

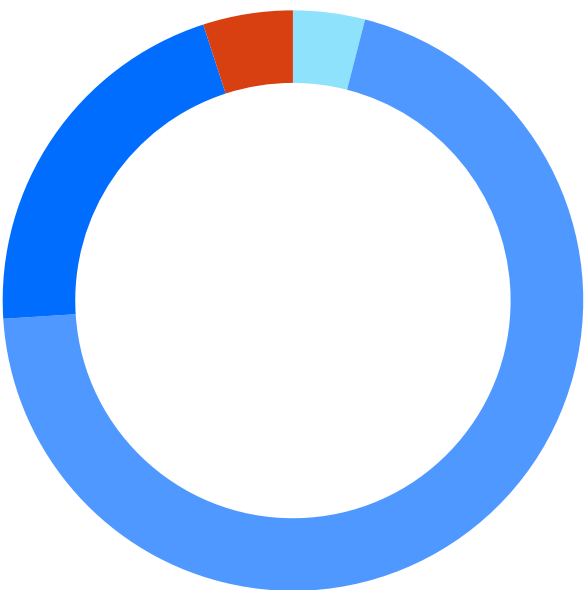
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PRESIDENT, CIVIL AEROSPACE

CIVIL AEROSPACE

Advantaged products and services in growing markets

Underlying revenue (2022)



- Business Aviation – 21%
- Widebody – 72%
- Regional – 4%
- V2500 – 3%

BUSINESS AVIATION

Market leading position

~70%

Aircraft in service market share¹

8-9%

Rolls-Royce delivery growth²

120-130%

Forecast Rolls-Royce EFH mid-term vs 2019³

WIDEBODY

Capitalise on Power of the Trent

~55%

Widebody delivery share⁴

7-9%

Rolls-Royce powered aircraft in service growth⁵

120-130%

Forecast Rolls-Royce EFH mid-term vs 2019⁶

REGIONAL / V2500

Strength in legacy programmes

~2,000

Rolls-Royce powered aircraft in service

~180m

Rolls-Royce EFH to date

35m-40m

Forecast Rolls-Royce EFH over mid-term

1. Large aircraft in service 2022 | 2. Annual growth of powered Very Long Range (VLR) / Ultra Long Range (ULR) aircraft deliveries 2022 and 2030 | 3. VLR/ULR Engine Flying Hours (EFH) mid-term vs 2019 | 4. New passenger widebody delivery share 2022 | 5. Annual growth of passenger aircraft in service between 2022 and 2030 | 6. Long Term Service Agreement widebody Engine Flying Hours

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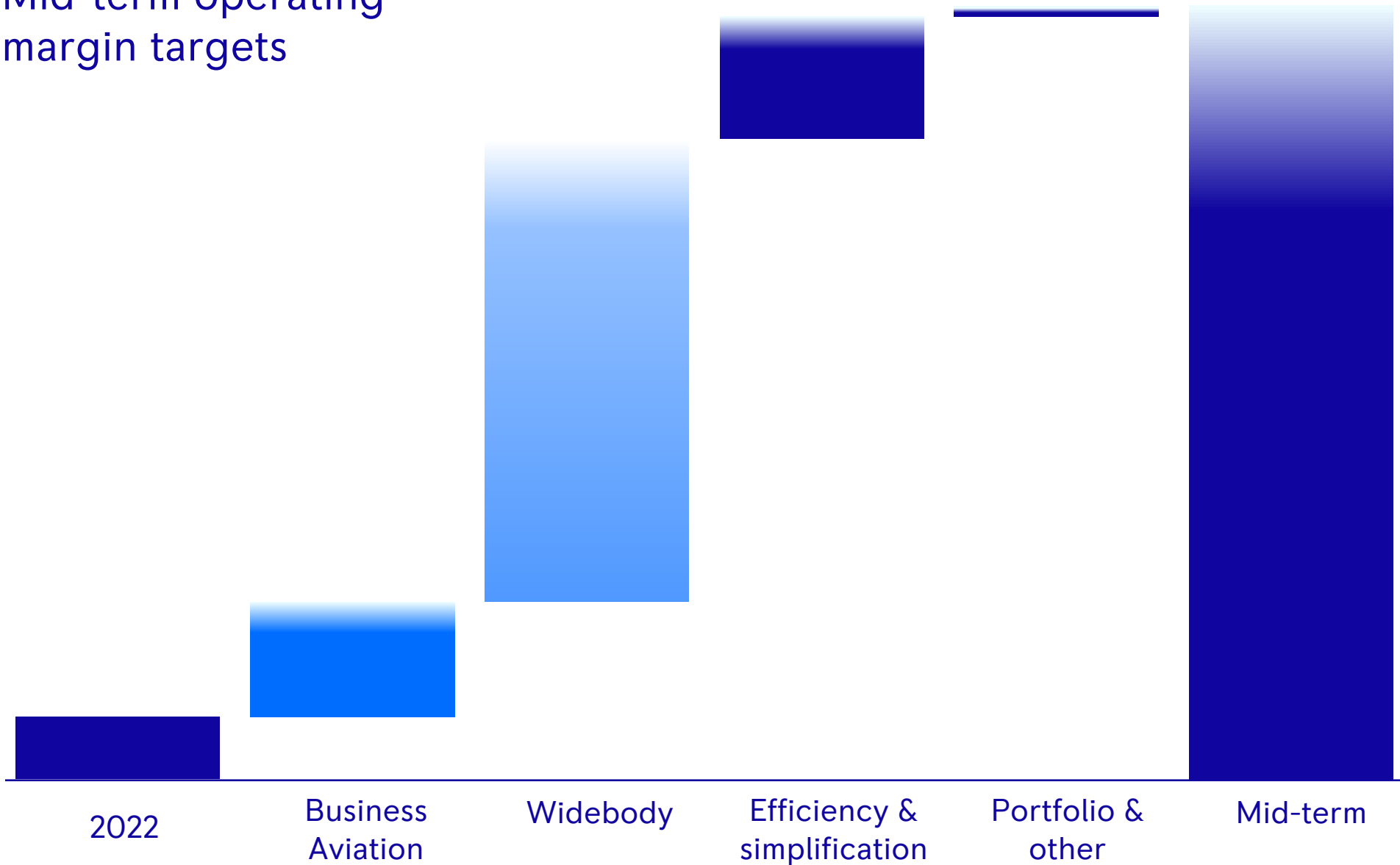
CAPTURING PERFORMANCE IMPROVEMENT OPPORTUNITIES

Strategic initiatives driving margin improvements

Civil Aerospace operating profit improvements (£bn)

15-17%

Mid-term operating margin targets



Business Aviation

Grow market share, aftermarket growth and commercial optimisation



Widebody

Keep Engines Earning, Contractual Rigour, Value-Driven pricing, Time on Wing, Shop Visit cost, Product Cost, Volume & Mix



Efficiency & simplification

Simplifying and optimising our business

BUSINESS AVIATION

Strategic initiatives driving margin improvements



GROW MARKET SHARE WITH PEARL

- Leaders in resilient and growing market
- Pearl is today's engine family of choice
- Won the last three major campaigns

8-9%

Annual growth of Rolls-Royce powered aircraft deliveries¹



SIGNIFICANT SERVICES GROWTH

- Highly profitable services model with CorporateCare
- Continued growth of EFH
- Large and growing installed fleet

2-3%

Annual growth of invoiced EFH²



COMMERCIAL OPTIMISATION

- Cost reduction
- Improving commercial terms
- Implementing new pricing strategy

>100%

Mid-term operating profit growth³

1. Very Long Range / Ultra Long Range aircraft deliveries, 2022 to 2030 | 2. Rolls-Royce Very Long Range / Ultra Long Range EFH, 2022 to 2030 | 3. Rolls-Royce data

WIDEBODY

Strategic initiatives driving margin improvements



KEEP ENGINES EARNING

- Improve engine performance and earning through extensions, transitions and passenger to freighter conversions

Powering
80% of A330
committed freighter
conversions¹



COMMERCIAL OPTIMISATION

- Drive contractual rigour
- Implementing value-driven pricing strategy
- Embedding a culture of commercial acumen

Drive towards
value driven
pricing



INSTALLED ENGINES AND AFTERMARKET GROWTH

- Growth driven by engine deliveries, major refurbishments and shop visit volumes
- EFH forecast 120-130% over mid-term

300-350
Engine deliveries p.a.

700-750
Major refurbishments p.a.

1,100-1,200
Total shop visits p.a.²

WIDEBODY

Strategic initiatives driving margin improvements



EXTEND TIME ON WING

- Improve product durability
- Extend life and component limits
- Optimise aircraft operations and maintenance

~40%

Time on Wing increase over mid-term¹

REDUCE SHOP VISIT COST

- Greater control workscope
- Optimise MRO build/strip
- Repair and re-use of parts

~50%

Trent XWB Shop visit cost reduction²

PRODUCT COST REDUCTION

- Concentrate activity to high-performing suppliers
- Improve contracts to protect value
- Advanced technical cost out

200

Technical cost out engineers

TRANSITION TO LOWER CARBON

Supporting our customers on their journey to net zero

Maximise efficiency
of current fleet



All in-production
engines compatible
with 100% SAF



UltraFan technologies
for current and next
generation widebody
and narrowbody aircraft



KEY MESSAGES

Civil Aerospace: Strong positions in growing markets with performance improvement opportunities

Operating margin
15-17%
through focused actions



Transforming
to improve commercial
optimisation and cost efficiency



Strong positions
and recent wins
in recovering and
resilient markets



Enabling
energy transition