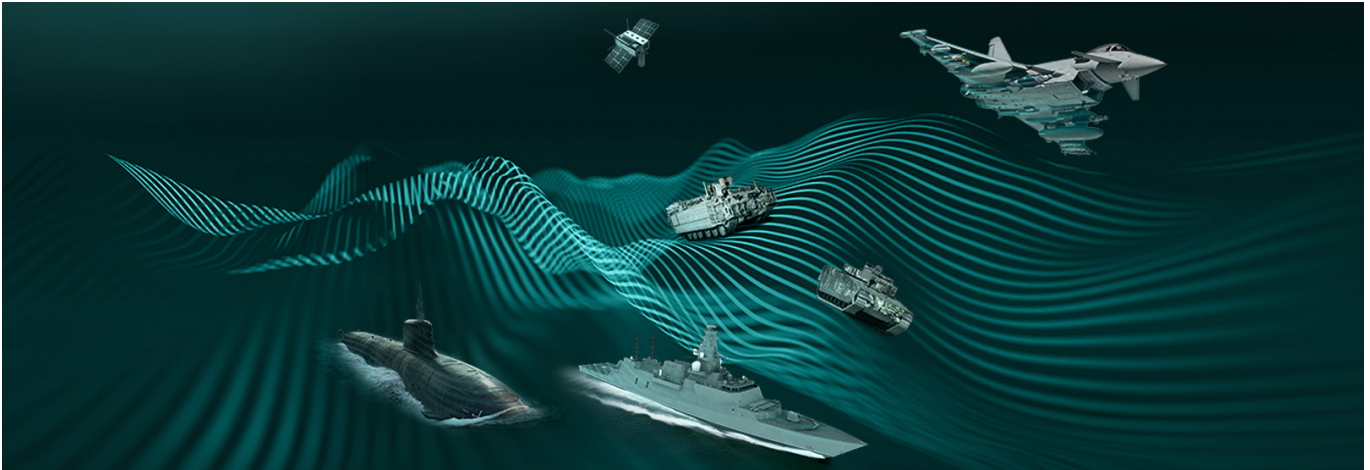


Notice of Annual General Meeting 2024



Dear Shareholder,

I am pleased to invite you to our 2024 AGM, which will look and feel a bit different than it has in the past. Alongside a growing number of other large FTSE companies, we are evolving our format to ease participation for our shareholders, regardless of where you live. By focusing our efforts on a more seamless digital experience, we can provide a more inclusive meeting for all of our shareholders.

I will be participating online, with my fellow Board members. We look forward to sharing an update on the Group's progress, answering your questions, and voting on the resolutions contained in this Notice of Meeting. As the meeting will be optimised for an online experience, we will not be present in person and we encourage you to join the meeting online as well. If you choose to attend in person, we will have a room available in Farnborough, Hampshire, which will be connected electronically to the meeting. Please see page 11 for details.

The AGM will be held on **Thursday 9 May 2024 at 9.30 am**, and the business of the meeting is explained in this Notice of Meeting.

You can access the meeting via the following link:
<https://web.lumiagm.com/186277489>

Please see the online guide on page 10 for information on how to participate in the meeting using our electronic platform. Access will be available 30 minutes before the meeting starts.

The resolutions in this Notice of Meeting are an important part of the Company's governance and I'd encourage each of you to vote, whether you can participate in the meeting or not.

Thank you for your ongoing support of BAE Systems.

Cressida Hogg CBE
Chair

Voting by proxy

You can vote by proxy on the resolutions put to shareholders in advance either online or by post as follows:

- Online – if you have accessed this notice electronically, you simply need to click on the electronic voting icon on the Company's AGM website page at: www.baesystems.com/reporting.
- By post – if you received the 2023 Report and Accounts you will also have received a proxy card. Instructions on voting can be found on the proxy card.

It is good practice for companies to take a poll on all resolutions put to shareholders and the Company has used such polls for a number of years. This allows all shareholders to have their votes recognised whether or not they are able to attend the meeting, physically or electronically. Voting by proxy in advance of the meeting will not preclude you from voting at the meeting.

If you are voting by proxy online or by post, your votes must be registered by no later than 9.30 am on Tuesday 7 May 2024. (See the Notes on page 3 for details).

The results of the voting on the resolutions will be posted on the Company's website after the meeting.

Important

This document is important and requires your immediate attention. If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser authorised under the Financial Services and Markets Act 2000 immediately.

If you have sold or otherwise transferred all of your shares, please send this document, together with the accompanying Form of Proxy, as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Recommendation

Your Directors consider that each of the proposals detailed in the Notice of Meeting will be of benefit to and in the best interests of the Company and the shareholders as a whole. The Directors intend to vote in favour of all Resolutions in respect of their own beneficial holdings of ordinary shares in the Company and unanimously recommend other shareholders to do likewise.

To BAE Systems plc Ordinary Shareholders

NOTICE IS HEREBY GIVEN that the Annual General Meeting of BAE Systems plc will be held on the Lumi online platform and at Hall 5, Farnborough International Exhibition and Conference Centre, Farnborough, Hampshire GU14 6TQ on Thursday 9 May 2024 at 9.30 am for the purpose of transacting the following business:

To consider, and if thought fit, to pass the following Resolutions 1-20, which will be proposed as ORDINARY RESOLUTIONS:

RESOLUTION 1 – Receipt of the Report and Accounts

THAT the Annual Report and Accounts for the year ended 31 December 2023 now laid before this meeting be and are hereby received.

RESOLUTION 2 – Approval of the Directors' Remuneration Report

THAT the Annual Statement by the Chair of the Remuneration Committee and the Annual Report on Remuneration (as set out on pages 107 to 134 of the Annual Report and Accounts for the financial year ended 31 December 2023) be and are hereby approved.

RESOLUTION 3 – Authorisation of the payment of the final dividend

THAT the final dividend for the year ended 31 December 2023 of 18.5 pence per ordinary share be and is hereby declared payable on 3 June 2024 to Ordinary Shareholders whose names appeared on the Register of Members at the close of business on 19 April 2024.

RESOLUTION 4 – Re-election of director

THAT Nicholas Anderson be and is hereby re-elected a Director of the Company.

RESOLUTION 5 – Re-election of director

THAT Thomas Arseneault be and is hereby re-elected a Director of the Company.

RESOLUTION 6 – Re-election of director

THAT Crystal E Ashby be and is hereby re-elected a Director of the Company.

RESOLUTION 7 – Re-election of director

THAT Dame Elizabeth Corley be and is hereby re-elected a Director of the Company.

RESOLUTION 8 – Re-election of director

THAT Bradley Greve be and is hereby re-elected a Director of the Company.

RESOLUTION 9 – Re-election of director

THAT Jane Griffiths be and is hereby re-elected a Director of the Company.

RESOLUTION 10 – Re-election of director

THAT Cressida Hogg be and is hereby re-elected a Director of the Company.

RESOLUTION 11 – Re-election of director

THAT Ewan Kirk be and is hereby re-elected a Director of the Company.

RESOLUTION 12 – Re-election of director

THAT Stephen Pearce be and is hereby re-elected a Director of the Company.

RESOLUTION 13 – Re-election of director

THAT Nicole Piasecki be and is hereby re-elected a Director of the Company.

RESOLUTION 14 – Re-election of director

THAT Lord Sedwill be and is hereby re-elected a Director of the Company.

RESOLUTION 15 – Re-election of director

THAT Charles Woodburn be and is hereby re-elected a Director of the Company.

RESOLUTION 16 – Election of director

THAT Angus Cockburn be and is hereby elected a Director of the Company.

RESOLUTION 17 – Re-appointment of the Auditors

THAT Deloitte LLP be and are hereby re-appointed Auditors of the Company to hold office until the next General Meeting at which accounts are laid before the Company.

RESOLUTION 18 – Authority to agree Auditors' remuneration

THAT the Audit Committee of the Board of Directors be and is hereby authorised to agree the remuneration of the Auditors.

RESOLUTION 19 – Political Donations

THAT

- (i) the Company, and those companies which are subsidiaries of the Company at any time during the period for which this resolution has effect, be authorised for the purposes of Part 14 of the Companies Act 2006 (the "2006 Act") during the period from the date of the passing of this resolution to the earlier of the conclusion of the Company's Annual General Meeting in 2025 or close of business on 30 June 2025:
 - (a) to make political donations to political parties, and/or independent election candidates;
 - (b) to make political donations to political organisations other than political parties; and
 - (c) to incur political expenditure,

up to an aggregate amount of £100,000, and the amount authorised under each of paragraphs (a) to (c) shall also be limited to such amount; and
- (ii) all existing authorisations and approvals relating to political donations or expenditure under Part 14 of the 2006 Act are hereby revoked without prejudice to any donation made or expenditure incurred prior to the date hereof pursuant to such authorisation or approval; and
- (iii) words and expressions defined for the purpose of the 2006 Act shall have same meaning in this resolution.

RESOLUTION 20 – Authority to allot new shares

THAT the authority conferred on the Directors by Article 8(B)(i) of the Company's Articles of Association be renewed for the period ending at the conclusion of the Company's Annual General Meeting in 2025 or at the close of business on 30 June 2025, whichever is the earlier, and for such period the Section 551 Amount shall be £25,232,067.

The authorities in this Resolution apply in substitution for all previous authorities pursuant to Section 551 of the 2006 Act.

To consider, and if thought fit, to pass the following Resolutions 21 to 23 which will be proposed as SPECIAL RESOLUTIONS:

RESOLUTION 21 – Disapplication of pre-emption rights

THAT, subject to the passing of Resolution 20 above, the power conferred on the Directors by Article 8(B)(ii) of the Company's Articles of Association be renewed for the period referred to in such Resolution and for such period the Section 561 Amount shall be £3,785,188.

Such authority shall be in substitution for all previous powers pursuant to Section 561 of the 2006 Act.

RESOLUTION 22 – Authority to purchase own shares

THAT the Company be and is hereby unconditionally and generally authorised for the purposes of Section 701 of the 2006 Act to make market purchases (as defined in Section 693 of the 2006 Act) of its ordinary shares of 2.5p each in the capital of the Company provided that:

- (a) the maximum number of shares that may be purchased is 302,815,089;
- (b) the minimum price which may be paid for each share is 2.5p;
- (c) the maximum price which may be paid for each share is the higher of (i) 105 per cent of the average of the middle market quotations of the Company's ordinary shares as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which such share is contracted to be purchased, and (ii) the higher of the price of the last independent trade and the highest current independent bid on the London Stock Exchange;
- (d) this authority shall expire at the conclusion of the Annual General Meeting of the Company held in 2025 or, if earlier, at the close of business on 30 June 2025 (except in relation to the purchase of shares the contract for which was concluded before the expiry of such authority and which may be executed wholly or partly after such expiry) unless such authority is renewed prior to such time.

RESOLUTION 23 – Notice of general meetings

THAT a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice.

By Order of the Board

David Parkes

Company Secretary
11 April 2024
6 Carlton Gardens
London SW1Y 5AD

Notes

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 meeting. A proxy need not be a member of the Company.
2. A proxy form which may be used to make such appointment and give proxy instructions has been sent to all shareholders (except those who have elected to receive notice via email who should refer to paragraph 7 below, or those shareholders who are deemed to have consented to receive communications via the Company's website and who will have received a shareholder voting instruction card).

If a shareholder wishes to appoint someone other than the Chair of the meeting to act as the shareholder's proxy, the shareholder should delete the reference to the Chair in the proxy form, and insert in block letters the name of the person that the shareholder wishes to appoint in the space provided, and initial the alteration.

Shareholders who have received a shareholder voting instruction card or a proxy card may appoint a proxy or proxies electronically via the Company's website at www.baesystems.com/reporting using the Voting ID, Task ID, and Shareholder Reference Number on the proxy card or shareholder voting instruction card. Electronic proxy appointments must be received no later than 9.30 am UK time on 7 May 2024. CREST members who wish to appoint proxies through the CREST electronic appointment service should refer to paragraphs 13-16 below.

3. A shareholder may appoint more than one proxy, who may be the same person, in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. If in such case a shareholder wishes to appoint more than one proxy, the shareholder should photocopy the proxy form and indicate in the relevant box the number of shares in relation to which the shareholder authorises them to act as the shareholder's proxy. The shareholder should indicate by marking the relevant box on the proxy card if more than one proxy is being appointed.
4. In the case of joint holders the signature of any one of them will suffice. The vote of the senior party tendering the vote (whether in person or by proxy) shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the Register of Members in respect of the joint holding.
5. To be valid any proxy form or other instrument appointing a proxy must be completed, signed and returned, together with the power of attorney or other authority (if any) under which it is signed, or a duly certified copy thereof, so as to be received by post or (during normal business hours only) by hand at the office of the Company's Registrar, Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA not later than 9.30 am UK time on 7 May 2024, being not less than 48 hours before the time for which the meeting is convened.
6. The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described in paragraph 14 below) will not prevent a shareholder attending the Annual General Meeting and voting in person if he/she wishes to do so.
7. Shareholders who have elected to receive notice via email, and who have therefore not received a proxy card, may appoint a proxy or proxies electronically via the Company's website at www.baesystems.com/reporting using their usual Shareview portfolio identification particulars. Electronic proxy appointments must be received no later than 9.30 am UK time on 7 May 2024.

8. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
9. The statement of rights of shareholders in relation to the appointment of proxies in paragraphs 1 to 7 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.
10. Entitlement to attend and vote at the meeting, and the number of votes which may be cast at the meeting, will be determined by reference to the Company's Register of Members at 6.30 pm UK time on 7 May 2024 or, if the meeting is adjourned, 6.30 pm UK time two days before the time fixed for the adjourned meeting (as the case may be). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
11. As at 26 March 2024 (being the latest practicable business day prior to the publication of this Notice) the Company's issued share capital consisted of 3,228,572,683 ordinary shares and one special share. Holders of ordinary shares are entitled to attend and vote at general meetings of the Company. The voting rights of treasury shares (of which there were 200,421,790 as of 26 March 2024) are suspended. The holder of the special share is entitled to attend general meetings of the Company, but is not entitled to vote. Accordingly the total number of voting rights as of 26 March 2024 is 3,028,150,893. The consent of the holder of the special share is required in certain limited circumstances, as set out in the Company's Articles of Association.
12. At the Company's 2024 AGM, all resolutions will be voted on by way of a poll. On a vote by poll, every ordinary shareholder who is present in person or by proxy has one vote for every ordinary share of which he/she is the holder.
13. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual (available via www.euroclear.com). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf.
14. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent, Equiniti (ID RA19), no later than 9.30 am UK time on 7 May 2024, being not less than 48 hours before the time for which the meeting is convened. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
15. CREST members and, where applicable, their CREST sponsors, or voting service providers, should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his/her CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members (and, where applicable, their CREST sponsors or voting system providers) are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST systems and timings.
16. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
17. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
18. Under section 527 of the Companies Act 2006, members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the Annual General Meeting; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with section 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.
19. Any member attending the meeting in person or electronically has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation of the meeting or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
20. A copy of this notice, and other information required by s311A of the Companies Act 2006, can be found at www.baesystems.com/reporting.
21. Shareholders may not use any electronic address provided in this Notice or any related documents (including the proxy form) to communicate with the Company for any purposes other than those expressly stated.

1. NOTES ON THE RESOLUTIONS

1.1 Resolution 2 – Approval of Directors’ Remuneration Report

The statement by the Remuneration Committee Chair and the Annual Remuneration Report (on pages 107 to 134 of the 2023 Annual Report) is being put to the shareholders as an annual advisory vote.

As required by regulation, the statement by the Chair of the Remuneration Committee covers major decisions on directors’ remuneration during the year, changes during the year, and the context in which the changes occurred and the decisions have been taken.

The Annual Remuneration Report reports on how the Remuneration Policy has been implemented and sets out payments made in the financial year ended 31 December 2023.

1.2 Resolutions 4-15 – Directors Standing For Re-election

In line with the provisions of the UK Corporate Governance Code (the “Code”) and the Company’s Articles of Association, all directors are standing for election or re-election to the Board.

The Chair has confirmed that, based on the formal performance evaluations undertaken at the end of 2023 and the beginning of 2024, all of the Directors remain committed to the role and the individual performance and contribution of all Directors continues to be effective. Also, in compliance with the Code, the Company ensures that non-executive directors have sufficient time to fulfil their obligations. This is assessed when a Director is appointed and also in the event of there being a material change to an individual’s circumstances. The biographies set out opposite summarise the skills, competence and experience of each of the Directors which highlight their individual contributions to the Board and their composite expertise.

Directors’ Biographies

Nick Anderson – Non-executive director

Appointed to the Board: 2020

Nationality: UK

Key contribution: Deep knowledge and experience of leading international engineering and manufacturing operations.

Skills, competence and experience: As the former Group Chief Executive of a FTSE 100 industrial engineering company, Nick has a strong record of leading and growing global businesses.

During his tenure as Group Chief Executive of Spirax-Sarco Engineering plc, a position he held for ten years, Nick oversaw the successful global growth of Spirax-Sarco Engineering. Prior to his roles at the company, he was Vice-President of John Crane Asia Pacific and President of John Crane Latin America.

Nick has recently been appointed as a non-executive director of Spectris plc with effect from 1 June 2024.

Other non-executive appointments: Spectris plc (with effect from 1 June 2024)

Committee membership: Environmental, Social and Governance Committee, Innovation and Technology Committee and Nominations Committee.

Tom Arseneault – President and Chief Executive Officer of BAE Systems, Inc.

Appointed to the Board: 2020

Nationality: US

Key contribution: Business leadership and wide-ranging operational experience in US defence and commercial aerospace markets.

Skills, competence and experience: Tom was appointed to the Board on 1 April 2020, serving as President and Chief Executive Officer of BAE Systems, Inc. Throughout his career, Tom has led complex organisations responsible for fulfilling critical and technologically challenging missions. Before becoming President and Chief Executive Officer of BAE Systems, Inc., he held various senior roles within BAE Systems, Inc.

Prior to his senior leadership appointments, Tom managed various organisations and programmes for Sanders, a Lockheed Martin company, until it was acquired by BAE Systems in 2000. Earlier in his career, he held a variety of engineering and programme management positions with General Electric and TASC.

Tom is a member of the Executive committee of the Aerospace Industries Association.

Non-executive appointments: None.

Crystal E. Ashby – Non-executive director

Appointed to the Board: 2021

Nationality: US

Key contribution: Business leadership and expertise in human resources, government affairs, legal, corporate communications and regulatory matters.

Skills, competence and experience: Crystal has held various senior leadership roles within the energy and healthcare sectors and has considerable expertise in government affairs, legal and regulatory matters. She is currently the Executive Vice President, Chief People Officer, DEI and Communications Officer of the US health insurance company, Independence Blue Cross.

In her executive career, Crystal held various senior leadership roles during a long career with BP America Inc., culminating with her appointment as Executive Vice President of Government and Public Affairs and Strategic University Partnerships and membership of its Americas Leadership Team. She is an Independent Director on the Board of Texas Reliability Entity, Inc. and serves on the Engineering Dean's Leadership Advisory Board at the University of Michigan. She is a National Association of Corporate Directors Fellow and a member of the International Women's Forum and American Bar Association.

Other non-executive appointments: Independent Director on the Board of Texas Reliability Entity, Inc.

Committee membership: Environmental, Social and Governance Committee and Nominations Committee.

Dame Elizabeth Corley CBE – Non-executive director

Appointed to the Board: 2016

Nationality: UK

Key contribution: Investor, board and governance experience gained through her career in the investment industry and leadership roles on company boards and other entities.

Skills, competence and experience: Dame Elizabeth is the Chair of Schroders plc and a former non-executive director of Pearson plc and Morgan Stanley Inc. She chairs the board of the Impact Investment Institute, having previously chaired the industry Taskforce on Social Impact Investing for the UK government. She served as Chief Executive Officer of Allianz Global Investors, initially for Europe then globally, from 2005 to 2016. Prior to that, she worked for Merrill Lynch Investment Managers.

Elizabeth is active in representing the investment industry and developing standards within it. She is a member of the CFA Future of Finance Advisory Council, the AQR Institute of Asset Management at the London Business School, the Committee of 200 and the 300 Club.

Elizabeth is also an acclaimed writer, a Fellow of the Royal Society for the encouragement of Arts, Manufactures and Commerce and a trustee of the British Museum.

Other non-executive appointments: Chair of Schroders plc.

Committee membership: Audit Committee, Innovation and Technology Committee, Nominations Committee and Remuneration Committee.

Brad Greve – Chief Financial Officer

Appointed to the Board: 2020

Nationality: US

Key contribution: Considerable international business and financial management experience, particularly concerning large capital projects and programmes.

Skills, competence and experience: Brad joined BAE Systems in 2019 as Group Finance Director Designate and joined the Board on 1 April 2020.

He is a highly experienced executive with deep financial and operational management experience, gained during a career in excess of 30 years in international engineering and technology businesses. Prior to joining the Company he held a number of senior executive roles in Schlumberger, undertaking roles in Europe, Africa, South America and the United States.

Non-executive appointments: None

Dr Jane Griffiths – Non-executive director

Appointed to the Board: 2020

Nationality: UK

Key contribution: Significant international business and industry leadership experience across a range of roles. With her extensive board and industry experience Jane is well-placed to chair the Environmental, Social and Governance Committee.

Skills, competence and experience: Jane has experience in leading high technology businesses and international corporate leadership. She is Chair of Redx Pharma Plc, an AIM listed company, Chair of Theramex and a non-executive director of Johnson Matthey. Jane is a director of the Spanish healthcare company, Esteve.

In her executive career with Johnson & Johnson, she held various executive positions and led its Corporate Citizen Trust in EMEA and sponsored its Women's Leadership Initiative.

Jane previously had been Company Group Chair of Janssen EMEA, Johnson & Johnson's research based pharmaceutical arm, where she was sponsor of Janssen's Global Pharmaceuticals Sustainability Council. She is a former Chair of the European Federation of Pharmaceutical Industries and Associations, past Chair of the PhRMA Europe Committee and former member of the Corporate Advisory Board of the UK government-backed 'Your Life' campaign, aimed at encouraging more people to study STEM subjects.

Other non-executive appointments: Chair of Redx Pharma Plc, Chair of Theramex and Non-executive director of Johnson Matthey Plc and Esteve.

Committee membership: Chair of the Environmental, Social and Governance Committee and member of the Audit Committee and Nominations Committee.

Cressida Hogg CBE – Chair

Appointed to the Board: 2022

Nationality: UK

Key contribution: With a strong record of Boardroom leadership and international experience, Cressida has a deep understanding of large long-term projects and businesses.

Skills, competence and experience: Cressida was appointed Chair of BAE Systems plc in May 2023, having joined the Board as a non-executive director and Chair designate in November 2022.

Cressida is also a non-executive director of London Stock Exchange Group plc, where she is the Senior Independent Director. She has previously enjoyed a long executive career, spent largely with 3i Group, gaining international experience whilst working in various countries including the United States, Canada, India, Australia and the Middle East.

She is the former Chair of Land Securities Group PLC (LandSec) having retired from the LandSec board in May 2023.

Cressida was awarded a CBE in 2014 for services to infrastructure investment and policy.

Other non-executive appointments: Non-executive director of London Stock Exchange Group plc.

Committee membership: Chair of the Nominations Committee.

Dr Ewan Kirk – Non-executive director*Appointed to the Board: 2021**Nationality: UK**Key contribution:* Experience in the application, identification and leveraging of technology which also gives him excellent credentials as Chair of the Innovation and Technology Committee.*Skills, competence and experience:* Ewan has extensive experience in commercialising data science and quantitative analysis. He has led multiple ventures to identify, apply and leverage technology and mathematics research in both business and philanthropy.

In 2006, he founded Cantab Capital Partners, a science-driven investment management firm, which was acquired by GAM Investments in 2016 and is one of the top-performing quantitative investment companies in the UK. Prior to founding Cantab, Ewan was Partner and Head of Quantitative Strategies Group at Goldman Sachs.

He is Chair of the Isaac Newton Institute for Mathematical Sciences, Chairman of DeepTech Labs, a UK-based venture capital fund that invests in deep technology businesses, and Co-Chair of the Turner Kirk Trust. In 2023 Ewan became the first Royal Society Entrepreneur in Residence at Cambridge University at the Centre for Mathematical Sciences. Ewan holds a PhD in General Relativity from the University of Southampton, a MAST in Mathematics from Queen's College, Cambridge, and a BSc in Natural Philosophy and Astronomy from the University of Glasgow.

Other non-executive appointments: None.*Committee membership:* Chair of the Innovation and Technology Committee and member of the Nominations Committee and Remuneration Committee.**Stephen Pearce – Non-executive director***Appointed to the Board: 2019**Nationality: Australian**Key contribution:* Financial, international and boardroom experience. As the former Finance Director of a FTSE 100 company, Stephen has a well-developed understanding of the role and remit of the Audit Committee, which he chairs, and the discharge of its duties.*Skills, competence and experience:* Stephen has more than 20 years' experience as a director of public companies and over 30 years of financial and commercial experience in the mining, oil and gas, and utilities industries. He has held a range of leadership roles including, until recently, Finance Director of Anglo American plc, a position he held for over six years.

He previously served as Chief Financial Officer and an executive director of Fortescue Metals Group Limited from 2010 to 2016. He is a Fellow of the Institute of Chartered Accountants, a Fellow of the Governance Institute of Australia and a Member of the Australian Institute of Company Directors.

Other non-executive appointments: None.*Committee membership:* Chair of the Audit Committee and member of the Environmental, Social and Governance Committee and Nominations Committee.**Nicole Piasecki – Non-executive director and Senior Independent Director***Appointed to the Board: 2019**Nationality: US**Key contribution:* Business leadership, experience and knowledge gained from a long career encompassing a number of senior roles in the aerospace industry. Nicole's industry leadership background and international experience provide context and expertise in her role as Chair of the Remuneration Committee.*Skills, competence and experience:* Nicole was appointed Senior Independent Director on 1 January 2024. She has extensive experience gained from executive positions within the aerospace industry and leadership of multi-functional teams. She previously held a number of engineering, sales, marketing and business strategy roles during her 25-year career with the Boeing Company.

She is a non-executive director of Weyerhaeuser Company and BWX Technologies, Inc. She also serves on the boards of Kymeta Corporation and Alitheon Inc. She is a senior adviser to Mitsubishi Heavy Industries, Ltd and a director of the US Think Tank, The Stimson Center. Nicole formerly served on the Federal Aviation Authority's Management Advisory Board, the American Chamber of Commerce in Japan, the US Department of Transportation's Future of Aviation Advisory Committee and the Federal Reserve Bank of San Francisco's Seattle branch. She is a former director of Howmet Aerospace Inc.

Other non-executive appointments: Non-executive director of Weyerhaeuser Company, BWX Technologies, Inc., Kymeta Corporation and Alitheon Inc.*Committee membership:* Chair of the Remuneration Committee and member of the Innovation and Technology Committee and Nominations Committee.**Mark Sedwill, Baron Sedwill of Sherborne, GCMG, FRGS – Non-executive director***Appointed to the Board: 2022**Nationality: UK**Key contribution:* Having enjoyed an outstanding public service career at the most senior level, Mark brings well-informed geopolitical and economic perspectives to the Board, as well as experience in leading large and complex organisations.*Skills, competence and experience:* During a long career serving the UK government, Lord Sedwill held a wide range of national security and diplomatic roles in the UK and overseas. In his final decade in public service, he was British Ambassador and NATO Representative in Afghanistan, Foreign Office Political Director and Home Office Permanent Secretary, culminating in his appointments as National Security Adviser (2017 to 2020) and Cabinet Secretary (2018 to 2020). Earlier in his career, he held diplomatic and security posts, serving in Egypt, Syria, Jordan, Cyprus and Pakistan.

He is a senior adviser and Supervisory Board member of Rothschild & Co, and the Senior Independent Director and Senior Deputy Chair of Lloyd's of London. He is also the Chairman of the Atlantic Future Forum and a member of the UK Parliament's House of Lords. Lord Sedwill is a Fellow of the Royal Geographical Society and of the Institute of Directors. He is President of the Special Forces Club, a member of the IISS Advisory Council, a trustee of the RNLI, an Honorary Colonel in the Royal Marines and an Honorary Bencher of Middle Temple.

Other non-executive appointments: Supervisory Board member of Rothschild & Co and the Senior Independent Director and Senior Deputy Chair of Lloyd's of London.

Committee membership: Environmental, Social and Governance Committee and Nominations Committee.

Dr Charles Woodburn CBE – Chief Executive

Appointed to the Board: 2016

Nationality: UK

Key contribution: Provides leadership through his role as Chief Executive, based on a strong performance record with the Company and, prior to that, with companies in the oil and gas sector.

Skills, competence and experience: Charles joined BAE Systems in May 2016 as Chief Operating Officer and became Chief Executive on 1 July 2017.

He is an experienced business leader with over 27 years' experience in the defence and aerospace and oil and gas industries. Prior to joining the Company in 2016, he was Chief Executive Officer of Expro Group, before which he spent 15 years with Schlumberger Limited holding a number of senior management positions in Asia, Australia, Europe and the United States. Charles is a trustee and Chair of the charity Movement to Work. He is a Fellow of the Royal Academy of Engineering.

Charles was awarded a CBE in 2023 for services to international trade and skills.

Non-executive appointments: None.

1.3 Resolution 16 – Director standing for Election

All directors appointed to the Board are required to seek election at the AGM immediately following their appointment. Angus Cockburn was appointed to the Board on 6 November 2023 and is required to seek election at this year's meeting.

The Board recommends that shareholders vote in favour of Angus Cockburn's election to the Board. His biographical details are as follows:

Angus Cockburn – Non-executive director

Appointed to the Board: 2023

Nationality: UK

Key contribution: Angus is a seasoned business leader with extensive strategic and financial experience.

Skills, competence and experience: Angus was formerly the Group Chief Financial Officer of Serco Group plc and, before that, Chief Financial Officer of Aggreko plc. Angus is Chair of James Fisher & Sons plc and the Senior Independent Director of Ashtead Group plc. He is also the Senior Non-Executive Director of the charitable trust owned Edrington Group. He is currently a non-executive director of STS Global Income & Growth Trust but will be stepping down from that role later this year. He is a former non-executive director of GKN plc and Howdens Joinery Group PLC.

He holds an MBA from the IMD Business School in Switzerland, and is also an Honorary Professor at the University of Edinburgh and a member of the Institute of Chartered Accountants of Scotland.

Other non-executive appointments: Chair of James Fisher & Sons plc, Senior Independent Director of Ashtead Group plc and Senior Non-Executive Director of Edrington Group.

Committee membership: Audit Committee, Nominations Committee and Remuneration Committee.

1.4 Resolution 19 – Authority to incur political expenditure

Part 14 of the Companies Act 2006 requires companies to obtain shareholders' authority for donations to registered political parties and other political organisations totalling more than £5,000 in any twelve month period, and for any political expenditure, subject to limited exceptions. The definition of donation in this context is very wide and extends to bodies such as those concerned with policy review, law reform and the representation of the business community. It could also include special interest groups, such as those involved with the environment, which the Company and its subsidiaries might wish to support, even though these activities are not designed to support or influence support for a particular political party.

It remains the policy of the Company not to make political donations or incur political expenditure as those expressions are normally understood. However, the Directors consider that it is in the best interests of shareholders for the Company to participate in public debate and opinion-forming on matters which affect its business. To avoid inadvertent infringement of the Companies Act 2006, the Directors are seeking shareholders' authority for the Company and its subsidiaries to make political donations and to incur political expenditure during the period from the date of the Annual General Meeting to the conclusion of next year's Annual General Meeting or close of business on 30 June 2025, whichever is earlier, up to a maximum aggregate amount of £100,000.

1.5 Resolutions 20 and 21 – Authority to allot shares and disapplication of pre-emption rights

Resolution 20 – Authority to allot shares

The purpose of Resolution 20 is to renew the Directors' power to allot shares as described below.

The authority will allow the Directors to allot new shares and grant rights to subscribe for or convert any securities into shares up to a nominal value of £25,232,067 which is equivalent to approximately 33 per cent of the total issued ordinary share capital of the Company, exclusive of treasury shares, as at 26 March 2024, the latest practicable date prior to publication of this Notice.

At 26 March 2024, the Company held 200,421,790 treasury shares which represents approximately 6.62 per cent of the total number of ordinary shares in issue, excluding treasury shares, at that date.

There are no present plans to allot new shares (other than in connection with employee share and incentive plans), however the Directors consider it desirable to have the flexibility permitted by corporate governance guidelines to respond to market developments and to enable allotments to take place to support the Company as may be required.

If the resolution is passed the authority will expire on the earlier of the conclusion of the Annual General Meeting in 2025 and the close of business on 30 June 2025.

Resolution 21 – Disapplication of pre-emption rights

If the Directors wish to allot new ordinary shares and other equity securities, or sell treasury shares, for cash (other than in connection with an employee share scheme) company law requires that these shares are offered first to shareholders in proportion to their existing holdings.

The purpose of Resolution 21 is to authorise the Directors to allot new ordinary shares and other equity securities pursuant to the authority given by Resolution 20 or sell treasury shares, for cash (a) in connection with a pre-emptive offer and (b) otherwise up to a nominal value of £3,785,188 equivalent to approximately five per cent of the total issued ordinary share capital of the Company exclusive of treasury shares, and 4.69 per cent of the total issued ordinary share capital of the Company inclusive of treasury shares, as at 26 March 2024, without the shares first being offered to existing shareholders in proportion to their existing holdings.

The Board considers the authority in Resolution 21 to be appropriate in order to allow the Company flexibility to finance business opportunities or to conduct a pre-emptive offer or rights issue without the need to comply with the strict guidelines of the statutory pre-emption provisions.

If the resolution is passed, the authority will expire on the earlier of the conclusion of the Company's Annual General Meeting in 2025 and the close of business on 30 June 2025.

1.6 Resolution 22 – Purchase of shares

The Directors are committed to managing the Company's capital effectively and consider that the purchase by the Company of its ordinary shares may in certain circumstances be advantageous to shareholders. They believe that, in common with many other listed companies, the Company should obtain from shareholders a general authority to make market purchases on the London Stock Exchange.

Authority is sought for the Company to purchase up to 10 per cent of its issued ordinary shares (excluding treasury shares), renewing the authority granted by the shareholders at previous annual general meetings.

Ordinary shares purchased by the Company pursuant to this authority may be held in treasury or may be cancelled. The minimum price, exclusive of expenses, which may be paid for an ordinary share is 2.5p, being the par value of an ordinary share. The maximum price, exclusive of expenses, which may be paid for each share purchased in the market is the higher of (i) an amount equal to 105 per cent of the average market value for an ordinary share for the five business days immediately preceding the purchase and (ii) the higher of the price of the last independent trade and the highest current independent bid on the London Stock Exchange.

The number of ordinary shares which may be acquired pursuant to the authority is up to an aggregate of 302,815,089 ordinary shares, this being approximately 10 per cent of the issued ordinary share capital of the Company (exclusive of treasury shares) as at 26 March 2024, the latest practicable date prior to the publication of this Notice. As at 26 March 2024 there were 64,110,711 options to subscribe for ordinary shares outstanding, representing 2.12 per cent of the Company's issued share capital (excluding treasury shares) at that date. If the authority was exercised in full, the options would represent 2.35 per cent of the Company's issued ordinary share capital (excluding treasury shares).

This authority will last until the earlier of the conclusion of the Company's Annual General Meeting in 2025 and the close of business on 30 June 2025.

Pursuant to the Companies Act 2006, the Company can hold the shares which have been repurchased as treasury shares and either re-sell them for cash, cancel them, either immediately or at a point in the future, or use them for the purposes of its employee share schemes. This provides the Company with additional flexibility in the management of its capital base. No dividends will be paid on, and no voting rights will be exercised in respect of, treasury shares.

Consistent with this approach, the Company announced on 28 July 2022 an on-market share repurchase programme of up to £1.5 billion. Share repurchases under this programme, which commenced on 28 July 2022 and is ongoing, are currently being made pursuant to the share buyback authority granted by the shareholders at the 2023 AGM. The shares bought back under this authority have been cancelled. In line with previous years, the Company wishes to renew this authority at the 2024 AGM. Subject to renewal of the share buyback authority at the 2024 AGM, it is intended that the current £1.5 billion share buyback programme will continue and that shares repurchased will continue to be

cancelled. In August 2023, the directors approved a further buyback programme of up to £1.5bn. The further programme is expected to commence after completion of the current buyback programme and complete within three years of its commencement.

The Company will only purchase ordinary shares if the Directors believe that it is in the shareholders' best interests and will increase earnings per share. In its Annual Report for the financial year ended 31 December 2023, the Company has stated that, as part of the allocation of capital, its policy is to make accelerated returns of capital to shareholders when the balance sheet allows and when the return from doing so is in excess of the Group's Weighted Average Cost of Capital.

It is the Directors' current intention that any shares bought back under this authority be cancelled.

1.7 Resolution 23 – Notice of general meetings

Under the Companies Act the notice period required for general meetings of the Company is 21 days unless shareholders approve a shorter notice period, which cannot however be less than 14 clear days. AGMs will continue to be held on at least 21 clear days' notice.

The Company has previously obtained shareholder approval to preserve the flexibility to call general meetings other than an AGM on 14 clear days' notice. Resolution 23 seeks approval of the renewal of this authority which will be effective until the Company's next Annual General Meeting in 2025, when it is intended that a similar resolution will be proposed.

The shorter notice period would not be used as a matter of routine for such meetings. However the flexibility offered by this resolution will be used where, taking into account all the circumstances, the Directors consider this appropriate in relation to the particular issues to be considered at the general meeting in question.

2. DIRECTORS' INTERESTS

The interests of the Directors who held office as at 20 February 2024 in the ordinary shares of BAE Systems plc are set out on page 128 of the 2023 Annual Report. Between 20 February 2024 and 12 March 2024, being one month prior to the date of the AGM Notice, the Company was notified that certain Directors had acquired ordinary shares in BAE Systems plc resulting in the total number of ordinary shares beneficially held by those Directors (as at 12 March 2024) being as follows: Ewan Kirk: 10,000 ordinary shares; Nicole Piasecki: 3,132 ordinary shares (held in the form of 783 ADRs); and Charles Woodburn: 888,150 ordinary shares (and Scheme Interests over 2,992,878 ordinary shares).

3. VOTING INTERESTS

The voting interests that were disclosed to the Company in accordance with DTR 5 of the Disclosure Guidance and Transparency Rules between 31 December 2023 and 20 February 2024, are set out on page 137 of the 2023 Annual Report. Between 20 February 2024 and 12 March 2024, being one month prior to the date of the AGM Notice, the Company received no notification of changes to the voting interests disclosed on page 137 of the 2023 Annual Report.

4. DOCUMENTS FOR INSPECTION

Copies of the executive Directors' service contracts, the Chair and non-executive Directors' letters of appointment, and the Directors' Indemnities, will be available for inspection during normal business hours on Monday to Friday each week (public holidays excepted) at the Company's registered office from the date of this Notice of Meeting to the close of the meeting and at the place of the meeting from 15 minutes prior to its commencement until its conclusion.

Online Meeting Guide

Accessing the BAE Systems 2024 AGM virtually

Visit <https://web.lumiagm.com/186277489> on your smartphone, tablet or computer.

You will then be required to enter your:

- Shareholder Reference Number (SRN)*
- PIN – (the first two and the last two digits of your SRN)

* Your SRN is shown on your proxy card, shareholder voting instruction card or email AGM notification, depending on how you received notification of the AGM.

Access will be available half an hour prior to the start of the meeting. The meeting commences at 9.30 am on 9 May 2024. If you experience any difficulties, please contact Equiniti by emailing hybrid.help@equiniti.com stating your full name and postcode.

You will need the latest version of Chrome, Safari, Edge or Firefox. Please ensure your browser is compatible. An active internet connection is required at all times to participate in the meeting.

Home page and broadcast

Once logged in, you will see the home page which contains instructions for using the platform.

At the commencement of the meeting, the live broadcast of the proceedings will be available on the right-hand side of your device.

Click play on the broadcast, ensure that your device is unmuted and the volume is turned up.

Voting

Once the Chair has formally opened voting, the list of resolutions will automatically appear on your screen. Select the option that corresponds with how you wish to vote.

Once you have selected your vote, the option will change colour and a confirmation message will appear to indicate your vote has been cast and received, there is no submit button.

To vote on all resolutions displayed select the “vote all” option at the top of the screen.

To change your vote, reselect your choice. To cancel your vote, select the “cancel” button. You will be able to do this at any time whilst the poll remains open and before the Chair announces its closure.

Questions

Written questions can be submitted by selecting the messaging icon from the navigation bar and typing your question into the ‘Ask a question’ box. Click the arrow icon to submit the question.

Copies of questions you have submitted can be viewed by selecting ‘My Messages’.

Virtual microphone

If you would like to ask your question verbally, press the ‘Request to speak’ button at the bottom of the broadcast window. If you are watching the broadcast in full screen mode, this button is found at the top of the window.

Follow the on-screen instructions to join the queue.

Documents

Meeting documentation can be found within the documents tab in the navigation bar.

Documents can be read within the platform or downloaded to your device in pdf format.

Appointed proxies and corporate representatives

If you have been appointed as a proxy or corporate representative and plan to participate in the meeting online, please contact our registrar Equiniti by emailing hybrid.help@equiniti.com. Your unique SRN and PIN, which is required to access the online meeting, will be provided once a valid proxy or letter of representation has been received (NB proxy/corporate representative appointments must be lodged with the registrar no later than 48 hours prior to the meeting date and start time).

To avoid delay accessing the online meeting, contact with Equiniti to obtain your unique SRN and PIN should be made at least 24 hours prior to the meeting date and time.

Mailboxes are monitored 9.00 am to 5.00 pm Monday to Friday (excluding public holidays in England and Wales).

Attending the BAE Systems 2024 AGM in person

Venue

As the meeting will be optimised for an online experience, neither the Board nor management will be present in person and will instead take part in the AGM electronically. Consequently the Board will not be available to meet shareholders after the AGM.

Shareholders are encouraged to join the AGM electronically and participate via the online platform. However, for those shareholders who still wish to attend in person, a room will be provided in Hall 5, Farnborough International Exhibition and Conference Centre, Farnborough, Hampshire GU14 6TQ. This room will be connected electronically to the online meeting and therefore, for those in attendance, their experience will be similar to that of shareholders who join the AGM online. Please note that proceedings in Hall 5 will not be transmitted on the online platform.

Doors will open at 9.00 am, half an hour before the meeting starts at 9.30 am. Attendees will need to make their own way to and from Hall 5, and refreshments will not be made available. Hall 5 is accessed through Gate F at the end of Aerospace Boulevard.

Security

For the safety and security of all present, we will carry out security checks and bag searches of those attending the AGM in person on entry to Hall 5, as well as on entry to the meeting room. This will include the use of personal and x-ray scanners. Please note that you may be asked to leave bags and other personal belongings in lockers at the entrance, including mobile phones, cameras and other recording devices (as photography and other recordings are not allowed in the meeting room – anyone attempting to take photos or film the proceedings will be asked to leave Hall 5). Any person who fails to comply with any of the foregoing measures will be refused entry.

Behaviour that may interfere with anyone's security or safety or their ability to listen to proceedings or participate in the AGM (whether physical, verbal or otherwise) will not be tolerated. Any person who does not comply may be removed from the venue without notice.

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