

**HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN
HEWLETT-PACKARD SECTION (THE PLAN)
RECOVERY PLAN**

Introduction

This recovery plan has been prepared by the Trustees to satisfy the requirements of Section 226 of the Pensions Act 2004, after obtaining the advice of David Eteen, the Scheme Actuary and after obtaining the agreement of Hewlett-Packard Limited (the Principal Employer).

It follows the actuarial valuation of the Plan as at 31 October 2012, which revealed a funding shortfall (Technical Provisions minus value of assets) of £257.0M.

When determining this recovery plan, allowance has been made for £32,800,000 paid into the Plan on 27 March 2013 and the estimated results of the annual review as at 31 October 2013.

Steps to be taken to ensure that the statutory funding objective is met

The Trustees and employers anticipate that investment returns will cover benefits in excess of Employer Salary Sacrifice Ordinary Member Contributions being earned in the future and expenses, as well as part of the funding shortfall. To eliminate the remaining funding shortfall, the Trustees and employers have agreed that Employer Annual Contributions (in excess of Employer Salary Sacrifice Ordinary Member Contributions) will be payable each year in order to eliminate the deficit. These contributions are set out below:

Due Date	Required Employer Annual Contribution:
30 April 2014	£20,100,000
30 April 2015	£17,800,000
30 April 2016	£15,500,000
30 April 2017	£13,200,000
30 April 2018	£11,000,000
30 April 2019	Nil
30 April 2020	Nil

Period in which the statutory funding objective should be met


Under this recovery plan, if the assumptions made are borne out in practice the funding shortfall will be eliminated in 7 years from 31 October 2013, i.e. by 31 October 2020. The assumptions are:

- Technical Provisions will continue to be calculated according to the method and assumptions set out in the statement of funding principles dated 16 January 2014, but based on financial conditions as at the date of certification of the Schedule of Contributions to allow for experience since the date of the actuarial valuation
- Future experience from the date of certification of the Schedule of Contributions will be in line with the assumptions underlying the Technical Provisions as at that date, except that the future investment returns during the recovery period will be 7.23% p.a. from then onwards. This is on both existing assets and future contributions held in respect of final salary liabilities

Progress towards meeting the Statutory Funding Objective

Including the £32,800,000 paid on 27 March 2013, 50% of the above contributions will be paid by 30 April 2015.

Signed on behalf of the Trustees of the Hewlett-Packard Limited Retirement Benefits Plan:


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Name: Jonathan Lord

Position: Chairman of the Trustees of the Plan

Date: 17/01/2014

Signed on behalf of Hewlett-Packard Limited:


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Name: ROBERTO PUTLAND

Position: DIRECTOR

Date: 16/01/2014

Note: Hewlett-Packard Limited has been nominated as the participating employers' representative for this purpose.

Date the recovery plan was "prepared" for the purposes of Scheme Funding Regulation 8(6):
16 January 2014