ROLLS-ROYCE ECONOMIC AND SOCIAL IMPACT REPORT 2024: UNITED STATES

Rolls-Royce 2025

CONTENTS

A MESSAGE FROM OUR CHIEF EXECUTIVE

Adam Riddle, President—Defense;
Chairman & CEO—Rolls-Royce North America

For over a century, Rolls-Royce has been part of the American industrial story, combining a legacy of engineering excellence with strong U.S. capabilities and deep partnerships—powering missions, protecting lives and delivering when it matters most. As a long-time partner of our armed forces and key primes, we play an integral role in U.S. security and infrastructure, providing the foundations for the people and missions that keep America secure.

Since our acquisition of the Allison Engine Company in 1995, we have built an American workforce of more than 5,000 employees in 26 states. For every one of these jobs, we indirectly support 4.5 additional jobs in the U.S. economy through our supply chain and local spending.

Our impact today

For decades, Rolls-Royce has believed in the potential of America and has invested billions of dollars here to help grow our impact. In 2024 alone, our operations contributed $6.2 billion to the U.S. economy, with an additional $1.4 billion added from R&D spillover benefits, supporting more than 30,000 total jobs.

However, our impact extends beyond direct economic benefits; it is built on trust and decades of proven technological innovation. Over the last decade, we have invested over $1.5 billion in our U.S. facilities and nearly $2.5 billion in local R&D (on a gross basis). These capital investments alone are estimated to have supported more than 13,000 additional jobs and delivered over $1.4 billion in economic impact nationwide, and we continue to accelerate our investments as our business grows.

In Mankato, Minnesota, we are investing $24 million to expand production capacity 120% by 2026, and, in Aiken, South Carolina, we are investing $75 million to increase production of mtu Series 4000 engines, creating new American manufacturing jobs and bolstering domestic supply chains. These are not ordinary jobs; these are high-skilled, advanced manufacturing roles rooted in a culture dedicated to delivery. Our employee productivity exceeds national manufacturing averages, outpacing peers in aviation and defense, as well as other comparable high-skill sectors, reflecting the best-in-class nature of our technologies and the training we provide.

Our LibertyWorks facility in Indianapolis has been at the forefront of high-temperature materials and advanced propulsion research for 30 years. Working closely with our global network of University Technology Centers, anchored by Purdue University here in the U.S., we deliver cutting-edge technologies to meet the evolving needs of today's warfighter and tomorrow's battlefield. This model is unique to Rolls-Royce and reflects our commitment to secure, cross-border technical collaboration.

A MESSAGE FROM OUR CHIEF EXECUTIVE (CONT'D)

Through these investments and research collaborations, we are contributing to the American workforce of tomorrow. From internships to STEM outreach and veteran training programs like SkillBridge, we are developing an increasingly accessible talent pipeline. Every role we create empowers individuals, strengthens communities, and drives American innovation.

A true partner

We are proud that our technologies power the U.S. Armed Forces, safeguarding American sovereignty as well as the men and women who serve. Our engines are proven across combat, transport and autonomous segments; from the C-130, V-22 Osprey, and RQ-4 Global Hawk platforms of today to revolutionary new programs like the MV-75 FLRAA and MQ-25 Stingray. Whether deployed in contested environments or responding to wildfires and other natural disasters, our systems are time-tested and ready to deliver critical support, 24/7, wherever and whenever they are needed.

As American AI and technology firms lead the world, we are increasingly fundamental to America's energy and data infrastructure. Our Power Systems business supports more than 140 battery storage projects globally and is on track to deliver 2,000 megawatts of capacity in the next two years, essential to U.S. energy resilience and lower-carbon power. As data center capacity expands nationwide at an unprecedented pace, our backup power solutions are supporting a quarter of U.S. data centers and growing, serving every major hyperscaler and ensuring uninterrupted reliability in our digital economy and uninterrupted service for critical platforms.

Simultaneously, our U.S. Civil Aviation division serves leading U.S. manufacturers (i.e., Boeing and Gulfstream), commercial airlines (such as American, Delta and United) and our Business Aviation customers. By keeping local and long-haul fleets operational, particularly those powered by the AE 3007, we help ensure the continuity of essential passenger and cargo routes that connect American cities and drive regional economies.

Looking to the future

Looking ahead, we see significant opportunity for America and Rolls-Royce. With billions of dollars planned for further investment in U.S. data centers, soaring demand for resilient energy and a renewed focus on reshoring the American industrial base, Rolls-Royce is uniquely positioned to lead.

In nuclear energy, our AMR and SMR technologies—backed by deep expertise in power systems and decades as a global nuclear leader—offer scalable, resilient energy solutions to power America's future. We are also developing next-generation propulsion for UAVs, a major U.S. growth opportunity that will further extend our leadership in defense and enhance U.S. national security operations.

As we move forward, Rolls-Royce will continue building on our deep, domestic heritage to meet the needs of our U.S. customers—we will keep investing in American people, American communities and American capabilities, delivering exactly when and where it matters most.

WHAT IS AN ECONOMIC AND SOCIAL IMPACT ASSESSMENT?

Economic and social impact assessments are designed to evaluate and quantify the contribution of an organization across its full value chain. This report answers a central question: **What is the annual economic and social impact of Rolls-Royce's operations across the United States?**

To quantify Rolls-Royce's impact on the U.S. economy, we applied Input-Output (I-O) economic modeling methodology and R&D spillover analysis, informed by national data and industry standard frameworks. I-O analysis examines the interdependencies between industries by tracing the flow of goods, services, labor and capital throughout the economy. This approach enables us to assess the economic activity supported by Rolls-Royce's operations across its full value chain in 2024. The study evaluates the direct impact of Rolls-Royce's activities, including its operations in manufacturing, engineering, R&D and services, as well as the indirect and induced effects generated through transactions with suppliers, partners and employees. It follows the flow of value from upstream inputs such as technology, intermediate goods and services, through to final outputs and economic outcomes. Using industry, commodity and household expenditure data from national statistical agencies, the modeling quantifies how Rolls-Royce's footprint contributes to both national and regional economies. Standard metrics include gross value added (GVA) employment, wages and tax contributions, providing a comprehensive view of Rolls-Royce's economic and social contribution across the country.

The analysis showcases Rolls-Royce's overall contribution to the U.S. economy.

Intermediate inputs (goods and services)

Purchases of goods and services from supply chain

Transformation process

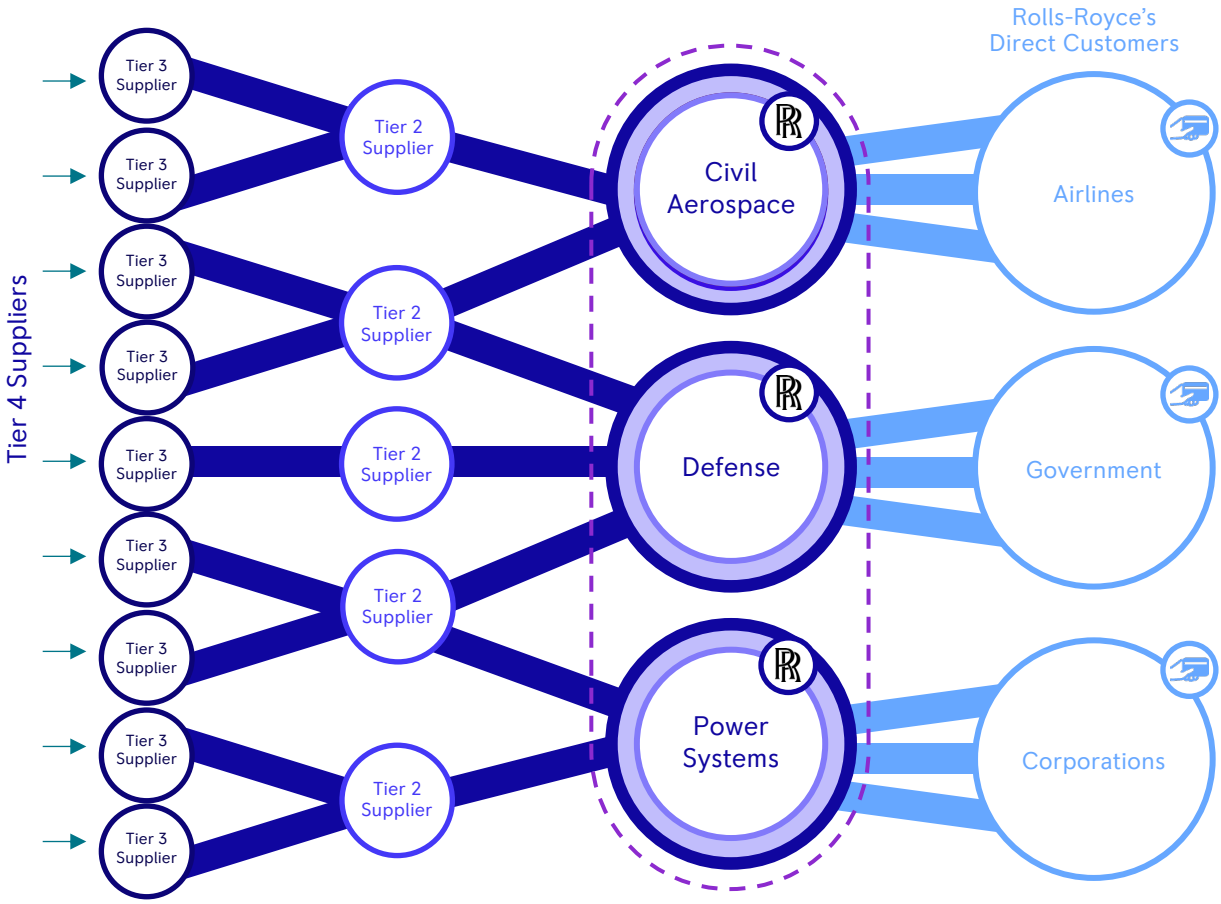
Employees' work activities, technology inputs

Outputs (value of production)

Goods and services produced for sale to other industries and final demand

Economic value added

Fig. 1—Illustrative overview of the Rolls-Royce supply chain



This study analyzes the economic impact of activities across Rolls-Royce's value chain, including the company's own operations and its transactions with suppliers and partners, by measuring the backwards linkages through the Input-Output model. The report is structured by business unit, and it traces the flow of value from suppliers through production and services, quantifying Rolls-Royce's direct, indirect and induced impacts at each stage of the supply chain.

DIRECT

Refers to the effects generated by Rolls-Royce's own operations across its business units, including manufacturing, engineering, R&D, services and associated commercial activities

INDIRECT

Captures the effects generated through B2B purchases, specifically, the transactions between Rolls-Royce and its suppliers, as well as the downstream impacts across the wider industrial ecosystem

INDUCED

Measures the effects of employee spending, reflecting how wages paid to those directly and indirectly employed by Rolls-Royce contribute to additional economic activity in the wider economy

U.S. EXECUTIVE SUMMARY

100+
Years as part of the U.S. industrial story

5,000+
Rolls-Royce U.S. employees

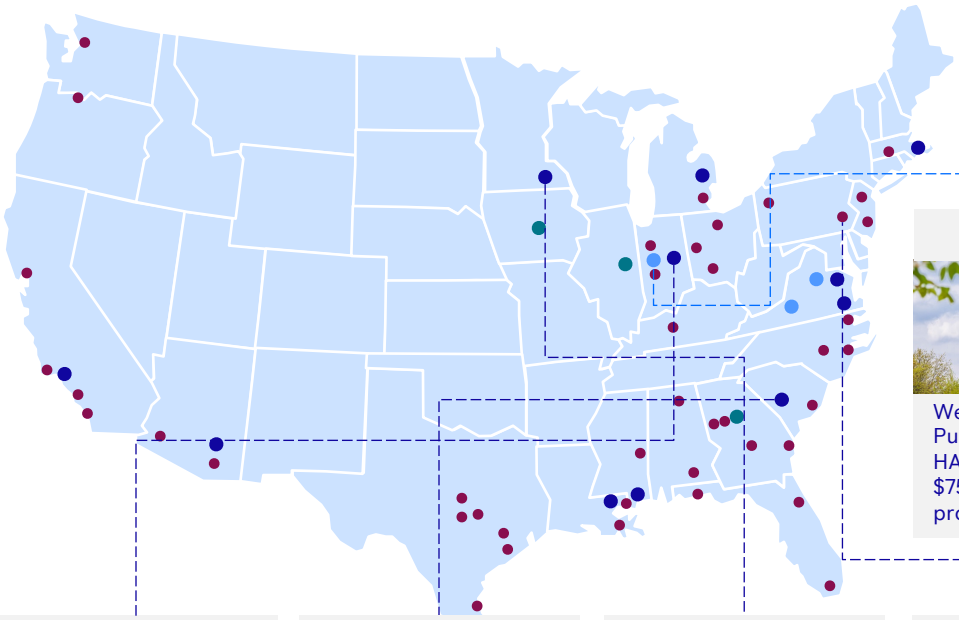
25+
States with Rolls-Royce employees

c.10%
Of our workforce are veterans

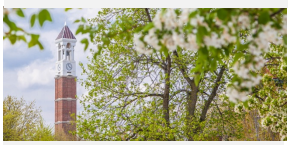
4.5x
For every U.S. Rolls-Royce employee, 4.5 additional U.S. jobs are supported

KEY:

- Design, Manufacturing & Assembly[1]
- Research Centers
- Sales & Service Centers
- University Technology Centers



Purdue University



We partner with Purdue's Zucrow and HARF labs, investing $75 million+ in propulsion research

Indianapolis, Indiana

Our largest U.S. site, home of our civil and defense teams as well as our research facility, LibertyWorks

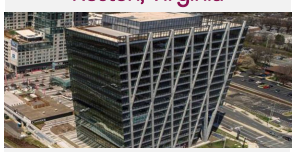
Aiken, South Carolina

Largest production site for U.S. power generation and military engines

Mankato, Minnesota

Manufacturing site for mtu brand power-generation systems

Reston, Virginia



Our North America headquarters and the global headquarters of Rolls-Royce Defense

Note(s): 1. Sites shown as in 2024, pre-divestment of Naval Propulsion site in Walpole, MA, and Pascagoula, MS

U.S. EXECUTIVE SUMMARY (CONT'D)

$6.2B Operational GVA impact, 2024

$1.7B R&D spillover GVA impact, 2024

c.500,000 Estimated number of people flying on RR powered planes per day to/from/in the U.S.

GOVERNMENT INVESTMENT MULTIPLE

$1 → $4

Every $1 invested or spent with us by the U.S. Government returns $4 to the U.S. economy

30,100 Total national employment supported, 2024

14,600 National employment supported through our supply chain, 2024

10,000 Induced national employment supported, 2024

1,300+ Novel patents first filed by Rolls-Royce U.S. in the U.S., 2015-2024

Total U.S. capital investment

$1.5B Over the last 10 years

13,500 jobs Estimated to be created by capital investments in the past decade

Total U.S. gross R&D spend

$275M In 2024

$2.4B Over the last 10 years

Total U.S. supply chain spend

$3.0B In 2024

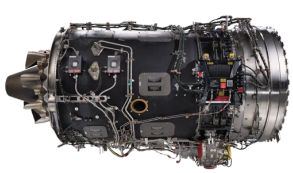
1,000+ Number of U.S. suppliers, 2024

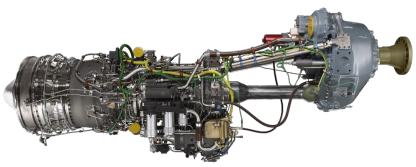
KEY PRODUCTS

F130 (B-52)

AE2100D3 (C-130J)

Series 4000 Engine & Genset





OUR HISTORY IN THE U.S.

Founded on engineering excellence, Rolls-Royce has grown into a critical U.S. industrial and technology partner, powering iconic military and civil platforms, advancing energy resilience and investing in the future of American manufacturing.

Rolls-Royce has a deep presence in the United States and is home to over 5,000 employees, with a robust and growing American supply chain spanning 37 states. We operate facilities and directly support employment in 26 U.S. states, with major hubs in Indianapolis, IN, Mankato, MN, and Aiken, SC.

Our supply chain networks support high-productivity jobs that strengthen regional economies and deepen domestic manufacturing capability. In the last 10 years, we've invested over $1.5 billion to modernize and grow our U.S. operations and develop core capabilities to meet the needs of the U.S. That investment also benefits LibertyWorks, our advanced technology unit in Indianapolis, which supports highly specialized defense programs and the development of next-gen defense solutions. Our U.S. business continues to grow across civil aviation, defense, power systems and nuclear, reflecting our long-term commitment to American manufacturing, national security and energy resilience.

1915

Speedway Team Company founded
James A. Allison founded the Speedway Team Company, the forebear of Allison Engine Company

1942

Merlin engines
Power the U.S.-built P-51 Mustang, one of the most effective aircraft of WWII

1958

First flight of a Gulfstream Business jet
The G1 powered by Rolls-Royce Dart

1994

mtu and Detroit Diesel collaborate to develop the Series 2000 and 4000 engines

1995

Allison acquisition and founding of LibertyWorks
Establishes our manufacturing and research base in Indiana

2004

Boeing selects Trent 1000 to power the 787 Dreamliner
Building on a partnership stretching back to the 1960s

2007

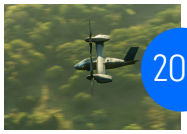
LiftSystem on the F-35B
Selected by U.S. DoD to provide vertical lift system for F-35B

2010

Aiken site opened
Produces Series 2000 and 4000 engines

2021

F130 engine on the B-52
Chosen to re-engine the iconic U.S. strategic bomber for the next three decades



2021

AE1107 engine on MV-75
Chosen to power Bell's MV-75 tiltrotor aircraft for the U.S. Army

2025

Expansion of Mankato and Aiken sites
Total of c.$100 million invested in U.S. manufacturing to grow output across key sites

OUR HISTORY IN THE U.S. (CONT'D)

Today, we power and support some of the nation's most critical defense and civil platforms, from the V-22 Osprey to the MQ-25 and C-130, to the 787 Dreamliner and Gulfstream jets, supporting long-term national security priorities while advancing U.S. values, commerce and influence across the world. We also provide vital power and propulsion solutions to key U.S. Navy and Coast Guard platforms. Likewise, our energy systems support oil and gas operators, hyperscalers and critical defense logistics in austere environments, meeting the country's growing need for secure and resilient power.

We are also expanding our role in advanced nuclear energy, with SMR and AMR technologies designed to meet the country's growing need for clean, secure and resilient power, and supporting energy independence for military bases, remote infrastructure and hyperscalers' data centers.

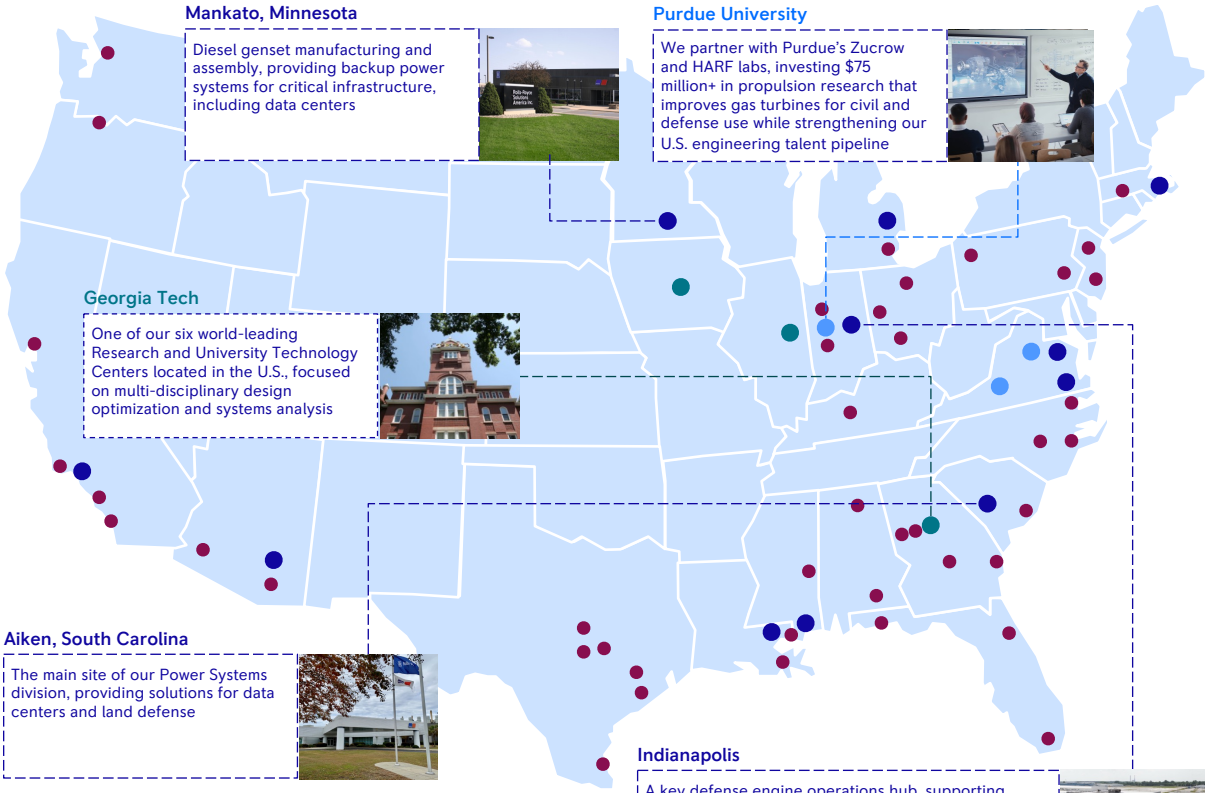
We are committed to U.S. industry, workforce and technical leadership, anchoring high-quality, high-productivity careers, including union-supported roles, in communities across the country. We are investing in localized training and education partnerships, supporting skilled career pathways in advanced manufacturing, engineering and energy.

This workforce strategy helps ensure U.S. competitiveness in key sectors and reinforces our ability to deliver programs of national strategic significance. With over 90 million flight hours logged by our dual-use American-made AE engine family alone, we have a proven track record of delivering for the U.S. at the highest level of Government. As we expand to meet the future needs of the U.S., we remain focused on building a strong, future-ready talent pipeline and creating opportunities that last, while meeting the ever-evolving needs of today's warfighters.

ROLLS-ROYCE IN THE U.S. IN 2024

KEY:

- Design, Manufacturing & Assembly[1]
- Sales & Service Centers
- Research Centres
- University Technology Centers



Mankato, Minnesota

Diesel genset manufacturing and assembly, providing backup power systems for critical infrastructure, including data centers

Purdue University

We partner with Purdue's Zucrow and HARF labs, investing $75 million+ in propulsion research that improves gas turbines for civil and defense use while strengthening our U.S. engineering talent pipeline

Georgia Tech

One of our six world-leading Research and University Technology Centers located in the U.S., focused on multi-disciplinary design optimization and systems analysis

Aiken, South Carolina

The main site of our Power Systems division, providing solutions for data centers and land defense

Some dots are combined facilities and some are not Rolls-Royce facilities, hence the number here doesn't add up to the number of RR facilities cited elsewhere

Indianapolis

A key defense engine operations hub, supporting advanced manufacturing and high-skilled employment as a pillar of industry in the Midwest. It is also our largest Civil site in the U.S. from a headcount perspective and home of Commercial Aviation's Mature Engine team

Defense

Rolls-Royce Defense powers critical U.S. military platforms like the V-22, delivering advanced, American-made engines from its Indiana base to support long-term national security capability.

Power Systems

Rolls-Royce Power Systems delivers backup and distributed energy solutions across the U.S., supporting data centers, naval platforms and critical infrastructure through resilient diesel, gas and hybrid systems built in domestic facilities.

Civil Aerospace

Rolls-Royce Civil Aviation supports Boeing, Gulfstream and other aviation partners with engines, flight testing and aftermarket services, maintaining safe, efficient operations through a lean U.S. engineering and service presence.

Note(s): 1. Sites shown as in 2024, pre-divestment of Naval Propulsion sites

Rolls-Royce supports over 30,000 jobs across the United States through direct employment and our network of over 1,000 suppliers. Our operations contribute over $6.2 billion to U.S. GDP, driving advanced manufacturing and economic growth in communities nationwide.

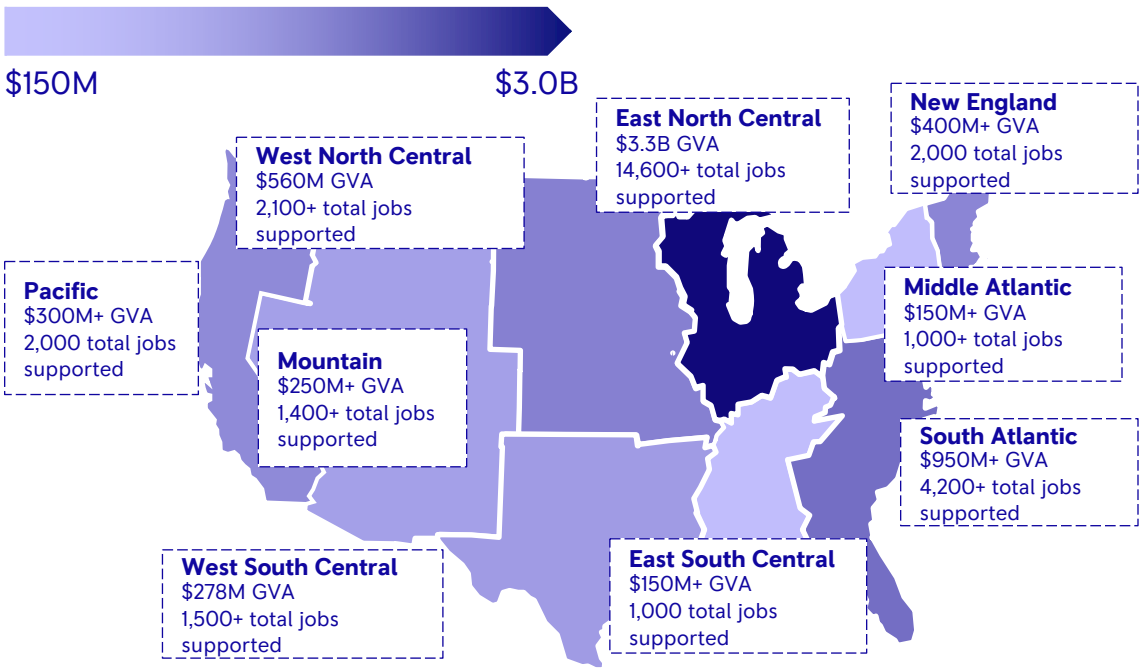
OUR OVERALL ECONOMIC IMPACT IN THE U.S.

Through our Defense, Civil Aviation, and Power Systems businesses, we generate substantial economic value across the United States. Our operations contribute to the economy not only directly, but also through extensive indirect and induced impacts, driven by our nationwide supply chain and the downstream effects of our spending.

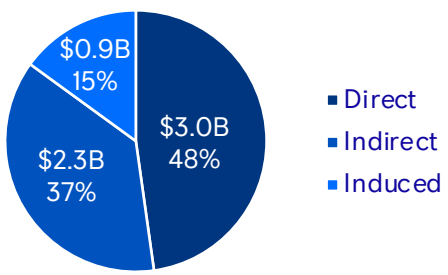
Our impact extends across the country, from manufacturing hubs to technical centers, reinforcing our role as a long-term industrial partner to the U.S. economy and a contributor to national security and energy resilience.

$6.2B	GVA impact from U.S. operations, 2024
$1.7B	GVA impact from R&D spillover, 2024
1,000+	U.S. suppliers, 2024
$3.0B	Spend with U.S. suppliers, 2024

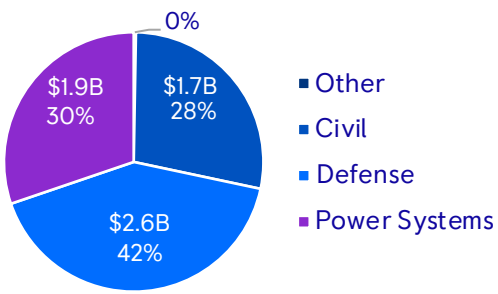
GVA contribution by region, 2024[1]



GVA impact by impact type, $B, 2024



GVA impact by division, $B, 2024



Note(s): 1. Impact based 2024 sites, pre-divestment of Naval Propulsion sites In Walpole, MA, and Pascagoula, MS

OUR OVERALL ECONOMIC IMPACT IN THE U.S. (CONT'D)

$1.5B Capital investments in the U.S. between 2015-2024

13,500+ U.S. jobs created through our capital investments between 2015-2024

$1 → $4 Every $1 invested or spent with us by the U.S. government returns $4 to the U.S. economy

We are committed to deepening our presence in the U.S. and continuing to invest in the capabilities that matter most. We have committed to investing almost $100 million to increase production capacity across our facilities in Aiken, SC, and Mankato, MN, where we are more than doubling our production capacity while expanding the skilled workforce that powers it. At the same time, we're focused on continuously strengthening our engineering, manufacturing and program delivery to support critical customer missions.

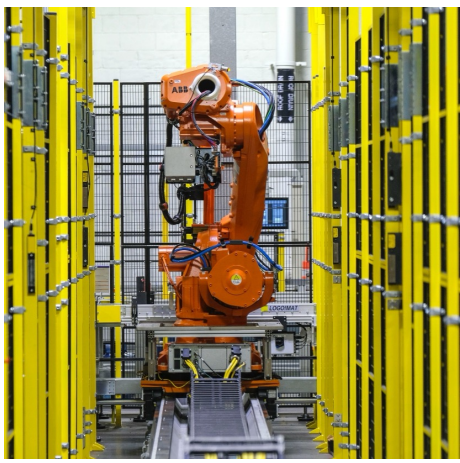
Over the past 10 years, Rolls-Royce has invested $1.5 billion across the U.S., modernizing infrastructure, expanding advanced manufacturing and embedding engineering capabilities that deliver lasting value.

For every dollar we invest, we generate multiple times that in economic activity, amplified through our $3 billion annual spend across over 1,020 American suppliers. This multiplier effect fuels regional growth, strengthens domestic supply chains and underscores the return on investing in high-value, future-focused U.S. industry.

CASE STUDY

Doubling down on Indianapolis

We've transformed our Indianapolis site with a $1 billion expansion, building one of the most advanced engine test and manufacturing facilities in the country. It's where we're powering the future of U.S. defense, from the new B-52 engines to next-gen propulsion. This investment reflects our belief in American capability and our commitment to being here for the long haul.



OUR OVERALL EMPLOYMENT IMPACT IN THE U.S.

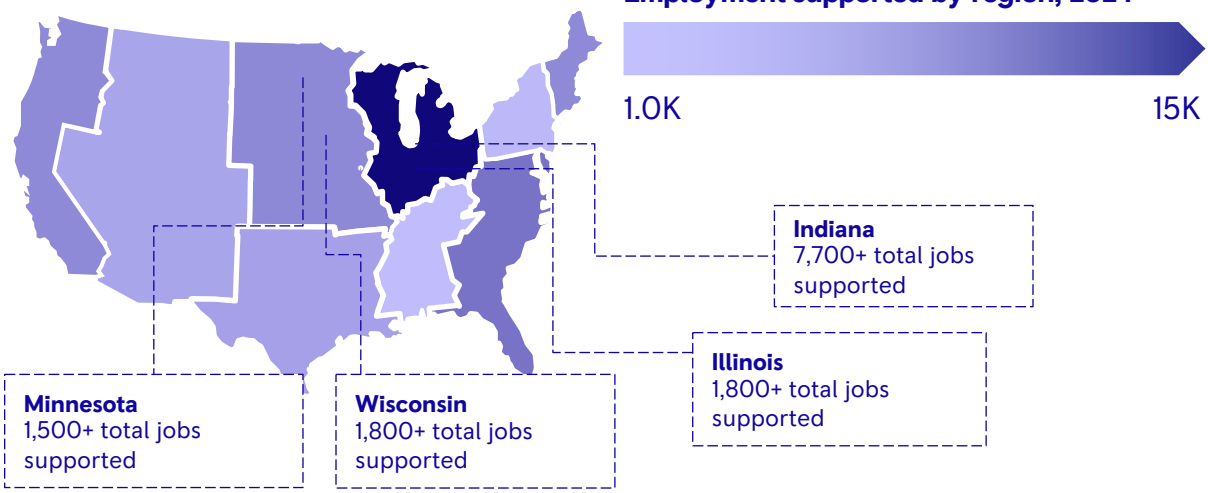
30,000+ Total national employment supported by Rolls-Royce, 2024

$2.9B Employee remuneration supported by Rolls-Royce

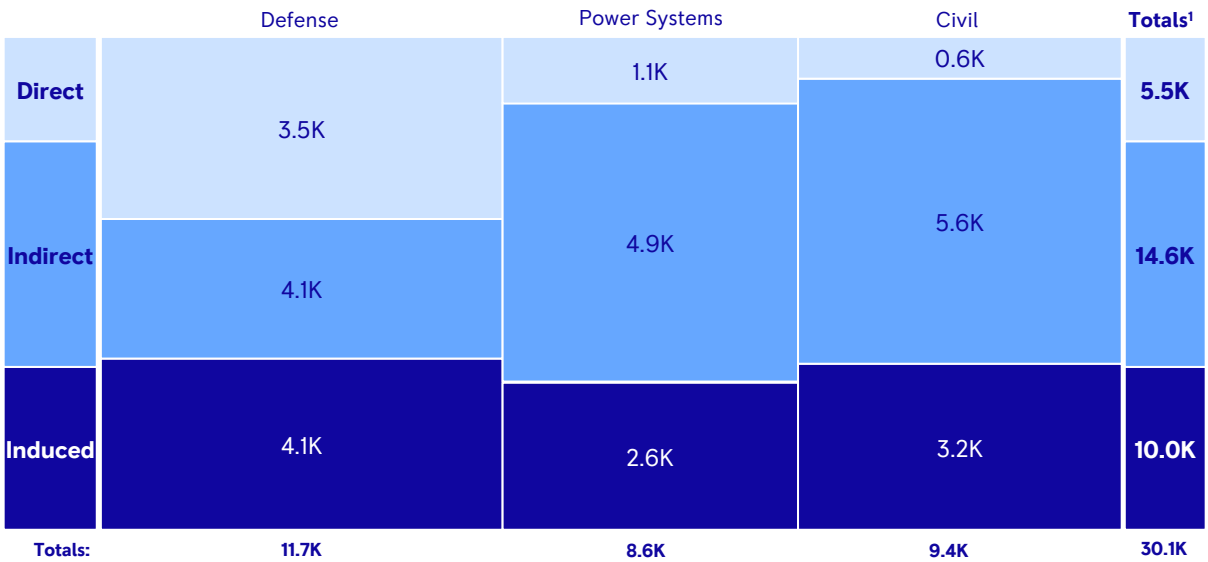
4.5x Additional jobs created per Rolls-Royce U.S. employee

Rolls-Royce employs thousands of people across the United States through its Defense, Civil Aviation and Power Systems businesses. Beyond our direct workforce, our operations sustain thousands more jobs through our supply chains and service networks. From advanced manufacturing to technical services, we help power high-skill employment across the country, reflecting our long-term commitment to U.S. industry, economic resilience and workforce development.

Employment supported by region, 2024



Employment supported by division and impact type, 2024[1]

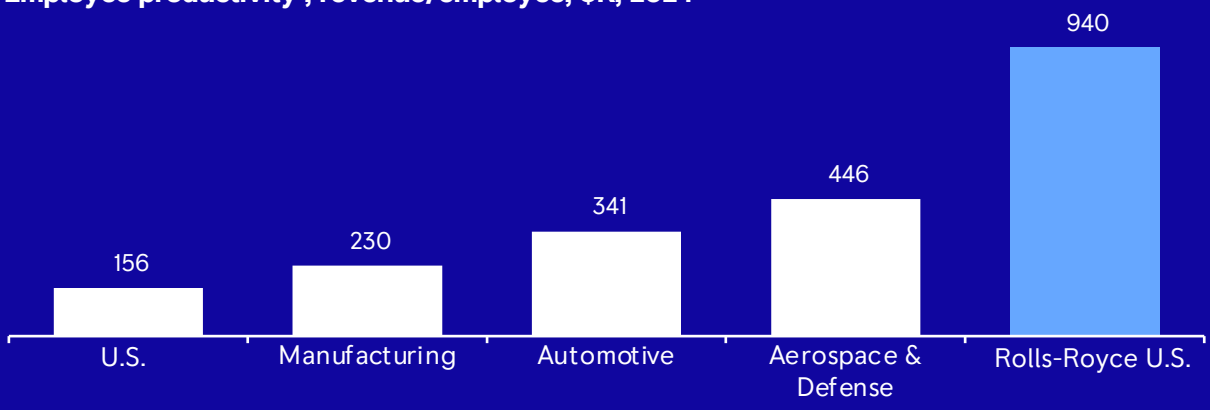


Note(s): 1. Includes 494 additional jobs driven by the impact of head office and central operations
Source(s): Teneo research and analysis

OUR OVERALL EMPLOYMENT IMPACT IN THE U.S. (CONT'D)

Rolls-Royce brings high-value, high-wage jobs and investment to communities across the country, creating well-paid, long-term careers in advanced manufacturing and engineering. The impact is direct and lasting: more income, stronger local businesses and renewed regional growth. When you invest in Rolls-Royce, you're investing in sustained economic uplift where it matters most.

Employee productivity[1], revenue/employee, $K, 2024

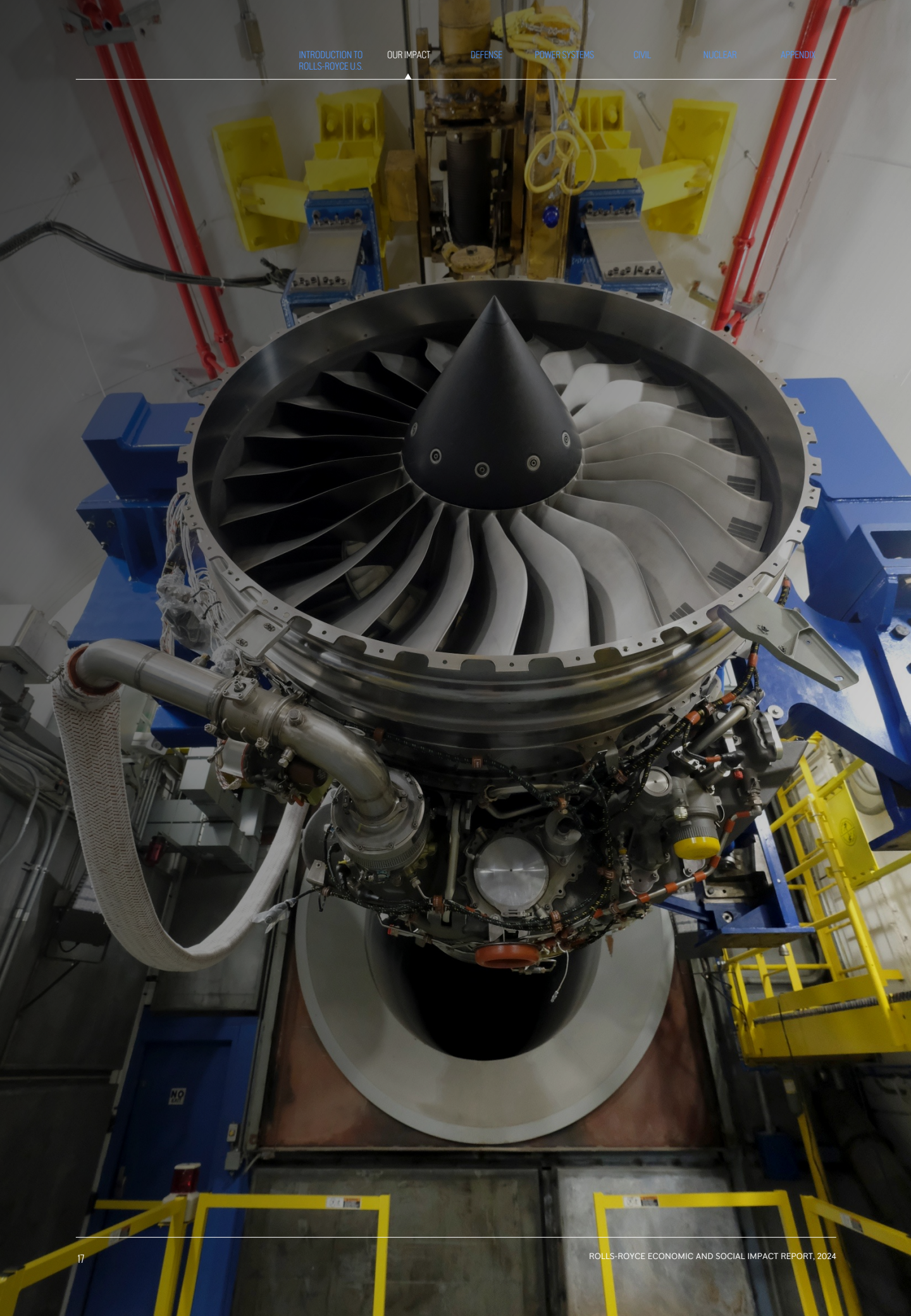


At Rolls-Royce, careers are built for the long term. From internships to PhDs, our people don't just take on a role: they set out on a path of growth and opportunity. Many build decades-long careers, often across generations of the same family.

We're proud to cultivate leaders who rise through the ranks. We take on almost 100 interns annually in the U.S., with many of them converting to full-time roles in Rolls-Royce, and some rising to management positions. This is talent that grows, stays and shapes the future. One example of this is the nationally recognized apprenticeship program that we run from our Aiken facility, which is the first in the state of South Carolina to focus on high school students.

290+
Interns, 2022-2024

Note(s): 1. Productivity shown as revenue per employee to reflect standard practice in the U.S., based on underlying revenue



BREAKING DOWN OUR IMPACT IN THE U.S.

GVA contribution by business unit

U.S. Total		Business Unit – Gross Value Add		Gross Value Add – By Impact Type	
U.S.	$6.2B	Defense Propulsion	$2.6B	Direct	$1.6B
				Indirect	$0.6B
				Induced	$0.3B
		Power Systems	$1.9B	Direct	$1.0B
				Indirect	$0.7B
				Induced	$0.2B
		Civil Aerospace	$1.7B	Direct	$0.4B
				Indirect	$1.0B
				Induced	$0.3B
		Central	$0.2B	Direct	$0.0B
				Indirect	$0.1B
				Induced	$0.1B

Employment impact by business unit

U.S. Total		Business Unit – Employment Supported		Employment Supported – By Impact Type	
U.S.	30.1K	Defense Propulsion	11.7K	Direct	3.5K
				Indirect	4.1K
				Induced	4.1K
		Civil Aerospace	9.4K	Direct	0.6K
				Indirect	5.6K
				Induced	3.2K
		Power Systems	8.6K	Direct	1.1K
				Indirect	4.9K
				Induced	2.6K
		Central	0.5K	Direct	0.2K
				Indirect	0.1K
				Induced	0.2K

R&D spillover impact by business unit[1]

Country	Total R&D Spillover (2015-24)	Business Unit	R&D Spillover (2015-24)
U.S.	$1.7B	Aerospace – Defense Propulsion	$0.8B
		Aerospace – Civil Propulsion	$0.8B
		Power Systems	N/A[2]

Note(s): 1. Numbers may not sum owing to rounding; 2. There are no material Power Systems R&D activities or spend located in the U.S.

OUR OVERALL R&D IMPACT IN THE U.S.

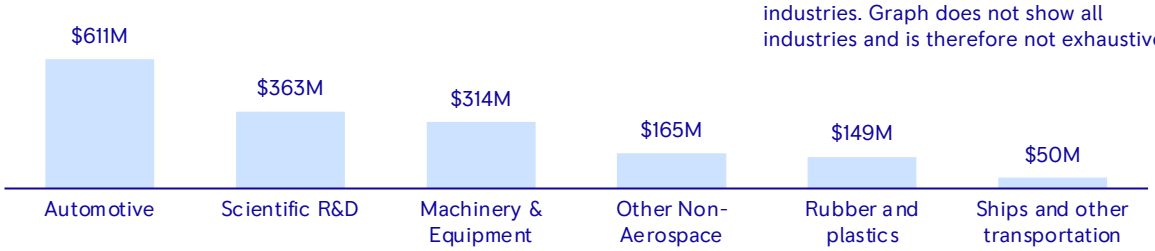
$275M	Gross R&D investment, 2024
$2.4B	Gross R&D investment, 2015-2024
$1.7B	R&D spillover impact, 2024
6	U.S.-based University Technology Centers
1,490+	Novel patents first filed by Rolls-Royce U.S. entities in the last decade

Our U.S. R&D engine is a dynamic ecosystem powered by a close-knit collaboration across our advanced internal labs, academic partnerships and applied research centers. At its heart is LibertyWorks in Indianapolis, our cutting-edge facility that pushes the frontiers of integrated power and propulsion systems. Surrounding this are deep-rooted partnerships with universities such as Purdue, where foundational research meets real-world impact, and a network of national labs and Government collaborations that help accelerate the deployment of breakthrough technologies. From hypersonic and autonomous propulsion to nuclear power, our work spans the fundamental to the applied through rapid prototyping, development and deployment. This integrated approach delivers both strategic and commercial value, advancing U.S. leadership in defense, civil aviation and energy resilience.

OUR OVERALL R&D IMPACT IN THE U.S. (CONT'D)

Rolls-Royce Aerospace U.S. R&D spillover GVA impact by industry, by sector, 2024

Note: R&D spillover measures how much the benefits of our R&D extend beyond our business, benefiting other industries. Graph does not show all industries and is therefore not exhaustive.



In the U.S., our R&D efforts serve as a catalyst for broader economic growth, fueling progress in next-generation aerospace, advanced propulsion, digital engineering, and SMR and AMR technologies. These contributions extend well beyond Rolls-Royce's immediate footprint, helping to modernize critical manufacturing capabilities and increase competitiveness across the U.S. industrial base.

CASE STUDY

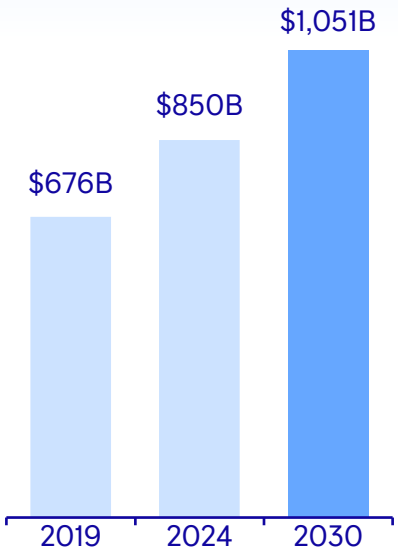
Our partnership with Purdue University merges academic excellence with industrial-grade capability. Purdue sits within our global University Technology Center (UTC) network, a model unique to Rolls-Royce that links trusted institutions worldwide. This network allows us to collaborate securely across borders, with robust frameworks for export control and intellectual property sharing that few others can match.

OUR POTENTIAL FUTURE IMPACT IN THE U.S.

Defense

With a strong domestic supply chain and a track record in next-generation propulsion for transport and autonomous systems, we are ready to partner with the U.S. government to deliver the capabilities required for modern combat operations. Our deep experience in powering U.S. DoD autonomous aircraft and leveraging U.S. and UK propulsion solutions, technologies and skillsets positions us well to support programs like the U.S. Air Force's Collaborative Combat Aircraft and a broad spectrum of autonomous platforms.

Forecast U.S. defense expenditure, $B, CBO



Given rising geopolitical tensions and mounting instability, reliable proven defense partners are more important than ever, and with a strong track record of delivery with the DoD, we are well-positioned to support U.S. national security through our critical and long-running roles in major future defense programs, such as the B-52 Commercial Engine Replacement Program and MV-75 FLRAA.

Market forecasts widely suggest the global military drone market will exceed $50 billion by 2030, growing more than c.10% per annum[1], creating a significant opportunity for propulsion providers. At the heart of this expansion is the U.S. Air Force's Collaborative Combat Aircraft program, which will pair autonomous platforms with crewed fighters to improve survivability and enhance force effectiveness. We are supporting this demand with differentiated and integrated propulsion solutions. On the smaller end of autonomous propulsion technology, we are building on designs developed in the UK, transferring them into U.S. production. On the larger, more advanced end, we are leveraging modified, off-the-shelf products delivering compelling solutions at great pace and with lower cost and risk.

We remain committed to delivering in the U.S. and our robust domestic supply chain allows us to respond to national priorities quickly and securely while supporting high-value American jobs.

$1.2B Cumulative U.S. defense R&D spend over the last 10 years

$201B Forecast increase in U.S. defense spending by 2030

Going forward, we will continue to invest in research to push the boundaries of technological capabilities, and, as a trusted partner and technological leader, we are well positioned to support the U.S. deliver its key programs and operational objectives.

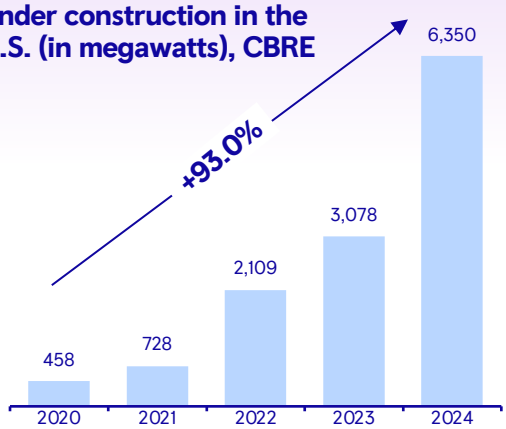
Note(s): 1. Teneo triangulation of public market forecasts

OUR POTENTIAL FUTURE IMPACT IN THE U.S. (CONT'D)

Power Systems

As U.S. energy demand rises, we are delivering backup generator systems that support critical infrastructure, from data centers to grid-limited regions. Built in the U.S., these solutions strengthen energy security while creating skilled jobs and attracting long-term investment to local communities.

Data centers power supply under construction in the U.S. (in megawatts), CBRE



The U.S. is entering a historic phase of data center expansion, with billions in expected investment and hundreds of new facilities planned to support AI, cloud and digital infrastructure. Rolls-Royce Power Systems serves all the major hyperscalers driving this growth, delivering generator-based backup power solutions nationwide. To meet rising demand, we are scaling U.S. production, led by a $24 million investment in our Mankato facility, which will boost output by 120% by 2026, and a $75 million investment in Aiken. These investments are designed not only to meet future digital infrastructure needs, but also to deliver long-term economic value across local communities.

Naval and oil & gas markets offer strong future growth opportunities for advanced, high-reliability power systems. Rolls-Royce is well-positioned to expand its role in both sectors through next-generation diesel and hybrid propulsion technologies. Our proven mtu platforms continue to support U.S. Navy and Coast Guard vessels, while demand for reliable power solutions engineered for harsh environments is rising in offshore and upstream energy. Continued investment in these sectors will strengthen U.S. energy resilience, enhance maritime readiness and sustain high-quality industrial jobs across the country.

20% Projected Rolls-Royce Power Generation revenue growth per annum to 2028

c.$100M 2025 capital investment in facilities in Aiken, South Carolina, and Mankato, Minnesota, to expand production capacity and support future growth

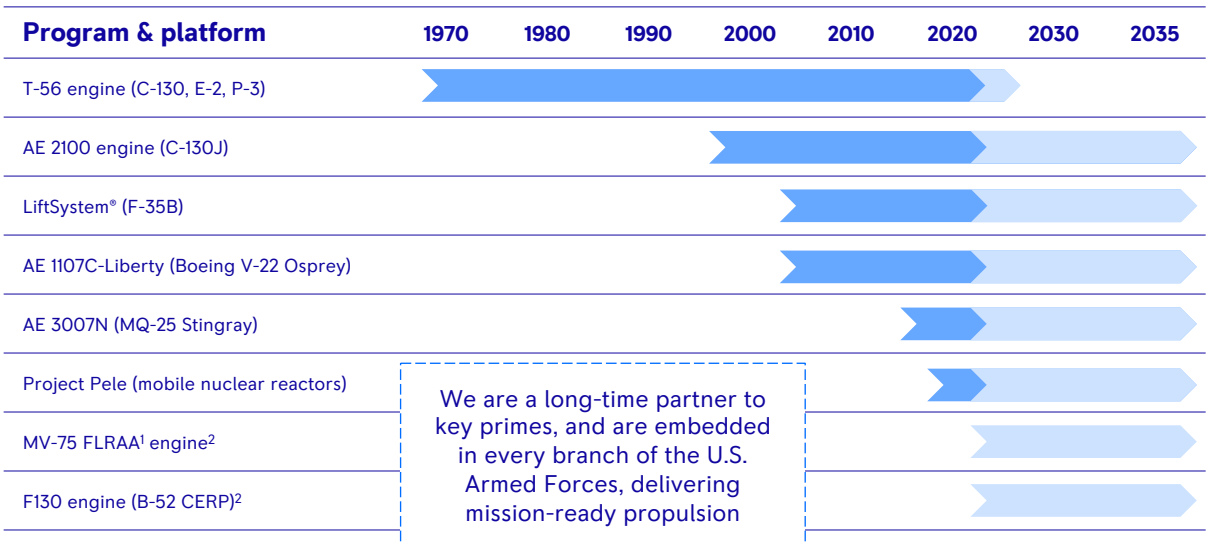
The Rolls-Royce LiftSystem® provides the F-35B with unmatched vertical lift, enabling short take-off and vertical landing. Combat-proven and U.S.-built, it supports high-skilled American jobs.

BUSINESS OVERVIEW
DEFENSE U.S.

3,000+ Employees

For over a century, Rolls-Royce engines have powered our Armed Forces and helped protect national sovereignty for the U.S. and our allies, safeguarding missions and the lives of generations of U.S. service members. Even before the U.S. Air Force was founded in 1947, Rolls-Royce engines powered aircraft like the P-51 Mustang, built at Allison Engine Company's facilities in Indianapolis. That site remains core to our operations today, with its heritage a constant reminder of our commitment to American industrial strength. Today, Rolls-Royce plays a critical role in supporting U.S. national security by designing, manufacturing and maintaining propulsion systems for the U.S. Air Force, Army, Navy and Marine Corps. We are a long-time partner to key primes and deliver mission-ready propulsion built for today's warfighter and tomorrow's autonomous platforms. With 90+ million flight hours on our dual-use AE engine family, our engines support thousands of military aircraft powering the people and missions that keep America secure. Our heritage of delivery, from World War II to the present day, underpins our role as a reliable propulsion partner for missions of national importance.

Overview of key U.S. programs



Note(s): 1. FLRAA = Future Long-Range Assault Aircraft; 2. Programs based on existing solutions (BR725 and AE1107)

BUSINESS OVERVIEW
DEFENSE U.S. (CONT'D)

At the heart of our U.S. Defense division is LibertyWorks, our advanced technology unit based in Indianapolis. Dedicated to shaping the future of power and propulsion, it has delivered major breakthroughs. Backed by world-leading research talent, this forward-looking work ensures that Rolls-Royce remains not only a proven supplier, but a vital contributor to U.S. national security.

We continue to invest in strengthening LibertyWorks, which supports an American supply chain spanning 37 states, creates jobs, strengthens communities and reinforces our commitment to the U.S. industry nationwide.

CASE STUDY

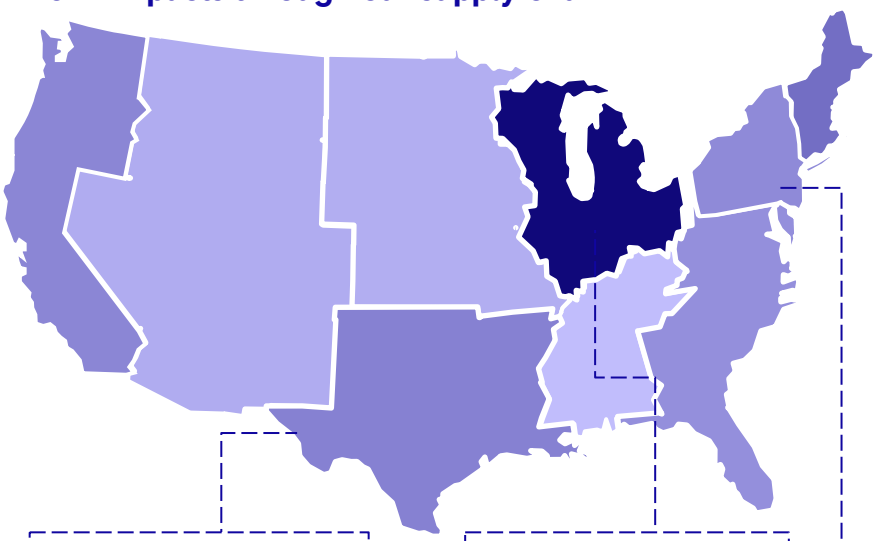
B-52 re-engining program: American made

In 2021, Rolls-Royce's F130 engine was chosen to re-engine the U.S. Air Force's iconic B-52 Stratofortress. Manufactured, assembled and tested at Rolls-Royce facilities in Indianapolis, the F130 will extend the fleet's life by over 30 years while supporting high-skilled U.S. jobs and industrial resilience.

This program was facilitated by a $1 billion investment in Indianapolis, which, in turn, created significant economic opportunities in the local construction industry. This investment includes $400 million for the development of a state-of-the-art engine testing center, designed with the B-52 in mind. The facility also enables testing for future engine programs, making it a long-term asset to both U.S. national defense and Rolls-Royce.

SUPPLIER OVERVIEW
DEFENSE U.S.

2024 impacts through our supply chain



Texas
2024 spend: $90M
Number of suppliers: 20

Ohio
2024 spend: $95M+
Number of suppliers: 50+

Connecticut
2024 spend: $75M+
Number of suppliers: 40+

$800M+

Total U.S. Defense supply chain spend, 2024

3,500+

Total U.S. national employment supported through our Defense supply chain, 2024

Supply chain spend, by region, 2024

$5.0M $300M

Our impact on the U.S. extends well beyond the perimeter fence of our facilities. The strength of Rolls-Royce in the U.S. is built on a robust national supplier network that extends across 37 states. We have spent the last century building a major supplier ecosystem capable of managing the full life cycle of our military propulsion systems in America. From initial design and development through to manufacturing, certification and ongoing maintenance, this protects American national security while ensuring that the economic value we generate stays rooted in the communities where we operate. Wherever our suppliers reside in the country, our investments help sustain high-quality manufacturing jobs and drive long-term growth.

690+ U.S.-based defense suppliers

60%+ Of supply chain spend in the U.S.

37 Total number of states where suppliers are based

SUPPLIER OVERVIEW
DEFENSE U.S. (CONT'D)

Top 20 states by supplier spend, 2024 ($M)

Our Defense division drives economic impact across the country, with supplier partnerships in nearly every state, demonstrating our broad national reach. At the same time, we prioritize local sourcing around our own sites (e.g., Indiana), amplifying our investment in the communities we call home and delivering concentrated economic value where we operate.

We prioritize investment in American manufacturing, powering American-built defense programs.


B-52


MV-75 FLRAA


C-130J

ECONOMIC IMPACT
DEFENSE U.S.

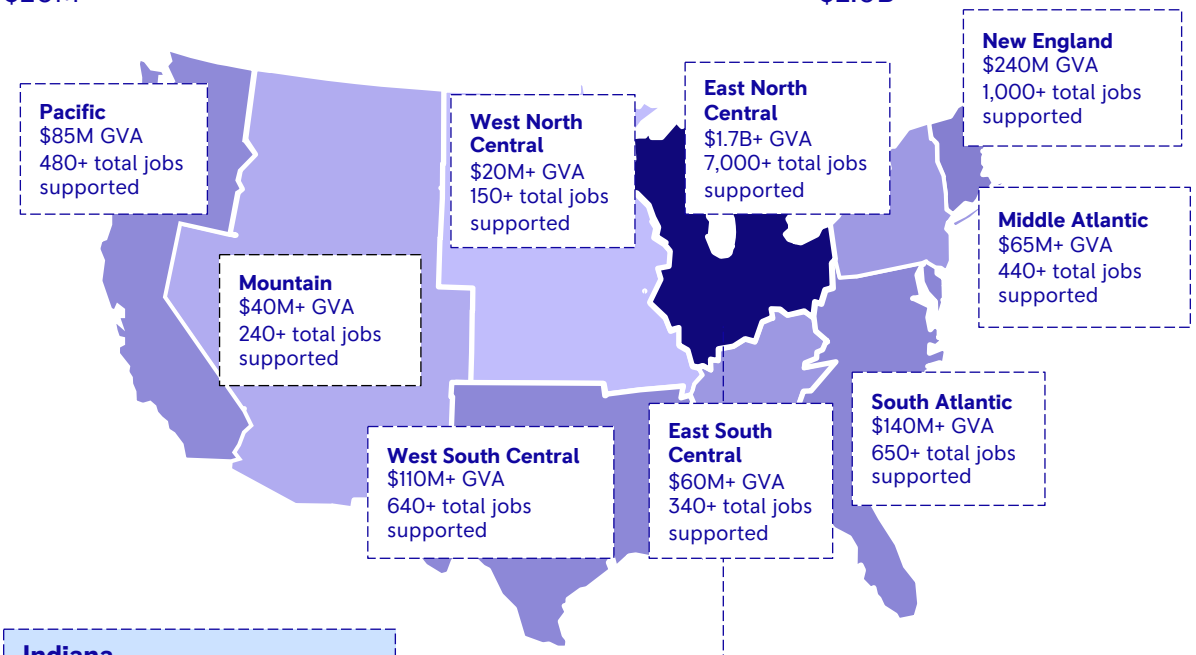
Rolls-Royce Defense U.S. contributed an estimated $2.6 billion in GVA to the American economy in 2024, with a further $835 million in estimated U.S. productivity uplifts from R&D spillover benefits.
Our impact is felt from coast to coast, with our vast American-based supply chain and key manufacturing hubs supporting the U.S. military in its missions in the air, land and sea.

$2.6B Operational GVA impact, 2024

$835M R&D spillover GVA impact, 2024

Rolls-Royce Defense impact by region, 2024[1]

GVA contribution, by region, 2024



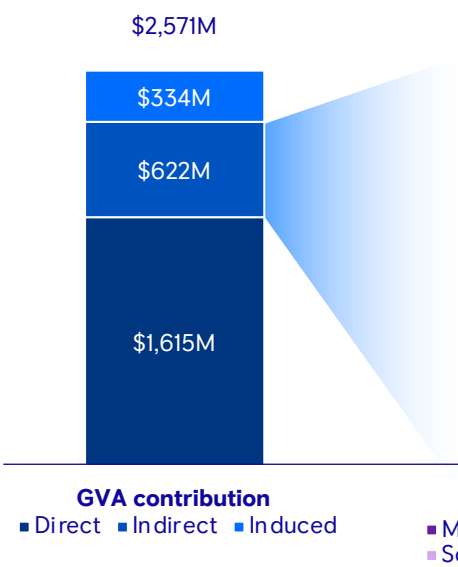
Indiana
2024 GVA Contribution: $1.6B
Jobs Supported: Over 6,000
Highlight: Over 60% of our GVA contribution was generated in Indiana, where the bulk of our U.S. Defense operations reside

$700,000+ Total GVA contribution per employee

Note(s): 1. Impact based 2024 sites, pre-divestment of Naval Propulsion sites in Walpole, MA, and Pascagoula, MS
Source(s): Teneo research and analysis

ECONOMIC IMPACT
DEFENSE U.S. (CONT'D)

GVA contribution by impact type, $M



Supply chain (indirect) GVA impact, $M

Our U.S. defense operations play a critical role in driving economic growth in regions where high-quality industrial jobs are especially important.

Every dollar we spend, whether through wages to employees or payments to suppliers, creates a ripple effect, as that money is, in turn, spent in communities across the country, supporting local jobs, services and economic growth.

With a supply chain that spans 37 states, this impact reaches deep into regions where revitalization is most needed.

Supporting American industry from coast to coast

Our record investment shows our commitment to Indiana as a global center for defense manufacturing.

Our commitment is more than just words: it is reflected in the scale and significance of our actions. Rolls-Royce has invested more than $1.5 billion over the last decade in modernizing and expanding our American manufacturing footprint. In 2021, we completed a $600 million investment in advanced manufacturing facilities in Indianapolis. Building on that momentum, in 2022, we announced a further $400 million investment in testing facilities across Indiana, enabling us to deliver next-generation propulsion systems for the U.S. military. This investment boosts revenue and job creation for American companies, large and small, from coast to coast through our supplier.

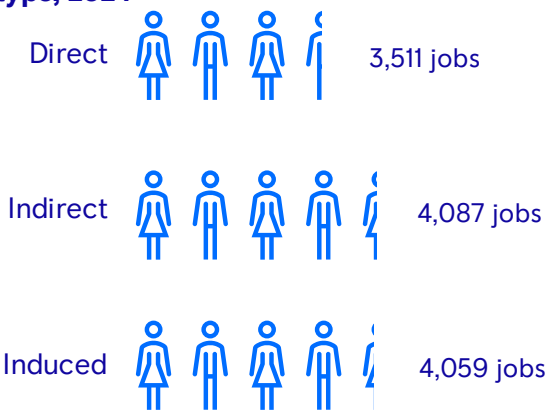
EMPLOYMENT IMPACT
DEFENSE U.S.

11,600+ Total national employment supported by Rolls-Royce Defense, 2024

$1.2B Total employee remuneration supported by Rolls-Royce Defense, 2024

2.3x For every Rolls-Royce Defense employee within the U.S., approximately **2.3 additional American jobs are supported**

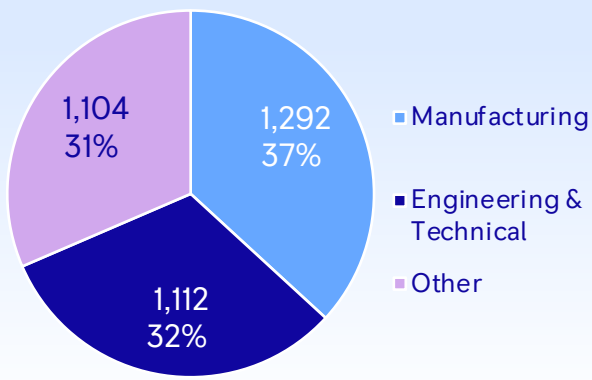
National employment supported by impact type, 2024



Our U.S. Defense division supports more than 11,000 high-productivity jobs nationwide. This includes both direct employment as well as additional jobs through our extensive network of suppliers. With over half of our employees having more than 10 years of tenure, these roles offer long-term, well-compensated careers.

While total headcount has evolved over time, new investments in advanced manufacturing, autonomous systems and propulsion programs are paving the way for future growth. We remain firmly committed to manufacturing in the U.S., supporting both defense readiness and the creation of high-quality American jobs.

Our employees by job type, 2024



50%+

Employees have over 10 years of tenure

68%

Employees are in manufacturing and engineering roles

EMPLOYMENT IMPACT
DEFENSE U.S. (CONT'D)

Employment supported by impact type, top three states, 2024

State	Direct employment supported	Indirect employment supported	Induced employment supported	**Total employment supported**
Indiana	2,812	1,342	2,102	**6,257**
Ohio	28	404	274	**706**
Texas	101	313	203	**617**

Our engines and systems are engineered, built, tested and maintained by American workers. With a U.S. supply chain that spans 37 states, our work supports thousands of additional jobs, each one a testament to our commitment to "Made in America." From component manufacturing in the Midwest to our flagship facility in Indiana, nearly every dollar spent fuels U.S.-based economic activity.

Aerospace is one of the highest productivity sectors in the economy and is a key driver of sustained, broad-based growth. Through hands-on apprenticeships and internships, we develop advanced technical skills and real-world experience that translate directly into stable, well-compensated careers. These programs not only build a strong pipeline of talent for our defense programs, but also support national priorities in engineering, manufacturing and advanced technology, creating enduring opportunities in high-skill, high-demand fields.

CASE STUDY

Internships: Investing in American skills

Our internship program gives students meaningful, hands-on experience in engineering and program management tied to real-world national security missions. Many return for multiple placements and transition into full-time roles. By partnering with leading universities like Purdue, we're developing future leaders in propulsion, controls and testing, while building a strong pipeline for the skills we need most.

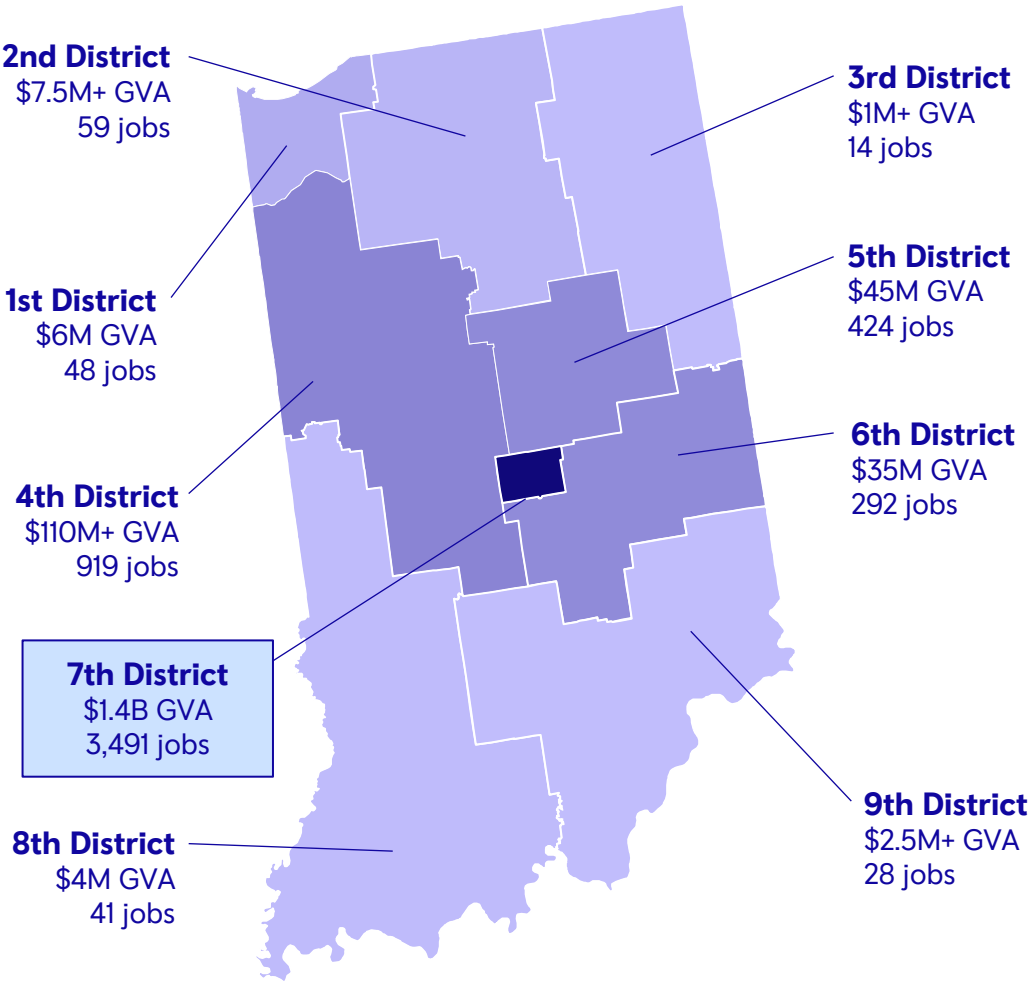
OUR IMPACT IN INDIANA
DEFENSE U.S.

GVA impact by impact type, Indiana, 2024 ($M)

Home to 80% of our U.S. defense workforce, our Indiana operations are crucial to our defense business.

Our Defense division contributed $1.6 billion in local economic impact across Indiana in 2024 and supported over 6,000 local jobs.

Our impact in Indiana by congressional district



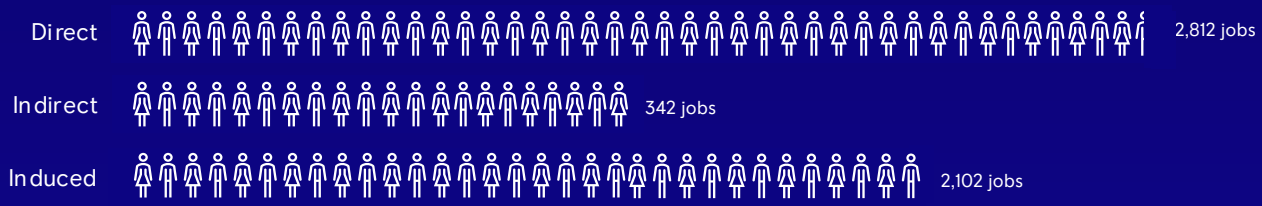
OUR IMPACT IN INDIANA
DEFENSE U.S. (CONT'D)

We support over 6,200 jobs in Indiana

We are proud to be one of the largest manufacturers in Indiana, and a major private employer in the state. We support more jobs in Indiana than any other state, both directly through our manufacturing and research base in Indianapolis, and indirectly through our supplier network. In 2024, our investments in Indiana added more than $90 million to local GDP.

Our impact stretches further than our direct investment, and we are proud of our focus on developing the next generation of talent through partnerships with academic institutions in Indiana, in particular our 70-year-strong relationship with Purdue University.

Employment supported by impact type, Indiana, 2024



R&D IMPACT
DEFENSE U.S.

Our R&D efforts are focused on two key strands: university partnerships and our world-class advanced technology hub, LibertyWorks. Over the last century, we have developed a network of six research institutions and universities, partnering with the brightest minds to advance American military technology and maintain an edge over our adversaries. Our U.S. Defense division has invested $1.2 billion in R&D in the last 10 years to fund research, support grant applications and foster STEM talent around the country, even building dedicated on-campus Rolls-Royce facilities at universities such as Purdue to engage talent and continue to improve the performance and efficiency of the platforms that protect our nation. There are also strong synergies between our Defense and Civil R&D efforts, with breakthroughs developed for national security often leading to advancements in our civil aviation technologies as well.

Defense U.S. R&D stats

$234M
U.S. Defense gross R&D investment, 2024

$1.2B
U.S. Defense gross R&D investment, 2015-2024

2.5x
Increase in annual Rolls-Royce U.S. Defense gross R&D spend since 2015

$835M
Estimated GVA contribution from U.S. Defense R&D investment, 2024

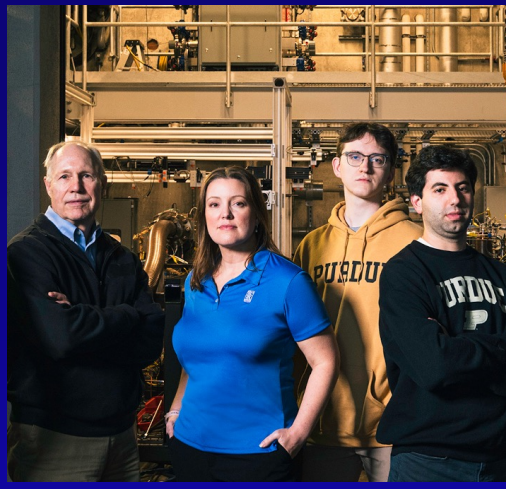
550+
Defense-related novel patents first filed by Rolls-Royce U.S. entities in the U.S. over the last decade

6
Research centers and university partners

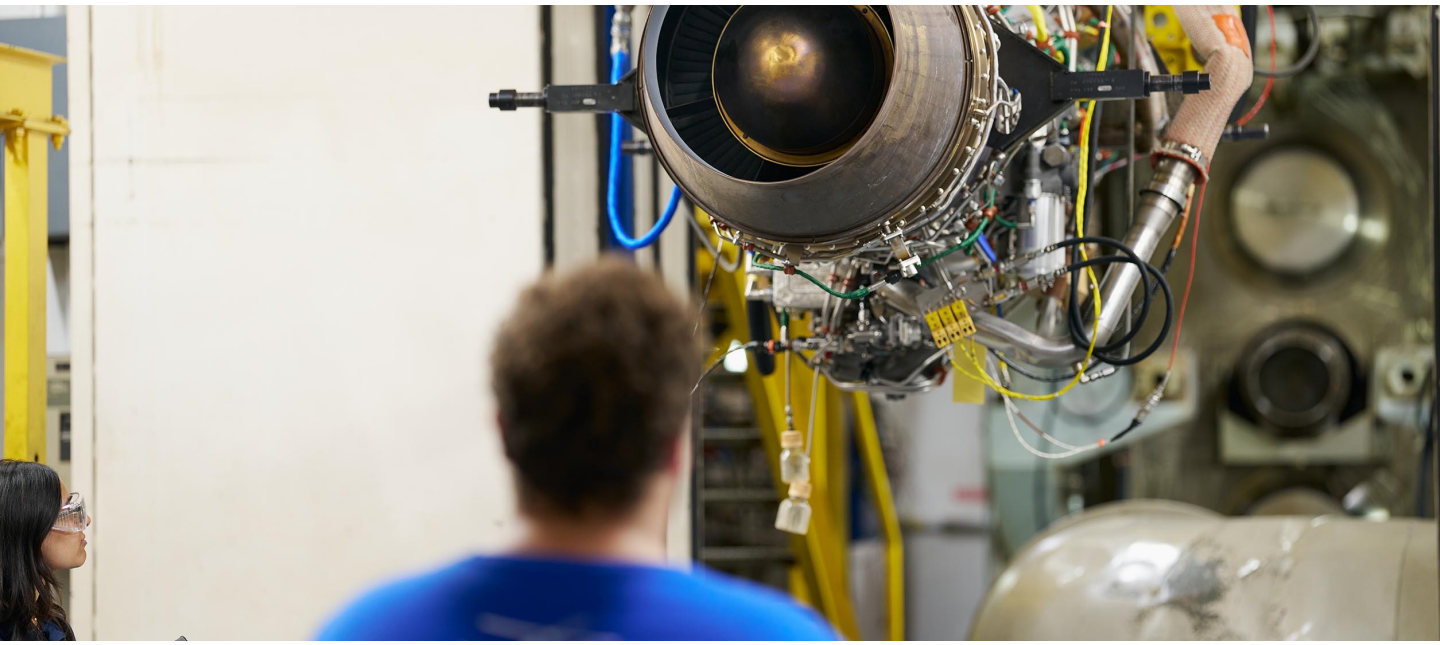
CASE STUDY

For over 70 years, we have been a proud partner of Purdue University, supporting research, investing in early careers and partnering with the brightest minds in our home state of Indiana. We provide the university with a $7.5 million annual grant through 2032.

Right here in Indiana, we support Purdue's advanced research at Zucrow Labs, the largest academic propulsion lab in the world, as well as the Hypersonics and Applied Research Facility (HARF), home to the only Mach 8, quiet wind tunnel in the world. So far, we have helped train and develop over 700 engineers, and, in 2022, we signed a $75 million 10-year strategic alliance to continue working together to advance our knowledge and capabilities, providing opportunities for the next generation of world-leading American talent.



LIBERTYWORKS DEFENSE U.S.



LibertyWorks was founded to help the U.S. Department of Defense drive the next generation of military aerospace evolution and, for over 30 years, it has done just that, a physical embodiment of our long-standing commitment to engineering excellence and advanced research in the United States.

Over the years, LibertyWorks has led advancements in a wide range of cutting-edge programs, such as the development of the LiftSystem® for the U.S. Marine Corps' F-35B Lightning II, the only operational vertical lift propulsion system in a modern fighter jet. We are also advancing the future of hypersonic flight through contributions to national research initiatives, including our partnership with Purdue's Hypersonics and Applied Research Facility. Building on our experience designing, building and testing some of the highest-performing gas turbine engines in the world, our team has also been instrumental in Project Pele, the U.S. Department of Defense's first transportable nuclear microreactor, and is driving forward advanced power and propulsion solutions for next-generation transport, combat and autonomous platforms.

Today, LibertyWorks continues to serve as our key research engine in the U.S., contributing directly to our work in national defense, energy resilience and advanced aerospace technologies. As U.S. priorities evolve, LibertyWorks will remain central to our mission of delivering high-impact, American-engineered solutions for today and the decades ahead.

The mtu Series 4000 genset is a cornerstone of energy security for critical U.S. infrastructure, delivering reliable, high-performance backup power for data centers and industrial operations. Built and supported in the U.S., it combines durability with advanced engineering, powering resilience while sustaining skilled American manufacturing and service jobs.

U.S. POWER SYSTEMS OVERVIEW

Rolls-Royce Power Systems has played a key role in supporting U.S. industrial capability since 1938 through our various predecessor companies. Operating under the mtu brand, we deliver trusted solutions for mission-critical environments across defense, marine, energy and industrial sectors. Our systems keep essential infrastructure running, with our generators supporting 20-25% of U.S. data centers, as well as hospitals, offshore energy installations and marine transport. For decades, we have supplied propulsion systems for U.S. Naval and Coast Guard programs, and support modernization in land defense, ensuring dependable and efficient energy where it matters most.

As AI and electrification stretch the limits of current infrastructure, the need for resilient, U.S.-built power is growing rapidly. We're already delivering, with more than 1,000 employees across key facilities in Mankato, MN, Aiken, SC, and Metro Detroit, and we are rapidly scaling to meet rising national demand. Our U.S.-based supply chain spans over 20 states, supporting thousands of high-productivity jobs in communities that depend on advanced manufacturing for long-term employment opportunities and prosperity.

We have announced investment of over $100 million to drive innovation in the latest internal combustion, gas and hydrogen-ready engines designed to meet the country's growing demand for dependable, American-made, no-fail energy systems. Aligned with national priorities in domestic energy reliability, digital infrastructure and defense modernization, our systems serve as a launchpad for scalable, exportable energy platforms.

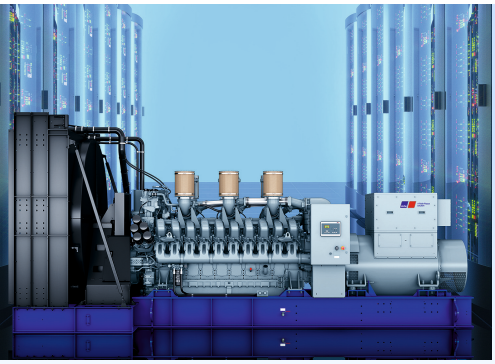
1,100+ Rolls-Royce U.S. Power Systems employees

46% YoY increase in global data center revenue for Rolls-Royce Power Systems, 2024

Overview of U.S. defense platforms powered by our systems

Category	Our role
 U.S. Navy vessels	Our mtu generators have been chosen to power the most advanced and mission-critical U.S. Navy vessels, providing reliable onboard energy.
 U.S. Coast Guard vessels	We support several Coast Guard platforms, ensuring endurance, agility and safety for maritime patrol missions.

U.S. POWER SYSTEMS OVERVIEW (CONT'D)



Data Centers

We provide essential backup power to 20-25% of U.S. data centers, underpinning a growing digital infrastructure.

Our energy solutions keep cloud services, AI platforms and critical systems running through grid disruptions. This supports strategic industries, national energy resilience and aligns with federal and state priorities for infrastructure security. As digital demand rises, our systems deliver uninterrupted performance and long-term reliability, reinforcing our role as a proven partner in securing America's digital backbone.

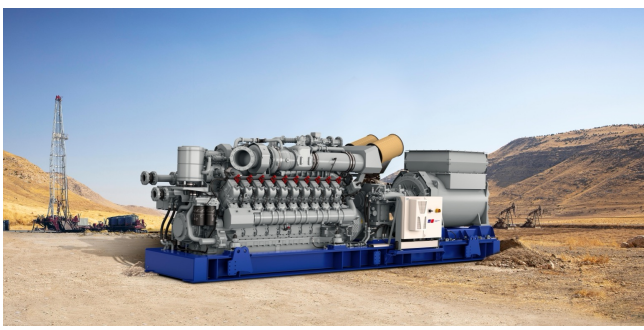
Other key infrastructure we support

Emergency services	We provide dependable backup and primary power systems for hospitals, 911 centers and disaster response facilities, ensuring that critical operations continue during outages, emergencies and grid instability.
Government & defense	Our systems provide critical backup and distributed power solutions for government facilities and remote operations, ensuring continuous energy for bases and mission-critical installations.
Oil, gas & mining	We deliver rugged, high-performance engines and gensets for drilling rigs, well-servicing, hydraulic fracturing and heavy-duty mining equipment, operating reliably in remote, high-demand and extreme environments.
Rail	We support non-electrified freight and passenger lines with efficient diesel propulsion systems, enabling connectivity across vast U.S. regions where electrification isn't feasible.
Marine	We are a market leader in commercial marine power, supporting ferries, fishing boats, pleasure craft and workboats with reliable propulsion and onboard systems across U.S. coastal routes, inland waterways and ports.

CASE STUDY

E-Frac Gas System

E-Frac Gas Systems powered by mtu Series 4000 engines are being deployed to drive next-generation electric fracturing pumps. These systems deliver exceptional continuous-duty performance under high-pressure frac applications. Designed for operational flexibility, the mtu gas gensets can use LNG, CNG or field gas, and are already proven in stationary oil and gas environments globally.

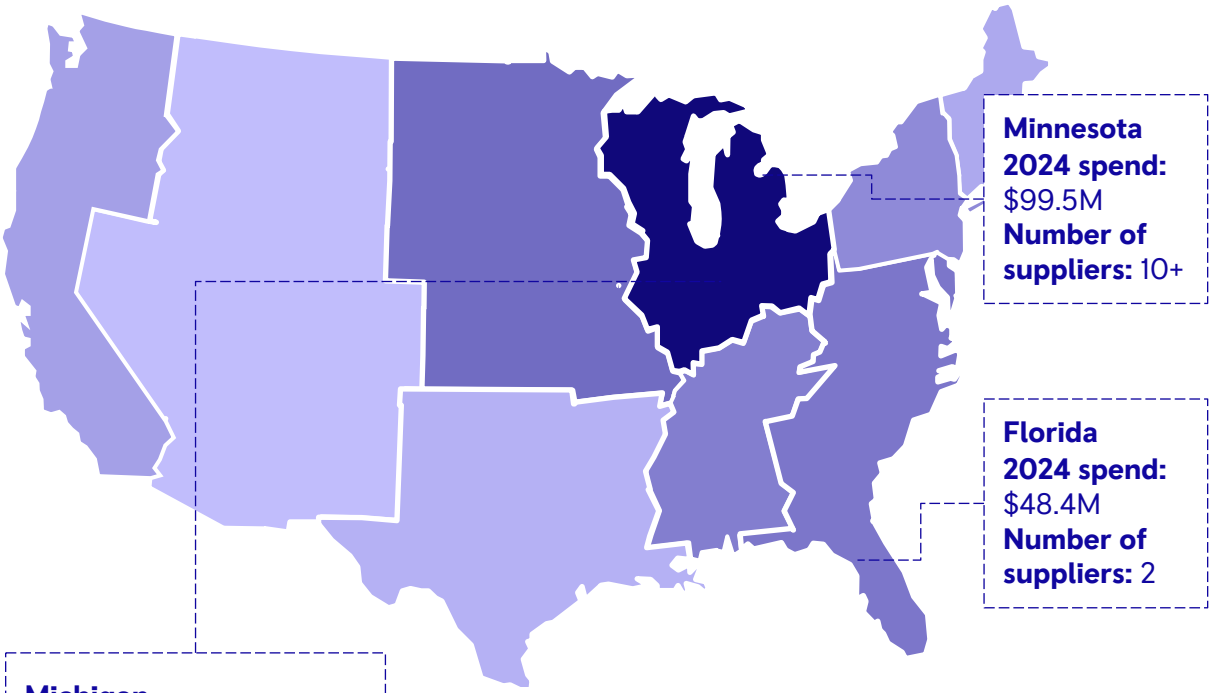


SUPPLIER OVERVIEW
POWER SYSTEMS U.S.

$700M+

Total U.S. Power Systems supply chain spend, 2024

2024 impacts through our supply chain



Supply chain spend, by region, 2024

$3.0M — $500M

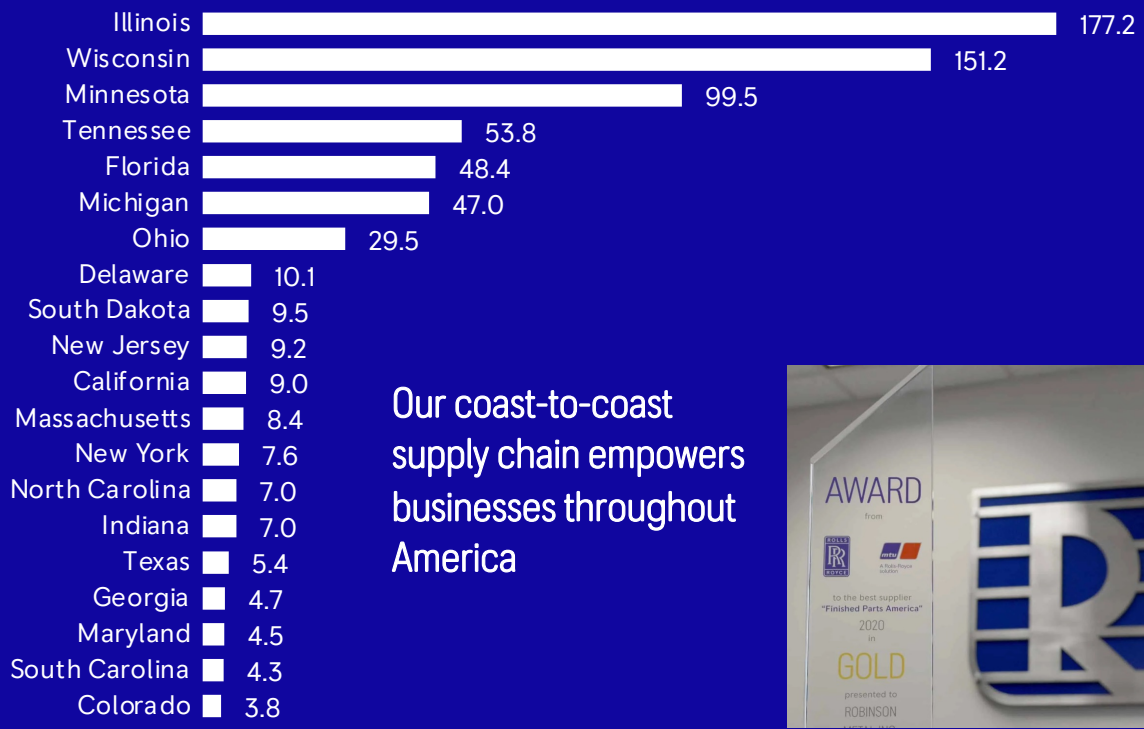
We are committed to a made-in-America model, ensuring that our supply chain directly benefits from our expansion and that our energy systems are designed, built and maintained in the U.S.

We support a robust and growing network of U.S. suppliers that provide critical components and services, from diesel engine parts and emissions systems to control electronics, enabling every stage of the power systems life cycle. This distributed network spans more than 20 states and includes businesses of all sizes, from small precision manufacturers to major industrial corporations.

Many of our partners are based in regions with limited industrial investment, where our long-term relationships help sustain high-quality jobs and drive regional economic growth.

SUPPLIER OVERVIEW
POWER SYSTEMS U.S. (CONT'D)

Top 20 states by supplier spend, 2024 ($M)



Our coast-to-coast supply chain empowers businesses throughout America

100+ U.S.-based suppliers

98% Of supply chain spend in the U.S.

25 Total number of states where suppliers are based

Leaders in power protection

As part of our commitment to American manufacturing, we are proud to partner with outstanding U.S. suppliers like Robinson, Inc., in Wisconsin and Hennig Power Protection in Illinois. They play vital roles in delivering high-quality generator enclosures for our Power Systems division. Together, they represent a key part of our U.S. Power Systems supply chain.

Robinson excels in efficient, high-volume production, while Hennig specializes in custom-engineered enclosures for complex installations. Both companies have earned multiple Rolls-Royce Supplier Excellence Awards, reflecting their consistent quality, technical capability and on-time delivery. Their success highlights the strength of our U.S. supply chain and our investment in domestic industry.

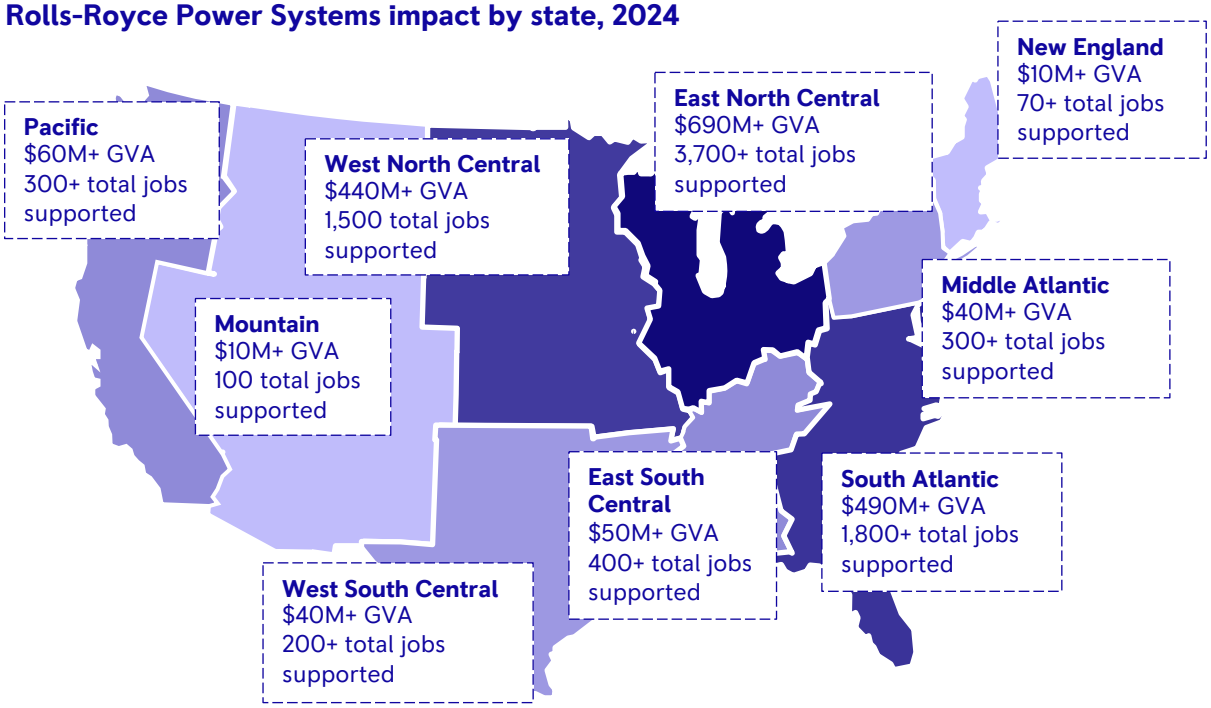
ECONOMIC IMPACT
POWER SYSTEMS U.S.

It is estimated that Rolls-Royce Power Systems contributed $1.9 billion in GVA to the U.S. economy in 2024.

As an anchor employer in Mankato, MN, and Aiken, SC, we support high-quality, long-term jobs. Our facilities and supplier network across more than 20 states advance national priorities in energy resilience and defense.

$1.9B Operational GVA impact, 2024

Rolls-Royce Power Systems impact by state, 2024

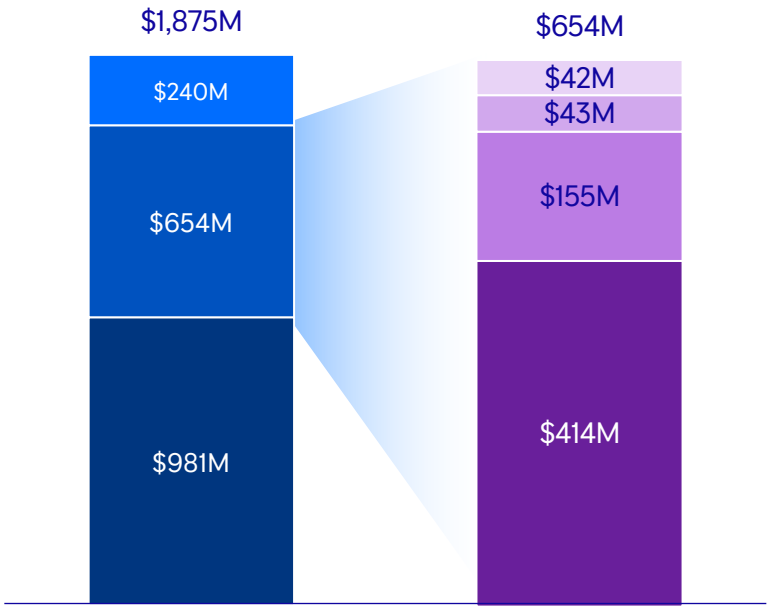


GVA contribution by region, 2024

$10M $750M

ECONOMIC IMPACT
POWER SYSTEMS U.S. (CONT'D)

GVA by impact type, $M



GVA contribution

- Direct
- Indirect
- Induced

Supply chain (indirect) GVA impact, $M

GVA contribution

- Midwest
- South
- West
- Northeast

Our U.S. Power Systems operations are helping revitalize regional economies in the Midwest and the South, where access to skilled industrial jobs is critical.

As an economic anchor in communities like Mankato and Aiken, we support engineering and manufacturing roles that strengthen local economies. With a supply chain reaching over 20 states, our operations help deliver energy resilience and economic opportunity across the nation.

MANKATO AND AIKEN INVESTMENTS

Building on our longstanding U.S. presence, we are deepening our commitment to American industry through continued investment in Mankato, Minnesota. A $24 million investment is underway to increase production capacity by 120% by 2026, supporting new high-skill jobs. As Mankato grows, so does our impact, strengthening our regional footprint, boosting local economies and reinforcing critical energy infrastructure across the U.S.

In our Aiken mtu series 4000 engine plant, a $75 million investment will increase machining capabilities and grow the facility's footprint, creating 60 new jobs, for a total of over 430 full-time positions at the facility. The South Carolina Coordinating Council for Economic Development approved job development credits related to the project.

EMPLOYMENT IMPACT
POWER SYSTEMS U.S.

National employment supported by impact type, 2024

Direct 1,105 jobs

Indirect 4,911 jobs

Induced 2,556 jobs

Our U.S. Power Systems operations sustain thousands of high-skill jobs across the country, from engine assembly and control systems integration to field support and logistics. Many of these roles are located in communities with limited industrial investment, where we disproportionately contribute employment opportunities and support local economic activity.

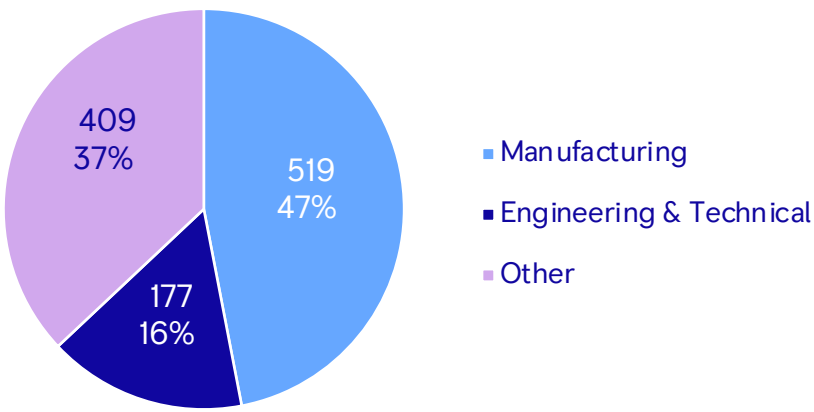
With deep roots in regions like the Upper Midwest and Southeast, our investments in local production capacity and workforce retention represent a lasting commitment to American manufacturing and community prosperity.

8,500+ U.S. jobs supported by Rolls-Royce Power Systems, 2024

$700M+ Total U.S. employee remuneration supported by Rolls-Royce Power Systems, 2024

6.8x For every Rolls-Royce Power Systems employee within the U.S., approximately 6.8 additional American jobs are supported

National employment supported by impact type, 2024



EMPLOYMENT IMPACT
POWER SYSTEMS U.S. (CONT'D)

Employment supported by impact type, top three states, 2024

State	Direct employment supported[1]	Indirect employment supported	Induced employment supported	**Total employment supported**
Minnesota	429	488	408	**1,325**
Michigan	193	287	271	**751**
South Carolina	420	60	199	**679**

Our systems are designed, manufactured and maintained in the U.S., with components sourced from a nationwide supplier base. Spanning over 20 states and over 100 vendors, this distributed network fuels regional economies and creates ripple effects far beyond our facilities. From engine manufacturing in South Carolina to final system integration in Minnesota, our commitment to local production and long-term supplier partnerships ensures that the value we generate stays anchored in American communities.

Our U.S. Power Systems workforce delivers exceptional productivity, consistently generating high output across engineering, manufacturing and integration roles. This performance supports competitive wages and reinforces a culture grounded in technical expertise, on-the-job mastery and continuous improvement. We strengthen that foundation through targeted workforce development, including apprenticeships, internships and plans to expand hands-on training programs. These efforts not only prepare the next generation of skilled workers, but also help us attract and retain top talent in one of the most demanding sectors of the economy.

34% Employees have over 10 years tenure

63% Employees are in manufacturing and engineering roles

LONG-TERM CAREERS

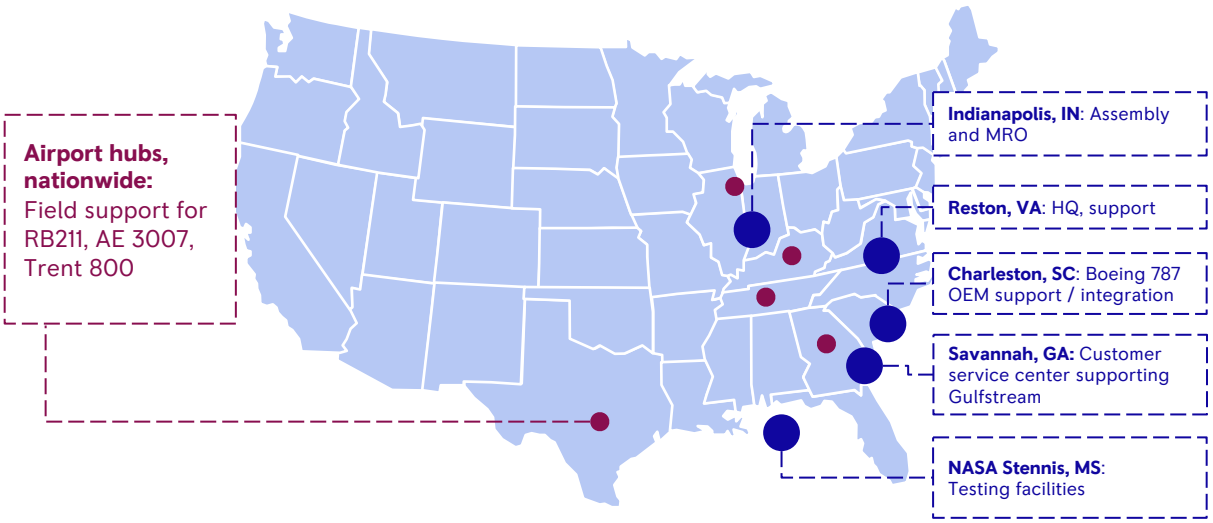
In the late 1990s, Lucy Fritz, Jim Darragh, Roger Ball and Tim Szeliga began their careers with mtu in Detroit, working on what would become the company's most important products: the Series 2000 and 4000 engines. Over the years, they built deep expertise, grew into leadership roles and became trusted voices on the shop floor. When engine production moved to Aiken, South Carolina, in 2011, they moved, too, bringing with them not just experience, but also continuity and culture. Today, they remain at the heart of the operation, proving that, with Rolls-Royce, a career can grow as far and as fast as the engines themselves.

The AE 3007 engine is the workhorse of Rolls-Royce's U.S. Civil Aviation footprint, powering hundreds of regional jets and business aircraft across the country. Built in America and backed by decades of engineering excellence, it enables reliable, efficient connectivity for millions of passengers each year while sustaining high-skilled manufacturing and support jobs in the U.S. aviation ecosystem.

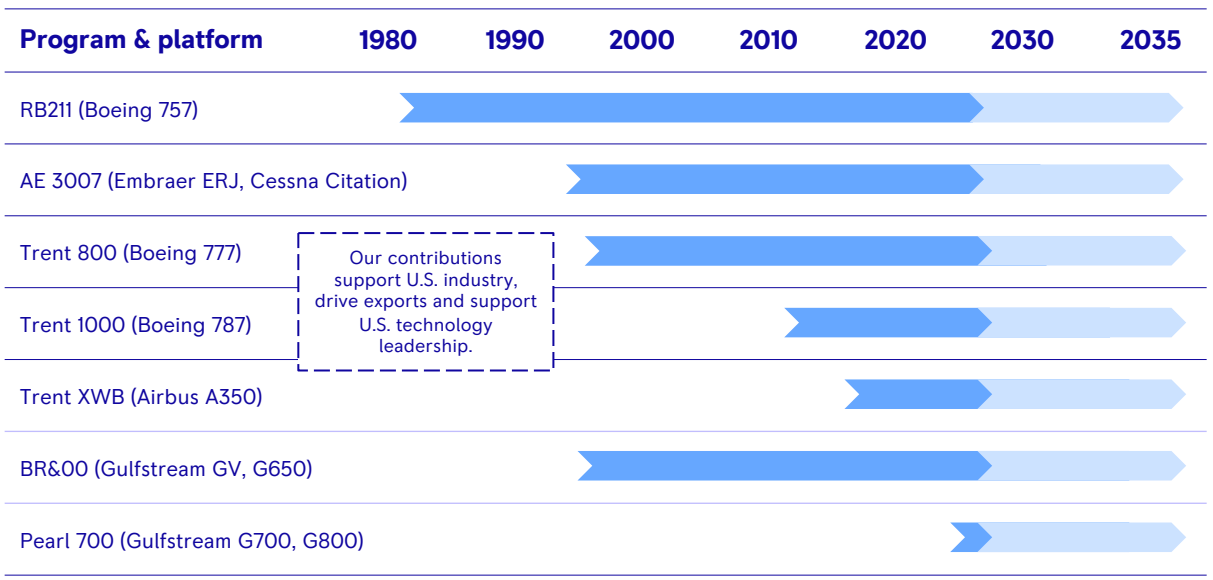
BUSINESS OVERVIEW
CIVIL AEROSPACE U.S.

Our U.S. Civil Aviation division serves leading U.S. manufacturers (i.e., Boeing and Gulfstream), commercial airlines (such as American, Delta and United) and our Business Aviation customers.

With 600+ employees in Indiana and Georgia, our business is grounded in experience and future-ready technologies. Through our MRO partners in Atlanta, San Antonio, and Tennessee, we deliver on-wing support and in-field service through proven maintenance and support models like TotalCare®, which supports over 90% of our in-service widebody fleet. As we invest in advanced technologies and deepen long-standing relationships with Boeing, Gulfstream and major U.S. commercial airlines, performance, durability and long-term value remain our priority. Rolls-Royce is building the collaborations and infrastructure to power the aircraft that will connect U.S. businesses and communities for decades to come. Further, with our potential reentry into the narrowbody market, through partnership, we are preparing for the possibility of a step change that could significantly expand our U.S. presence.



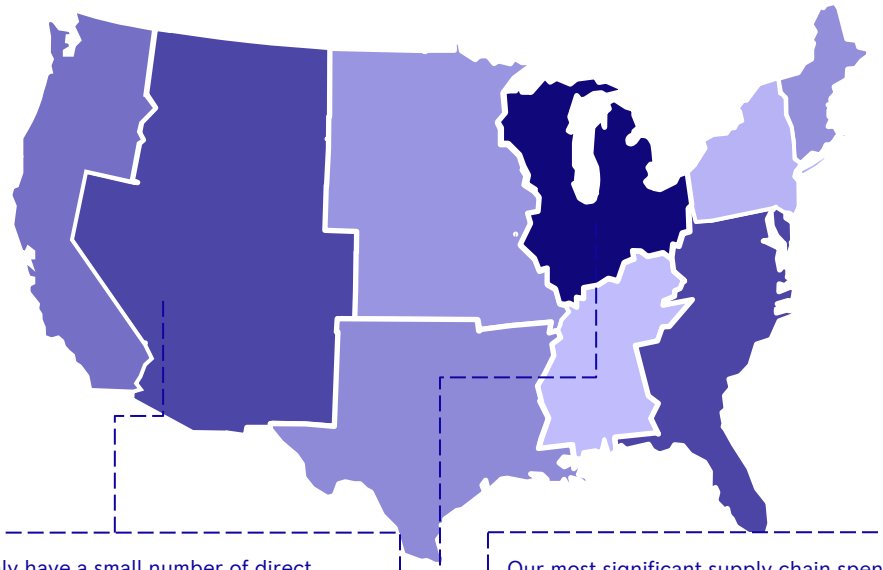
Overview of key U.S. programs



OUR SUPPLY CHAIN
CIVIL AEROSPACE U.S.

Supplier spend by region, 2024

$15M — $350M



$1.4B

Total Civil Aerospace U.S. supply chain spend, 2024

Although we only have a small number of direct employees in this region, our greatest supply chain impact is in Arizona where we spent over $226 million with 10+ suppliers.

Our most significant supply chain spending occurs in the East North Central region, where we spent over $351 million with suppliers in Wisconsin, Michigan and Ohio.

JOINT SUPPLY CHAIN

Our AE engine family, proudly made in America, serves both civilian and military customers, powering business jets like the Embraer Legacy and key defense platforms such as the RQ-4 Global Hawk. Because of this dual-use capability, we manage the AE supply chain through a coordinated approach that leverages shared infrastructure and expertise with our Defense operations. Engineering, component manufacturing and support are shared across teams and sites, enabling greater efficiency and resilience. This joint approach strengthens our industrial footprint and ensures that we meet the highest standards of performance, compliance and value for both commercial and government partners.

ECONOMIC IMPACT
CIVIL AEROSPACE U.S.

Rolls-Royce Civil Aerospace contributed an estimated $1.7 billion in GVA to the U.S. economy in 2024, with a further $815 million in estimated U.S. productivity uplifts from R&D spillover benefits.

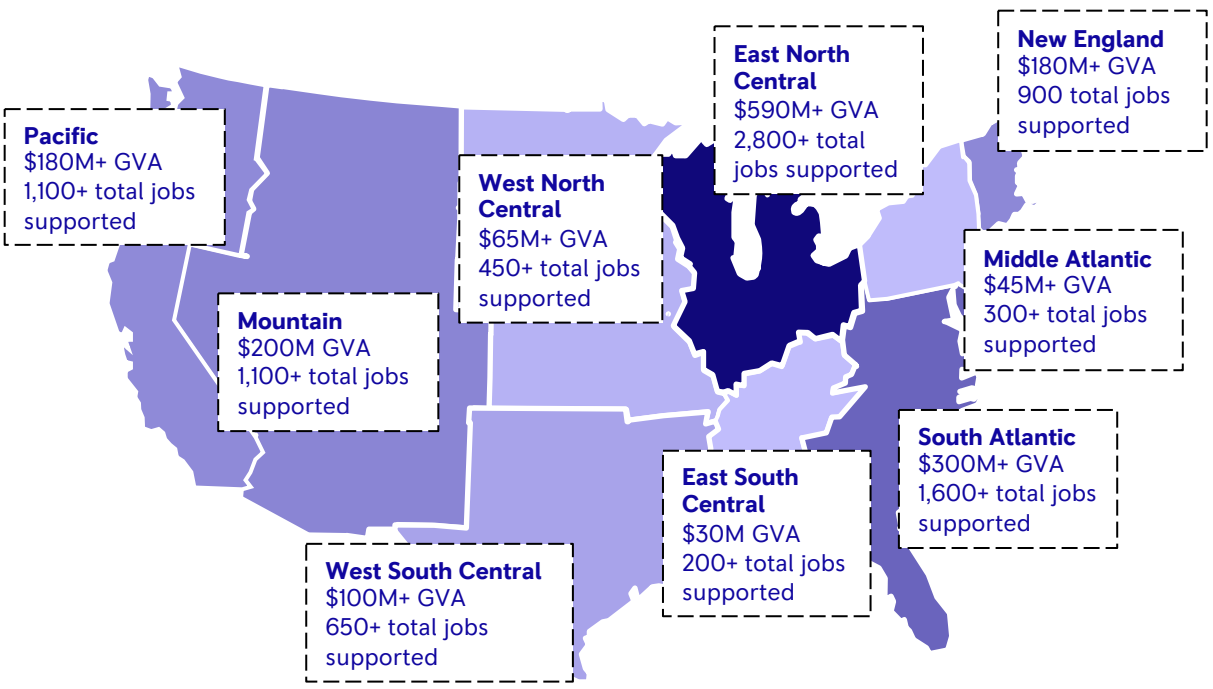
Our field teams support and maintain regional, widebody and business aircraft throughout the U.S., through our TotalCare® model. By keeping local and long-haul fleets operational, particularly those powered by the AE 3007, we help ensure the continuity of essential passenger and cargo routes that connect American cities and drive regional economies. We also contribute to this impact through strategic MRO partnerships, including Delta TechOps (Trent engines and BR series) in Atlanta and Standard Aero in San Antonio (RB211-535) and Tennessee (AE 3007). While these facilities are independent, they form a key part of our MRO supply chain, supporting American fleets and contributing to job creation and regional growth.

$1.7B Operational GVA impact, 2024

$815M R&D spillover GVA impact, 2024

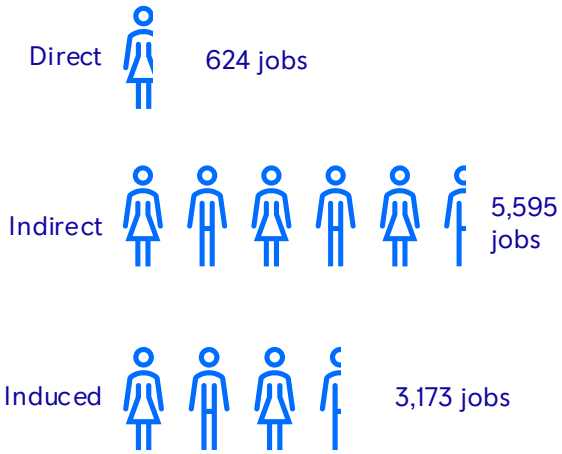
GVA contribution by region, 2024

$30M — $650M



EMPLOYMENT IMPACT
CIVIL AEROSPACE U.S. (CONT'D)

National employment supported by impact type, 2024



We employ a U.S. team of over 600 highly skilled professionals across locations including Indiana (home to our largest U.S. civil workforce); Reston, VA; Charleston, SC; Mississippi; and major airport hubs. Indiana plays a critical role in our operations, with deep-rooted expertise in engineering, field service and customer support. Our workforce includes field service engineers, customer support staff and program managers. These roles are vital to keeping aircraft moving safely and efficiently. In addition to our direct employment, our MRO partnerships with Delta TechOps and Standard Aero extend our employment impact into Georgia, Texas and Tennessee. Though independent, these partners are integral to our U.S. MRO network and reflect our contribution to local workforces. For every Rolls-Royce job in Civil Aviation, many more jobs are supported across the United States through our supply chain and related economic activity. This multiplier effect reflects the high productivity and strategic importance of our U.S. operations.

$900M+

Total employee remuneration supported by Rolls-Royce Civil Aerospace, 2024

41%

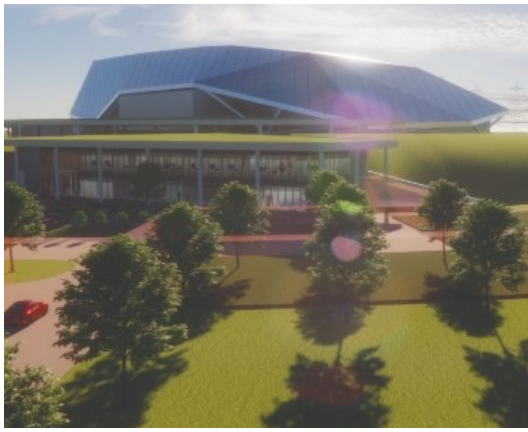
Of Rolls-Royce employees have over 10 years of tenure

Our U.S. Civil Aviation workforce demonstrates strong productivity, outperforming the national average for productivity materially and the automotive sector by almost 2x. Even within the high-performing aerospace and defense industry, our productivity is significantly above average. This positions Rolls-Royce as a leader in one of America's most pivotal and value-adding sectors, reinforcing our role in driving industrial competitiveness and economic growth.

Rolls-Royce can draw from decades of nuclear expertise to deliver advanced, scalable energy solutions for the U.S. Having pioneered Small Modular Reactors (SMRs), our future-facing capabilities are ready to support energy resilience, national security and the growth of high-skilled American nuclear jobs.

OUR NUCLEAR CAPABILITIES

Nuclear energy is entering a new phase of rapid growth as the only dispatchable, secure low-carbon technology that can reliably meet rapidly rising U.S. energy demand. With strong bipartisan backing and increased federal spending, the market is rapidly expanding. Rolls-Royce brings decades of proven capability in both civil and defense nuclear, making us uniquely equipped to lead and scale solutions in this critical sector.



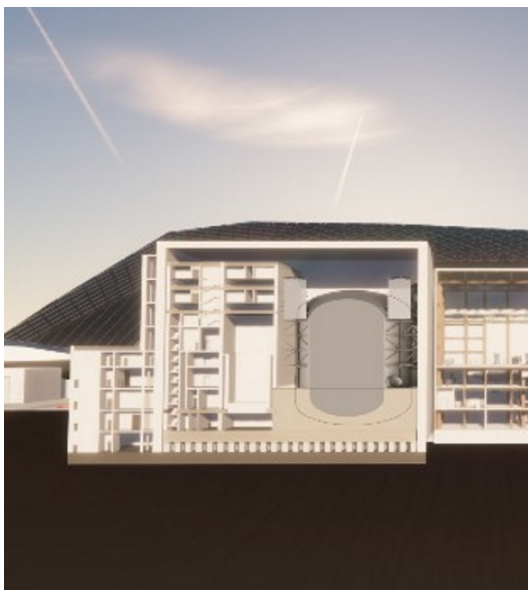
Rolls-Royce is trusted at the highest levels of government to deliver on some of the most critical and high-impact programs in the world.

Our role in supporting nuclear deterrence in the UK for the past 60+ years demonstrates the trust placed in us by one of the United States' closest allies. Our role in the U.S. is also significant, underscored by our selection to re-engine the B-52, a key component of America's nuclear deterrent. Our reputation has been built on decades of safe, effective delivery across nuclear programs. This credibility underscores our ability to deliver advanced solutions for national security and support allied nuclear capabilities with a strong record of operational safety and regulatory compliance.

CASE STUDY

Formalization of engagement with nuclear regulatory commission

The Rolls-Royce Small Modular Reactor (SMR) business is a powerful example of how deep nuclear expertise can be successfully applied to new commercial opportunities. Leveraging know-how gained from reactor design for the submarine business, the SMR business has drawn on decades of design, engineering and regulatory experience growing rapidly over the past 10 years, and employing over 1,000 people, demonstrating our ability to scale in nuclear. In June 2025, this capability was recognized when Rolls-Royce SMR was selected by Great British Energy – Nuclear as the selected technology to build the UK's first SMRs. Building on this momentum, and with a strong U.S. footprint already in place, Rolls-Royce is well positioned to replicate this success in the United States, unlocking jobs, investment and delivering energy security. To accelerate this vision, Rolls-Royce SMR recently formalized our engagement with the U.S. Nuclear Regulatory Commission (NRC), laying the groundwork for future licensing and design applications.

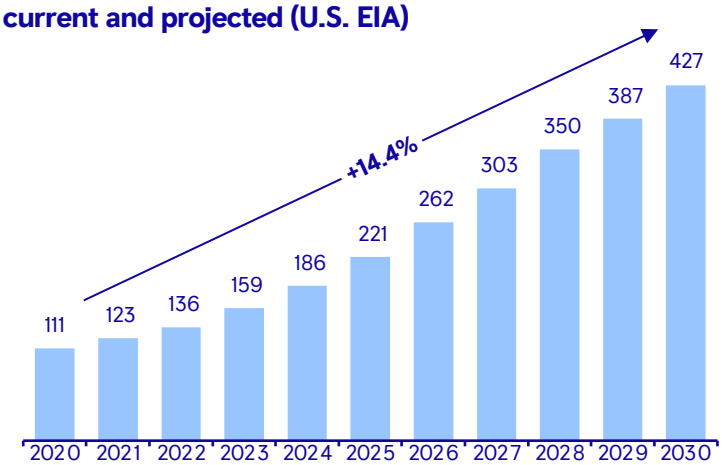


OUR POTENTIAL FUTURE IMPACT
NUCLEAR U.S.

We are ready to collaborate with our U.S. partners to support America's evolving energy needs.

As U.S. energy demand surges, we occupy a unique position, delivering resilient, scalable solutions for critical infrastructure. From data center backup to powering grid-limited regions, we are poised to support America's energy security through next-generation systems built for reliability, adaptability and growth.

U.S. data center electricity consumption (KWh), current and projected (U.S. EIA)

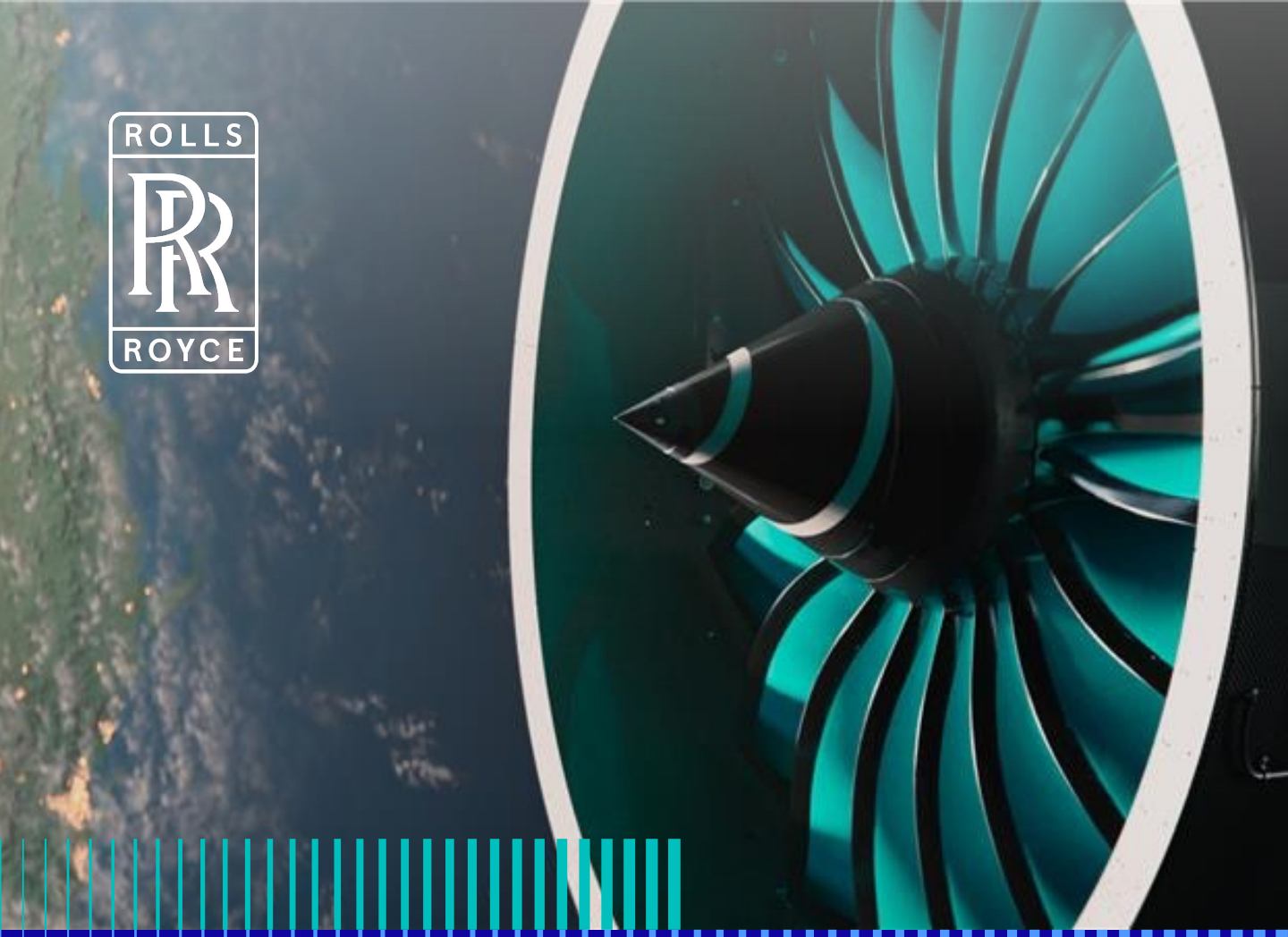


The rapid expansion of AI is the main driver of projected growth in electricity demand, primarily to support the scaling of data center infrastructure. According to the International Energy Agency (IEA), data center power usage is expected to more than double by 2030, reaching levels comparable to Japan's total electricity consumption.

The U.S. is expected to account for more than half of this growth, led by hyperscalers like Amazon, Google and Microsoft, which operate large-scale data centers for AI workloads. In the United States, AI processing is projected to consume more electricity than all other energy-intensive manufacturing sectors combined. However, demand is not limited to data center applications, and we anticipate significant demand across a broad range of industries and applications, including defense, industrial heat, maritime and logistics and mining.

In response to this surge in demand, the U.S. administration has made nuclear energy a national priority. In May 2025, a suite of executive orders directed federal agencies to accelerate reactor licensing, expand domestic uranium supply and fast-track deployment of Advanced and Small Modular Reactors (AMRs and SMRs). This effort aims to quadruple U.S. nuclear capacity by 2050, ensuring energy independence and meeting the power needs of a digital-first economy.

Rolls-Royce sees this as a significant long-term opportunity across our nuclear portfolio, including both SMR and AMR technologies, and we believe that we are well placed to serve this need on the basis of our 60 years of operational experience.



APPENDIX

METHODOLOGY, DATA SOURCES, DEFINITIONS

Impact metrics

This report quantifies Rolls-Royce's impact across the U.S. in terms of gross value added (GVA), employment supported, employee compensation and tax contributions. These indicators measure the economic activity supported by Rolls-Royce's operations, supply chains and capital investments.

- Gross value added (GVA): Represents the value generated after subtracting intermediate inputs, serving as a proxy for GDP. It follows IMPLAN's National Income Approach
- Employment: Reflects the total number of jobs supported, both full-time and part-time
- Employee compensation: Includes wages, salaries and employer-paid benefits

Types of impact

Three types of impact are considered:

- Direct: Activity within Rolls-Royce's own operations
- Indirect: Impact generated through spending on suppliers and upstream activity
- Induced: Effects of spending by employees of Rolls-Royce and its suppliers in the wider economy

Modeling approach

Input-output modeling was conducted using the IMPLAN model across all regions to estimate the economic effects of Rolls-Royce's activities. Financial entities from Rolls-Royce's HFM structure were simplified to remove non-revenue-generating entities and exclude those outside priority regions. Entities were assigned to specific countries and consolidated where appropriate. To prevent double-counting, underlying external revenue was used for most units. Gross Operating Surplus was approximated using Operating Profit + Depreciation (OPI) for each entity, apportioned based on headcount. When compensation data was unavailable, facility-level averages were used. Remote workers were distributed according to each entity's headcount split. Modeling was conducted at both a state and congressional district level, using a Multi-Regional Input-Output analysis.

Readers should note that, while the data contained in this Economic and Social Impact report is true to the best of Rolls-Royce's knowledge and belief, there may be differences in the methodology and/or data sources set out in this report, and the methodologies and data sources used in the production of other Rolls-Royce publications, including Rolls-Royce's current or previous annual reports and accounts. It may not, therefore, be possible to directly correlate data sources in this report with those in other reports provided by Rolls-Royce.

Supply chain and investment modeling

Supply chain impacts were calculated using supplier invoices to determine total external supply chain spending, excluding any inter-company or joint-venture spending.

To improve accuracy, global supplier spend was manually assigned to regions based on each business unit's revenue split. Intermediate Inputs were zeroed out in IMPLAN, and outputs were adjusted accordingly. Spending was input as an industry spending pattern event with 100% Local Purchaser Percentages. Power Systems used commodity-level data; Civil and Defense used the aircraft engine manufacturing profile.

Capital investment for 2024 was modeled using internal data on Rolls-Royce facilities, with expenditures assigned as industry or commodity output events by location.

METHODOLOGY, DATA SOURCES, DEFINITIONS (CONT'D)

R&D spillover

A comprehensive body of economic research has demonstrated that R&D spend boosts productivity at the national level via spillover impacts. This provides the conceptual basis for estimating the wider effects of Rolls-Royce's own R&D investment. This is above and beyond the operational impact of Rolls-Royce's activities on GVA as calculated via our input-output analysis using IMPLAN. To estimate the impact of Rolls-Royce's R&D spend, we calculated cumulative local Rolls-Royce gross R&D investment in Aerospace, Nuclear and Power Systems R&D over the past 10 years, adjusted for inflation (adjusted using the GDP deflator to 2023 prices). We then applied multipliers for aerospace and other sectors based on estimates of these spillover effects from published literature (by authors including the ATI, UKRI and Frontier Economics). The approach assumes consistent spillover benefits across geographies (on a per-unit currency invested basis), which may modestly overstate or understate impacts depending on local absorptive capacity, and does not account for transnational spillover. These effects are conceptually and economically separate from those resulting from operational impacts, and therefore should not be considered together, although there may be some modest degree of overlap. Any such overlap is unquantified but expected to be immaterial relative to total estimated impacts. We do not adjust for any dampening of spillovers arising from confidential aspects of R&D activity, although such effects are expected to be limited.

Data sources

Data used in this analysis was provided by Rolls-Royce and includes employment numbers, employee compensation, financials, supplier spending and capital investment values across its business units and global footprint. These data inputs were specific to the 2024 calendar year and were used to model direct, indirect and induced economic impacts at regional and national levels. Where employee compensation or operational data was unavailable, facility- or entity-level averages were used. To support benchmarking and enhance modeling accuracy, publicly available U.S. federal government data embedded within the IMPLAN model—covering industry output, labor income, commodity flows and household spending—was also used. All modeling reflects Rolls-Royce's business-as-usual operations in 2024, without reference to potential competitive displacement or alternative use of resources.

Currency and regional scope

All economic values are presented in 2024 real terms, using IMPLAN deflators and the following average exchange rates:

- 1 GBP = 1.2781 USD
- 1 EUR = 1.0822 USD
- 1 GBP = 1.1812 EUR
- 1 EUR = 0.84662 GBP

All U.S. events were modeled at the Congressional District level, including 46 states and districts in Indiana, Minnesota, Michigan, Mississippi and South Carolina.

The estimates of Rolls-Royce's operational impacts refer to Rolls-Royce's gross impacts. As such, it does not consider any potential resource redeployments in Rolls-Royce's absence.

Other

Rolls-Royce commissioned Teneo to conduct this economic and social impact assessment and produce this report.

GLOSSARY

General key terms

Term	Meaning
Advanced Manufacturing	Sector focused on the use of innovative technologies and processes to improve the design, production and performance of complex products, often involving automation, digital tools and precision engineering
AMRCs	**Advanced Manufacturing Research Centers;** collaborative research facilities that bring together industry and academia, typically in high-value sectors
AMR	**Advanced Modular Reactor;** term for the next generation of nuclear reactors (Generation IV), designed for improvements in safety and efficiency, as well as making use of modular-build principles
ATI	**Aerospace Technology Institute;** a UK government-funded body that supports strategic aerospace R&D projects to maintain national competitiveness
BESS	**Battery Energy Storage System;** technology that stores electrical energy for later use, enhancing grid stability and supporting renewable energy integration
DoD	**Department of Defense;** the U.S. federal department responsible for coordinating and supervising all agencies and functions related to national security and the armed forces
E-Frac	**Electric Fracturing;** method of fracking, using electric-powered equipment rather than traditional diesel-powered equipment
E-Methanol	Methanol produced using renewable electricity, typically via the electrolysis of water to generate hydrogen, which is then combined with captured carbon dioxide
GDP	**Gross Domestic Product;** a measure of the total economic output of a country, reflecting the value of goods and services produced
GVA	**Gross Value Added;** represents the value generated after subtracting intermediate inputs, serving as a proxy for GDP
HVO	**Hydrotreated Vegetable Oil;** renewable diesel fuel produced from vegetable oils, animal fats or used cooking oil, and can often be used interchangeably with existing diesel engines and infrastructure
ITAR	**International Traffic in Arms Regulations;** U.S. regulations controlling the export and import of defense-related articles and services for national security purposes
MoD	**Ministry of Defence;** the UK government department responsible for defense policy and the armed forces
MRO	**Maintenance, Repair and Overhaul;** the process of maintaining and restoring equipment to ensure safety, reliability and operational efficiency
NAMRC	**Nuclear Advanced Manufacturing Research Centre;** a UK research center focused on developing manufacturing techniques for the nuclear industry
OEM	**Original Equipment Manufacturer;** a company that produces parts, components, or systems that are incorporated into another company's finished product
OBR	**Office for Budget Responsibility;** an independent UK watchdog that produces economic and fiscal forecasts
ONS	**Office for National Statistics;** the executive office of the UK Statistics Authority, being the UK's largest independent producer of official statistics and economic data
RAF	**Royal Air Force;** the UK air and space force
SAF	**Sustainable Aviation Fuel;** aviation fuel produced from renewable or waste sources, with reduced emissions, while often being interoperable with standard aviation fuel, especially on newer engines
SME	**Small and Medium-sized Enterprise**
SMR	**Small Modular Reactor;** category of compact and simplified nuclear reactors designed for greater scalability and cost-effectiveness, achieved typically through standardized, factory-built modules

GLOSSARY (CONT'D)

Term	Meaning
STEM	**Science, Technology, Engineering and Mathematics;** academic disciplines and career fields critical to innovation and industrial development
UTC	**University Technology Center;** scheme of collaborative research partnerships between Rolls-Royce and academic institutions focused on engineering innovation
VTOL	**Vertical Take-off and Landing**
WTO	**World Trade Organization;** an intergovernmental body regulating international trade

Programs and schemes

Program	Description
AUKUS	A trilateral defense pact formed in 2021 between Australia, the UK and the U.S. to strengthen Indo-Pacific security. It includes support for Australia's nuclear-powered submarines and collaboration on technologies like AI, quantum and hypersonics
FLRAA (Future Long-Range Assault Aircraft)	A U.S. Army program to develop a next-generation vertical-lift aircraft, intended to replace the Black Hawk helicopter
Europe's Future Combat Air System (FCAS)	A collaborative European defense program, primarily involving France, Germany and Spain, to develop a next-generation air combat system, including manned and unmanned aircraft
GCAP (Global Combat Air Programme)	A partnership between the UK, Italy and Japan to develop a next-generation stealth fighter aircraft
MissionCare™	Rolls-Royce's engine service program offering predictive maintenance and comprehensive lifecycle support for military platforms and customers
Nuclear Skills Taskforce	A UK government-led initiative bringing together industry, academia and government to address skills gaps and ensure a pipeline of talent for the nuclear sector, supporting both civil and defense nuclear programs
Tempest	The Tempest program began in 2018 as the UK's sixth-generation fighter jet initiative, later merged into the Global Combat Air Programme (GCAP). "Tempest" remains a commonly used name within the UK for both the program and the fighter aircraft being developed under it
TotalCare®	Rolls-Royce's engine service program offering predictive maintenance and comprehensive lifecycle support, charged on a fixed cost per flying hour basis
Trident	The UK's nuclear deterrent program, centered on the deployment of Vanguard-class submarines equipped with Trident ballistic missiles
UltraFan®	Rolls-Royce's next-generation geared turbofan engine program, focused on powering the next generation of widebody, and potentially narrowbody, aircraft
Unity	The umbrella £9 billion contract between Rolls-Royce Submarines and the UK Ministry of Defence, launched in 2025 to deliver and support nuclear propulsion systems across multiple Royal Navy platforms, encompassing work on programs like SNN-AUKUS


ROLLS
ROYCE