

BAE Systems Human Rights Statement 2026

At BAE Systems, we provide some of the world's most advanced, technology-led defence, aerospace and security solutions, helping customers stay ahead of evolving threats across land, sea, cyber and space.

We are a workforce of 111,400 highly skilled people in more than 40 countries. Working with our customers and local partners, we develop, engineer, manufacture and support products and systems that deliver military capability, protect national security and keep critical information and infrastructure secure.

Our approach to human rights

We are committed to respecting human rights wherever we operate, in the activities that fall under the full, direct control of the Group.

Our employees, our suppliers and business partners, are all expected to adopt high standards.

Our Human Rights Statement outlines our approach to activities that fall under the full, direct control of the Group, including in relation to anti-corruption, the environment, as well as our workplace, supply chain, local communities and products.

Our approach includes:

- maintaining high standards of governance to comply with applicable law;
- supporting the communities in which our businesses are located;
- maintaining and improving global policies and processes which relate to business responsibility matters, including climate, social, safety and ethics;
- respecting the labour rights and workplace rights of our employees in accordance with national laws; and
- appointing and working with suppliers and business partners who are expected to adopt similarly high standards of business conduct, consistent with our own, in accordance with applicable national laws.

Our [Code of Conduct](#) outlines our expectations of our employees and is integrated into our Operational Framework. Our [Supplier Code of Conduct](#) outlines our expectations of our partners.

Our approach to identifying and assessing human rights risks is embedded within our approach to risk management (see page 60 of our [2025 Annual Report](#)).

Human rights considerations

The following human rights considerations have been identified as part of stakeholder engagement and are being addressed by ongoing programmes across our business.

Human rights in the workplace

We value an inclusive workplace and the contributions that our workforce makes. We have a long-standing commitment to equal opportunity and the intolerance of discrimination and harassment. We are committed to maintaining workplaces that are free from discrimination and harassment on the basis of any protected characteristic, and where everyone is able to succeed based on merit.

We do not tolerate harassment, including verbal, non-verbal, physical or online. Abusive, offensive, humiliating or intimidating behaviour is never acceptable.

We maintain processes to ensure that all employees have a contract of employment or offer letter (depending on the jurisdiction of employment) in a language they understand clearly indicating their rights and responsibilities with regard to wages, working hours, benefits and other working and employment conditions. Our processes are designed to ensure we do not retain originals of employee

identification (passports or work permits) and we do not destroy or deny access to such documentation, as a condition of employment, in each case unless required by applicable law.

Due to the nature of the industry we work in and the customers we support, all potential employees and contingent workers are required to go through a pre-employment vetting process. Subject to local laws in each jurisdiction, individuals are required to be verified for identity, employment and academic history, nationality and right to work status and criminal record checks.

Risks may potentially arise from the engagement of third-party contracted labour performing work on our behalf. Where we work with third party recruitment service providers, they are subject to our supplier due diligence process and acknowledge our [Supplier Code of Conduct](#) outlined below, which includes an expectation of not using practices that bind workers to employment, such as unreasonable recruitment fees, accommodation, or documentation costs or mandated surrender of Government issued identity documents.

Our employees have the right to resign at any time and leave employment after meeting any conditions of contract and notice period.

Our pay systems are designed to ensure that all employees are rewarded fairly and appropriately for their contribution. We operate in compliance with all applicable pay, overtime, work hours, holiday and benefit laws.

We have a range of policies in place to support employees in achieving balance between their work commitments and personal priorities including Maternity, Paternity, Adoption and Shared Parental Leave policies, agile and flexible working practices and career breaks.

We prohibit the use of all forms of modern slavery and human trafficking, forced, bonded or indentured labour.

We maintain processes designed to comply with child labour laws and to ensure that we will not employ anyone under the age of 15 or, where the mandatory school leaving age is higher, we will not employ anyone under that age in that country. We comply with applicable local health and safety laws governing the employment of individuals under 18, including restrictions or additional safety measures related to hazardous work. We are committed to the development of young people by providing development and apprenticeship programmes.

Where it is legal to do so, we respect employees' right to join or form a labour union without fear of reprisal, intimidation or harassment. Where employees are members of and represented by a legally recognised union, we are committed to establishing a constructive dialogue with those representatives.

The safety, health and wellbeing of our employees is an enduring priority. Our people work in often challenging environments and on some of the most complex engineering projects.

We operate a number of industrial sites, and our manufacturing activities present a range of risks, including work in confined spaces, machinery operation, working at height, and slips, trips and falls.

We have multiple programmes in place to support the safety of our people and reinforce a strong safety culture. Our focus is on preventative safety management, aiming to identify, remove and mitigate the most significant health and safety hazards that could potentially lead to a Significant Injury or Fatality (SIF).

We are focused on strengthening our safety management programme. We have a number of programmes focused on continually improving the safety of our employees and we ensure those employees exposed to identified or known hazards have the appropriate protective equipment. We continually monitor our operations to ensure our safety efforts are aligned to the working environment.

We keep employees informed and engaged in our priorities and progress through a variety of channels including our employee app, intranet, email, podcasts, newsletters, leadership blogs and briefings and through our line managers who help connect everyone's daily work to our overarching mission. Employees are encouraged to share their views through our channels and surveys.

Human rights and anti-corruption

We do not tolerate bribery and corruption in any form.

Our anti-corruption programme guides and supports our employees in making responsible decisions. It also helps employees understand what is expected of them and creates an environment in which employees feel they can ask questions and raise issues and concerns.

Our anti-corruption programme is embedded in the Company's governance framework. Our approach to governance outlines a set of operational standards that apply wherever we operate. Our programme is embedded through our key global policies and processes including due diligence requirements.

Human rights and environment

We are committed to high levels of environmental stewardship and aim to consume resources responsibly by using energy efficiently and improving efficiency of operations to reduce and optimise all types of waste (eg hazardous, non-hazardous, radioactive) where we can.

We also seek to prevent adverse environmental impacts by preventing sources of contamination and to protect the natural environment from harm and degradation in the geographies where we operate.

Human rights in our supply chain

To clarify what we expect from our business partners, suppliers and their supply chains, we have developed the [Supplier Code of Conduct](#) which defines the behaviour we expect from our suppliers and what they can expect from us. They also specify compliance with all relevant laws and set out our expectations with regards to respect for labour rights, including protection against modern slavery and human trafficking.

Our procurement teams are responsible for communicating the [Supplier Code of Conduct](#) to our suppliers and incorporating it into supplier due diligence and on-going management, including conducting risk assessments. For example, due diligence may be carried out during the supplier evaluation stage against non-financial risks, including human rights, working hours, harassment and unlawful discrimination, anti-whistleblowing, slavery, human trafficking and child labour.

Once a supplier has been approved and a contract has been executed, the supply chain function actively manages and monitors that supplier. This includes managing any significant changes in our relationship with the supplier. A global Supply Chain Central Risk Intelligence hub has been established to collect and share new risk intelligence associated with suppliers, as well as category, cyber-security, political and ethical information that may affect our business. Periodic global supply chain disruption meetings are held with senior procurement leaders to ensure risk data is appropriately shared. Proactively managing suppliers and sharing appropriate data allows procurement to develop risk-mitigating strategies, helping to reduce the risk of supply chain disruptions.

Risk-based due diligence is required to be undertaken in respect of third parties with which the Company engages, whether supplier, adviser, potential joint venture partner, acquisition target or other third party.

Human rights in our local communities

Our safety and environment policies and processes help to mitigate the impact of our operations on local communities around our sites in which our businesses are located.

It is important to us and our employees that we have a strong and positive presence in our communities and that we help those in the community who can best benefit from the help that we can offer; we like to work on issues which affect our industry, with examples including: supporting young people to consider studying science, technology, engineering and maths (STEM) subjects as well as supporting past and present armed forces personnel. We also work to support the communities where our businesses are located.

We collaborate with organisations and seek out employee volunteering opportunities. These include not-for profit organisations and education providers.

Human rights and our products

Our products protect national security and keep critical information and infrastructure secure.

Our work is critical to supporting national security around the globe, providing governments with the ability to protect their people. We understand that some of our stakeholders have views and perceptions of defence companies and human rights, particularly in the area of exports and how our products are used.

We operate in many jurisdictions, in a sector in which our business operations, including export of our products, is subject to strict regulatory controls. We also maintain internal controls that help us determine what we sell and to whom we sell.

Export of controlled goods must be authorised by governments before a sale can proceed. Our export control compliance framework is supported by defined policies, controls and oversight and includes mechanisms to detect and provide timely responses to actual or suspected violations of export control laws, including prompt investigations and appropriate remedial actions.

Our product safety management systems aim to reduce the risk of unintentional harm to people, property and the environment. We continually work to improve safety standards, by raising awareness of our employees' roles in identifying, managing and reducing safety risks.

Governance and policies relating to human rights

The Board considers matters to which human rights are particularly relevant, including through its ESG Committee. The purpose of the ESG Committee is to assist the Board in promoting the long-term success of the Company with regard to ESG matters. This includes the oversight of the Company's approach to human rights.

Our Chief Executive has primary responsibility for delivery of the business strategy. He is supported by the Group ESG, Culture & Business Transformation Director who advises on sustainability strategy and direction and liaises with the business teams in relation to the delivery of the strategy.

Our commitment and approach to human rights is considered across global policies and processes in our Operational Framework and in our [Code of Conduct](#) and is regularly reviewed. Our Code is translated into Arabic, Czech, Latin American Spanish, Slovak, Swedish and UK/US English and is considered across the business via conversation-based training.

All employees are required to adhere to our [Code of Conduct](#) and group policies in addition to any specific requirements outlined in local policies.

Our global and local policies and processes for our operations cover:

- Supporting the rights of freedom of association and the effective recognition of the right to collective bargaining, where legal;
- Maintaining and operating systems and processes that reduce the risk of child labour, modern slavery and human trafficking in our business and supply chain;
- Aiming to eliminate unlawful discrimination, harassment and victimisation/retaliation in respect of employment;
- Supporting a precautionary approach to environmental challenges;
- Undertaking initiatives to promote greater environmental responsibility; and
- Working against corruption in all forms, including extortion and bribery.

For non-controlled Joint Ventures, BAE Systems employees appointed to the board, or comparable governing body, exert the influence they have to encourage the adoption of governance that is substantially equivalent to our own including, policies and processes, the Code of Conduct, employee training and the Ethics Helpline.

Exposure to human rights risk and mitigation

Our approach to identifying and assessing human rights risk is embedded within our approach to risk management.

Our approach to assessing modern slavery risks is set out in the Modern Slavery statements, which are published annually and are available

<https://www.baesystems.com/en/sustainability/sustainability-reporting>.

Engagement and training on human rights

We provide guidance and training for our employees on areas that fall within the scope of human rights, including but not limited to, health and safety, inclusion, environment, ethics and export controls.

We communicate and raise awareness of our Supplier Code of Conduct. Over and above the expected operational supplier engagements, we utilise a number of mechanisms to maintain visibility, raise awareness and share practices related to both our Supplier Code of Conduct and modern slavery.

Our approach to modern slavery training is set out in the Modern Slavery statements, which are published annually and available at <https://www.baesystems.com/en/sustainability/sustainability-reporting>.

Remedies and grievance mechanisms

Our Code of Conduct and Ethics training actively encourage employees globally to speak up if they have a concern or talk to someone if they need guidance. Employees can raise a concern through four channels: via our Ethics Officers; by email; on the telephone; and online reporting to our externally run Ethics Helpline service.

We maintain a network of Ethics Officers and we have a 24-hour independent Ethics Helpline that can be accessed by phone, email or an external website so that employees can ask for support or report a concern, including concerns in respect of human rights issues. We encourage employees to speak up without retribution and anonymously if preferred.

All issues raised, whether for guidance or to report a concern, are assigned to Ethics Officers and logged in a case management tool. If a concern raised or issue reported requires further investigation, the Ethics Officer will interface with the relevant function or department to independently investigate and follow processes outlined in our Investigations Governance process.

Escalation procedures are in place to flag significant cases and if required, to report cases to the Chief Executive and the Board and to external authorities and regulators. All enquiries requiring investigation are reviewed and reported to Ethics Committees.

We support all employees who report apparent misconduct honestly and in good faith and we do not tolerate any retaliation. Any manager or employee found to have retaliated against someone who has raised a concern in good faith will face disciplinary action, which could include dismissal. Non-retaliation is explained in our [Code of Conduct](#).

Employees also have the opportunity to raise problems and concerns about their work, working environment, or working relationships.

Our [Ethics Helpline](#) is also available for third parties, including suppliers, to raise concerns or discuss issues. Third parties, including suppliers, can report a concern anonymously. Details of how to contact the [Ethics Helpline](#) are included within our [Supplier Code of Conduct](#) and on our [website](#). If a call regarding human rights or modern slavery was received by our [Ethics Helpline](#), the call would be escalated for review and allocated to a senior company representative for investigation in accordance with the Modern Slavery Reporting Procedure.

Our [Ethics Helpline](#) includes human trafficking and slavery escalation procedures.

Transparency

We publish our annual responses, including work streams and progress achieved during the year, to the UK and Australian Modern Slavery Acts, and a statement in response to the California Transparency in Supply Chains Act on our website <https://www.baesystems.com/en/sustainability/sustainability-reporting>.