

**babcock**<sup>TM</sup>



**Creating prosperity,  
together**

November 2022

[babcockinternational.com](http://babcockinternational.com)



**£3.3bn** total  
contribution to UK GDP

We are led by our Purpose: *to create a safe and secure world, together.*

We are a UK-headquartered international defence company with a long history of supporting the Armed Forces and critical services which keep people safe.

In a world where threats to national security are evolving, we play a significant role in assuring the stability of the UK, and of all the countries we support.

The UK is both our home and our primary market. We are the UK's second largest defence supplier. Our work with the Royal Navy, British Army and Royal Air Force accounts for around 8 per cent of the Ministry of Defence's total procurement spend. We work with the MOD across more critical programmes than any other company.

Our facilities and skills directly support the UK's shipbuilding strategy and are at the heart of local economies and communities, often securing jobs and upskilling where it's needed most.

We also play a leading role in the UK civil nuclear industry and are a proud partner to our UK emergency services.

In the 2021/22 financial year, Babcock contributed £3.3bn in GDP to the UK economy and £770 million in tax revenues.



Nearly **57,000** jobs supported

## Creating and upskilling workforces, together

Almost half of our 22,000 UK workforce are in skilled technical roles.

We start by partnering with schools, universities and scientific institutions to inspire young people and to promote the science-based subjects that underpin our business and the economy of the UK.

- **30,000 students engaged in Babcock STEM outreach activities**

Our apprenticeship schemes build the high quality, in-demand skills base that enables our business to maintain a competitive edge. Our graduate programme attracts ambitious people who relish the opportunity to contribute to important and complex projects of national and international significance.



**30,000** students engaged in Babcock STEM activities

## Creating a safe and secure world, together

We are committed to making a positive contribution to the communities in which we operate, providing high-quality jobs and delivering social and economic sustainability.

Like the ships we build, we know our company leaves a wake – a commitment to the people we employ and the communities we serve.

From Devonport in the South to Rosyth in Scotland, the Royal Navy relies on Babcock's state-of-the-art infrastructure and engineering. Keeping those who go to sea safe and putting our sites and skills at the heart of the UK's ship building industry.

We have a proud history of supporting the armed forces and we are one of the largest UK employers of military veterans, and Gold Award holders of the Defence Employer Recognition Scheme.

We look forward to continuing to contribute to the prosperity, safety and security of the nation in the future.



Around **1,250** people on UK graduate and apprentice programmes

- **264 graduates and 985 apprentices in training schemes**

At Babcock we've created a culture of innovation that spans every discipline and threads through every project, programme and initiative.

It's an approach that enables us to nurture the next generation of technicians, engineers, data scientists and business leaders. It means that our highly-skilled workforce is primed for challenge and alert to the range of possibilities that technology can deliver.

It makes Babcock competitive and ensures that the UK maintains its position as a global leader.

A focus on skills demands that we seek talent from the widest possible pool. That's why we work hard to ensure that

our people reflect the communities we serve. We are attracting more women to engineering and have a target of 30% of our workforce to be female by 2030.

We are never complacent about our progress. We know that the challenges of tomorrow demand a focus on training and skills today and every day.

## Creating opportunity, together

Babcock operations and activities create wider benefits for society.

Our sites and skills are at the heart of the UK's ship building strategy, as well as at the heart of local economies.

We are proud to be building the Royal Navy's Type 31 Frigate at our facility in Rosyth, which will support 2,500 jobs at its peak.



Building new Type 31 Frigates at Rosyth will support **2,500** jobs at its peak

**£290m** spent with suppliers in areas classified as "high priority" for the government's Levelling Up Fund

Babcock operations support economic activity right across the UK, including in parts of the country which have been particularly impacted by the Covid-19 pandemic.

- **£220 million of procurement spending was placed with more than 1,050 suppliers in the 20% of the worst-affected parts of the country**

By sustaining economic activity in less prosperous areas, Babcock also contributes to the government's "levelling up" agenda which seeks to spread prosperity more evenly across the UK.

- **£230m spent with 1,070 suppliers in deprived local authority areas**
- **£337m spent with 2,220 SME suppliers. Of this total, more than 18% was spent with SMEs located in deprived local authority areas**



## Creating a sustainable future, together

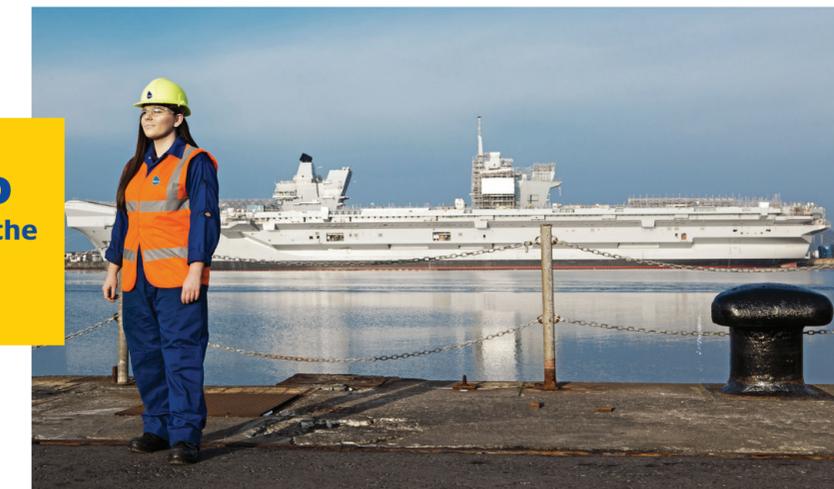
Our commitment to delivering value to society also drives the action we are taking to fight climate change, tackle economic inequality, support the recovery from Covid-19, improve equality of opportunity and increase wellbeing.

Minimising our environmental impact is fundamental to every decision we make. Integral to a safe and secure world.

- **Net Zero by 2040**

We are committed to promoting inclusion and diversity.

- **Internal networks including Pride in Babcock, a disability support network, and a neurodiversity network**
- **30% women in the workforce by 2030**



**30%** women in the workforce by 2030

# THE CONTRIBUTION OF BABCOCK TO THE UK ECONOMY



## ECONOMIC IMPACT

○ Direct    ○ Indirect    ○ Induced

 **£3.3bn**

Total UK GDP contribution

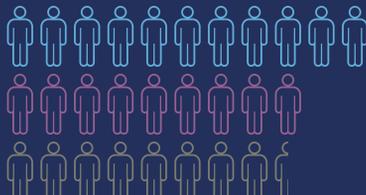
£1.1bn | £1.0bn | £1.2bn



 **56,800**

Total UK jobs supported

22,000 | 18,100 | 16,700



 **£770m**

Total UK tax revenues

£210m | £220m | £340m



## BUSINESS AREA ECONOMIC IMPACT

Naval engineering, support and systems

**£2bn** contribution to GDP

**35,200** jobs supported



Critical services: defence and civil

**£1.3bn** contribution to GDP

**21,600** jobs supported



## IMPACT IN SOUTH WEST ENGLAND AND SCOTLAND



## SOCIO-ECONOMIC IMPACT



**264** graduates and **985** apprentices in training schemes.



**30,000** students engaged through STEM outreach activities.



**£337m** spent with **2,220** SME suppliers.

**£290m** spent with suppliers in areas classified as a “high priority” for the government’s Levelling Up Fund.



**1,660** people directly employed and **£230m** spent with **1,070** suppliers in the 20% most deprived local authority areas in the UK.

Results relate to the 2022 financial year which ran from 1 April 2021 to 31 March 2022.

This page presents the key findings of an independent report by Oxford Economics on Babcock International Group’s contribution to the UK economy.