

Combat Mission Systems

2022 Economic Impact Report

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The Imperative of Delivering for Defense

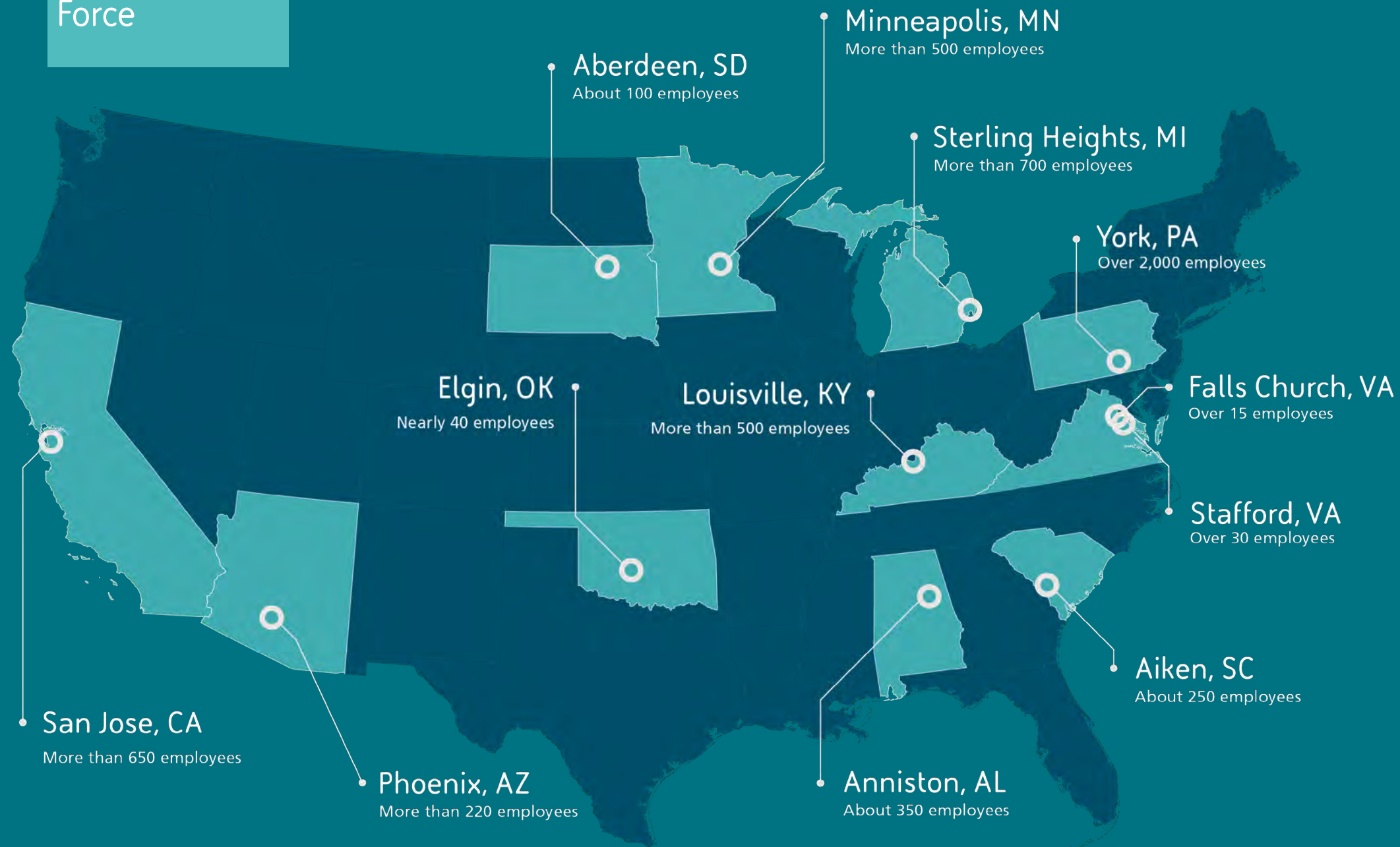
With more than 5,000 employees in 12 states across America, our Combat Mission Systems employees have one thing in common: a heart for mission. Our people know why the work they do matters. Many of our employees are military veterans, which helps our broader employee base understand the importance of what we do every day.

For decades, our vehicles and weapon systems have provided critical capabilities to Soldiers, Sailors, Marines and Airmen. As threats evolve and technology changes, our industrial network is investing in the technology and skillsets that ensure our products meet the needs of the military. For BAE Systems, Soldiers, Sailors, Marines and Airmen are the customer, and we want to ensure they are served with the advanced technology they need.



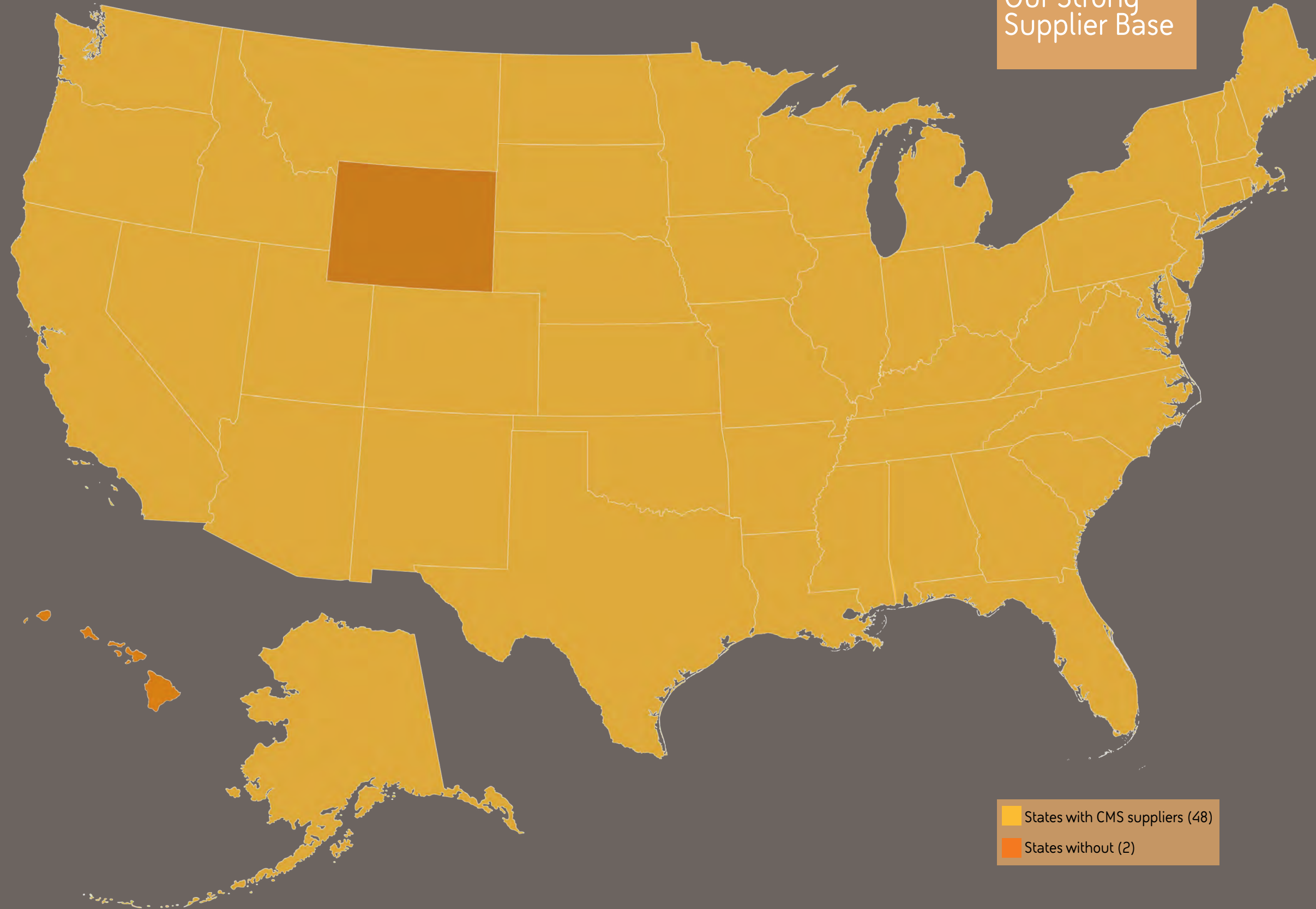
“Our people know why the work they do matters.”

BAE Systems CMS Industrial Network is an Economic Force



The 2022 total economic impact across the U.S. is **\$1.9 billion**

*Total Economic Impact includes BAE Systems' payroll and benefits, purchase orders/subcontracts with suppliers/contractors and community investment; headcount totals include contractors; both exclude economic multiplier that varies by industry and sector. All numbers rounded.



Our Strong Supplier Base

States with CMS suppliers (48)
States without (2)

State	Supplier Count	Small Business
AK	2	2
AL	56	34
AR	8	2
AZ	113	77
CA	214	139
CO	19	10
CT	33	21
DE	3	2
FL	68	37
GA	43	20
IA	11	8
ID	1	1
IL	81	38
IN	30	23
KS	18	13
KY	79	52
LA	4	1
MA	37	20
MD	34	21
ME	1	1
MI	144	89
MN	138	98
MO	23	12
MS	6	3
MT	4	3
NC	42	23
ND	4	1
NE	4	1
NH	8	4
NJ	43	27
NM	2	1
NV	5	5
NY	71	44
OH	135	80
OK	40	24
OR	15	10
PA	262	160
RI	5	3
SC	62	40
SD	30	23
TN	22	15
TX	96	58
UT	10	7
VA	62	35
VT	1	0
WA	13	7
WI	51	29
WV	2	1

The Backbone of the Armored Brigade

The Armored Brigade Combat Team (ABCT) is essential to ground operations in modern conflict. Armored formations feature crucial firepower through tanks, infantry fighting vehicles and self-propelled howitzers that give modern armies the capabilities they need to defend themselves.

At BAE Systems, our vehicles are the backbone of the ABCT. For decades, we have designed and manufactured four of the five vehicles synonymous with armored formations: the M2 Bradley Infantry Fighting Vehicle, the M109 Self-Propelled Howitzer, the M88 Armored Recovery Vehicle and the new Armored Multi-Purpose Vehicle.

Our partnership with the customer doesn't stop at delivery – our employees are deployed with our products and interact constantly with the end-user to provide full life-cycle support. This relationship with the users informs our upgrades and modernization efforts on existing platforms, as well as our new vehicle designs. We are constantly striving to give troops a cutting edge advantage on the battlefield.

Our unparalleled industrial network across the United States is critical to our combat vehicles delivering an advantage to Soldiers on the battlefield. Time and again, the network has consistently proved it understands the unique requirements of the Army's armored units.

CMS Industrial Network fast facts

- In 2022, we averaged 40 combat vehicles per month
- Agile combat vehicle production capabilities at five U.S. sites
- More than 5,000 employees
- Over \$1.2 billion in subcontracts and purchase orders
- Over 4 million sq. ft. of shop floor and office space
- First-of-its-kind combat vehicle robotic weld capability

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Our Employees' Impact at Home

We're proud to invest in the local communities where our employees live and work, supporting organizations that make a positive impact and have documented outcomes. Our community investment programs include employee-based volunteer and fundraising initiatives, and corporate giving. Our community investment outreach focuses on military and veterans; education including science, technology, engineering, and math as well as skilled trades; diversity, equity, and inclusion; and the environment.

- \$583,000 Total CMS and Employee Contributions
- 60 Organizations Supported with Grants
- \$318,000 in grants provided
- 1,696 Volunteer hours
- \$153,000 employee donations
- \$104,000 company-matched contributions

1,696
Volunteer hours



BAE Systems has partnered with Habitat for Humanity for the last six years. Across the country, our collaboration with Habitat for Humanity ranges from monetary donations to hands-on construction and remodeling projects.



We recognize the importance of educating and investing in future generations of leaders. Educating the next generation in science, technology, engineering, and math programs, as well as skilled trades, is a critical piece in support local communities.

Employees in York, Pa planted over 700 new trees and shrubs during a volunteer event to celebrate Earth Day in 2022. The trees support BAE Systems net zero greenhouse gas emissions goal and protect the local environment.



\$583,000
Total CMS and employee contributions



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