



# Your ShareSave Maturity

Employee Brochure



## Your ShareSave is maturing

Congratulations! You've been saving into the ShareSave for 3 or 5 years, and you're about to get the benefits!

This guide takes you through everything you need to know. Read it carefully so that you understand the next steps and make a decision that is right for you.

### As a reminder:

- You've been saving a fixed amount each month from your net pay for three years or five.
- Your savings entitle you to 'share options'. These give you the right to buy shares at the end of the plan at a discounted Option Price set at the start of the plan.

We're making great progress on our journey to becoming the high performing, competitive, resilient and growing business we have the potential to be. This progress is reflected in our share price which has increased materially over the last 3 years. As a result, there is the potential for you to make a significant gain.

This is a testament to our collective hard work and contribution to executing our strategy. We are delighted that you will have this opportunity to benefit from our combined success.

We all have a part to play in our success - thank you for helping us win together.



**Coming soon** - a new way to get rewarded when we win together.

Our transformation is changing not just the way we work, but the way we think and behave. We're moving from Sharesave to a new plan, to ensure our people will benefit as we deliver our strategy and continue to be a force for progress.

Look out for more details soon on *Your Shares: Matched!*

## What to expect as you finish ShareSave

Your ShareSave plans are linked to our share price at the start of the plan, with a 15% discount applied.

This is called the **Discounted Option Price**, and for the plans maturing on 1 February is:

**2019**

**£2.322**

for the 2019  
5 year plan

**2021**

**£0.966**

for the 2021  
3 year plan

So for every £2.322 you've saved (with the 2019 / five-year plan) or £0.966 (with the 2021 / three-year plan), you're entitled to one **share option**.

When the plan matures on 1 February 2025, you have six months to exercise your option and purchase the shares at the Option Price.

If you've missed any monthly payments, your maturity date will be extended by one month for each missed payment – your actual maturity date will be confirmed to you in the communication issued on 8 January 2025. You will continue to have deductions taken from your pay until you have completed your total 36 (3 year) or 60 (five year) payments. You will then have six months from your revised maturity date to exercise your option and purchase the shares).



**Our share price has increased significantly since the start of the plan – this may lead to a capital gain when you choose to sell them.**



## Your options

At maturity you have three choices. Buy shares at the discounted Option Price and either:

- Transfer them into the EQi Flexible Stocks and Shares ISA
- Transfer them into the Equiniti Global Nominee Service
- Sell them, using the Equiniti Financial Services Limited Share Sale Service ('Share Sale Service') with the proceeds forwarded to you.

Before you make a decision make sure you fully understand the tax associated with any capital gain that you may make.

## Tax

The following information is provided for your information and is based on our understanding of tax rules as at January 2025. Laws and tax rules may change in the future and your own personal circumstances will impact your tax position.

The increase in the share price over recent years means that when you decide to sell your shares you're likely to make a significant profit. The good news is that so long as you have remained tax resident in the UK, you won't need to pay income tax on your gains when you buy or sell your shares.

When you sell your shares your gain may be subject to Capital Gains Tax (CGT) depending on your personal situation and the decisions you make.

### What is Capital Gains Tax (CGT)

CGT is payable on the financial gain you make when you sell or dispose of an asset that has increased in value. You can make a gain of up to £3,000 in the current tax year (6 April 2024 to 5 April 2025) before you have to pay CGT – this is known as your **annual allowance**.

The CGT rates increased in the October 24 budget to:

- 24% for higher rate tax payers
- 18% for basic rate tax payers
- If your gain pushes you into the higher rate tax bracket you may pay some CGT at 24% and some at 18%

For more information on CGT please go to:  
[www.gov.uk/capital-gains-tax/what-you-pay-it-on](https://www.gov.uk/capital-gains-tax/what-you-pay-it-on).

### How does CGT apply to ShareSave

For our ShareSave Plan, the gain is calculated when you sell your shares, not when you buy them. To calculate the gain, you need to know:

1. The price used to buy your shares – for ShareSave this is the Option Price (£0.966 for the 3 year plan and £2.322 for the 5 year plan).
2. The price of the shares when you sold them.

For example:

<b>1</b>	<b>2</b>
You are in the 3 year plan, and exercised your option to buy 2,000 shares at £0.966	You subsequently sell your 2,000 shares for £5.25: £2,000 x £5.25 = <b>£10,500</b>
<b>3</b>	<b>4</b>
You paid £1,932 (2,000 x £0.966) for the shares you sold	Your capital gain is <b>£8,568</b> (£10,500, less £1,932).

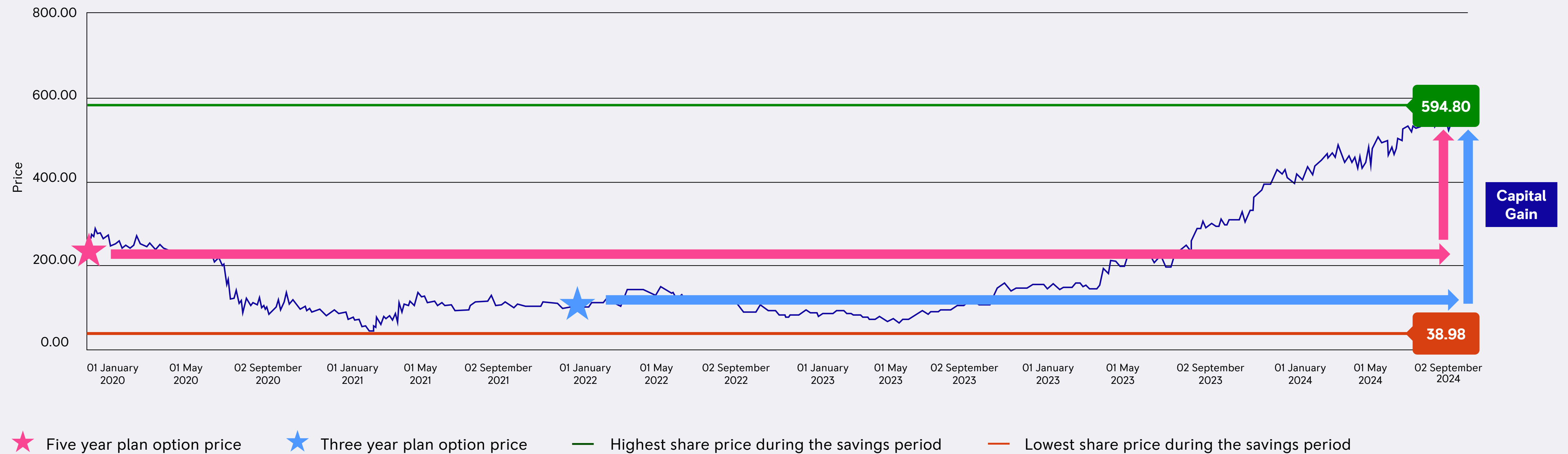
Assuming you've not made any other capital gains in the tax year, you'll pay CGT on **£5,568** (£8,568 less your £3,000 annual allowance). This would work out at:

- £1,336 if you are higher rate tax-payer (£5,568 x 24%)
- £1,002 if you are a basic rate tax-payer (£5,568 x 18%)

# Share price performance over the life of the plan(s)

The share price during the savings period has increased significantly – and depending on the decisions that you take and your personal circumstances may result in significant capital gain.

02 September 2019 - 17 December 2024



## Maturity Examples

The examples below assume that you sell your shares at £5.20 per share.

The important point to note here is that in all of the examples the capital gain is higher than the £3,000 annual allowance.

### Five Year Plan (assuming sale price of £5.20)

Monthly Investment	Total Savings	Number of options	Value of shares	Capital Gain
£50	£3,000	1,291	£6,713	£3,713
£100	£6,000	2,583	£13,432	£7,432
£150	£9,000	3,875	£20,150	£11,150
£200	£12,000	5,167	£26,868	£14,868
£249	£14,940	6,434	£33,456	£18,512

### Three Year Plan (assuming sale price of £5.20)

Monthly Investment	Total Savings	Number of options	Value of shares	Capital Gain
£30	£1,080	1,118	£5,813	£4,733
£50	£1,800	1,863	£9,687	£7,887
£110	£3,960	4,099	£21,314	£17,354

## Managing your ShareSave maturity in a tax efficient way

### Transferring your shares to a Stocks & Shares ISA

If you transfer your shares into a stocks and shares ISA within 90 days of exercising your option to buy shares then:

- There is no CGT payable when you transfer the shares or when you sell them from the ISA
- Any future growth is protected from CGT
- Any future shareholder distributions are tax free
- You can diversify your investment within an ISA to spread your risk
- You can leave your shares in the ISA for as long as you choose

In the UK you have an annual ISA allowance of £20,000, and you can split the ISA allowance across any combination of different ISAs.

For more information go to [www.gov.uk/individual-savings-accounts/how-isas-work](https://www.gov.uk/individual-savings-accounts/how-isas-work). It is your responsibility to make sure that you manage your investments within this limit.

As the maturity date is 1 February and you have 90 days from the date of exercising your option to transfer the shares directly into an ISA, you have the opportunity to use both a 2024/25 tax year ISA and a 2025/26 tax year ISA.



**Remember that your ShareSave shares are valued against the £20,000 ISA limit according to their value at the time of transfer into the ISA – not the price at which you bought them.**

### Selling your shares over multiple tax years

If your gain in a particular year is below the Annual Allowance (currently £3,000) in any tax year, you won't have to pay any CGT. Remember to take into account any other capital gains that you may have made in each tax year and remember that the share price can fall as well as rise.

### Transferring some shares to your spouse or civil partner

You can make use of your spouse or civil partner's £3,000 CGT allowance by transferring some shares to them. Remember to consider any other capital gains that they have made within the tax year.

### Transferring shares into a SIPP (self-invested pension plan)

For more information on this option visit [Tax and Employee Share Schemes: Save As You Earn \(SAYE\) - GOV.UK](#).

You will need to find an appropriate provider and work with them to understand the process to transfer the shares. This is not an option that Rolls-Royce will support you with, so if you wish to consider this we strongly encourage you to take independent financial advice.

Note that you cannot transfer your shares into the Rolls-Royce Retirement Savings Trust.



### If you have spent time outside of the UK

If you've been on International Assignment or permanently relocated from one country to another during the savings period, there may be cross border tax implications on any gain because the tax advantages of ShareSave are limited to the UK. Where there are cross border tax implications, the Global Mobility Team will ensure that any tax compliance obligations are met with support of the Company's appointed tax provider Ernst & Young (EY).

If this applies to you the Global Mobility Team will be in touch with you in January 2025 with more details.

## Your options

Buy shares at the discounted Option Price and either:

-  1. Transfer them to the EQi Flexible Stocks and Shares ISA
-  2. Transfer them into the Equiniti Global Nominee Service
-  3. Sell them using the Share Sale Service

## Your options: Choice One

 Buy shares and transfer them to the EQi Flexible Stocks and Shares ISA

When you exercise your maturity option in the Equiniti Portal, you'll be able to seamlessly transfer your shares (up to the £20,000 per tax year ISA limit) to **Equiniti's EQi Flexible Stocks and Shares ISA**.

To find out more about the EQi ISA read the terms and conditions available in the Quick links section of the Equiniti Portal or go to [eqi.co.uk/info/important-information](https://eqi.co.uk/info/important-information)

The **EQi Flexible ISA** is opened with a complimentary **Dealing account**. You can choose to transfer up to £20,000 into the EQi Flexible Stocks and Shares ISA, with any surplus shares transferred to the Dealing account.

If you choose this option with EQi:

- You will need to decide on the value of shares which you will transfer into the ISA. The number of shares that will ultimately be transferred will depend on the share price on the day that the shares are purchased and transferred.
- It is your responsibility to stay within the annual £20,000 limit. For example, if you have already used £10,000 of your 2024/25 ISA allowance, you can transfer a maximum of £10,000 into the EQi Flexible ISA before 5 April 2025.

- It will take up to 5 working days from the Date of Transfer for the shares to appear in your ISA account – for example if you submit your instruction by 20 January, the shares will be issued to you by Rolls Royce on 3 February, and these will appear in your ISA by 10 February.
- If you transfer your shares into the EQi Flexible ISA before the end of the 2024/25 tax year, then any shares that have gone into the EQi Dealing account will automatically be transferred into the EQi Flexible ISA at the start of the 2025/26 tax year.

If you do not want your shares in your Dealing account to transfer into the EQi Flexible ISA then you can send a secure message once logged into your EQi account or by calling the Customer Experience Centre on +44 (0) 345 0700 720.

Lines are open 08:00 – 17:30 Monday to Friday (excluding UK Public holidays).



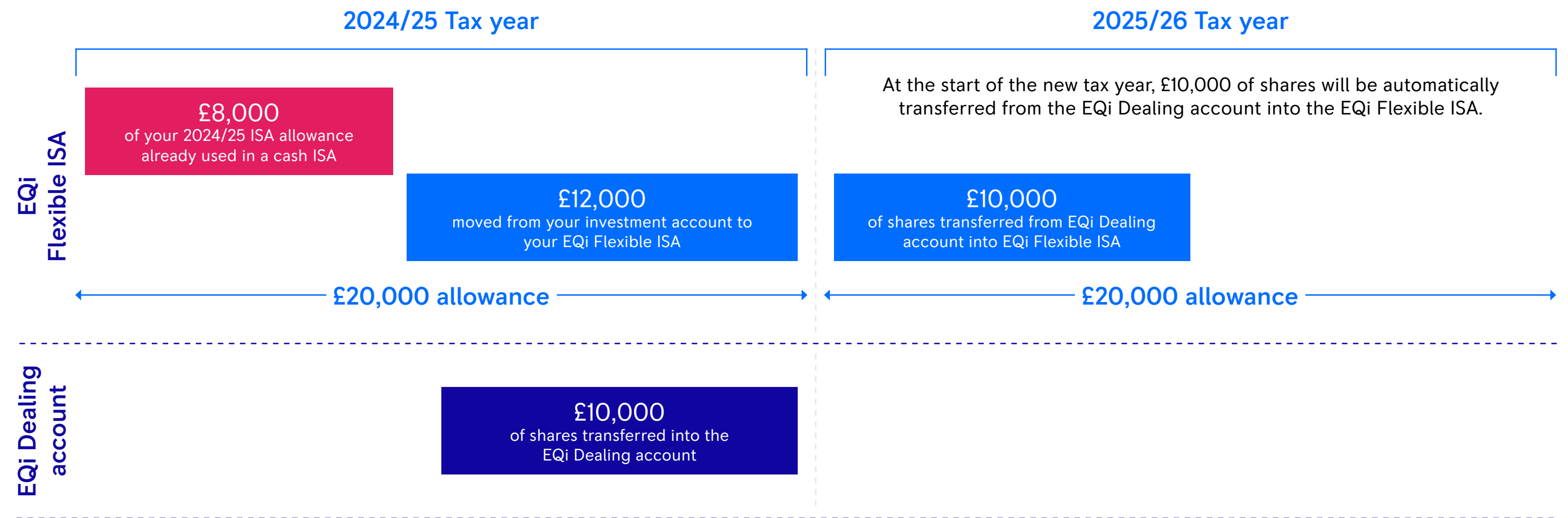
## Your options: Choice One

### EQi Flexible ISA – Example

- Your ShareSave shares are worth £22,000
- You already have a cash ISA in the 2024/25 tax year with £8,000 invested
- You choose to buy your shares and transfer them into the EQi Flexible ISA
- Because you already have £8,000 in a cash ISA, you instruct the transfer of £12,000 of shares into the EQi Flexible ISA. Your total ISA investment for 2024/25 is now £20,000 (your ISA limit).
- The remaining £10,000 will transfer into the EQi Dealing account
- When the new tax year starts on 6 April you will have another £20,000 ISA allowance. The £10,000 of shares will automatically transfer into the EQi Flexible ISA. You do not need to do anything to instruct this change – but you do need to let Equiniti know if you choose not to do this.

Here's an example to help you see how this works.

Transfer your ShareSave maturity value of £22,000 to your EQi Flexible ISA account.



Remember that if you wish to make use of the ISA allowance for both the 2024/25 and the 2025/26 tax year you will need to make your instruction on the Equiniti portal by no later than 6pm on Monday 24th March. Any instruction made later than this will result in your shares reaching your EQi ISA by c. 10 April, after the 2025/26 tax year has started.

## Your options: Choice One

### EQi ISA Fees

#### Admin Fee

If you choose to transfer your shares into the EQi ISA, you'll pay an admin fee of 0.2% of the total value of the shares that you transfer into the ISA / Dealing account (based on the value when the shares are transferred in). For example:

**1**  
£25,000

transferred total, of which:

**3**  
£15,000

into the Dealing account

**2**  
£10,000

went directly into the ISA

**4**  
£50

fees (£25,000 x 0.2%)

The admin fee can be paid by debit card or bank transfer (BACs) using the bank details collected when you open the EQi Flexible ISA, online or over the telephone. If the fee is not paid by the date which you will be notified of, EQi will collect the amount owing by bank transfer (BACS) or, you may need to sell some of your shares to cover the amount owed. Please refer to the EQi terms and conditions for full details on the admin fee and other charges associated with an EQi account.

### Trading Fee

The first sale of shares through EQi will not be subject to any dealing commission fees. Any subsequent sales will be charged at £10.99 per online trade or £27.50 over the telephone.

### Fees from 1 January 2026

If you continue to hold an EQi account from 1 January 2026 standard EQi pricing will apply, custody fees of £17.49 per quarter will be payable (made up of a base fee of £12.50 and a product fee of £4.99) prices may be subject to change.

There is no custody fee to pay if there are no cash or assets held within the EQi ISA, however if there is no activity over a year, your account will be classed as dormant and you'll be contacted to see if you want to keep your account open. If there is no reply or you let Equiniti know that you'd like to close the account, EQi will make these arrangements.

Full details of the standard EQi pricing can be found [here](#).



## Your options: Choice Two



### Buy shares and transfer them to Equiniti Global Nominee Service

The Global Nominee is an Equiniti Financial Services Limited (EFSL) product available for employees only who have received shares as a result of their participation in Rolls-Royce share plans. You can hold your shares in the Global Nominee and instruct the sale or transfer of your shares when you choose to do so. Further information on the Global Nominee can be found in the Global Nominee Brochure and the Global Nominee Terms and Conditions, both can be found in the Quick Links section of the ESP Portal.

It will take up to 5 working days from the Date of Transfer for the shares to appear in your Global Nominee account – for example if you submit your instruction by 20 January, the shares will be issued to you by Rolls Royce on 3 February, and these will appear in your Global Nominee account by 10 February.

Remember that when you sell your shares, if you generate a capital gain of more than £3,000 you may be liable to Capital Gains Tax.

#### Fees

- Sale of shares from the Global Nominee - commission fees of 0.2%, with a minimum of £35
- Transfer to another nominee / ISA provider - £25
- Transfer to a certificate - £35



It is your responsibility to report and pay any Capital Gains Tax to HMRC.

## Your options: Choice Three



### Buy shares and sell them using the Share Sale Service

You can buy your shares and sell them, with the sale funds sent to your salary bank account.

Remember you will have no control at what price the shares will be sold at on the Date of Transfer (you will receive the price achievable when the trade is placed in the market), and that if you generate a capital gain of more than £3,000 you may be liable to Capital Gains Tax.

#### Fees

- Commission fees of 0.2%, with a minimum of £25 apply to this maturity.



It is your responsibility to report and pay any Capital Gains Tax to HMRC.



## Transfer of shares to another provider

If you wish to transfer your shares to a broker or an alternative ISA provider from the Global Nominee you can do so, subject to an administration fee.

### Transfer to broker

The process is two way – you need to instruct Equiniti to transfer the shares. Equiniti will then contact the broker that you want to transfer the shares to, and they must be ready to receive them. To do this you'll need to complete the relevant Share Transfer Request Form, which is available on the Equiniti Portal, and send it by email (using the email address that Equiniti hold for you in your account) to [nominee@equiniti.com](mailto:nominee@equiniti.com). You'll need to include:

- Number of shares to transfer
- Confirmation of name on your brokerage account (this must be in your name)
- Confirmation of your home and email addresses
- Details of the bank/broker/custodian to which you want to transfer your shares, including:
  - Their full name and address
  - Their CREST participant ID and member account
  - Their contact email address and phone number
  - Your account number with the bank/broker/custodian

Upon receipt of the required details, Equiniti will initiate the transfer and will confirm to you when the shares have been accepted by the bank/broker/custodian.

### Transfer to an alternative ISA provider

To take advantage of the CGT efficiencies, you must transfer the shares directly into the ISA to avoid CGT becoming due at the point of transfer – if you instead sell them and then re-purchase them in an ISA, you will become liable for CGT. **Make sure you check the ISA transfer process with your provider before you make your decision.**

To do this you need to transfer the shares initially into the Equiniti Global Nominee. You will then need to work with your chosen ISA provider to understand how to transfer the shares from the Global Nominee into your chosen provider. You will need to provide your ISA provider with evidence of the date on which you exercised the option to buy the shares – this is so that they can check that you are transferring the shares within the 90 day window. You will be able to download a letter confirming this date from the Equiniti Portal - when logged into the portal please select the 'Letter of Appropriation' link on the right hand navigation bar.

As the maturity date is 1 February and you have 90 days from the date of exercising your option to transfer the shares directly into an ISA, you can take advantage of both the 2024/25 tax year ISA and a 2025/26 tax year ISA. When transferring shares from the Global Nominee please be mindful of the time that it will take for the transfer to take place when planning what to do with your shares.

### Transfer to a spouse

If you wish to transfer to your spouse or civil partner from the Global Nominee you can do so, subject to an administration fee. Please contact Equiniti for the appropriate forms.

## Made your decision?

Once you've made your decision you can log on to your Equiniti account and submit your instruction. We've created a 'how to' guide which takes you through the steps – this can be found [here](#).

## Pre-election window

Once you've made your decision, if you wish to do so you can make an early election on the Equiniti Share Portal to buy shares at the option price, from Wednesday 8 January at 9am. The pre-election window will remain open until Monday 20 January at 6pm. The pre-election window is not available if you are on a Clearance Required or Closed Period List (see further information at the end of this brochure).

If you take advantage of the pre-election window, here's how the ShareSave maturity will work for you.



### 8 January – 20 January

Make your selection on the Equiniti Portal. Your choices are:

- Transfer the shares into a Stocks & Shares ISA
- Transfer into the Equiniti Global Nominee
- Sell the shares

### 3 February 2025

Date of Transfer - your instruction will be made, and so long as the trade is completed on this day then this is the date that you become the beneficial owner of the shares. If you've chosen to either transfer your shares into the EQi Flexible Stocks & Shares ISA or into the Global Nominee, your shares are legally in this account (though not visible to you) from this date.

### 4 February 2025

If you've chosen to sell your shares using the Share Sale Service, your sales advice will be issued by post

### 10 February 2025

If you've chosen to sell your shares using the Share Sale Service, the proceeds from your sale will be issued to your payroll bank account and should arrive by 10 February.

The shares will be sold as soon as reasonably possible, once the shares have been allocated to you. Please note that the sale may take longer than one day to complete. The Share Sale Service Terms & Conditions will provide more information.

### 10 February 2025

If you've chosen to transfer your shares to the EQi Flexible ISA, your shares will be visible to you in your account (with any remaining shares visible in the Equiniti Dealing Account).

If you've chosen to keep the shares without transferring them to the EQi Flexible ISA, the shares will be visible in the Equiniti Global Nominee from this date.

## Ordinary election

If you don't use the pre-election window, the ordinary election will work as follows.

Election made by 6pm on	Date of Transfer
Monday 27 January 2025	Thursday 6 February 2025*
Monday 3 February 2025	Thursday 13 February 2025*

\*So long as the trade is completed on this day then this is the date that you become the beneficial owner of the shares. If you've chosen to either transfer your shares into the EQi Flexible Stocks & Shares ISA or into the Global Nominee, your shares are legally in this account (though not visible to you) from this date. Your shares will be visible to you in your account within 5 working days from the 'Date of Transfer'.

This pattern continues until Monday 28 July 2025, with a final opportunity to make your election by 6pm on Thursday 31 July 2025. The exception to this is when there is a UK bank holiday on a Monday – in this case the timeline will move by one day.



If you don't make your election by 6pm on Thursday 31 July 2025, your option to buy shares will lapse and you will need to request the repayment of your savings.

## Residual Values – 2019 5 year plan

If you participate in the 2019 5 year plan it is likely that there will be a small amount of your savings remaining once you've purchased your shares. This is due to the adjustment of the Option Price as a result of the Rights Issue in 2020. For the majority of people the residual value is less than the price of one share. All residual values will be donated to charity via ShareGift.

To find out more about ShareGift and the charities supported go to: [Charities We Support » Home](#)

## Accessing your account

If you have an existing Equiniti share account, you can easily log in and access your account.

### From a Rolls-Royce device:

Simply access via Single Sign On (SSO) [here](#).

### From your personal device:

Click [here](#) to log in.

If SSO isn't available for you, or you're logging on from a personal device, you'll need your Equiniti account number. You can find this on your share plan welcome letter/email and all share plan communications from Equiniti.

If you're using your Equiniti account for the first time you'll need to register first. We've produced a step-by-step guide to help you through this process. You can find this at [Your Shares Hub](#) under 'Resources'.

If you need help with logging in, please contact the Equiniti helpline on **+44 (0) 333 207 6388**

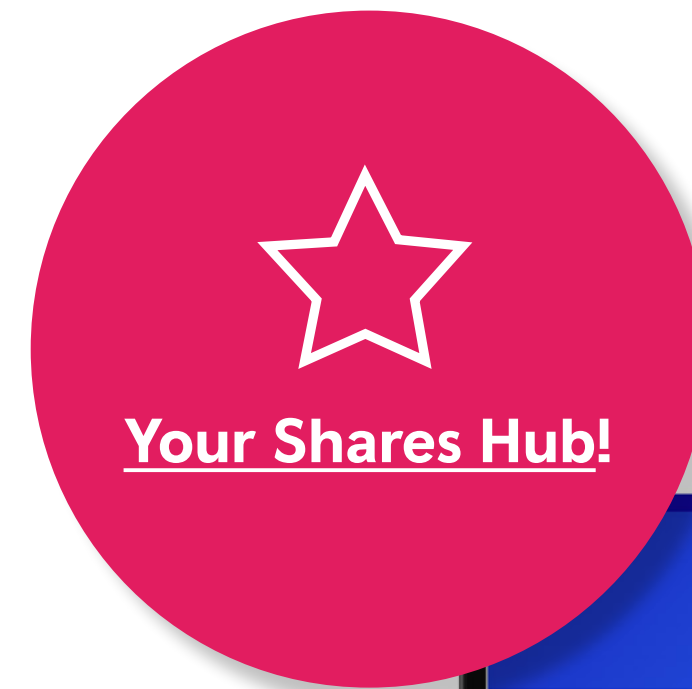
### Need further support?



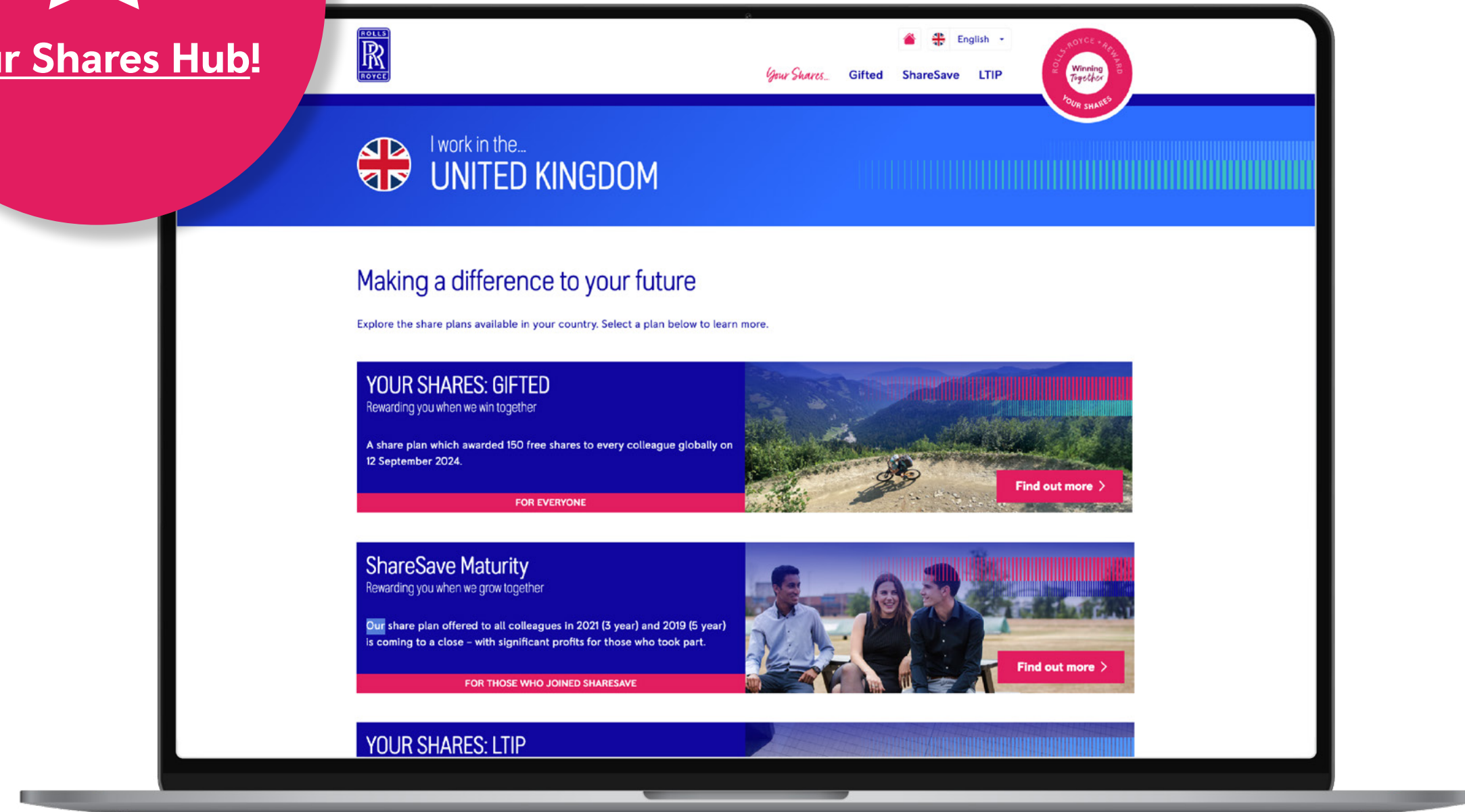
See our [Q&A](#)



A Teams session was hosted in December explaining your options – find the recording [here](#).



**Your Shares Hub!**



## Closed Period

If you are on the Clearance Required or Closed Period List, remember that we are in a closed period from 1 January 2025 until the release of our full year results, currently scheduled for 27 February 2025. You will not be able to make an instruction relating to your ShareSave during this period. You will be notified as soon as the closed period ends and you must obtain clearance to deal before giving an instruction to exercise your ShareSave option. You can submit a clearance to deal request through the [Insidertrack app](#) or web portal, choosing the option 'ShareSave - Buy shares during the maturity window'.

If you are unsure whether you need seek clearance to deal, check with the Governance Team at [governanceteam@rolls-royce.com](mailto:governanceteam@rolls-royce.com).

