



# Rolls-Royce UK Pension Fund Trustee remuneration policy

## Q&A

### Are Trustee Directors paid for acting as a Trustee?

Yes. The Chairman of the Trustee Board, the Chairman of the Audit & Risk Committee and the Pensioner Trustee are all paid for their roles.

### Why are they paid?

The role of a Trustee has become significantly more complex and time-consuming over recent years. Regulatory bodies, the Pensions Regulator in particular, have sought to professionalise trustee board operations and improve the governance of many trustee boards.

Trustee Directors are expected to attend eight full Board meetings a year. In addition, they are expected to sit on at least two sub committees, attend strategy days and do extensive technical reading.

### Who is responsible for setting trustee pay levels?

The Company is responsible for setting Trustee Director remuneration under the Articles and Association of the Pension Trustee Company.

### How are the amounts set?

The Company considers the time commitment required and practice within the pensions industry when setting the level of remuneration.

### Does the Company take any input from the Trustee in setting the levels of remuneration for Trustee Directors?

The Pensions Regulator requires trustees to have a written remuneration policy, documenting the principles for determining remuneration of Trustee Directors. The Trustee shares its principles with the Company, who then take these into account when setting levels of Trustee Director remuneration.

### Why are some Trustee Directors not paid for their role?

Where a Trustee Director is in employment with the Company, the Company expects them to be given sufficient time away from their day job to be able to commit to their trustee role. The Company also ensures that appropriate recognition for the role and its responsibilities is given by the Trustee Director's line manager.