



Rolls-Royce Global Employee Share Purchase Plan

Share Purchase Agreement (“Agreement”) - German Participants

Who is signing up to this Agreement?

You – the Participant	The Company	The Nominee
The Employee who has registered and logged on to the Equiniti share plan portal (the “Portal”).	<p>Rolls-Royce Holdings plc (registered number 07524813). The Company’s registered address is Kings Place, 90 York Way, London, United Kingdom, N1 9FX.</p> <p>The Company agrees to provide Shares to you under the terms of this Agreement.</p>	<p>Equiniti Share Plan Trustees Limited (registered number 03925002). The Nominee’s registered address is Highdown House, Yeoman Way, West Sussex, BN993HH.</p> <p>The Nominee administers the Portal on behalf of the Company. The Nominee has also been appointed by the Company to act as administrator on its behalf and as Nominee (to hold Plan Shares on behalf of Participants) for the purposes of the Plan.</p>

What is this Agreement?

This Agreement relates to the Rolls-Royce Global Employee Share Purchase Plan. The Rules of the plan (“Rules”), together with the trust deed under which your Plan Shares are safely held, this Agreement and the Global Appendix (including Part A and any wording in Part B applicable to your jurisdiction), each as amended from time to time, together form the “**Plan**”. Entering into this Agreement indicates your agreement to participate in the Plan. In particular, this Agreement sets out the terms on which you agree to buy Investment Shares and receive Matching Share Awards under the Plan.

Your Plan enrolment information and confirmations on the Equiniti Share Portal “**Portal**” also form part of this Agreement.

The definitions in the Rules apply to this Agreement, unless otherwise defined in this Agreement.

You should have received the detailed FAQs (on ‘Your Shares Hub’, in your country, ‘Your Shares Matched’), which gave you some information about how the Plan works. This Agreement is a little more detailed than the FAQs because it contains the legal terms between you, the Company and the Nominee.



Key information

Key information relating to this Agreement is set out in the table below, with further details explained in the sections that follow.

Contribution limit (min and max):	Max: EUR 100 each month Min: EUR 6 each month
Purchase Period:	July to June (12 months)
Purchase Dates:	18 th of each month, or nearest Business Day
Matching Limit:	£50 each month (see FAQs for further details)
Matching Ratio:	1:1 (for each Investment Share bought, 1 corresponding Share subject to a Matching Share Award will be awarded), up to the Matching Limit
Expected Vesting Date of Matching Share Award:	1 June (following the end of the Purchase Period)

1. Potential tax exemption

I acknowledge that the Plan is intended to take advantage of available tax benefits under § 3 No. 39 of the German Income Tax Act but I acknowledge that neither the Company, the Nominee nor my employer, any Member of the Group or associated company (nor any person or entity acting on their behalf) can guarantee that the relevant German tax authorities will grant the tax advantages as contemplated at any given time.

2. Investment Shares

Enrolment in the Plan

Authorisation - salary sacrifice (Entgeltumwandlung)

Subject to the social security, tax and labor law requirements applicable in Germany, which must be observed and which take precedence in the event of a conflict with this regulation, the following provisions apply: In amendment to my individual employment contract with my employer, in particular with respect to the amount of the salary payable in cash to which I am entitled for future services, I hereby irrevocably (until further notice) and with effect as of the month preceding the beginning of the Purchase Period (or if I have joined the Plan part way through a Purchase Period, on the next practicable payment of my salary), agree to reduce my monthly gross salary (Bruttoentgelt, (social security contributions are still payable)) in an amount equal to the amount I entered on the Portal as my 'Contribution'. An amount equal to the Contribution will be used for the purposes of acquiring Investment Shares on my behalf. I accept this salary sacrifice (Entgeltumwandlung) will continue to apply until I stop or amend my Contribution in line with the timeline communicated in the Your Shares: Matched Q&A on [Your Shares: Hub](#) or until stopped in accordance with the provisions of the Plan. I understand that during any such notice period the salary sacrifice (Entgeltumwandlung) will continue. I understand that benefits received by me in addition to salary (such as the pension plan (KPV)) or additional pay elements that I receive (such as one-time payments, profit sharing, overtime and shift allowance) will continue to be calculated by reference to my base salary before the effect of salary sacrifice (Entgeltumwandlung), and will therefore be unaffected. I acknowledge that the salary sacrifice may potentially affect the level of wage tax / income tax or social security payable by me and that this may have a consequent effect on my overall financial position. I acknowledge that



neither my employer nor any Member of the Group will be calculating the financial effect for me, nor are they obliged to compensate me for any adverse effect.

I confirm that the amount I wish to salary sacrifice for the purposes of the Plan is the Contribution amount I entered on the Portal, and that if I amend the amount I wish to contribute multiple times in one application period, the most recently dated application (that is received prior to any published closing date) will be given precedence.

Contribution limits

I acknowledge that the Company may change the maximum and minimum limits for any Contributions not yet made in a Purchase Period (but I understand that I will be notified in these circumstances). Following such a change, I acknowledge that any Contribution that would otherwise be greater than the new maximum will be deemed modified so that Contributions do not exceed the new maximum. I acknowledge that if I wish to contribute the maximum each month and the Company increases the maximum limit, I will need to access the Portal and amend my Contribution accordingly.

Exchange Rates

I acknowledge that the exchange rate for any conversion of funds will be based on the prevailing market bid or offer exchange rate to which a spread of up to +/-1.5%, applied at the time of contracting the currency transaction will apply. Exchange rates fluctuate and they may change between the time that the transaction is executed and the time that it is settled.

Acquisition and holding of Investment Shares

I consent to my Contributions being used to purchase Investment Shares on a monthly basis during the Purchase Period on my behalf.

I understand that Contributions will start being taken shortly before the Purchase Period (in June) on the date I am regularly paid, in order that purchases of Investment Shares can begin in July. If I join the Plan part way through a Purchase Period, I will simply be able to participate for the remaining months of that Purchase Period (and will not be able to make up 'missed' Contributions before I joined).

Purchase Periods will operate on a rolling basis so that another Purchase Period begins immediately following the end of the previous Purchase Period on the same terms, and I understand that this Agreement will continue to apply to my participation in the Plan, unless the Company notifies me otherwise.

I understand that my Investment Shares will be held on my behalf upon the terms of the Plan by the Nominee.

Limit on maximum number of Investment Shares

I understand that the Company may at any time impose a further limit, which would apply to the maximum number of Investment Shares that may be awarded, in which case I will be notified and my contribution level may be scaled back, modified or cancelled, and this Agreement will be deemed to have been modified or withdrawn accordingly.

Excess Contributions

I understand that any Contribution not used to purchase Shares on a Purchase Date will normally be retained by the Nominee and added to the next Contribution used to purchase Shares. I understand that it will be held on my behalf by the Nominee in a non-interest bearing account.

Company power to stop Contributions

I understand that the Company may decide at any time that no further Contributions will be taken



for a Purchase Period by giving notice to me in accordance with the rules of the Plan (although Contributions already taken prior to the notice taking effect may be used to purchase Shares).

No refund of Contributions

I understand that, once Contributions have been taken from me, it will not be possible for me to request a refund of those Contributions and the Nominee may still use them to acquire Investment Shares (subject to any country specific requirements in this regard as set out in the Global Appendix).

3. Matching Share Awards

Acceptance

I accept that I will be granted Matching Share Awards, on the terms set out in the Plan.

Matching Ratio and Matching Limit

I will be granted a Matching Share Award on the first date that Investment Shares are purchased on my behalf in a Purchase Period, unless the Company decides otherwise. The number of Shares subject to my Matching Share Award will then increase each time Investment Shares are purchased on my behalf in that Purchase Period, in accordance with the Matching Ratio and Matching Limit.

I understand that a Matching Limit applies, meaning that the Company will only award Shares subject to a Matching Share Award up to a specified level of Contribution each month. The relevant number of Investment Shares purchased each month up to the Matching Limit will be 'Linked Investment Shares'. Contributions can be made in excess of the Matching Limit up to the maximum Contribution limit but Investment Shares purchased with amounts over the Matching Limit will not be Linked Investment Shares (meaning no additional Shares will be granted in relation to them).

I understand that the Company may alter the Matching Ratio and / or Matching Limit at any time in its discretion but, if so, the Company will notify me as soon as possible (and before Investment Shares are purchased under the varied terms).

Vesting

I understand that I have no right to receive the Shares subject to a Matching Share Award until and to the extent it Vests¹.

Requirement to keep the Linked Investment Shares

I understand it is a condition of any Matching Share Award that I hold the Linked Investment Shares until Vesting. I understand this means that if I transfer or sell any Linked Investment Shares relating to a particular Matching Share Award before that Matching Share Award Vests, that Matching Share Award will normally Lapse in proportion to the number of Linked Investment Shares I transfer or sell.

I understand that, if I make Contributions above the Matching Limit and further Investment Shares are acquired for me above that limit, those Investment Shares may be sold or transferred without any impact on the Matching Share Award.

I understand that, to the extent a Matching Share Award Lapses, I have no right to receive the Shares comprised in the Matching Share Award.

Cash alternative

I understand that the Company may choose to settle a Matching Share Award partly or fully in cash. In this case, I understand I will have no right to acquire the Shares in respect of which the Matching Share Award has been settled in cash.

¹ "Vests" means (in accordance with the Plan rules) becoming entitled to receive the Shares subject to a Matching Share Award.



4. Plan Shares

I understand that I can visit the Equiniti Portal at <https://www.esp-portal.com/clients/rolls-royce> to view my share balances and contributions.

Your ability to sell or transfer Plan Shares

I understand that I may direct the Nominee to transfer or sell my Plan Shares at any time, subject to Dealing Restrictions, and the Nominee's Share Dealing Terms and Conditions which can be accessed [here](#). However, if I direct the Nominee to transfer or sell my Linked Investment Shares before Vesting of the related Matching Share Award, my related Matching Share Award will normally immediately Lapse in proportion to the number of Linked Investment Shares transferred or sold.

Company removal of Plan Shares

I understand that the Company may, at any time and for any reason, decide to remove some or all of my Plan Shares from the Nominee.

Rights issues

If there is a rights issue, I understand and accept that the Company may direct that the Nominee will sell the rights attached to some of my Plan Shares, in order to fund the exercise of the rights due to my other Plan Shares.

5. Shareholder distributions

Authorisation

I understand that in respect of Plan Shares held by the Nominee, shareholder distributions paid in:

- cash will be used to purchase further Shares on my behalf; and
- C shares² will be automatically redeemed for cash by the Nominee on my behalf, and when that cash is sufficient to purchase a whole Share, it will be used to purchase further Shares at times specified by the Company,

and I authorise the Nominee to reinvest my cash (however obtained) to purchase Shares in this way, or to otherwise deal with my cash and/or C shares in accordance with the rules of the Plan. I understand that any Shares purchased in this way will be considered 'Plan Shares' and held by the Nominee on my behalf.

Unused cash

Any cash (however obtained) left after reinvestment will normally be retained and added to the next amount of cash to be reinvested. I understand that it will be held on my behalf by the Nominee in a non-interest bearing account.

6. Changes in employment status

Leaving

I understand that, if I Leave:

- as soon as reasonably practicable after Leaving, my Contributions will stop and I cannot make any further Contributions;
- any Contributions held on my behalf will either be used to acquire Investment Shares on my behalf (after which, I will not be entitled to acquire any more Investment Shares) or will be transferred to me;

² Note that the Company may distribute C shares to shareholders rather than declaring cash distributions.



- if a further award of Investment Shares is made, I may be granted further Shares subject to my Matching Share Award, subject to the Matching Ratio and Matching Limit (after which, I will not be entitled to be granted any further such Shares);
- any Matching Share Awards that have not already Vested will Vest on the first practicable Early Leaver Vesting Date, unless the Company decide otherwise, visit the FAQ on 'Your Shares: Hub' to find out more about the Early Leaver Vesting Dates;
- any unused cash balance held on my behalf will either be used to acquire Shares or, if the value of the unused cash is less than the price of one Share, it will be donated to charity; and
- the Nominee will sell my Plan Shares or remove them from the Nominee arrangement in accordance with my instructions.

However, if I am summarily dismissed (or I Leave in circumstances where I could have been summarily dismissed), then I understand my unvested Matching Share Awards will immediately Lapse.

Failure to give instructions following Leaving

If I Leave, I understand that the Nominee will seek instructions from me regarding what I would like to do with my Plan Shares and, in the event I fail to provide instructions within the period notified to me, my Plan Shares may be sold on my behalf or may be transferred to me in the form of a Share certificate (posted to my Plan registered address at my risk), or the Company can take any action considered necessary or desirable.

7. Data Protection

In addition to the information on data privacy provided in my employment agreement, I have also read and acknowledged any Company data privacy notice in relation to the holding and processing of personal data (including sensitive personal data) provided by me to any Member of the Group, trustee or third party service provider, for all purposes relating to the operation of the Plan and for compliance with applicable procedures, laws and regulations. The Rolls-Royce Share Plan Privacy Notice can be found on www.shareplans.rolls-royce.com. To read the latest Equiniti version please visit <https://privacy.equiniti.com>

8. General

Amending this Agreement

I understand that the Company may amend the terms of this Agreement at any time. If so, I understand that I will be given at least 30 days notice of any change and, if I do not contact the Company to request withdrawal from the Plan, I will be deemed to have agreed to the new terms.

Terminating the Plan

I understand that the Company may terminate the Plan at any time by giving notice to me, in accordance with the Rules. On termination, after any outstanding Matching Share Awards have either Lapsed or Vested I understand that the Nominee will seek instructions from me regarding what I would like to do with my Plan Shares and, in the event I fail to provide instructions within the period notified to me, my Plan Shares may be sold on my behalf or may be transferred to me in the form of a Share certificate (posted to my Plan registered address at my risk), or the Company can take any action considered necessary or desirable.

Corporate events

I understand that, if there is a takeover, restructuring or variation in the share capital of the Company, special provisions apply under the Plan, and that these provisions may (depending on the



circumstances), result in the Vesting, adjustment or exchange of my Matching Share Awards and the cessation of my Contributions as set out in the rules of the Plan.

9. Online Electronic Acceptance

If I apply on-line via the ESP Portal to participate in the Plan, then the following provisions will apply (references to “the Company” and where investments are held in Trust “the Trustee” refer to definitions in the rules of the Plan for which I am applying).

I acknowledge that:

- (i) by clicking ‘I accept’ on the application via the ESP Portal to join the Plan, this constitutes my acceptance to these terms and conditions, together with my acknowledgement that I have read and understood and agree to:
 - a. the rules of the Plan (including the relevant schedules), together with the trust deed under which my Plan Shares are safely held;
 - b. the terms set out in the Share Purchase Agreement;
 - c. the Global Appendix.
- (ii) if I submit multiple applications, the most recent dated application will be given precedence.
- (iii) the ESP Portal online communication channel enables me to give instructions directly to the Company and/or the Trustee. However, I further acknowledge that excess demand on the ESP Portal service and circumstances beyond the Company’s and/or the Trustee’s and/or Equiniti Limited’s reasonable control may mean it is not always possible to use the electronic application channel. I acknowledge that the Company and/or the Trustee will take reasonable steps to ensure that the electronic application channels are available but neither they nor Equiniti Limited are responsible for systems beyond their reasonable control or any incompatibility between my systems and the electronic application channels.
- (iv) I should retain my confirmation email as evidence that my application was received.

10. Plan Administrator

The plan is administered by Equiniti Limited (‘Equiniti’). Contact details are below:

-  ESP Portal www.esp-portal.com/clients/rolls-royce
-  Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA
-  Employee Helpline +44 (0)333 207 6388. Lines are open 8.30am to 5.30pm (UK time), Monday to Friday (excluding public holidays in England and Wales)
-  myshareplan@equiniti.com please quote **Rolls Royce** in the subject line.

For deaf and speech impaired customers, Equiniti welcome calls via Relay UK. Please see www.relayuk.bt.com for more information.

Please contact Equiniti to request this document in an alternative format, for example, braille or audio.

11. How Do I Complain?

If I wish to complain about the service provided to me under this agreement I can put my complaint in



writing to Equiniti at: Complaint Resolution Team, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex. BN99 6DA, United Kingdom. Or I can email Equiniti at concerns@equiniti.com.