BAE SYSTEMS

BAE Systems Air Sector

Our contribution to the UK

Our contribution to the UK economy

BAE Systems is at the heart of the UK combat air industry. From our manufacturing heartland in the North of England, our footprint reaches all regions of the United Kingdom and delivers substantial benefit to our national economy.

Beyond our military benefits, we are proud to contribute to the prosperity of the UK in a number of ways, through technological innovation, long-standing careers, and critical skills and knowledge.

Across our UK operations, we:

£5bn

Contributed **£5bn** to the UK's GDP. For every **£1** we contributed to GDP, a further **£4.90** was supported across the economy*

£81,000

Are highly productive, with each employee contributing **£81,000** to the economy, which is **10%** higher than the national average*

£2.6bn

Exported **£2.6bn** of products and services*

70,700

Supported more than **70,700** full time jobs, including more than **18,500** Air Sector employees*

£3.86bn

Invested more than **£3.86bn** in R&D investment over 3 years, of which **£0.66bn** is self-funded

£2.5bn

Spent **£2.5bn** with **1,400** UK suppliers, bringing investment and employment to all regions of the UK*

**The above data is sourced from 'The impact of BAE Systems' Air Sector Business on the UK Economy', an independent report by Oxford Economics in 2024, with data provided by BAE Systems.*

Our core programmes and their contribution

The UK combat air sector is an economic powerhouse. Programmes across the sector have provided high quality jobs for decades, with programmes such as Typhoon creating a ripple effect across the broader nation. Tempest is set to continue this trend, ensuring our sovereign combat air programmes continue to deliver strong economic return for the UK for decades to come.

Typhoon

The Eurofighter Typhoon is one of the most successful UK defence programmes, bringing export sales worth double the **£12bn** invested by the UK Government, with the potential for more to come.

Data on the right sourced from Oxford Economics – The impact of the Eurofighter Typhoon programme on the UK economy report, July 2026.

Through our Typhoon programme, we:

£1.9bn

Contributed **£1.9bn** to the UK's GDP per year. For every **£100** contributed by the programme, a further **£210** is supported across the economy

£1.3bn

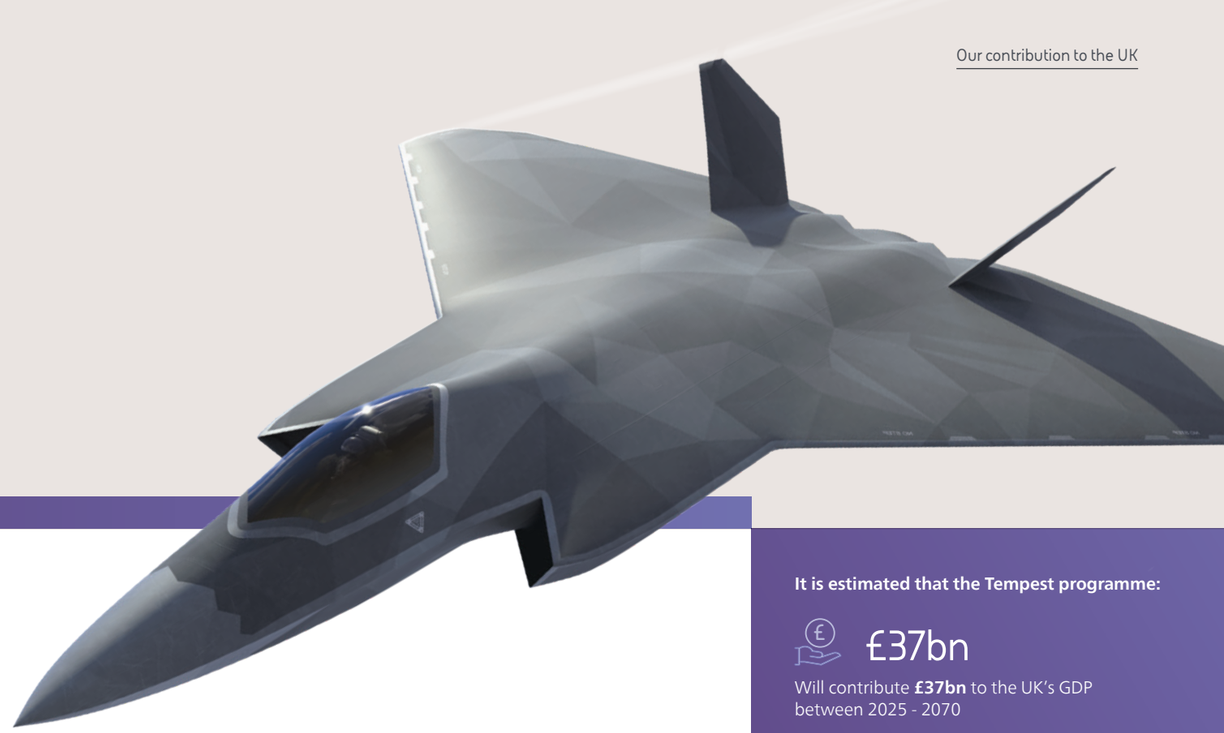
Exported **£1.3bn** of products and services each year

20,000

Supported **20,000** full time jobs

50%

Employees on the Typhoon programme are **50%** more productive than an average UK worker and **13%** more productive than the average UK manufacturing worker



Tempest

Tempest is creating and sustaining highly skilled jobs, driving investment in R&D and benefitting hundreds of companies throughout the supply chain, contributing to the long-term economic prosperity of the UK.

Data on the right relates to an independent analysis by PwC on the expected economic impact of the Tempest programme (2025 - 2070). This project was funded and directed by the Ministry of Defence, contracted by BAE Systems and supported by the Team Tempest industry partners. The analysis excludes the potential for exports, which is expected to be significant and does not allow for the additional aspects of the future combat air systems beyond the core aircraft.

It is estimated that the Tempest programme:

£37bn

Will contribute **£37bn** to the UK's GDP between 2025 - 2070

83%

Employees working on the Tempest programme are **83%** more productive than the UK national average

16,000

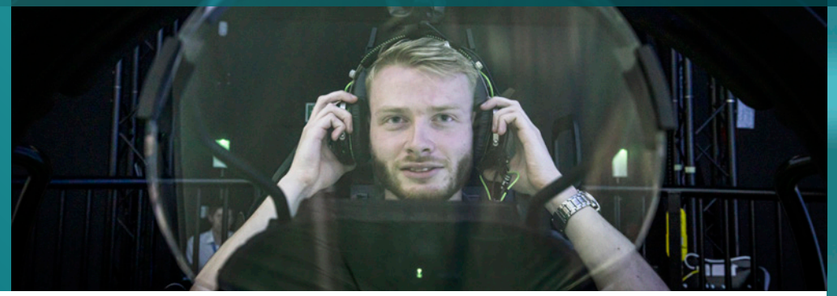
Will support **16,000** jobs per year on average for the next 10 years

85%

85% of the programme's contribution is expected to be felt outside of London and the South East

Skills and lifelong learning

We have a long history of deep commitment to fostering skills, training, and opportunities for apprentices and graduates, ensuring a robust pipeline of talent for the future.



Our combat air programmes provide meaningful careers for tens of thousands of people, from engineers to technologists and those just starting out in their careers. These jobs, often requiring specialist skills and training, drive high productivity, leading to greater investment in infrastructure, training, and education, further underpinning economic growth.

620

In 2026, we're offering more than **620** new apprentice and graduate roles across the UK

95%

95% of our apprentices go on to secure full time employment in our business. This is **30%** higher than the national average

69%

69% of our workforce are employed in highly skilled engineering or engineering-related roles.

Meet Abi

Lead Business Change Professional

Abi joined BAE Systems through Movement to Work, a Prince's Trust programme, aimed to get young people into the workplace, when she was just 17.

Since then, Abi's ambition has driven her to experience lots of exciting and unique opportunities over her 10 + year career with the company, which ultimately led to her joining the Future Combat Air System programme in 2022, championing the delivery of the UK's next generation combat air capability.

"

Joining FCAS felt like a once-in-a-lifetime opportunity, with our work helping to shape the future for generations to come. The programme moves at a rapid pace, and much of what we're doing is completely new, which makes the work really exciting. While it takes time to settle into the programme, there is strong support from peers, as we're all working towards the same goal; ensuring its success.

Supporting national supply chains

We rely heavily on a network of suppliers to deliver our complex and high-tech programmes. From local supply chain owners to major global partnerships, we're working together to pioneer technology, build skills, create jobs, and inspire future generations - as part of a vast ecosystem that thrives on innovation and purpose.

In doing so, we create a powerful ripple effect across our supply chain, and through jobs, training and investment, we help to contribute to regional and national growth.

1,400

We work with **1,400** UK suppliers, bringing investment and employment to all regions of the UK.

600

We work with almost **600** SMEs across the nation, harnessing their agility and innovation whilst providing scale, capital and experience of large-scale programmes.

Hyde Group

From cutting the first metal chips to global success

"The Typhoon programme has been a mainstay of our workload as we've grown, giving us the security to invest in our people and equipment. That investment has helped us expand into new sectors."

Anthony Hammond
Hyde Aero Products' Divisional Managing Director (Joint)

Hyde Group's relationship with the Eurofighter Typhoon goes back to the very start of the programme. In 1986, Hyde Precision Components cut the first metal chips for the Experimental Aircraft Programme (EAP) demonstrator, which would later shape the technologies for Typhoon. Four decades on, Hyde Group, based in Greater Manchester, supplies almost **2,500** Typhoon parts. Over the past five years, this work has been worth more than **£2m** to the business.

Over that time, Hyde Group have grown into a company that now employs around **650** people across the UK, working in sectors including nuclear, renewable energy and science.

Hyde Group is the largest employer of apprentices in the Tameside metropolitan borough of Manchester and since 2020, it's invested more than **£30m** in infrastructure and equipment. Hyde Group currently employs **67** apprentices and plans to continue growing their early careers programmes.

Advancing UK technology

In partnership with leading universities across the United Kingdom, we are harnessing knowledge and cross-discipline thinking to turn research into reality in areas such as AI, quantum mechanics, manufacturing, cyber and aerospace

With new technologies come new industries, which brings social opportunity in jobs, supply chains and skills. The UK stands proudly as an international powerhouse in science and technology, and we're proud to be key enablers in delivering sovereign capability for defence and beyond.

6

We have strategic partnerships with **6** leading UK universities.

75

We have over **75** licensed technologists across our business in the UK and Kingdom of Saudi Arabia, who are recognised as experts in their field of study or work.

580

We have filed over **580** patents across the Air Sector to date, protecting UK-developed intellectual property.

Case study

Can you use AI to generate tactical behaviour for pursuit and evade scenarios?

Working with **Cranfield University** we've developed an artificial intelligence engine for pilots to test their skills in millions of simulated scenarios. Helping them to hone their combat skills, the human pilot is up against the AI engine conducting realistic and complex combat exercises in the simulation that could help reduce pilot overload in a genuine cockpit.

Case study

How do you make an aircraft understand what information its' pilot needs and when?

As technology advances, so too does the amount of information present to the pilot in the cockpit of a combat aircraft. Together with the **University of Strathclyde**, we are taking measures of stress, brain activity and fatigue, which is then processed by the systems onboard the aircraft, to make sure the pilot is only presented with the most critical information they need to complete the task at hand.

BAE SYSTEMS

About BAE Systems

BAE Systems Air is at the heart of the UK's sovereign combat air capability, delivering combat air readiness and ensuring our Air Force customers have the equipment, services and skills they need to protect and maintain security and economic prosperity.

As a world-leader in defence exports, we play a crucial role in internationally collaborative programmes that enhance local and industrial capability and support strategic partnerships overseas.

Our goal is to accelerate the innovation of future air power through the development of technology, skills and collaborative ways of working that enable our customers to stay ahead of evolving threats.

Visit our website
baesystems.com/air

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