

Royal Mail plc



Notice of Annual General Meeting 2022

Wednesday 20 July 2022 at 11.00
Park Inn by Radisson
York City Centre
North Street
York
YO1 6JF



This document is important and requires your immediate attention

If you are in any doubt about the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant, or other independent financial adviser who, if you are taking advice in the United Kingdom, is duly authorised under the Financial Services and Markets Act 2000 or an appropriately authorised financial adviser if you are in a territory outside the United Kingdom. If you have sold or otherwise transferred all of your ordinary shares in Royal Mail plc, please forward this document and any accompanying documents (except any personalised form of proxy, if applicable) to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Chair's letter



Keith Williams
Non-Executive Chair

Dear Shareholder,

I am pleased to write to you with the details of the 2022 Annual General Meeting (the AGM) of Royal Mail plc (the Company) which will be held at Park Inn by Radisson York City Centre, North Street, York, YO1 6JF on Wednesday 20 July 2022 at 11.00. The Notice of AGM (the Notice) is set out on pages 5 and 6 of this document and contains the proposed resolutions on which you are invited to vote. An explanation of each of the resolutions is set out on pages 7 to 9 and a number of specific matters to which to draw your attention have also been highlighted below.

AGM arrangements and attendance

This year, following the lifting of all Covid-19 restrictions, we are delighted to welcome shareholders to attend our AGM in person. We are also once again offering shareholders the option to participate in the meeting electronically. The Board recognises the benefits of offering a hybrid meeting to maximise shareholder engagement for those shareholders unable to attend in person, as well as the environmental benefits that such a meeting offers in reducing the AGM's carbon footprint. Shareholders attending virtually will be able to see and hear the Directors, ask questions and vote in real time. Instructions on how to join the meeting electronically are set out on pages 14 and 15 of this document.

Shareholders who choose to attend the AGM in person, should register their intention to attend as soon as practicable by emailing shareholderquestions@royalmail.com.

The Board will continue to monitor the course of the pandemic and the latest government guidance over the coming weeks to ensure that we are able to adapt our arrangements efficiently to respond to any change in circumstances between now and the AGM. We would, therefore, ask shareholders to monitor the Company's website and regulatory news for any AGM updates.

Appointing a proxy

Your vote is important to us. If you are unable to attend the AGM and you would like to vote, you can appoint a proxy to attend and vote on your behalf by:

- Completing and returning the enclosed proxy form; or
- Logging on to www.sharevote.co.uk and submitting your proxy appointment electronically; or
- If you are a CREST member, submitting a proxy appointment electronically via the CREST voting service; or
- If you are an institutional investor, you may be able to appoint a proxy electronically via the Proxymity platform.

You are strongly encouraged to appoint the Chair of the AGM as your proxy. This is to ensure that your vote is counted if you are (or any person you might otherwise appoint is) unable to attend on the day, whether electronically or in person. Details of how to appoint a proxy are set out in the Notes to the Notice on pages 10 and 11. To be valid, your proxy appointment must be received by Equiniti by no later than 11.00 on Monday 18 July 2022.

If your shares are held in the Royal Mail Nominee Share Service, you may exercise your voting rights in respect of those shares by completing and returning your form of instruction to Equiniti or by submitting your voting instructions via www.sharevote.co.uk, in either case so as to be received no later than 17.00 on Friday 15 July 2022. Further details can be found in the Notes to the Notice on page 11.

Shareholder engagement and Questions

We recognise that the AGM is a key forum for our shareholders to meet with Board members and be heard. Your participation is important to us. Shareholders attending electronically or in person can ask questions during the course of the AGM. Details of how to ask questions electronically can be found on pages 14 and 15 of this document. Shareholders may also ask any questions on the business of the meeting in advance of the AGM by submitting them to shareholderquestions@royalmail.com. We will endeavour to answer those questions at the AGM. Answers to common questions submitted in advance by email and a transcript of all questions asked and answers given during the course of the meeting will be published on our website at www.royalmailgroup.com as soon as practicable following the AGM.

“This year, following the lifting of all Covid-19 restrictions, we are delighted to welcome shareholders to attend our AGM in person.”

Re-appointment of Directors

We welcome Shashi Verma who joined the Board as a Non-Executive Director on 29 September 2021 and Jourik Hooghe, who joined the Board as a Non-Executive Director on 1 June 2022. In accordance with the Company's Articles of Association, Shashi and Jourik will retire from office at the AGM and intend to stand for re-appointment by shareholders. The Board has also decided that, in accordance with the UK Corporate Governance Code, all of the remaining Directors will also retire at the AGM, and each will seek re-appointment with the exception of Rita Griffin who, as announced on 1 February 2022, will not be seeking re-appointment at the AGM. On behalf of the Board, I would like to thank Rita for her valued contribution since her appointment in December 2016. Rita has played a tremendous role during a period of change for the Company, with her strategic, commercial and operational experience. We wish her well for the future.

Final dividend

As announced on 19 May 2022, the Board recommends a final dividend of 13.3 pence per share in respect of the financial year ended 27 March 2022. Resolution 3 seeks shareholder approval of the final dividend.

Approval of Share Incentive Plan

Since 2013 the Company has operated a share incentive plan ("SIP"). This plan operates on an "all employee" basis and is an important part of the benefits package offered to UK based colleagues. Currently over 17,200 colleagues participate in the SIP.

Following the expiry of the initial ten-year period of the SIP, Resolution 17 is proposed in order to seek approval from shareholders for a further ten-year period to be able to continue to operate the SIP.

The main provisions of the SIP are summarised in Appendix A to this Notice on page 16.

Adoption of new Articles of Association

This year, we have taken the opportunity to review the Company's Articles of Association, which were last updated in 2013 when the Company floated. Resolution 23 proposes a limited number of changes to reflect developments in law and market practice, principally to provide greater flexibility to the Company, as well as to make it easier for shareholders to take part in future general meetings by allowing hybrid shareholder meetings. A summary of the principal changes being proposed are set out in Appendix B on pages 17 and 18.

Capital Return

During the year, the Board decided to re-examine our retained cash balance and confirmed our intention to progressively move towards a net nil cash position. As a result, we announced on 18 November 2021 our intention to return £400 million of cash to shareholders through a special dividend, which was paid to shareholders in January 2022, and also a share buyback programme. The share buyback programme commenced on 18 November 2021 and successfully completed on 8 March 2022.

Recommendation

Your Directors consider that all resolutions included in the Notice are in the best interests of the Company and its shareholders and unanimously recommend that you vote in favour of them, as they intend to do so in respect of their own beneficial holdings (save in respect of those resolutions in which they are interested).

I would like to take this opportunity to thank you on behalf of the Board for your continued support.

Yours sincerely,

Keith Williams
Non-Executive Chair
17 June 2022

Board of Directors



Keith Williams
Independent Non-Executive Chair

N R

Appointed to the Board

Non-Executive Director on 1 January 2018
Non-Executive Deputy Chair on 7 November 2018
Non-Executive Chair on 22 May 2019
Interim Executive Chair on 15 May 2020
Non-Executive Chair on 1 February 2021

Skills and experience

- Proven business leader with significant chair and board leadership experience. Keith spent 18 years at British Airways, including five years as CFO, three years as CEO and two years as Executive Chair, during which time he led the transformation of British Airways. Formerly a Non-Executive Director and Deputy Chairman of the John Lewis Partnership, a Non-Executive Director of Aviva plc and an Executive Board member and Chair of the Audit Committee at Transport for London.
- Extensive industrial relations, operational and customer service experience.
- Chartered accountant.

Significant external appointments

- Chair of Halfords Group plc



Maria da Cunha
Independent Non-Executive Director

E N R

Designated Non-Executive Director for engagement with the workforce

Subject to her re-appointment at the AGM, Maria will become Chair of the Remuneration Committee at the conclusion of the AGM.

Appointed to the Board

22 May 2019

Skills and experience

- Extensive experience in industrial relations, transformation programmes and employee engagement gained through her 18-year career at British Airways, where Maria was the Director of People, Legal and Government and Industry Affairs, and the Director of People and Legal.
- Qualified solicitor with significant risk, compliance and legal knowledge, having held various positions with Hogan Lovells, Lloyds of London and Law College of Europe.

Significant external appointments

- Non-Executive Director of De La Rue plc
- Panel Member of the Competition and Markets Authority



Simon Thompson
Chief Executive Officer of Royal Mail

Appointed to the Board

Non-Executive Director on 1 November 2017
Chief Executive Officer of Royal Mail on 11 January 2021

Skills and experience

- Extensive experience as a global business leader.
- Proven track record in delivering digital transformation and enhanced customer experience. Simon has held senior positions at HSBC, Ocado plc, Honda Motor Europe Ltd, Motorola Inc, lastminute.com, Apple Inc. and Wm Morrison Supermarkets plc.
- Former Royal Mail Designated Non-Executive Director for workforce engagement.

Significant external appointments

- Member of the Digital Advisory Board of Coca Cola Europacific Partners.



Michael Findlay
Independent Non-Executive Director

A N R

Appointed to the Board

22 May 2019

Skills and experience

- Extensive strategy, finance and M&A experience. Michael spent 27 years in investment banking at Robert Fleming & Co, UBS and most recently Bank of America Merrill Lynch, where he was Co-Head of Investment Banking and Corporate Broking for the UK and Ireland.
- Significant knowledge of the letters and parcel sector. He is a former Non-Executive Director of UK Mail Group plc, where he was also the Senior Independent Director, Chair of the Remuneration Committee and a member of the Audit Committee.

Significant external appointments

- Chair of Morgan Sindall Group plc
- Chair of London Stock Exchange plc (a subsidiary of London Stock Exchange Group plc)



Martin Seidenberg
Chief Executive Officer of GLS

Appointed to the Board

1 April 2021

Skills and experience

- Significant international and logistics experience. Martin spent 15 years with Deutsche Post DHL in a variety of senior logistics, parcel-related and strategic roles including CEO of the DACH region at DHL Supply Chain.
- Deep knowledge of GLS, having joined in 2015 as Chairman of GLS Germany, becoming GLS Group CEO in June 2020.

Significant external appointments

- None



Lynne Peacock
Independent Non-Executive Director

R A E N

Subject to her re-appointment at the AGM, at the conclusion of the meeting, Lynne will cease to serve as Chair of the Remuneration Committee, but will continue to serve as a member of that Committee. At the same time, she will become Chair of the Environmental, Social, and Governance Committee.

Appointed to the Board

1 November 2019

Skills and experience

- Significant board and executive experience, having served as the CEO of National Australia Bank Europe Limited (NAB) and the CEO of Woolwich plc. Lynne was formerly a Non-Executive Director at Standard Life Aberdeen plc, Scottish Water, Jardine Lloyd Thompson Group plc and Nationwide Building Society.
- Transactional experience gained through her involvement in Woolwich plc's IPO and FTSE 100 listing and its sale to Barclays, the divestment of NAB's Irish operations and the integration of Clydesdale and Yorkshire Banks.

Significant external appointments

- Senior Independent Director of Serco Group plc
- Non-Executive Director of TSB Banking Group plc
- Senior Independent Director of TSB Bank plc (a subsidiary of TSB Banking Group plc)



Mick Jeavons
Group Chief Financial Officer

Appointed to the Board
11 January 2021

Skills and experience

- Significant financial, logistics and industrial relations experience. Mick joined Royal Mail in 1993 and has held various senior roles, including Corporate Finance Director at the time of the IPO in 2013 and Chief of Staff to the then CEO.
- Chartered accountant.

Significant external appointments

- None



Baroness Hogg
Senior Independent Non-Executive Director

A E N

Appointed to the Board
1 October 2019

Skills and experience

- Extensive board and governance experience, having served as Chair of 3i Group plc and as a Non-Executive Director of several companies, including BG Group and GKN plc. Baroness Hogg won the Sunday Times Lifetime Achievement award for Non-Executive Directors' in 2017.
- Significant political and regulatory experience through her former roles as Lead Independent Non-Executive Director of HM Treasury, Chair of the Financial Reporting Council and Head of the Prime Minister's Policy Unit under John Major. She was granted a life peerage in 1995 and sits in the House of Lords as a crossbencher.

Significant external appointments

- None



Shashi Verma
Independent Non-Executive Director

E N

Appointed to the Board
29 September 2021

Skills and experience

- Proven business leader with extensive experience in developing innovative technology. Shashi is currently the Director of Strategy and Chief Technology Officer at Transport for London (TfL), a role in which he is responsible for the operation of TfL's revenue collection system. He also led the development and implementation of contactless payments on TfL's systems.
- Significant customer service experience gained through his responsibility for integrating TfL's customer-facing activities and for running its customer service operations.

Significant external appointments

- None



Jourik Hooghe
Independent Non-Executive Director

A N

Appointed to the Board
1 June 2022

Skills and experience

- Extensive financial, accounting, operations and strategy experience in consumer goods and retail businesses.
- Jourik is currently Executive Vice President and Group Chief Financial Officer of Wizz Air Holdings PLC, a role in which he is responsible for the company's finance and supply chain organisation.
- During his 18-year career at Procter & Gamble he held various finance roles, including Head of Global Strategy and Regional CFO, in businesses across Europe, India, China, Middle East and Africa. Jourik also spent at Adecco Group, where he transformed the finance and accounting function into a data and technology driven organisation.

Significant external appointments

- None

Committee membership key

- A Audit and Risk
- E ESG
- N Nomination
- R Remuneration
- Committee Chair

Notice of Meeting

Notice is hereby given that the 2022 Annual General Meeting of Royal Mail plc (the Company) will be held at Park Inn by Radisson York City Centre, North Street, York, YO1 6JF (and with facilities to attend and participate electronically as set out on pages 14 and 15) on Wednesday 20 July 2022 at 11.00 to consider and, if thought fit, pass the resolutions set out below. Resolutions 1 to 18 (inclusive) will be proposed as ordinary resolutions and resolutions 19 to 23 (inclusive) will be proposed as special resolutions.

Report and Financial Statements

1. To receive the Company's audited accounts for the financial year ended 27 March 2022, together with the Strategic Report, Directors' Report and Auditor's Report on those accounts.

Remuneration report

2. To approve the Directors' Remuneration Report for the financial year ended 27 March 2022.

Final dividend

3. To declare a final dividend of 13.3 pence per share for the financial year ended 27 March 2022.

Directors

4. To re-appoint Keith Williams as a Director of the Company.
5. To re-appoint Simon Thompson as a Director of the Company.
6. To re-appoint Martin Seidenberg as a Director of the Company.
7. To re-appoint Mick Jeavons as a Director of the Company.
8. To re-appoint Baroness Hogg as a Director of the Company.
9. To re-appoint Maria da Cunha as a Director of the Company.
10. To re-appoint Michael Findlay as a Director of the Company.
11. To re-appoint Lynne Peacock as a Director of the Company.
12. To re-appoint Shashi Verma as a Director of the Company.
13. To re-appoint Jourik Hooghe as a Director of the Company.

Auditor

14. To re-appoint KPMG LLP as auditor of the Company.
15. To authorise the Company's Audit and Risk Committee to determine the remuneration of the auditor.

Political donations and expenditure

16. That, in accordance with sections 366 and 367 of the Companies Act 2006, the Company and any company which is a subsidiary of the Company at any time during the period for which this resolution has effect, is authorised to:
 - (a) make donations to political parties and/or independent election candidates not exceeding £50,000 in total;
 - (b) make political donations to political organisations, other than political parties, not exceeding £50,000 in total; and
 - (c) incur political expenditure not exceeding £50,000 in total,provided that the aggregate amount of any such donations and expenditure shall not exceed £50,000 during the period beginning with the date of the passing of this resolution and ending at the conclusion of the Company's annual general meeting to be held in 2023 or at the close of business on 29 September 2023, whichever is sooner.

Any such amount may comprise sums paid or incurred in one or more currencies. Any sum paid or incurred in a currency other

than Sterling shall be converted into Sterling at such rate as the Directors may decide is appropriate.

Words and expressions defined for the purpose of the Companies Act 2006 shall have the same meaning in this resolution.

Royal Mail Share Incentive Plan

17. That the Directors are authorised to continue to operate the Royal Mail SIP for a further ten-year period (as summarised in Appendix A of this document) following the expiry of its initial ten-year period.

Directors' authority to allot shares

18. That the Directors are generally and unconditionally authorised pursuant to and in accordance with section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company:
 - (a) up to a maximum aggregate nominal amount of £3,187,312 (such amount to be reduced by the aggregate nominal amount of any allotments or grants made under paragraph (b) below in excess of £3,187,312); and
 - (b) comprising equity securities (as defined in section 560(1) of the Companies Act 2006) up to a maximum aggregate nominal amount of £6,374,623 (such amount to be reduced by the aggregate nominal amount of any allotments or grants made under paragraph (a) above) in connection with an offer by way of a rights issue:
 - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
 - (ii) to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary,

and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with any treasury shares, fractional entitlements, record dates, legal, regulatory, or practical problems in, or under the laws of, any territory or any other matter.

The authority conferred on the Directors under this resolution will expire at the conclusion of the Company's annual general meeting to be held in 2023 or at the close of business on 29 September 2023, whichever is sooner (unless previously renewed, varied or revoked by the Company at a general meeting), save that the Company shall be entitled to make offers or enter into agreements before such expiry that would or might require shares to be allotted or rights to be granted after such expiry, and the Directors may allot shares or grant rights in pursuance of any such offer or agreement as if the authority conferred by this resolution had not expired.

Special Resolutions

General disapplication of pre-emption rights

19. That, subject to the passing of Resolution 18, the Directors are empowered pursuant to sections 570 and 573 of the Companies Act 2006 to allot equity securities (as defined in section 560(1) of the Companies Act 2006) for cash under the authority given by that resolution and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Companies Act 2006 did not apply to any such allotment and/or sale, provided that such power is limited to:

- (a) the allotment of equity securities and/or sale of treasury shares for cash in connection with an offer of, or invitation to apply for, equity securities (but in the case of the authority granted under paragraph (b) of Resolution 18 above, by way of a rights issue only):
 - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
 - (ii) to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary,
 and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with any treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and
- (b) the allotment of equity securities and/or sale of treasury shares for cash (otherwise than under paragraph (a) above) up to a maximum aggregate nominal amount of £478,097.

This power will expire on the revocation or expiry (unless renewed) of the authority conferred on the Directors by Resolution 18, save that, before the expiry of this power, the Company may make offers or enter into agreements which would or might require securities to be allotted and/or treasury shares to be sold after such expiry, and the Directors may allot securities and/or sell treasury shares in pursuance of any such offer or agreement as if the power conferred by this resolution had not expired.

Additional disapplication of pre-emption rights

20. That, subject to the passing of Resolution 18, the Directors are empowered pursuant to sections 570 and 573 of the Companies Act 2006, in addition to any power conferred under Resolution 19, to allot equity securities (as defined in section 560(1) of the Companies Act 2006) for cash under the authority given by Resolution 18 and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Companies Act 2006 did not apply to any such allotment and/or sale, provided that such power is:

- (a) limited to the allotment of equity securities and/or sale of treasury shares up to a maximum aggregate nominal amount of £478,097; and
- (b) used only for the purposes of financing (or refinancing, if the power is to be used within six months after the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-emption Rights most recently published by the Pre-emption Group prior to the date of this Notice.

This power will expire on the revocation or expiry (unless renewed) of the authority conferred on the Directors by Resolution 18, save that, before the expiry of this power, the Company may make offers or enter into agreements which would or might require securities to be allotted and/or treasury shares to be sold after such expiry, and the Directors may allot securities and/or sell treasury shares in pursuance of any such offer or agreement as if the power conferred by this resolution had not expired.

Authority to purchase own shares

21. That the Company is generally and unconditionally authorised for the purposes of section 701 of the Companies Act 2006 to make market purchases (as defined in section 693(4) of the Companies Act 2006) of its ordinary shares on such terms and in such manner as the Directors may determine, provided that:
- (a) the maximum number of ordinary shares which may be purchased is 95,619,348;
 - (b) the minimum price (exclusive of any expenses) which may be paid for each ordinary share is its nominal value;
 - (c) the maximum price (exclusive of any expenses) which may be paid for each ordinary share shall not be more than the higher of:
 - (i) an amount equal to 105% of the average middle market quotations for an ordinary share, as derived from the London Stock Exchange Daily Official List, for the five business days immediately preceding the day on which the ordinary share is purchased; and
 - (ii) an amount equal to the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share as derived from the London Stock Exchange Trading System.

This authority will expire at the conclusion of the Company's annual general meeting to be held in 2023 or at the close of business on 29 September 2023, whichever is sooner (unless previously renewed, varied or revoked by the Company at a general meeting) but, during this period the Company may enter into a contract to purchase ordinary shares which would or might be completed or executed wholly or partly after the authority conferred by this resolution expires, and the Company may purchase ordinary shares pursuant to any such contract as if the authority had not expired.

Notice period for general meetings, other than annual general meetings

22. That a general meeting of the Company other than an annual general meeting may be called on not less than 14 clear days' notice.

Adoption of Articles of Association

23. That the regulations contained in the document produced to the meeting and initialled by the chair of the meeting for the purpose of identification, are adopted as the Company's new articles of association in substitution for, and to the exclusion of, the Company's existing articles of association.

By order of the Board

Mark Amsden
Group General Counsel and Company Secretary
17 June 2022

Registered Office: 185 Farringdon Road, London, EC1A 1AA
 Registered in England and Wales No. 08680755

Explanatory notes to the proposed resolutions

Resolution 1 – Receipt of the Report and Financial Statements

The Directors are required to present to the general meeting the Company's audited accounts for the financial year ended 27 March 2022, together with the Strategic Report, Directors' Report and Auditor's Report on those accounts. In accordance with best practice, the Company proposes an ordinary resolution to receive those documents which are available on the Company's website at www.royalmailgroup.com/investors/annual-reports.

Resolution 2 – Approval of the Directors' Remuneration Report

Section 439 of the Companies Act 2006 requires that the Directors' Remuneration Report is put to a vote of shareholders at the AGM. Accordingly, shareholders are invited to approve the report which is set out on pages 110 to 141 of the Annual Report and Financial Statements 2021-22. The vote on this resolution is advisory and the Directors' entitlement to receive remuneration is not conditional on it being passed.

The Companies Act 2006 requires that the Directors' Remuneration Policy must be put to shareholders for approval whenever a new policy, or an amendment to an existing approved policy, is proposed. The Directors' Remuneration Policy must in any event be put to shareholders for approval at least every three years. The Company is not proposing any changes to the Directors' Remuneration Policy approved by shareholders at the annual general meeting held in 2020.

Resolution 3 – Final dividend

The Board recommends a final dividend of 13.3 pence per share for the financial year ended 27 March 2022. If approved, the final dividend will be paid on 6 September 2022 to all shareholders on the Company's Register of Members at the close of business on 29 July 2022.

Resolutions 4 to 13 – Re-appointment of Directors

The Company's Articles of Association require any Director who has been appointed by the Board during the year to retire at the Company's next annual general meeting following his or her appointment. Such Director may offer himself or herself for re-appointment by the shareholders. Accordingly, Shashi Verma and Jourik Hooghe who were appointed to the Board on 29 September 2021 and 1 June 2022 respectively, shall retire at the AGM and are seeking re-appointment. The Board has also decided that, in accordance with the UK Corporate Governance Code, all of the remaining Directors will also retire at the AGM and each seeks re-appointment by shareholders, with the exception of Rita Griffin, who, as previously announced, will not be seeking re-appointment at the AGM. To enable shareholders to make an informed decision on their re-appointment, the biographical details of all the Directors are set out on pages 3 to 4 of this document.

Subject to her re-appointment at the AGM, it is proposed that Lynne Peacock will cease to serve as Chair of the Remuneration Committee and will instead serve as Chair of the Environmental, Social, and Governance Committee. It is also proposed that Maria da Cunha will replace Lynne as Chair of the Remuneration Committee, subject to her successful re-appointment. All changes will take effect from the conclusion of the AGM.

The Directors believe that the Board continues to maintain an appropriate balance of knowledge and skills and that all the Non-Executive Directors are independent in character and

judgement. This follows a Board evaluation process, through which the Board was satisfied that each Director makes an effective and valuable contribution to the Board and demonstrates commitment to the role (including making sufficient time available for Board and Committee meetings and other duties as required). The Nomination Committee, which considers the balance of the Board and the mix of skills, knowledge and experience of its members, has considered and recommended to the Board the re-appointment of all of the Directors.

Resolution 14 – Appointment of auditor

The Company is required to appoint an auditor at each general meeting at which accounts are laid before shareholders, to hold office until the end of the next such meeting.

The Company's Audit and Risk Committee has recommended to the Board the re-appointment of KPMG LLP and has confirmed that such recommendation is free from influence from a third party and that no contractual terms have been imposed on the Company restricting its choice of auditor.

Accordingly, the Board proposes KPMG LLP's re-appointment as the Company's auditor.

Resolution 15 – Remuneration of auditor

This resolution seeks authority for the Company's Audit and Risk Committee to determine the remuneration of the auditor.

Resolution 16 – Authority to make political donations and expenditure

This resolution is to obtain the approval of the shareholders to make donations to political parties, political organisations and independent election candidates, and to incur political expenditure, up to a maximum aggregate amount of £50,000.

Part 14 of the Companies Act 2006 restricts companies from making political donations to political parties, other political organisations and independent election candidates and from incurring political expenditure, unless authorised by shareholders in advance.

The Company's policy is that it does not make donations to, or incur expenditure on behalf of, political parties, other political organisations or independent election candidates. However, the Companies Act 2006 defines those terms very broadly, and as a result it is possible that normal business activities (such as sponsorship, subscriptions, payment of expenses, paid leave for employees fulfilling certain public duties, and support for bodies representing the business community in policy review or reform) could be caught. Such activities, which are in shareholders' interests for the Company to conduct, are not designed to support or imply support for a particular political party, other political organisation or independent election candidate.

The Company believes that the authority proposed under this resolution is necessary to ensure it does not inadvertently commit any technical breach that could arise from the uncertainty generated by the wide definitions contained within the Companies Act 2006 when carrying out activities in the furtherance of its legitimate business interests.

The authority, if granted, will expire at the conclusion of the Company's annual general meeting to be held in 2023 or at the close of business on 29 September 2023, whichever is sooner.

The Company did not make any political donations nor incur any political expenditure during the financial year ended 27 March 2022.

Resolution 17 – Royal Mail Share Incentive Plan

The Company adopted the Royal Mail SIP in 2013, in advance of its flotation and as part of the arrangements which the Secretary of State was required to make by section 3 of the Postal Services Act 2011. The SIP is an HM Revenue & Customs tax-advantaged share plan, open to all employees within participating UK companies (subject to certain minimum service requirements).

The SIP allows employees to acquire shares up to annual statutory limits and to receive free matching shares. It also provides the Company with a mechanism to deliver free share awards in a tax-advantaged manner to all UK employees, which was the structure used at the time of flotation to deliver 10% of the Company's share capital to employees.

The SIP, which the Company currently operates on a monthly basis, allows employees to acquire shares and receive one matching share for every five shares purchased (up to a maximum of two matching shares per month). The SIP continues to be popular with employees and has proved to be an attractive and successful incentive. Under the terms on which the SIP was adopted, the SIP is only able to operate, without the approval of shareholders, for a period of ten years following the date of its approval by HM Revenue & Customs.

The Company is therefore now seeking approval from shareholders to be able to continue to operate the SIP for a further ten-year period, following that initial ten-year period.

A summary of the main features of the SIP is set out in Appendix A on page 16 of this document. A copy of the Trust Deed and Rules of the Royal Mail Share Incentive Plan will be available for inspection at the physical place of the AGM for at least 15 minutes before, and during, the meeting, and on the National Storage Mechanism from the date this document is sent to shareholders.

The documents will also be available for inspection electronically on the Lumi platform for at least 15 minutes before, and during, the meeting.

Resolution 18 – Authority to allot shares

The Directors currently have an authority to allot shares in the Company and to grant rights to subscribe for or convert any securities into shares in the Company. This authority is due to expire at the AGM. The Board is, therefore, seeking a new authority to enable them to allot shares and grant rights, within the limits prescribed by The Investment Association.

Paragraph (a) of this resolution seeks to authorise the Directors to allot ordinary shares and grant rights to subscribe for or convert other securities into shares up to a maximum aggregate nominal amount of £3,187,312 (representing 318,731,158 ordinary shares). This amount represented approximately one-third of the Company's issued ordinary share capital on 18 May 2022, the latest practicable date prior to the publication of this document.

Paragraph (b) of this resolution seeks to authorise the Directors to allot ordinary shares and grant rights to subscribe for or convert other securities into shares in connection with a rights issue in favour of ordinary shareholders up to a maximum aggregate nominal amount of £6,374,623 (representing 637,462,317 shares) as reduced by the nominal amount of any ordinary shares issued under paragraph (a) of this resolution. This amount (before any reduction) represented approximately two-thirds of the Company's issued share capital on 18 May 2022, the latest practicable date prior to the publication of this document.

The Directors have no present intention to exercise the authority sought under this resolution, however, the Board wishes to ensure that the Company has maximum flexibility in managing the Group's capital resources.

As at 18 May 2022, the latest practicable date prior to the publication of this document, no shares were held by the Company in treasury.

The authority sought under this resolution will expire at the conclusion of the Company's annual general meeting to be held in 2023 or at the close of business on 29 September 2023, whichever is sooner.

Special Resolutions

Resolution 19 – General disapplication of pre-emption rights

If Directors wish to allot new shares and other equity securities, or sell treasury shares, for cash (other than in connection with an employee share scheme), the Companies Act 2006 requires that these shares are first offered to shareholders in proportion to their existing shareholdings (known as pre-emption rights). However, the Pre-Emption Group's Statement of Principles supports the annual disapplication of pre-emption rights in respect of allotments and/or sales of treasury shares for cash where these represent no more than 5% of issued ordinary share capital (excluding any treasury shares).

Accordingly, this special resolution is to empower the Directors to disapply statutory pre-emption rights. The power sought would be limited to allotments and/or sales of treasury shares for cash in connection with pre-emptive offers and offers to holders of other equity securities if required by the rights of those shares or as the Board otherwise considers necessary, or otherwise up to a maximum aggregate nominal amount of £478,097 (representing 47,809,674 ordinary shares). This aggregate nominal amount represented 5% of the issued ordinary share capital of the Company as at 18 May 2022, the latest practicable date prior to the publication of this document.

The Directors intend to adhere to the Pre-Emption Group's Statement of Principles and not allot equity securities on a non-pre-emptive basis for cash in excess of an amount equal to 7.5% of the total issued ordinary share capital of the Company (excluding any treasury shares) in any rolling three-year period without prior consultation with shareholders. This limit excludes any equity securities issued pursuant to a general disapplication of pre-emption rights in connection with an acquisition or specified capital investment, as referred to below.

The Directors have no present intention to exercise the power sought under this resolution, however, the Board wishes to ensure that the Company has maximum flexibility in managing the Group's capital resources.

Resolution 20 – Additional disapplication of pre-emption rights

This special resolution is to confer an additional power on the Directors to disapply statutory pre-emption rights, as permitted by the Pre-Emption Group's Statement of Principles.

Those Principles support the annual disapplication of pre-emption rights in respect of allotments and/or sales of treasury shares for cash where these represent no more than an additional 5% of issued ordinary share capital (excluding any treasury shares) and are used only in connection with an acquisition or specified capital

investment. The Statement of Principles defines “specified capital investment” as meaning one or more specific capital investment-related uses for the proceeds of an issuance of equity securities, in respect of which sufficient information regarding the effect of the transaction on the Company, the assets that are the subject of the transaction and (where appropriate) the profits attributable to them is made available to shareholders to enable them to reach an assessment of the potential return.

The power sought under this resolution is in addition to the power sought in Resolution 18 and would be limited to allotments and/or sales of treasury shares for cash on a non-pre-emptive basis up to a maximum aggregate nominal amount of £478,097 (representing 47,809,674 ordinary shares), which was equivalent to 5% of the issued ordinary share capital of the Company as at 18 May 2022, the latest practicable date prior to the publication of this document, to be used only in connection with the financing (or refinancing, if the power is to be used within six months after the original transaction) of an acquisition or specified capital investment (within the meaning of the Pre-Emption Group’s Statement of Principles) which is announced contemporaneously with the allotment or sale, or which has taken place in the preceding six-month period and is disclosed in the announcement of the issue or sale.

The Directors have no present intention to exercise the power sought under this resolution; however, the Board wishes to ensure that the Company has maximum flexibility in managing the Group’s capital resources.

Resolution 21 – Authority to purchase own shares

The Companies Act 2006 permits a company to purchase its own shares provided that the purchase has been authorised by the Company’s shareholders at a general meeting.

This special resolution seeks to renew the Company’s authority to purchase up to 95,619,348 ordinary shares, which was equivalent to 10% of the Company’s issued ordinary share capital as at 18 May 2022, the latest practicable date prior to the publication of this document. The Company’s exercise of this authority is subject to the upper and lower limits on the price payable as set out in the resolution.

In November 2021, the Company announced a programme to repurchase its ordinary shares for an aggregate purchase price of up to £200 million during the period 18 November 2021 to 19 July 2022. The programme successfully completed on 8 March 2022. The Directors have no present intention of making further own share purchases, but this authority would provide them with the flexibility to do so in the future if it would be in the best interests of the shareholders generally and could be expected to result in an increase in the earnings per share of the Company.

Shares purchased under this authority would be by means of a market purchase through the London Stock Exchange and may either be cancelled or held in treasury, depending on which course of action is considered by the Directors to be in the best interests of the shareholders at that time. Any treasury shares can in the future be cancelled, sold for cash or used to provide shares for the Company’s employee share schemes. As at 18 May 2022, the last practicable date prior to the publication of this document, the Company did not hold any ordinary shares in treasury. As at the same date, the Company did not have any outstanding options to subscribe for shares.

Resolution 22 – Notice period for general meetings, other than annual general meetings

Under the Companies Act 2006, listed companies are required to call general meetings (other than an annual general meeting) on at least 21 clear days’ notice unless the company:

- (a) has obtained shareholder approval for the holding of general meetings on not less than 14 clear days’ notice by passing an appropriate resolution at its most recent annual general meeting; and
- (b) offers the facility for all shareholders to vote by electronic means.

This special resolution seeks a renewal of the authority granted at the annual general meeting held in 2021 to be able to call general meetings (other than annual general meetings) on not less than 14 clear days’ notice.

The shorter notice period would not be used as a matter of routine for general meetings, but only where the flexibility is merited by time-sensitive matters and is thought to be to the advantage to shareholders as a whole.

The authority sought under this resolution will expire at the conclusion of the Company’s annual general meeting to be held in 2023, when it is intended that a similar resolution will be proposed.

Resolution 23 – Adoption of Articles of Association

It is proposed in Resolution 22, which is a special resolution, that the Company adopts new articles of association. The Directors have concluded that a number of changes should be made this year to the Company’s articles (‘the current articles’) and that the most efficient way to make such changes is to adopt a fresh document as the new articles (‘the new articles’). The principal differences between the current articles and the new articles are set in Appendix B on pages 17 and 18.

A clean copy of the new articles (and a copy marked-up to show the differences from the current articles) will be available for inspection at the physical place of the AGM for at least 15 minutes before, and during, the meeting, and on the National Storage Mechanism from the date this document is sent to shareholders.

The documents will also be available for inspection electronically on the Lumi platform for at least 15 minutes before, and during, the meeting.

Important notes

1. Eligibility to attend and vote

To be entitled to attend and vote at the AGM (and for the purposes of determining the number of votes shareholders may cast), shareholders must be entered on the Company's Register of Members by 18.30 on Monday 18 July 2022 or, if the AGM is adjourned, by 18.30 on the date which is two business days prior to the adjourned meeting. Changes to entries on the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.

2. Attending the AGM

The AGM will be held as a physical meeting at Park Inn by Radisson York City Centre, North Street, York, YO1 6JF. The Board has also made arrangements to enable all shareholders to attend and participate in the AGM electronically. Instructions on how to attend and participate electronically are set out on pages 14 and 15 of this document. Shareholders, appointed representatives and proxies are reminded that they should not attend the physical meeting if they have tested positive for COVID-19 or if they are displaying symptoms of COVID-19 on the day of, or in the days leading up to, the AGM.

3. Appointment of proxy

A shareholder entitled to attend and vote at the AGM may appoint one or more proxies to exercise all or any of his/her rights to attend, speak and vote at the AGM instead of him/her, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. However, shareholders are strongly encouraged to appoint the Chair of the AGM as their proxy. This is to ensure that the shareholder's vote is counted if the shareholder is unable for any reason to attend on the day, whether electronically or in person. The appointment of a proxy will not prevent a shareholder from subsequently attending, voting and speaking at the AGM either electronically or in person. In such a case, any votes of the proxy will be superseded. Details of how to appoint a proxy are set out below.

If a shareholder wishes to appoint a proxy, other than the Chair of the AGM, and such proxy wishes to attend the AGM electronically, the proxy will need to contact the Company's Registrar by 11.00 on Friday 15 July 2022 to arrange for the necessary access details to be provided. Further details are set out on page [14] of this document.

(a) By post

A shareholder may appoint a proxy and give voting instructions using the enclosed proxy form. To be valid, a completed proxy form (together with a certified copy of any power of attorney or other authority under which it is executed) must be delivered by post or by hand (during normal business hours only) so as to be received by Equiniti at Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA by no later than 11.00 on Monday 18 July 2022.

(b) Online

A shareholder may appoint a proxy online by following the instructions for the electronic appointment of a proxy at www.sharevote.co.uk. Shareholders will need their Voting ID, Task ID and Shareholder Reference Number, printed on the face of the proxy form provided, to register. If shareholders have already registered with Equiniti's online portfolio service, they may appoint a proxy by logging on to their portfolio at www.shareview.co.uk and following the instructions provided.

To be a valid proxy appointment, the shareholder's electronic message confirming the details of the appointment, completed in accordance with those instructions, must be transmitted so as to be received by no later than 11.00 on Monday 18 July 2022.

(c) CREST voting service

Shareholders who hold their shares in uncertificated form may also use the "CREST voting service" to appoint a proxy electronically, as explained in notes 5 to 8 below.

(d) Proxymity platform

Institutional shareholders may also be able to appoint a proxy electronically via the Proxymity platform. Proxymity is a process which has been agreed by the Company and approved by the Registrar.

Further information regarding Proxymity can be found online at www.proxymity.io. To be valid, the shareholder's proxy appointment must be received by no later than 11.00 on Monday 18 July 2022. Shareholders will need to have agreed to Proxymity's associated terms and conditions before appointing a proxy via this process. It is important that a shareholder wishing to use the Proxymity platform reads these carefully as the shareholder will be bound by them and they will govern the electronic appointment of the shareholder's proxy.

A certified copy of any power of attorney or other authority under which any electronic proxy appointment is made must be received at the relevant address specified in these notes for receipt of such electronic proxy appointment (or at such other address as the Company may specify) by the latest time indicated for receipt of such electronic proxy appointment.

If you complete and return a paper proxy form and submit a proxy appointment electronically, in respect of the same shares, the proxy appointment received last by the Registrar before 11.00 on Monday 18 July 2022 will take precedence. Electronic communication facilities are available to all shareholders and those that use them will not be disadvantaged.

4. Appointment of proxy by joint shareholders

In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's Register of Members in respect of the joint holding (the first-named being the most senior).

5. CREST – appointing a proxy

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM and any adjournment thereof by using the procedures described in the CREST manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a service provider, should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf.

6. Authentication of CREST proxy instruction

For a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a CREST proxy instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instruction, as described in the CREST manual (available via www.euroclear.com). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by Equiniti (ID RA19) by no later than 11.00 on Monday 18 July 2022. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which Equiniti is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

7. CREST system timings

CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST proxy instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular to those sections of the CREST manual concerning practical limitations of the CREST system and timings.

8. CREST circumstances of invalidity

The Company may treat as invalid a CREST proxy instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

9. Changing proxy instructions

To change your proxy instruction simply submit a new proxy appointment using the methods set out above. Where two or more valid separate appointments of proxy are received in respect of the same share and for the same meeting, the proxy appointment received last by the Registrar before 11.00 on Monday 18 July 2022 will take precedence.

10. Corporate sponsored nominee

If your shares are held in the Royal Mail Nominee Share Service, you may give instructions to the registered holder, Equiniti Corporate Nominees Limited, as to the exercise of voting rights by completing and returning your form of instruction to Equiniti, Aspect House, Spencer Road, Lancing, BN99 6DA, or by submitting your voting instructions via www.sharevote.co.uk, in either case so as to be received no later than 17.00 on Friday 15 July 2022. To give voting instructions via www.sharevote.co.uk, you will need your Voting ID, Task ID and Shareholder Reference Number, printed on the face of the form of instruction provided, to register. If you have already registered with Equiniti's online portfolio service, you may submit your voting instructions by logging on to your portfolio at www.shareview.co.uk and following the instructions provided.

11. Corporate representatives

A corporate shareholder may authorise a person to act as its representative(s) at the AGM. In accordance with the provisions of the Companies Act 2006, each such representative may exercise, on behalf of the corporation, the same powers as the corporation could exercise if it were an individual shareholder provided that he/she does not do so in relation to the same shares.

If a corporate shareholder wishes to appoint a representative and such representative wishes to attend the AGM electronically, the representative will need to contact the Company's Registrar by 17.00 on Friday 15 July 2022 to arrange for the necessary access details to be provided. Further details are set out on page 14 of this document.

12. Nominated persons

Any person to whom this Notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a Nominated Person) may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.

The rights relating to proxy appointments in notes 3 to 9 above do not apply directly to Nominated Persons. Nominated Persons should contact the registered holder of the shares and not the Company on matters relating to their shares.

13. Asking a question

Shareholders, their appointed proxies and authorised corporate representatives have the right to ask questions at the AGM relating to the business of the meeting which, in accordance with section 319A of the Companies Act 2006 and subject to some exceptions, the Company must cause to be answered.

Shareholders may also ask any questions on the business of the meeting in advance of the AGM by submitting them to shareholderquestions@royalmail.com. We will endeavour to answer those questions at the AGM. Shareholders in attendance can ask questions during the course of the meeting. Shareholders attending the AGM electronically may ask questions by following the instructions set out on pages 14 to 15.

If multiple questions on the same topic are received in advance of the AGM, the Chair may choose to provide a single answer to address queries on the same topic.

14. Website publication of audit concerns

Under section 527 of the Companies Act 2006, shareholders meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the AGM; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM for the relevant financial year includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.

15. Documents available for inspection

Copies of the following documents will be available for inspection at the AGM venue and on the Lumi platform on the day of the AGM (for 15 minutes before the commencement of the meeting until its close) and at 185 Farringdon Road, London, EC1A 1AA at an agreed time (please ring 020 7449 8001 during normal business hours on any weekday, excluding Saturdays, Sundays and public holidays in England & Wales):

- (a) Copies of the Executive Directors' service contracts; and
- (b) Copies of the Non-Executive Directors' letters of appointment.

16. Issued share capital and total voting rights

As at 18 May 2022, the latest practicable date prior to the publication of this document, the Company's issued share capital consisted of 956,193,475 ordinary shares carrying one vote each. Therefore, the total voting rights in the Company as at 18 May 2022 were 956,193,475.

17. Electronic address

Shareholders may not use any electronic address in this document or any related documents (including the Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.

18. Availability of this Notice

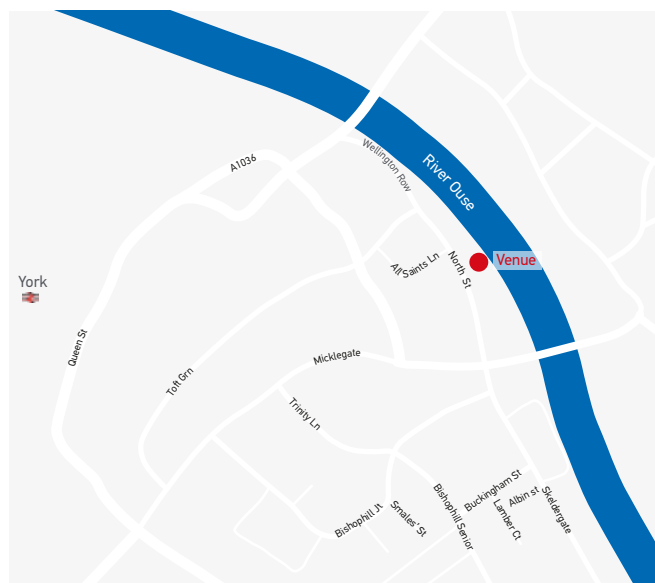
A copy of this Notice, and other information required by section 311A of the Companies Act 2006, can be found at www.royalmailgroup.com/investors/shareholder-communications/annual-general-meetings.

19. Voting

As in previous years, all proposed resolutions will be put to a vote on a poll. This will result in a more accurate reflection of the views of shareholders by ensuring that every vote is recognised. On a poll, each shareholder present or represented (in person or electronically) has one vote for every share held.

The results of the voting will be announced through a Regulatory Information Service and will be published on our website www.royalmailgroup.com as soon as practicable following the AGM.

AGM location



Venue

Park Inn by Radisson York City Centre, North Street, York, YO1 6JF.

Timings

Date: Wednesday 20 July 2022

10.00 Doors open, registration begins, and the question desk opens on the first floor outside the auditorium in the Henley Suite.

Shareholders attending electronically can access the Lumi platform.

10.30 Doors to the Henley Suite open. Hosts will direct you to your seats.

11.00 AGM begins.

12.30 (approximately) AGM closes. The results of the poll will be released to the London Stock Exchange once collated.

Physical attendance at the AGM

Please plan to arrive by 10.30 to allow enough time for registration and security clearance and to comply with any additional health and safety measures that may be in place on the day. Please bring your attendance card with you, or, if you are registered for electronic communications, a form of ID. The attendance card is either attached to your proxy form or form of instruction. You may also find it helpful to bring the Notice with you so that you can refer to it at the AGM.

Shareholders with disabilities

Park Inn by Radisson York City Centre is easily accessible by wheelchair users and has lift access inside.

Anyone accompanying a shareholder in need of assistance will be admitted to the meeting. Other guests will only be admitted at the discretion of the Company.

For further information on the facilities at the venue, please call Park Inn by Radisson York City Centre direct on 01904 459988 or visit <https://www.radissonhotels.com>.

Security, health and safety

Security and health and safety measures will be in place to ensure your safety at the AGM venue. Attendees will be expected to adhere to any special arrangements and measures that the Company puts in place on the day in light of the COVID-19 pandemic. This may include restrictions on the maximum number of persons permitted to enter the venue, social distancing, temperature checks and other measures designed to meet any health and safety requirements and guidelines in place at the date of the AGM.

If you have any of the main symptoms of COVID-19 or a positive test result, please do not attend the AGM in person.

Please note that bag searches will be in operation and any items deemed inappropriate will be removed and stored until the end of the event. Flash photography and recording are not allowed. We would also be grateful if you could switch off your mobile phone before the start of the meeting.

Travelling to the AGM

By air

The nearest airport is in neighbouring city Leeds.

By public transport, take bus 757 to Leeds train station and catch any train to York Station. Take a cab or walk 10 minutes to the hotel (0.5 miles).

By car, the airport is approximately 30 miles from the hotel. The drive is one hour, depending on traffic.

By train

York Train Station is the nearest train station and is within walking distance of the venue. It is an East Coast Main Line train station easily accessible from other points in the UK.

The walk from the train station to the hotel is 10 minutes (0.5 miles).

Alternatively, you can take buses 3, 4, 16 to the Micklegate bus stop; from there, keep walking in the same direction as the bus, take the first left up North Street until you see the hotel on the right-hand side.

Car parking

The hotel offers secure car parking at a charge for spaces for up to 50 cars, on a first-come, first-served basis. Alternative parking is available at the NCP Tanner Row, which is only 220m (3-minute walk) from the hotel.

Electronic meeting guidance

Shareholders are invited to attend and participate in the AGM electronically, should they wish to do so. This can be done by following the instructions set out below.

Accessing the AGM website

The AGM website can be accessed online using most well-known internet browsers such as Chrome, Firefox and Safari on a PC, laptop or internet-enabled device such as a tablet or smartphone. To access the AGM website, please go to <https://web.lumiagm.com/156-179-521> on the day.

Logging in

When accessing the AGM website, you will be asked to enter a Meeting ID, which is 156-179-521. You will then be prompted to enter your unique Shareholder Reference Number (SRN) and your PIN, which is the first two and last two digits of your SRN. Your SRN can be found printed on your form of proxy or form of instruction. Access to the AGM via the website will be available from 10.00 on Wednesday 20 July 2022; however, please note that your ability to vote will not be enabled until the Chair formally declares the voting open.

If you experience any difficulties, please contact Equiniti by emailing hybrid.help@equiniti.com.

Broadcast

The AGM will be broadcast with presentation slides.

Once logged in, and at the commencement of the AGM, you will be able to listen to the proceedings of the AGM on your device, as well as being able to see the presentation slides which will include the proposed resolutions. These slides will progress automatically.

Voting

Once the AGM has been formally opened, the Chair will explain the voting procedure. Voting will be enabled on all resolutions at the start of the formal meeting on the Chair's instruction. This means shareholders may, at any time while the poll is open, vote electronically on any or all the resolutions in the Notice; resolutions will not be put forward separately.

Once the resolutions have been proposed, the list of resolutions will appear along with the voting options available. Select the option that corresponds with how you wish to vote: 'For', 'Against' or 'Withheld'. Once you have selected your choice, the option will change colour and a confirmation message will appear to indicate your vote has been cast and received; there is no submit button. If you make a mistake or wish to change your vote, simply select the correct choice. If you wish to cancel your vote, select the 'Cancel' button. You will be able to do this at any time whilst the poll remains open and before the Chair announces its closure at the end of the AGM.

Asking questions

Shareholders attending electronically may ask questions via the website by typing and submitting their question in writing. To do so, select the messaging icon from within the navigation bar and type your question at the bottom of the screen and then press the 'Send' button to the right of the message box to submit your question.

Details of how to access the Virtual Mic will be provided on the day of the meeting, once you are logged into the Lumi platform.

Process

The process of asking questions, voting and accessing the AGM presentation will be further explained by the Chair at the AGM.

Minimum requirements

An active internet connection is required at all times in order to allow you to cast your vote when the poll opens, submit questions and listen to the audiocast. It is the user's responsibility to ensure you remain connected for the duration of the meeting.

Duly appointed proxies and corporate representatives

To receive your unique SRN and PIN please contact the Company's registrar Equiniti by emailing: hybrid.help@equiniti.com. To avoid any delays accessing the meeting, contact should be made at least 24 hours prior to the meeting date and time.

Mailboxes are monitored 9.00 to 17.00 Monday to Friday (excluding public holidays in England & Wales).

Royal Mail AGM Online Guide



Meeting Access

Shareholders can participate the meeting remotely, via: <https://web.lumiagm.com/156-179-521> This can be accessed online using the latest version of Chrome, Firefox and Safari on your PC, laptop, tablet or smartphone. On accessing the meeting platform, you will be asked to enter your unique SRN and PIN (which is the first two and last two digits of your SRN).

Access to the Lumi platform will be available an hour prior to the start of the meeting. If you experience any difficulties please contact Equiniti by emailing hybrid.help@equiniti.com stating your full name, postcode and Shareholder reference number, if known.



Broadcast

Once logged in, and at the commencement of the meeting, you will be able to follow the proceedings on your device.



Voting

Once the Chair has formally opened voting, the list of resolutions will automatically appear on your screen. Select the option that corresponds with how you wish to vote.

Once you have selected your vote, the option will change colour and a confirmation message will appear to indicate your vote has been cast and received, there is no submit button.

To vote on all resolutions displayed select the "vote all" option at the top of the Screen.

To change your vote, reselect your choice. To cancel your vote, select the "cancel" button. You will be able to do whilst the poll remains open and before the Chair announces its closure.



Q&A

Questions on the day can be submitted either as text via the Lumi messaging function or verbally via the Virtual Mic. Details of how to access the Virtual Mic will be provided on the day of the meeting, once you are logged into the Lumi platform.

To ask a question via the Lumi Messaging function, select the messaging icon from within the navigation bar and type your question at the top of the screen. To submit your question, click on the arrow icon to the right of the text box.



Requirements

An active internet connection is always required in order to allow you to cast your vote when the poll opens, submit questions and view the Broadcast. It is the user's responsibility to ensure you remain connected for the duration of the meeting.

As well as having the latest internet browser installed, users must ensure their device is up to date with the latest software release.



Duly appointed proxies and corporate representatives

To receive your unique SRN and PIN please contact the Company's registrar Equiniti by emailing: hybrid.help@equiniti.com. To avoid any delays accessing the meeting, contact should be made at least 24 hours prior to the meeting date and time.

Mailboxes are monitored 9.00 to 17.00 Monday to Friday (excluding public holidays in England & Wales).

Appendix A

Summary of the main features of the Royal Mail SIP

The main features of the SIP are as follows:

- The Company must offer all employees in participating companies who are UK tax resident the opportunity to participate in the SIP whether they work full or part-time, in accordance with the legislation governing tax-favoured share incentive plans. The Company can require employees to have completed a minimum qualifying period of employment before they can participate, but that period must not exceed 18 months. Currently there is a minimum 12 month qualifying period.
- Under the SIP, the Company can provide “free shares” and “matching shares” or allow employees to acquire “partnership shares” in the Company in a tax-efficient manner. In addition, the Company can allow employees to re-invest dividends into further “dividend shares”.
- The Company can give up to £3,600 worth of “free shares” per annum per employee. The Company can use “free shares” to reward employees by reference to the achievement of performance targets. If given the opportunity, each employee can buy “partnership shares” from their gross monthly salary or weekly wages up to a maximum of £1,800 per annum not exceeding 10% of their gross annual salary.
- The Company can give employees up to two free “matching shares” for each “partnership share” acquired by the employees. The SIP can provide for “free shares” and “matching shares” to be forfeited if employees leave employment with a Group company.
- Employees can withdraw their “partnership shares” from the SIP at any time but “free shares” and “matching shares” must be held in trust for a holding period specified by the Board (which must be not less than three years from the date of the award). “Matching shares” may also be subject to forfeiture if the corresponding “partnership shares” are withdrawn.
- Shares have to be transferred to employees and employees have to take their shares out of the SIP when they leave employment with a Group company.
- The Company may offer different combinations of features to employees from time to time to best suit the Group’s business requirements.
- The SIP is operated through a UK resident trust by an independent trustee. The trustee will buy or subscribe for shares that are subsequently awarded to employees.
- Benefits under the SIP are not pensionable.

Funding the SIP

Each participating Group company funds the trustee of the SIP trust to subscribe for or buy shares (“free shares” and/or “matching shares”) in the market. In the case of a subscription for shares, the subscription price may be the nominal value of an ordinary share.

Limits on the Issue of Shares and Amendments

The SIP is subject to the limits set out below on the number of shares that may be acquired by subscription. In any ten calendar years not more than 10% of the issued ordinary share capital of the Company may be issued or issuable pursuant to the rights acquired under the SIP or any other employees’ share scheme adopted by the Company.

No alteration may be made to the SIP terms relating to eligibility, plan limits and the basis for determining a participant’s entitlement to, and the terms of, the ordinary shares provided under the SIP to the advantage of participants without the prior approval of shareholders.

The Company may extend the SIP overseas provided the basic principles of the SIP are maintained and the limits on participation including the overall plan limit are preserved.

Rights attaching to Shares

Ordinary shares allotted under the SIP will rank equally with all other shares of the Company for the time being in issue and the Company will apply for admission of any new share issued under the SIP to the London Stock Exchange or any other relevant exchange on which the shares are listed. If a general offer is made to shareholders of the Company or there is a scheme of arrangement on a rights or capitalisation issue or other variation of the Company’s share capital, participants will be able to instruct the trustee how to act or vote on their behalf.

This summary does not form part of the rules of the SIP and should not be taken as affecting the interpretation of its detailed terms and conditions.

Authority to operate the SIP

If approved by the shareholders at the AGM, Royal Mail will be able to continue to operate the SIP for a further ten-year period, from the date of such approval.

Appendix B

Summary of the principal differences between the current articles and the new articles

Directors

Rotational retirement – The new articles do not contain any of the provisions in the current articles relating to the “rotational” retirement of the Company’s Directors at annual general meetings. In view of the Company’s current practice (and in line with the recommendations of the UK Corporate Governance Code) that all Directors stand for re-election at each annual general meeting, new article 81 provides that at each annual general meeting every person who is a Director on a specific date selected by the Board in relation to that meeting shall retire from office and may stand for re-appointment by the shareholders.

Shortfall in Directors – The current articles provide that in unlikely circumstances where there are no Directors able or willing to act, any two shareholders may summon a general meeting for the purposes of appointing Directors. New article 107(B) provides that such right can only be exercised by a shareholder or shareholders holding at least ten per cent. of all ordinary shares in issue at the time.

Share capital

Untraced shareholders – The current articles allow the Company to sell the certificated shares of untraced shareholders, subject to certain conditions having been met. Whereas the current articles require the Company to give notice of its intention to sell any untraced shares by advertisement in UK national and local newspapers, the new articles (new article 40(A)) require the Board instead to make tracing enquiries which it considers “reasonable and appropriate in the circumstances” and that any notice of the Company’s intention to sell such shares is sent to the shareholder at his or her registered or last known address. The new articles also provide that no communication received by the Company in relation to any untraced shares more than three months after notice of the Company’s intention to sell such shares is sent will prevent the Company from selling those shares in accordance with the articles.

Dividends

Payment procedure – In line with guidance published by The Registrars’ Group, the new articles update the provisions of the current articles that relate to the way dividends are paid. The new articles confirm the existing flexibility under the current articles to allow the payment of dividends by different methods (including by cheque, by bank transfer or by other means).

The new articles additionally permit the Board to decide which payment method is to be used on any particular occasion. New article 121(D) provides that the Board may: (i) specify one or more payment methods to be used and allow shareholders to elect one of those payment methods; (ii) specify one or more payment methods to be used as a default method of payment unless shareholders elect otherwise as the Board may permit; or (iii) specify one or more payment methods to be used without offering shareholders any option to elect otherwise. New article 121(E) also allows the Board to treat a dividend as “unclaimed” if any details (such as an address or account number) that are necessary to pay a dividend in any manner stipulated by the Board or elected by the shareholder are not provided.

Scrip dividends – The current articles permit an authority to offer a scrip dividend to last for a period up to five years from the date of the authority. This is inconsistent with guidance on the renewal of scrip authorities issued by the Investment Association which provides that any authority should be renewed at least every three years. The reference to such five-year period has, therefore, been amended in the new articles (new article 125).

General Meetings

Format of general meetings – The new articles expressly provide that the Company may hold ‘hybrid’ general meetings (including annual general meetings) in such a way that enables shareholders to attend and participate in the business of the meeting by attending a physical location or by attending electronically (new article 51). The new articles do not permit the Company to hold general meetings wholly by electronic means, so a physical meeting will still be required. This change is considered desirable to provide the Board formally with the flexibility to align with advances in general meeting technology and to reflect the Company’s recent practice in permitting electronic attendance and participation at general meetings. In addition to providing for ‘hybrid’ meetings, the new articles also expressly permit the Company to hold general meetings at more than one physical location. The new articles contain a number of consequential changes to enable ‘hybrid’ meetings, including:

- **Voting** – The new articles provide that voting on resolutions at a ‘hybrid’ general meeting shall, unless the chair of the meeting directs otherwise, be decided on a poll (new article 63).
- **Adjournment** – The new articles clarify and expand the circumstances when the chair of the meeting can adjourn a meeting without the consent of those present (new article 58(A)). This now includes, among other matters, where it appears that the facilities at the meeting place (including any electronic facilities) have become inadequate for the purpose of enabling shareholders to participate in the meeting. This covers any failure in technology.
- **Rearranged meetings** – The current articles permit the Board to rearrange the time, date and/or place of general meetings in certain circumstances. The new articles extend these circumstances, including to cover situations where the chair of the meeting would otherwise have to adjourn a meeting to modify any arrangements for attendance and participation (including electronically and at more than one physical location) (new article 50(A)). The Company must ensure that any such changes are published via a Regulatory Information Service.

- **Document inspection** – The new articles enable the Board to make arrangements for any documents which are required to be put on display or to be made available for inspection at a general meeting to be accessible electronically to all persons entitled to inspect them (new article 51(E)).
- **Security arrangements** – The new articles enhance the Company’s ability to make security arrangements or impose restrictions in relation to a general meeting (new article 54). This includes arrangements to ensure the identification of those participating in a meeting electronically and the security of the electronic communications.
- **Validity of proceedings** – The new articles extend the provisions of the current articles to provide that the inability of any person to attend, for any reason, any meeting place and/or participate in the meeting electronically shall not invalidate the proceedings at that meeting (new article 49).

Other changes

General – Provisions have been updated in the new articles to reflect changes in terminology under the Companies Act 2006, and to reflect modern practices around the use of gender terms.

Royal Mail plc

Notice of Annual General Meeting 2022

Wednesday 20 July 2022 at 11.00
Park Inn by Radisson York City Centre
North Street
York
YO1 6JF