

Babcock International Group PLC

Notice of Annual General Meeting

THIS DOCUMENT, WHICH CONTAINS THE NOTICE OF THE ANNUAL GENERAL MEETING OF BABCOCK INTERNATIONAL GROUP PLC (THE "COMPANY"), IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT ABOUT THE ACTION TO TAKE, PLEASE CONSULT AN INDEPENDENT FINANCIAL ADVISER, WHO IS AUTHORISED UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000 IF YOU ARE RESIDENT IN THE UNITED KINGDOM, OR IF NOT, FROM ANOTHER APPROPRIATELY AUTHORISED INDEPENDENT FINANCIAL ADVISER. IF YOU HAVE SOLD OR TRANSFERRED ALL YOUR SHARES IN THE COMPANY, PLEASE PASS THIS DOCUMENT TO THE PERSON THROUGH WHOM YOU MADE YOUR SALE OR TRANSFER FOR FORWARDING TO YOUR PURCHASER OR TRANSFEREE.

Dear Shareholder

I am pleased to announce that the Company will hold its Annual General Meeting ("AGM") at the Grosvenor House Hotel, Park Lane, London W1K 7TN on Monday, 19 September 2022 at 11.00am. The AGM is an important event in our corporate calendar as it provides the Board of Directors with an opportunity to present a review of the Company's performance, update shareholders on the Group's strategic priorities and listen to and respond to shareholder questions.

We set out the proposed resolutions, together with explanatory notes, on pages 2 to 6. Resolutions 15 to 17 will be proposed as special resolutions. All the rest will be proposed as ordinary resolutions. In line with our customary practice, we will hold the vote by a poll rather than on a show of hands, which ensures that we count the votes of shareholders who are not attending in person.

Speaking on behalf of the Board of Directors, we encourage shareholders to submit any questions they would like to have answered at the AGM in advance, as this will enable us to respond to as many questions as possible at the AGM. You can do this by email to groupsecretariat@babcockinternational.com. If you attend the AGM, you may also submit questions during the meeting.

We are pleased that the AGM will go ahead once again as a physical meeting this year, and we are looking forward to welcoming shareholders in person. However, whilst there are not currently expected to be any UK Government restrictions on public gatherings in place at the time of the AGM, in order to minimise health risks to our shareholders, employees and all others involved in the AGM, shareholders are asked not to attend the AGM in person if they have any symptoms of COVID-19 and instead, make use of the ability to submit a proxy vote in advance of the AGM as described below. In the event that public health guidance or legislation issued by the UK Government makes it necessary or appropriate to revise the current arrangements for the AGM, we will notify shareholders of any such changes through the Company's website (www.babcockinternational.com), and, where appropriate, via an RNS announcement.

Voting

You can vote by proxy by visiting www.babcock-shares.com and following the instructions on that website. You will need to log in to your Babcock share portal or register, if you have not previously done so. To register, you will need your Investor Code, which is on

Authority to Allot

13. To resolve that, in substitution for all such existing authorities, the Directors of the Company be and are hereby generally and unconditionally authorised for the purpose of section 551 of the 2006 Act to exercise all the powers of the Company to allot shares in the Company and grant rights to subscribe for or to convert any security into shares in the Company:
- (a) up to an aggregate nominal amount equal to £101,119,319.40 (such amount to be reduced by any allotments or grants made under paragraph (b) below in excess of such amount); and
 - (b) comprising equity securities (as defined in section 560(1) of the 2006 Act) up to an aggregate nominal amount of £202,238,638.80 (such amount to be reduced by any allotments or grants made under paragraph (a) above) in connection with an offer by way of a rights issue,

such authorities to apply (unless previously renewed, varied or revoked by the Company in a general meeting) until the end of the Company's next annual general meeting (or, if earlier, until the close of business on 30 September 2023) but, in each case, so that the Company may make offers and enter into agreements before the authority expires which would, or might, require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after the authority expires and the Directors of the Company may allot shares or grant such rights under any such offer or agreement as if the authority conferred hereby had not expired. References in this Resolution 13 to the nominal amount of rights to subscribe for or to convert any security into shares (including where such rights are referred to as equity securities as defined in section 560(1) of the 2006 Act) are to the nominal amount of shares that may be allotted pursuant to the rights.

For the purposes of this Resolution 13 'rights issue' means an offer to:

- (i) ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
- (ii) holders of other equity securities, as required by the rights of those securities or, subject to such rights, as the Directors otherwise consider necessary,

to subscribe for further securities by means of the issue of a renounceable letter (or other negotiable document or electronic or dematerialised equivalent) which may be traded for a period before payment for the securities is due, including an offer to which the Directors may impose any limits or restrictions or make any other arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter.

Babcock 2022 Deferred Share Bonus Plan

14.

Explanatory Notes to the Resolutions

The shareholders will pass Ordinary Resolutions 1 to 14 if the votes cast for the Resolutions are more than those cast against. The Board considers that all the Resolutions in the notice of the Annual General Meeting are in the best interests of the Company and its shareholders as a whole. Your Directors unanimously recommend that you vote in favour of them as they intend to do in respect of their own beneficial holdings.

The Directors must lay the Annual Report and Financial Statements before the shareholders at each Annual General Meeting.

We are asking shareholders to approve the Directors' remuneration report for the year ended 31 March 2022, which is set out on pages 113 to 133 of the Company's Annual Report and Financial Statements 2022. The vote upon this resolution is advisory. The vote is not specific to individual levels of remuneration and the Directors' entitlement to remuneration is not conditional on it. No resolution is proposed with regard to Remuneration policy this year since the Remuneration policy detailed on pages 118 to 124 of the Company's Annual Report and Financial Statements 2022 was approved at the Annual General Meeting in 2020.

In line with article 80 of the Company's articles of association and the provisions of the UK Corporate Governance Code (the 'Code'), all Directors will retire at the AGM and stand for re-appointment, as proposed in resolutions 3 to 9.

The Directors named in resolutions 3 to 8 were all appointed or reappointed at last year's AGM. John Ramsay was appointed on 6 January 2022, since the Company's last annual general meeting. The Nominations Committee led the process of identifying and recommending the appointment of John Ramsay to the Board based on pre-defined criteria of experience, knowledge, skills and independence.

Following the annual performance evaluation of all Directors, the Board is satisfied that the performance of each Director continues to be effective and demonstrates commitment to his or her role. Their biographical details, which are set out in Appendix 1 to this Notice, demonstrate how the Board has the appropriate balance of skills, experience, independence and knowledge to lead the Company's long-term sustainable success. Accordingly, the Board unanimously recommends their reappointment.

The Board has reviewed the independence of its Non-Executive Directors and has determined that each of them continues to be independent.

On the recommendation of the Audit Committee, the Board is recommending to shareholders the reappointment of Deloitte LLP as the Company's auditor from the conclusion of the AGM until the conclusion of the next annual general meeting. Please see page 110 of the Company's Annual Report and Financial Statements 2022 for further detail. In accordance with standard practice, resolution 12 authorises the Audit Committee, on behalf of the Board, to determine the remuneration of the Company's auditor.

We do not make political donations or incur political expenditure within the ordinary meaning of those terms. However, certain activities undertaken in the usual course of business may inadvertently fall within the legal definition of political donation or political expenditure. In line with standard practice, on an annual basis, we ask shareholders to approve on a precautionary basis a limited authority to ensure that the Company does not commit any technical breach of the 2006 Act.

Under section 551 of the 2006 Act, the Directors may only allot shares or grant rights over shares if authorised to do so by shareholders. This resolution seeks authority to allot (a) shares up to an aggregate nominal value of £101,119,319.40 (such amount to be reduced by any allotments or grants made under paragraph (b) in excess of such amount) and (b) equity securities up to an aggregate nominal amount of £202,238,638.80 (such amount to be reduced by any allotments or grants made under paragraph (a)) where the allotment is in connection with a fully pre-emptive rights issue. These amounts represent a maximum of 33.3% and 66.6% respectively of the total issued ordinary share capital of the Company as at 27 July 2022*.

This resolution is in accordance with the guidance provided by the Investment Association on the Directors' authority to allot. This guidance permits resolutions seeking authority to allot shares representing up to two-thirds of the Company's issued share capital if Directors use such authority (that part provided by paragraph (b) of Resolution 13) to allot shares pursuant to a fully pre-emptive rights issue. If granted, this authority will expire at the end of the Company's annual general meeting in 2023 (or, if earlier, the close of business on 30 September 2023). As at 27 July 2022* the Company held no treasury shares.

The Directors have no present intention of exercising the allotment authority sought under Resolution 13 unless required for the allotment of ordinary shares in respect of options and awards under employee share plans. However, the Directors consider it desirable to have the flexibility to use it should opportunities arise. If the Directors do exercise the authority, the Directors intend to follow

Shareholders will pass Resolutions 15 to 17, which are Special Resolutions, if at least 75% of the votes cast are in favour.

Important Information for Shareholders

1. Shareholders are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the AGM. Shareholders are encouraged to appoint the 'Chair of the meeting' as their proxy.
2. A Shareholder may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that Shareholder. Failure to specify the number of shares each proxy appointment relates to or specifying a number which, when taken together with the numbers of shares set out in the other proxy appointments, is in excess of the number of shares held by the Shareholder may result in the proxy appointments being invalid. A proxy need not be a Shareholder of the Company and can be appointed by completing the proxy form on the Babcock share portal at www.babcock-shares.com and following the instructions provided. Shareholders will need to log in to their Babcock share portal or register if they have not previously done so. To register, Shareholders will need their Investor Code which can be found on their share certificates or dividend confirmations. Alternatively, Shareholders may contact the Registrars. A proxy will vote as instructed and must attend the AGM for a Shareholder's votes to be counted.
3. To be valid, proxy instructions must be received by the Company's registrars by 11.00am on Thursday, 15 September 2022 (or not less than 48 hours before the time fixed for any adjourned AGM, provided that no account shall be taken of any part of a day that is not a working day).
4. Copies of the following documents are available for inspection at the Company's registered office during normal business hours

Appendix 1 Directors' biographies

The following biographical details support the Board's recommendation to appoint or reappoint each of the Directors of the Company named in resolutions 3 to 9.

RUTH CAIRNIE Chair

Appointed: April 2019

Experience: Ruth brings extensive experience of the engineering sector gained from a 37-year international career spanning senior functional and line roles at Royal Dutch Shell plc. She has experience advising government departments on strategic development and capability building. She has been a Non-Executive Director of Ro

DAVID LOCKWOOD OBE
Chief Executive Officer

Appointed: September 2020

Experience: David brings wide-ranging knowledge of

Malus and clawback

The DSBP includes provisions under which the Remuneration Committee may reduce (to nil, if appropriate) the vesting of awards under the DSBP (malus) or recoup the value of previously vested awards (clawback). For example, awards may be subject to malus and/or clawback where the Remuneration Committee determines that there is a material misstatement of the Company's financial results or where a Participant leaves employment as a result of gross misconduct.

Entitlement to dividends

The Remuneration Committee may decide at any time that participants should receive an additional benefit equal in value to any dividends that they would have received during the vesting period, if they had been the holders of the vested shares. The benefit can be provided in cash or shares. Alternatively, the Remuneration Committee may grant an award on terms that the number of shares subject to the award shall increase by assuming that dividends that would have been paid on those Shares during the vesting period would have been used to buy further shares.

Cash alternative

The Remuneration Committee may elect at exercise or vesting, instead of delivering shares, to pay cash to the participant. The DSBP also has flexibility to allow cash-settled awards to be granted from the outset if the Remuneration Committee considers this appropriate.

Variation of capital

In the event of any variation in the share capital of the Company or in the event of a demerger, special dividend, or other similar event which affects the market price of Shares to a material extent,