

Supplier Code of Conduct 2025

Guidance for Responsible Business



Introduction

Responsible behavior is essential to our reputation and success. We are committed to upholding high ethical standards that support our role as a trusted partner to our customers. This means operating responsibly and conducting business with integrity. But we can't achieve this alone - you play a key role. To clearly communicate what we expect from you and your supply chain partners, we've developed our Supplier Code of Conduct. This document outlines best practice guidelines, and as a supplier, you are expected to adopt these within your organization or produce a document that aligns with the principles outlined here. The Supplier Code of Conduct is not intended to override or alter the terms of your existing supplier agreements with BAE Systems. If your contract, or any legal or regulatory requirement, covers the same topics addressed in this Code, you are required to comply with those obligations.



Human Rights

We expect our suppliers to uphold and protect human rights by treating their employees, suppliers, and third parties with respect. This includes promoting fair labor practices, providing fair and competitive wages, and strictly prohibiting harassment, bullying, discrimination, retaliation, modern slavery, and human trafficking. Suppliers are expected to carry out appropriate due diligence to identify potential human rights risks. This should be supported by systems and processes designed to minimize the likelihood of such abuses occurring. In identifying, investigating, and reporting concerns, suppliers should foster a culture of transparency and full disclosure.

Inclusion

We expect our suppliers to cultivate a high-performing workforce that drives business success and growth by fostering an inclusive culture - one where all employees are respected, valued, and feel a strong sense of belonging and purpose. Everyone should have the opportunity to contribute fully to our shared mission. Suppliers are expected to provide equal employment opportunities and to strictly prohibit discrimination of any kind. They must also comply with all applicable anti-discrimination laws and regulations.

Modern Slavery including Human Trafficking, Forced, or Indentured Labour and Child Labour

We expect our suppliers to refrain from any form of modern slavery, including human trafficking, and forced, bonded, or indentured labor.

All work must be performed voluntarily, without the use of unlawful, coerced, or bonded labor, and must not be linked to human trafficking or the involuntary relocation of individuals. Employees must be free to choose their employment and to leave at their own discretion. Suppliers are expected to provide each employee with a written employment contract or offer letter - depending on local legal requirements - in their native language. This document must clearly outline the employee's rights and responsibilities regarding wages, working hours, benefits, and other terms and conditions of employment. Where legally required, contracts must also be properly registered. Suppliers must not work with recruiters who fail to comply with relevant labor laws or who lack transparency in their practices.

Employee freedom of movement must not be unreasonably restricted or limited through coercion. Suppliers must not require the surrender of government-issued identification or work permits, nor should they impose unreasonable recruitment fees, housing charges, or documentation costs that effectively bind workers to their jobs.

We also expect our suppliers to ensure that child labor is not used in any aspect of their operations. A "child" is defined as any individual under the legal minimum age for employment in the location where the work is performed, or under the minimum working age defined by the International Labour Organization (ILO) - whichever standard is higher.



Wage, Benefits, and Working Hours

We expect our suppliers to provide workers with at least the minimum compensation and insurance required by local laws, along with all legally mandated benefits. Suppliers are also expected to ensure that employees receive regulated working hours, appropriate daily and weekly rest periods, and annual leave, in full compliance with applicable laws and regulations.

Health and Safety

We expect our suppliers to comply with all applicable occupational safety and health laws and regulations. In addition, suppliers are expected to provide a safe and healthy work environment and to implement a robust occupational safety and health management program. This program should be designed to protect the health, safety, and well-being of workers, contractors, visitors, and others who may be affected by their operations.

Harassment and Bullying

We have zero tolerance for harassment or bullying of any kind - including, but not limited to, sexual harassment. We expect our suppliers to uphold this same commitment. Suppliers are responsible for ensuring compliance with all applicable local laws and regulations related to harassment and bullying, including in any interactions with BAE Systems personnel.

Help and Guidance

We expect our suppliers to foster an environment where concerns can be identified - both within their own organization and throughout their supply chain. Suppliers should establish or clearly communicate mechanisms that allow employees, suppliers, or third parties to raise concerns - confidentially if needed - without fear of retaliation.

In addition, we expect suppliers to report any ethics or legal concerns related to their own operations, supply chains, or any BAE Systems activities they observe, either on-site or in connection with business dealings. The BAE Systems Ethics Helpline is available for suppliers to report any potential violations of these principles, including issues involving human rights, corruption, fraud, or unethical behavior within BAE Systems or its supply chain.



Code of Conduct and Compliance

Our internal BAE Systems Code of Conduct is a cornerstone of our commitment to responsible business practices. We expect our suppliers to implement and follow their own written code of conduct that aligns with the principles outlined in this document - or to adopt these principles directly. Additionally, depending on the size and nature of their business, suppliers are expected to have management systems in place to support compliance with all applicable laws and regulations.

Facilitation Payments

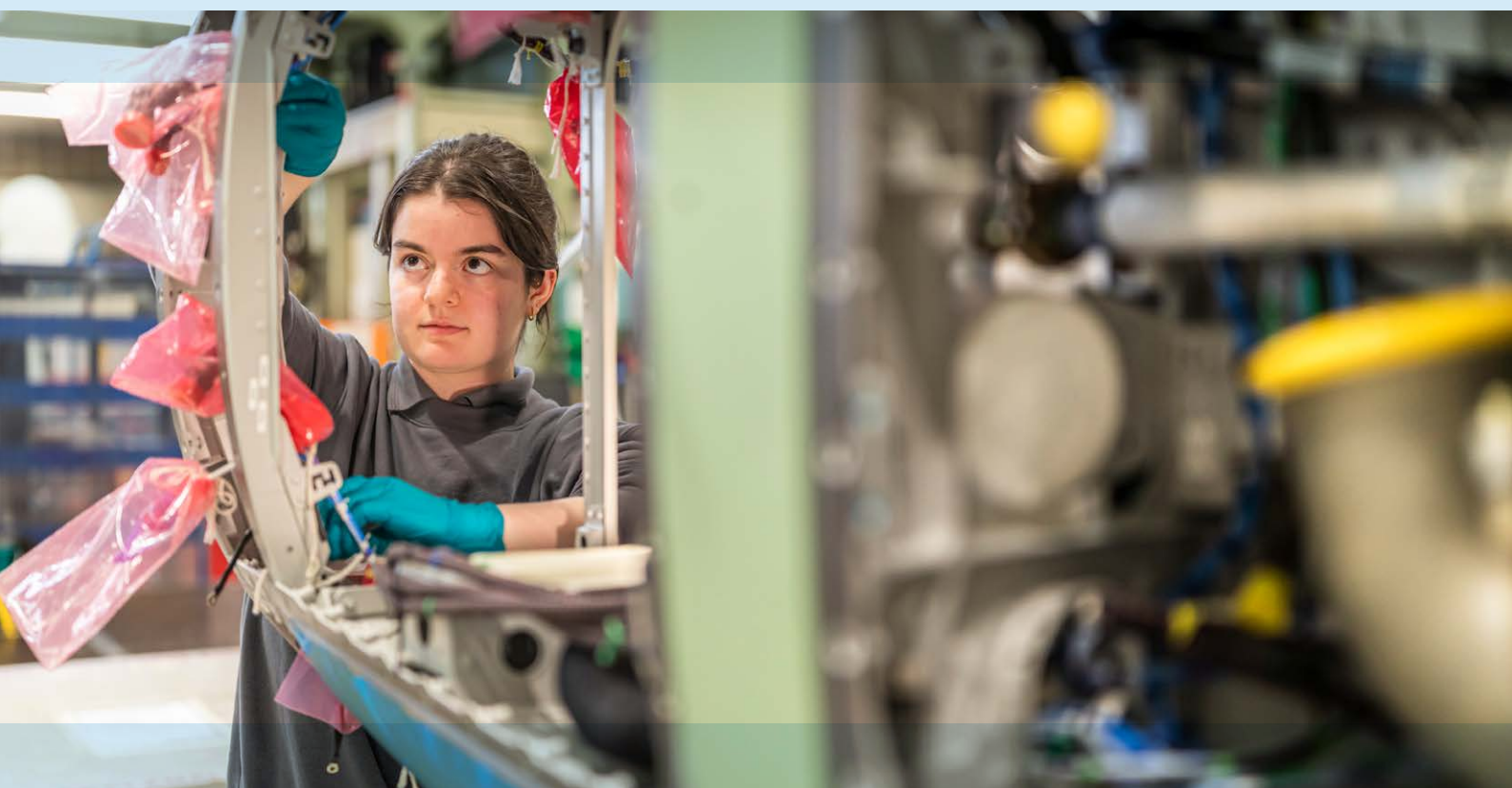
We do not make facilitation payments and expect our suppliers not to make such payments - either directly or indirectly - on our behalf. Facilitation payments do not include fees that are legally required, such as filing fees for official documents. They also do not include lawful expediting payments that are clearly outlined in an official, published fee schedule and for which a receipt is issued.

Gifts and Hospitality

We expect our suppliers to ensure that the offering, giving, requesting, or receiving of any gift or hospitality complies with all applicable laws and regulations. It must not breach the policies or standards of either the giver's or the recipient's organization, and it should align with reasonable market norms and expectations. Gifts and hospitality must never involve cash or cash equivalents. Suppliers are expected to have a clear gifts and hospitality policy in place and to ensure strict adherence to it.

Anti-Corruption

We expect our suppliers to comply with all applicable anti-corruption laws and regulations, including, where relevant, the U.S. Foreign Corrupt Practices Act (FCPA), the UK Bribery Act, or equivalent standards. We have zero tolerance for bribery or corruption in any form. Suppliers must not offer, promise, give, accept, solicit, or receive any payment, benefit, or gift that could be perceived as a bribe, kickback, or other improper incentive - whether directly or through a third party, and regardless of the business purpose. Suppliers are expected to conduct reasonable due diligence to prevent and detect bribery and corruption across all areas of their business operations. Additionally, suppliers must implement appropriate and effective procedures to proactively prevent such misconduct from occurring.



Anti-Trust and Competition

We expect our suppliers to conduct their business in full compliance with all applicable competition and antitrust laws and regulations. Suppliers must not engage in any formal or informal anti-competitive practices, including but not limited to price-fixing, bid-rigging, limiting supply, market allocation, or any other actions that unlawfully restrict competition.

Accurate Record Keeping

We expect our suppliers to accurately and securely create, capture, store, and retain, as appropriate, business records.

Timely Payment

We expect our suppliers to pay their suppliers on time in accordance with agreed contractual payment terms and appropriate payment practices.

Conflicts of Interest

We expect our suppliers to identify and avoid any actual, potential, or perceived conflicts of interest in their interactions with BAE Systems. We recognize that such situations may occasionally arise in the normal course of business. When they do, we expect suppliers to promptly disclose the conflict to BAE Systems and any other affected parties to ensure transparency and maintain trust.

Management of Risk

Suppliers are encouraged to take a proactive approach to identifying and managing risks within their operations and across their supply chains. In cases where there is a high risk to supply continuity or cost stability, suppliers are expected to communicate promptly with BAE Systems to discuss the risks and appropriate mitigation strategies.

Proper Payment of Taxes

We expect our suppliers to accurately and transparently record all financial aspects of their operations, to represent themselves truthfully to the appropriate tax authorities, and to comply with all applicable tax laws. Suppliers are also expected to have effective processes in place to prevent the facilitation of tax evasion by employees or any individuals performing services on their behalf.

Fraud

We expect our suppliers to comply with all applicable laws and regulations related to fraud. We have zero tolerance for fraudulent activity in any form. Suppliers are expected to represent themselves truthfully and with integrity, and to uphold high ethical standards in all business dealings.

Trade Controls and Sanction

We expect our suppliers to conduct their business in full compliance with all applicable trade control laws. This includes regulations governing the export, re-export, transfer, brokering, and import of controlled hardware, technology, technical data, software, and services. Suppliers are also expected to carry out appropriate due diligence and screen third parties they engage with to ensure full compliance with all relevant financial sanctions, trade embargoes, and other restrictive measures imposed by any applicable government authority.

Product Quality

BAE Systems expects its suppliers to maintain high product quality standards through continuous improvement and a strong focus on defect prevention. Suppliers should implement robust quality assurance processes to promptly detect and correct any defects. Industry best practices - such as thorough testing and validation - must be followed to ensure product reliability and regulatory compliance. All quality-related activities must be performed by authorized personnel. A zero-defect mindset is essential, supported by proactive monitoring of both manufacturing and supply chain operations. Suppliers are expected to deliver reliable products on time and at a competitive cost.

Counterfeit Parts

We expect our suppliers to develop, implement, and maintain methods and processes suited to their products to prevent the delivery of counterfeit parts and materials. Suppliers must have effective procedures in place - along with regular training - to detect, report, and quarantine counterfeit items and to ensure they do not re-enter the supply chain. BAE Systems expects its suppliers to source components only from original equipment manufacturers (OEMs), original component manufacturers (OCMs), or their authorized distributors. Suppliers must comply with all applicable laws, regulations, and industry best practices when doing business with BAE Systems. Suppliers are required to notify us immediately if counterfeit parts or materials are detected or even suspected.

Intellectual Property

We expect our suppliers to respect the intellectual property rights of others and to conduct themselves in a way that consistently honors those rights. Suppliers must comply with all applicable laws and regulations related to intellectual property, as well as fulfill their contractual obligations concerning the protection and proper use of intellectual property.

Security

BAE Systems expects its suppliers to embed security into their governance structures, organizational culture, values, and day-to-day behaviors. Every member of the supplier's workforce should be empowered to take personal responsibility for achieving strong security outcomes. Security risk management must be owned and actively supported by senior leadership to ensure that information and assets remain secure, and that supplier operations and services remain resilient. When a supplier is responsible for creating, handling, storing, or managing information, assets, or services on behalf of BAE Systems or its customers, a layered security approach is required. This should include appropriate cyber, physical, and personnel security controls, implemented in accordance with all relevant laws, regulations, and contractual obligations. Suppliers are expected to carry out appropriate assurance activities to validate the effectiveness of their security risk management strategies. In the event of a security incident - including one involving the supplier's own supply chain that could affect BAE Systems - suppliers must take immediate action to contain and address the issue. They are also expected to promptly notify and collaborate with BAE Systems to resolve and mitigate any impacts. Finally, we expect suppliers to maintain the capability to anticipate, withstand, and recover from adverse events in order to provide continuous and resilient service to BAE Systems and its customers.



Environment Responsibility

BAE Systems expects its suppliers to operate responsibly by minimizing environmental risks and impacts wherever practicable, while complying with all applicable environmental laws and regulations. Suppliers should work to improve the efficiency and resilience of their operations through energy optimization, responsible resource management, and the protection of natural ecosystems. This includes adopting energy sources with a lower environmental footprint, reducing waste, enhancing operational efficiency, and actively mitigating pollution. BAE Systems values collaboration with its suppliers on these efforts and supports continuous improvement initiatives that align with global best practices. Together, we aim to build a more sustainable, low-impact, and resilient supply chain.

Responsible sourcing

We expect our suppliers to ensure that the materials used in their products - including constituent minerals - are sourced responsibly. This includes conducting appropriate due diligence to trace the origin of materials and supporting efforts to eliminate the use of any minerals that directly or indirectly fund or benefit armed groups involved in serious human rights abuses.

People & Communities

We aim to make a positive social and economic impact in the communities where we live and work by supporting and engaging in initiatives that align with our business goals, customer interests, and local community priorities. These efforts include education, workforce development, charitable giving, employee engagement, and other activities that support our broader mission. We expect our suppliers to understand the relevant legal, customer, business, and community factors that influence these efforts - and to align with and support them where appropriate.



Contacts



We expect our suppliers to report any concerns with this Code of Conduct to the BAE Systems Ethics Helpline

www.safecall.co.uk/baepbc or **ethics.helpline@baesystems.com** or by telephone at the appropriate number below:

Australia 1 800 803732

Belgium 00800 72332255

Canada 1877 59 98073

Ireland 1800 812740

India 000800 440 1256

Japan 0120 921067

Kuwait +44 191 516 7756

Kingdom of Saudi Arabia 8008443328

Malaysia 1800 220054

Oman 800 72323

Poland 00800 72332255

Qatar 8000 250

Singapore 800 4481773

Turkey 00800 4488 20729

UAE 8000 4413376

United Kingdom 0800 0126930

United States 1 866 901 3295

Suppliers to BAE Systems, Inc. businesses may also contact the Ethics Helpline at:

www.ethicshelpline.us.baesystems.com **ethics.inchelpline@baesystems.com**
or by telephone at the appropriate number below:

United States 888 374 0123

Sweden 46 8 121 117 23

United Kingdom 0800 208 1069

Mexico 800 681 1854

Poland 800 005 024

Czech Republic 420 234 043 206

For more information:

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