

Supplier Code of Conduct 2025

Guidance for Responsible Business



Introduction

Responsible behaviour is vitally important to our reputation and success. We strive to maintain high ethical standards, which underpin our role as a trusted partner to our customers, by managing our operations responsibly and conducting business in an ethical way. We cannot do this alone. You play a critical role.

To clarify what we expect from you and your supply chains, we have developed our Supplier Code of Conduct. This document outlines a set of best practice guidance and the expectation is that as a supplier you adopt this within your organisation or create a document mirroring what is outlined here. The Supplier Code of Conduct is not intended to conflict with or modify the terms of supplier contracts with BAE Systems. If a contract, legal or regulatory requirement addresses the same areas as covered in this code of conduct, you must comply with those requirements.



Human Rights

We expect our suppliers to uphold and protect human rights by treating their own employees, their suppliers and third parties with respect, promoting fair employment practices, providing fair and competitive wages and prohibiting harassment, bullying, discrimination, retaliation, modern slavery and human trafficking.

Our suppliers are expected to undertake appropriate due diligence to identify such human rights risks, supported by systems and processes to minimize the risk of such abuses occurring. When identifying, investigating and reporting issues, suppliers shall seek to encourage transparency and full disclosure.

Inclusion

We expect our suppliers to foster a high performing workforce that enables business performance and growth through an inclusive culture where all employees are respected, valued, and feel they can belong and contribute fully to our collective mission. Our suppliers are expected to provide equal employment opportunities without discrimination and to comply with all applicable non-discrimination laws and regulations.

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

We expect that our suppliers shall not engage in any form of modern slavery, including human trafficking, forced, bonded or indentured labour.

All work should be voluntary on the part of the employee and without any form of illegal, forced, or bonded labour, or any association with human trafficking or involuntary movement of people. Suppliers should allow employees to freely choose to work or to leave employment and are expected to provide all employees with a written contract or offer letter (depending on the jurisdiction of employment) in their local language clearly indicating their rights and responsibilities with regard to wages, working hours, benefits and other working and employment conditions and where legally required, register that contract. Suppliers should not utilise recruiters that do not comply with local and relevant labour laws, and that do not offer transparency in their own activities.

Freedom of movement of employees should not be unreasonably restricted, or subject to coercive means that restrict personal freedoms. The mandated surrender of Government issued identity documents, or work permits, as well as practices that bind workers to employment, such as unreasonable recruitment fees, accommodation, or documentation costs, should not be permitted.

We also expect our suppliers to ensure that child labour is not used in the performance of work. The term 'child' refers to any person under the minimum legal age for employment where the work is performed, and/or the minimum working age as defined by the International Labour Organization (ILO), whichever is higher.



Wage, Benefits, and Working Hours

We expect our suppliers to provide workers at least the minimum compensation and insurance required by local law and provide all applicable legally mandated benefits. Suppliers are also expected to provide employees with regulated hours of work, daily and weekly rest periods, and annual leave in accordance with applicable laws and regulations.

Health and Safety

We expect our suppliers to comply with all applicable laws and regulations regarding occupational safety and health. Furthermore, we expect suppliers to provide workers with a safe and healthy workplace and to operate an appropriate occupational safety and health management programme aimed at protecting the health, safety, and welfare of workers, contractors, visitors and others who may be affected by their activities.

Harassment and Bullying

We do not tolerate harassment or bullying of any kind (including, but not limited to, sexual harassment). We expect our suppliers to share this commitment. Suppliers are expected to ensure compliance with local laws and regulations in relation to harassment and bullying, including in any of their interactions with BAE Systems' personnel.

Help and Guidance

We expect suppliers to create an environment where concerns can be identified, both within their organisation and supply chain, and where mechanisms are put in place, or communicated, that provide opportunities for employees, suppliers or third parties to raise concerns (in confidence if necessary) without fear of retaliation.

We also expect our suppliers to report any ethics or legal concerns related to their own operations, supply chains, or any BAE Systems activities they observe on-site or in connection with business operations. The BAE Systems Ethics Helpline is available for suppliers to report any potential violations to this code of conduct, including concerns about human rights, corruption, fraud or unethical conduct within BAE Systems or its supply chain.



Code of Conduct and Compliance

Our internal BAE Systems' Code of Conduct is central to our responsible business environment. We expect our suppliers to implement and adhere to their own similar written code of conduct as this document, or adopt this. In addition, commensurate with the size and nature of their business, we expect our suppliers to have management systems in place to support compliance with all applicable laws and regulations.

Facilitation Payments

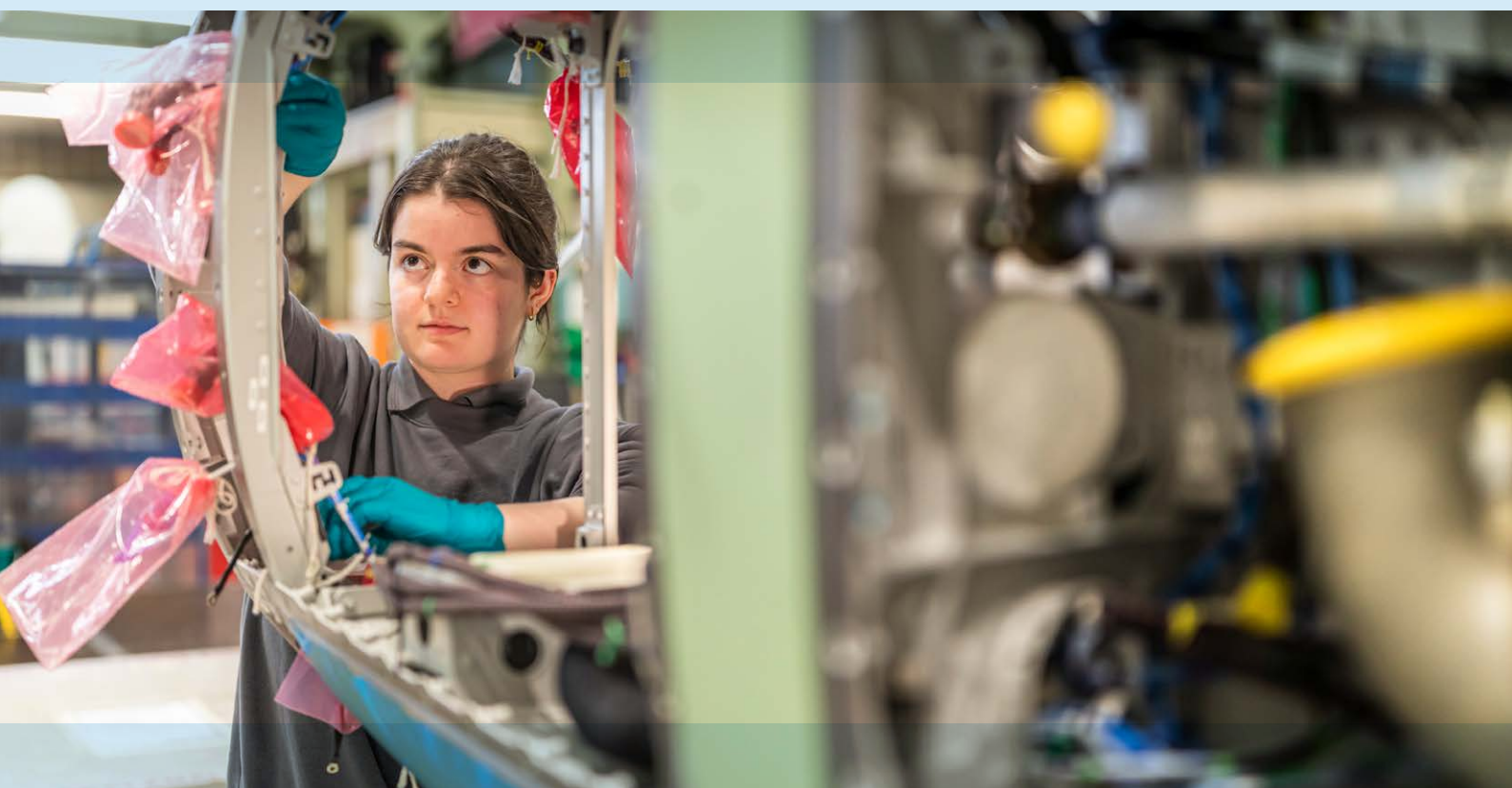
We do not make facilitation payments and expect that our suppliers will not directly or indirectly make facilitation payments on our behalf. The concept of a facilitation payment does not include fees required to be paid by law such as the payment of a filing fee for a legal document, nor does it include lawful expediting payments that are covered by an official, published fee schedule and for which a receipt is provided.

Gifts and Hospitality

We expect our suppliers to ensure that the offer, provision, request for or receipt of any gift or hospitality is as permitted by law and regulation, does not violate the rules and standards of the donor and recipient's organisation, and is consistent with all reasonable market terms and conditions. Gifts and hospitalities must never be in cash or cash equivalents, and suppliers should have in place and adhere to a gifts and hospitality policy.

Anti-Corruption

We expect our suppliers to comply with all relevant laws and regulations regarding anti-corruption including, where applicable, the Foreign Corrupt Practices Act and the UK Bribery Act or equivalent standards. We do not tolerate bribery or corruption in any form. Suppliers must not offer, promise, give, accept, request or receive any payment, benefit or gift that may be construed as a bribe, kickback, or other improper payment, gift or benefit, for any business purpose whether directly or through a third party. Suppliers are expected to undertake reasonable due diligence to prevent and detect bribery and corruption in all their business arrangements. We also expect our suppliers to have appropriate and adequate procedures to prevent such activity from taking place.



Anti-Trust and Competition

We expect our suppliers to conduct business in accordance with all applicable competition and anti-trust laws and regulations. We expect that our suppliers will not enter into formal or informal anti-competitive arrangements, whether to fix prices, rig bids, limit supply, allocate/ control markets, or otherwise improperly 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 actual, potential, or perceived conflicts of interest in their dealings with BAE Systems. We understand that such actual or potential conflicts do arise in the course of business from time to time, in which case we expect our suppliers to disclose them to BAE Systems and all other affected parties in a timely fashion.

Management of Risk

Suppliers are encouraged to proactively assess and mitigate risk in their business and their supply chain. Where there is a high risk to the surety of supply or cost, suppliers are expected to communicate with BAE Systems regarding such risks and appropriate mitigation.

Proper Payment of Taxes

We expect our suppliers to properly and accurately record all financial aspects of their work, to represent themselves accurately to all relevant tax authorities, and to comply with all relevant tax legislation. Suppliers are expected to ensure appropriate processes are in place to prevent the facilitation of tax evasion by employees and other persons performing services on behalf of our suppliers.

Fraud

We expect our suppliers to comply with all relevant laws and regulations in relation to fraud. We do not tolerate fraudulent activity in any form. We expect our suppliers to represent themselves accurately and with integrity and to display ethical standards of behaviour in all business arrangements.

Trade Controls and Sanction

Our suppliers are expected to conduct business in compliance with all applicable trade control laws including regulations governing the export, re-export, transfer, brokering and import of controlled hardware, technology, technical data, software and services.

We expect our suppliers to undertake appropriate due diligence and screen third parties with whom they do business and to be fully compliant 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 uphold high product quality standards through continuous improvement and defect prevention. They should implement strong quality assurance processes to detect and correct defects promptly. Industry best practices including rigorous testing and validation, must be followed to ensure reliability and compliance. All quality-related tasks should be performed by authorised personnel. A zero-defect approach is essential, with proactive monitoring of manufacturing and supply chains. Suppliers must deliver reliable products on time and at a competitive cost.

Counterfeit Parts

We expect our suppliers to develop, implement and maintain methods and processes appropriate to their products to prevent counterfeit parts and materials being delivered. Effective processes should be in place and regular training undertaken to detect, report and quarantine counterfeit parts and materials and prevent such parts from re-entering the supply chain.

BAE Systems expects its suppliers to only use parts from original equipment or component manufacturers or their authorised sources, and to comply with applicable laws, regulations, and industry 'best practice' protocols when conducting business with BAE Systems.

We expect suppliers to inform us immediately if counterfeit parts and/or materials are detected or suspected.

Intellectual Property

We expect our suppliers to respect the intellectual property of others, and act at all times in a manner that respects such rights, as well as complying with all applicable laws and regulations governing intellectual property, and their contractual obligations.

Security

BAE Systems expects its suppliers to ensure security is integral to their governance, culture, values and expected behaviours, and that their whole workforce are empowered to take personal responsibility for security outcomes. BAE Systems expects security risk management to have senior management ownership so that information and assets remain secure, and supplier operations and services are resilient.

Where a supplier is responsible for creating, handling, storing, or managing information, assets or services for BAE Systems and/or its customers, it is expected to implement a layered approach to security controls comprising appropriate cyber, physical and personnel security measures, in accordance with applicable laws, regulations and contractual requirements. We expect our suppliers to conduct appropriate levels of assurance to validate the effectiveness of their security risk management approach.

When managing a security incident (including incidents within a supplier's supply chain potentially impacting upon BAE Systems) we expect suppliers to undertake immediate activity to address the incident, and to swiftly notify and support BAE Systems in responding to and remedying any impact. We expect our suppliers to be able to anticipate, withstand, and where necessary, recover from adverse events to maintain a resilient service to BAE Systems and/or its customers.



Environment Responsibility

BAE Systems expects suppliers to operate responsibly by minimising environmental risks and impact where practicable and complying with applicable environmental laws. Suppliers should enhance the efficiency and resilience of their business through energy optimisation, responsible material stewardship, and ecosystem preservation. This includes improving efficiency, adopting lower-impact energy sources, minimising waste, and mitigating pollution. BAE Systems values collaboration with suppliers on these activities, supporting continuous improvement and alignment with global best practices that support a resilient, low-impact supply chain.

Responsible sourcing

We expect our suppliers to provide products made from materials, including constituent minerals that are sourced responsibly, including undertaking appropriate due diligence, and to support efforts to eradicate the use of any minerals which directly or indirectly finance or benefit armed groups that are perpetrators of serious human rights abuses.

People & Communities

We want to make a positive social and economic contribution to the communities in which we live and work by engaging in and supporting activities and organisations that align with our business, customer and local community priorities. These include education, skills, charity, employee engagement and other activities that align with our business. We expect our suppliers to understand relevant legislative, customer, business and community influences, and to align with and support these activities.



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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