# BAE takes stake in Oxford Dynamics to fast-track AI and robotics in UK defence



BAE Systems has acquired an equity stake in Oxford Dynamics, a UK deep-tech start-up, in a move the defence group says will speed the deployment of artificial intelligence and robotics across its platforms and bolster sovereign capability.

According to BAE, the deal will embed Oxford Dynamics’ agentic AI into its Prophesea digital platform, which monitors and maintains the operational readiness of warships, armoured vehicles and combat aircraft. The investment forms part of a wider strategy to integrate emerging technologies across air, land, sea, space and cyber domains, supporting AI-enabled decision-making, autonomy and resilience in contested environments.

Andrea Thompson, Group Managing Director of BAE’s Digital Intelligence business, said “the landscape of warfare is rapidly evolving and embracing emerging technology is vital to keeping the UK safe,” adding that partnerships with companies such as Oxford Dynamics would help “strengthen the UK’s sovereign defence and security landscape.”

Founded in 2020 at the RAL Harwell Campus, Oxford Dynamics was established by Shefali Sharma, Dr Edward Jackson and Mike Lawton. The company develops autonomous systems, agentic AI and embedded platforms — marketed under names including AVIS, SR-1 and Strider — for tasks from data analysis and sensor fusion to semi-autonomous robotics in hazardous environments. It positions its products as “trusted, explainable AI” for defence and security.

Dr Jackson said the collaboration answered the UK Strategic Defence Review’s call to “accelerate innovation, deliver sovereign capability and build a more integrated and lethal force,” and would allow the firm to scale its technology for frontline systems.

Industry reports say Oxford Dynamics will remain independent after the investment, with BAE described as its first external backer. Funding is expected to support growth, IP development and skilled-job creation within the UK defence base.

The integration aims to pair advanced sensing and analytics with decision support and autonomy so platforms can respond faster in complex, multi-domain operations. BAE says the combination of Prophesea and Oxford Dynamics’ AI should streamline maintenance, reduce downtime and improve operational availability of high-value assets.

Delivering “trusted” AI into front-line systems will require rigorous testing, explainability, human-in-the-loop controls and clear certification before operational use. Both companies stress the importance of transparency and accredited practice to meet military and regulatory standards.

For the UK, the deal signals that domestic deep-tech firms can attract strategic investment from prime contractors and move quickly into defence capability pipelines. Commentators note such partnerships can help retain skills and IP onshore, shorten adoption cycles and expand the sovereign supply base — if smaller developers can preserve agility while scaling.

If successful, the partnership could accelerate AI adoption in maintenance and operational decision-support, and strengthen the case for further collaboration between primes, start-ups and government to build a responsible innovation ecosystem in UK defence.

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## Bibliography

1. <https://ukdefencejournal.org.uk/bae-systems-invests-in-ai-start-up-oxford-dynamics/> - Please view link - unable to able to access data
2. <https://ukdefencejournal.org.uk/bae-systems-invests-in-ai-start-up-oxford-dynamics/> - UK Defence Journal reports that BAE Systems has taken an equity stake in Oxford Dynamics, a UK deep‑tech start‑up specialising in artificial intelligence and robotics. The article states the investment aims to accelerate development of advanced defence technologies and to embed Oxford Dynamics’ AI into BAE’s Prophesea platform for maintaining operational readiness of assets such as warships, armoured vehicles and combat aircraft. It quotes Andrea Thompson of BAE’s Digital Intelligence business and Dr Edward Jackson of Oxford Dynamics, and notes Oxford Dynamics was founded in 2020 in Oxfordshire. The piece highlights sovereign capability, integration across domains, and job creation opportunities.
3. <https://oxdynamics.com/company> - Oxford Dynamics’ company page describes the firm as a deep‑tech developer founded in 2020 by Shefali Sharma, Dr Edward Jackson and Mike Lawton, based at the RAL Harwell Campus in Oxfordshire. The page outlines their work on autonomous systems, agentic AI and embedded platforms including AVIS, claimed to be a generative AI search and analytics system supporting UK defence tasks. It emphasises partnerships with government bodies, on‑orbit and terrestrial applications, and intellectual property development for commercial exploitation. Leadership biographies and links are included. The page positions Oxford Dynamics as focused on delivering trusted, explainable AI for defence and security environments.
4. <https://www.army-technology.com/news/bae-systems-oxford-dynamics-ai/> - Army Technology states BAE Systems has taken an equity stake in Oxford Dynamics to speed adoption of AI across defence. It reports the initial work will embed Oxford Dynamics’ AI into BAE’s Prophesea platform to help maintain readiness of assets including warships, armoured vehicles and combat aircraft. The piece describes Oxford Dynamics as founded in 2020 and developing intelligent autonomous systems that interpret data, coordinate actions and make real‑time decisions to improve mission planning and threat response. It quotes Dr Edward Jackson and Andrea Thompson, and says the investment will support Oxford Dynamics’ growth while the company remains independent thereby.
5. <https://digitalisationworld.com/news/70538/bae-systems-invests-in-uk-ai-start-up-oxford-dynamics> - Digitalisation World reports BAE Systems has invested in Oxford Dynamics, a UK deep‑tech start‑up specialising in AI and robotics, as part of its strategy to accelerate deployment of emerging technologies. The article explains the partnership will combine BAE’s defence expertise with Oxford Dynamics’ AI data capabilities and initially integrate that technology into the Prophesea platform to support operational readiness for warships, armoured vehicles and combat aircraft. It quotes Andrea Thompson of BAE’s Digital Intelligence business and Dr Edward Jackson of Oxford Dynamics, notes the firm was founded in 2020, suggesting the investment will bolster sovereign capability and create UK jobs.
6. <https://www.resiliencemedia.co/p/bae-backs-oxford-dynamics-to-bolster> - Resilience Media describes BAE Systems’ strategic investment in Oxford Dynamics as an effort to bolster UK defence autonomy through sovereign innovation. The piece reports BAE is the first external investor in Oxford Dynamics and that initial plans involve embedding the start‑up’s agentic AI into BAE’s Prophesea platform to monitor and maintain assets such as warships and armoured vehicles. It outlines Oxford Dynamics’ products — AVIS, SR‑1 and Strider — and explains their use in data analysis, sensor fusion and semi‑autonomous robotics for hazardous environments. The article quotes co‑founder Shefali Sharma and highlights the deal’s potential to expand applications and capability.
7. <https://www.insidermedia.com/news/insider/bae-systems-takes-stake-in-deep-tech-startup-developing-ai-for-defence-firms> - Insider Media reports BAE Systems has taken a stake in Oxford Dynamics, an Oxfordshire deep‑tech start‑up founded in 2020 that focuses on AI and autonomous systems for defence. The article notes Oxford Dynamics has supported UK Strategic Defence Review, analysing consultation responses using its AVIS platform. It explains the initial integration will see Oxford Dynamics’ technology incorporated into BAE’s Prophesea platform to improve asset readiness for vessels, vehicles and aircraft. Quotes from Andrea Thompson and Dr Edward Jackson underline the strategic aim to accelerate innovation and deliver sovereign capability. The piece adds that Oxford Dynamics will remain independent after investment.