



trusted to deliver™

Modern Slavery Transparency Statement year ending 31 March 2017

Babcock is an international company and we are committed to conducting our dealings, whether with customers, suppliers, employees or the communities in which they are based, with the utmost integrity and as such we are committed to supporting the elimination of acts of modern slavery. All our businesses, wherever they are located and wherever they have dealings in the world, are required to respect people and to value their diversity. Our aim is to create an inclusive organisation where everyone's skills and contributions are welcomed and valued. This approach is enshrined in our Babcock Code of Conduct and also embedded in our attitude to health and safety.

Our business is principally involved in the delivery of highly technical and complex engineering services to pre-dominantly governmental or blue chip customers, about 90% of whom are located in the UK, Europe, North America, Australia or New Zealand. We believe that our exposure to the risks of modern slavery is low within our own business and supply chain. However, this assessment is kept under continuous review to confirm if circumstances change requiring the institution of additional actions.

Although we believe that our exposure to the risks of modern slavery is low, we have undertaken the following measures to mitigate further modern slavery and human trafficking in our own business and supply chain:

- Introduced a Supplier Code of Conduct to mirror our internal Code of Business Conduct and Policies which will promote our values through our supply chain
- Promoted Modern Slavery awareness and guidance on how to reduce the risk of Modern Slavery across our Procurement and Supply Chain teams
- Improved our modern slavery risk assessment via our Babcock due diligence toolsets for new and existing suppliers. This due diligence toolset is regularly reviewed, and has recently been refined to assist with supply chain awareness and facilitate measurement of supplier mitigation activities relating to modern slavery

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 in our operations across the world. We welcome the opportunity we have to contribute positively to global efforts to ensure that human rights are understood and observed. We believe that a culture of respect for and promotion of human rights is embedded throughout our business and can be demonstrated by our commitment to ethical conduct in everything we do.

We expect the same commitment from our suppliers and for them to flow down that commitment through the Supply Chain. The Babcock Supplier Code of Conduct describes the Company's expectations of all those suppliers doing business with Babcock. In addition to communicating Babcock's values, it mandates full compliance with all laws and regulations. It also addresses the proper handling of intellectual property and other sensitive data, health, safety and environmental concerns as well as Human Rights.

This statement has been approved by the Board of Babcock International Group PLC and is made in accordance with Section 54(1) of the Modern Slavery Act 2015.

A handwritten signature in black ink that reads "Archie Bethel".

Archie Bethel
Chief Executive Officer
May 2017