



## 1. Purpose

- 1.1. Sustainability is an integral part of Babcock’s corporate strategy and how we do business. It underpins our corporate Purpose:
  - . This purpose is delivered through our principles which are designed to inspire our thinking, guide our actions and encourage us to each support each other in achieving our goals.
- 1.2. Our aspiration is to reduce our impact on the planet and better protect, support and engage with our communities. We will continue to strive to achieve and maintain the highest standards of management and protection and that Environment, Social and Governance (ESG) principles are considered in all aspects of our operations assuring delivery against our targets. We will do this by designing policies, activities and solutions that enable Babcock to be a more inclusive and sustainable business and embedding sustainability principles from design through to end-of-life in all products and services. Support for this vision is held by Babcock’s Chair, Board and Chief Executive Officer.
- 1.3. Our commitment to delivering value to society also drives the action we are taking to fight climate change, tackle economic inequality, support the recovery from Covid-19, improve equality of opportunity and increase wellbeing.
- 1.4. Babcock has set a number of short, medium and long term targets across our social and environmental pillars. A complete list of our current sustainability targets as of 2022 is available to view on our corporate website.

## 2. Scope

This policy explains the corporate strategy and governance for sustainability / ESG across Babcock Group and applies to all employees of Babcock Group.

## 3. Policy

### 3.1. Babcock’s interpretation of sustainability

- 3.1.1. Babcock considers sustainability to be a broad topic covering issues as diverse as climate change and biodiversity through to equality and human rights as well as anti-bribery and cyber protection. This can also be referred to Environment, Social and Governance or ESG for short.
- 3.1.2. Our ESG strategy has five clear priorities:
  1. We will reduce emissions and set science-based targets to get to net zero across our estate, assets and operations
  2. We will integrate environmental sustainability into programme design to minimise waste and optimise resources
  3. We will ensure the safety and wellbeing of all our people
  4. We will make a positive difference to the communities we’re proud to be part of and provide high-quality jobs that support local economies
  5. We will be a collaborative, trusted partner across the supply chain, helping to tackle common challenges

A visual representation of how these interact with our principles and charter can be found in the appendix to this policy.

- 3.1.3. The ESG sustainability strategy is supported by six pillars. These are shown in our Sustainability Charter along with an explanation of each pillar as described below.

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