



Department
for Business
Innovation & Skills

To: Jonathan Millidge
Company Secretary
Royal Mail Holdings plc (the *Company*)
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9 September 2013

Dear Sirs

**APPOINTMENT OF DIRECTORS TO THE BOARD OF THE COMPANY AND REMOVAL OF
CHAIRMAN**

The Secretary of State for Business, Innovation and Skills (the *Special Shareholder*) is the holder of the one special rights redeemable preference share of £1 in the capital of the Company.

Under Article 68(B) of the Company's articles of association, the Special Shareholder is entitled from time to time to appoint any person as a director of the Company by notice in writing delivered to the Company and signed on behalf of the Special Shareholder.

Pursuant to Article 68(B), the Special Shareholder hereby appoints each of Mark Russell, Roger Lowe and Ruth Elliot as directors of the Company with immediate effect.

The Special Shareholder is aware that the existing directors of the Company, Donald Brydon CBE and Alice Perkins CB, intend to resign their offices as directors of the Company following the appointments made in this letter.

The Special Shareholder confirms that, subject to such resignation of Donald Brydon CBE taking effect, for the purposes of Article 68(A) and 87 of the Company's articles of association: (a) the Special Shareholder should be treated as not having appointed any person as chairman of the Company; and (b) until further notice from the Special Shareholder indicating the contrary, the directors of the Company may appoint one of their number to be chairman of the board and may at any time remove him or her from that office.

Yours faithfully



Name: DECLAN BURKE

Position: EXECUTIVE DIRECTOR, SHEX

For and on behalf of the Secretary of State for Business, Innovation and Skills