

Media Release

For immediate release
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BAE Systems appoints Xafinity

FTSE 100 company selects UK's leading pension admin provider

Global defence, security and aerospace company, BAE Systems has appointed Xafinity Paymaster to provide third party administration services across five of its pension schemes covering over 200,000 members.

The contract was won by Xafinity Paymaster following a rigorous selection procedure in a year long process which began with seven bidders.

Nick Hubbard, Pensions Project Director, BAE Systems commented:

"Xafinity Paymaster demonstrated a long term commitment to the pension scheme administration market with a clear strategy of ongoing investment in systems and technology. They have a broad customer base, a proven track record and an excellent reputation for the provision of a high quality, robust and responsive service to both trustees and scheme members."

Clare Ward, Private Sector Director at Xafinity Paymaster commented:

"As a global leader, BAE Systems applies exacting standards in everything that it does. It is therefore well placed to assess the processes and people of its suppliers, including its pension administrators. The selection process was both challenging and actually quite exhilarating and we are thrilled to have won."

The group attributed their success in winning high profile accounts to their ability to utilise the scale of the business, leading edge technology and their ability to innovate; allowing them to react quickly to market demands and to provide leading edge TPA solutions to all their clients.

The value of the BAE Systems contract has not been disclosed.

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For more information

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Background information:

About Xafinity Paymaster

Xafinity Paymaster is a leading business process outsourcer providing pension, payroll and annuity administration for more than 800 schemes covering the full spectrum of sizes and arrangements. Xafinity Paymaster delivers large scale financial administration for more than 140 major public and private sector organisations and makes payments totalling over £11 billion per annum to pensioners, dependents and annuitants in 180 countries worldwide.

www.xafinitypaymaster.com

About BAE Systems

BAE Systems is a global defence, security and aerospace company with approximately 107,000 employees worldwide. The Company delivers a full range of products and services for air, land and naval forces, as well as advanced electronics, security, information technology solutions and customer support services. In 2009 BAE Systems reported sales of £22.4 billion (US\$ 36.2 billion).

www.baesystems.com