

Rolls-Royce – Submarines **Vulcan Business Operations Update: April 2020**

Current Rolls-Royce Business Operations at the Vulcan Site remain focussed on continuing to safely deliver our current contracted Vulcan Post-Operational Delivery (VPOD) operations on the Pressurised Water Reactor (PWR)2 Plant and site nuclear facilities as well as our submarines nuclear support programmes. We are managing the impact and constraints of the COVID-19 pandemic emergency across our Business in line with UK Government guide lines and direction.

Safety Performance remains our key focus with a clear Vision of: Zero Harm. We continue to work at our safety vision through the Safety Performance Improvement Programme which is very much a key Business Operational focus for the Company and our People.

We are continuing to deliver the specific work and nuclear operations on site in the immediate/short term period: now until end of 2022. This aligns with the demands and requirements of the overall MoD UK submarine programme associated with the current Vulcan site, plant and operational delivery. We continue to work on Astute Class and Dreadnought Class submarine new build and commissioning programmes in Barrow – deployed from Caithness.

The overall UK submarine programme with the Rolls-Royce design and manufactured Next Generation PWR3 reactor core and plant along with the continued support and appropriate development of current in-service operations with PWR 1 and PWR2 Plant submarines underpins the overall submarines Business going forward in excess of 60 years. These programmes remain key to the specific Future Business planning for our Capability, Skills and Personnel currently at Vulcan and longer term in Caithness in particular in the overall services arena. Immediate tactical focus is on continued safe delivery of the defuel and fuel movement programme – key to the overall site closure programme. We are continuing to progress at appropriate aligned pace our Business planning and development for utilisation and deployment of our personnel and nuclear skills in Caithness in 2022 and beyond. We are continuing to proactively look at the potential of the site decommissioning opportunity post-2022. Our resource management activities at our Vulcan Business Unit including recruitment continue to align to our operational delivery requirements and demands in accordance with normal Business management and controls including transformation and structure. Fundamental to this planning is ongoing flexible and informed transitional alignment to the overall Rolls-Royce submarines Business demands from within our Rolls-Royce Defence Business and the UK's nuclear submarine programme. It is appropriate to note this continues to be the case across the entire submarines Business and Enterprise in the UK.

A total of 16 Rolls-Royce apprentices continue in training at Vulcan at any one time. We will have 4 new apprentices, as planned, joining the Company in Caithness this year.

