Strategic framework

Creating a safe and secure world, together

Our Purpose

To create a safe and secure world, together

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Our strategy

Leverage our technical capability

- Grow our UK business through optimising our existing position and entering selective new programmes
- Grow our international business through expanding activity in our focus countries, direct exports and strategic partnerships

Build strategic partnerships

- Work with our customers to deliver critical solutions
- Develop innovative solutions to solve complex customer challenges
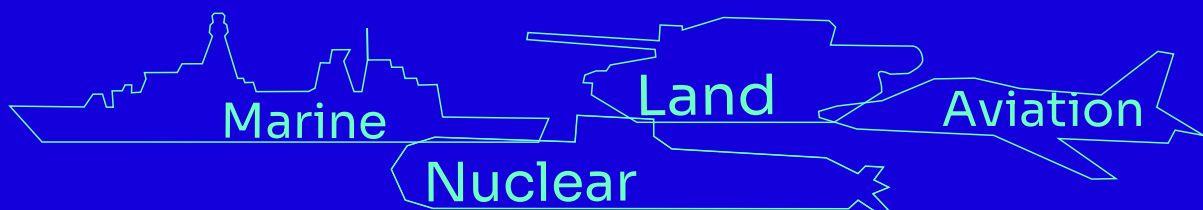- Work with industry partners to enter new markets and programmes

Develop our people and capabilities

- Build a diverse and resilient workforce
- Grow our engineering and technical capabilities
- Develop skills through the Babcock Academy and national and industry initiatives
- Progress our early careers and returners programmes

Be a responsible corporate citizen

- Progress our six sustainability priorities
- Further develop sustainability capability within the business
- Ensure effective governance and oversight processes
- Communicate the vital role of defence and national security

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Our capabilities span four key markets, with 74% of our business in defence

Marine   Land   Nuclear   Aviation

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Our strategy aims to deliver

Focused on delivering value for all our stakeholders

| Improved outcomes for our customers | A better place to work | Returns for our shareholders |

Our growth strategy

UK

Optimise position	New programmes & markets

International

Expansion in focus countries	Direct exports	Strategic partnerships

Underpinned by technology

Building on our intimate understanding of defence assets and their owners, we offer our customers deeply pragmatic answers to the problems they face.

We seek to provide integrated solutions, delivered in dynamic collaboration with the best in the industry: products informed by service and services informed by product.

That means we don't look to own the whole technology stack. Instead, we keep ourselves free to work with the right small & medium enterprises and industry partners, bringing together the best technology to deliver the outcomes our customers need, with the pace and agility they are looking for. And we all share in the value created.

Our own investments are focused on developing technology at the integration layer to access new markets, such as autonomy, with deliverable products, or on using enabling technology that equip us to deliver our existing work better.

We are organised across the Group to make sure that we are able to get the best value out of our focus on technology. In FY25, we refocused our technology team, establishing cross-sector and country working groups for each of our strategic technology capability themes (*see the chart below for more detail*).

These themes drive innovation, ensure our technology relevance and empower us to deliver cutting-edge, pragmatic solutions. Solutions that deliver the capability, availability and affordability our customers require.

Our new technology team is also playing a pivotal role in fostering collaboration and knowledge exchange across the Group. By sharing our ongoing initiatives and leveraging our collective expertise, we aim to maximise the return on our innovations whilst cultivating a learning environment for our people.

Key internal initiatives include: the internal publication of our first research and development stocktake for the Group, the release of quarterly horizon scanning reports, the showcasing of our subject-matter experts and the creation of dedicated knowledge-sharing forums. These efforts are strengthening our ability to exploit emerging technologies and make full use of the wealth of expertise across the Group.

In FY26, we will be building on these initiatives, with a particular focus on developing our understanding of technology partners in the autonomy space, and in developing our own IP.

Our strategic technology themes deliver a combination of growth and increased competitiveness

New products and services to generate growth ↑

Autonomy
Building an autonomous capability covering scale assembly, systems integration, certification, launch and recovery, operation, training and through life-support of uncrewed systems.

C5ISR
Developing comprehensive capabilities in Command and Control, Computers, Communications, Cyber, Intelligence, Surveillance and Reconnaissance

Effectors and countermeasures
Enabling scalable defensive and offensive capabilities against a range of threats using the latest technology.

Green technologies
Expanding green technology solutions including energy generation, emissions capture and storage, alternative fuels and novel propulsion.

Human performance augmentation
Enhancing human capability through optimised training, biometric monitoring and augmentation.

Advanced manufacturing
Developing manufacturing capability to meet high-integrity, mass manufacture and repair demands.

Digital through-life support
Providing optimised, data-driven, through-life asset management, maintenance, repair and overhaul, and digital engineering services.

Enhancing existing products and services to increase competitiveness →