THE COMPANIES ACT 2006
RESOLUTIONS OF BABCOCK INTERNATIONAL GROUP PLC
(Company Number: 02342138)
PASSED ON THURSDAY 13 JULY 2017

Ordinary Resolutions

Report and Accounts
1. To receive the audited financial statements of the Group and the Company for the year ended 31 March 2017, together with the reports of the Directors and the auditors thereon.

Annual Report on Remuneration
2. To approve the annual statement of the remuneration committee chairman and the annual report on remuneration (excluding the directors’ remuneration policy set out on pages 100 to 111 of the Company’s annual report) set out on pages 98 to 99 and 111 to 133 respectively of the Company’s annual report for the year ended 31 March 2017.

3. To approve the directors’ remuneration policy set out on pages 100 to 111 of the Company’s annual report for the year ended 31 March 2017.

Final Dividend
4. To declare a final dividend for the year ended 31 March 2017 of 21.65p per ordinary share in the capital of the Company, payable to all ordinary shareholders on the register at close of business on 30 June 2017.

Directors
5. To re-appoint Mike Turner as a Director of the Company.
6. To re-appoint Bill Tame as a Director of the Company.
7. To re-appoint Archie Bethel as a Director of the Company.
8. To re-appoint John Davies as a Director of the Company.
9. To re-appoint Franco Martinelli as a Director of the Company.
10. To re-appoint Sir David Omand as a Director of the Company.
11. To re-appoint Ian Duncan as a Director of the Company.
12. To re-appoint Anna Stewart as a Director of the Company.
13. To re-appoint Jeff Randall as a Director of the Company.
14. To re-appoint Myles Lee as a Director of the Company.
15. To re-appoint Prof. Victoire de Margerie as a Director of the Company.

Auditor
16. To re-appoint PricewaterhouseCoopers LLP as independent auditor of the Company to hold office from the conclusion of the Annual General Meeting until the conclusion of the next general meeting at which accounts are laid before the shareholders.
17. To authorise the Audit Committee (for and on behalf of the Directors of the Company) to set the remuneration of the independent auditor, as they shall in their discretion see fit.

Political Donations
18. That, in accordance with sections 366 and 367 of the Companies Act 2006 (the ‘2006 Act’), the Company and all companies that are its subsidiaries at any time during the period for which this Resolution 18 is effective are authorised to:
a) make political donations to a political party or to an independent election candidate;
b) make political donations to political organisations other than political parties; and
c) incur any political expenditure,
up to an aggregate amount of £100,000, with the amount authorised under each of paragraphs (a) to (c) also being limited to such amount, in each case during the period beginning with the date of the passing of this resolution 18 and ending on 30 September 2018 or, if sooner, the conclusion of the annual general meeting of the Company in 2018 unless previously renewed, varied or revoked by the Company in general meeting.

For the purpose of this resolution 18 ‘political donation’, ‘political party’, ‘political organisation’, ‘independent election candidate’ and ‘political expenditure’ are to be construed in accordance with sections 363, 364 and 365 of the 2006 Act.

Authority to Allot

19. 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 or grant rights to subscribe for or to convert any security into shares in the Company:

a) up to an aggregate nominal amount equal to £101,018,200; and
b) comprising equity securities (as defined in section 560(1) of the 2006 Act) up to a further aggregate nominal amount of £101,018,200 in connection with an offer by way of a rights issue:
   (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
   (ii) to holders of other equity securities as required by the rights of those securities or, subject to such rights, as the Directors of the Company otherwise consider necessary,

such authorities to apply (unless previously renewed, varied or revoked by the Company in general meeting) until the end of the Company’s next annual general meeting (or, if earlier, until the close of business on 30 September 2018) 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 19 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 19 "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) 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.

Special Resolutions

Disapplication of Pre-emption Rights

20. That, in substitution for all such existing powers, and subject to the passing of resolution 19, the directors of the Company be and are hereby generally empowered, pursuant to sections 570 and 573 of the 2006 Act, to:

a) allot equity securities (as defined in section 560(1) of the 2006 Act) for cash pursuant to the authority conferred by resolution 19, and/or
b) sell ordinary shares (as defined in section 560(1) of the 2006 Act) held by the Company as treasury shares for cash, in each case free of the restriction in section 561 of the 2006 Act, provided that such power shall be limited to:

(i) the allotment of equity securities and/or sale of treasury shares for cash in connection with or pursuant to an offer of, equity securities (but in the case of an allotment pursuant to the authority granted under paragraph (b) of Resolution 19, by way of a rights issue only):

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

but subject to such limits, exclusions, restrictions or other arrangements as the directors of the Company may consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical difficulties which may arise in, or under the laws or regulatory requirements of, any territory or any other matter whatsoever; and

(ii) the allotment of equity securities pursuant to the authority granted by paragraph (a) of resolution 19 and/or sale of treasury shares for cash (in each case otherwise than in the circumstances set out in paragraph (i) of this resolution 20), up to an aggregate nominal amount of £15,167,897, calculated in the case of equity securities which are rights to subscribe for, or to convert securities into, ordinary shares, by reference to the aggregate nominal amount of relevant shares which may be allotted pursuant to such rights,

such power to apply (unless previously renewed, varied or revoked by the Company in General Meeting) until the end of the Company's next Annual General Meeting (or, if earlier, until the close of business on 30 September 2017) but, in each case, so that the Company may make offers and enter into agreements before the power expires which would, or might, require equity securities to be allotted or rights to subscribe for or to convert any security into shares to be granted (or treasury shares to be sold) after the power expires and the Directors of the Company may allot equity securities or grant such rights (or sell treasury shares) under any such offer or agreement as if the power conferred hereby had not expired.

For the purpose of this resolution 20, "rights issue" has the same meaning as in resolution 19 above.
Authority to Purchase Own Shares

21. That the Company be and is hereby generally and unconditionally authorised for the purposes of section 701 of the 2006 Act to make market purchases (within the meaning of section 693(4) of the 2006 Act) of its ordinary shares of 60p each ('ordinary shares') in the capital of the Company on such terms and in such manner as the directors of the Company may from time to time determine provided that:

   a) the maximum number of ordinary shares hereby authorised to be purchased shall be 50,559,659 shares, representing approximately 10% of the issued share capital of the Company at 7 June 2017 (being the latest practicable date prior to the publication of this notice);
   b) the price which may be paid for each ordinary share shall not be less than the nominal value thereof exclusive of the expenses of purchase;
   c) the price which may be paid for each ordinary share (exclusive of the expenses of purchase) shall not exceed the higher of (i) an amount equal to 105% of the average of the middle market quotation for an ordinary share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which such ordinary share is contracted to be purchased; and (ii) an amount equal to the higher of the price of an ordinary share quoted for the last independent trade and the highest current independent bid for an ordinary share on the trading venue where the purchase is carried out;
   d) the authority hereby conferred shall (unless previously renewed, varied or revoked by the Company in general meeting) expire at the end of the Company's next annual general meeting (or, if earlier, the close of business on 30 September 2018); and
   e) the Company may, before this authority expires, make a contract to purchase ordinary shares which will or may be executed wholly or partly after the expiry of this authority, and may make purchases of ordinary shares in pursuance of any such contract as if this authority had not expired.

Notice for General Meetings

22. That a general meeting of the Company (other than an annual general meeting) may be called by the directors of the Company on not less than 14 clear days' notice.

Jack Borrett
Company Secretary

13 July 2017