



Rolls-Royce plc  
PO Box 31  
Derby DE24 8BJ  
United Kingdom

**PRIVATE AND CONFIDENTIAL**

### **Rolls-Royce UK Pension Fund**

I am writing to update you on an important and positive development relating to the Rolls-Royce UK Pension Fund (the 'Fund').

The Trustee has entered into an agreement with Legal & General to fully insure the benefits of a large number of pensioners to reduce the size of the Fund and the overall risks faced by the Fund.

**This note is to confirm that your benefits in the Fund will not be affected by this transaction and will remain payable by the Fund without any change.**

The agreement with Legal & General will reduce the financial risks faced by members in respect of the Rolls-Royce UK Pension Fund falling into a deficit or Rolls-Royce being unable to support such a large pension fund at some point in the future.

Your benefits will remain payable from the Rolls-Royce UK Pension Fund. The Fund will still be strongly funded following the transaction and the smaller Fund will be much easier for the Rolls-Royce companies that currently support the Fund to manage in the future. The Trustee has taken care to ensure that the interests of members who are not transitioning to Legal & General are protected.

The Trustee is extremely pleased to be able to achieve this agreement and this is just a short note to make you aware of this important development.

Yours sincerely

A handwritten signature in black ink that reads "Liz Airey".

Liz Airey  
Chairman of the Trustee of the Rolls-Royce UK Pension Fund