

Our Code of Conduct

Our guide for navigating
difficult decisions



BAE SYSTEMS

Contacting the Ethics Helpline

If your concern relates to BAE Systems Inc., Electronic Systems, Enterprise Shared Services, Intelligence & Security or Platforms & Services, please use the relevant contact details below:

United States	888 374 0123
Czech Republic	+420 234 043 206
Mexico	800 681 1854
Poland	800 005 024
Sweden	+46 8 121 117 23
United Kingdom	0800 208 1069

Website: www.mycompliancereport.com/report?cid=BAE

If your concern relates to a whistleblowing matter regarding one of the two Swedish businesses within BAE Systems, Inc. or Platforms & Services, please use the relevant contact details below:

BAE Systems Hägglunds AB +46 10 182 02 48
Unique company code: BHG725

BAE Systems Bofors AB +46 10 182 02 48
Unique company code: BFS825

Website: <https://wb.2secure.se>

More information regarding BAE Systems Hägglunds' and BAE Systems Bofors' Whistleblowing system can be found on https://app.mycompliancereport.com/assets/DM-1170035-v2-Whistleblowing-Information_ENG__283_29.pdf



If your concern relates to Air, BAE Systems Saudi Arabia, Maritime and Land UK, BAE Systems Australia, Digital Intelligence, UK and RoW Shared Services or Head Office please use the relevant contact details below:

Australia	1 800 803732
Kingdom of Saudi Arabia	800 844 3328
United Kingdom	0800 0126930
Belgium	00 800 72332255
Canada	1877 59 98073
India	000 800 4401256
Japan	0120 921067
Kuwait	+44 191 516 7756
Malaysia	1800 220 054
Oman	800 72323
Poland	00 800 72332255
Qatar	8000 250
Singapore	800 4481773
Turkey	00800 4488 20729
UAE	8000 4413376
United States	+1 866 901 3295

Website: <https://www.safecall.co.uk/baepbc>

Email: ethics.helpline@baesystems.com

All other countries

If your country is not listed or you are experiencing difficulties contacting the Ethics Helpline, you can contact our collect call number, free of charge.

Dial the international operator and request an international reverse charge call to: +44 191 516 7749.

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Message from the Chief Executive



"Our Code of Conduct defines the standards and behaviors expected of us all at BAE Systems."

Being a responsible business

BAE Systems is a company that we are all proud to work for. Our customers, communities, shareholders, partners and colleagues expect and deserve the highest standards of business conduct from each of us. We earn and maintain their trust through the quality and integrity of our daily decisions and actions.

Our Code of Conduct defines the standards and behaviors expected of us all at BAE Systems. It supports us in making decisions and outlines the ways in which we can seek help and advice if we are unsure of the right thing to do in any situation. It guides us in creating an environment in which everyone can bring their whole selves to work and give their best for our customers and colleagues - where questions, issues and new ideas can be raised, discussed and considered with openness and respect.

The principles of our Code of Conduct are enduring and fundamental to how we do business, and underpin a culture where every one of us is guided and supported to make responsible decisions in our work. We all have an obligation to understand our Code of Conduct, to follow its guidance and to speak up if we have questions or concerns.

I'd encourage all of us to spend time reviewing this Code and consider how you can make it real in your everyday work.

A handwritten signature in black ink, which appears to read "C Woodburn".

Charles Woodburn – Chief Executive

Our Code of Conduct

Maintaining the highest standards of conduct is at the heart of how we do business.

Our Code of Conduct lays out the standards and behaviors that are expected of each of us. It guides us in acting responsibly and ethically in everything we do.

As employees of BAE Systems, we are each responsible for understanding and complying with our Code, along with the commitments, laws and regulations that relate to our business activities, and the workplace policies and processes that address them.

Within our Code, you will find examples of situations you might face in your day-to-day work and advice on where to get information and support if you are ever unsure about what to do.

Who must follow our Code of Conduct?

All employees, as well as the Board of Directors, must follow our Code of Conduct. Each of us, wherever we work, is required to behave in accordance with the standards outlined in our Code when dealing with colleagues, business partners, customers, suppliers, contractors, competitors and other stakeholders.

Joint ventures controlled by BAE Systems are required to uphold standards that are substantially equivalent to this Code. Joint ventures not controlled by BAE Systems are encouraged to adopt standards that are substantially equivalent to this Code.

We encourage our business partners, contractors and suppliers to adopt the same or equivalent standards of ethical business conduct as set out in our Supplier Principles – Guidance for Responsible Business.

What happens if I don't comply with our Code of Conduct?

The standards laid out at the beginning of each section of our Code support the relevant Company policies which are embedded within our Operational Framework. Failure to comply with our Code amounts to a failure to comply with BAE Systems' policies, processes, values and behaviors. This may result in disciplinary outcomes ranging from training to dismissal from the Company. In severe circumstances this may involve dismissal without notice.



Commitments under our Code of Conduct

Our Code sets out the Company's commitments, the individual responsibilities we all have as employees, and the additional responsibilities of managers and supervisors.

Company commitments

The Company commits to supporting employees by:

- providing a clear set of policies, standards and behaviors that define expectations across all our countries of operation;
- respecting the human rights and privacy of our employees in the workplace;
- enabling employees with appropriate training, guidance and information;
- creating an inclusive, positive, supportive and open work environment where employees feel able to speak up and report issues and concerns without fear of retaliation;
- providing access to an Ethics Helpline and a network of Ethics Officers;
- listening and responding to issues and concerns in good time;
- supporting those who have raised concerns and not tolerating retaliation or discrimination;
- encouraging our suppliers, contractors and other business partners to adopt the same or similar standards of ethical behavior.

Employee responsibilities

The Company expects us all to take responsibility for doing the right thing.

- Be familiar with this Code and know where to find information and support.
- Understand and comply with the Company's policies and processes and our responsibilities in respect of them.
- Engage only in actions that are ethical, legal and meet the standards and expectations of our Code.

The right behaviors

- Be committed to treating people professionally and with respect.
- Conduct business relationships in an open, honest and transparent way.
- Comply with all applicable laws and regulations, including their spirit and intent.
- Respond to any warning signs that come up in your own work or the work of others.
- Seek guidance if you are not sure what to do or you have seen or heard something that does not feel right.
- Speak up where you have a concern or think there may be a problem.
- Support your colleagues in doing the right thing.
- Take active steps to understand training requirements, including completing mandatory training.
- Never retaliate against colleagues who speak up with a concern, and cooperate with any investigation.

Additional manager or supervisor responsibilities

- Act with integrity, displaying the high standards of conduct expected.
- Clearly show that doing the right thing is important to you.
- Create a positive, inclusive working environment where everyone can give their best.
- Foster a culture in which your team feels comfortable raising concerns and asking for advice.
- Support your team in making ethical and responsible decisions.
- Support your team in complying with all applicable laws and regulations.
- Hold yourself and your team accountable if they don't meet our Code's standards, our policies or any applicable laws.
- Act promptly when a member of your team raises a concern.
- Take action to protect members of your team from retaliation if they speak up.
- Ask for advice if you do not know how to handle or respond to an issue or concern raised.
- Support your team in understanding training requirements and completing mandatory training on time.



Speaking up

Speaking up is a vital aspect of maintaining a culture of integrity and ethical behavior at BAE Systems. We encourage all employees to speak up if they see anything that they think isn't right. We take all reports of wrongdoing seriously and will not tolerate retaliation against employees who speak up in good faith.



The Company provides a number of avenues for employees to address concerns and seek guidance. You should speak up any time you:

- have questions about a situation or need advice;
- want to report something that you believe doesn't comply with our standards or the law;
- think an issue that's been reported is not being dealt with properly.

Often an issue can be resolved by speaking with the person concerned. Your manager, supervisor, Human Resources or Legal department can also help you find the right way to raise or address an issue. If you still have a concern, or are not comfortable speaking with anyone locally, you can contact an Ethics Officer or the Ethics Helpline.

Our Ethics Officers are available as points of contact, they offer support and advice in maintaining ethical standards and assist in investigating allegations.

The Ethics Helpline, accessible through email, phone, and a web reporting page, allows employees to seek guidance, report concerns, or raise issues anonymously if preferred. The Ethics Helpline is open to BAE Systems employees and individuals outside the Company who wish to raise concerns. All concerns are assigned to an Ethics Officer who will be responsible for handling a reported concern and will provide updates as necessary. By referencing the unique number provided, you can enquire about the progress of your reported concern or provide any additional information requested by the investigating team. Confidentiality is maintained throughout the investigation process, with only relevant parties involved.

Using the reference number ensures effective communication and allows for a more comprehensive resolution process. While confidentiality requirements may limit the disclosure of all details, the Ethics Helpline ensures that your concerns are actively addressed and that you are kept informed about the progress of the investigation, regardless of whether you choose to remain anonymous or provide your identity.

It is everyone's responsibility to uphold the highest standards of ethical behavior. If you have any concerns, we encourage you to speak up and report them promptly. By doing so, you are helping to protect the Company, our employees, and our stakeholders.

It's important to report any concerns, even if you are not absolutely sure that there is a problem, as soon as possible. If you have a genuine issue or concern then it is important that you raise it. Speaking up can result in a range of outcomes, including changes to governance, practices and training.

Some countries where we operate have additional local whistleblowing laws addressing legal protection for employees reporting particular topics or the right to make reports on specified topics to governments or to the media. We respect and recognize all these rights.

We will not tolerate retaliation

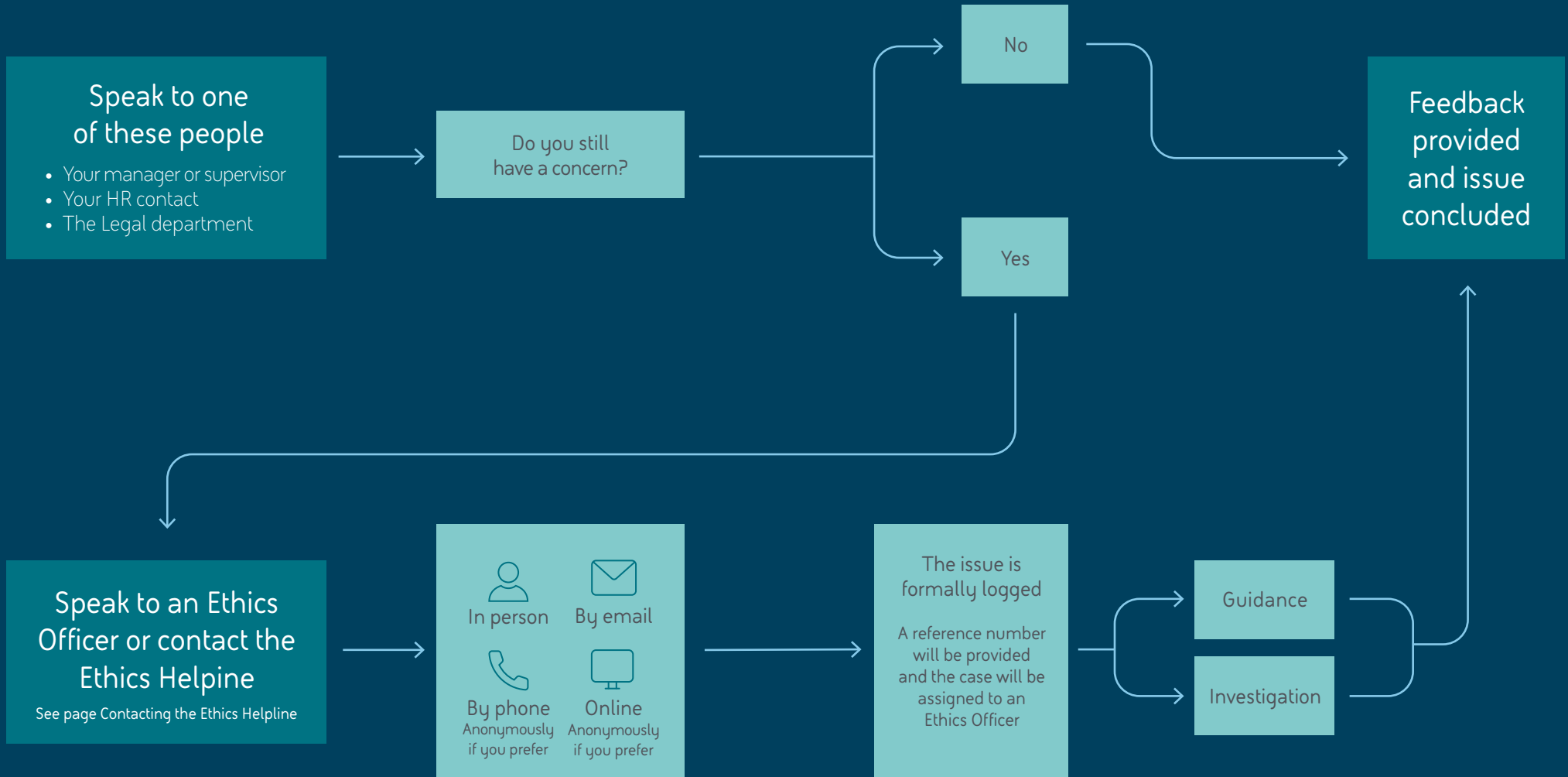
The Company supports and protects those who report potential misconduct in good faith.

We will not tolerate retaliation against those who have raised concerns. Retaliation can include being dismissed, demoted, suspended, intimidated, harassed, excluded, denied training, or given poor evaluations, and disciplinary measures will be taken against those found responsible.

What about different laws in different countries?

BAE Systems operates in many different countries and we are committed to complying with the laws and regulations of the countries in which we work. Our Code applies everywhere we operate and is supported by Group and business-level policies, procedures and practices, which may vary to take account of local requirements and legislation.

I have a concern; who do I speak to?



Our responsible decision-making model

Our Code cannot cover every situation that we may find ourselves in. When faced with a situation, our responsible decision-making model can help guide us through.

After working through the decision-making model, you should speak up if you:

- are still unsure how to handle a situation, have a question, or are seeking advice;
- want to tell us about situations where you think our standards or the law may not have been upheld;
- think an issue or concern that has been reported is not being dealt with properly.



Gather the facts



Do I have all the relevant information?

- Have I separated assumptions from facts?
- What other information might I need?



Understand the rules



What are the relevant laws and regulations?

- What do our Code of Conduct and our policies say?
- What are the industry standards and practices?



Consider the situation



Think about our ethical principles of accountability, honesty, integrity, openness and respect.

- How does the situation affect others and how may it be perceived?
- Would I feel comfortable explaining my decision to my colleagues, family and friends?
- How would I feel if this appeared in a newspaper?
- Would it reflect badly on me, my colleagues or the Company?
- Is it setting a good example?
- Am I doing the right thing?




Seek advice from others



Remember you are not alone in this process

- Talk to your manager or supervisor.
- Consult with the Human Resources or Legal department.
- Speak to an Ethics Officer, phone or email the Ethics Helpline, or report the issue via the Ethics Helpline website.

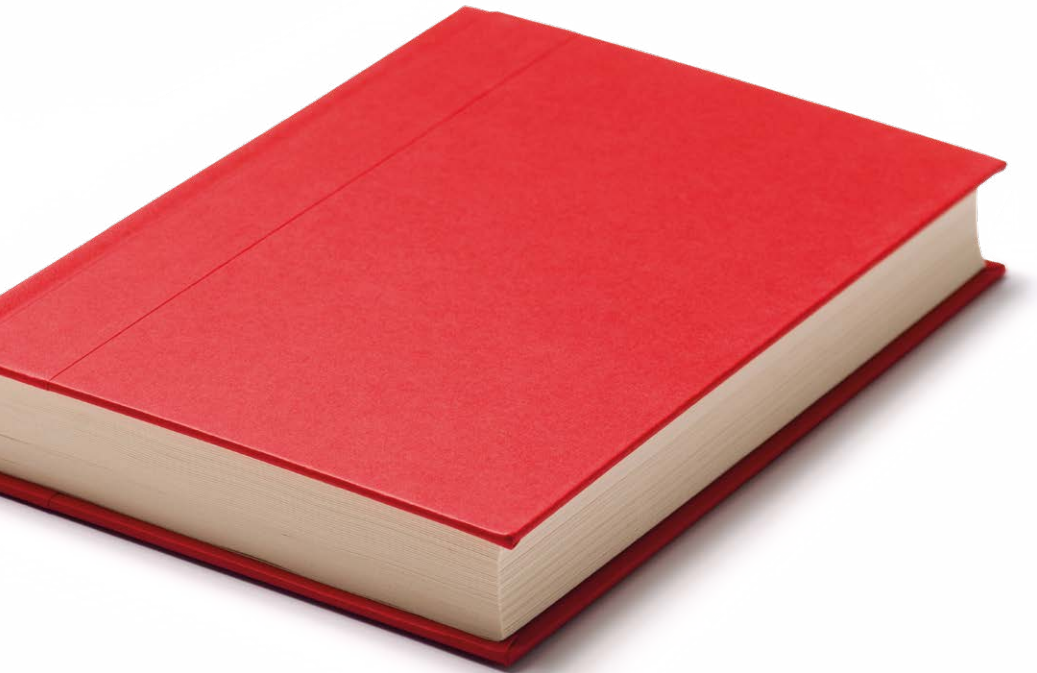


Our behavior and standards

Creating an inclusive and supportive working environment is vital to the success of the Company, delivering on our customer commitments and ensuring that everyone can perform at their best.

Respect at work

BAE Systems values a diverse workforce. We are all responsible for creating a diverse, equitable and inclusive workplace where employees treat one another professionally and with respect. As a large, global company bringing together people from a wide variety of backgrounds, origins, experiences and cultures, it is vital that we all respect and value each other.



We will

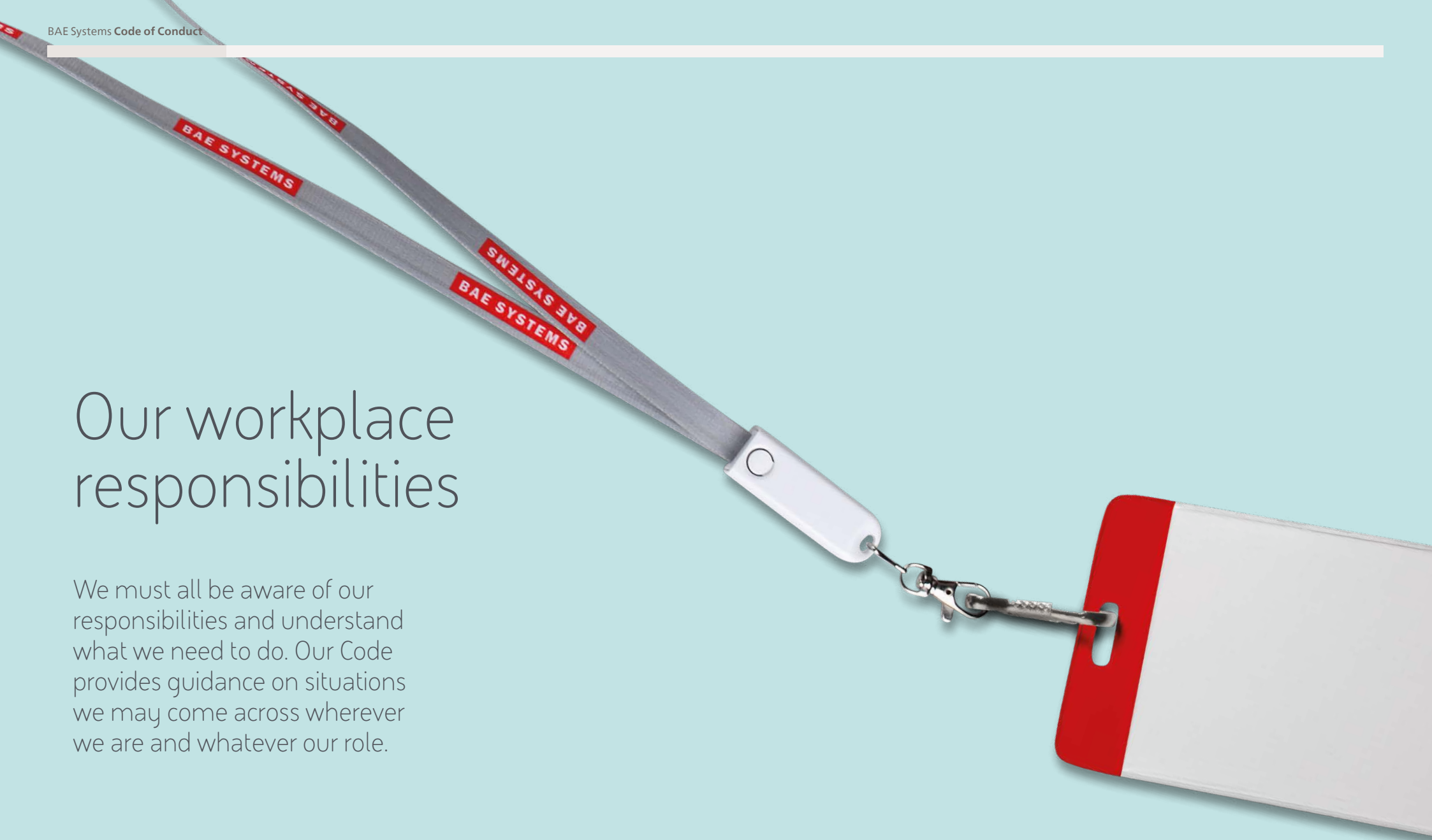
- Treat each other with courtesy, dignity and respect.
- Listen to one another, and encourage, respect and value input even when views differ from our own to create a work environment in which we all feel we can speak up.
- Base decisions on merit, not on race, sex, age, sexual orientation, gender identity or expression, marital status, pregnancy and maternity, disability, neurodiversity, religion and belief, or any other protected characteristic, to ensure the best person is selected for each role.
- Recognize personal bias or prejudice and actively seek to exclude this from decisions or actions.
- Not tolerate harassment through any means, including verbal, nonverbal, physical or online. Abusive, offensive, humiliating or intimidating behavior is never acceptable. We each have a personal responsibility not to behave in this way and, where possible, to discourage such behavior in others.
- Recognize that these standards of behavior are expected at all times both inside and outside the workplace, whether working on site, at customer locations, online, working from home or otherwise. This includes Company social events and interacting with work colleagues or work-related third parties.
- Manage our online presence in accordance with our expected standards of workplace behavior and in accordance with any relevant Company policies.
- Speak up if we observe inappropriate or unacceptable behavior.

Policies and further guidance

- ↓ [IT Acceptable Use Policy](#)
- ↓ [People Policy](#)

Our workplace responsibilities

We must all be aware of our responsibilities and understand what we need to do. Our Code provides guidance on situations we may come across wherever we are and whatever our role.



Safety, health and wellbeing

We all have a personal and collective responsibility to create and maintain a safe and secure workplace.

We will

- Know and comply with applicable safety rules and all local requirements as a minimum.
- Identify, understand and appropriately manage the risks and hazards in our workplace and daily operating environment.
- Identify safety concerns and improvements and report all issues promptly.
- Take responsibility for our own safety and the safety of everyone around us, the work we do and the area we work in.
- Take care of our mental and physical health.
- Never conduct business, drive or operate machinery when under the influence of alcohol or illegal drugs.
- Act immediately if someone is putting themselves or others in harm's way.

Health and wellbeing

Employees are encouraged to take care of themselves both mentally and physically in order to be at their best at work and home. We will promote and support health and wellbeing across our locations through a variety of programs. When issues are affecting our wellbeing, we should seek support through the channels available.

Policies and further guidance

- ↓ Health and Safety Policy
- ↓ Security Policy
- ↓ People Policy



Recording time, costs and information

We have a responsibility to record time bookings, labor charges, materials, costs and all other aspects of the Company's business accurately and honestly.

Honest, accurate and objective recording and reporting of information, whether financial or non-financial, is essential to the Company's governance, credibility and reputation. Information recorded and reported should be made in good faith and not be false, misleading or deceptive.

The accurate charging of labor, materials and other costs is also necessary to maintain the integrity of our customer billing, cost estimating and financial reporting processes, and to allow the proper payment of taxes.

Failure to record financial information and labor charges accurately may damage the Company's credibility and reputation and potentially expose both the individual and the Company to serious consequences, including criminal prosecution for fraudulent activity.



Policies and further guidance

- ↓ Finance Policy
- ↓ Fraud Prevention Policy
- ↓ Gifts and Hospitality Policy
- ↓ Information and Records Management Policy
- ↓ Procurement Policy
- ↓ Local Expenses Policy

We will

- Record all transactions, expenditures, labor charges, hours worked and all other aspects of the Company's business accurately, honestly, in a timely manner, and in accordance with our policies covering accounting, expenses, time keeping and record keeping.
- Be mindful of all expenses incurred while on Company business; ensuring they are reasonable and comply with policies and can be justified as necessary expenditure.
- Ensure non-financial information is accurate and is not misleading.
- Ensure financial information always accurately reflects the underlying transaction and is not designed to – mislead or deceive others or – impact the proper payment of taxes.
- Seek approval, where required, for a gift or hospitality. Account accurately and transparently for all gifts and hospitalities, and ensure they are recorded in the relevant Gifts and Hospitality Register.

Examples of non-compliant recording of time, cost and materials

- Underestimating costs in a contract with the intent of charging cost overruns once the contract has started.
- Booking time for hours not worked.
- Telling others to book time to waiting time when working on assigned tasks.
- Agreeing to pay supplier invoices that do not accurately reflect the value or nature of goods delivered or services performed.
- Charging the incorrect amount for materials on invoices.
- Claiming expenses that do not comply with Company policy.
- Recording Company transactions and expenditures inaccurately or late.
- Booking time to contracts for activities unrelated to those contracts or asking others to do so.

Product safety and quality

We are responsible for ensuring that the products that we deliver both conform to their design and achieve the level of safety and quality agreed with the customer. We do this by complying with our product safety and quality policies and processes.

A product is any goods or services, including intellectual property, developed or traded by BAE Systems. This could be physical such as a platform or sub-system, non-physical such as software or a design licence, or a service, such as maintenance or support.

Our policies and practices apply throughout the product's life, and may extend beyond the formal end of the project.

We will

- Ensure that the required standards of quality are understood, communicated and applied through all processes to ensure our products conform to their operational and safety requirements, as agreed with our customers.
- Follow the designated process for the task and not depart from process without appropriate approval.
- Always speak up immediately and raise any concerns regarding the safety and quality of a product, or the application of policies and processes.



Policies and further guidance

- ↓ [Engineering Policy](#)
- ↓ [Intellectual Property Policy](#)
- ↓ [Product Safety Policy](#)
- ↓ [Quality Policy](#)

Security and use of Company property

We have a responsibility to protect all Company property and equipment in our care from loss, damage or misuse. This includes tools, materials, parts and components, IT devices and equipment, hardware and documentation. We will apply the same standards to property and equipment in our care belonging to customers, business partners and other third parties.



We will

- Observe and comply with security and access arrangements at our facilities and report any suspicious activity.
- Never loan, transfer, sell or donate Company property without authorization. This includes waste, spare or discarded materials.
- Protect any Company property and equipment in our care and ensure this is not compromised, lost, damaged, misused or disposed of inappropriately or needlessly.
- Use Company property and equipment only for authorized purposes and secure Company property and equipment when not in use.

Examples of misuse and failure to appropriately secure Company property and equipment

- Personal use of Company tools and equipment without authorization.
- Taking discarded Company materials to use at home without authorization.
- Leaving IT equipment unsecured at work, home or while travelling.
- Loaning your security badge to a visitor.
- Donating Company equipment to a local charity without approval.

Policies and further guidance

- ↓ Information Management and Technology Policy
- ↓ IT Acceptable Use Policy
- ↓ Security Policy

Responsible use of information

We are all responsible for the appropriate use of Company IT networks and systems and protecting, storing and handling Company, personal, customer and business partner information correctly.



Using Company IT systems

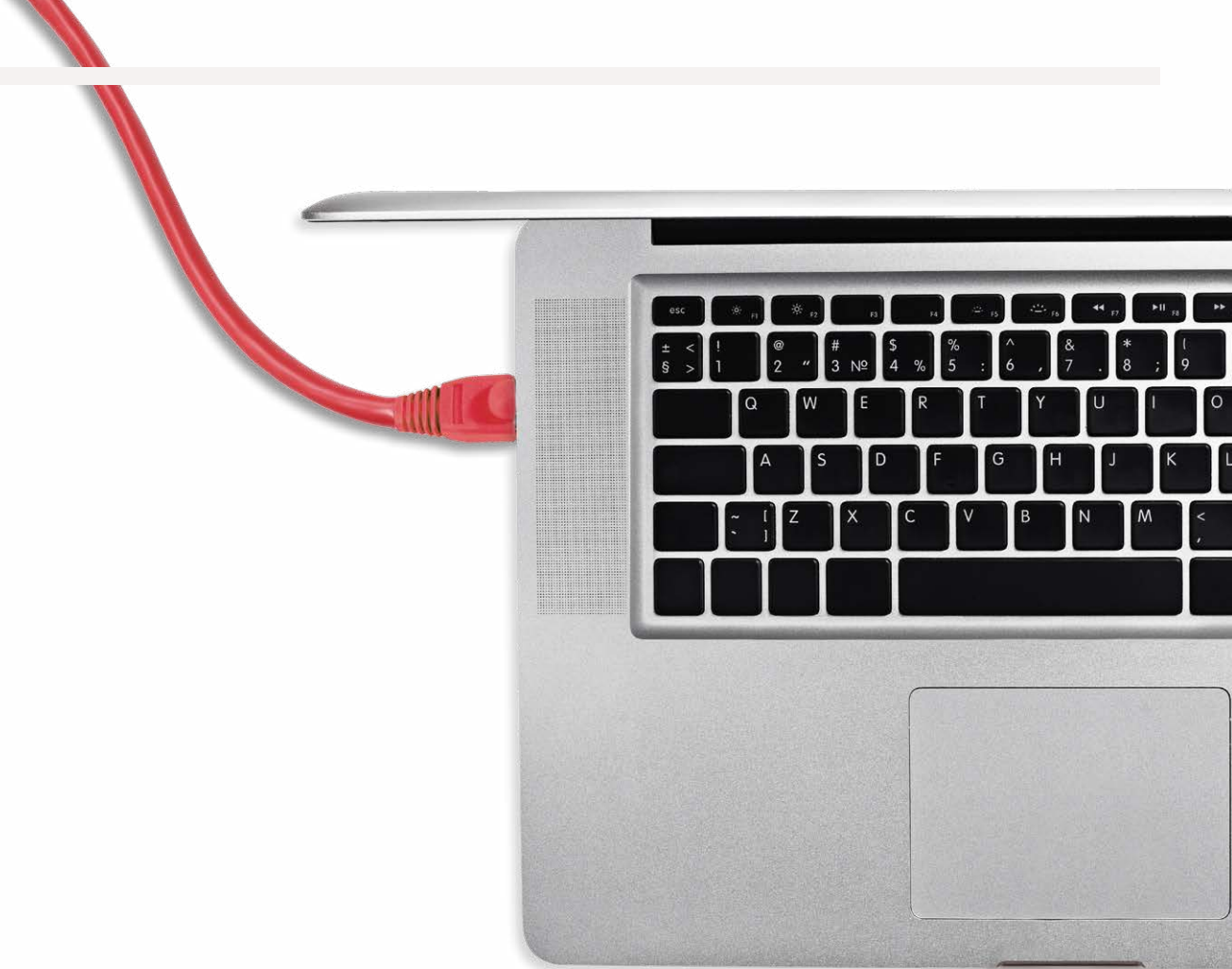
We all have a role to play in helping to safeguard Company IT systems, networks and applications and will do this by ensuring we use them appropriately and responsibly.

We will

- Protect log-on information and passwords.
- Secure IT equipment when leaving it unattended.
- Be vigilant for phishing attacks, report suspicious emails and be cautious about clicking on unknown links or attachments.
- Respect any restrictions on our use of Company IT systems, networks and applications.
- Immediately report loss of Company IT equipment.
- Limit our personal use of Company IT systems.
- Be mindful that all activity on Company IT systems may be subject to lawful monitoring, including any personal use and storage of information.
- Not use Company IT for inappropriate, abusive, offensive, humiliating or intimidating communications.

Examples of inappropriate use of Company IT systems

- Using your Company video conferencing account to host a meeting with your sports team or social group.
- Making lengthy personal calls on a Company mobile phone.
- Registering for a music or video streaming service using your Company email address.



Policies and further guidance

- ↓ Communications Policy
- ↓ Export Control Policy
- ↓ Information Management and Technology Policy
- ↓ Intellectual Property Policy
- ↓ IT Acceptable Use Policy
- ↓ Security Policy

Managing, handling and sharing information

We are responsible for correctly managing, handling and sharing the information we create, use and share on behalf of the Company and its customers, suppliers and other third parties.

Document marking is a way of describing the value and classification of information. Our Company Marking Standard is used to indicate the sensitivity of the Company's information contained in the document. Security, export control and intellectual property markings may also need to be applied to documents as well as any markings that are required under the terms of our contracts with customers or third parties. These markings are used to indicate any restrictions on the way the information must be stored, who is permitted to see or use it, and the way in which it can be shared.

In order to protect the information we hold, work and business-related activities should only be conducted on approved devices and on Company networks, or Company approved third party and customer networks and applications.

We will

- Ensure information we create in our work is appropriately marked and that we store, handle, send, share and dispose of information in line with the handling requirements that apply to the information.
- Seek appropriate support if we are unsure what document markings to apply, and question the markings on documents we think may be incorrectly marked.
- Consider who should have access to information, for what purpose and whether they require any authorizations.
- Take care when conducting Company business in areas where others may be able to overhear our telephone conversations or read from our document or screen.
- Never leave computers or mobile devices unlocked or protected information visible and unattended.
- Think before posting, clicking or sharing something online. Something as simple as mentioning the location of a Company event or describing the type of work you are doing could create a security risk for yourself or others.
- Not use our own or another person's personal email for Company business.
- Obtain the necessary permission to share protected information in public forums or on social media.
- Only share export-controlled material in accordance with appropriate licensing authorizations.
- Ensure government security classified information is only shared with those who have the appropriate authorization and have a need to know.
- Make sure information is stored appropriately for collaboration and business continuity purposes.
- Manage our online presence in accordance with our expected standards of workplace behavior and relevant Company policies.

Examples of inappropriate managing, handling and sharing of information

- Sending work to a personal email account or saving it in a personal storage area outside the Company network in order to be able to work on it from home using your personal device.
- Storing documents that should only be available to a limited number of individuals in an area on the network that does not have appropriately limited access controls.
- Including export-controlled information in a presentation to a group of suppliers without checking that the appropriate authorizations are in place to allow the attendees to receive the information.



Policies and further guidance

- ↓ Communications Policy
- ↓ Export Control Policy
- ↓ Information and Records Management Policy
- ↓ Information Management and Technology Policy
- ↓ Intellectual Property Policy
- ↓ IT Acceptable Use Policy
- ↓ Personal Data Protection Policy
- ↓ Security Policy

Personal information

Personal data protection, or data privacy, is about respecting individuals' privacy, protecting personal information and ensuring appropriate measures are in place to control how personal information is used and accessed.

The Company will take all reasonable measures to safeguard and secure your personal information and will be fair and transparent in how and why it collects, uses and stores personal information.

We all have a responsibility to ensure that we safeguard any personal information we have in our possession, or that we have access to, from loss or misuse.



We will

- Be clear about the intended use of information when collecting it, not collect or store more information than is needed, and only collect or use it where there is a legitimate business reason to do so.
- Take all appropriate measures to safeguard and secure the personal information that we are responsible for.
- Ensure personal information is only used for the reason that it was collected and only shared with those who have a valid or legitimate reason to receive it.

Examples of inappropriate use or handling of personal data

- Providing a colleague's home address and personal phone number to a third party without their permission.
- Taking personal medical information into account in promotion decisions.
- Sharing personal data with a colleague who doesn't have access to it for use in a different project without appropriate approval.

Policies and further guidance

- ↓ Information and Records Management Policy
- ↓ Information Management and Technology Policy
- ↓ IT Acceptable Use Policy
- ↓ People Policy
- ↓ Personal Data Protection Policy
- ↓ Security Policy

Share transactions and inside information

We may receive confidential information about the Company and its business partners that, if made public, would have a significant effect on the price of the Company's shares or those of another company.

This information is commonly known as 'inside information'. In addition, we may be involved with Company matters that are potentially share price sensitive, i.e. they may become inside information at a future date.



We will

- Safeguard information that is potentially share price sensitive and never discuss this or pass it on to anyone else, whether to other employees (unless specifically authorized to do so by the Company), family members, friends or business associates or encourage them to deal in shares based on such information.
- Never deal in shares or encourage others to do so when in possession of information that is potentially share price sensitive or when we have been informed personally by the Company that we should not deal.
- Ensure that inside information is properly managed so that we are able to meet the Company's legal obligations including the issuing of any regulatory announcements that may be required.

Examples of inappropriate actions and possible criminal activity

- Deciding to buy BAE Systems shares because you know that a contract for the major bid you have been working on is likely to be signed shortly.
- Talking to a family member about a due diligence review of a company we are looking to buy.
- Deciding to sell some Company shares when you become aware that one of the Company's major programs could make a substantial loss.
- Telling family members that they should sell their Company shares when you become aware that the Company is thinking about changing its dividend.

Policies and further guidance

- ↓ Inside Information Policy
- ↓ Share Dealing Policy

Our business responsibilities

Strong business relationships with our partners and suppliers, based on honesty, integrity, trust and openness, are key to our mutual success. We also deliver on our wider commitments to local communities and the environment.



Working with others

We will work with our customers, business partners and suppliers in a respectful, ethical and responsible way and deliver on all our business commitments in accordance with our Code.



We will

- Maintain our standards and behave respectfully when working with others.
- Communicate clearly what we expect from our suppliers and their supply chains.
- Encourage our suppliers to adopt the same or equivalent standards as set out in our Supplier Principles.
- Ensure that all suppliers are subject to relevant due diligence checks before any business is conducted with them.
- Ensure our customers, business partners and suppliers have access to our Ethics Helpline and the means to raise issues if they have concerns about our behaviors.
- Report any behavior by a customer, business partner or supplier that does not match our standards.

Examples of inappropriate conduct when working with others

- Rude or offensive language.
- Asking a supplier to undertake preliminary works without first having undertaken due diligence.
- Failing to check a supplier's invoice properly and question unexplained charges.

Policies and further guidance

- ↓ Commercial Policy
- ↓ People Policy
- ↓ Procurement Policy
- ↓ Security Policy
- ↓ Supplier Principles

Human rights

We are committed to respecting and upholding human rights wherever we operate, in respect of activities under the full, direct control of the Company.

We each have a role to play in the elimination of human rights abuses such as child labor and modern slavery, including human trafficking, forced or indentured labor.



We will

- Review, monitor and investigate our operations for human rights abuses.
- Review and assess, where possible, the operations of our business partners and suppliers against expectations set out in our Supplier Principles – Guidance for Responsible Business.
- Maintain and operate systems and processes that reduce the risk of child labor, modern slavery and human trafficking in our business and supply chain.

Policies and further guidance

- ↓ People Policy
- ↓ Procurement Policy
- ↓ Product Trading Policy
- ↓ Supplier Principles

Climate response and environment

BAE Systems recognizes that climate change is one of society's greatest challenges and is committed to addressing its climate-related impacts, exposures and to proactively manage the use of natural resources and other environmental aspects.

The Company is committed to high levels of environmental stewardship, and aims to responsibly consume resources through the efficient use of energy, reducing waste, and minimizing water use, recognizing that this is a valuable resource globally. We also seek to prevent adverse environmental impacts through prevention of pollution, and to protect the natural environment from harm and degradation.

All employees can contribute to the responsible and pro-active management of environmental impacts, natural resources, natural capital and biodiversity.

We will

- Be aware of the impact that we and our role have and use resources efficiently.
- Look for opportunities to minimize the environmental impacts associated with our activities, identifying areas of improvement where possible and raising any areas of concern or opportunity.
- Contribute to the Company's Net Zero goals through the efficient use of energy, and by identifying opportunities to reduce both consumption and greenhouse gas emissions.
- Aim to reduce waste production and minimize water consumption.
- Seek to protect the natural environment from harm and degradation.

Policies and further guidance

- ↓ [Climate Response & Environment Policy](#)



Our communities

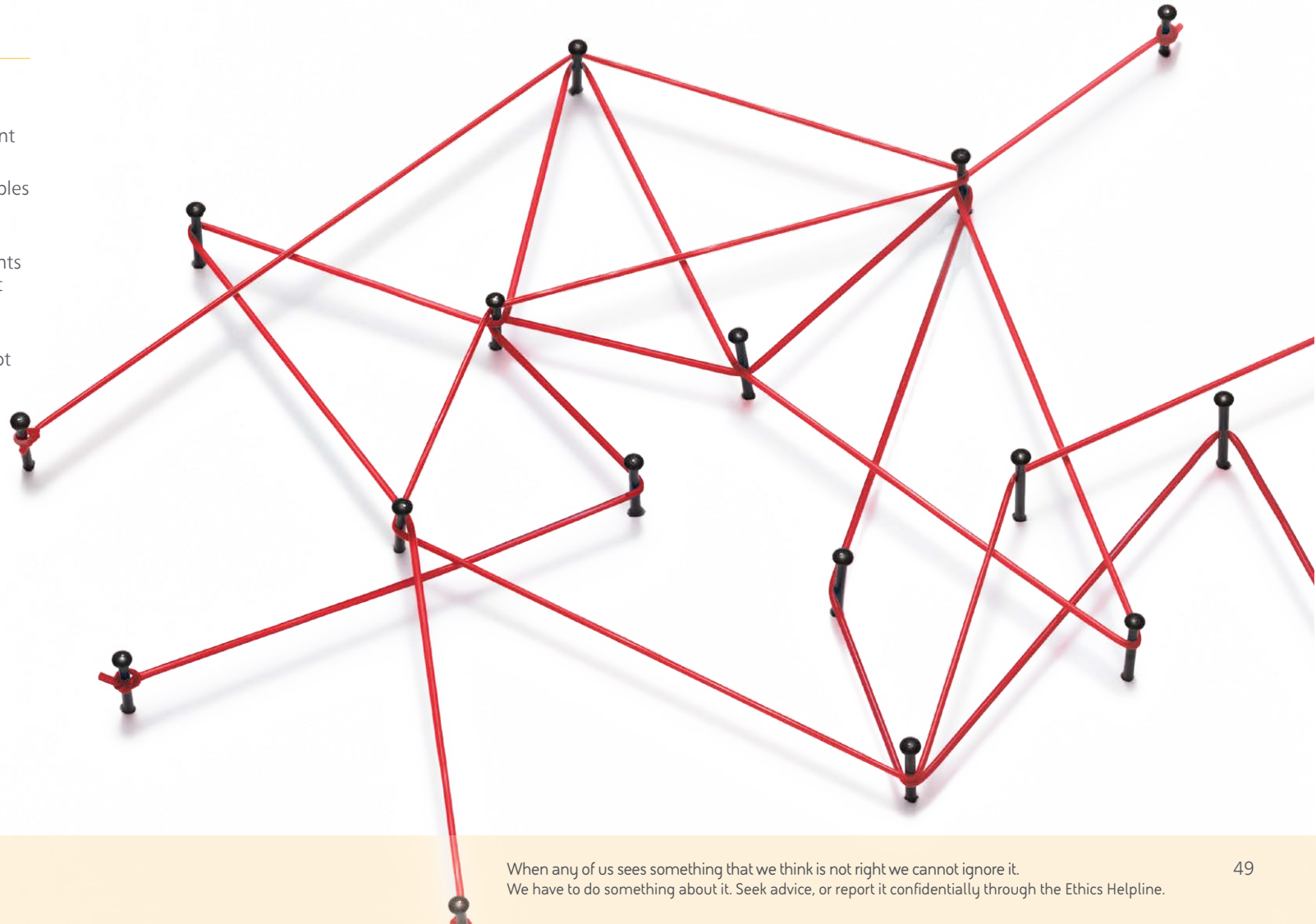
We seek to make a positive impact in the communities in which we live and work. We will support activities and organizations that align with our values and business objectives.

We will

- Support communities local to our sites.
- Invest in the development and education of our current and future workforce.
- Support charities in accordance with our giving principles through sponsorships, donations, fundraising and volunteering activities.
- Seek approval before making sponsorship commitments or charitable donations, or promising 'in-kind' support such as Company materials or resources.
- Ensure that charitable donations or sponsorship do not amount to bribery or political payments.

Policies and further guidance

- ↓ Communications Policy
- ↓ Community Investment Policy
- ↓ Gifts and Hospitality Policy



Our anti-corruption program

Our success as a Company depends on all of us behaving ethically in everything we do. We all have a role to play in ensuring that we maintain the high standards of ethical conduct that our customers, shareholders, partners and colleagues expect.



Anti-bribery and corruption

We do not tolerate any form of bribery or corruption. We will never offer, give, request or receive bribes or other inducements, either directly or through a third party.

Even the suggestion of corruption may damage the reputation of the Company and affect our ability to do business.

Bribery

A bribe includes any direct or indirect payment, benefit, gift or other thing of value, offered, given, requested or received with the purpose of improperly influencing a decision or outcome, or gaining any business advantage. The benefit does not necessarily have to be of large value. It could be as simple as a lunch or an invitation to a sporting event. Likewise, the business advantage does not need to be a contract award. It could be obtaining a permit, or simply keeping in favor with a decision maker.

We also need to be careful when working with third parties to ensure they are not paying bribes on our behalf. This is one reason why we undertake due diligence on third parties in accordance with our policies and set standards that we expect them to adhere to.

We will

- Never tolerate or condone bribery or other forms of corrupt activity.
- Not offer, give, request or receive any payment, benefit, gift or other thing of value, which is intended to be, or may be construed as, a bribe, or allow others to make or receive improper payments on our behalf.
- Not allow employees, advisers, consultants, distributors, joint venture parties, offset and industrialization partners, suppliers or anyone else who may be acting on the Company's behalf to offer, give or receive bribes or corrupt payments.
- Promptly report any attempt by others to offer or give bribes to us, to request bribes from us or to offer, give, request or receive bribes on our behalf.

Facilitation payments

A facilitation payment is a small monetary value payment or gift given to a government official to secure or expedite something the official is ultimately obliged to do. This does not include official, published fees for which a receipt is provided.

Under UK law, and under most laws we are subject to, facilitation payments are considered to be bribes.

We will

- Not make facilitation payments and will not allow others to make facilitation payments on our behalf, unless life or physical safety is threatened.
- Report any requests for facilitation payments.

Examples of bribery, corruption or facilitation payments

- Engaging a marketing representative with any reason to suspect they could be making improper payments to secure a contract for us.
- Employing an individual primarily because they are the relative of a key business partner.
- Artificially increasing the price of some elements of a bid in order to allow for kickback payments.
- Offering payment to a third party in exchange for sensitive information about a competitor.
- When requested by an airport official, paying them a small cash amount to jump the queue at border control, where no such official system exists.

Policies and further guidance

- ↓ Advisers Policy
- ↓ Conflicts of Interest Policy
- ↓ Facilitation Payments Policy
- ↓ Gifts and Hospitality Policy

Gifts and hospitality

We will never offer, give or receive any payment, benefit, gift or hospitality that is intended to be or may be construed as a bribe or which is in return for business or confidential information or to improperly influence a business activity or allow others to do so on our behalf.



We will

- Give any gifts and hospitality only in good faith and ensure they are occasional, appropriate and reasonable, and comply with any applicable laws.
- Ensure gifts and hospitality offered or received are within the Company's financial limits and comply with government or state-controlled customers' rules and regulations.
- Understand and comply with our customers' restrictions on gifts and hospitality.
- Seek approval, where required, for a gift or hospitality.
- Account accurately and transparently for any gifts or hospitality, and ensure they are recorded in the relevant Gifts and Hospitality Register.
- Seek guidance if we are unsure about giving or receiving a gift or hospitality before taking action.
- Seek guidance if we are concerned about colleagues receiving or giving excessive gifts or hospitality.
- Never give payments, gifts or other benefits through a third party, such as a decision maker's relative or business partner.

Examples of inappropriate gifts or hospitality in the workplace

- Accepting a free stay at a hotel that is competing for Company business.
- Giving a customer a gift without following our approval processes.
- Giving or receiving a gift to influence the outcome of a business decision.
- Receiving a lavish gift or hospitality from a supplier who is competing for a contract you will award.
- Receiving repeated gifts and hospitality, each individually within policy limits, from the same third party.

Policies and further guidance

- ↓ Advisers Policy
- ↓ Conflicts of Interest Policy
- ↓ Facilitation Payments Policy
- ↓ Gifts and Hospitality Policy

Managing conflicts of interest

We will declare if there is an actual or perceived conflict between our personal interests and our responsibilities to the Company.

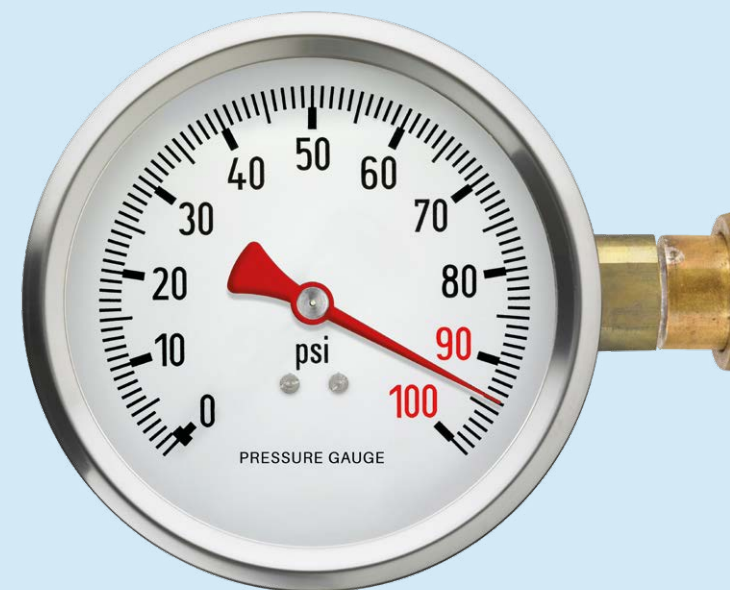
Conflicts of interest are situations in which competing interests may impair our ability to make objective and unbiased business decisions in the best interest of the Company. Even the perception of a conflict of interest can cast doubt on our integrity and could damage the Company's reputation.

We will

- Be aware of the behaviors and circumstances in which actual, potential or perceived conflicts of interest can arise and take care to avoid them, or the perception of them.
- Declare all potential or actual conflicts to our manager or Legal department.
- Exercise good judgement, while recognizing that not all personal interests, relationships, influences or activities create a conflict of interest, and seek guidance if in doubt.
- Ensure actual conflicts of interest are recorded and, if the conflict cannot be removed, remedial steps are put in place.

Examples of potential conflicts of interest

- Managing or making a decision to hire a close friend or family member.
- Having a relationship with someone you supervise or have influence over at work.
- Appointing a supplier who is connected to you through friends or family.
- Having financial interests in suppliers or competitors.
- Serving on the board of directors of another company operating for profit without Company approval.



Policies and further guidance

- ↓ Conflict of Interest Policy
- ↓ People Policy

Appointing and working with advisers

We will only appoint advisers of known integrity, and we will require that their conduct meets our standards at all times.

The Company sometimes uses advisers – such as consultants, marketing representatives or distributors – to obtain guidance on our strategic approach in a particular country or to assist in marketing and distributing our products.

Their role may, among many other activities, include providing us with general advice about the local business environment, assisting in discussions with government officials or supporting offset matters. There are a small number of employees who work with advisers and only a very few are authorized to appoint and sign contracts with them.

Our Advisers Policy describes the due diligence procedures and the mandatory approval process we use in selecting and appointing advisers.

We will

- Understand and always comply with the Company policy on the appointment, management and payment of advisers.
- Require that all of our advisers, consultants and distributors comply with our policies and the local laws and regulations that govern their activities.
- Report to our Legal department if we are aware of any possible violation of these policies, laws or regulations by an adviser.
- Never use third parties to make payments or arrangements that are improper, illegal or which we would be uncomfortable making directly.
- Always seek guidance if we are unsure of whether a third party's activities might be covered by the Advisers Policy.

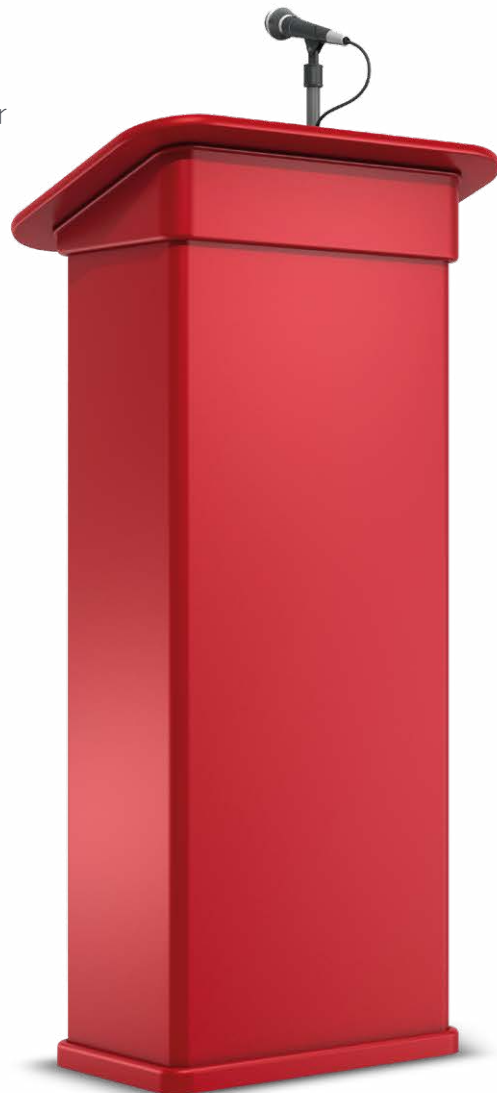
Policies and further guidance

↓ Advisers Policy



Political support and lobbying

Although the Company does not participate directly in party politics nor make corporate contributions or donations to political parties or their representatives, we do engage in policy debate on subjects of legitimate concern to us, our employees, our customers and the end users of our products and services, and the communities in which we operate, in accordance with applicable laws, including through lobbying.



We will

- Not use Company funds and resources to contribute to any political campaign, political party, political candidate or any of their affiliated organizations.
- Not use charitable donations as a substitute for political payments.
- Not make political contributions or payments directly.
- Be aware of and comply with all requirements of law, regulation and internal policy regarding lobbying wherever we operate.
- Consult with Government Relations or management, as appropriate, before any lobbying is undertaken with government officials or employees.
- Report, as required, full details to the relevant authorities of any political contributions or payments made by our partners and suppliers.

Policies and further guidance

- ↓ [Lobbying, Political Donations and Other Political Activity Policy](#)

Individual political activities and donations

We all have the right individually to participate in the political process, including by making political contributions.

We will

- Always make it clear that our views and actions are our own and not the Company's.
- Seek advice if we or a close relative are planning to stand for local or national government or are engaged in political activity.
- Seek approval to use Company time or resource to carry out or support personal political activities.

In certain countries (such as the US) the law permits employees to make donations to political campaigns through a Political Action Committee (PAC). Personal participation in the BAE Systems PAC means that limited use of Company time and resources is appropriate (but may not be time-charged to a government contract).

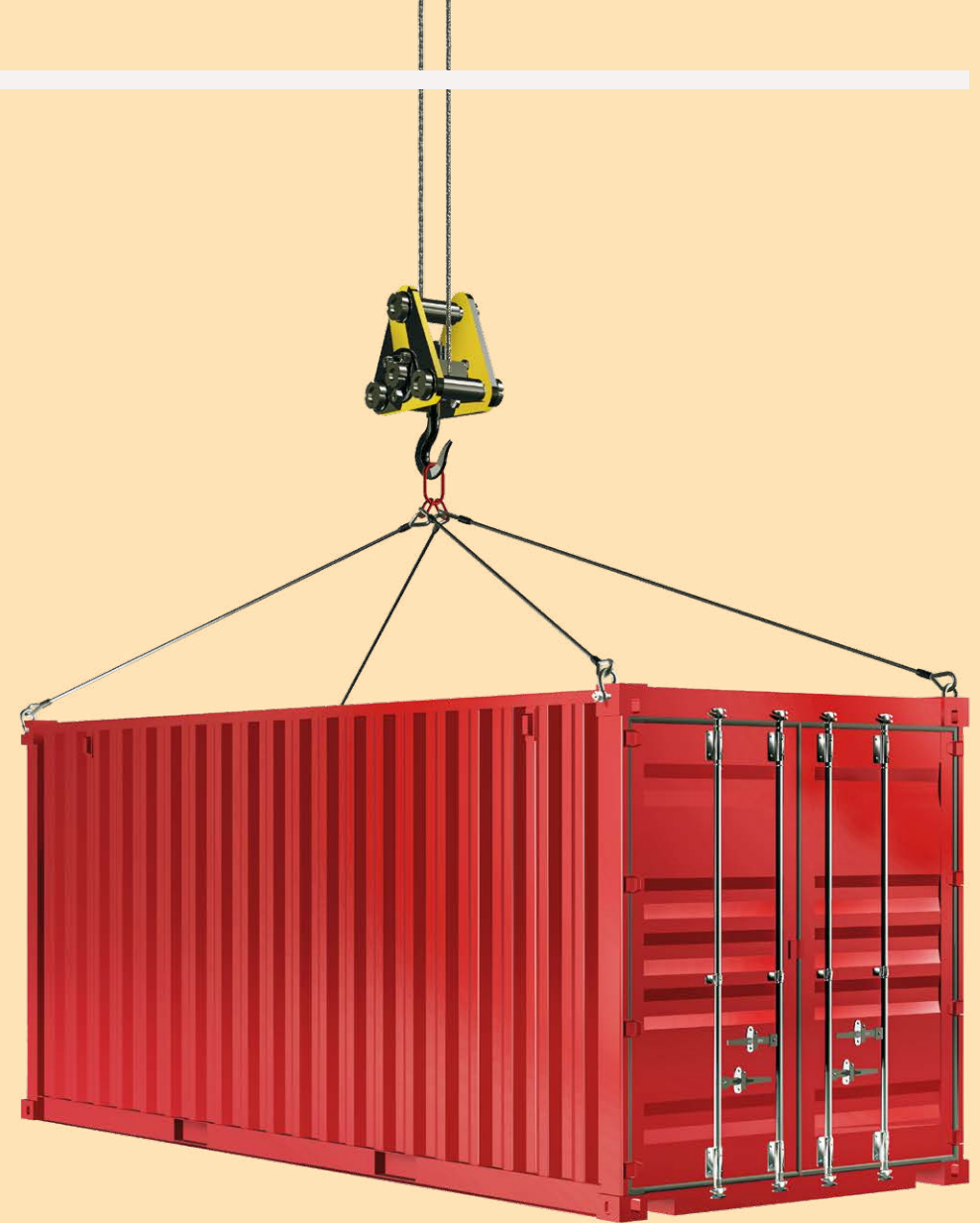


Policies and further guidance

↓ [Lobbying, Political Donations and Other Political Activity Policy](#)

Trade compliance

We must ensure that our business practices are in accordance with all applicable laws and regulations including those governing the import, export and handling of goods, technical data and services.



Bidding and contract negotiation

We will behave responsibly when competing for a customer's business and when engaging with customers, customer authorities, business partners, suppliers or offset and industrialization partners.

When bidding for or negotiating a contract we will

- Approach business with honesty, integrity and openness.
- Be truthful, accurate and clear in our statements, communications or representations.
- Disclose information required by law or regulation.
- Observe the laws and regulations that apply to procurement activities.
- Not solicit or accept information on a competitor's bid or proposal that we know to be proprietary or restricted from disclosure by law or regulation or that could create an actual or perceived conflict of interest.
- Ensure offset arrangements are consistent with the Offset Policy and comply with all export control laws and regulations.

Policies and further guidance

- ↓ Commercial Policy
- ↓ Conflict of Interest Policy
- ↓ Gifts and Hospitality Policy
- ↓ Offset Policy
- ↓ Procurement Policy
- ↓ Product Trading Policy



Competition and anti-trust

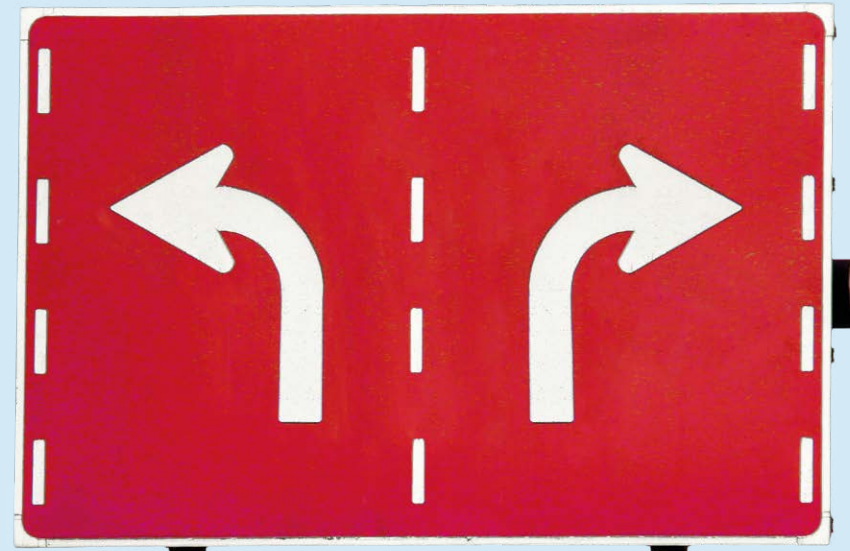
Competition and anti-trust laws protect free enterprise and prohibit behavior that limits trade or that restricts fair competition. They are complex and context specific.

We will

- Comply with competition and anti-trust laws.
- Not discuss pricing or other commercially sensitive information with competitors in breach of competition and anti-trust laws.
- Not engage in any form of discussion, correspondence, agreement or understanding to fix prices, rig bids, allocate customers or market or restrict supply in breach of competition or anti-trust laws.
- Report any potentially anti-competitive activity and enquiries made to us in connection with such activities to the Legal department.
- Seek guidance from the Legal department in respect of any question as to the applicability of competition and anti-trust laws.

Examples of anti-competitive behavior

- Sharing details of our pricing or contract offering with competitors on a bid.
- Agreeing with a competitor not to bid a particular contract so they withdraw from the next one.



Policies and further guidance

- ↓ Commercial Policy
- ↓ Conflict of Interest Policy
- ↓ Gifts and Hospitality Policy
- ↓ Offset Policy
- ↓ Procurement Policy
- ↓ Product Trading Policy

Export controls, sanctions and trade restrictions

Export controls, sanctions and other trade restrictions are administered to protect national security and foreign policy interests and they govern how, with whom and where the Company does business.

We will comply with all applicable laws and regulations, including sanctions which control the import, export and general trading of goods, technology, software and transactions or other dealings with third parties.

If we fail to observe export control laws, regulations and sanctions, the Company (and individuals) may face fines, criminal prosecution, loss of future export privileges and reputational damage.

We will

- Be familiar with the Company's policies and procedures for handling export-controlled goods, technology, data, software and/or providing services.
- Understand what material is export-controlled.
- Understand the rules for accessing, sending and receiving export-controlled material.
- Understand who is authorized to receive and use export-controlled material under the relevant export authorization.
- Consider security requirements that may also limit with whom and on what basis we can share material.
- Conduct denied party screening on all entities or individuals that the Company wishes to engage.
- Consult our local Export Control department in advance if we have any questions or concerns about whether our proposed activities may be subject to export control or sanctions restrictions.

Examples of when we should think about export controls and sanctions

- At the earliest stages of planning a new project or program.
- When considering business in new export markets and/or with potential customers.
- When receiving, storing, accessing, sharing, discussing or transmitting military and dual use goods, technology, data, software and/or information of any kind.
- When accessing our home country Company IT networks from abroad.
- When travelling overseas with controlled material or with Company devices or using such devices in airport lounges, trains, hotels or other non-work locations.
- When working from remote locations (i.e. at home or outside normal workplace), either in our home country or overseas.
- When dealing with or making payments to third parties.
- When engaging advisers or brokers.
- When planning and holding meetings, either in-person or virtually, where export-controlled data might be discussed or shared.
- When booking visitors for a site visit or when granting access to areas where export-controlled material is stored.
- When recruiting employees or contractors, from within other parts of the Company or externally.
- When our role changes or before we commence work on a new project.



'PROTECTED'. A seal of protection our customers can trust.

Policies and further guidance

- ↓ Advisers Policy
- ↓ Export Control Policy
- ↓ Product Trading Policy
- ↓ Pursuit of Export Opportunities Policy

Additional information for BAE Systems, Inc. businesses

The Code of Conduct reflects our commitment to our shared ethical principles of accountability, honesty, integrity, openness and respect. It makes clear the basic principles that we have agreed underlie our every action. It is our promise to one another to uphold the highest standards of ethical behavior.

Every employee of BAE Systems, Inc. and its owned and/or managed businesses is responsible for understanding and complying fully with the standards contained in this booklet. Anything less undermines the tremendous contributions of our co-workers and could jeopardize the safety and security of our employees and customers.

As the Code makes clear, we will treat one another with respect and dignity. The Company is committed to providing a work environment that is free from all forms of inappropriate discrimination and from conduct that is harassing, coercive or disruptive. Discriminatory or harassing actions, words or other conduct based on an individual's race, color, religion, sex, gender, national origin, ancestry, age, status as a qualified individual with a disability, genetic information, pregnancy status, medical condition, marital status, sexual orientation, gender identity and expression, or any other characteristic protected by applicable laws will not be tolerated. For more information regarding discrimination and harassment, please see the Company's policies.

It is incumbent upon each of us to preserve our long-standing commitment to, and reputation for, ethical conduct in all aspects of our dealings with customers, teammates and others with whom we do business. We will adhere strictly to all applicable rules concerning gifts, hospitality and post-government employment. We will comply fully with all applicable laws and regulations governing how we contract and interact with customers and end users, including those related to pricing, negotiations, procurement integrity and lobbying. Our business relationships must remain above reproach both in fact and in appearance.

We will be vigilant in guarding against abuse and corruption of any sort. As a company we have processes in place to ensure the safety, security and legality of the materials and parts we use in our products, including those supplied under government contracts.

Our Special Security Agreement (SSA) with the US Government allows us to fully operate and serve our US military, intelligence community and homeland security customers. We will take special care to abide by the letter and spirit of the SSA, and to protect this strategic asset of the Company.

The BAE Systems Code of Conduct in the preceding pages makes clear that we are each responsible for our actions in the conduct of Company business. And, importantly, each of us is a leader in ensuring that our commitment to the highest standards of ethical conduct is preserved and enhanced every day.

Thank you for your continued contribution.



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BAE Systems plc
6 Carlton Gardens
London SW1Y 5AD
United Kingdom
Telephone +44 (0) 1252 373232

Registered in England and Wales No. 1470151

www.baesystems.com