

EARLY RESOLUTION CONCILIATION AGREEMENT

Between

**THE U.S. DEPARTMENT OF LABOR
OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS**

and

ROLLS-ROYCE NORTH AMERICA HOLDINGS, INC.

PART I. PRELIMINARY STATEMENT

The Office of Federal Contract Compliance Programs (“OFCCP”) is currently evaluating Rolls-Royce North America Holdings, Inc.’s (“Rolls-Royce”) Crosspointe facility, 8800 Wells Station Road, Prince George, Virginia 23875 (“Reviewed Establishment”)¹ and is alleging that Rolls-Royce was not in compliance with Executive Order 11246 as amended (“E.O. 11246” or “Executive Order”), and its implementing regulations at 41 Code of Federal Regulations (CFR) Sections 60-1 – 60-3. In the interest of resolving the alleged violations without engaging in enforcement proceedings and in exchange for sufficient and valuable consideration described in this document, OFCCP and Rolls-Royce enter into this Early Resolution Conciliation Agreement (“Agreement”), and the parties agree to all the terms therein. The attachments to this Agreement are deemed incorporated into this Agreement.

PART II. GENERAL TERMS AND CONDITIONS

1. In exchange for Rolls-Royce’s fulfillment of all obligations of the Agreement, OFCCP agrees not to institute administrative or judicial enforcement proceedings under E.O. 11246, based on the alleged violations described in more detail in Part IV below. However, OFCCP has the right to initiate legal proceedings to enforce the Agreement itself or to correct and obtain relief for the violations described in Part IV if Rolls-Royce violates this Agreement. Nothing in this Agreement precludes OFCCP from initiating enforcement proceedings based on future compliance evaluations or complaint investigations, including during the five-year exemption period for compliance evaluations if OFCCP deems that Rolls-Royce is in breach of the agreement. In exchange for Rolls-Royce’s fulfillment of all obligations of the Agreement, OFCCP further agrees not to initiate any new audits at the covered establishments until at least 60 days after Rolls-Royce submits the final progress report described in Part VI of this Agreement and the OFCCP confirms to Rolls-Royce that it has fully complied with the terms of this Agreement, and the exemption period available in the selection methodology in place five years henceforth has expired.

¹ OFCCP is also currently reviewing another Rolls-Royce establishment: MTU America, Inc., 39525 MacKenzie Drive, Novi, Michigan 48377. As part of this agreement, this evaluation will be closed with monitoring required in Part V.

2. Rolls-Royce agrees that OFCCP may review its compliance with this Agreement. As part of such review, OFCCP may require written reports, inspect the premises, interview witnesses, and examine and copy documents as may be relevant to the matter under investigation and pertinent to Rolls-Royce's compliance. Rolls-Royce will permit access to its premises during normal business hours for these purposes and will provide OFCCP with all reports and documents required.
3. This Agreement does not constitute an admission by Rolls-Royce of any violation of or noncompliance with EO 11246, Section 503 of the Rehabilitation Act of 1973, as amended ("Section 503"), the Vietnam Era Veterans' Readjustment Assistance Act of 1974 ("VEVRAA") and their implementing regulations at 41 CFR Chapter 60, or other laws, nor has there been an adjudicated finding that Rolls-Royce violated any laws nor has there been an adjudication on the merits regarding any such violation.
4. Rolls-Royce understands that nothing in this Agreement relieves Rolls-Royce of its obligation to fully comply with the requirements of EO 11246, Section 503, VEVRAA, their implementing regulations, and other applicable equal employment opportunity laws.
5. Rolls-Royce promises not to harass, intimidate, threaten, discriminate against, or otherwise retaliate against any individual because the individual benefits from this Agreement, or files a complaint or participates in any investigation or proceeding under EO 11246, Section 503, and/or VEVRAA, or engages in any activity listed at 41 CFR § 60-1.32(a).
6. OFCCP and Rolls-Royce ("the parties") understand the terms of this Agreement and enter into it voluntarily.
7. This Agreement, including its attachments, constitutes the entire Agreement and represents the complete and final understanding of the parties. This Agreement contains all of the terms binding the parties and it supersedes all prior written and oral negotiations and agreements. Any modifications or amendments to this Agreement must be agreed upon in writing and signed by all parties. If an administrative error is found, OFCCP will work in good faith with all parties to make the corrections.
8. If one or more provisions of this Agreement are rendered unlawful or unenforceable, the remaining provisions will remain in full force and effect.
9. This Agreement becomes effective on the day it is signed by the Regional Director (the "Effective Date").
10. This Agreement will expire sixty (60) days after Rolls-Royce submits the final progress report required in Part VI below, unless OFCCP notifies Rolls-Royce in writing prior to the expiration date that Rolls-Royce has not fulfilled all of its obligations under the Agreement, in which case the Agreement is automatically extended until the date OFCCP determines Rolls-Royce has met all of its obligations under the Agreement, or five years, whichever is later (referred to herein as the "scheduling exemption period").

Furthermore, at the expiration of the scheduling exemption period, any Rolls-Royce establishment selected for a compliance evaluation will be selected in accordance with the scheduling methodology in place at that time.

11. Each party shall bear its own fees and expenses with respect to this matter.
12. If Rolls-Royce violates this Conciliation Agreement,
 - A. The procedures set forth at 41 CFR § 60-1.34 will govern:
 - i. OFCCP will send Rolls-Royce a written notice stating the alleged violations and summarizing any supporting evidence.
 - ii. Rolls-Royce will have 15 days from receipt of such notice to demonstrate in writing that it has not violated the Conciliation Agreement, unless such a delay would result in irreparable injury to the employment rights of affected employees or applicants.
 - iii. If Rolls-Royce is unable to demonstrate that it has not violated the Agreement, or if OFCCP alleges irreparable injury, enforcement proceedings may be initiated immediately without issuing a show cause notice or proceeding through any other requirement for those establishments with an open review at the time of this agreement.
 - iv. In the event of a breach of this Agreement by Rolls-Royce, OFCCP may seek enforcement of the agreement itself and shall not be required to present proof of the underlying violations resolved by the agreement.
 - B. Rolls-Royce may be subject to the sanctions set forth in Section 209 of the Executive Order, and/or other appropriate relief for violation of this Agreement.
13. The parties understand and agree that nothing in this Agreement is binding on other governmental departments or agencies other than the United States Department of Labor, and cannot be used as evidence that Rolls-Royce is not in compliance with any applicable federal, state, or local laws, including but not limited to E.O. 11246, Section 503, VEVRAA, Title VII of the Civil Rights Act of 1964, and the Americans with Disabilities Act. Rolls-Royce and OFCCP agree that any release of claims required by this Agreement will only pertain to claims under E.O. 11246, Section 503, and/or VEVRAA.
14. This Agreement is limited to the facts of this case. Neither this Agreement, nor any part of the negotiations that occurred in connection with this Agreement, shall constitute admissible evidence with respect to either party's policies, practices, or positions in any lawsuit, legal proceeding, administrative proceeding, compliance evaluation or audit, except for legal or administrative proceedings concerning the enforcement or interpretation of this specific Agreement.
15. All references to "days" in this Agreement are calendar days. If any deadline for an obligation scheduled to be performed under this Agreement falls on a weekend or a Federal holiday, that deadline will be extended to the next business day.

16. This agreement is between OFCCP and Rolls-Royce and does not confer any rights or benefits to any other parties, other than any successor to, parent of, or subsidiary of Rolls-Royce.

PART III. SPECIAL TERMS AND CONDITIONS

- A. Rolls-Royce agrees to the enhanced compliance obligations in Part V of this Agreement. These additional commitments are not limited to the reviewed establishment listed in Part I above. The enhanced compliance obligations will have an enterprise-wide impact that will benefit incumbent employees and the prospects of job seekers at Rolls-Royce establishments throughout the United States.
- B. The five-year scheduling exemption is limited to regularly scheduled compliance evaluations and OFCCP retains the right to investigate complaints of discrimination at establishments covered by the Agreement under E.O. 11246, Section 503, and VEVRAA. This exemption applies to the locations listed in Attachment A.
- C. This agreement will not relieve Rolls-Royce from its annual ongoing OFCCP requirements of equal employment opportunity through affirmative action and non-discrimination across its entire workforce, including the monitoring of an up-to-date AAP and internal pay equity.

PART IV. PRELIMINARY FINDINGS AND REMEDIES

A. Selection Disparities.

During the compliance evaluation at Rolls-Royce's Crosspointe facility, OFCCP alleges that Rolls-Royce is not in compliance with the nondiscrimination requirements of the equal opportunity clause of EO 11246 § 202 and 41 CFR § 60-1.4(a)(1). OFCCP's preliminary findings revealed statistical significance in the hiring process and selection procedures for CNC Machine Operator II - Turbine during January 1, 2017 to December 31, 2017 resulting in a hiring shortfall of four Females.

B. Notice Process

1. **OFCCP and Contractor Obligations Under the Notice Process.** The Notice Process set forth in this agreement is intended to provide Affected Applicants a meaningful opportunity to understand their rights and obligations and act on them in a timely manner. As specified in the Timeline and as otherwise necessary to fulfill this Agreement, Rolls-Royce and OFCCP will regularly meet and confer in person, by phone and/or by email on the notice process to determine how best to carry out the Notice provisions of this Agreement, and to decide whether any activity, deadline or document should be modified. OFCCP and Rolls-Royce agree not to unreasonably withhold consent to reasonable modifications proposed by either party.
2. **Notice Documents.** Rolls-Royce will distribute Notice Documents to Affected Applicants consistent with the sample Notice Documents contained in Attachment C-

1. The Notice Documents will include a Notice, Release and Claim Form. The Notice Documents will make clear the information about the settlement is being provided by or on behalf of the U.S. Department of Labor.
3. **Timeline.** Attachment D sets forth the agreed Timeline for Notice and for the parties' other obligations under this Agreement. The parties will meet and confer on any reasonable modifications to the Timeline proposed by either party.
4. **Search for Affected Applicants.** OFCCP may provide Rolls-Royce with additional contact information in its possession or its authority to obtain on the Affected Applicants by the date set forth in the Timeline.
5. **Distribution of Mail Notice to Affected Applicants.** Rolls-Royce will provide initial notice by regular first-class mail. Rolls-Royce will send copies of all of the Notice Documents as defined above, including a postage-paid return envelope, by first class mail to the best available mailing address for each Affected Applicant, by the date set forth in the Timeline. If envelopes from the initial mail notice are returned with forwarding addresses, Rolls-Royce will re-mail the Notice Documents within five (5) days of receipt of the forwarding address.

Based on the response to the initial mail notice, the parties will meet and confer by the date set forth in the Timeline to assess the results of the initial mail notice and to ensure that the second round of mail notice maximizes the potential response rate. OFCCP may also conduct independent efforts to communicate with Affected Applicants about this Agreement and provide updated information to Rolls-Royce. A second mail notice will be sent to Affected Applicants with valid addresses who fail to respond to the first mail notice unless the parties agree otherwise.

6. **Notice Deadline.** The final deadline for any Affected Applicant to respond to the notice is set forth in the Timeline. The parties will prominently display this deadline on all materials they distribute in paper or online form regarding this Agreement, and explain that failure to respond by this deadline will result in a forfeiture of any relief provided by this Agreement.
7. **Exchange of Information Regarding Affected Applicants.** Rolls-Royce and OFCCP will timely exchange information regarding Affected Applicants, including updated contact information and the results of any technical assistance provided.
8. **Final List of Eligible Applicants.** The Final List will include all Affected Applicants who timely respond to the Notice by the deadline set forth in the Timeline and whose eligibility is verified by OFCCP. The parties will establish the Final List by the date set forth in the Timeline. The parties will meet and confer on any outstanding issues or questions regarding the Final List. Either party may identify potentially eligible Applicants who may have been erroneously excluded from the original or any subsequent list. OFCCP shall make the final determinations of eligibility but will make every effort to negotiate in good faith to resolve any dispute

about the Final List. Rolls-Royce will provide to OFCCP any information necessary to determine the Final List.

9. **Contractor's Expenses.** Rolls-Royce will pay all expenses associated with carrying out its duties pursuant to this Section, from funds separate and apart from the amount designated in this Agreement for the Settlement.

C. Allocation

1. **Total Amount to be Allocated.** Rolls-Royce agrees to distribute \$135,000, including \$121,551.47 in back pay and \$13,448.53 in interest. The back pay and interest amounts will be distributed among the eligible applicants in equal shares. Individual shares will include appropriate deductions for each individual's share of payroll deductions required by law on the portion representing back pay only, such as federal (FICA/FUTA), state/local insurance premiums or taxes.
2. **Affected Applicants Eligible to Receive Payments.** The Settlement Fund will be distributed to all Affected Applicants who timely respond to the Notice Process as explained below, and whose eligibility is verified (hereinafter "Eligible Applicants"). These individuals will be listed on the Final List of Eligible Applicants ("Final List"). The process of determining the Final List is explained below under Notice Process. OFCCP will determine the final amount for each Eligible Applicant based on the formula or other terms provided in this Agreement. All Eligible Applicants are entitled to their share of the monetary settlement regardless of whether they are currently interested in employment with Rolls-Royce.
3. **Payments to Eligible Applicants.** OFCCP will provide Rolls-Royce a list of the payment amount for each Eligible Applicant on the Final List by the date set forth on the Timeline. Rolls-Royce will issue checks or make electronic payments to each Eligible Applicant in the stated amount, along with appropriate tax reporting forms, as required by the IRS (such as W-2 and IRS Form 1099), by the date set forth on the Timeline. OFCCP will receive timely documentation of all payments made and any payments returned undelivered or any checks not cashed, as set forth on the Timeline. Any check that remains uncashed 120 days after the initial date the check was mailed to the Eligible Applicant will be void. With respect to any uncashed funds, Rolls-Royce will make a second distribution, in equal shares, to all Eligible Applicants who cashed their first check if the second check amounts to more than \$25.00 per class member. Rolls-Royce will mail the second distribution to such Eligible Applicants by the date specified in the timeline. If the total amount of uncashed funds is equal to or less than \$25.00 per participating Eligible Applicant, Rolls-Royce shall use the uncashed funds for diversity outreach and recruiting efforts to secure resources to enhance diversity in corporate-wide talent acquisition activities which may include but is not limited to: selection process evaluation, training and diversity outreach and recruitment.
4. **Tax Payments, Forms and Reporting.** Rolls-Royce will pay Rolls-Royce's share of social security withholdings, and any other tax payments required by law from

additional funds separate from the Settlement Fund. Rolls-Royce shall mail to each Eligible Applicant IRS Form W-2 for that portion of the payment representing back pay and an IRS Form 1099 for that portion of the payment representing interest. These IRS forms will be provided to the Eligible Applicants either at the time of payment, electronically or with the settlement checks, or at the end of the year during which payment was made, as required by the IRS. No Eligible Applicant will be required to complete a W-4 or W-9 in order to receive payments under this settlement.

5. **Documentation of Payments.** By the deadline set forth in the Timeline, Rolls-Royce will provide OFCCP with copies of cancelled checks or electronic documentation of all payments to Eligible Applicants, including the amounts paid, the date payment was sent, the date payment was received or the check cashed, and any uncashed or returned checks. In the event of a second distribution, Rolls-Royce will provide a similar documentation on the second distribution.

- D. **Job Opportunities.** If the Crosspointe facility closes before Rolls-Royce completes its hiring obligation under this section, no additional job offers will be required. If the facility remains open or reopens prior to the expiration of this agreement, however, and if Rolls-Royce hires any permanent CNC Machine Operator II – Turbine positions at the Crosspointe facility, Rolls-Royce will hire qualified Eligible Applicants who have expressed interest in employment and are not currently employed in the position, until four are hired or the list of Eligible Applicants is exhausted, whichever comes first.

As vacancies, if any, occur in the CNC Machine Operator II - Turbine position at its Crosspointe facility, Rolls-Royce will consider qualified Eligible Applicants who have expressed interest in employment and are not currently employed in the position, until four are hired or the list of Eligible Applicants is exhausted, whichever comes first. As vacancies occur in the CNC Machine Operator II - Turbine position, Rolls-Royce shall consider qualified eligible class members for employment.

Eligible class members will have at least one week to accept a conditional offer of hire. Eligible class members will be allowed an additional 14 days to report to work after receiving an unconditional offer of hire.

Rolls-Royce agrees to pay Eligible Applicants hired under this provision at least the current entry level wage based on applicants' qualifications for the CNC Machine Operator II - Turbine position, and provide the same benefits and opportunity for training as other similarly-situated employees. In addition, all Eligible Applicants hired must receive retroactive seniority using the date of their original application as their date of hire for the purposes of job retention.

Rolls-Royce will document the job offers and hires to OFCCP, including job offers made, reasons for rejection, and Eligible Applicants hired and terminated during the monitoring period as set forth below.

PART V. ADDITIONAL RELIEF PER ENHANCED COMPLIANCE AGREEMENT

1. The Agreement will be in effect for a five-year period beginning on the Effective Date of the Agreement.
2. To proactively facilitate compliance with Executive Order 11246, Rolls-Royce will take the steps described below to enhance its compliance with Executive Order 11246 in the selection process of CNC Machine Operator and similar skilled roles at its covered establishments.
3. **Modification to selection procedures**
 - a. Rolls-Royce agrees to evaluate its hiring process for similar skilled operator roles at the Covered Establishments to ensure equal access to opportunities for all eligible and willing applicants and employees, regardless of sex, race, ethnicity or national origin. Rolls-Royce will endeavor to provide greater transparency with regard to job duties and promotional opportunities.
 - b. Rolls-Royce will evaluate the policies and procedures it currently uses to hire individuals for similar skilled operator roles at the Covered Establishments. Rolls-Royce will ensure that any selection procedure which has an adverse impact on the hiring of members of any race, sex, or ethnic group is validated in accordance with 41 CFR Part 60-3.
 - c. Within nine months after the Effective Date of this Agreement, Rolls-Royce will submit to the OFCCP a proposal that describes the methodology to be used in the evaluation. The proposal will estimate the time necessary to conduct a comprehensive evaluation of Rolls-Royce's hiring practices at the Covered Establishments and write a report containing the Company's findings and recommendations. The evaluation and recommendations will cover the following areas:
 - i. Procedures to recruit, screen, interview, select, reject, and hire individuals for relevant job titles without regard to sex, sexual orientation, gender identity, race/ethnicity, color, national origin, and religion in compliance with Executive Order 11246.
 - ii. Evaluation of recruitment efforts (methods and sources) for the similar skilled operator roles and recommendations for additional strategies to increase the representation of qualified female applicants for positions such as similar skilled operator roles.
 - iii. Procedures to limit subjectivity and implicit bias in the hiring process, including identifying objective qualifications and criteria to be used to select and/or eliminate from further consideration persons expressing an interest in employment at each step of the hiring process (i.e., application screen, interview, post-offer screen, etc.).
 - iv. Procedures to ensure that persons expressing an interest in employment are tracked and dispositions are recorded at each step in the hiring process.

- v. Procedures to ensure that documents are retained in accordance with 41 CFR 60-1.12(a) and Part 60-3.
- vi. Procedures to train all employees involved in the hiring process on the policies and practices related to the selection of individuals for relevant positions.
- vii. Procedures to ensure that adverse impact analyses are conducted in accordance with 41 CFR Part 60-3, including an evaluation of the individual components, if statistical disparities exist.

This Enhanced Compliance Agreement between Rolls-Royce and OFCCP does not provide Rolls-Royce with any grant of immunity or protection from its requirement to comply with Executive Order 11246.

This Enhanced Compliance Agreement between Rolls-Royce and OFCCP may be modified upon the written consent of the parties, and such consent will not be unreasonably withheld.

This Enhanced Compliance Agreement is between OFCCP and Rolls-Royce (as collectively defined above) and does not confer any rights or benefits to any other parties, other than any successor to, parent of, or subsidiary of Rolls-Royce or OFCCP. In case of a disagreement over the implementation of this Enhanced Compliance Agreement, the parties agree to negotiate in good faith prior to OFCCP instituting any enforcement proceedings.

PART VI. REPORTS REQUIRED DURING OFCCP MONITORING PERIOD

1. **Recordkeeping.** Rolls-Royce agrees to retain all records and the reports submitted in compliance with Paragraph B, below. These records include underlying data and information such as Human Resources Information System (HRIS) and payroll data, job applications and personnel records, and any other records or data used to generate the required reports. Rolls-Royce will retain the records until this Agreement expires or for the time period consistent with regulatory requirements, whichever is later.
2. **Confidentiality.** Rolls-Royce will submit reports to Assistant District Director Dianna Adams, 400 N 8th St. Suite 466, Richmond, VA 23219, (b) (6), (b) (7)(C) @ol.gov. To the extent any of the reports Rolls-Royce provides in accordance with this agreement are customarily kept private or closely held, and Rolls-Royce believes should remain confidential under Exemption 4 of the Freedom of Information Act (FOIA) in the event of a FOIA request, Rolls-Royce will provide such reports to OFCCP marked as "Confidential". In the event of a FOIA request, OFCCP will treat any such documents received as confidential documents.
3. **Contractor Reports.**
 - A. **Schedule and Instructions.** Rolls-Royce agrees to furnish OFCCP with the following reports during the Monitoring Period according to the following schedule:

Progress Report 1: June 1, 2021, report due on the first business day of the next month.

Progress Report 2: June 1, 2022, report due on the first business day of the next month.

Progress Report 3: June 1, 2023, report due on the first business day of the next month.

Progress Report 4: June 1, 2024, report due on the first business day of the next month.

Progress Report 5: June 1, 2025, report due on the first business day of the next month.

Rolls-Royce will submit reports to Assistant District Director Dianna Adams, 400 N 8th St. Suite 466, Richmond, VA 23219, (b) (6), (b) (7)(C) [dol.gov](mailto:doj@dol.gov).

- B. Reports on Job Offers.** In each Progress Report, Rolls-Royce will report on all job offers and hires made to date pursuant to the Agreement until all of the job opportunities for the reviewed establishment are filled or the list of Eligible Applicants expressing interest in the positions is exhausted. This includes:
- i. Documentation of all job offers made to Eligible Applicants, including the names of individuals offered jobs, the date of their application, the date of the offer, the date the offer was accepted or rejected, the start date for hired Eligible Applicants, and the starting pay.
 - ii. For Eligible Applicants who were considered for employment but were not hired, Rolls-Royce will provide the reason for non-placement. This includes individuals who did not receive job offers because all available positions were filled.
 - iii. Documentation of Eligible Applicants who were hired and terminated during the life of this Agreement and the reason for the termination.
 - iv. Documentation of the number of available positions remaining to be filled and the number of Eligible Applicants still on the list.
- C. Affirmative Action Programs.** Rolls-Royce will submit a signed certification that it has developed its annual Affirmative Action Plans required under Executive Order 11246, Section 503 and VEVRAA with the first Progress Report and annually thereafter while the CA monitoring period is in effect.
- D. Reports on Modifications to Personnel Practices.** Pursuant to Part VI.3a-c. Rolls-Royce will evaluate and implement changes within its selection process for the similar skilled operator roles within facilities covered in this agreement. Rolls-Royce will provide the OFCCP with an update of the selection processes in the scheduled progress reporting periods. Rolls-Royce will report on all modifications of personnel

practices made to date pursuant to the Agreement and provide documentation of its compliance with the remedy provisions of this Agreement. If any of the relevant documents such as job postings or policies have not been modified since being provided during a prior reporting period, a statement to that effect is sufficient.

PART VII. SIGNATURES

INTEGRATION CLAUSE: This Agreement represents the full Agreement between Rolls-Royce and OFCCP and this Agreement supersedes any other agreements, oral or written. In signing this Agreement, neither Rolls-Royce nor OFCCP relies upon any promise, representation of fact or law, or other inducement that is not expressed in this Agreement. This Agreement may be modified only by written agreement of the Parties affected and may not be modified by any oral agreement.

The person signing this Agreement on behalf of Rolls-Royce confirms that he or she is fully authorized to do so, that Rolls-Royce has entered into this Agreement voluntarily and with full knowledge of its effect, and that execution of this Agreement is fully binding on Rolls-Royce.

This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Rolls-Royce Crosspointe LLC, 8800 Wells Station Road, Prince George, Virginia 23875.

(b) (6), (b) (7)(C)

TOM BELL
Chairman & CEO
Rolls-Royce North America Inc.
Reston, Virginia

DATE: 9-30-2020

(b) (6), (b) (7)(C)

MICHELE HODGE
Regional Director
Mid-Atlantic Region
Office of Federal Contract Compliance Programs

DATE: 9-30-2020

Attachments

- A. List of Covered Establishments
- B. List of Eligible Class Members
- C. Notice Documents
 - C-1 Notice
 - C-2 Employment Interest Form

- C-3 Release Form
 - D. Timeline

Attachment A: Covered Establishments²

Rolls-Royce Locations	Address
Rolls-Royce North America	1900 Reston Metro Plaza, Suite 400, Reston, Virginia 20190
Rolls-Royce Corporation	450 S Meridian Street Indianapolis, IN 46225
Rolls-Royce North America Technologies (LibertyWorks)	2059 S. Tibbs Avenue Indianapolis, IN 46421
Rolls-Royce Marine North America	110 Norfolk Street Walpole, MA 02081
Rolls-Royce Power Systems - MTU America	39525 Mackenzie Drive Novi, Michigan 48377
Rolls-Royce Power Systems - MTU Onsite Energy	100 Power Drive Mankato, MN 56001
Rolls-Royce Power Systems – MTU Aiken	660 Bettis Academy Road Graniteville, SC 29829
Rolls-Royce High Temperature Composites	5730 Katella Ave Cypress, CA 90630
Rolls-Royce Crosspointe	8800 Wells Pointe Road Prince George, Virginia 23875

² If one of these establishments is scheduled during the five-year scheduling exemption under Part III.B., the case will be administratively closed. This exemption is limited to regularly scheduled compliance evaluations and OFCCP retains the right to investigate complaints of discrimination at establishments covered by the Agreement under E.O. 11246, Section 503, and VEVRAA.

[illegible]

Attachment C-1 Notice

You may be eligible to get money because of a legal settlement between Rolls-Royce Crosspointe LLC and the U.S. Department of Labor

We are writing to provide information about a legal settlement between the U.S. Department of Labor and Rolls-Royce Crosspointe LLC ("Rolls-Royce") that may benefit you. This settlement involves claims of discrimination in hiring, and our records show that you may be one of the class members covered by the settlement. If you take the steps described in this Notice by the deadline below, you may be eligible for a payment of back wages and/or a job with Rolls-Royce.

ARE YOU AFFECTED?

Females who were not selected for CNC Machine Operator II - Turbine positions at Rolls-Royce, 8800 Wells Station Road, Prince George, VA between January 1, 2017 and December 31, 2017 are covered by this settlement.

WHAT IS THIS SETTLEMENT ABOUT?

The U.S. Department of Labor's Office of Federal Contract Compliance Programs (OFCCP) conducted a review of Rolls-Royce's selection practices during January 1, 2017 through December 31, 2017. OFCCP is the government agency responsible for enforcing the nondiscrimination and equal employment opportunity through affirmative action requirements that apply to federal contractors. OFCCP alleges that, during the period January 1, 2017 to December 31, 2017, the hiring process used by Rolls-Royce at its Crosspointe, Virginia facility resulted in fewer females being selected for the CNC Machine Operator II – Turbine role, resulting in a hiring shortfall of four two females. Rolls-Royce does not agree with those claims. The OFCCP and Rolls-Royce have agreed to resolve the issue through a Conciliation Agreement. A Conciliation Agreement is a legal document that explains the terms of an agreement between Rolls-Royce and OFCCP.

As a result, affected class members may be eligible for back pay and job offers.

WHAT DOES THIS MEAN FOR YOU?

Because you applied for employment during the relevant time frame, and were not selected, this settlement may provide you with some specific benefits:

- (1) **You may be eligible to receive a payment of at least \$5,192.30** (before adjustments for taxes and payroll contributions). This amount represents your share of back wages and other payments Rolls-Royce is making to settle the issues found. The final amount you will receive will be reduced by deductions for items such as income tax withholding and Social Security contributions.
- (2) **You may be eligible for a job offer.** Rolls-Royce will be making job offers to some of the individuals receiving this notification. It is not guaranteed that you will receive a job offer.

To get these benefits, you will need to release or agree to give up certain legal claims, and sign the enclosed Release forms.

WHAT IS YOUR NEXT STEP?

You should read this Notice and the enclosed Interest and Release forms.

Please do not ignore these forms or throw them away. Otherwise, you could miss an opportunity to receive money from Rolls-Royce.

To be eligible for a payment and job, you must complete, sign, and return **both** the following enclosed form (1) the "Release of Claims Under Executive Order 11246" (Release) to:

[Name and address for return of forms or instructions/email for electronic submission]

DEADLINE: The forms must be received by [INSERT specific date for First or Second Notice deadline date in Attachment D]

You may receive some or all of these benefits only if these forms confirm that you are one of the individuals covered by the settlement. After correct completion and submission of these forms, a final decision will be made about your eligibility.

If you fail to return both of the required forms by the deadline above, or if your forms do not verify your eligibility, you will not be eligible to receive any money, consideration for job opportunities or any other benefits that are available to you by the settlement.

HOW CAN YOU GET MORE INFORMATION?

If you have any questions, you may contact Compliance Officer (b) (6), (b) (7)(E) at (b) (6), (b) (7)(C). You can also visit the U.S. Department of Labor Web site about this case at <https://www.dol.gov/agencies/ofccp/classmembers>.

Attachment C-2

INFORMATION VERIFICATION & EMPLOYMENT INTEREST FORM

You must complete this form in order to be eligible for the monetary payment and/or employment opportunities under the terms of the Conciliation Agreement ("Agreement") between Rolls-Royce and the U.S. Department of Labor's Office of Federal Contract Compliance Programs. Please print legibly, except for the signature.

Name: _____

Address: _____

Telephone Numbers:

Home _____ Cell _____ Work _____

Email Address: _____

Notify Rolls-Royce at the address below if your address or phone number changes within the next twelve (12) months.

INSERT
CLAIMS ADMINISTRATOR
ADDRESS

Your Social Security Number (to be used for tax purposes only): _____ - _____ - _____

For purposes of this settlement, it is necessary to verify your gender:

☐ Female ☐ Male

For purposes of this settlement, it is necessary to verify your race:

☐ Caucasian ☐ African American/Black ☐ Hispanic ☐ Asian ☐ American
Indian/Alaska Native

Please indicate below whether you are currently interested in employment in a CNC Machine Operator II - Turbine position with Rolls-Royce; and if you have previously worked for Rolls-

Royce. If you complete, sign, and return this Information Verification and Employment Interest Form, you remain eligible for the monetary payment whether or not you are interested in employment at this time.

☐ Yes, I am still interested in employment for a CNC Machine Operator II - Turbine position.
☐ No, I am not currently interested in employment with Rolls-Royce for a CNC Machine Operator II - Turbine position.

☐ I have previously worked for Rolls-Royce between 2017 and 2020:

Name at time of employment: _____

Location: _____

Dates of employment: _____

IF YOU FAIL TO COMPLETE AND RETURN THE ENCLOSED DOCUMENTS TO THE CLAIMS ADMINISTRATOR BY [DATE], YOU WILL NOT BE ELIGIBLE TO RECEIVE A PAYMENT OR BE TO BE CONSIDERED FOR A JOB OFFER UNDER THE TERMS OF THIS AGREEMENT.

I, _____, certify the above is true and correct.

(Print name)

Signature

Date

Attachment C-3 Release Form

RELEASE OF CLAIMS UNDER EXECUTIVE ORDER 11246

PLEASE CAREFULLY READ THE ENCLOSED NOTICE BEFORE COMPLETING THIS RELEASE. YOU MUST RETURN A SIGNED RELEASE TO RECEIVE MONEY FROM THE SETTLEMENT

This Release of Claims under Executive Order 11246 ("Release") is a legal document. The document states that in return for Rolls-Royce Crosspointe LLC ("Rolls-Royce") paying you money, you agree that you will not file any lawsuit against Rolls-Royce for alleged hiring discrimination under Executive Order 11246. It also says that Rolls-Royce does not admit it violated any laws enforced by OCCP. This Release says you had sufficient time to look at the document, to talk with others about the document, including an attorney if you choose, and that no one pressured you into signing the document. Finally, it says that if you do not sign and return the document by a certain date, you will not receive any money.

In consideration of payment of \$ 5,192.30 (less adjustments required by law) by Rolls-Royce to me, which I agree is acceptable, I (print name) _____ agree to the following:

I.

By signing this Release, I agree that I have been made whole for any claim that could have been brought under Executive Order 11246 relating to Rolls-Royce's hiring practices during my employment with Rolls-Royce through the Effective Date of this Release. I hereby release Rolls-Royce, its predecessors, successors, related entities, parents, subsidiaries, affiliates and organizations, and its shareholders, owners, directors, officers, employees, agents, and assigns from any claim for additional make whole relief obtained through any action based on or involving Rolls-Royce's hiring practices through the effective date of this Release that could have been brought under Executive Order 11246. Here, make whole relief is defined as the total earnings lost, and includes: salary or wages, overtime, premium pay and shift differentials, incentive pay, raises, bonuses, lost sales commissions, cost-of-living increases, tips, medical and life insurance, fringe benefits, pensions, stock options, and awards.

II.

I understand that Rolls-Royce does not agree that it treated me unlawfully or unfairly in any way and that Rolls-Royce entered into a Conciliation Agreement with the U.S. Department of Labor, Office of Federal Contract Compliance Programs ("OFCCP") and agreed to make the payment described above to resolve alleged disparities in hiring and to resolve the matter without further legal proceedings in the compliance reviews initiated by OFCCP related to the facility covered by the Conciliation Agreement. I further agree that the payment of the aforesaid sum by Rolls-Royce to me is not to be construed as an admission of any liability by Rolls-Royce.

III.

I declare that I have read this Release and that I have had a full opportunity to consider and understand its terms and to consult with my advisors and seek legal advice. I further declare

that I have decided of my own freewill to sign this Release.

IV.

I understand that if I do not sign this Release and return it to Rolls-Royce by the deadline listed on the Claim Form, I will not be entitled to receive any payment (less deductions required by law).

IN WITNESS WHEREOF, I have signed this document of my own free will.

Signature: _____ Date: _____

Printed Name: _____

Attachment D - Timeline

ACTIVITY	DATE
Rolls-Royce Mails Notice Documents (First Mailing)	November 18, 2020
Deadline for Affected Applicants to Reply to Notice	December 18, 2020
Rolls-Royce and OFCCP meet to discuss results of initial mail notice	December 23, 2020
OFCCP Provides Updated Contact Information to Rolls-Royce	January 2, 2021
Rolls-Royce Mails Notice Documents (Second Mailing)	January 8, 2021
Deadline for Affected Applicants to Reply to Second Notice	February 8, 2021
Rolls-Royce Provides List of its Determination of Eligible Applicants	February 23, 2021
OFCCP Reviews and Approves Final List and Distribution Amounts	March 7, 2021
Rolls-Royce Mails Back pay Checks	May 8, 2021

ACTIVITY	DATE
Rolls-Royce Notifies OFCCP of Any Checks Returned as Undeliverable	June 12, 2021
OFCCP Provides Updated Addresses	June 22, 2021
Rolls-Royce Mails Back pay Checks to New Addresses	August 21, 2021
Distribution of Remaining Funds to Eligible Applicants	January 18, 2022

Enhanced Compliance Agreement Timeline

Rolls-Royce submits ECA proposal to OFCCP	June 1, 2021
Rolls-Royce submits Annual ECA reports	June 1, 2021; June 1, 2022; June 1, 2023; June 1, 2024 and June 1, 2025