

BAE Systems and our contribution to the UK

Key facts



BAE SYSTEMS

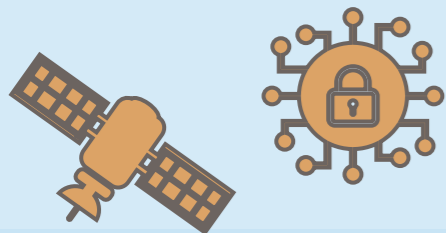
We help protect, serve and support the United Kingdom

Across the UK, we support national defence and security needs:



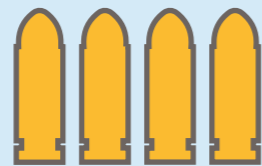
Digital Intelligence

We are a leading supplier of cyber, battlespace integration and space capabilities to government agencies and allied nations, advancing digital and data solutions that protect against current and emerging threats.



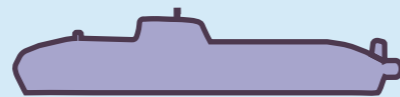
Land

We're investing in advanced ammunition production facilities in England and Wales to equip our armed forces and sustain national capabilities.



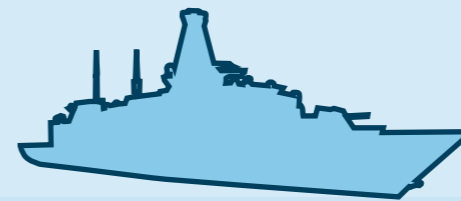
Submarines

We design, build, test and commission the most advanced submarines ever operated by the Royal Navy, as well as their state of the art combat systems and equipment.



Surface Fleet

At our shipyards in Glasgow and from His Majesty's Portsmouth Naval Base, we support the UK's naval capability through the design, manufacture and support of complex surface ships, including the UK's Carrier Strike Group. We also design, manufacture and support maritime battlefield management systems, radar and torpedoes in Hampshire and at sites across the UK.



Air

Across key sites in the UK, we develop, manufacture and test world-class combat aircraft and fast-jet trainer aircraft at the heart of the UK's sovereign combat capability. In support of the RAF's fleet of combat aircraft we also provide on-base support and maintenance.



Our contribution to the UK economy

Across our UK operations in 2022, we:



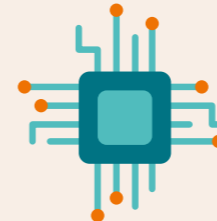
Supported
132,000
full time jobs
including 39,600
BAE Systems
employees



Supported a total
tax contribution of
£2.7bn
including
£770m
we paid directly



Were highly productive –
with each employee
contributing
£78,570
to the UK economy



Invested more than
£1.45bn
in research and
development both
self-funded and on
behalf of customers
and partners



Spent
£4.1bn
with 6,000 UK suppliers
bringing investment and
employment from the
Scottish Highlands to the
Isle of Wight



Contributed
£11.1bn

to the UK's GDP

equivalent to **0.4%** of the UK
economy. For every £100 we
contributed to GDP, a total of
£360 was supported across
the economy

Exported
£3.7bn

of goods and services
equivalent to almost
0.5% of all UK exports



Supported some of the UK's most deprived areas, providing direct
employment for almost **15,000** full-time workers and spending
£730m with suppliers in these communities



22,400 full time employees
41,200 total jobs sustained
£450m spent with more than 750 local suppliers

North West

- Our team in Barrow-in-Furness, Cumbria, leads the design and manufacture of the Royal Navy's Astute and Dreadnought submarines and is progressing the design of SSN-AUKUS, with construction expected to start later this decade.
- Our military aircraft sites in Samlesbury and Warton, Lancashire, provide engineering, design, manufacturing and R&D for crucial programmes including Typhoon, F-35 and Tempest.



780 full time employees
4,560 total jobs sustained
£50m spent with more than 150 local suppliers

Wales

- Our munitions factory in Glascoed, Monmouthshire, has supported the British Army for more than 80 years and supplies 80% of the UK armed forces' general munitions for training and operations.
- Our team at RAF Valley on the island of Anglesey directly supports RAF training, including support for the iconic Hawk aircraft.



1,800 full time employees
9,500 total jobs sustained
£400m spent with almost 500 local suppliers

South West

- Our teams operate from six sites across the South West of England, including Ministry of Defence facilities, as they help deliver defence programmes as part of joint project teams.
- Our experts at sites including Christchurch, Yeovil and Weymouth focus on a range of advanced technologies, from specialist communications and software systems to submarine design and cyber capabilities.



3,900 full time employees
14,800 total jobs sustained
£500m spent with local suppliers



Scotland

- Our shipyards at Govan and Scotstoun on the River Clyde are responsible for delivering the Royal Navy's Type 26 frigates and we're investing £115m to improve our facilities and maintain these skills for the future.
- A number of employees directly support the Royal Air Force's Typhoons at RAF Lossiemouth as they deliver their vital air policing mission.

1,300 full time employees
11,700 total jobs sustained
£260m spent with local suppliers



North East, Yorkshire and the Humber

- Our Aircraft Maintenance Academy trains 100 apprentices each year ready for work on the frontline of support at RAF bases around the UK.
- Our munitions sites in Washington and Ridsdale are an essential part of the British Army's supply chain, designing, manufacturing and testing a range of heavy munitions.

8,200 full time employees
26,500 total jobs sustained
£1.15bn spent with local suppliers



South East

- The South East is home to our head office and several major sites, delivering a range of products and services including satellites, cyber security and advanced electronic technologies for civil and military aviation.
- Our operations at Portsmouth Naval Base and around Hampshire deliver warship support, waterfront services and infrastructure projects for the Royal Navy and develop advanced radar and naval systems.

These regions cover almost all of our operations in the UK, however more than 1,000 employees are based at sites in the Midlands and we support our customers in every part of the country.

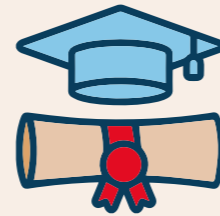
We're investing across the UK to grow our business and keep delivering for our customers

Our people



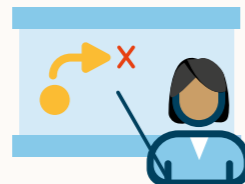
Investing **£12m** in an Applied Shipbuilding Academy, which will open in 2024 in Glasgow, to safeguard the city's rich shipbuilding heritage, joining our academies in Lancashire and Cumbria

One million young people reached through our national Schools STEM Roadshow



Almost **2,700** new apprenticeship and graduate opportunities available to young people across the UK in 2024

£150k invested each year in the Movement to Work scheme, providing work experience for unemployed young people

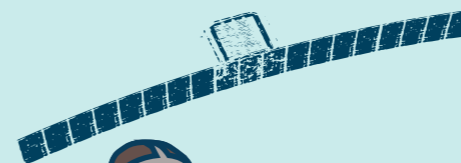


In 2023, we spent **£230m** on education, skills and training including STEM engagement, early careers and lifelong learning

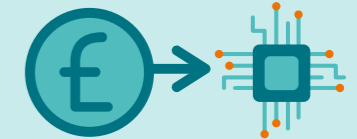
Technology and innovation



In 2022, we funded **£142m** of research and development, helping the UK to become a science and technology superpower



We're taking strides in electric aviation, synthetic training and low earth orbit satellites



We invested a total of **£1.45bn** in research and development, including projects funded by our customers



We have strategic partnerships with six British universities supporting students and conducting research in areas from robotics to advanced materials

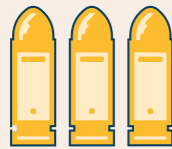
We were the **eighth** largest filer of international patents in the UK in 2022

Investing in our sites and communities

Our sites

£220m will go into developing our munitions facilities

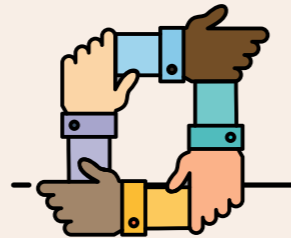
to meet the needs of our armed forces



£1.1bn of capital investment over the period 2018-2022



At our Factory of the Future in Warton, more than **50** blue chip and SME companies and academic institutions are collaborating



In 2023, BAE Systems opened a **new careers hub** in Barrow-in-Furness as the first part of a multi-million pound set of investments across the town

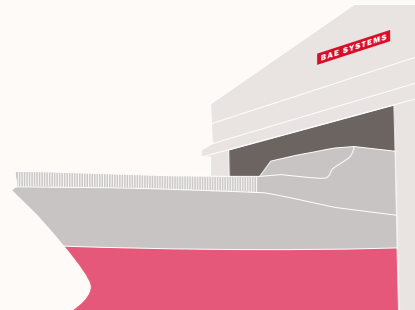
Our communities

In 2023, employees volunteered over **20,500** hours to support activities across the UK. Of that,

11,308 hours was spent inspiring the next generation to study science, technology, engineering and maths



We support armed forces charities and in 2024 donated **£600,000** to the Winston Churchill Centre for Education and Learning in commemoration of D-Day



A new ship build hall is a key element of the **£300m** modernisation and digitalisation of our shipbuilding facilities at Govan and Scotstoun

Across the UK in 2023, we contributed more than **£5.6m** to projects supporting our **local communities, education and the armed forces** through charitable sponsorships, donations, employee fundraising and volunteering





For more information and access
to the full report, scan here.

baesystems.com/ukcontribution

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Information contained in this booklet is drawn from the BAE Systems' contribution to the UK economy report 2023, produced by Oxford Economics using 2022 data provided by BAE Systems and third parties.