest.</p> <p>External interests of the Directors are provided on pages 112 and 113 of our Annual Report. Major shareholders as of 31 March 2024, none of whom have an interest in more than 10% of the Company, are detailed on page 157 of our Annual Report and Related Party disclosures on page 243.</p>
	2-16 Communication of critical concerns	Pages 89-106 , 110-162	Details can be found in the Governance report section of the Annual Report on pages 110-162 . Also see Principal Risks and Management Controls on pages 89-106 .
	2-17 Collective knowledge of the highest governance body	Page 115-119	<p>Environmental, Social and Governance matters are an integral part of Board strategic discussions, and the Board receives regular reports on progress in these areas.</p> <p>Our Chair, Ruth Cairnie, is Patron of The Women in Defence Charter, an initiative to advance gender diversity within the defence sector.</p> <p>The Non-Executive Director responsible for workforce engagement, Lord Parker, has visited a number of operations meeting with employees and has reported his learnings back to the Board. The Board has also had people updates from the Chief HR Officer including review of the Global employee survey and Inclusion and Diversity initiatives.</p>
	2-18 Evaluation of the performance of the highest governance body	Pages 123-125	Each year we conduct an evaluation to assess the Board's ways of working as well as its skills, experience, independence and knowledge to confirm it is able to discharge its duties and responsibilities effectively. This year the evaluation was conducted by Non-Executive Director, Jane Moriarty and the key finding was that each Director believed the Board was effective in its role of promoting the long-term sustainable success of the Company. A commentary on the progress made on actions identified in the prior year's review and recommendations for this year can be found in the Annual Report on page 125 onward. Next year, in accordance with provision 21 of the Governance Code, the evaluation will be externally facilitated by an independent company

General disclosures

GRI STANDARD	DISCLOSURE	LOCATION	ADDITIONAL INFORMATION
	2-19 Remuneration policies	Pages 136-156	<p>The Remuneration Committee report within our Annual Report details our remuneration policy, see pages 140-145. The report details:</p> <ul style="list-style-type: none"> • the key components of the Executive Directors remuneration; • the purpose and link to strategy; • its operation; • the opportunity; and • performance metrics <p>In 2023, the Committee reviewed the Company's Remuneration policy and put the new policy to shareholders for approval in the September 2023 Annual General Meeting. Within the new Remuneration Policy, the Committee kept in mind its key responsibility to maintain a strong link between strategy, stakeholder experience and Executive Director reward.</p> <p>The Remuneration policy for Executive Directors relies more heavily on the value of variable performance-related rewards than on the fixed elements of pay, to incentivise and reward success. The performance measure consists of both financial and non-financial metrics, which includes Environment, Social and Governance (ESG) metrics. The Committee believes that, properly structured and with suitable safeguards, variable performance-related rewards are the best way of linking pay to strategy, risk management and shareholders' interests.</p>
	2-20 Process to determine remuneration	Pages 136-156	<p>Remuneration is determined by the Remuneration Committee as per the Remuneration Policy, which is approved by the shareholders. The Remuneration policy for Executive Directors is considered with the remuneration philosophy and principles that underpin remuneration for the wider group in mind.</p> <p>When determining remuneration, the Committee takes into account views of leading shareholders and best practice guidelines issues by institutional shareholder bodies. The Committee welcomes feedback from shareholders on the Remuneration policy and arrangements and commits to undertaking consultation with leading shareholders in advance of any significant changes to the remuneration policy. Our Remuneration Committee continues to engage with our key stakeholders, our shareholders and employees, to understand their views, using this engagement to design remuneration structures under our Remuneration policy to reflect best practice and support the Group's strategic direction and incentivise employees to deliver value to shareholders.</p> <p>Ellason are the appointed advisors to the Remuneration Committee. Ellason reports directly to the committee Chair and provides objective and independent analysis, information and advice on all aspects of executive remuneration and market practice, within the context of the objectives and policy set by the committee.</p> <p>More information is available in the Remuneration Committee report on pages 136 to 137 of our Annual Report. Details of independent third-party remuneration consultants are on page 146.</p> <p>The last shareholder vote on the Directors Remuneration Policy saw 98.29% approval rate at the Annual General Meeting (September 2023).</p> <p>Our policy regarding consideration of employee and shareholder views in connection with Executive Directors' remuneration can be found on page 145 of our Annual Report.</p>

General disclosures

GRI STANDARD	DISCLOSURE	LOCATION	ADDITIONAL INFORMATION
	2-21 Annual total compensation ratio	Pages 153-154	<p>We disclose the ratio between the CEO's salary and total remuneration and that of the UK-based employees at the 25th, median (50th) and 75th percentile in our Annual Report on page 153.</p> <p>Omission: Ratio of the percentage increase in annual total compensation for the organisation's highest paid individual to the median percentage increase in annual total compensation for all employees (excluding highest paid individual)</p> <p>Reason: Information unavailable / incomplete</p> <p>Explanations:</p> <ol style="list-style-type: none"> i. There are reporting limitations with obtaining the percentage increase in annual total compensation for all employees globally, due to the size and complexity of the organisation. ii. The annual total compensation for the organisation's highest paid individual, the CEO, has a significant weighting towards variable pay to align his remuneration with Company performance. Therefore, there is variability in his pay year to year, which may result in a decrease in some years.
	2-22 Statement on sustainable development strategy	Pages 6-11	See Chair's introduction and also CEO Review.
	2-23 Policy commitments	Page 88	<p>In accordance with our Global Business Management System (BMS) manual, which contains our policies and standards, policies, manuals, processes, and work instructions shall be reviewed at least every three years or at a change of ownership. Where the frequency of review needs to align with a legal or contractual requirement it is the responsibility of the Document Owner to set an appropriate date. Renewal dates are assigned in the meta data and owners are advised via email of review dates approaching. A report is also available on our internal Global BMS detailing the review data for each document RAG Status.</p> <p>For our policy commitments for responsible business conduct see our ESG Policies and Statement page on our website which contains links to our policies and download the full documents.</p>
	2-24 Embedding policy commitments	Pages 86-87	Our Code of Conduct and Supplier Code of Conduct and related guidance provide practical guidance to our employees and others connected to our business on how to conduct business in an ethically sound way in line with our purpose and principles. Compliance with this policy is compulsory for our employees, business advisors and business partners. This is supported by employee training.
	2-25 Processes to remediate negative impacts	Pages 86-87	See ESG Governance section.
	2-26 Mechanisms for seeking advice and raising concerns	Page 86-87 , 115	Where any employee or person connected to our business has any concern that our Code of Conduct or associated guidance are not being followed, they can contact a confidential whistleblowing hotline , without fear of unfavourable consequences for themselves. This service is available 24 hours a day, 365 days a year, in local languages and is accessible by telephone or at babcockinternational.ethicspoint.com . It is managed by an external company, independent of Babcock, with staff trained to deal with reports. The hotline sends all reports received to the Group Company Secretary, who sends it to the person with the appropriate experience and training to investigate the report properly. The Group Company Secretary submits a report to the Board of all the investigations and their result.

General disclosures

GRI STANDARD	DISCLOSURE	LOCATION	ADDITIONAL INFORMATION
	2-27 Compliance with laws and regulations	Pages 174-175	<p>Environmental compliance</p> <p>Certain environmentally related non-compliances have been identified across Babcock's operations and are under investigation. Environmental improvement plans have been developed and appropriate remediation measures are being implemented to address the non-compliances.</p> <p>Socioeconomic compliance</p> <p>We have received fines in relation to breaches of Health & Safety regulations: Devonport Royal Dockyard Limited and Kaefer Limited fined after scaffolder ship fall Office for Nuclear Regulation (onr.org.uk)</p> <p>There were charges to items in respect of non-compliance this year:</p> <p>Omission: Total number and the monetary value of fines for instances of non-compliance.</p> <p>Reason: Not applicable.</p> <p>Explanation: We do not report fines that the business does not deem to be material.</p>
	2-28 Membership associations	Page 82 , 84 Table 34	<p>Babcock participates with several associations and partnerships as corporate, chairing or active member.</p> <p>Our CEO was elected President of the ADS Board in January 2024. He will serve as President and Chair of the Board during his two-year tenure. Babcock employees are represented on 25 of the ADS's special interest groups, boards, and cross-cutting committees. In addition to our group membership subscription, we have contributed to ADS work on ESG, Climate Change Levy, Defence SSCR, and Party Conference Engagement.</p> <p>Our Chief Corporate Affairs Officer chairs the Defence Suppliers Forum (DSF) and is President and Board member of the Society of Maritime Industries and Chair of Maritime Research and Innovation UK (MarRI-UK).</p> <p>Babcock is one of the Defence Growth Partnership (DGP) 15 "main" members and is represented on the DGP steering committee, the UK Defence Solutions Centre (UKDSC) Liaison Board and the Defence Industry Liaison Board. Additionally, we provide secondees into the UK Defence and Security Exports (UKDSE) and UKDSC.</p> <p>We are also signatories of a number of initiatives, partnerships and pledges and we hold a gold award from the MODs Armed Forces Covenant – see table in the charts and tables section for further details.</p>
	2-29 Approach to stakeholder engagement	Pages 60-61 , 116-117	We engage with internal and external stakeholders on a regular basis, ranging from customers, investors, employees, regulators, suppliers and communities.
	2-30 Collective bargaining agreements	Page 87 Table 4	<p>Globally 65.49% of Babcock's employees are covered by collective bargaining agreements.</p> <p>The working conditions and terms of employment for employees who are not covered by collective bargaining agreements are determined separately to those who are subject to those who are.</p>

Material topics

GRI STANDARD	DISCLOSURE	LOCATION	ADDITIONAL INFORMATION
	3-1 Process to determine material topics	Materiality Assessment	<p>Babcock carried out a stakeholder engagement materiality assessment in 2019 and considered a range of stakeholders' views including employee feedback; customer engagement surveys and key customer meetings; discussions with key suppliers and investor engagement.</p> <p>As a starting point in the process, we focused on issues we believed matter most to our stakeholders and to Babcock with a view to help influence our sustainability agenda and our priorities. In FY22 we based our materiality assessment on feedback from employees and investors. In FY23 we expanded our assessment to also include the views of some of our key customers and suppliers. For FY24, whilst climate remains a principal risk for Babcock, we continue to gain feedback from key customers, suppliers and investors to understand the issues that matter most to these stakeholders. Below we summarise the material topics of greatest interest to them.</p> <p>Customers</p> <ul style="list-style-type: none"> • Climate change, climate impact and decarbonisation. • Employee inclusion and diversity, gender pay gap, apprentice recruitment, disability representation and ethnicity. • Levelling up agenda and our positive impact in the areas we operate to be explicit in the issues. • Clarity of accountabilities for ESG and how it's delivered. <p>Investors</p> <ul style="list-style-type: none"> • Governance, accountability, and culture: these are key to optimise operational performance and fully integrate ESG in the business to achieve our sustainability ambitions. • Talent and development: we are creating an employment structure that supports development and progression opportunities across the Group. • Employee inclusion and increased diversity: by accessing the broad range of talent and experiences within our workforce, we will achieve greater employee satisfaction and improved delivery for our customers. <p>Suppliers</p> <ul style="list-style-type: none"> • Collaboration: this unifies and empowers others to achieve shared goals, fosters innovation, and cultivates lasting relationships for sustainable long-term business success. • Innovation & Technology: innovation, including the application of novel or transferable technologies, is essential for creating efficient and sustainable outcomes. • Health, Safety, and Wellbeing: there are fundamental conditions and responsibilities we must meet to protect the wellbeing of all who interact with Babcock and ensure everyone gets home safely every day.
	3-2 List of material topics	Materiality Assessment	Please refer to our materiality assessment on our website.
	3-3 Management of material topics	Throughout	For each material topic, Babcock has disclosed information relating to any policies, commitments and targets and actions taken to achieve targets.

Governance and economics disclosures

GRI STANDARD	DISCLOSURE	LOCATION	ADDITIONAL INFORMATION
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Page 25 , 202-203	<p>Our revenue this year totaled £4,390.1 million. Economic value distributed contains operating costs (£2,561.5 million), employee salaries and benefits (£1,583.5 million) and tax cost (£48.5 million).</p> <p>Omission: Direct economic value by local market.</p> <p>Reason: Information unavailable/incomplete.</p> <p>Explanation: We do not currently disaggregate direct economic value by local market.</p>
	201-2 Financial implications and other risks and opportunities due to climate change	Pages 67-79 , 103	<p>Climate change will impact our business in a variety of ways and present both risks and opportunities. This is explained in more detail in the ESG Strategy section of our Annual Report page 62 onwards.</p> <p>We have highlighted climate-related risk within our Principal Risks and Management Controls section of the Annual Report. Please see page 103 of our Annual Report for more information.</p> <p>We are taking steps to better understand the direct and indirect impacts of climate change on our business, so we can develop plans to ensure our business activities remain robust and are affected by climate change as minimally as possible.</p> <p>We recognise the importance of considering climate-related risks and opportunities in business decisions and strategic planning.</p> <p>For the year ending 31 March 2024 we have continued to adopt the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to enable us to identify and address physical and transitional risks and quantify the impact of climate change on the Group.</p>
	201-3 Defined benefit plan obligations and other retirement plans	Pages 233-239 (Note 25)	<p>All of the Group's UK retirement plans (other than the Additional Compensation Program) are either established under Trust (which are at arm's length to the Company and administered by the appropriate Board of Trustees) or by way of a direct contract between the employee and the provider (such as a personal pension plan). The Additional Compensation Program provides certain categories of ex-employees with additional pensions, the costs of which for many of these amounts are met by other parties through contractual agreements. The estimated value of the liabilities for Additional Compensation Payments not reimbursed by other parties is £2m.</p> <p>Outside of the UK, the Group's employing entities participate in pension programs as appropriate to the relevant country. No defined benefit programs are in place whereby liabilities are met from Group's general resources.</p> <p>As of 31 March 2024, the Group's Trust based defined benefit pension schemes assets covered 96.6% of the liabilities as calculated for IAS19 purposes.</p> <p>The full basis is given within the Group' Report and Accounts for the year ending 31 March 2024. As of 31 March 2024, the discount rate assumption used was between 4.8% and 4.9% and the CPI inflation assumption used was between 2.3% and 2.8%, depending on scheme.</p> <p>In recent years, the Group has agreed revised strategies with both the trustees of the Babcock International Group Pension Scheme and the Rosyth Royal Dockyard Pension Scheme designed to target these schemes being self-sufficient by 2026.</p> <p>The level of participation in retirement plans is approximately 93% for the UK.</p> <p>Omission: Percentage of salary contributed by employee or employer.</p> <p>Reason: Confidentiality constraints.</p>

Governance and economics disclosures

GRI STANDARD	DISCLOSURE	LOCATION	ADDITIONAL INFORMATION
	201-4 Financial assistance received from government	Pages 205	<p>Explanation: Babcock considers the information confidential and cannot report it publicly.</p> <p>Babcock is a publicly listed company and is not part-owned by any government.</p> <p>Tax credits are included in note 7 on page 205 of our Annual Report. Government grants received during the year are immaterial and therefore are not disclosed in an individual note.</p> <p>Omission: Information broken down by country.</p> <p>Reason: Information unavailable/incomplete.</p> <p>Explanation: This information is not broken down by country.</p>
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Gender Pay Gap Report 2023	<p>Workers across all our operations are paid at or above the relevant statutory minimum wage. Only a small number (circa 0.4%) of our Babcock employees (UK) are paid the statutory minimum wage rate and therefore do not represent a significant proportion of our workforce. The entry level wage by gender ratio is therefore not reportable.</p> <p>To ensure that workers who are not employees are not being underpaid, the Central Supplier Management Team within our managed service supplier of agency workers conducts an annual review of suppliers. This review includes a check to verify that workers are receiving wages in accordance with agreed rates and are not being paid below the minimum wage requirements.</p>
	202-2 Proportion of senior management hired from the local community	Pages 12-13	<p>Omission: Proportion of senior management hired from the local community.</p> <p>Reason: Information unavailable/incomplete.</p> <p>Explanation: Given the complexity of our operations we do not currently collate data on the proportion of senior management hired from the local community.</p>
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Page 68	<p>Building 2 on the Bristol campus is now fully occupied by Babcock staff relocating from the Keynsham facility and Building 1, with the second phase significant security works having been completed. The relocation has provided a significant improvement in working environment for the Babcock staff involved as intended. No negative impacts are forecast within our strategy from these property developments in Bristol.</p> <p>The RN3 multi-story car park at Devonport has been completed, with the derived benefit of consolidated parking provision at Camels Head Gate for the 10 Dock project and further support to the overarching site transport plan, including provision of a significant number of new electric vehicle charging points, along with a new Occupational Health facility and Dockyard Pass office. This development has had a significant beneficial impact on the main 10 Dock civil works package.</p> <p>The roof to Spectrum House has now been completely replaced, with the provision of a significant PV installation incorporated in the project. This has resulted in an improved EPC rating for the building and the investment in the associated PV scheme sits within our net zero programme.</p> <p>Within our HQ in London, we have completed a major refurbishment of the fourth-floor offices to improve the working conditions for staff, with LED lighting and biophilic design elements incorporated.</p> <p>Omission: The size, cost and duration of each significant infrastructure investment or service supported.</p> <p>Reason: Confidentiality constraints.</p> <p>Explanation: The nature of Babcock estate initiatives is considered commercially sensitive.</p>

Governance and economics disclosures

GRI STANDARD	DISCLOSURE	LOCATION	ADDITIONAL INFORMATION
	203-2 Significant indirect economic impacts	Pages 60-61 , 84 , 86	For more information on how we contribute to local economic development see our Annual Report and the Oxford Economics Report .
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Pages 86-87	<p>We are committed to creating value for our stakeholders and supporting local communities by utilizing local supply chain opportunities wherever feasible. While our sourcing practices vary across sectors and business units, we define "local" as UK-based suppliers, which currently account for 65% of our spend. By operating in the community, we create significant growth opportunities for local suppliers of our products, goods, and services.</p> <p>Small and medium enterprises (SMEs) play a critical role in our supply chain, and we are dedicated to supporting their growth and promoting continued sourcing of local suppliers to enhance our overall social value proposition. As such, we strive to foster long-term relationships with our SME suppliers, providing them with the resources and support they need to succeed, while also delivering high-quality products, goods, and services to our customers. Currently, 28% of our suppliers are SMEs, with approximately 3,200 based in the UK.</p>
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Pages 89-106	<p>The 2024 annual fraud risk assessment has been reported into the Audit Committee. No significant risks related to corruption were identified through the risk assessment.</p> <p>EY conducted an external assessment in April 24 of Babcock's Fraud Risk Management Framework with a particular focus on preparedness to respond to the expected requirements relating to the new corporate criminal offence of failing to prevent fraud in the Economic Crime and Corporate Transparency Act (ECCTA). Overall, Babcock's fraud risk management framework is developing when assessed against the expected requirements of ECCTA. Babcock's overall maturity is comparable to similar sized organisations that are starting to prepare for the new requirements.</p> <p>Fraud risk management is incorporated into Babcock's enterprise risk management framework and is currently being embedded. Sectors, DRCs, and Functions submit their strategic Risk Registers quarterly and these are analysed and reviewed for upward reporting into the ExCo Risk Committee.</p> <p>Risk identification workshops have been taking place throughout the summer with Global Risk Leads to conduct a risk identification workshop to support identifying fraud risks within Sectors/DRC's/Functions to challenge the granularity and completeness of fraud risks already identified; and likelihood and impact analysis for each fraud and target risk to help check the assessment is reasonable. Following the workshop, internal controls will be designed adequately to mitigate fraud risks identified with sufficient detail to demonstrate that each control addresses the specific fraud risk and evaluate the controls to check that they are designed adequately to mitigate the fraud risks identified by assigning accountable owners to confirm that each control is reviewed periodically. Internal controls will then be tested to check they are operating effectively and to improve the maturity of fraud risk management. Internal Audit will test internal controls to ensure they are operating effectively and share results with the accountable owner to enable continuous improvement.</p> <p>On a bi-annual basis Sector and DRC Chief Executive Officers and Chief Financial Officers complete and issue Letters of Representation which include stated compliance with policies and procedures to manage risks associated with bribery and corruption and other ethical risks.</p>
	205-2 Communication and training about anti-corruption policies and procedures	Page 87 Table 30	All employees must complete training, including training on anti-corruption policies and procedures, before they are given access to the Babcock network on joining the company, after which annual refresher training is compulsory. For employees of those operations not on our network, we make sure we identify the more at-risk groups and train them accordingly on an annual basis.

Governance and economics disclosures

GRI STANDARD	DISCLOSURE	LOCATION	ADDITIONAL INFORMATION
			Our Code of Conduct and details of our Whistleblowing lines, for reporting breaches of the Code of Conduct , are widely displayed across Babcock sites and on our intranet and website together with our Anti-Bribery and Corruption/Ethical Policy. Compliance with our Code of Conduct / Supplier Code of Conduct is also compulsory for our business advisors and partners and suppliers.
	205-3 Confirmed incidents of corruption and actions taken	Page 221	There were no confirmed incidents of corruption in the period.
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Page 221	There is one legal case pending regarding an allegation of anti-competitive behaviours. We do not disclose information about ongoing cases. Omission: Any non-public incidents are not reported. Reason: Confidentiality constraint. Explanation: We don't disclose details of all ongoing investigations.
GRI 207: Tax 2019	207-1 Approach to tax	Pages 193-194 Group Tax Strategy	The Board of Directors of Babcock International Group PLC has ultimate responsibility for the tax strategy of the Group. Responsibility for implementation of / continued compliance with this strategy lies with the Group CFO, who is supported by the Group Head of Treasury and Tax, who assumes day to day responsibility in this area. The Group meets the legal obligation to make its tax strategy publicly available on our website.
	207-2 Tax governance, control, and risk management	Pages 193-194 Group Tax Strategy	The Board of Directors of Babcock International Group PLC has ultimate responsibility for the tax strategy of the Group. Responsibility for implementation of / continued compliance with this strategy lies with the Group CFO, who is supported by the Group Head of Treasury and Tax, who assumes day to day responsibility in this area. On an annual basis, the Group Head of Treasury and Tax presents all relevant tax matters to the Board, including: <ul style="list-style-type: none"> • A summary of the Group's tax strategy • A summary of the Group's level of compliance with tax laws in all relevant jurisdictions (including timely tax filings and tax payment processes) At the end of the second quarter of the accounting period, in the UK the Group submits its annual SAO (Senior Accounting Officer) self-certification, in respect of Tax Controls Frameworks and ensures its tax controls and processes are as good as possible in order to help it achieve the highest levels of tax compliance. Our integrity in relation to tax is disclosed in the policies we set, the financial controls we have in place and our organization culture. For more information see our Code of Conduct and GRI 2-26.
	207-3 Stakeholder engagement and management of concerns related to tax	Pages 193-194 Group Tax Strategy	At Babcock, we strive to have an open and collaborative dialogue with tax authorities. This includes a regular dialogue with HM Revenue & Customs in the UK in respect of all relevant tax matters, including the Group's HMRC risk rating, which is assessed annually. As set out in the Group's tax strategy document, the Group ensures compliance with UK Government Contractor Guidelines.
	207-4 Country-by-country reporting	Pages 193-194 Group Tax Strategy	Babcock is supportive of tax compliance and disclosure regimes within the UK and elsewhere, for example Country-by-Country-Reporting and enhanced Transfer Pricing documentation.

Governance and economics disclosures

GRI STANDARD	DISCLOSURE	LOCATION	ADDITIONAL INFORMATION
			<p>Since 2016 we have completed Country-by-Country-Reporting and supplied this to the UK HMRC, who can then supply it to other tax authorities under exchange of information protocols.</p> <p>Omission: Country-by-Country reporting.</p> <p>Reason: Confidentiality constraint.</p> <p>Explanation: A breakdown of corporate tax information by jurisdiction is not included because this information is not publicly disclosed as it is commercially confidential and, from a practical perspective, voluminous and complex.</p>

Environmental disclosures

GRI STANDARD	DISCLOSURE	LOCATION	ADDITIONAL INFORMATION
GRI 301: Materials 2016	301-1 Materials used by weight or volume		<p>Omission: Materials used by weight or volume.</p> <p>Reason: Information unavailable/incomplete.</p> <p>Explanation: We do not currently collect this data; however, there is a data improvement plan in place as part of the implementation of a new Environmental Data Management System.</p>
	301-2 Recycled input materials used		<p>Omission: Recycled input materials.</p> <p>Reason: Information unavailable/incomplete.</p> <p>Explanation: We do not currently collect this data; however, there is a data improvement plan in place as part of the implementation of a new Environmental Data Management System.</p>
	301-3 Reclaimed products and their packaging materials		<p>Omission: Reclaimed products and their packaging materials.</p> <p>Reason: Information unavailable/incomplete.</p> <p>Explanation: We do not currently collect this data; however, there is a data improvement plan in place as part of the implementation of a new Environmental Data Management System.</p>
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Page 67 Figure 1, Figure 2, Figure 3, Figure 4	<p>In 2023 (reporting period is calendar year 01 January to 31 December), Babcock International Group plc consumed: 731,051.1744Gj of fuel. This includes fuels consumed in both stationary and mobile combustion. 618,375.71Gj of purchased electricity and 164,513Gj of steam.</p> <p>Babcock do not sell any electricity, heating, cooling, or steam.</p> <p>Omission: Breakdown of energy consumption by heating and cooling.</p> <p>Reason: Data unavailable/incomplete.</p> <p>Explanation: We do not currently collect this data; however, there is a data improvement plan in place as part of the implementation of a new Environmental Data Management System.</p>
	302-2 Energy consumption outside of the organization		<p>Omission: Energy consumption outside of the organization.</p> <p>Reason: Data unavailable/incomplete.</p> <p>Explanation: We do not currently collect this data; however, there is a data improvement plan in place as part of the implementation of a new Environmental Data Management System.</p>
	302-3 Energy intensity	Page 67 Table 5	<p>Babcock International Group plc's energy intensity ratio is calculated as: Total Energy Consumption / Adjusted Revenue .</p> <p>Energy data for this year includes an element of estimated data. Additionally, certain data, estimated to be immaterial to the Group's emissions, has been omitted as it has not been practical to obtain (including operations in Japan and the USA).</p>
	302-4 Reduction of energy consumption	Greenhouse Gas Emissions	<p>Omission: Reduction in energy consumption.</p> <p>Reason: Data unavailable/incomplete.</p>

Environmental disclosures

GRI STANDARD	DISCLOSURE	LOCATION	ADDITIONAL INFORMATION
	302-5 Reductions in energy requirements of products and services		<p>Explanation: We do not currently collect this data; however, there is a data improvement plan in place as part of the implementation of a new Environmental Data Management System.</p> <p>Omission: Reductions in energy requirements of sold products and services.</p> <p>Reason: Data unavailable/incomplete.</p> <p>Explanation: We do not currently collect this data; however, there is a data improvement plan in place as part of the implementation of a new Environmental Data Management System.</p>
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Page 64	<p>Interactions with water are identified and managed at a local site level within our Environmental Management Systems (EMS). Each EMS has an aspects and impacts register that identifies the relevant water-related impacts at the site and how they should be addressed. Where required there are specific policies and procedures in place to address significant water-related impacts.</p> <p>40% of the organisation's sites that require a water management plan, now have a dedicated one in place (as of June 2024). These plans will identify where there are permitted activities and other legal obligations that the site will need to address as well as a risks and opportunities register related to water. These sites are deemed to be the organisation's 'significant' sites based on multiple selection criteria associated with location, water consumption and water withdrawal/discharge.</p> <p>Babcock Group have set out the commitment for all significant sites to have a water management plan by the end of 2024. Sectors/sites continuously review emerging regulations that will impact the business' operations, as well as review, monitor and improve water management plans/targets at sites to ensure relevance and progress.</p>
	303-2 Management of water discharge-related impacts	Page 64 Water consumption management	<p>Babcock International Group plc operate within various discharge licences with different requirements. Where permits are in operation, Babcock will follow best practice guidance and requirements set by the regulator, for example the Monitoring Certification Scheme (MCERTS) within the UK. Any discharge licences or permits are identified within the relevant EMS and where applicable waste management plan. Where permits are in place, there is an identified permit holder who is responsible for deploying the monitoring regime associated with it.</p> <p>As an example, Babcock Rosyth has a Controlled Activities Licence, water is tested from a number of outfall points across the site. This testing is undertaken every three months and sent to Scottish Environmental Protection Agency annually. Furthermore, sample testing of the water in the Non-Tidal Basin is undertaken on a monthly basis as an additional control measure.</p>
	303-3 Water withdrawal	Table 6	<p>Water withdrawal data is collected throughout the year by site based operational staff from supplier invoices/meter readings and submitted annually for reporting purposes. UK water stress areas have been determined by the UK Government policy paper Water Stressed Areas – 2021 Classification.</p> <p>Omission: Complete data set for water withdrawal.</p> <p>Reason: Data unavailable/incomplete.</p> <p>Explanation: We do not collect all water withdrawal data from all sites; however, there is a data improvement plan in place as part of the implementation of a new Environmental Data Management System.</p>

Environmental disclosures

GRI STANDARD	DISCLOSURE	LOCATION	ADDITIONAL INFORMATION
	303-4 Water discharge	Table 7	<p>Water discharge data is collected throughout the year by site based operational staff from supplier invoices/meter readings and submitted annually for reporting purposes. UK water stress areas have been determined by the UK Government policy paper Water Stressed Areas – 2021 Classification.</p> <p>Omission: Complete data set for water discharge.</p> <p>Reason: Data unavailable/incomplete.</p> <p>Explanation: We do not collect all water withdrawal data from all sites; however, there is a data improvement plan in place as part of the implementation of a new Environmental Data Management System.</p>
	303-5 Water consumption	Table 8	<p>As noted in GRI 303-3 & 303-4, the data available for water withdrawal and water discharge is both estimated and incomplete. Please see these sections for more information.</p> <p>Babcock's water consumption is calculated as: Total water withdrawal – Total water discharge.</p> <p>Omission: Change in water storage in megalitres and complete data set for water consumption.</p> <p>Reason: Data unavailable/incomplete.</p> <p>Explanation: We do not collect all water withdrawal data from all sites; however, there is a data improvement plan in place as part of the implementation of a new Environmental Data Management System.</p>
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Table 9, Table 10, Table 11, Table 12 Table 13	<p>For more information see tables in the Charts and tables section of this report. For more information, please also see page 71 of our Annual Report and Support a nature positive approach on our website.</p>
	304-2 Significant impacts of activities, products and services on biodiversity	Page 71 , Support a nature positive approach	<p>Omission: Significant impacts of activities, products and services on biodiversity.</p> <p>Reason: Information unavailable/incomplete.</p> <p>Explanation: We do not currently collect this data; however, there is a data improvement plan in place as part of the implementation of a new Environmental Data Management System.</p>
	304-3 Habitats protected or restored	Page 71 , Support a nature positive approach	<p>Omission: Habitat protected or restored.</p> <p>Reason: Information unavailable/incomplete.</p> <p>Explanation: We do not currently collect this data; however, there is a data improvement plan in place as part of the implementation of a new Environmental Data Management System.</p>
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Page 71 , Support a nature positive approach	<p>Omission: IUCN Red List species and national conservation list species with habitats in areas affected by operations.</p> <p>Reason: Information unavailable/incomplete.</p> <p>Explanation: We do not currently collect this data; however, there is a data improvement plan in place as part of the implementation of a new Environmental Data Management System.</p>

Environmental disclosures

GRI STANDARD	DISCLOSURE	LOCATION	ADDITIONAL INFORMATION
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Page 67 Figure 5, Figure 6 Table 14	Emissions figures for this year include an element of estimated data and certain data. Estimated data has been approximated in line with the policies/processes laid out in the Basis of reporting section of this document (pages 59-60).
	305-2 Energy indirect (Scope 2) GHG emissions	Page 67 Figure 7, Figure 8 Table 15, Table 16	Emissions figures for this year include an element of estimated data and certain data. Estimated data has been approximated in line with the policies/processes laid out in the Basis of reporting section of this document (pages 59-60).
	305-3 Other indirect (Scope 3) GHG emissions	Page 67 Figure 9, Table 17	Refer to the Charts and table section for sources of Scope 3 GHG emissions.
	305-4 GHG emissions intensity	Page 67 Table 18	Babcock's GHG emissions intensity ratio is calculated as: Adjusted tCO ₂ e / Adjusted Revenue. This ratio has been applied to Scope 1, 2 & 3 emissions, as disclosed in 305-1, 305-2 & 305-3. Please see tables related to GRI 305-1 and 305-2 for a breakdown of which gases are included for Scope 1 & 2 emissions. Omission: Gases included in the calculation for Scope 3 emissions. Reason: Information unavailable/incomplete. Explanation: We do not currently collect this data; however, there is a data improvement plan in place as part of the implementation of a new Environmental Data Management System.
	305-5 Reduction of GHG emissions	Page 67-69 , Our Greenhouse Gas Emissions	Omission: Reduction in GHG emissions. Reason: Information unavailable/incomplete. Explanation: We do not currently collect this data; however, there is a data improvement plan in place as part of the implementation of a new Environmental Data Management System.
	305-6 Emissions of ozone-depleting substances (ODS)	Page 67-69 , Our Greenhouse Gas Emissions	Omission: Emissions of ozone-depleting substances (ODS). Reason: Information unavailable/incomplete. Explanation: We do not currently collect this data; however, there is a data improvement plan in place as part of the implementation of a new Environmental Data Management System.
	305-7 Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	For previous year's data see Table 19	Omission: Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions. Reason: Information unavailable / incomplete. Explanation: We do not currently collect this data; however, there is a data improvement plan in place as part of the implementation of a new Environmental Data Management System.

Environmental disclosures

GRI STANDARD	DISCLOSURE	LOCATION	ADDITIONAL INFORMATION
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Page 79	<p>Omission: Waste generation and significant waste-related impacts.</p> <p>Reason: Confidentiality constraint.</p> <p>Explanation: Due to the sensitive natures of our operations, we are unable to fully disclose the inputs, activities, and outputs of our potential waste-related impacts in line with security and confidentiality obligations.</p>
	306-2 Management of significant waste-related impacts	Page 51 , 62-64	<p>All Babcock’s sites have an EMS with waste related policies/procedures included and a fundamental principal included in these is to follow the waste hierarchy and increasingly adopt the principals of a circular economy. Babcock’s significant sites have waste management plans in place or under development.</p> <p>Babcock has taken the following actions to prevent waste generation both within its own operations as well as upstream and downstream in its value chain:</p> <ul style="list-style-type: none"> • Babcock has committed to a target of ‘Zero Waste to Landfill’ by 2025 • Babcock has committed to eliminate all avoidable single use plastics by 2027 • Dedicated waste working group • Pilot initiative in partnership with Arco to reduce/remove plastics from PPE equipment • Actively reviewing and addressing the data requirements for emerging legislation, notably in the UK working to improve the quality of our Extended Producer Responsibilities data and reporting • 41% of the sites are covered by a waste management plan (as of June 2024) <p>Babcock actively works with waste related service providers:</p> <ul style="list-style-type: none"> • Quarterly business reviews held with major service providers • Dedicated contract manager for waste contracts • Contracts are increasingly adopting clauses with zero waste to landfill <p>Babcock’s waste data is collected and monitored are follows:</p> <ul style="list-style-type: none"> • Waste data is collected from sites where Babcock International Group plc has operational control, and the data is available • Monthly reports are sent to the business from major service providers • Annual environmental disclosures of waste data from WTNs are received from other waste providers • Collected data is stored centrally and fed into internal reports/dashboards for monitoring purposes <p>Implementation of an Environmental Data Management System will improve the collection, management, and quality of waste data across the business.</p>
	306-3 Waste generated	Table 20	<p>For information on waste generated see table 20.</p> <p>Omission: Total weight of waste generated in metric tons, and a breakdown of this total by composition of the waste.</p>

Environmental disclosures

GRI STANDARD	DISCLOSURE	LOCATION	ADDITIONAL INFORMATION
			<p>Reason: Information unavailable/incomplete.</p> <p>Explanation: Some sites within Babcock’s operational control are not included. It is estimated that around 36% of the sites within Babcock’s operational control do not currently report waste data. There is a data improvement plan in place as part of the implementation of a new Environmental Data Management System.</p>
	306-4 Waste diverted from disposal	Table 20 Table 21	<p>For information on waste diverted from disposal see table 20.</p> <p>Omission: For each recovery operation listed in disclosures 306-4-b and 306-4-c, a breakdown of the total weight in metric tons of hazardous waste and of non-hazardous waste diverted from disposal (i. and ii.).</p> <p>Reason: Data unavailable/incomplete.</p> <p>Explanation: Some sites within Babcock’s operational control are not included. It is estimated that around 36% of the sites within Babcock’s operational control do not currently report waste data. We do not currently collect this data, however there is a data improvement plan in place as part of the implementation of a new Environmental Data Management System.</p>
	306-5 Waste directed to disposal	Table 20 Table 21	<p>For information on waste diverted from disposal see table 20.</p> <p>Omission: For each disposal operation listed in disclosures 306-5-b and 306-5-c, a breakdown of the total weight in metric tons of hazardous waste and of non-hazardous waste directed to disposal (i. and ii.).</p> <p>Reason: Data unavailable/incomplete.</p> <p>Explanation: Some sites within Babcock’s operational control are not included. It is estimated that around 36% of the sites within Babcock’s operational control do not currently report waste data. We do not currently collect this data, however there is a data improvement plan in place as part of the implementation of a new Environmental Data Management System.</p>
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Pages 86-87 Supply Chain Responsibility	<p>In the Defence & Aerospace sector, we adopt a comprehensive risk-based approach to segment and evaluate new suppliers based on their activities. Our goal is to establish the appropriate level of due diligence required. Our supplier segmentation process is designed to assess risk and determine the level of support, engagement, and development needed for each supplier. By prioritizing risk-based segmentation, we can efficiently allocate resources and cultivate relationships that drive mutual success.</p> <p>As of March 2024, over 2,700 suppliers have participated in the Joint Supply Chain Accreditation Register (JOSCAR) assessment process, which includes a comprehensive review of their practices and policies inclusive of environmental criteria. By evaluating our suppliers’ environmental performance, we aim to identify opportunities for improvement and promote sustainable business practices throughout our supply chain. In addition, with the implementation of our new spend management software and standardised onboarding process, we target 100% assessment of all new suppliers requiring due diligence via our segmentation criteria inclusive of environmental considerations.</p>
	308-2 Negative environmental impacts in the supply chain and actions taken	Pages 86-87	<p>At Babcock, our Sustainable Procurement Policy identifies key sustainability themes, including requirements related to environmental and social criteria. The Sustainable Procurement Supplier Guide outlines detailed requirements for suppliers to ensure alignment with our company's values and objectives.</p>

Environmental disclosures

GRI STANDARD	DISCLOSURE	LOCATION	ADDITIONAL INFORMATION
			<p>The due diligence processes adopted by our business units, including supplier onboarding, supplier assessments, and supplier performance reports, have been effective in identifying and mitigating risks. As a result, no significant environmental or social impacts have been identified through these processes. We remain committed to continuously improving our due diligence processes to ensure we operate in a sustainable and environmentally responsible manner.</p> <p>As of March 2024, over 2,700 suppliers have participated in the Joint Supply Chain Accreditation Register (JOSCAR) assessment process, which includes a comprehensive review of their practices and policies inclusive of environmental criteria.</p> <p>Our risk resilience tool enables us to comprehensively map our supply chain ecosystem, monitor activities, and proactively identify hidden risks in our sub-tier supply chain with live alerting. This tool is accessible to all our sector procurement teams and monitors a range of ESG risks, including but not limited to, human rights, environmental and social risks.</p> <p>As a result, no significant negative environmental impacts have been identified within our supply chain, and no supplier relationships have been terminated. We continuously monitor and assess the supply chain for potential environmental risks.</p>

Social disclosures

GRI STANDARD	DISCLOSURE	LOCATION	ADDITIONAL INFORMATION
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Page 82 Table 22 , Table 23 , Table 24, Table 25	Babcock employs 28,343 individuals globally, 7,083 of which joined during reporting period 1st April 2023 - 31st March 2024. Employee turnover in in reporting period 1st April 2023 - 31st March 2024 was 18.26% this includes voluntary and involuntary redundancies.
	401-2 Benefits provided to full-time employees that are not provided to temporary or part- time employees	Page 83 Careers FAQs	Across its operations Babcock offers consistent benefits packages to full and part time employees, there may however be variation based on employee job grade and employing entity. Babcock has included all locations within the definition of 'significant locations of operation'.
	401-3 Parental leave	Table 26, Table 27, Table 28, Table 29	There is a legal requirement for all employees to be entitled to parental leave (either full, statutory or nil pay). Babcock's return to work rate following parental leave is 99% male, 95% female. The following formulas to calculate the return to work: Total number of employees that did return to work after parental leave / Total number of employees due to return to work after taking parental leave.
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Table 4	65.49% of our global workforce are covered by collective bargaining agreements and as such have notices periods and provisions for consultation and negotiations aligned to these agreements. For all other employees we would revert to the statutory requirements as minimum. The relevant notice period and provisions for consultation and negotiation are specified in our collective agreements.
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Pages 80-81	Babcock Safety, Health and Environmental Protection (SH&EP) Standards form an integral part of Babcock International Group's Occupational Health & Safety Management System and are applicable across all Babcock activities. These set the minimum standard expected of each Sector and Direct Reporting Country with regard to key elements of managing health and safety. These include requirements for suitable arrangements for event management, recording, reporting and investigation, control of work and effective supervision, risk management, training and competency management, and assurance and monitoring. These standards were developed collaboratively across Babcock to drive consistency of process across the wide range of activities undertaken. Babcock has a legal obligation to record accidents, incidents and near misses at work as well as work-related illnesses. Due to the international nature of the business, there are differing legal requirements in countries, so the Babcock standards have been developed in accordance with ISO 45001 (OH&S) and ISO 31001 (Risk) as it is an internationally recognised standard. To support the business in meeting these requirements and provide consistency of data, Babcock has mandated the use of the Synergi Life management information system for all SH&EP reporting including events, investigations, audits and inspections. In order to prevent a recurrence of similar events or findings, it is essential that a proportionate investigation is completed to identify the root causes, treat people fairly and implement actions to address underlying issues. Standardised investigation training and root cause analysis and recording has been implemented through external and internal training using TOPSET methodology. Reporting of near miss events and SH&EP observations is a vital component of the Safety Management System and developments in Synergi Life to enable increased reporting by all staff and contractors have been implemented with kiosks and

Social disclosures

GRI STANDARD	DISCLOSURE	LOCATION	ADDITIONAL INFORMATION
403-2 Hazard identification, risk assessment, and incident investigation	<p>Pages 80-81, 99 Safety, Health and Environmental Protection Policy Statement</p>	<p>guest reporting processes. A Balanced Scorecard that monitors Safety Performance Indicators relating to Leadership, Event Management, Learning and Communications and Assurance has been implemented. This Balanced Scorecard includes leading and lagging indicators to provide information on the safety performance of each Sector and Direct Reporting Country and highlight any potential area for development. The standardised reporting has brought greater coherence of processes.</p> <p>Additional capability in Synergi Life to deliver a common risk management tool that support risk assessments, risk profiling, reporting and visualisation have been developed and are being progressively rolled out across the Business Units.</p> <p>Activities conducted by Babcock range from repair and maintenance on warships, submarines, aircraft and vehicles in support of defence; maintenance and operation of aircraft conducting aerial emergency services; design, engineering and maintenance in support of nuclear power plants and provision of technical support services and asset management to other customers.</p> <p>All Babcock activities and workplaces are within scope of the Babcock occupational health and safety management system. These include the office environment, dockyards, aircraft hangars, onboard vessels, aircraft, and vehicles as well as consideration of risks for agile workers that spend some time working remotely.</p> <p>At times, when working on customer sites or vessels the working environment is controlled by the customer, there is a requirement to work within the customer’s occupational health and safety management systems. On these occasions, the customer systems have been reviewed and if Babcock requirements are different there is an agreed requirement to meet the most appropriate standard. No areas of Babcock’s activity are excluded.</p> <p>All business units/operations/functions have a duty to identify risks, produce risk assessments and implement mitigations to control the risk to an acceptable level. Risk assessments are reviewed regularly and when the situation or activity changes.</p> <p>Quality and safety assurance activities are in place to monitor the quality of risk assessments conducted with findings raised where corrective actions are required. Areas for improvement are shared between Sectors and Direct Reporting Countries (DRC) SH&EP Leads at monthly and quarterly working groups to identify any trends and share learning. Local processes ensure that risk assessments are conducted by suitably qualified and experienced personnel and those who conduct the task being assessed, such as technical staff, are encouraged to participate in the assessment and review.</p> <p>Babcock has a structured risk-based alert system that is used to assist with sharing hazardous events of significance. The alerts are discussed and communicated with all Business Unit organizations through a Learning working group held monthly with HSE representatives from across Babcock.</p> <p>Hazard awareness is also discussed at a Safety Representative Working Group where all alerts and significant events are shared for onward communications to all levels of workforce on Babcock facilities. A Babcock SH&EP standard for Risk Management and Control and Supervision of Work has been issued and applies across all Babcock activity. Risk Management capability has been developed within Synergi Life to enable risk assessments and bowties to be generated, including connecting event reports and assurance findings to evidence the effectiveness of the risk controls. This standardised system is progressively being rolled-out across Babcock.</p> <p>All Babcock employees can access Synergi Life as the incident reporting system, either directly through Babcock intranet (which includes anonymous reporting), via guest reporting and kiosks or via Union representatives and health and safety teams. SH&EP</p>	

Social disclosures

GRI STANDARD	DISCLOSURE	LOCATION	ADDITIONAL INFORMATION
403-3 Occupational health services	<p>Page 81, Safety, Health and Environmental Protection Policy Statement</p>	<p>observations from all are actively encouraged at all levels across Babcock and Synergi Life enables reporting of hazard observations, unsafe acts, or conditions to help identify hazards and emerging risks.</p> <p>The Babcock safety policy highlights a: Stop Work Authority – All employees are empowered through this policy to stop work if considered unsafe. The Babcock “Safety starts with me” programme and our principles encourage employees to ‘Stop, Think, Act’ if they feel unsafe. These key messages have been reinforced through safety communications from the CEO and senior leaders across Babcock as well as regular internal communications campaigns.</p> <p>The Babcock SH&EP standard for Event Management, Recording, Reporting, and Investigation requires assessment of all events and a proportionate investigation to be conducted. The level of investigation is proportionate to the risk exposure. Investigations should be conducted by a suitably qualified individual. Babcock have adopted the Kelvin TOPSET methodology for investigations with standardised training at all levels across Babcock to enable improvements in quality of investigations and root causes. Investigations are recorded on Synergi Life where immediate and underlying causes are identified to identify and implement interventions to reduce the probability or prevent re-occurrence. Actions are linked to the recommendations of investigations and these actions are managed to completion with monitoring at various levels across Babcock.</p> <p>The scope and depth of the investigation should be commensurate with the severity and scale of the event and the potential loss.</p> <ul style="list-style-type: none"> To be effective the investigation should be methodical, with a structured approach to information gathering, collation and analysis including a review of existing controls and processes. <p>The findings of the investigation should form the basis of an action plan to prevent the event from happening again and for improving overall management of risks through strengthening the risk controls.</p> <p>Babcock is committed to protecting the health of its workforce from all work-related hazards whether physical or psychological in nature, across all its operations in a systematic/evidence-based manner. Identification of health hazards through task reviews to reduce the presence of hazards and conducting related baseline medical assessments and on-going health monitoring programmes form key risk controls.</p> <p>These health aspects are summarised in the Babcock Occupational Health (OH) strategic approach to the 3Ws and summarised as:</p> <ul style="list-style-type: none"> Workers are fit for task Workplace’ health exposures are identified and mitigated Wellbeing’ needs that underpin fitness for task and susceptibility to occupational disease are supported through a wide range of interventions including lifestyle risk management <p>The organisational health risk assessment is the fulcrum of health hazard identification which categorises health hazards in terms of physical, chemical, biological, ergonomic, psychological, and geographical exposures encountered during work activity in each Sector or Direct Reporting Country (DRC).</p>	

Social disclosures

GRI STANDARD	DISCLOSURE	LOCATION	ADDITIONAL INFORMATION
			<p>The Sector/DRC health risk assessment in turn informs the necessary mitigation against role families and further translates into the local Occupational Health Surveillance programme, assurance of fitness for task medical assessments programme, and the occupational hygiene workplace health exposure monitoring programme.</p> <p>In a similar manner, the health risk assessment identifies the framework of health surveillance and fitness for task interventions to be undertaken by the outsourced Occupational Health Service providers that cover the whole of Babcock.</p> <p>All employees undertake a health assessment prior to employment, with some roles requiring more in depth fitness to work examinations. These enable Babcock and the future employee to identify any potential issues and provide appropriate support such as PPE, work aids, access to an employee assistance programme to enable them to undertake the tasks and promote employee health or prevent an existing illness from deteriorating.</p> <p>Occupational Health (OH) services are generally outsourced, and, in the UK, this is to Health Partners, with dedicated service streams also identified for sickness/absence management and new starter onboarding.</p> <p>Noting the complexities and influence of personal health in ill health presentation, OH services integrate with the wider support of local public health capabilities such as the NHS and GP services as well as the Employee Assistance Programme (EAP) which incorporates a wider element of lifestyle risk management, psychological wellbeing and mental health support capabilities. Recognising the impact on wellbeing that domestic issues can have on workers and how this can impact their fitness for task, the support from the EAP is available for family members of our workers.</p> <p>Babcock is committed to improving the management of health hazards, both physical and psychosocial, through collaboration between SH&EP, HR and the OH providers. The cross sector Occupational Health Working Group was established to provide greater coherence, sharing good practice and peer review of health risks across Babcock. The development of risk assessments for stress and agile workers supports line managers to manage health risks in the changing working environments due to hybrid working. Structured requirements for management of health hazards are identified in local management systems and standardized processes within the 3W approach are being defined to share good practices.</p>
403-4 Worker participation, consultation, and communication on occupational health and safety		Safety, Health and Environmental, Protection Policy Statement	<p>Babcock is committed to worker engagement in Safety, Health and Environmental Protection (SH&EP) matters and the Visible Leadership Standard outlines the requirements for leadership engagement. These include a programme of visible leadership tours which are monitored in the Balanced Scorecard and reported to the senior leadership.</p> <p>Within the Sectors and DRCs, Safety Forums are conducted (usually monthly) with management and employees from within the business units. Adherence to the schedule of these forums is monitored in the Balanced Scorecard. Where trade unions are active, they are represented at the Safety Forums and play an integral role in engaging with the workforce. Many sites have dedicated safety management meetings with the Trade Unions to enable the flow of information to and from the workers. Where Trade Unions are not present, employee safety representatives are identified and play an active role in engagement with management on health and safety matters.</p> <p>The CEO's Safety Forum has been held quarterly with the Babcock International Group CEO and Global Safety Director to provide workers a forum to raise safety and health matters through representatives at all levels from across the Sectors and Direct Reporting Country (DRC). This forum has identified several areas for improvement and sharing across the organization including development of management of psychosocial hazards.</p>

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GRI STANDARD	DISCLOSURE	LOCATION	ADDITIONAL INFORMATION
403-5 Worker training on occupational health and safety	Page 80	<p>Babcock runs a cross-sector quarterly employee safety representatives meeting. This meeting provides employees from across Babcock the opportunity to raise safety communications through their allocated representatives. This also provides another channel for communication of safety alerts, consultation on safety campaigns or dissemination of working group information. The various employee interactions provide transparency with communications at all levels through multiple channels to maximise the opportunities for engagement.</p> <p>An annual Safety Summit is held across Babcock with sites distributed globally and virtually to provide opportunities for engagement. The purpose of the Safety Summit is to communicate to all employees our top risks, and through a set of campaign materials along with other interactive media, to raise hazard awareness, risk awareness, and to support a positive safety culture. The summit provides useful information for front line leaders to help manage safety in the workplace by using previous events and lessons learned as practical examples.</p> <p>An annual Babcock wide safety stand-down is conducted in January and February and enables discussions with workers from across the organisation with their local management on safety and health topics relevant to their working environment and the activities they undertake. The topic of ‘speak up’ provided practical advice for employees on how to intervene and challenge unsafe behaviours and conditions.</p> <p>Babcock Synergi Life reporting system provides a confidential reporting element that allows any employees or contractors to raise a report on safety, health and environmental protection to a defined nominated person, giving extra confidence that confidentiality can be maintained. The system also has a guest reporting capability making it easier for contractors and visitors to raise any SH&EP issues or positive observations they may have witnessed whilst on a Babcock site.</p> <p>Across Babcock we utilise the intranet system (Connect) to communicate health and safety information and provide access to standards etc. There is a ‘Monday Message’ programme for SH&EP news and information that can include vlog’s or celebrating the success of our colleagues. In addition to Connect, a mobile application, is used to communicate via push notifications and makes available information and videos from across Babcock to both Babcock provided and personal mobile devices.</p> <p>The Babcock app and use of a Home Safe Every Day mailbox, which is monitored by the central SH&EP team, enable workers to make suggestions and provide feedback on activities and initiatives.</p>	<p>Babcock is committed to providing suitable training for its workers to ensure they are informed and competent to undertake their tasks. For Babcock employees appropriate task-based training is available, provided and renewed as required. Certain activities or tasks mandate competency levels, which have to be demonstrated and, in some cases, certified before individuals are allowed to undertake the task – for example the use of forklift trucks; drivers need to be suitably trained and licensed. Risk assessments for the tasks identify the competency requirements of the operators and others involved in the task. Development of competency frameworks for all functions are underway to bring greater coherence and standardization of requirements across Babcock.</p> <p>Babcock employee management system, SuccessFactors, captures some of this training, but in most cases, records are held locally in a mixture of electronic and hardcopy records that can be audited. Development of Success Factors is underway to provide for a coherent Learning and Competency Management System that enables employees to move within Babcock and competency levels to be viewed across the organization.</p>

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GRI STANDARD	DISCLOSURE	LOCATION	ADDITIONAL INFORMATION
403-6 Promotion of worker health	<p>Page 80, 83 Safety, Health and Environmental Protection Policy Statement</p>	<p>The Babcock global annual Safety summit (see GRI 403-04) which is held across sites and virtually and the annual Safety Stand-down communicate to all employees, contractors and suppliers our top risks and how we control them. These form an integral part of the annual training programme. The summit sets the context for the Safety Stand down and provides training material for all of the workforce to use throughout the year in the form of tool-box talks and safety moments which act as timely refreshers on key topics.</p> <p>Babcock has created a series of Front-Line Leadership (FLL) training courses. These courses are delivered specifically to FLL's to provide the skill sets needed to lead the workforce, set them to work safely and encourage a positive safety culture within our organisation. This interactive, practical and theory-based training provides us with the capability to provide good leadership, supervision and decision making at the shop floor level. The levels of completion of the training are monitored by the Executive through the Balanced Scorecard.</p> <p>Other Occupational Health and Safety training includes training for Display Screen Equipment assessment, use of Synergi Life reporting system, product safety and human factors awareness. Training for specific activities such as working at height and entry to confined spaces are locally managed and a cross-sector training working group was established to share good practice and develop common training packages to meet the standardized requirements.</p> <p>All training records are used and retained in accordance with GDPR guidelines.</p> <p>Babcock HSE personnel undergo Continuous Professional Development (CPD) training twice a year to increase knowledge, awareness of emerging risks and share best practice with a recent focus on sharing lessons from different operational areas across the globe including management of health and environmental protection issues.</p> <p>Where hazards relate to specific locations or activities conducted by others on sites, specific site induction training and site orientation is provided to ensure workers, contractors and visitors understand the risks and controls to keep them safe e.g., emergency response arrangements and location of restricted areas.</p> <p>Task specific training of sub-contractor organization workers is the responsibility of the sub-contracted organization; however, dependent on the tasks they carry out they will need to prove that they are appropriately trained and certified to carry out tasks on Babcock managed premises e.g., Work on electrical systems or drive vehicles.</p> <p>As identified in response to GRI 403-03, within the Babcock Strategic 3W's approach to Workplace Occupational Health needs, there is clear recognition as to the importance of wider non-occupational health and wellbeing employee interventions in supporting occupational health.</p> <p>The access, awareness and engagement of non-occupational health and wellbeing interventions is recognised as a key part of our Babcock Wellbeing Strategy supported by data driven action plans to focus on improving our people's experience. These plans have made our wellbeing provision, including financial, social, physical, and mental wellbeing interventions more easily accessible to both our offline and online worker populations. The use of more localized communications regarding our whole wellbeing portfolio and healthcare services. The use of mental health first aiders to signpost services has significantly increased awareness of our non-occupational health and wellbeing offering and supporting our mental health first aiders is key to this. Some employees within specific businesses are also offered subsidized private health insurance or gym memberships to support health needs.</p>	

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GRI STANDARD	DISCLOSURE	LOCATION	ADDITIONAL INFORMATION
			<p>Our wellbeing provision covering financial, social, physical and mental wellbeing offers employees a holistic opportunity to manage or improve their wellbeing needs. Services or wellbeing programmes offered include Salary Finance solutions, Electrical Vehicle Financial schemes, corporate physical and social challenges. We provide an Employee Assistance Programme to all workers and their families to support them and improve wellbeing and improved integration between the occupational health services and EAP providers have enhanced the provision to workers.</p> <p>Wellbeing services differ across Babcock, so an integral part of developing our provision is collaboration across the Babcock International Group through our Occupational Health Working Group who share good practice from across the different industries and geographic areas to enable organizational learning and improvement of the coherent overall provision.</p> <p>Personal information is subject to GDPR and other similar regulations around the world; sensitive information is handled and stored appropriately. Individuals are able to report issues with regards to mental health via our Babcock-wide reporting system and they have the ability to identify the report as confidential which provides additional protection of the information that they deem as sensitive.</p> <p>All employees undertake a health assessment prior to employment, with some roles, or those with pre-existing conditions requiring more in-depth fitness to work examinations. These enable Babcock and the future employee to identify any potential issues and provide appropriate support such as PPE, work aids, access to an employee assistance programme to enable them to undertake the tasks and promote employee health or prevent an existing condition from deteriorating.</p> <p>For non-Babcock workers first aid and emergency medical services will be made available following incidents, but wider occupational/voluntary health services would be provided by their own employers.</p>
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Pages 80-81 , 94 , 99	Refer to GRI 403-02 above.
403-8	Workers covered by an occupational health and safety management system	Pages 80-81	<p>All Babcock employees, contingent workers and sub-contracted staff that are working on Babcock managed premises are covered by the occupational health and safety management system. No employees or workers are excluded from the occupational health and safety management system.</p> <p>Whilst the management system was subject to audit by an external organization in support of the Audit Committee in 2021, the system has developed significantly since then and is subject to numerous audits with an ongoing internal assurance programme that includes auditing of elements of the management systems at various levels.</p> <p>Some Babcock sites and business units have actively sought and achieved accreditation to the ISO 45001 Occupational Health and Safety Management System Standard and are regularly audited against this standard by a third party. Furthermore, some industries have national and industry specific regulators, such as aviation and nuclear, and these businesses are subject to robust audit regimes from external regulators and customers.</p>
403-9	Work-related injuries	Pages 80-81	<p>There have been no work-related fatalities in Babcock during the 23/24 financial reporting period.</p> <p>We recorded 234 Occupational Safety and Health Administration (OSHA) recordable accidents (rate per 200,000 hrs. worked = 0.92), of these 193 were injuries or illnesses that required days away from work (rate per 200,000 hrs. worked = 0.71).</p>

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GRI STANDARD	DISCLOSURE	LOCATION	ADDITIONAL INFORMATION
403-10 Work-related ill health	Pages 80-81	<p>The figures above include the injuries recorded by contingent workers and consultants working under the direction and control of Babcock. 9% of all reported injuries within our Babcock operations have resulted in harm to contractors. There were 6 reported injuries that occurred to members of the public in 4 separate incidents that were all when members of the public fell when the Emergency Services helicopters of the Helicopter Emergency Medical Service (HEMS) businesses were landing in public areas to recover casualties. The members of the public suffered minor injuries e.g., abrasions when standing too close to the planned landing site and their footing was destabilized by the downdraft from the helicopter rotors.</p> <p>The total number of working hours applicable to the injury rates for FY23/24 was 54,174,947, down 9.4% from the previous year; however, the proportion of working hours conducted by personnel in industrial roles where they are exposed to occupational hazards due to the nature of their roles has increased as Babcock’s activity in ship-building and maintenance has increased. Our injury rates are calculated per 200,000 working hours and categorised in accordance with the Occupational Safety and Health Administration guidelines.</p> <p>The vast majority of injuries sustained result in injuries to hands which are minor in nature such as abrasions or cuts. Many of these are due to use of tooling or contact with objects when a hand slips during manual tasks. Working at height activities present a risk with a high consequence of work-related injuries. 56% of reported injuries were assessed as insignificant severity and required little or no treatment but some of these events could have resulted in more serious consequences so investigations are conducted in relation to the potential consequence rather than the actual harm caused.</p> <p>No workers were specifically excluded from reporting injuries and we actively encourage reporting via Synergi Life reporting system, however, it is recognized that minor or insignificant severity injuries experienced by sub-contractors are unlikely to be reported on the Babcock system.</p> <p>Refer to GRI 403-02 for how these hazards have been determined, what actions were taken or underway to eliminate these hazards and minimise risks using the hierarchy of controls. Also, for any actions taken or underway to eliminate other work-related hazards.</p>	<p>There have been no fatalities due to work-related ill health in Babcock this year. The number of reported events of work-related ill health are very low and these relate to Hand Arm Vibration which is an area of focus across our industrial areas. A situation that resulted in potential exposure of workers and visitors to Chromium, a potentially harmful substance, has been identified and a programme of health monitoring has been put in place and offered to all those that were potentially exposed. Refer to GRI 403-02 for how these hazards have been determined; what actions were taken or underway to eliminate these hazards and minimise risks using the hierarchy of controls and for any actions taken or underway to eliminate other work-related hazards.</p> <p>Babcock is developing the reporting system to encourage people to report minor ill-health issues and near misses that could have impacted worker health to help with understanding and managing the potential risk exposure. No workers were specifically excluded from this.</p> <p>Comprehensive Occupational Health service provider data in regard to occupational disease occurrence, outcomes of health surveillance and fitness for task medical assessments is provided by the suppliers. This data integrates with Babcock’s Synergi Life data to enable proactive mapping of any occupational related disease.</p>

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GRI STANDARD	DISCLOSURE	LOCATION	ADDITIONAL INFORMATION
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Pages 12-13 Table 30	<p>Based on available data, the average number of training hours per annum is approximately 28, or 4 days of training, however the exact number will vary significantly depending on the role, site, BU and Sector.</p> <p>Omission: Average hours of training per year per employee and gender.</p> <p>Reason: Information unavailable/incomplete.</p> <p>Explanation: Our current system does not allow us to accurately track total number of training hours nor to record the number of hours training by gender.</p>
	404-2 Programs for upgrading employee skills and transition assistance programs	Pages 7 , 12-13 , 82-83	<p>Early Careers</p> <p>We are continuing to develop and expand our early career programmes to ensure we're providing opportunities to reach a wider pool of talent. We have developed and are delivering pre-apprenticeship programmes in Scotland. These pre-apprenticeship programmes differ slightly in Clyde, where it is focussed on school age students. Eleven students have spent the year working with us and our academic provider, West College Scotland, to undertake a pre-apprenticeship, with the intent of offering these students direct entry onto our modern apprenticeship programme. The pre-apprenticeship approach is now being extended across the UK. Alongside pre-apprenticeships, within England we are expanding our level 2 as well as our degree apprenticeship offering. Within the graduate programmes we are continuing to centralise programmes, with the objective to increase awareness of the variety of our business, mobility and continued professional development. All these initiatives support with increasing attraction, along with upgrading employee skills.</p> <p>People Capability Development (L&D)</p> <p>To foster a culture of continuous learning and development, we are implementing a range of initiatives at both local and organizational levels. National campaigns, such learning at work week, our bi-monthly Global Capability Development Communities of practice and increased digital learning content are driving employee engagement and promoting a culture of continuous learning. Our new central intranet site provides easy access to resources and process guidance, enhancing the overall learning experience.</p> <p>The new Babcock Role Framework (BRF) underpins our learning journey and career pathways, with competencies being identified and mapped to the framework. We are also leveraging digital learning content to provide improved access to functional and self-directed learning within areas like Project Management, Finance, and Health and Safety, making upskilling opportunities more accessible to employees.</p> <p>Strategic partnerships with local colleges and universities are crucial in delivering exceptional opportunities for our employees and developing their full potential. We are committed to regularly reviewing our training and development programs and existing relationships with local training providers to ensure we remain aligned with the evolving needs of our business.</p> <p>The Babcock Skills Academy (BSA) is a strategic workforce development program aimed at supporting the development of internal engineering support and manufacturing skills to improve performance. With its phased and scalable approach, BSA enables the Group Capability team to embed the necessary tools, systems, and processes to deliver a sustainable solution across the business.</p>

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GRI STANDARD	DISCLOSURE	LOCATION	ADDITIONAL INFORMATION
			<p>Phase 1 of this program focuses on developing capabilities across Production, Commissioning, Engineering, and Project Management to accelerate our projects in support of national security. We are also committed to supporting a new transformational role called the Production Support Operative (PSO), which addresses skills shortages in the shipbuilding industry and provides a new route to employment for those who may otherwise have faced challenges.</p> <p>Our PSO program is delivered in partnership with local colleges and suppliers, creating sustainable employment opportunities for the local community. We were recognized by the Centre for Engineering, Education and Development (CeeD) Industry Awards as the winner of the 'Transformational Change through Education & Skills' award earlier this year. Additionally, we were shortlisted as a finalist for the Herald Higher Education Awards 2024.</p> <p>Lastly, we have several contract project, and country-specific capability development initiatives underway, which are critical to ensure the continual skills development of employees who deliver on our customer promise of Affordability, Availability, and Capability.</p> <p>If required, out placement support is available to help employees transition into new careers and opportunities through a combination of facilitated workshops, career coaching, self-directed learning, and upskilling opportunities.</p>
	404-3 Percentage of employees receiving regular performance and career development reviews	Table 31	In the reporting period 1st April 2023 - 31st March 2024, 15,618 (55%) employees received a performance and development review through our HR system. In addition, a paper-based version is provided for all other employees who cannot access the electronic system.
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Page 82 Table 32	Women constitute 19% of our workforce, and we are witnessing an increase in female representation at the Board level, now at 40% (up from 37.5%), while the Senior Management level remains consistent with the previous year at 23%.
	405-2 Ratio of basic salary and remuneration of women to men	Page 81 Gender Pay Gap Report	<p>We are committed to creating and maintaining a working environment that is as fair, inclusive, diverse, and as supportive as possible for our colleagues. As well as taking action at a Group level to address the historic under-representation of women, each of our businesses are developing specific plans to help us close their gender pay gap. Our work to reduce inequalities between male and female employees has delivered progress every year since we started reporting in 2017. As at 5th April 2023 our UK median gender pay gap was 6.7%, down from 9.6% in 2022.</p> <p>Our internal initiatives in Financial Year 2024 focussed on driving culture change and supporting women's representation, including:</p> <ul style="list-style-type: none"> ➤ Launching the 'About Me' data collection campaign for a better understanding of our people. ➤ As a signatory to the Menopause Workplace Pledge, introducing a refreshed approach underpinned with a comprehensive Menopause Action Plan including communications, awareness, peer support and manager training. ➤ Launching the first stage release of Babcock's Inclusive Leave Policy to deliver an equitable and inclusive employee experience. ➤ Unveiling 'Inclusion in Action – 101' education and awareness content series.

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GRI STANDARD	DISCLOSURE	LOCATION	ADDITIONAL INFORMATION
			<ul style="list-style-type: none"> ➤ Establishing three new employee Networks – Carers, Disability and Forces - based on employee feedback in addition to our longstanding networks. <p>Further detail and our published data can be found in the Social – An inclusive and diverse company on page 81 of our Annual Report, or via our Gender Pay Gap report.</p>
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Page 87 Table 33	<p>Discrimination in the workplace is not tolerated at Babcock.</p> <p>Over the reporting period we had 3 cases of alleged discrimination reported through Babcock's Whistleblowing line. All cases have been investigated and appropriate remediation plans implemented.</p>
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Page 87 Sustainable Procurement Policy	<p>At Babcock, we prioritise upholding the strictest standards and work closely with our suppliers to ensure these standards are consistently applied throughout our supply chain. Our Supplier Code of Conduct clearly outlines our expectations including, but not restricted to, the right to freedom of association and collective bargaining. We share our Code of Conduct with all our suppliers and have made it a key feature of our onboarding process to ensure we verify objective evidence of control at our suppliers.</p> <p>Our business units are dedicated to upholding the highest standards of ethical conduct and social responsibility. To ensure our suppliers share these values, we have implemented a comprehensive due diligence process, including supplier onboarding, assessments, and performance reports. These measures have been effective in identifying and mitigating risks.</p> <p>As a result, no significant risks related to workers' rights to exercise freedom of association or collective bargaining have been identified in FY24. Our Supplier Code of Conduct prohibits such practices.</p> <p>Anybody may raise concerns about breaches of our Code of Conduct via our whistleblowing helpline.</p>
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Page 87 Sustainable Procurement Policy	<p>At Babcock, we prioritize upholding the strictest standards and work closely with our suppliers to ensure these standards are consistently applied throughout our supply chain. Our Supplier Code of Conduct clearly outlines our expectations including, but not restricted to, Child Labour. We share our Code of Conduct with all our suppliers and have made it a key feature of our onboarding process to ensure that we verify objective evidence of control at our suppliers.</p> <p>Our business units are dedicated to upholding the highest standards of ethical conduct and social responsibility. To ensure our suppliers share these values, we have implemented a comprehensive due diligence process, including supplier onboarding, assessments, and performance reports. These measures have been effective in identifying and mitigating risks.</p> <p>Our risk resilience tool enables us to comprehensively map our supply chain ecosystem, monitor activities, and proactively identify hidden risks in our sub-tier supply chain with live alerting. This tool is accessible to all our sector procurement teams and monitors a range of ESG risks, including human rights alerts for child labour.</p>

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GRI STANDARD	DISCLOSURE	LOCATION	ADDITIONAL INFORMATION
			As a result, no significant risks related for child labour have been identified in the supplier onboarding, assessments, performance reports or our risk resilience continuous monitoring solution. Our Supplier Code of Conduct prohibits such practices.
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Page 87 Sustainable Procurement Policy	<p>At Babcock, we prioritize upholding the strictest standards and work closely with our suppliers to ensure these standards are consistently applied throughout our supply chain. Our Supplier Code of Conduct clearly outlines our expectations including, but not restricted to, forced labour and freedom of movement. We share our Code of Conduct with all our suppliers and have made it a key feature of our onboarding process to ensure we verify objective evidence of control at our suppliers.</p> <p>Our business units are dedicated to upholding the highest standards of ethical conduct and social responsibility. To ensure our suppliers share these values, we have implemented a comprehensive due diligence process, including supplier onboarding, assessments, and performance reports. These measures have been effective in identifying and mitigating risks.</p> <p>Our risk resilience tool enables us to comprehensively map our supply chain ecosystem, monitor activities, and proactively identify hidden risks in our sub-tier supply chain with live alerting. This tool is accessible to all our sector procurement teams and monitors a range of ESG risks, including human rights alerts for unethical labour practice and forced labour.</p> <p>As a result, no related incidents for forced labour and freedom of movement have been identified in the supplier onboarding, assessments, performance reports or our risk resilience continuous monitoring solution. Our Supplier Code of Conduct prohibits such practices.</p>
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Human Rights policy, Modern Slavery Transparency Statement	<p>In our Human Rights policy, we state: “In accordance with the United Nations’ Guiding Principles on Business and Human Rights, Babcock will disseminate the contents of this Policy, including awareness-raising and training actions and monitoring their effective implementation.”</p> <p>Omission: The percentage of security personnel, including third-party organisations, who have received formal training in human rights policies or specific procedures and their application to security.</p> <p>Reason: Information unavailable/incomplete.</p> <p>Explanation: We do not currently record this data.</p>
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Page 84	There are no confirmed incidents of violations involving the rights of indigenous peoples during the reporting period.
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Pages 61, 84-85 Women in Engineering Day	At Babcock we aim to make a positive impact on the communities in which we operate, as well as ensuring the safety and wellbeing of our people.

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GRI STANDARD	DISCLOSURE	LOCATION	ADDITIONAL INFORMATION
			<p>Our community engagement ensures that the regions and locations in which we operate are supported through volunteering, donations, sponsorships, careers possibilities and further opportunity generation. As a global business, Babcock also actively engages and supports indigenous people at both a program and people-centric level.</p> <p>For community engagement case studies, our quantified UK impact assessment, and further information across our full international business, please refer to the Oxford Economics Report and the Sustainability pages on our website.</p> <p>Omission: Percentage of operations with implemented local community engagement, impact assessments, and/or development programs.</p> <p>Reason: Information unavailable/incomplete.</p> <p>Explanation: We do not collate and report this by specific location.</p>
	413-2 Operations with significant actual and potential negative impacts on local communities	Oxford Economics Report, Environment	<p>Babcock's purpose reflects our commitment to making a positive contribution to the communities in which we operate, providing high-quality jobs and delivering social and economic sustainability. We're also aiming to integrate environmental sustainability into our programme design to reduce waste, optimise our resources and minimise the impact of our operations.</p> <p>Omission: The location of operations with significant actual and potential negative impacts on local communities.</p> <p>Reason: Information unavailable/incomplete.</p> <p>Explanation: We do not collate and report this by specific location.</p>
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Pages 86-87 Sustainable Procurement Policy	<p>In the Defence and Aerospace sectors, we adopt a comprehensive risk-based approach to segment and evaluate new suppliers based on their activities. Our goal is to establish the appropriate level of due diligence required. Our supplier segmentation process is designed to assess risk and determine the level of support, engagement, and development needed for each supplier. By prioritizing risk-based segmentation, we can efficiently allocate resources and cultivate relationships that drive mutual success.</p> <p>As of March 2024, over 2,700 suppliers have participated in the Joint Supply Chain Accreditation Register (JOSCAR) assessment process, which includes a comprehensive review of their practices and policies inclusive of social criteria. By evaluating our suppliers' environmental performance, we aim to identify opportunities for improvement and promote sustainable business practices throughout our supply chain. In addition, with the implementation of our new spend management software and standardised onboarding process, we target 100% assessment of all new suppliers requiring due diligence via our segmentation criteria inclusive of social criteria.</p>
	414-2 Negative social impacts in the supply chain and actions taken	Pages 86-87 Sustainable Procurement Policy	<p>At Babcock, our Sustainable Procurement Policy identifies key sustainability themes, including requirements related to environmental and social criteria. The Sustainable Procurement Supplier Guide outlines detailed requirements for suppliers to ensure alignment with our company's values and objectives.</p> <p>The due diligence processes adopted by our business units, including supplier onboarding, supplier assessments, and supplier performance reports, have been effective in identifying and mitigating risks. We remain committed to continuously improving our due diligence processes to ensure that we operate in a sustainable and environmentally responsible manner.</p>

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GRI STANDARD	DISCLOSURE	LOCATION	ADDITIONAL INFORMATION
			<p>As of March 2024, over 2,700 suppliers have participated in the Joint Supply Chain Accreditation Register (JOSCAR) assessment process, which includes a comprehensive review of their practices and policies inclusive of social criteria.</p> <p>Our risk resilience tool enables us to comprehensively map our supply chain ecosystem, monitor activities, and proactively identify hidden risks in our sub-tier supply chain with live alerting. This tool is accessible to all our sector procurement teams and monitors a range of ESG risks, including but not limited to, human rights, environmental and social risks.</p> <p>As a result, no significant negative social impacts have been identified within our supply chain, and no supplier relationships have been terminated. We continuously monitor and assess the supply chain for potential environmental risks.</p>
GRI 415: Public Policy 2016	415-1 Political contributions	Page 158	Our Anti-Bribery and Corruption/Ethical Policy mandates that no political contributions are to be made and none have been made in the period.
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories		We do not believe this is material to our business at this time.
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services		We do not believe this is material to our business at this time.
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling		We do not believe this is material to our business at this time.
	417-2 Incidents of non-compliance concerning product and service information and labeling		We do not believe this is material to our business at this time.
	417-3 Incidents of non-compliance concerning marketing communications		We do not believe this is material to our business at this time.
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Pages 87 , 97	Babcock holds ISO27001 certification and has company-wide policies and procedures for information security ensuring that appropriate security controls are in place to protect information and data from unauthorised access, corruption, loss, or theft. This year, there have been no known instances of regulatory action against us from either an outside party or a regulatory body.

Our response to the Sustainability Accounting Standards Board (SASB)

The [Sustainability Accounting Standards Board \(SASB\)](#) guidance for Aerospace and Defense helps inform the content, narrative and data included in this report.

The following table highlights sections of the report and other public disclosures that include information in line with SASB's metrics, as of the year ending December 31, 2023 / Fiscal Year ending March 31, 2024.

Babcock is committed to providing transparent and meaningful sustainability information to our employees, clients, communities and shareholders.



Sustainability Disclosure Topics & Accounting Metrics

TOPIC	CODE	METRIC	UNIT	OUR RESPONSE
Energy Management	RT-AE-130a.1	a. Total energy consumed,	Gigajoules (GJ),	<p>Full details of Babcock’s energy consumption are included on page 67 of our Annual Report and GRI 305: Emissions.</p> <p>During the calendar year 2023, Babcock consumed 1,513,940.27 GJ of energy. Grid supplied electricity equates to 41% of Babcock’s energy consumption.</p> <p>Approximately 21% of Babcock’s energy consumed is from renewable energy sources.</p>
		b. percentage grid electricity,	Percentage (%)	
		c. percentage renewable		
Hazardous Waste Management	RT-AE-150a.1	a. Amount of hazardous waste generated,	Metric tons (t),	<p>During the calendar year 2023, Babcock generated 1,041.6 tonnes of hazardous waste. 55% of this was recycled.</p>
		b. percentage recycled	Percentage (%)	
Data Security	RT-AE-150a.2	a, Number and aggregate quantity of reportable spills	Number,	<p>Zero reportable spills have occurred in 2023 in any jurisdictions we operate in.</p>
		b, Quantity recovered	Kilograms (kg)	
	RT-AE-230a.1	a. Number of data breaches	Number,	
		b. Percentage involving confidential information	Percentage (%)	
	RT-AE-230a.2	Description of approach to identifying and addressing data security risks in:	n/a	<p>Babcock has a governance structure in place to ensure data security risks are identified, impact assessed and that necessary mitigating actions are recorded and implemented. Records of all information assets are held in a central register and asset owners (IAOs) are assigned with responsibility for assessment and management of associated risks in alignment with Babcock’s overall risk appetite. Senior Information Risk Owners (SIROs) are responsible for data security within their respective areas, and this includes escalation of data security risks to the overall business risk register. Babcock holds ISO27001 certification and has company-wide policies and procedures for information security. Employees are required to undergo annual cyber security training and a supply chain security process is in place for assessment and monitoring. As well as rigid technical controls to protect information there are technical checks including regular vulnerability scanning, penetration testing and compliance audits, the results (and corrective actions) of which are recorded in the audit system.</p> <p>Products generated by Babcock are required to go through a robust assurance process to ensure risk assessments have been carried out and that necessary standards are met. There are information security controls at all stages of the process including controlled access to design information, multiple checks and approvals, classification of designs and documents and control of information distribution.</p>
		a. Company operations and		
		b. Products		
Product Safety	RT-AE-250a.1	a. Number of recalls issues,	Number	<p>We do not believe this to be material to our business.</p>
		b. total units recalled		
	RT-AE-250a.2	a. Number of counterfeit parts detected,	Number,	
	b. percentage avoided	Percentage (%)		
	RT-AE-250a.3	a. Number of Airworthiness Directives received,	Number	<p>We do not believe this to be material to our business.</p>
		b. total units affected		

Sustainability Disclosure Topics & Accounting Metrics

TOPIC	CODE	METRIC	UNIT	OUR RESPONSE
	RT-AE-250a.4	Total amount of monetary losses as a result of legal proceedings associated with product safety	Reporting currency	We do not believe this to be material to our business.
Fuel Economy & Emissions in Usephase	RT-AE-410a.1	Revenue from alternative energy-related products	Reporting currency	No disclosure. We are working to develop our environmental data management system to allow us to report on our revenue from alternative energy-related products moving forward.
	RT-AE-410a.2	Description of approach and discussion of strategy to address fuel economy and greenhouse gas (GHG) emissions of products	n/a	We are working to develop Climate Transition Plans across our global operations which shall map the journey to Net Zero and incorporate the strategy to eliminate emissions across our products and services.
Materials Sourcing	RT-AE-440a.1	Description of the management of risks associated with the use of critical materials	n/a	Risks associated with the use of critical materials are managed through the organisation's risk management strategy, processes, and procedures. Due to security restrictions, we are not able to disclose further on our use of critical materials.
Business Ethics	RT-AE-510a.1	Total amount of monetary losses as a result of legal proceedings associated with incidents of corruption, bribery, and/or illicit international trade	Reporting currency	None.
	RT-AE-510a.2	Revenue from countries ranked in the "E" or "F" Band of Transparency International's Government Defence Anti-Corruption Index	Reporting currency	The Group has not disclosed revenue earning from countries in Band E and F due to confidentiality reasons.
	RT-AE-510a.3	Discussion of processes to manage business ethics risks throughout the value chain	n/a	See response to GRI 205-1 Operations assessed for risks related to corruption. More information on Group risk management and risk assurance can be found in our Annual Report on pages 89 to 106 .

TOPIC	CODE	METRIC	UNIT	OUR RESPONSE
Activity Metrics	RT-AE-000.A	Production by reportable segment	Number	See "Understanding Babcock", on pages 2-3 of our Annual Report.
	RT-AE-000.B	Number of employees	Number	See Table 1 and Table 3 in the Charts and tables section.

Charts and tables

GRI Disclosure 2-7 Employees

Table 1

Employee by gender	Total
Male	22,704
Female	5,439
Non-binary	18
Not specified	129
Prefer no to say	53
Total	28,343

Table 3

Employee employment contract type	Permanent Employees	Temporary Employees	Total
Africa	1,125	-	1,125
Americas	542	39	581
Asia	20	-	20
Australasia	1,766	149	1,915
Europe	658	25	683
United Kingdom	22,253	1,741	23,994
Unknown	25	-	25
Total	26,389	1,954	28,343

Note: The reporting period is 01 April 2023 to 31 March 2024

GRI Disclosure 2-8 Workers who are not employees

Table 2

	Full time	Part time	Total
UK	1691	63	1,754
Germany	-	-	-
France	17	-	17
Australasia	147	2	149
South Africa	-	-	-
Canada	33	1	34
Total	1,888	66	1,954

GRI Disclosure 2-30 Collective Bargaining Agreements

Table 4

	Number of employees covered by collective bargaining agreements	Percentage of employees covered by collective bargaining agreements
UK	15,896	72%
Germany	-	-
France	543	100%
Australasia	418	24%
Africa	424	43%
Canada	-	-
Total	17,281	65%

GRI Disclosure 302-1 Energy consumption within the organisation (unit of measurement: GJ)

Figure 1

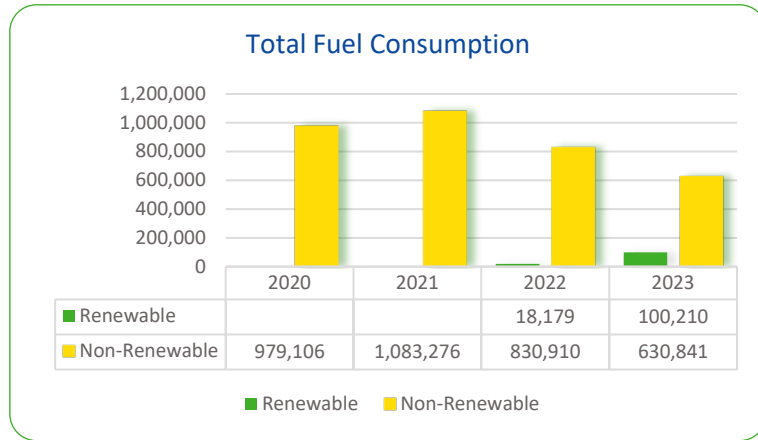


Figure 2

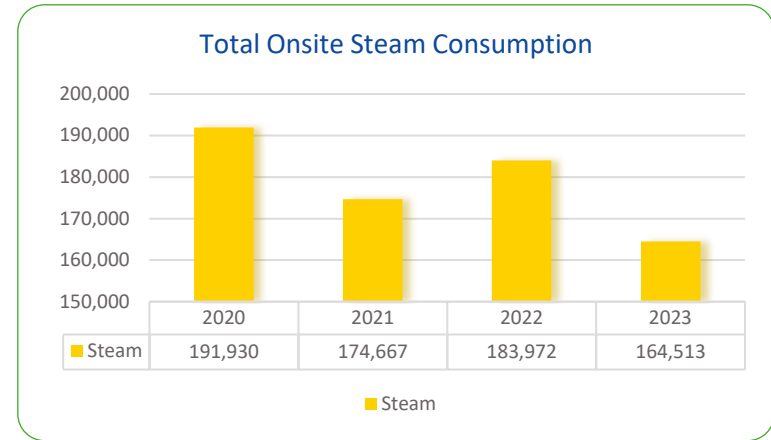


Figure 3

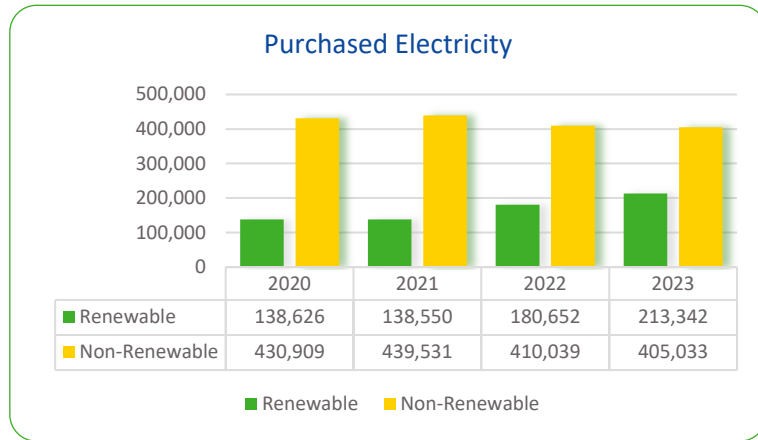
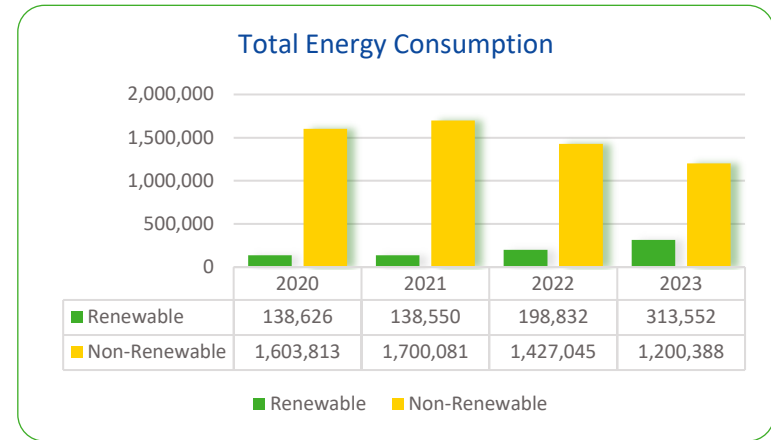


Figure 4



Renewable fuels include bio-diesel

Non-renewable fuels include: aviation turbine fuel, diesel, fuel oil, gas oil, kerosene, LPG, natural gas, paraffin, petrol & propane

Note: The reporting period is the calendar year (01 January to 31 December)

GRI Disclosure 302-3 Energy intensity

Table 5

	Unit	2021	2022	2023
Total Energy Consumption	Gj	1,836,630	1,625,877	1,513,940
Adjusted Revenue	£m	3,278	3,875	4,378
Energy Intensity Ratio	Gj/£1m Revenue	560.9	419.6	345.8

The energy included in the intensity ratio is the fuel, electricity and steam consumed within the organisation, as reported in GRI 302-1.

GRI Disclosures 303-3 Water withdrawal (unit of measurement: ML)

Table 6

	2020	2021	2022	2023
Water Withdrawal – Sea Water	269.0	269.0	2,917.3	269.0
Water Withdrawal - Groundwater	-	-	0.2	0.2
Water Withdrawal – Third-party	702.2	726.7	1,253.2	1,114.9
Water Withdrawal in known water stress areas – Third-party	30.8	29.6	34.5	36.4
Total	1,002.0	1,025.3	4,205.2	1,402.5

Note: The reporting period is the calendar year (01 January to 31 December)

GRI Disclosures 303-4 Water discharge (unit of measurement: ML)

Table 7

	2020	2021	2022	2023
Water Discharge – Sea Water	-	-	3.6	-
Water Discharge – Surface Water	2.1	2.1	3.0	3.0
Water Discharge – Third-party Water	273.5	314.8	422.4	154.3
Water Discharge - Groundwater	-	-	0.9	0.9
Total	275.6	316.9	429.9	158.2

GRI Disclosures 303-5 Water consumption (unit of measurement: ML)

Table 8

	2020	2021	2022	2023
Water Consumption	695.6	678.8	3,740.8	1,225.9
Water Consumption in known water stress areas	30.8	29.6	34.5	36.4
Total	726.4	708.4	3,775.3	1,262.3

GRI Disclosure 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas

Table 9

Geographic Location	Owned, leased, or managed by the organisation	Position in relation to the protected area		
		Adjacent to (1km)	Adjacent to (200m)	Within
Midlands	Leasehold	-	2	-
N. Ireland	Leasehold	2	-	-
Northeast	Leasehold	1	-	1
Northwest	Freehold	2	-	-
	Leasehold	2	-	-
Scotland	Freehold	-	1	-
	Leasehold	2	1	1
	Managed by	-	1	-
Southeast	Leasehold	3	-	-
Southwest	Freehold and Leasehold	-	1	-
	Leasehold	4	1	3
Total		16	7	5

Table 10

Geographic Location	Type of operation
Midlands	Manufacturing and office sites
N. Ireland	Manufacturing and office sites
Northeast	Manufacturing and office sites
Northwest	Manufacturing and office sites
ROA	Airport
Scotland	Airport, dockyards, production, manufacturing and office
Southeast	Training, light industrial and office and manufacturing sites
Southwest	Dockyard, light industrial (Helicopter Maintenance), manufacturing and office
Wales	Manufacturing

Note: The reporting period is the calendar year (01 January to 31 December)

Table 11

Geographic Location	Size of operational site	Count of operational site
Midlands	Medium	1
	Small	1
N. Ireland	Small	2
Northeast	Large	1
	Small	1
Northwest	Large	1
	Medium	1
	Small	2
Scotland	Large	4
	Small	2
Southeast	Large	2
	Medium	1
Southwest	Large	2
	Medium	2
	Small	5
Total		28

Table 12

Geographic Location	Protected Status					
	SPA	SAC	SSSI	Ramsar	AONB	MPA
Midlands	-	2	2	-	-	-
N. Ireland	-	-	2	-	-	-
Northeast	1	-	1	1	1	-
Northwest	1	1	3	1	-	1
Scotland	4	1	4	3	-	1
Southeast	2	1	3	1	-	-
Southwest	2	6	7	2	-	-
TOTAL	10	11	22	8	1	2

Note: The reporting period is the calendar year (01 January to 31 December)

Table 13

Geographic Location	Biodiversity value attribute of the protected area
Midlands	Protected habitats and species
N. Ireland	Protected habitats
Northeast	Protected habitats and species Protected landscape
Northwest	Protected habitats Protected habitats and species
Scotland	Protected habitats and species
Southeast	Protected habitats Protected habitats and species
Southwest	Protected habitats Protected habitats and species

GRI Disclosure 305-1 Energy direct (Scope 1) GHG emissions (unit of measurement tCO2e)

Figure 5

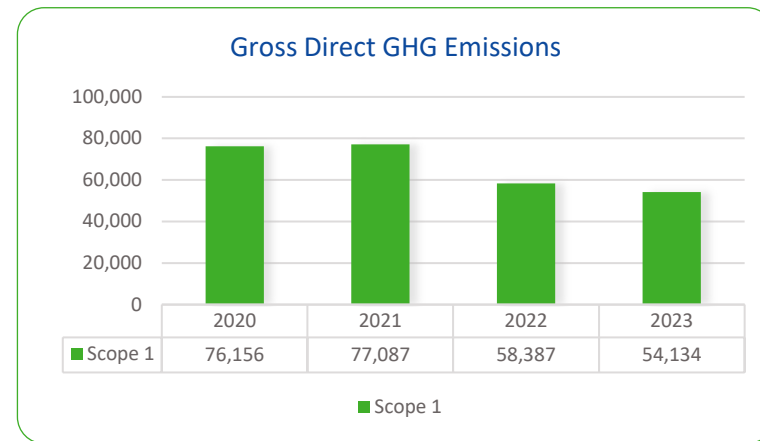


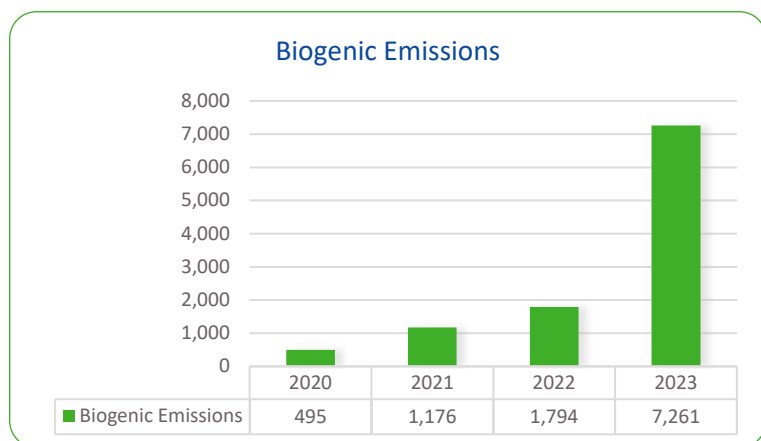
Table 14 Gases included in the calculation

GHG (tCO2e)	2020	2021	2022	2023
CH ₄	0.05%	0.05%	0.05%	0.06%
CO ₂	99.42%	99.30%	99.19%	98.49%
CO _{2e}	0.00%	0.00%	0.16%	1.04%
N ₂ O	0.52%	0.66%	0.60%	0.41%

Note: The reporting period is the calendar year (01 January to 31 December)

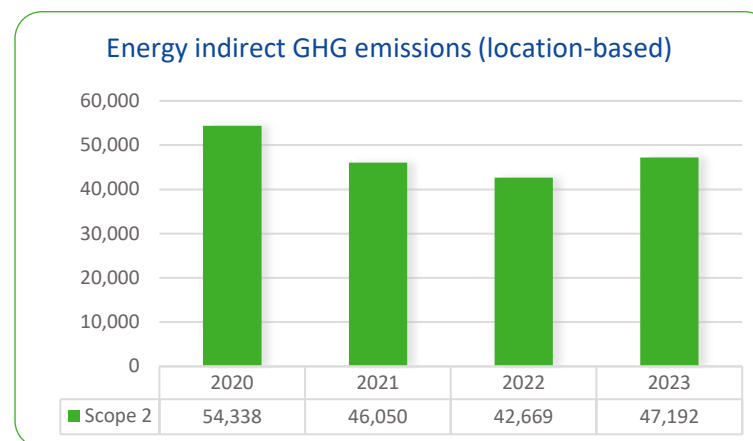
GRI Disclosure 305-1 Energy direct (Scope 1) GHG emissions (unit of measurement tCO2e)

Figure 6



GRI Disclosure 305-2 Energy indirect (Scope 2) GHG emissions (unit of measurement tCO2e)

Figure 7



The following sources for emissions factors have been used:

- [AIB](#)
- [DEFRA/DECC](#)
- [Australian Government](#)
- [The Greenhouse Gas Protocol Initiative](#)
- [IEA](#)
- [Canadian Government](#)
- [New Zealand Ministry for the Environment](#)

The following GWP sources have been used:

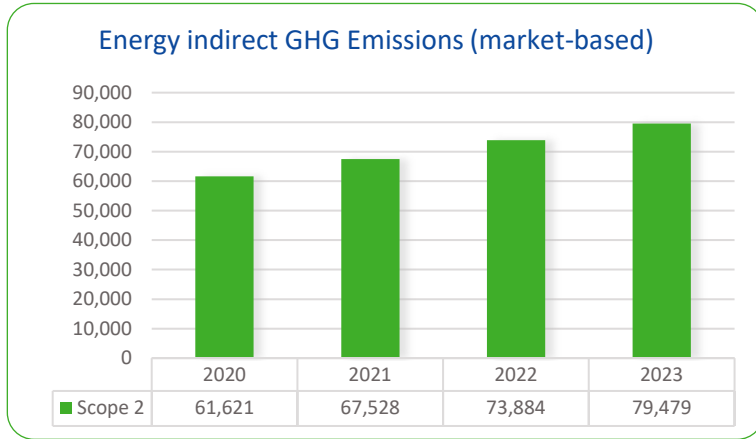
- [AR4 – 100 year](#)
- [AR5 – 100 year](#)
- [SAR – 100 year](#)

Table 15 Gases included in the calculation

GHG (tCO2e)	2020	2021	2022	2023
CH ₄	0.36%	0.43%	0.46%	0.48%
CO ₂	99.10%	99.00%	98.92%	98.99%
N ₂ O	0.54%	0.58%	0.62%	0.52%

Note: The reporting period is the calendar year (01 January to 31 December)

Figure 8



The following sources for emissions factors have been used:

- [AIB](#)
- [DEFRA/DECC](#)
- [Australian Government](#)
- [The Greenhouse Gas Protocol Initiative](#)
- [IEA](#)
- [Canadian Government](#)
- [New Zealand Ministry for the Environment](#)

The following GWP sources have been used:

- [AR4 – 100 year](#)
- [AR5 – 100 year](#)
- [SAR – 100 year](#)

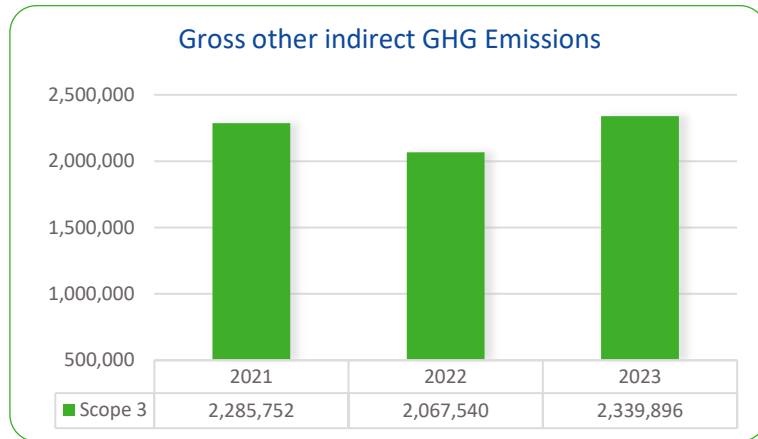
Table 16 Gases included in the calculation

GHG (tCO ₂ e)	2020	2021	2022	2023
CH ₄	0.08%	0.09%	0.09%	0.09%
CO ₂	99.88%	99.86%	99.86%	99.88%
N ₂ O	0.04%	0.05%	0.05%	0.04%

Note: The reporting period is the calendar year (01 January to 31 December)

GRI Disclosure 305-3 Other indirect (Scope 3) GHG emissions (unit of measurement tCO2e)

Figure 9



The following sources for emissions factors have been used:

- [DEFRA](#)
- [Supply Chain GHG Emissions Factors](#)

Table 17 Other indirect (Scope 3) GHG emissions categories and activities included in the calculation

Scope 3 Category (tCO2e)	2021	2022	2023
Category 1: Purchased goods and services	496,744	506,501	501,670
Category 2: Capital goods	75,561	89,472	105,748
Category 3: Fuel- and Energy-Related	25,354	22,801	25,146
Category 4: Upstream transport	30,215	31,135	54,548
Category 5: Waste	17,017	18,125	16,407
Category 6: Business travel	6,600	9,495	15,770
Category 7: Employee commuting	30,095	29,664	30,502
Category 8: Upstream leased assets	767	909	648
Category 9: Downstream transport	445	384	390
Category 10: Processing of sold products	-	-	-
Category 11: Use of sold products ¹	1,577,929	1,334,194	1,555,556
Category 12: End-of-life treatment of sold products	585	386	460
Category 13: Downstream leased assets	20,601	20,627	25,825
Category 14: Franchises	-	-	-
Category 15: Investments	3,838	3,848	7,226
Category 15: Pensions	-	-	1,268,302
TOTAL (ex-pensions)	2,285,752	2,067,540	2,339,896

GRI Disclosure 305-4 GHG emissions intensity (unit of measurement tCO₂e)

GRI 305-7 Nitrogen oxides (NO_x), sulfur oxides (SO_x) and other significant air emissions (unit of measurement kilograms or multiples)

Table 18

		2021	2022	2023
Total Value Chain Emissions (excl. pensions)	tCO₂e	2,430,367	2,199,813	2,473,509
Adjusted Revenue	£m	3,278	3,875	4,390
Intensity Ratio	tCO₂e / £m Revenue	741.4	567.7	563.4

Table 19

Emission Type	2020	2021	2022
NOX	7,818	7,750	5,372
PM	1,150	1,190	590
VOC	21,867	32,610	23,784
TOTAL	30,835	41,550	29,746

GRI 306-3 Waste generated (unit of measurement metric tons)

Table 20

Waste Type	Disposal Route	2020	2021	2022	2023
Agricultural and animal waste	Composting	-	-	-	-
	Deep well injection	-	-	-	-
	Incineration (energy recovery)	-	-	-	-
	Landfill	-	-	33.9	-
	On-site storage	-	-	-	-
	Other	-	-	-	0.3
	Recovery	-	0.5	0.5	-
	Recycling	-	1.1	-	-
	Reuse	-	-	-	-
Agricultural and animal waste TOTAL		-	1.6	34.4	0.3
Confidential waste	Composting	-	-	-	-
	Deep well injection	-	-	-	-
	Incineration (energy recovery)	-	-	-	55.8
	Landfill	0.8	0.6	-	-

	On-site storage	-	-	-	-
	Other	-	-	-	-
	Recovery	-	-	-	-
	Recycling	18.2	16.0	130.7	158.9
	Reuse	-	-	-	-
	Confidential waste TOTAL	19.0	16.6	130.7	214.7
Construction and demolition waste	Composting	-	-	-	-
	Deep well injection	-	-	-	-
	Incineration (energy recovery)	-	-	-	-
	Landfill	-	-	41.8	44.1
	On-site storage	-	-	-	-
	Other	-	-	-	2,668.1
	Recovery	-	-	-	-
	Recycling	99.2	70.5	453.8	558.6
	Reuse	-	13,230.3	0.6	-
	Construction and demolition waste TOTAL	99.2	13,300.8	496.2	3,270.8
Electronic and electrical equipment waste	Composting	-	-	-	-
	Deep well injection	-	-	-	-
	Incineration (energy recovery)	-	-	-	-
	Landfill	-	-	-	0.3
	On-site storage	-	-	-	-
	Other	-	-	-	0.1
	Recovery	3.9	1.6	-	0.1
	Recycling	65.6	55.8	9.7	1,138.2
	Reuse	-	-	-	-
	Electronic and electrical equipment waste TOTAL	69.5	57.4	9.7	1,138.7
Fossil fuel combustion waste	Composting	-	-	-	-
	Deep well injection	-	-	-	-
	Incineration (energy recovery)	3.0	8.0	-	-
	Landfill	5.0	-	-	-
	On-site storage	-	-	-	-
	Other	-	-	-	-
	Recovery	-	-	-	-
	Recycling	-	-	-	-
	Reuse	0.2	1.8	-	-
	Fossil fuel combustion waste TOTAL	8.2	9.8	-	-
Hazardous waste	Composting	-	-	-	-
	Deep well injection	0.3	0.6	-	-
	Incineration (energy recovery)	190.9	189.6	214.1	61.8

	Landfill	49.9	40.0	64.3	85.7
	On-site storage	48.9	46.6	56.2	-
	Other	18.4	14.8	38.8	295.9
	Other - Treatment	363.0	565.2	407.9	-
	Recovery	662.6	537.5	525.2	17.4
	Recycling	63.2	86.2	56.4	577.1
	Reuse	30.1	36.1	44.4	3.7
	Hazardous waste TOTAL	1,427.3	1,516.6	1,407.3	1,041.6
Industrial non-hazardous waste	Composting	0.3	0.8	0.6	-
	Deep well injection	-	-	-	-
	Incineration (energy recovery)	-	-	0.1	10.5
	Landfill	190.8	108.6	84.1	0.6
	On-site storage	-	-	-	-
	Other	4.1	4.1	166.2	78.6
	Recovery	0.2	-	3.5	5.0
	Recycling	830.0	862.6	1,347.6	4,221.7
	Reuse	207.1	52.0	28.1	-
	Industrial non-hazardous waste TOTAL	1,232.5	1,028.1	1,630.2	4,316.4
Medical waste	Composting	-	-	-	-
	Deep well injection	-	-	-	-
	Incineration (energy recovery)	0.1	0.1	0.1	0.1
	Landfill	1.4	0.8	0.1	-
	On-site storage	-	-	-	-
	Other	-	-	-	0.9
	Recovery	0.2	0.1	-	-
	Recycling	-	-	-	-
	Reuse	-	-	-	-
	Medical waste TOTAL	1.7	1.0	0.2	1.0
Municipal waste	Composting	7.7	3.9	0.2	0.1
	Deep well injection	-	-	-	-
	Incineration (energy recovery)	1.0	2.4	1,589.4	10,101.7
	Landfill	369.5	324.5	293.3	490.6
	On-site storage	-	-	-	-
	Other	-	-	0.4	11.1
	Other – Treatment	7,490.6	10,344.6	7,040.9	-
	Other – Organic to energy	-	0.5	-	-
	Recovery	5,156.8	3,269.0	147.5	7.8
	Recycling	6,282.6	7,105.6	4,759.0	4,196.2
	Reuse	173.9	118.3	18.5	130.1

Municipal waste TOTAL		19,482.1	21,168.8	13,849.2	14,937.6
Organic waste	Composting	-	-	-	20.4
	Deep well injection	-	-	-	-
	Incineration (energy recovery)	-	-	-	0.6
	Landfill	-	-	-	13.8
	On-site storage	-	-	-	-
	Other	-	-	-	-
	Recovery	-	-	-	-
	Recycling	-	-	-	23.4
Reuse	-	-	-	-	
Organic waste TOTAL		-	-	-	58.2
Other waste	Composting	-	-	-	-
	Deep well injection	-	-	-	-
	Incineration (energy recovery)	-	-	-	371.5
	Landfill	265.1	237.5	28,419.8	632.0
	On-site storage	-	-	-	-
	Other	4.1	0.1	17.9	41.2
	Other - Treatment	4.7	4.3	33.3	-
	Recovery	-	-	10.8	-
	Recycling	57.4	34.9	1,259.6	947.7
Reuse	-	-	51.0	104.8	
Other waste TOTAL		331.3	276.8	29,792.4	2,097.2
Persistent organic pollutant waste	Composting	-	-	-	-
	Deep well injection	-	-	-	-
	Incineration (energy recovery)	-	-	-	0.2
	Landfill	-	-	-	-
	On-site storage	-	-	-	-
	Other	-	-	-	-
	Recovery	-	-	-	-
	Recycling	-	-	-	-
Reuse	-	-	-	-	
Persistent organic pollutant waste TOTAL		-	-	-	0.2
Radioactive waste	Composting	-	-	-	-
	Deep well injection	-	-	-	-
	Incineration (energy recovery)	9.6	3.0	-	-
	Landfill (T)	50.1	62.2	8.3	84.6
	On-site storage	-	-	-	-
	Other	-	-	4.8	3.8
Recovery	-	-	-	-	

	Recycling	-	-	-	-
	Reuse	0.6	-	-	-
Radioactive waste TOTAL		60.3	65.2	13.1	88.4
Vehicle and oily waste					
	Composting	-	-	-	-
	Deep well injection	-	-	-	-
	Incineration (energy recovery)	-	-	-	15.7
	Landfill	-	-	-	-
	On-site storage	-	-	-	-
	Other	-	-	1.9	5,561.4
	Recovery	10.1	0.9	2.2	0.9
	Recycling	8.1	6.4	441.9	-
	Reuse	-	-	-	-
Vehicle and oily waste TOTAL		18.2	7.3	446.0	5,578.0
Grand Total (Tonnes)		22,749.3	37,450.0	47,809.4	32,743.1

Note: The reporting period is the calendar year (01 January to 31 December)

GRI Disclosures 306-4 Waste diverted from disposal and 306-5 Waste diverted to disposal (unit of measurement metric tons)

Table 21

Disposal Route	2020	2021	2022	2023
Composting (T)	3.7	4.1	0.8	20.5
Composting (m3)	12.2	11.1	-	-
Deep well injection	0.3	0.6	-	-
Incineration (energy recovery) (T)	196.5	201.7	1,803.7	10,617.83
Incineration (energy recovery) (m3)	23.0	4.0	-	-
Landfill (T)	826.6	656.8	28,945.6	1,351.62
Landfill (m3)	300.4	332.2	-	-
On-site storage	48.9	46.6	56.2	-
Other (T)	26.6	19	226.3	8,661.35
Other (m3)	-	-	10.7	-
Other – Organic to energy	-	0.5	-	-
Other – Treatment	7,858.3	10,914.1	7,482.1	-
Recovery (T)	5,833.8	3,809.6	688.8	31.227
Recovery (m3)	-	-	1.6	-
Recycling (T)	7,393.2	8,201	8,458.7	11,821.83
Recycling (m3)	88	107.8	-	-
Reuse	411.9	13,438.5	142.6	238.56

Note: The reporting period is the calendar year (01 January to 31 December)

GRI Disclosure 401-1 New Employee Hires and Employee Turnover

Table 22 *New hires by region by age*

	UK*	Germany	France	Australasia	Africa	Canada	Total
Under 30	1,661	-	54	252	56	69	2,092
30-50	2,505	-	95	428	128	59	3,215
Over 50	1,399	-	70	160	20	24	1,673
N/A	35	6	51	1	-	10	103
Total	5,600	6	270	841	204	162	7,083

Table 23 *Leavers by region by age*

	UK*	Germany	France	Australasia	Africa	Canada	Total
Under 30	769	-	31	134	37	48	1,019
30-50	1,662	-	42	237	158	36	2,135
Over 50	1,447	-	53	142	53	25	1,720
N/A	57	12	63	-	-	-	132
Total	3,935	12	189	513	248	109	5,006

Table 24 *New hires by gender*

	UK*	Germany	France	Australasia	Africa	Canada	Total
Female	1,217	-	41	173	51	47	1,529
Male	4,326	-	229	664	115	102	5,436
Non binary	3	-	-	2	-	-	5
Not specified	-	6	-	-	38	10	54
Prefer not to say	54	-	-	2	-	3	59
Total	5,600	6	270	841	204	162	7,083

Table 25 *Leavers by gender*

	UK*	Germany	France	Australasia	Africa	Canada	Total
Female	692	-	29	104	45	27	897
Male	3,138	-	160	407	172	79	3,956
Non binary	-	-	-	-	-	-	-
Not specified	45	12	-	1	31	2	91
Prefer not to say	60	-	-	1	-	1	62
Total	3,935	12	189	513	248	109	5,006

Note:

*Includes other countries not reported separately

UK data uses permanent employee data only

The reporting period is 01 April 2023 to 31 March 2024

GRI Disclosure 401-3 Parental Leave

Table 26 Employees taking parental leave and number of days taken by gender

	UK	Germany	France	Australasia	Africa	Canada	Total
Male	395	-	9	39	10	16	469
Female	237	-	3	25	7	7	279
Total	632	-	12	64	17	23	748

Table 27 Employees that returned to work (RTW) after parental leave by gender

	UK	Germany	France	Australasia	Africa	Canada	Total
Male	395	-	9	38	10	13	465
Female	236	-	2	18	7	3	266
Total	631	-	11	56	17	16	731

Table 28 Total number of days taken for parental leave

	UK	Germany	France	Australasia	Africa	Canada	Total
Male	5,398	-	151	342	26	1,119	7,036
Female	41,192	-	128	1,672	570	1,205	44,767
Total	46,590	-	279	2,014	596	2,324	51,803

Table 29 Employees that RTW after parental leave and remained employed after 12 months by gender

	UK	Germany	France	Australasia	Africa	Canada	Total
Male	297	-	4	31	10	3	345
Female	118	-	1	14	7	6	146
Total	415	-	5	45	17	9	491

	Male	Female
Return to work rate	99%	95%
Retention rate	90%	70%

Note: The reporting period is 01 April 2023 to 31 March 2024

*The figures in table x are not aligning with the figures in table x as they may still be out on mat/ pat leave (not returned yet but are still active)

GRI Disclosure 404-1 Average hours of training per year per employee

Table 30

Training	Percentage of completed training
Acceptable Use Policy	92%
Anti-Bribery Training	95%
Cyber Security Awareness Training	92%
Data Protection Training	94%
Trade Controls Awareness	97%

GRI Disclosure 404-3 Percentage of employees receiving regular performance and career development reviews

Table 31

	HR System Recorded	Africa	Percentage of employees
Male	11,285	220	51%
Female	3,733	344	75%
Prefer not to say	19	-	36%
Use another term	1	-	100%
Gender fluid	2	-	100%
Not specified	7	-	5%
Non binary	7	-	39%
N/A	-	-	-
Total	15,054	564	55%

Demographic Total Employees

Male	See 401-1
Female	See 401-1
Prefer not to say	See 401-1
Use another term	1
Gender fluid	2
Not specified	See 401-1
Non binary	See 401-1
N/A	-

Note: The reporting period is 01 April 2023 to 31 March 2024

GRI Disclosure 405-1 Diversity of governance bodies and employees

Table 32

	Under 30	30-50	Over 50	Not Available	Men	Women	LGBTQ+	BAME	Total
Senior leaders by age	-	131	119	17	-	-	-	-	267
Senior leaders by diverse groups	-	-	-	-	206	61	-	-	267
Senior leaders by diverse groups*	-	-	-	-	-	-	-	-	-
All employees by age	5,306	12,731	10,034	272	-	-	-	-	28,343
All employees by diverse groups**	-	-	-	-	22,704	5,439	-	-	28,143
All employees by diverse groups***	-	-	-	-	-	-	257	264	521

GRI Disclosure 406-1 Incidents of Discrimination and Corrective Action Taken

Table 33

Whistleblowing Line (Global)	Total
Number of incidents of discrimination during the reporting period	3
Total	3

Note:

* No senior leaders have disclosed they are LGBTQ+ or BAME

** As per 401-1, this is excluding 18 non binary, 109 not specified, and 51 prefer not to say

*** Number of employees who have disclosed they are LGBTQ+ or BAME

The reporting period is 01 April 2023 to 31 March 2024

GRI 2-28 Membership associations

Table 34

- 5% Club
- ADS
- Apprentice Ambassador Network (AAN)
- Armed Forces Covenant
- Careers & Enterprise Company
- Chapter Zero
- Defence Growth Partnership
- Defence Suppliers Forum
- Developing the Young Workforce (DYW)
- Disability Confident Employer commitment
- Institute of Student Employers (ISE)
- MarRI-UK
- Menopause Workplace Pledge
- Progressive Aboriginal Relations pledge
- Race at Work Charter
- Science Based Targets
- Social Mobility Pledge
- The Hidden Talent
- The Valuable 500
- Tomorrow's Engineer Code
- UK Defence Industry Safety Forum
- We Mean Business Coalition
- Women in Defence

Basis of reporting

Reporting Period

Babcock International Group plc ESG performance data reporting covers the period from 1 April 2023 to 31 March 2024 unless otherwise stated.

Scope

Unless we state otherwise, the ESG performance data is reported on the same principles as the financial statements. Thus, our reporting covers Babcock's wholly owned and joint operations and subsidiaries.

Reporting Boundaries

The reporting process, collation of the data and drafting of the ESG report, is managed by the Group Sustainability team prior to review and verification by functional owners and subject matter experts using their local systems and processes.

Whilst the aim of our reporting processes is to provide data that is complete, accurate and reliable with built in verification, this report has required numerous complex streams of data and it is not possible to guarantee this. Where we have made estimates or exercised judgement, this is highlighted within this reporting.

This document was approved by our Group Sustainability Director. Our sustainability data has not been subject to external assurance unless indicated.

Exceptions

We have listed below the disclosures identified as not material for Babcock as a Group in FY24:

- GRI 410: Security Practices 2016
- GRI 416: Customer Health and Safety 2016
- GRI 417: Marketing and Labelling 2016

ENVIRONMENTAL DATA

The following standards, assumptions and methodologies have been applied throughout the environmental reporting process.

Reporting Period & Baseline Year

Babcock International Group plc's environmental reporting period is the calendar year (01 January to 31 December). To ensure consistency across all standards and frameworks, the baseline year for all environmental reporting is 2021.

Data Collection Approach

All scope 1 & 2 environmental data has been collected and calculations conducted using an operational control approach (Section 3/4 GHG Protocol), using a consistent group of entities across all years detailed in this report (Section 5 GHG Protocol). The data has been collected based on automatic meter readings where possible, or supplier invoices/portals. Where quantity/volume data was unavailable, a spend based approach was used. A centralised approach to gathering data was used to minimise the reporting burden on the business and ensure a consistent approach.

Scope 3 data has been collected and calculated using a hybrid spend and revenue-based approach.

Where practical, the completeness principle of the GHG Protocol Corporate Standard has been applied. There are some instances where due to the nature of the activities being undertaken at certain sites, the collection of certain data has not been possible.

Calculation Tools

All reported scope 1 & 2 data as well as category 6 of scope 3, has been uploaded to Diligent (formerly Accuvio) which is a cross sector tool. All conversions and calculations for both GHG and energy are carried out and managed within the system and are compliant with international protocols. Custom and supplier specific emission factors are the primary source used, in lieu of this regional or country specific are applied, and

where emission factors are unavailable the GHG Protocol emission factors are used (Accuvio.com).

Missing Data

Where data has been found to be missing, the next available year has been used to illustrate the consumption/usage of missing data. Where a site/supplier/service provider has been unable to provide current data, an average of the last 3 years has been used to illustrate the consumption/usage of missing data.

In 2023, the following percentages of Scope 1 & 2 data were estimated to ensure a consistent group of entities across all years:

- 2020 – 7%
- 2021 – 8%
- 2022 – 5%
- 2023 – 0%

Approach to Acquisitions/Divestments

Where a site has been acquired by the business, every effort has been made to acquire actual consumption/usage data from the vendor. Where this is not possible, the approach to missing data has been used. If a site has been built by the business, consumption/usage data has been collected from the point of occupation. Where a legal entity/site has been divested from the business' portfolio, the relevant data has been archived and is no longer reported.

More information can be found in our [Annual Report 2024](#)

SOCIAL DATA

Health and Safety

All accidents, regardless of severity of the injury, are reported. A recordable event is any work-related injury and illness that results in death, loss of consciousness, days away from work or medical treatment beyond first aid and is aligned to internationally recognised OSHA recording methodology.

The **Total Recordable Injury Rate (TRIR)** is expressed as: the number of recordable work-related injuries and illnesses multiplied by 200,000 divided by the total working hours. (200,000 hours equates to 100 employees working 40 hours for 50 weeks per year).

The work-related injuries or illnesses that resulted in employees being away from work for one day or more are recorded as Days Away from Work Cases and the **Days Away from work Case Rate (DACR)** is expressed as: the number of recordable work-related injuries and illnesses multiplied by 200,000 divided by total working hours. (200,000 hours represents 100 employees working 40 hours for 50 weeks per year).

Events that occur involving contingent workers and consultants whilst working for Babcock are included within the figures as they come under the direction and control of Babcock, we have health and safety responsibilities for them, and we do not differentiate between temporary and permanent workers. Events that occur to others that are working or visiting Babcock facilities are reported. They are then investigated and recorded by Babcock or the sub-contractor, whichever is assessed as the most appropriate organisation.

Events are reported across Babcock using the group-wide safety, health and environmental protection management information system SYNERGI LIFE. This system is also used for proactive management and investigation of events, trend analysis and for company and group wide reporting.

Inclusion and Diversity

The data included in our responses covers our global workforce. Data for our UK, Australasia and Canada-Based employees is held in our HR Information System (SuccessFactors). The data for the other direct reporting countries (DRCs) is held in local HR Systems for their respective country or entity. This data is then manually aggregated to form a complete picture for our global workforce. Any exceptions / assumptions been noted in the individual response. Note that while we actively encourage our employees to provide their personal data, employees might choose to not disclose diversity data.

Find our public statement on our [website](#).

Pay Gap

For gender pay gap calculations see page four of our [Gender Pay Gap Report 2023](#).

More information can be found in the social section of our Annual Report on pages [81 to 85](#).

Governance and ethics

Babcock is committed to conducting business honestly, transparently and with integrity. We have policies and procedures in place to ensure that employees are aware of business ethics, and we maintain internal policies and procedures to ensure that the Group complies with all applicable laws and regulations. We also have suitably qualified and experienced employees and/or expert external advisors to advise and assist on regulatory compliance.

Our [Code of Conduct](#), together with our [Ethics policy](#), sets out the clear expectations that we have of our employees. We seek to reinforce these values with all employees through several different processes, for example, our training.

Several training courses such as Acceptable Use Policy, Cyber Security Awareness and Anti-bribery and Corruption, are mandatory for Babcock employees and must be completed annually (see Table 30)

Babcock has a governance structure in place to ensure data security risks are identified, impact assessed and that necessary mitigating actions are recorded and implemented. Records of information assets are held in a central register and asset owners (IAOs) are assigned with responsibility for assessment and management of associated risks in alignment with Babcock's overall risk appetite. Senior Information Risk Owners (SIROs) are responsible for data security within their respective areas, and this includes escalation of data security risks to the overall business risk register.

Where required, we create training materials in local languages.

Our [whistleblowing](#) telephone service and online portal is confidential and is available 24 hours a day, seven days a week in multiple languages. The independent confidential reporting service is operated by an [independent company](#). Employees can leave their name and contact details if they wish or choose to leave a completely anonymous message. Employees' concerns will be relayed, on a confidential basis, to the Company Secretary who will make sure that they are investigated.

Sustainable Supply Chain

At Babcock we are committed to conducting business honestly, transparently and with integrity. To protect the Company and reduce risks, we have set out a policy on how we should conduct business, which we summarise in the form of the [Babcock Code of Business Conduct](#).

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. Our [Modern Slavery Transparency Statement](#) is reviewed and approved by the Board.

To reinforce our commitment, we have published our [Sustainable Procurement Policy](#) and [Supplier Guide](#). These documents serve as key references for setting expectations with our suppliers regarding ethical and sustainable procurement and encourage suppliers to align with our vision, contribute to social responsibility and support the development of sustainable products and services.

We follow the [Payment Practices and Performance Regulations](#) which require us to report on a half-yearly basis on our payment practices, policies and performance. This information is published through an [online service](#) provided by the government and is available to the public. To see our FY24 average payment term to our suppliers, see our Annual Report, pages [86 to 87](#).

Suppliers' volume and value statistics are the aggregation of ERP invoice information from across the group. For reporting SME status, we utilise our vendor master information as well as the suppliers registered country to determine region or location.

For more information, please visit the [ESG Policies and Statement](#) page on our website

babcockTM

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