

Rolls-Royce Holdings plc

Board Composition Policy

(approved 1 July 2025)

1. Purpose

The Group's ambition is to build and sustain a high-performing, merit-based organisation founded on an inclusive culture. This policy reflects our approach to achieving a similarly high performing, merit-based, and inclusive Board of Directors.

2. Policy Statement

- 2.1 All Rolls-Royce employees are expected to comply with the provisions of the Group's People Policies (which include the Rolls-Royce Anti-Discrimination Policy). This policy extends these provisions to the Board and will capture the requirements of the UK Corporate Governance Code (as amended by the FRC from time to time), together with the recommendations from the FTSE Women Leaders Review. Accordingly, we continue to keep our policies and procedures under review to ensure compliance with the laws and regulations of the jurisdictions in which we operate.
- 2.2 The Board believes that an inclusive Board contributes to achieving its strategic objectives and to attracting and retaining the best people. When considering candidates, the Nominations, Culture & Governance Committee (the Committee), on behalf of the Board, will take into account factors such as professional experience, skills, education, international and industry knowledge.

3. Objectives

- 3.1 The Board will ensure that it is made up of an appropriate mix of skills, experience and knowledge required to effectively oversee and support the management of the Company.
- 3.2 While never compromising on a merit-based recruitment approach, the Board intends to maintain a balance so that 50% of the Directors are women provided that this is consistent with the prevailing skills requirements of the Group as and when seeking to appoint a new Director to the Board. It is recognised that there will be periods of change on the Board and that this number may be smaller for periods of time while the Board is refreshed. It is the Board's intention that at least one senior Board member will be a woman (Chair, Senior Independent Director, Chief Executive or Chief Finance Officer); and that at least one Board member will be from a non-white ethnic minority background.
- 3.3 With regard to the Board's key committees, it is the Board's intention to maintain an appropriate balance in respect of gender and ethnicity with respect to the committees' members, ensuring that the nationality requirements of the Company's Articles of

Association are complied with, the principles of the UK Corporate Governance Code (as amended by the Financial Reporting Council from time to time) are met and that the membership provides the professional experience and skills required for the success of the committees.

- 3.4 The Board will also support and monitor Group activities to ensure that there are no barriers to achieving a high-performing meritocracy so that people regardless of gender, ethnicity or other characteristics can achieve their full potential.
- 3.5 The Committee, on behalf of the Board, will monitor, challenge and support initiatives to drive merit-based hiring and promotion with equal opportunities for all at all levels across the organisation.

4. Responsibility

- 4.1 The Committee, on behalf of the Board, will be responsible for the implementation and delivery of this policy.
- 4.2 When recruiting Board candidates, the Committee will instruct search consultants to ensure that candidate slates contain a mix of high-performing individuals who meet the skills and experience brief.
- 4.3 The Committee will only engage search firms that have signed up to the Voluntary Code of Conduct for Executive Search firms when recruiting Board candidates.

5. Reporting

- 5.1 This policy will be included on the Group's website.
- 5.2 The progress made towards achieving the Group's objectives on inclusion and belonging will be disclosed in the Company's Annual Report.

6. Review of the Policy

- 6.1 The Committee will keep this Policy under review to ensure its effectiveness and alignment with best practice and the requirements of the UK Corporate Governance Code and any other relevant legislation and/or regulation.
- 6.2 The Committee will recommend any required revisions to the Board for approval.