



YOUR SHARES: GIFTED

Rewarding you when we win together



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**We're giving all our colleagues shares in our business.
Recognising your contribution to our future success.**

We all have a part to play in our success. That's why this September we're giving you the opportunity to own part of Rolls-Royce, with 150 free shares for every colleague.

It's called *Your Shares: Gifted*. It's one of the ways we're investing more in our people to help us all win together.

It's our way of saying thank you for your hard work and the difference you make both today and for our future.

Let's stay focused and deliver our plan.
Because when Rolls-Royce wins, we all win.

Rolls-Royce is one of the most enduring and iconic brands in the world and has been at the forefront of innovation for over a century. We're proud to be a business that has truly helped to shape the modern world.

We're making great progress, but we need to maintain our focus to become the high performing, competitive, resilient and growing business we have the potential to be.



Key features

Your Shares: Gifted is your opportunity to become a Rolls-Royce shareholder and own part of our business.

Your Shares: Gifted is...



Safe

As the shares are completely free to you, you're not taking any financial risk.



For everyone, everywhere*

No matter what your role or grade, if you're an employee then you're eligible.

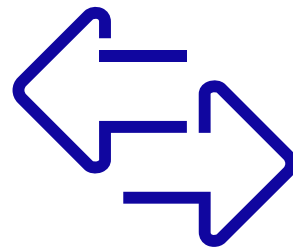


Easy

Sit back and receive your shares in your share account.

Your timeline

Here are the key dates for Your Shares: Gifted.



12 September '24



12 September '24 to 12 September '27



12 September '27



12 September '29

Receive

You'll be gifted your free shares on 12 September into your share account.

Keep

Your shares will be 'locked' for 3 years before you can access them.

Unlock

Congratulations, your shares are now yours to keep or sell as you choose! If you sell them at this point there will be Income Tax and National Insurance Contributions (NICs) to pay.

Untaxed...

Wait another 2 years and you can sell your shares free of Income Tax and NICs. And even better – providing any sale is carried out directly from your share account, any increase in the value of the shares will not be subject to Capital Gains Tax (CGT) either.

And there's more to come...

Next year we're launching a new global plan called *Your Shares: Matched*. This is an exciting opportunity to top up your free shares – look out for more details in early 2025.

*All permanent employees, local regulations may apply.

How Your Shares: Gifted works

In September 2024, we're giving 150 Rolls-Royce shares for free to everyone who:

- Is directly employed by Rolls-Royce as a permanent employee – this means that contractors and agency workers are not eligible
- Were employed on 1 August 2024 (announcement date) and on 12 September 2024 (award date)

In some countries, we can't give you *Your Shares: Gifted*. If that is the case, we'll offer an alternative. See your country page on [Your Shares Hub](#).

What happens next...

Your shares are then locked for 3 years. This means that you can't take them out of your share account. If you leave in the first twelve months, you may lose your shares. See the Q&A section on [Your Shares Hub](#) for more details.



In September 2027, your shares unlock. You can:



Keep them and continue to enjoy all the benefits of being a Rolls-Royce shareholder, including voting in our General Meetings and receiving shareholder distributions when we pay them.



Sell them and keep any cash proceeds. If you sell them before 12 September 2029 there will be Income Tax and National Insurance Contributions (NICs) to pay – but keep them until September 2029 and you can sell your shares without these taxes applying.

If the share price increases between the shares unlocking and you selling them, you'll make a capital gain, but providing you sell your shares directly from your share account within the plan, your gain will be free of Capital Gain Tax (CGT).

Find out more about your country-specific tax requirements in the 'Resources' section on [Your Shares Hub](#).

Please note the value of your shares will change as our share price changes – and this can go down as well as up. You can see the value of your shares in your share account – more details and access guidance will be added to Your Shares Hub on 12 September.

Don't want Your Shares: Gifted?

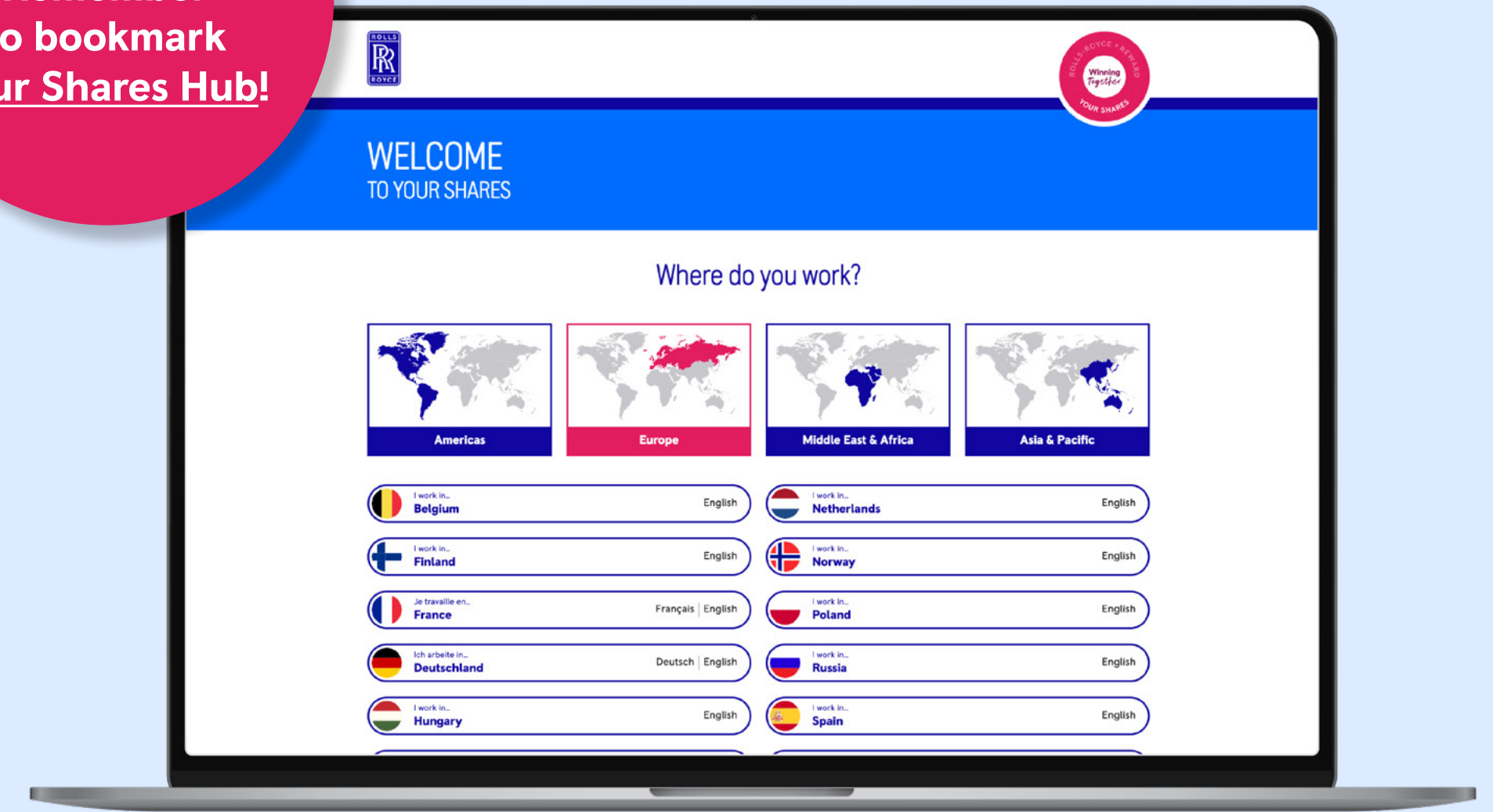
We understand that owning shares is not for everyone. If you don't want to accept your 150 gifted shares, you don't have to. Simply let us know by filling out this [short form](#) by 2 September.

One home for everything

Your Shares Hub is the first place to go for any information and support. We've designed it to help you learn more about share ownership at Rolls-Royce. You'll find plenty of resources including:

A video overview	Benefits of being a shareholder	Resources and supporting legal documents	Tax guidance
<p>A Q&A, including these questions...</p> <p>What are the benefits of being a Rolls-Royce shareholder?</p> <p>How are shares taxed?</p> <p>How much are my shares worth?</p> <p>Can I sell my shares?</p>			

★
Remember to bookmark Your Shares Hub!



Need more support?

You should be able to find all the information you need on Your Shares Hub and the resources we've provided. If you have any questions that aren't covered, you'll find our contact details in the 'Support' section.



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Disclaimer

1. This brochure is intended to provide information and not advice. No member of Rolls-Royce or any of their officers, employees, agents or representatives is giving you investment, tax or other advice in relation to *Your Shares: Gifted*.
2. Whether or not to accept your shares is a personal decision which will have no impact on your employment relationship.
3. The value of Rolls-Royce shares can go down as well as up.
4. You may wish to seek independent, professional financial and/or tax advice if you need tailored advice specific to your circumstances.
5. The information provided in this brochure and other communications in connection with *Your Shares: Gifted* is provided in good faith. If it conflicts with any official documentation or applicable legislation, they will prevail.

